



# House of Representatives

## File No. 756

General Assembly

January Session, 2003

**(Reprint of File No. 103)**

House Bill No. 6485  
As Amended by House  
Amendment Schedule "A"

Approved by the Legislative Commissioner  
May 22, 2003

**AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE  
CONCERNING ENERGY MANAGEMENT BY STATE GOVERNMENT  
BY UPDATING AND REPEALING OUTDATED PROVISIONS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16a-37u of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) The Secretary of the Office of Policy and Management shall be  
4 responsible for planning and managing energy use in state-owned and  
5 leased buildings and shall establish a program to maximize the  
6 efficiency with which energy is utilized in such buildings. [He] The  
7 secretary shall exercise this authority by (1) preparing and  
8 implementing annual and long-range plans, with timetables,  
9 establishing goals for reducing state energy consumption and, based  
10 on energy audits, specific objectives for state agencies to meet the  
11 performance standards adopted under section 16a-38; (2) coordinating  
12 federal and state energy conservation resources and activities,  
13 including but not limited to, those required to be performed by other

14 state agencies under this chapter; and (3) monitoring energy use and  
15 costs by budgeted state agencies on a monthly basis.

16 (b) Not later than January fifth, annually, the Secretary of the Office  
17 of Policy and Management shall submit a report to the Governor and  
18 the joint standing committee of the General Assembly having  
19 cognizance of matters relating to energy planning and activities. The  
20 report shall (1) indicate the total number of energy audits and technical  
21 assistance audits of state-owned and leased buildings, (2) summarize  
22 the status of the energy conservation measures recommended by such  
23 audits, (3) summarize all energy conservation measures implemented  
24 during the preceding twelve months in state-owned and leased  
25 buildings which have not had such audits, (4) analyze the availability  
26 and allocation of funds to implement the measures recommended  
27 under subdivision (2) of this subsection, (5) list each budgeted agency,  
28 as defined in section 4-69, which occupies a state-owned or leased  
29 building and has not cooperated with the Commissioner of Public  
30 Works and the Secretary of the Office of Policy and Management in  
31 conducting energy and technical assistance audits of such building and  
32 implementing operational and maintenance improvements  
33 recommended by such audits and any other energy conservation  
34 measures required for such building by the secretary, (6) summarize  
35 all life-cycle cost analyses prepared under section 16a-38 during the  
36 preceding twelve months, and (7) identify any state laws, regulations  
37 or procedures that impede innovative energy conservation and load  
38 management projects in state buildings.

39 [(c) The Secretary of the Office of Policy and Management, in  
40 conjunction with the Department of Public Works, shall as soon as  
41 practicable and where cost-effective connect all state-owned buildings  
42 to a district heating and cooling system, where such heating and  
43 cooling system currently exists or where one is proposed. The  
44 secretary, in conjunction with the Department of Public Works, shall  
45 prepare an annual report with the results of his progress in connecting  
46 state-owned buildings to such a heating and cooling system, the cost of  
47 such connection and any projected energy savings achieved through

48 any such connection. The secretary shall submit his report to the joint  
49 standing committee of the General Assembly having cognizance of  
50 matters relating to energy on or before January 1, 1993, and January  
51 first annually thereafter.]

52 [(d)] (c) The Secretary of the Office of Policy and Management shall  
53 require each state agency to maximize its use of public service  
54 companies' energy conservation and load management programs and  
55 to provide sites in its facilities for demonstration projects of highly  
56 energy efficient equipment, provided such demonstration project does  
57 not impair the functioning of the facility.

