GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

H 2

HOUSE BILL 1272* Committee Substitute Favorable 4/24/01

Short Title	le: Energy Conservation/Pilot Program.	(Public)
Sponsors:	:	
Referred t	to:	
	April 12, 2001	
ANAI MAIN THE I THES THE PERFO	A BILL TO BE ENTITLED T REQUIRING STATE AGENCIES TO USE LIFTLYSIS FOR THE DESIGN, CONSTRUCTION OF STATE FACIL PURCHASE, OPERATION, AND MAINTENANCE OF DESIGN OF THE TRIANGLE J COUNCIL OF GOVER ORMANCE GUIDELINES IN THE RENOVATION OR TATE FACILITIES. SECTION 1. G.S. 143-64.10(a) reads as rewritten:	N, OPERATION, LITIES AND FOR EQUIPMENT FOR RAM TO REVIEW RNMENTS' HIGH
"(a)	The General Assembly hereby finds:	
	(1) That the State shouldshall take a leadership roundertaking energy conservation in North Carolina;	
	(2) That State facilities have a significant impa consumption of energy;	
	(3) That energy conservation practices adopted construction, operation, maintenance, and renovation and for the purchase, operation, and maintenance these facilities will have a beneficial effect on supply of energy;	on of these facilities e of equipment for
	(4) That the cost of the energy consumed by these equipment for these facilities over the life of the factorisidered, in addition to the initial cost;	
	(5) That the cost of energy is significant and facility take into consideration the total life-cycle cost, i construction cost, and the cost, over the economic lift the energy consumed, and of operation and maintenas it affects energy consumption; and	ncluding the initial ife of the facility, of

(6) That State government shouldshall undertake a program to reduce energy use in State facilities and equipment in those facilities in order to provide its citizens with an example of energy-use efficiency."

SECTION 2. G.S. 143-64.11(2a) reads as rewritten:

"For purposes of this Article:

5 6 7

(2a) "Energy Division" Energy Office' means the State Energy Division Office of the Department of Commerce. Administration.

8 9 10

11

12

13

14 15

16

17

18

19 20

21

22

2324

25

26

27

28

29

30

31 32

33

34 35

36 37

38

39

40 41

42

SECTION 3. G.S. 143-64.12 reads as rewritten:

"§ 143-64.12. Authority and duties of State agencies.

- (a) The General Assembly authorizes and directs that State agencies shall carry out the construction and renovation of State facilities, under their jurisdiction in such a manner as to further the policy declared herein, insuring thatensuring the use of life-cycle cost analyses and energy-conservation practices are considered and are employed whenever feasible and practicable.practices.
- The Department of Administration shall, to the extent feasible and practicable, shall develop and implement policies, procedures, and standards to ensure that State purchasing practices improve energy efficiency and take the cost of the product over the economic life of the product into consideration. The Department of Administration shall adopt and implement Building Energy Design Guidelines. These guidelines shall include energy-use goals and standards, economic assumptions for life-cycle cost analysis, and other criteria on building systems and technologies. The Department of Administration shall modify the design criteria for construction and renovation of facilities to require that a life-cycle cost analysis be conducted pursuant to G.S. 143-64.15. The Department of Administration, as part of the Facilities Condition and Assessment Program, shall identify and recommend energy conservation maintenance and operating procedures that are designed to reduce energy consumption within the facility and that require no significant expenditure of funds. State departments, institutions, or agencies shall implement these recommendations. Where energy management equipment is proposed for State facilities, the maximum interchangeability and compatibility of equipment components shall be required.

The Department of Administration shall develop a comprehensive energy management program for State government. Each State agency shall develop and implement an energy management plan that is consistent with the State's comprehensive energy management program.

- (c) through (g) Repealed by Session Laws 1993, c. 334, s. 4." **SECTION 4.** G.S. 143-64.15(c) reads as rewritten:
- "(c) The General Assembly encourages anyrequires each entity to conduct a life-cycle cost analysis pursuant to this section for the construction of any State-assisted facility or the renovation of any State-assisted facility of 40,000 or more gross square feet."

1 2

SECTION 5. G.S. 143-64.15(f) reads as rewritten:

"(f) Selection of the optimum system or combination of systems to be incorporated into the design of the facility shall take into consideration the life-cycle cost analysis over the economic life of the facility. Each State agency shall use the life-cycle cost analysis over the economic life of the facility in selecting the optimum system or combination of systems to be incorporated into the design of the facility."

SECTION 6. Part 1 of Article 3B of Chapter 143 of the General Statutes is amended by adding a new section to read:

"§ 143-64.15A. Certification of life-cycle cost analysis.

All State agencies performing a life-cycle cost analysis for the purpose of constructing or renovating any State facility shall, before selecting a design option or advertising for bids for construction, submit the life-cycle cost analysis to the Department of Administration for certification. The Department shall review the material submitted by the State agency, reserve the right to require agencies to complete additional analysis to comply with certification, and perform any additional analysis, as necessary, to comply with G.S. 143-341(11)."

SECTION 7.(a) Triangle J Guidelines Pilot Program. – The General Assembly recognizes the State's need to understand how energy conservation measures are utilized in the construction or renovation of State facilities and how these measures benefit the State through cost savings and the protection of our natural resources. The General Assembly promotes the use of the Triangle J Council of Governments' High Performance Guidelines to achieve these goals and encourages any State entity to rate itself in accordance with these guidelines for the design, construction, operation, maintenance, or renovation of any State-assisted or State-owned facility.

SECTION 7.(b) To accomplish the goals described in Section 7(a) of this act, the Department of Administration shall implement a pilot program to review the use of the Triangle J Guidelines in projects for the renovation or construction of State facilities.

The Board of Governors of The University of North Carolina shall select at least four projects to participate in the pilot program, and the State Board of Community Colleges and the Office of State Budget, Planning, and Management shall select at least three projects to participate in the program. One-third of the projects participating in this program shall be projects for the repair or renovation of a State facility, and the remaining projects shall be projects for the construction of State facilities.

SECTION 7.(c) The Department of Administration shall oversee the pilot program, and each entity involved shall submit all applicable information to the Department as it deems necessary, including compiling and submitting energy usage and cost data. The program shall include a one-year postoccupancy evaluation that shall be included as part of the evaluation of the Triangle J Guidelines for each facility. The entities participating in this program shall explore the concept of a "sustainably designed facility" in assessing the use of the Triangle J Guidelines for these projects. For purposes of this section, "sustainably designed facility" means a building and

surrounding environs designed using features that are energy efficient, incorporate reusable and renewable resources, provide natural lighting, are nontoxic, require low maintenance, are congruent with the natural characteristics of the site, and cause minimum adverse impact to the environment as enacted in Section 2(11) of S.L. 2000-143.

SECTION 7.(d) The Department of Administration shall submit an interim report on the implementation of this program to the Senate and House of Representatives' Chairs of the Appropriations Committees, Chairs of General Government Appropriations Subcommittee, and the Joint Legislative Commission on Governmental Operations not later than December 15, 2002. The report shall discuss the benefits of using the Triangle J Guidelines and make recommendations regarding the use of the Triangle J Guidelines in the projects participating in the program and other projects. The Department of Administration shall submit a final report to the Senate and House of Representatives' Chairs of the Appropriations Committees, Chairs of General Government Appropriations Subcommittee, and the Joint Legislative Commission on Governmental Operations not later than 18 months after completion of the last project participating in this program, if practicable.

SECTION 7.(e) This act shall not be construed to obligate the General Assembly to appropriate funds to implement the Triangle J Guidelines pilot program.

SECTION 8. This act becomes effective July 1, 2001.