
SENATE BILL 5253

State of Washington

53rd Legislature

1993 Regular Session

By Senators Sutherland, Hochstatter and Williams; by request of Office of Financial Management

Read first time 01/20/93. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to energy savings from efficiency projects at
2 public facilities; and amending RCW 39.35C.120.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 39.35C.120 and 1991 c 201 s 13 are each amended to
5 read as follows:

6 (1) Potential benefits from energy efficiency projects at public
7 facilities include savings in the form of reduced energy costs;
8 revenues from lease payments, sales of energy or energy savings, or
9 other sources; avoided capital costs; site enhancements; and additional
10 operating and maintenance resources.

11 (2) To encourage these projects at state facilities, and
12 notwithstanding any other provision of law, the following benefits from
13 energy efficiency projects completed after July 28, 1991, shall be
14 apportioned as specified:

15 (a) As to conservation, state agencies may retain one-half of all
16 net savings in the form of reduced energy costs, and one-half of all
17 net revenues from any energy sales transaction with a utility, the
18 Bonneville power administration, or other entity. The net savings

1 shall be retained by the local administrative body responsible for the
2 public facility;

3 (b) As to cogeneration projects, state agencies may retain one-half
4 of all net savings in the form of reduced energy costs and twenty
5 percent of all net revenues generated by the project from any source
6 except that state institutions of higher education may retain one-half
7 of all net revenues generated by the project; and

8 (c) The remaining net revenues from conservation projects, and
9 remaining net savings and revenues from cogeneration projects, shall be
10 remitted to the state for the disposition and uses specified in
11 subsection (4) of this section.

12 (3) Each state agency's share of net savings from cogeneration
13 projects and of all net revenues shall be credited to a special local
14 account created under RCW 28A.300.210, the use of which shall be
15 limited, in priority order, to ongoing operation, maintenance, and
16 improvements of energy systems and energy efficiency measures, to other
17 ongoing and deferred maintenance, and to other infrastructure
18 improvements at the facility that was the site of the energy efficiency
19 project.

20 (4) The state's share of net savings from cogeneration projects and
21 of all net revenues, and any portion of the state agency's share which
22 exceeds its needs for the purposes specified in subsection (3) of this
23 section, shall be deposited in the energy efficiency services account
24 established by RCW 39.35C.110.

25 (5) The use by state agencies of net savings and net revenues from
26 energy efficiency projects shall be in addition to, and shall not
27 supplant or replace, funding from traditional sources for their normal
28 operations and maintenance or capital budgets. It is the intent of
29 this subsection to ensure that such institutions receive the full
30 benefit intended by this section, and that such effect will not be
31 diminished by budget adjustments inconsistent with this intent.

32 (6) Energy efficiency projects in school districts, funded in whole
33 or in part with state assistance provided under chapter 28A.525 RCW, or
34 with the financing mechanisms authorized by this chapter, shall be
35 subject to the provisions of this section governing the apportionment
36 and use of savings and revenues from energy efficiency projects.

37 (7) For purposes of this section, "net" savings and revenues shall
38 mean savings and revenues remaining after payment of project capital
39 costs, including debt service, and other payments and reserves as

1 required by a bond resolution or loan agreement under this chapter, and
2 payment of project operating and maintenance expenses. The energy
3 office shall develop guidelines and procedures for determining net
4 savings and net revenues for energy efficiency projects at public
5 facilities by April 1, 1992.

6 (8) The energy office shall report annually until the year 2006 to
7 the director of the office of financial management and the chairs of
8 the senate ways and means committee and the appropriate house of
9 representatives fiscal committees a full and complete financial
10 accounting for energy efficiency projects undertaken pursuant to
11 chapter 201, Laws of 1991, including but not limited to a description
12 of the project, its location and sponsoring agency or school district,
13 date of completion or, if not completed, status of construction, the
14 amount of investment in and expenditures on the project, the amount of
15 revenues received from the project and estimated savings, if any,
16 during the past year, estimated revenues, expenditures, and investments
17 for the ensuing five years, the useful life originally estimated for
18 the project, and the useful life of the project estimated to remain as
19 of the date of the report, and the amount of savings and revenues from
20 energy conservation and cogeneration retained by individual state
21 agencies.

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