

**SENATE BILL NO. 121**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY THE SENATE RESOURCES COMMITTEE**

**Introduced: 2/20/09**

**Referred: Resources, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to energy efficiency for public facilities with the intent of reducing state**  
2 **operating costs."**

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

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

6 PURPOSE. The purpose of this Act is to reduce the amount of energy consumed by  
7 public facilities between 2000 and 2020 by 20 percent before January 1, 2021, thereby  
8 reducing costs to the state and increasing jobs in energy efficiency industries.

9 \* **Sec. 2.** AS 44.42 is amended by adding a new section to read:

10 **Sec. 44.42.067. Retrofits; performance contracting for energy efficiency.**

11 (a) In addition to its obligation under AS 44.42.065, the department shall retrofit all  
12 heated public facilities listed in the energy use index described in AS 44.83.955.

13 (b) In carrying out the duty under (a) of this section, the department may, if no  
14 other funding for a project is available

1 (1) enter into an energy performance contract; and  
 2 (2) administer a performance contract for a public facility by  
 3 contracting with an energy service company that is a member of the National  
 4 Association of Energy Service Companies.

5 (c) If the department uses an energy performance contract under (b) of this  
 6 section for a project retrofitting a heated public facility, the contract may also include  
 7 capital improvements not related to energy retrofitting.

8 (d) The department shall manage its duties under (a) of this section so that a  
 9 retrofitting project for a heated public facility is completed within 10 years after the  
 10 effective date of this Act.

11 (e) In this section,

12 (1) "performance contract" means an agreement for the provision of  
 13 energy services and equipment in which a private entity agrees to finance, design,  
 14 construct, install, maintain, operate, or manage energy systems or equipment to  
 15 improve the energy efficiency of, or produce energy for, a facility in exchange for a  
 16 portion of the cost savings, lease payments, or specified revenue, and by which the  
 17 level of payments is made contingent on verified energy savings, energy production,  
 18 avoided maintenance, avoided energy equipment replacement, or any combination of  
 19 verified energy savings, energy production, avoided maintenance, or avoided energy  
 20 equipment replacement;

21 (2) "public facility" means a facility owned or controlled and held by  
 22 the state for government or public use.

23 \* **Sec. 3.** AS 44.83 is amended by adding a new section to read:

24 **Sec. 44.83.955. Energy use index.** (a) The authority shall

25 (1) establish an energy use index for all heated public facilities to  
 26 monitor baseline energy consumption data and energy efficiency data;

27 (2) prepare and maintain an energy use index database for each heated  
 28 public facility evaluated and of the energy information collected; and

29 (3) adopt regulations establishing the criteria to be used in determining  
 30 the energy use index described in (1) of this subsection.

31 (b) In this section, "public facility" means a facility owned or controlled and

1 held by the state for government or public use.

2 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
3 read:

4 ENERGY USE INDEX DATABASE. The Alaska Energy Authority shall establish  
5 the energy use index database described in AS 44.83.955, added by sec. 3 of this Act, not later  
6 than six months after the effective date of this Act.

7 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
8 read:

9 ENERGY PERFORMANCE REPORT. Not later than January 31 of each of the three  
10 years following the effective date of this Act, the Alaska Energy Authority shall submit to the  
11 legislature an energy performance report detailing the effectiveness of the energy efficiency  
12 measures provided for in this Act.