

JAN 18 2019

A BILL FOR AN ACT

RELATING TO CONTRACTING FOR PUBLIC FACILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 36-41, Hawaii Revised Statutes, is
2 amended as follows:
3 1. By amending subsection (b) to read:
4 " (b) Any agency may enter into a multi-year energy
5 performance contract for the purpose of undertaking or
6 implementing energy conservation or alternate energy measures in
7 a facility or facilities[-] or for vehicle or vehicles. An
8 energy performance contract may include but shall not be limited
9 to financing options such as leasing, lease-purchase, financing
10 agreements, third-party joint ventures, guaranteed-savings
11 plans, or energy service contracts, or any combination thereof;
12 provided that in due course the agency may receive title to the
13 energy system being financed. Except as otherwise provided by
14 law, the agency that is responsible for a particular facility or
15 vehicle shall review and approve energy performance contract
16 arrangements for the facility[-] or vehicle."
17 2. By amending subsection (d) to read:



1 "(d) For purposes of this section:
2 "Agency" means any executive department, independent
3 commission, board, bureau, office, or other establishment of the
4 State or any county government, the judiciary, the University of
5 Hawaii, or any quasi-public institution that is supported in
6 whole or in part by state or county funds.
7 "Energy performance contract" means an agreement for the
8 provision of energy services and equipment, including but not
9 limited to vehicles, building, or facility energy conservation
10 enhancing retrofits, water saving technology retrofits, and
11 alternate energy technologies, in which a private sector person
12 or company agrees to finance, design, construct, install,
13 maintain, operate, or manage energy systems or equipment to
14 improve the energy efficiency of, or produce energy in
15 connection with, a facility or vehicle in exchange for a portion
16 of the cost savings, lease payments, or specified revenues, and
17 the level of payments is made contingent upon the verified
18 energy savings, energy production, avoided maintenance, avoided
19 energy equipment replacement, or any combination of the
20 foregoing bases. Energy conservation retrofits also include



1 energy saved off-site by water or other utility conservation
2 enhancing retrofits.

3 "Facility" means a building or buildings or similar
4 structure, including the site owned or leased by, or otherwise
5 under the jurisdiction of, the agency.

6 "Financing agreement" shall have the same meaning as in
7 section 37D-2.

8 "Guaranteed-savings plan" means an agreement under which a
9 private sector person or company undertakes to design, install,
10 operate, and maintain improvements to an agency's facility or
11 facilities and the agency agrees to pay a contractually
12 specified amount of verified energy cost savings.

13 "Vehicle" means every device in, upon, or by which any
14 person or property is or may be transported or drawn upon a
15 highway, but excludes mopeds and devices moved by human power or
16 devices used exclusively upon stationary rails or tracks.

17 "Verified" means the technique used in the determination of
18 baseline energy use, post-installation energy use, and energy
19 and cost savings by the following measurement and verification
20 techniques: engineering calculations, metering and monitoring,
21 utility meter billing analysis, computer simulations,



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1 mathematical models, and agreed-upon stipulations by the
2 customer and the energy service company."

3 SECTION 2. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Maurice R. Hovye

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Report Title:

Energy Retrofit and Performance Contracting for Public Facilities; Vehicles; Energy Efficiency

Description:

Allows agencies to enter performance contracts to undertake or implement energy conservation or alternate energy measures for vehicles. Amends definition of energy performance contract to include vehicles. Defines vehicle.

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