

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: SB 190
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB190-DOT-HAF-4-10-18
Title: ENERGY EFFICIENCY OF PUBLIC BUILDINGS
Sponsor: BEGICH
Requester: Senate State Affairs

Department: Department of Transportation and Public Facilities
Appropriation: Highways, Aviation and Facilities
Allocation: Facilities Services
OMB Component Number: 3195

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services	459.6		459.6	459.6	459.6	459.6	459.6
Travel	120.0		120.0	120.0	120.0	120.0	120.0
Services	2,162.0		2,162.0	2,162.0	2,162.0	2,162.0	2,162.0
Commodities	30.0						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	2,771.6	0.0	2,741.6	2,741.6	2,741.6	2,741.6	2,741.6

Fund Source (Operating Only)

1004 Gen Fund (UGF)	621.6		591.6	591.6	591.6	591.6	591.6
1007 I/A Rcpts (Other)	2,150.0		2,150.0	2,150.0	2,150.0	2,150.0	2,150.0
Total	2,771.6	0.0	2,741.6	2,741.6	2,741.6	2,741.6	2,741.6

Positions

Full-time	4.0		4.0	4.0	4.0	4.0	4.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Original version.

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Division:	Commissioner's Office	Date:	04/10/2018 10:45 AM
Approved By:	Amanda Holland	Date:	04/10/18
Agency:	DOT&PF		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. SB 190

Analysis

This proposal increases the requirement for the department to carry out energy efficiency retrofits to 25% of all public facilities by reducing the building size criteria from 10,000 square feet to 5,000 square feet. It expands the definition of public facilities to include governmental, education and public use buildings, 5,000 square feet or more, that are owned and controlled by the state. Additionally, it increases the requirement for DOT&PF to perform energy audits on each public building and public school building at least once every seven years.

Description of work required by this proposal

Energy Audits (Section 4): The department estimates approximately 430 buildings per year will need to receive energy audits in order for all public buildings to receive audits every seven years. It is estimated that approximately \$2,150.0 (\$5.0 per building) per year will be needed to conduct the energy audits. It is assumed these audits will be financed through the Alaska Housing Finance Corporation's Alaska Energy Efficiency Revolving Loan Program. Consultants will be utilized for the majority of the energy audit work.

Energy Efficiency Retrofits (Sections 1, 7, 8): The department estimates approximately 15 public facilities per year, as defined in the bill, will need energy efficiency retrofits in order to meet the goal of having 25% of public facilities completed by 2025. Approximately \$15M per year will need to be awarded in Energy Savings Performance Contracts to meet the goal of achieving \$100M in retrofits by 2025. Funding for these contracts is contingent upon legislative capital budget appropriations.

Assumptions used in this fiscal analysis

Energy Audits:

3,000 Public Buildings: approximately 2,500 executive branch and University and approximately 500 schools
Energy Audits: \$5.0 per building x 430 buildings = **\$2,150.0 (on-going)**

Energy Efficiency Retrofits:

Travel: 60 site visits per year x \$2.0 per trip = **\$120.0 (on-going)**
1st year Commodity costs: \$7.5 x 4 positions = **\$30.0 (one-time)**
On-going Core Services: \$3.0 x 4 positions = **\$12.0 (on-going)**

Four additional positions are required to achieve the above goals.

Two Engineering/Architect II positions (Range 23)

- \$127.9 x 2 = **\$255.8 (on-going)**

These positions would initiate, manage and oversee the energy efficiency retrofits at the public buildings as well as manage the energy savings performance contracts.

Two Engineering/Assistant II positions (Range 19)

- \$101.9 x 2 = **\$203.8 (on-going)**

These positions would provide on-site construction management for the individual energy efficiency retrofits as well as management of the annual energy audit efforts.

Total year one: \$2,771.6

Total on-going: \$2,741.6