

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 53rd Legislature

4 ENGROSSED SENATE  
5 BILL NO. 1096

By: Bingman of the Senate

6 and

7 Martin (Scott) of the House

8  
9  
10 An Act relating to energy; creating the Oklahoma  
11 State Facilities Energy Conservation Program;  
12 defining terms; stating application of the Program;  
13 requiring the Director of the Office of State Finance  
14 to oversee the Program; providing for selection of a  
15 vendor; stating objectives and scope of the Program;  
16 directing state agencies to input historical utility  
17 cost data and make certain reports; requiring the  
18 Director to consider certain contracts; stating  
19 impact of compliance with the Program on certain  
20 contracts; authorizing the Director to develop a plan  
21 for state-wide performance-based efficiency  
22 contracts; repealing 27A O.S. 2011, Section 3-4-106,  
23 which relates to energy efficiency and conservation  
24 plans; providing for codification; providing an  
effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 3-4-106.1 of Title 27A, unless  
there is created a duplication in numbering, reads as follows:

1 A. There is hereby created the Oklahoma State Facilities Energy  
2 Conservation Program.

3 B. As used in this section:

4 1. "State agency" means any office, officer, bureau, board,  
5 commission, counsel, unit, division, body, authority or institution  
6 of the executive branch of state government, whether elected or  
7 appointed and shall include institutions within The Oklahoma State  
8 System of Higher Education and technology center school districts;

9 2. "State facilities" or "facilities" means buildings or assets  
10 owned or operated by a state agency which has a heating,  
11 ventilation, or air conditioning system or utility services;

12 3. "Program" means the Oklahoma State Facilities Energy  
13 Conservation Program;

14 4. "Director" means the Director of the Office of State  
15 Finance; and

16 5. "IPMVP" means the International Performance Measurement and  
17 Verification Protocol.

18 C. All state facilities shall be subject to the provisions of  
19 the Oklahoma State Facilities Energy Conservation Program. The  
20 Director of the Office of State Finance, or a designee selected by  
21 the Director, shall oversee the development and implementation of  
22 the Program, including the selection of the most qualified vendor or  
23 vendors by utilizing a request for proposal to contract for the  
24

1 development and implementation of an organizational behavior-based  
2 energy conservation program.

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

5 1. Promote a centralized effort to gather information  
6 pertaining to energy use in state facilities and designate  
7 knowledgeable personnel to prioritize projects and make  
8 recommendations for conservation implementation;

9 2. Benchmark state facilities energy usage prior to  
10 implementation of the Program and measure energy conservation  
11 savings utilizing commercially available energy accounting software  
12 that adheres to the IPMVP;

13 3. Target a cumulative energy savings of not less than twenty  
14 percent (20%) by the year 2020 when compared to the 2012 fiscal year  
15 utility expenditures. The express purpose of the targeted energy  
16 savings shall be to capitalize on opportunities for organizational  
17 behavior-based energy conservation efforts and existing equipment  
18 and building optimization while maintaining or improving the  
19 operational environment during times when facilities are occupied;

20 4. When reasonably feasible, consider working with local  
21 utilities in implementing energy reduction efforts and to utilize  
22 utility demand side management and energy efficiency programs to  
23 further capture energy efficiency potential;

24

1 5. Provide an annual reconciliation of the costs versus the  
2 savings resulting from the Program as determined by the Director  
3 utilizing the selected energy accounting software;

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

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

12 8. Include implementation of a formalized organizational  
13 behavior-based energy conservation program;

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

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

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

1 12. Provide for free ongoing support from the vendor beyond the  
2 initial term of the Program, if the state substantially continues  
3 implementation of the Program.

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

9 F. The Director shall consider any organizational behavior-  
10 based energy conservation programs under contract with a state  
11 agency prior to the effective date of this act and determine if the  
12 contract complies with the provisions of this section.

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

20 SECTION 2. REPEALER 27A O.S. 2011, Section 3-4-106, is  
21 hereby repealed.

22 SECTION 3. This act shall become effective July 1, 2012.

23 SECTION 4. It being immediately necessary for the preservation  
24 of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

3

4 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND UTILITY REGULATION,  
5 dated 03/27/2012 - DO PASS.

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24