

**Fifty-sixth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Tuesday, the fifth day of January, one thousand nine hundred and ninety-nine**

SENATE BILL NO. 2312  
(Senators St. Aubyn, Holmberg, W. Stenehjem)  
(Representatives Delmore, Nottestad, Poolman)

AN ACT to create and enact a new subsection to section 54-17.2-03, a new subsection to section 54-44.5-04, and a new section to chapter 54-44.5 of the North Dakota Century Code, relating to powers of the North Dakota building authority and the office of governmental assistance to implement a state facility energy improvement program.

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

**SECTION 1.** A new subsection to section 54-17.2-03 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, issue evidences of indebtedness to implement the state facility energy improvement program under section 3 of this Act.

**SECTION 2.** A new subsection to section 54-44.5-04 of the North Dakota Century Code is created and enacted as follows:

Implement a state facility energy improvement program.

**SECTION 3.** A new section to chapter 54-44.5 of the North Dakota Century Code is created and enacted as follows:

**State facility energy improvement program.** By August fifteenth of each odd-numbered year, the office shall inform all state agencies and institutions of the state facility energy improvement program. The office shall work with interested agencies and institutions to identify potential state facility energy improvement programs and select facilities for indepth energy audits designed to provide information on project costs along with estimated energy savings from implementation of those projects. The office shall notify affected utilities to discuss the potential impact on the utility and its customers of the proposed energy savings or conservation project. Upon completion of the energy audit, the office, in consultation with the interested agencies or institutions, shall submit a list of proposed projects to the governor, accompanied with the estimated cost of each project and energy savings resulting from the projects. The office shall submit a report listing the proposed energy savings or conservation projects to the governor by September first of each even-numbered year. The governor shall include the proposed energy efficiency or conservation projects in the biennial budget. The governor shall make available to the legislative assembly a report prepared by the office on each energy efficiency or conservation project, a description of the improvements to be financed, the estimated cost of each project, the total cost of the program, and the proposed method of financing the program. If the office proposes that evidences of indebtedness be issued to finance the energy efficiency or conservation improvements, the office shall provide an assurance that energy savings resulting from the improvements will be sufficient to equal or exceed the annual debt service of the evidences of indebtedness. In determining whether the energy savings will be sufficient to equal or exceed the annual debt service, the office, in consultation with the interested agencies or institutions, may analyze state agency utility data to identify potential projects; perform detailed energy audits of state facilities, including contracting for audits if necessary; and provide training to facility maintenance staff to ensure that sufficient cost-savings are realized from projects to cover the debt service. The governor shall include in the executive budget recommendation for each state agency or institution participating in the state facility energy improvement program an estimate of the annual energy cost-savings expected for that agency, and, if needed, a projection of the debt service on program bonds that is apportioned to that agency. The executive budget recommendation must then reduce the current level of utility appropriations by the amount needed for debt service retirement and recommend

an appropriation of that amount to the state building authority. Any appropriation of an amount needed for debt service retirement to the state building authority is not subject to the limitation contained in section 54-17.2-23.

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President of the Senate

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Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

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Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2312.

Senate Vote:    Yeas    46        Nays    0        Absent    3

House Vote:    Yeas    90        Nays    1        Absent    7

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 1999.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 1999.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 1999,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State