

SENATE BILL 906

By Burks

AN ACT to amend Tennessee Code Annotated, Title 4,
relative to state buildings.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 15, is amended by adding the following language as a new section thereto:

4-15-1__.

(a) Where deemed appropriate for a particular project by the department or agency responsible, the following procedure may be used to implement energy conservation techniques for state building commission projects:

(1) At the design development stage of a state building commission project, the designer shall provide to the state the following information:

(A) Estimated yearly BTU consumption of the project;

(B) Basis for the estimate, such as degree days and other relevant data and measurement; and

(C) A description of the alternatives considered to reduce projected energy consumption for the project such as orientation of the project, thermal envelope design, lighting, high efficiency 1-VAC systems, and ease of retrofitting for renewable energy generation;

(2)

(A) A public advertisement will be made at the completion of the design development stage advising the contracting industry of the proposal and date of the bid opening for the project, when final plans and specifications are complete;

(B) In this advertisement, prospective bidders will be notified that the state intends to consider alternative designs as proposed by any bidder which the bidder believes would reduce the estimated energy consumption of the project from that determined by the designer's estimate. Beginning with the time of the advertisement design development phase, documents will be made available to prospective bidders for the cost of printing and postage;

(3) Any contractor will be given the option to propose alternative heating, ventilation, and air conditioning systems and other energy related design changes coupled with calculations of BTU consumption reductions. Based upon the same assumptions, data and estimates use by the original designers, these calculations and consumption estimates, along with the detailed design changes, shall be submitted with the proposing contractor's bid;

(4) The contractor's bid, for purposes of establishing the low bidder only, will be reduced by the energy savings deduction amount based upon the estimated savings according to a formula which recognizes the present value of projected savings in the first ten (10) years of operation of the project, taking into account projected increases in the cost of energy;

(5) In the event the low bidder is established solely on the basis of utilizing the energy savings deduction amount, the contractor must provide a bond to the state in the amount of the savings for a period of three (3) years that will ensure penalty payments if BTU consumption exceeds the amount estimated by the low bidder as the yearly consumption; and

(6) A penalty will be assessed annually against the successful contractor in the amount of the actual cost of the BTU consumption that is in excess of the

estimate provided by the successful bidder. This penalty will not be assessed if the state significantly changes function or usage of the project.

(b) The state building commission shall report to the general assembly on February 5, 2011, on the implementation and results from the application of this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.