

**SENATE BILL NO. 190**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

**BY SENATOR BEGICH**

**Introduced: 2/19/18**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the retrofitting of certain public facilities and community facilities;**  
2 **relating to the performance of energy audits on schools and community facilities; and**  
3 **relating to the duties of the Alaska Energy Authority and the Alaska Housing Finance**  
4 **Corporation."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
7 to read:

8 LEGISLATIVE INTENT. It is the goal of this legislation that the state, by 2025, enter  
9 into energy service performance contracts valued at \$100,000,000 to retrofit public facilities,  
10 public buildings, and public school buildings in a manner that will result in a net savings in  
11 energy costs to the state within 15 years after completion of the retrofits. It is the intent of the  
12 legislature that those entities be able to capitalize on the abundant cost-saving potential  
13 afforded by energy efficiency upgrades, while avoiding an upfront cost to the state, that will  
14 ultimately result in reduced costs to building owners, the state, and the power cost  
15 equalization program established under AS 42.45.100 - 42.45.150.

1 \* **Sec. 2.** AS 18.56 is amended by adding a new section to article 6 to read:

2 **Sec. 18.56.865. Energy audits of community facilities.** If requested by the  
3 Alaska Energy Authority, the corporation shall coordinate with the Alaska Energy  
4 Authority to perform energy audits of community facilities under AS 44.83.088.

5 \* **Sec. 3.** AS 42.45.110 is amended by adding a new subsection to read:

6 (j) The owner or operator of a community facility of over 5,000 square feet for  
7 which a utility is entitled to receive power cost equalization under (b) of this section  
8 for sales of power to that community facility may allow the Alaska Energy Authority,  
9 the Alaska Housing Finance Corporation, or the Department of Transportation and  
10 Public Facilities to

11 (1) perform an energy audit of the community facility under  
12 AS 44.42.065(a);

13 (2) retrofit the community facility under AS 44.42.067(a).

14 \* **Sec. 4.** AS 44.42.065(a) is amended to read:

15 (a) The department shall, at least once every seven years, perform an energy  
16 audit of each public building **and public school building**.

17 \* **Sec. 5.** AS 44.42.065(c) is amended to read:

18 (c) In this section,

19 **(1)** "energy audit" means a determination of

20 [(1)] the energy

21 **(A)** consumption characteristics of a building, including the  
22 size, type, and rate of energy consumption of major energy-consuming systems  
23 of the building and the climate characterizing the region where the building is  
24 located; and

25 **(B)** [(2) A DETERMINATION OF THE ENERGY]  
26 conservation and cost savings likely to result from appropriate energy-  
27 conserving maintenance and operating procedures and modifications, including  
28 the purchase and installation of energy-related fixtures;

29 **(2) "public school" has the meaning given in AS 14.25.220, but**  
30 **does not include a charter school as defined in AS 14.03.290.**

31 \* **Sec. 6.** AS 44.42.065 is amended by adding a new subsection to read:

1 (d) The department shall, if requested by the Alaska Energy Authority,  
 2 coordinate with the Alaska Energy Authority to perform energy audits of community  
 3 facilities under AS 44.83.088.

4 \* **Sec. 7.** AS 44.42.067(a) is amended to read:

5 (a) Not later than **January 1, 2025** [JANUARY 1, 2020], the department shall  
 6 work with other state agencies to retrofit at least 25 percent of all public facilities,  
 7 starting with those it determines are the least energy efficient, if the department  
 8 determines that retrofitting the public facilities will result in a net savings in energy  
 9 costs to the state within 15 years after completion of the retrofits for a public facility  
 10 and if funding for the retrofits is available.

11 \* **Sec. 8.** AS 44.42.067(e) is amended to read:

12 (e) In this section, "public facility" means a facility owned and controlled by  
 13 the state for **governmental, educational,** [GOVERNMENT] or public use that is  
 14 **5,000** [10,000] square feet or more and is not a legislative building or court building.

15 \* **Sec. 9.** AS 44.83 is amended by adding a new section to read:

16 **Sec. 44.83.088. Energy audits.** (a) The authority shall coordinate with the  
 17 Department of Transportation and Public Facilities and the Alaska Housing Finance  
 18 Corporation, if appropriate, at least once every seven years, to perform an energy audit  
 19 on each community facility for which a utility receives power cost equalization under  
 20 AS 42.45.110(b). The requirement under this section may be waived for a community  
 21 facility that refuses an energy audit.

22 (b) The authority shall include in each energy audit required by (a) of this  
 23 section recommendations for the corrective measures described in AS 44.42.065(b).

24 (c) The authority shall work with an owner or operator of a community facility  
 25 for which a utility receives power cost equalization under AS 42.45.110(b) to identify  
 26 state, federal, or other grant or loan programs, or to coordinate energy service  
 27 performance contracts, to fund energy audits or retrofits.

28 (d) In this section, "energy audit" has the meaning given in AS 44.42.065(c).