58 Sec. 2. Section 16a-38a of the general statutes is repealed and the  
59 following is substituted in lieu thereof (*Effective October 1, 2003*):

60 (a) The Commissioner of Public Works shall conduct an energy  
61 audit of all buildings owned by the state to determine the energy  
62 conservation and energy consumption characteristics of such  
63 buildings. Such energy audits shall be conducted in cooperation with  
64 the state department, agency, board or commission occupying such  
65 building. Such energy audits shall be conducted in accordance with  
66 guidelines established under the "National Energy Conservation Policy  
67 Act", Public Law 95-619, 92 Stat. 3206 (1978), as amended from time to  
68 time. [, and with the following schedule: (1) Preliminary energy audits  
69 of all buildings owned or leased by the state shall be completed within  
70 one year after July 1, 1979. The results from such preliminary audits  
71 shall be used to set priorities for subsequent audits. (2) Subsequent  
72 energy audits based on the priorities established in accordance with  
73 subdivision (1) of this subsection, shall be initiated at a rate of at least  
74 twenty per cent of total building floor space per year] Such energy  
75 audits shall be completed periodically, but at a minimum, before any  
76 major renovation of such building. Each audit procedure shall be  
77 completed within two years of its initiation.

78 (b) [(1)] The Commissioner of Public Works shall review and  
79 evaluate the energy audits completed in accordance with this section

80 and shall, within six months, recommend to the Secretary of the Office  
81 of Policy and Management buildings for cost effective retrofit  
82 measures to enable such buildings to attain the energy performance  
83 standards established under subdivision (1) of subsection (b) of section  
84 16a-38. [(2) It shall be a goal that beginning not later than July 1, 1982,  
85 work to retrofit at least twenty per cent of the total floor area of  
86 existing state-owned buildings for energy conservation shall be  
87 commenced in each fiscal year. Where technically feasible, renewable  
88 sources of energy shall be used for space heating and cooling, domestic  
89 hot water and other applications. (3) It shall be a goal that not later  
90 than June 30, 1991, all state-owned buildings be the subject of such  
91 energy conservation and renewable energy retrofit measures as will  
92 enable them to meet the energy performance standards established in  
93 accordance with subdivision (1) of subsection (b) of section 16a-38.]

94 [(c) In selecting buildings to lease for state use, the Commissioner of  
95 Public Works shall give preference to buildings which meet energy  
96 performance standards established in accordance with subdivision (1)  
97 of subsection (b) of section 16a-38, including buildings which use solar  
98 heating and cooling equipment or other renewable energy sources and  
99 which otherwise minimize life-cycle costs.]

100 [(d)] (c) The Commissioner of Public Works and the Secretary of the  
101 Office of Policy and Management shall jointly develop and publish  
102 guidelines applicable to all state agencies for an energy efficiency  
103 maintenance program for all state-owned buildings. The program shall  
104 include, but not be limited to, annually inspecting, testing and tuning  
105 fossil fuel burning equipment utilized for space heating or the  
106 production of steam or hot water for process uses. All agencies shall  
107 cooperate in implementing such maintenance program.

108 Sec. 3. Section 16a-38h of the general statutes is repealed and the  
109 following is substituted in lieu thereof (*Effective October 1, 2003*):

110 (a) On and after July 1, 1984, the Department of Public Works may  
111 not execute a new lease for use by the state of any building having ten

112 thousand or more gross square feet and which is not occupied or  
113 possessed by the state at the time of execution of the lease unless (1)  
114 the owner or agent of the owner of the building (A) has had an energy  
115 audit conducted for the building, (B) has implemented the operational  
116 and maintenance improvements recommended by the energy audit  
117 and (C) agrees in the lease to maintain such improvements, (2) energy  
118 consumption data are obtained for the two years preceding execution  
119 of the lease or the life of the building, whichever is shorter, (3) the  
120 building has a certificate of occupancy and no uncorrected violations  
121 of the State Building Code adopted under section 29-252 and the  
122 applicable municipal housing code and (4) an efficiency test for the  
123 building's boiler has been conducted.

124 (b) In selecting buildings to lease for state use, the Commissioner of  
125 Public Works shall give preference to buildings which meet energy  
126 performance standards established in accordance with subdivision (1)  
127 of subsection (b) of section 16a-38 including buildings which use solar  
128 heating and cooling equipment or other renewable energy sources and  
129 which otherwise minimize life-cycle costs.

