

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SESSION LAW 1999-235
SENATE BILL 56

AN ACT TO INCLUDE SERVICES IN THE DEFINITION OF ENERGY CONSERVATION MEASURES, TO EXTEND THE MAXIMUM DURATION OF A GUARANTEED ENERGY SAVINGS CONTRACT, AND TO REPEAL THE SUNSET REGARDING THE AUTHORITY OF A LOCAL GOVERNMENTAL UNIT TO ENTER INTO A GUARANTEED ENERGY SAVINGS CONTRACT FOR A LOCAL PUBLIC FACILITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-64.17(1) reads as rewritten:

"(1) 'Energy conservation measure' means a facility ~~alteration or training~~ alteration, training, or services related to the operation of the ~~facility~~ facility, that reduces energy consumption or operating costs and includes: when the alteration, training, or services provide anticipated energy savings. Energy conservation measure includes any of the following:

- a. Insulation of the building structure and systems within the ~~building;~~ building.
- b. Storm windows or doors, caulking, weatherstripping, multiglazed windows or doors, heat-absorbing or heat-reflective glazed or coated window or door systems, additional glazing, reductions in glass area, or other window or door system modifications that reduce energy ~~consumption;~~ consumption.
- c. Automatic energy control ~~systems;~~ systems.
- d. Heating, ventilating, or air-conditioning system modifications or ~~replacements;~~ replacements.
- e. Replacement or modification of lighting fixtures to increase the energy efficiency of a lighting system without increasing the overall illumination of a facility, unless an increase in illumination is necessary to conform to the applicable State or local building code or is required by the light system after the proposed modifications are ~~made;~~ made.
- f. Energy recovery ~~systems;~~ systems.
- g. Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of ~~buildings;~~ or buildings.

- h. ~~Other energy conservation measures that provide long term operating cost reductions or significantly reduce energy consumed measures.~~"

Section 2. G.S. 143-64.17(2) reads as rewritten:

"(2) 'Energy savings' means a measured reduction in ~~fuel, fuel costs, energy, energy costs,~~ or operating costs created from the implementation of one or more energy conservation measures when compared with an established baseline of previous ~~fuel, fuel costs, energy, energy costs,~~ or operating costs developed by the local governmental unit."

Section 3. G.S. 143-64.17B(a) reads as rewritten:

"(a) A local governmental unit may enter into a guaranteed energy savings contract with a qualified provider if all of the following apply:

- (1) The term of the contract does not exceed ~~eight~~ 12 years from the date of the installation and acceptance by the local governmental unit of the energy conservation measures provided for under the contract.
- (2) The local governmental unit finds that the energy savings resulting from the performance of the contract will equal or exceed the total cost of the contract.
- (3) The energy conservation measures to be installed under the contract are for an existing building."

Section 4. Section 10 of Chapter 775 of the 1993 Session Laws, as amended by Section 3 of Chapter 295 of the 1995 Session Laws, reads as rewritten:

~~"Sec. 10. A local governmental unit may not enter into a guaranteed energy savings contract under Part 2 of Article 3B of Chapter 143 of the General Statutes, as enacted by this act, on or after July 1, 1999."~~

Section 5. This act becomes effective July 1, 1999, and applies to contracts entered into on or after July 1, 1999.

In the General Assembly read three times and ratified this the 30th day of June, 1999.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 3:55 p.m. this 30th day of June, 1999