# **PUBLIC BUILDINGS**

# **CHAPTER 395**

## **HOUSE BILL NO. 1297**

(Representatives Belter, Hanson, Nelson) (Senators Christmann, O'Connell, Wardner)

# NATIVE COAL BID PREFERENCE

AN ACT to create and enact section 48-05-02.1 of the North Dakota Century Code, relating to the purchasing of coal for heating purposes by the state and political subdivisions.

#### BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1.** Section 48-05-02.1 of the North Dakota Century Code is created and enacted as follows:

48-05-02.1. Purchase of coal by the state and political subdivisions. The state and all of its institutions, all political subdivisions, and all public schools, when purchasing coal for heating purposes, shall give preference to bidders supplying coal mined in North Dakota if such coal, on an aggregate basis, will provide equivalent British thermal units of heating value in comparison to coal mined elsewhere, if the total bid price of the coal mined in North Dakota and delivered is not higher than the total bid price of coal mined elsewhere and delivered, and if state air pollution permits to operate would not limit the use of North Dakota coal due to emissions limits. In evaluating the comparable price of North Dakota coal versus other coal, the state and its institutions, political subdivisions, and public schools may include any ash handling costs that may be associated with the use of North Dakota coal. The state or any of its institutions, any political subdivision, or any public school, when advertising for or reviewing bids for the purchase of coal for heating purposes, may not mandate the use of any particular type of coal or the region where the coal is to be mined.

Approved March 17, 2003 Filed March 17, 2003

# CHAPTER 396

## SENATE BILL NO. 2347

(Senators Thane, Heitkamp, Wardner) (Representatives Amerman, Eckre, F. Klein)

## GUARANTEED ENERGY SAVINGS CONTRACTS

AN ACT to amend and reenact section 48-05-11 of the North Dakota Century Code, relating to guaranteed energy savings contracts.

## BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1. AMENDMENT.** Section 48-05-11 of the North Dakota Century Code is amended and reenacted as follows:

48-05-11. Guaranteed energy savings contracts. The governmental unit shall provide public notice of the meeting at which it proposes to award a guaranteed energy savings contract, the names of the parties to the proposed contract, and the purpose of the contract. After reviewing the report under section 48-05-10, a governmental unit may enter into a guaranteed energy savings contract with a qualified provider if it the governmental unit finds that the amount it the governmental unit would spend on the energy conservation measures recommended in the report is not likely to exceed the amount to be saved in energy and operation costs over a period not exceeding ten years from the date of installation if the recommendations in the report are followed. The contract must include a written guarantee of the qualified provider that the energy and operating cost savings will meet or exceed the costs of the system. The written guarantee must be for a period equal to the financing period, which may provide payments over a period not exceeding ten years. If the governmental unit can document that savings meet or exceed the payment for a period of not less than three years, the governmental unit may request a waiver of the guaranteed portion of the contract for the remainder of the financing term. A guarantee waiver request must be approved by a committee administered by the division of community services. A qualified provider to whom the contract is awarded shall give a sufficient bond to the governmental unit for the faithful performance of the contract. The guaranteed energy savings contract may provide for payments over a period not exceeding ten years.

Approved March 26, 2003 Filed March 26, 2003