130 Sec. 4. Section 16a-38i of the general statutes is repealed and the  
131 following is substituted in lieu thereof (*Effective October 1, 2003*):

132 (a) The energy performance standards established by the  
133 Commissioner of Public Works and the Secretary of the Office of  
134 Policy and Management pursuant to section 16a-38 shall require that  
135 the Commissioner of Public Works, in consultation with the secretary,  
136 [(1) calculate] establish a process for calculating annually, from  
137 currently available data, the average energy use per square foot in  
138 state buildings. [, (2)]

139 (b) In accordance with section 16a-37u, as amended by this act, the  
140 secretary shall (1) implement a system requiring all state agencies to  
141 use the process established by the Department of Public Works to  
142 annually calculate energy use, (2) establish one or more thresholds of  
143 acceptability for energy use in state buildings, and (3) (A) reduce

144 energy use, on a cost-effective life-cycle basis and within available  
145 fiscal resources as determined by the secretary, in those buildings  
146 under the care and control of the Department of Public Works which  
147 do not meet such thresholds, and (B) assist other agencies in reducing  
148 energy use, on a cost-effective life-cycle basis and within available  
149 fiscal resources as determined by the secretary, in those buildings  
150 under their care and control which do not meet the applicable  
151 thresholds.

152 Sec. 5. Section 16a-39b of the general statutes is repealed and the  
153 following is substituted in lieu thereof (*Effective October 1, 2003*):

154 [(a) There is established a task force on the development of  
155 incentives for conserving energy in state buildings. The task force shall  
156 consist of the chairmen and ranking members of the joint standing  
157 committee of the General Assembly having cognizance of matters  
158 relating to energy planning and activities, or their designees; the  
159 Secretary of the Office of Policy and Management, or not more than  
160 three designees of the secretary having cognizance of budgetary,  
161 capital planning and energy matters; and the Commissioner of Public  
162 Works or his designee. The task force shall elect as cochairmen one of  
163 the cochairmen of said joint standing committee and one of the  
164 executive branch members of the task force. The cochairmen of the task  
165 force shall preside alternately at meetings of the task force.

166 (b) The task force shall review state statutes, regulations, standards,  
167 policies and practices, analyze alternatives and formulate  
168 recommendations with regard to:

169 (1) The operation and maintenance of energy systems in state  
170 buildings;

171 (2) The staffing levels of, and training for, personnel responsible for  
172 the operation of such energy systems;

173 (3) The development and assessment of the need for incentives,  
174 including but not limited to, shared energy costs savings, to encourage

175 agencies and agency personnel to conserve energy;

176 (4) Options for conventional and innovative financing for energy  
177 conservation measures in state buildings;

178 (5) Identification of obstacles to the development of an energy  
179 conservation program for state buildings or to the implementation of  
180 the pilot program conducted under section 16a-39a, including but not  
181 limited to, any state procedures which affect the ability of an agency to  
182 engage in energy management or shared energy costs savings  
183 agreements; and

184 (6) The purchasing and leasing of energy-efficient buildings by the  
185 state.

186 (c) Within available appropriations, (1) the secretary may hire  
187 consultants to provide technical assistance to the task force and (2) the  
188 Department of Public Works shall, upon request of the secretary,  
189 provide technical assistance to the task force in analyzing capital  
190 projects.

191 (d) The task force shall, not later than January fifteenth, annually,  
192 submit to the General Assembly a report on its findings and  
193 recommendations and the progress achieved in implementing the pilot  
194 energy management program conducted under said section 16a-39a.  
195 On and after October 1, 1996, the report shall be submitted to the joint  
196 standing committee of the General Assembly having cognizance of  
197 matters relating to energy and, upon request, to any member of the  
198 General Assembly. A summary of the report shall be submitted to each  
199 member of the General Assembly if the summary is two pages or less  
200 and a notification of the report shall be submitted to each member if  
201 the summary is more than two pages. Submission shall be by mailing  
202 the report, summary or notification to the legislative address of each  
203 member of the committee or the General Assembly, as applicable.]

