

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2197
Page 31 Section Lines 15 1/2
Of the printed Bill
Of the Engrossed Bill

By inserting the following language:

“(INSERT ATTACHED)”

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Brian Renegar

Adopted: _____

Reading Clerk

1 "SECTION ____ AMENDATORY 62 O.S. 2011, Section 318, is
2 amended to read as follows:

3 Section 318. A. For purposes of this section:

4 1. "Public entity" means any political subdivision of this
5 state, or a public trust which has as a beneficiary a political
6 subdivision of this state, or any institution of higher education
7 which is part of The Oklahoma State System of Higher Education;

8 2. "Performance-based efficiency contract" means a contract for
9 the design, development, financing, installation and service of any
10 improvement, repair, alteration or betterment of any building ~~or~~,
11 facility or municipal utility system, which is owned, operated or
12 planned by a public entity; or any equipment, fixture or furnishing
13 to be added to or used in any such building ~~or~~, facility or
14 municipal utility system; or any maintenance or operational strategy
15 that is designed and implemented ~~that will~~ to reduce utility
16 consumption ~~or~~, lower operating costs, increase efficiency of
17 municipal utility systems and associated billable revenue, or avoid
18 capital costs or capital outlay, in which such estimated efficiency
19 gains, resulting from the measures are designed to offset the cost
20 of the energy efficiency or water conservation or usage measures
21 over a term of not to exceed twenty (20) years or the useful life of
22 the measures, and may include, but is not limited to, one or more of
23 the following:

24 a. utility services,

- b. heating, ventilating or air conditioning system modifications or replacements and automated control systems,
- c. replacement or modifications of lighting fixtures,
- d. indoor air quality improvements to increase air quality that conform to the applicable state or local building code requirements when done in conjunction with other cost-saving measures,
- e. any additional building infrastructure improvement, cost saving, life safety or any other improvement that provides long-term operating cost reductions and is in compliance with state and local codes, ~~or~~
- f. any facility operation and support programs that reduce operating cost; ~~and,~~
- g. metering-related equipment or systems that improve the accuracy of billable-revenue-generation systems of a municipal utility system, or
- h. automated or electronically controlled systems or measures that reduce operating costs;

3. "Qualified provider" means a person or business experienced or trained in the design, analysis and installation of energy conservation and facility management measures. A qualified provider must employ a professional engineer registered in the State of Oklahoma; and

1 4. "Guarantee" means a written guarantee of a provider that the
2 utility savings, operational savings, avoided capital costs or
3 capital outlay or increase in operational efficiencies and
4 associated billable revenues from the efficiency measures
5 implemented pursuant to a performance-based efficiency contract will
6 at least equal the cost of the efficiency measures and all causally
7 connected work and ancillary improvements provided for in such a
8 contract.

9 B. In addition to any other legally permissible alternatives of
10 entering into contracts, any public entity may enter into
11 performance-based efficiency contracts with a qualified provider
12 pursuant to the provisions of this section. Further, any public
13 entity may enter into an installment contract, lease purchase
14 agreement or other contractual obligation for the purpose of
15 financing performance-based efficiency projects for a term not to
16 exceed twenty (20) years or the useful life of the project. A
17 qualified provider to whom the contract is awarded shall be required
18 to give a sufficient bond to the public entity for its faithful
19 performance of the contract. In addition, the public entity may
20 require performance bonds covering the annual amount of guaranteed
21 savings over the contract term.

22 C. The contract's ~~cost savings~~ efficiency gains to the public
23 entity must be ~~guaranteed each year during the term of the~~
24 ~~agreement. The savings must be~~ sufficient to offset the annual

costs of the contract and may be utilized to meet the annual debt
service. The contract shall provide for reimbursement to the public
entity annually for any shortfall of guaranteed ~~savings~~. ~~Savings~~
~~must be measured, verified and documented during each year of the~~
~~term and may be utilized to meet the annual debt service~~ efficiency
gains in accordance with the performance-based efficiency contract.
Efficiency gains must be measured, verified and documented, at a
minimum, during each of the first five (5) years of the term, after
which time the public entity may choose to discontinue the
measurement, verification and documentation services and associated
guarantee. Performance-based efficiency contracts that include
metering or related equipment or systems that improve the accuracy
of billable-revenue-generation systems for a municipal utility
system are required to test a statistically relevant sample of the
meters installed no later than the fifth anniversary of the
effective date of a performance-based efficiency contract. This
section shall constitute the sole authority necessary to enter into
performance-based efficiency contracts, without regard to compliance
with other laws which may specify additional procedural requirements
for execution of contracts."

53-2-9779

MAH

03/06/12