

1 **SENATE FLOOR VERSION**

2 April 7, 2016

3 ENGROSSED HOUSE
4 BILL NO. 3116

By: Martin of the House

and

Smalley of the Senate

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8 An Act relating to environment and natural resources;
9 amending Section 1, Chapter 212, O.S.L. 2012, as
10 amended by Section 1, Chapter 81, O.S.L. 2015 (27A
11 O.S. Supp. 2015, Section 3-4-106.1), which relates to
12 the Oklahoma State Facilities Energy Conservation
13 Program; modifying authority of the Director of the
14 Office of State Finance to determine compliance of
15 certain programs; and declaring an emergency.

16 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17 SECTION 1. AMENDATORY Section 1, Chapter 212, O.S.L.
18 2012, as amended by Section 1, Chapter 81, O.S.L. 2015 (27A O.S.
19 Supp. 2015, Section 3-4-106.1), is amended to read as follows:

20 Section 3-4-106.1 A. There is hereby created the Oklahoma
21 State Facilities Energy Conservation Program.

22 B. As used in this section:

23 1. "State agency" means any office, officer, bureau, board,
24 commission, counsel, unit, division, body, authority or institution
of the executive branch of state government, whether elected or
appointed and shall include institutions within The Oklahoma State

1 System of Higher Education. Technology Center School Districts
2 shall not be subject to the provisions of this act but are
3 encouraged to implement local district energy conservation efforts
4 as approved by the local technology center board;

5 2. "State facilities" or "facilities" means buildings or assets
6 owned or operated by a state agency which ~~has~~ have a heating,
7 ventilation, or air conditioning system or utility services;

8 3. "Program" means the Oklahoma State Facilities Energy
9 Conservation Program;

10 4. "Director" means the Director of the Office of State
11 Finance; and

12 5. "IPMVP" means the International Performance Measurement and
13 Verification Protocol.

14 C. All state facilities shall be subject to the provisions of
15 the Oklahoma State Facilities Energy Conservation Program. The
16 Director of the Office of State Finance, or a designee selected by
17 the Director, shall oversee the development and implementation of
18 the Program, including the selection of the most qualified vendor or
19 vendors by utilizing a request for proposal to contract for the
20 development and implementation of an organizational behavior-based
21 or performance-based energy conservation program.

22 D. The objectives and scope of the Program and the request for
23 proposal shall be to:

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- 1 1. Promote a centralized effort to gather information
2 pertaining to energy use in state facilities and designate
3 knowledgeable personnel to prioritize projects and make
4 recommendations for conservation implementation;
- 5 2. Benchmark state facilities energy usage prior to
6 implementation of the Program and measure energy conservation
7 savings utilizing commercially available energy accounting software
8 that adheres to the IPMVP;
- 9 3. Target a cumulative energy savings of not less than twenty
10 percent (20%) by the year 2020 when compared to the 2012 fiscal year
11 utility expenditures. The express purpose of the targeted energy
12 savings shall be to capitalize on opportunities for organizational
13 behavior-based or performance-based energy conservation efforts and
14 existing equipment and building optimization while maintaining or
15 improving the operational environment during times when facilities
16 are occupied;
- 17 4. When reasonably feasible, consider working with local
18 utilities in implementing energy reduction efforts and to utilize
19 utility demand side management and energy efficiency programs to
20 further capture energy efficiency potential;
- 21 5. Provide an annual reconciliation of the costs versus the
22 savings resulting from the Program as determined by the Director
23 utilizing the selected energy accounting software;

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1 6. Fully fund the Program within existing state agency budgets
2 through savings generated by reducing energy costs;

3 7. Endeavor to utilize, when reasonably possible, existing
4 personnel to implement the Program at state facilities, provided
5 that compensation costs for additional personnel or additional
6 compensation costs for existing personnel dedicated exclusively to
7 implementation of the Program shall be funded from the savings
8 generated by the Program;

9 8. Include implementation of a formalized organizational
10 behavior-based or performance-based energy conservation program;

11 9. Evaluate existing facility energy accounting systems and
12 determine if the existing systems or a commercially available energy
13 accounting software program will be utilized to measure savings from
14 the Program in a way that adheres to the IPMVP;

15 10. Seek to obtain ENERGY STAR recognition for facilities that
16 comply with the necessary requirements as established by the United
17 States Environmental Protection Agency;

18 11. Provide for an initial fee-free period of not less than
19 twelve (12) months during which foundational elements of the Program
20 are established and energy savings are generated before any fee
21 payments are due to a selected vendor; and

22 12. Provide for free ongoing support from the vendor beyond the
23 initial term of the Program, if the state substantially continues
24 implementation of the Program.

1 E. Upon implementation of the Program, all state agencies shall
2 input historical utility cost data into an IPMVP-adherent energy
3 accounting software database on a monthly basis and shall deliver an
4 annual report on the progress and cost savings of the Program to the
5 Director within ninety (90) days after the end of each fiscal year.

6 F. ~~The~~ Upon notification by a state agency, the Director shall
7 consider any organizational behavior-based or performance-based
8 energy conservation programs under contract with a state agency
9 prior to August 24, 2012, ~~and determine if the contract complies to~~
10 be in compliance with the provisions of this section.

11 G. Compliance with the Program shall not prohibit any state
12 agency from entering into a performance-based efficiency contract
13 for capital improvements pursuant to Section 318 of Title 62 of the
14 Oklahoma Statutes. The Director is authorized to work with state
15 agencies to develop a separate statewide plan for capital
16 improvements for performance-based efficiency contracts pursuant to
17 the provisions of Section 318 of Title 62 of the Oklahoma Statutes.

18 SECTION 2. It being immediately necessary for the preservation
19 of the public peace, health and safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

22 COMMITTEE REPORT BY: COMMITTEE ON ENERGY
23 April 7, 2016 - DO PASS
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