204 The Secretary of the Office of Policy and Management shall convene  
205 periodic meetings, to be held at least once every twelve months, to

206 discuss opportunities for energy savings by the state. Such meetings  
207 shall consist of the secretary, or the secretary's designee, and  
208 representatives from each state agency that the secretary determines to  
209 be among the ten agencies that consumed the greatest amount of  
210 energy during the previous twelve months.

211       Sec. 6. (*Effective October 1, 2003*) Sections 16a-36, 16a-36a, 16a-37d  
212 and 16a-37e of the general statutes are repealed.

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>
Sec. 2	<i>October 1, 2003</i>
Sec. 3	<i>October 1, 2003</i>
Sec. 4	<i>October 1, 2003</i>
Sec. 5	<i>October 1, 2003</i>
Sec. 6	<i>October 1, 2003</i>

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Type	Future Years
Policy & Mgmt., Off.; Pub. Works, Dept.	GF - None	None
All	GF - Cost Avoidance	Potential

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

Under existing procedure, the Department of Public Works (DPW) receives raw data from agencies regarding building square footage and building energy usage, which DPW uses to calculate energy use per square foot. The bill requires DPW to establish a process that agencies will use to perform the calculations themselves and report the results to DPW. There is no fiscal impact because DPW and the reporting agencies will use existing staff and resources to implement this change in procedure.

The bill eliminates the requirement that state-owned buildings be connected to a district heating and cooling system where cost-effective. There is a potential future cost saving on energy expenditures because decisions about connecting buildings to district heating and cooling systems will be based on whether or not it is cost effective. It is anticipated that the Office of Policy and Management can annually report any resulting costs or savings within the agency’s normal budgetary resources.

House “A” eliminates a provision that would have required the Office of Policy and Management (OPM) to conduct a report on the

state's energy situation every two years, rather than every four years, which was anticipated to result in no fiscal impact to the agency.

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**OLR Bill Analysis**

HB 6485 (as amended by House "A") \*

**AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING ENERGY MANAGEMENT BY STATE GOVERNMENT BY UPDATING AND REPEALING OUTDATED PROVISIONS**

**SUMMARY:**

By law, the Office of Policy and Management (OPM) and the Department of Public Works (DPW) must develop energy performance standards for existing and new state buildings, except housing projects. (OPM and the Department of Economic and Community Development must develop standards for such projects.) The bill requires DPW to establish a process for calculating energy use per square foot, rather than actually performing the calculations. OPM must require agencies to use this process.

The bill also:

1. eliminates the requirement that state-owned buildings be connected to a district heating and cooling system where cost-effective and that OPM prepare an annual report on the costs and potential savings from such connections;
2. repeals several obsolete provisions on energy efficiency in state buildings;
3. eliminates a task force on the development of incentives for conserving energy in state buildings and instead requires the OPM secretary to at least annually convene a meeting with representatives of the 10 state agencies that consume the greatest amount of energy to discuss opportunities for energy savings;
4. repeals statutes that set minimum and maximum temperature settings for artificial cooling and heating; and

5. eliminates a superseded program to improve energy performance in state buildings.

\*House Amendment "A" eliminates a provision that would have required OPM to prepare a report on the state's energy situation every two years, rather than a comprehensive energy plan every four years.

EFFECTIVE DATE: October 1, 2003

## **BACKGROUND**

### ***Legislative History***

The House referred the original version of this bill (File 103) to the Energy and Technology, Government Administration and Elections, and Legislative Management committees on April 9, April 22, and May 6, respectively. The committees favorably reported the bill on April 15, April 30, and May 12, respectively.

## **COMMITTEE ACTION**

### Program Review and Investigations Committee

Joint Favorable Report

Yea 11    Nay 0

### Energy and Technology Committee

Joint Favorable Report

Yea 15    Nay 0

### Government, Administration and Elections Committee

Joint Favorable Report

Yea 18    Nay 0

### Legislative Management Committee

Joint Favorable Report

Yea 19    Nay 0