

Fifty-sixth  
Legislative Assembly  
of North Dakota

## REENGROSSED SENATE BILL NO. 2312

Introduced by

Senators St. Aubyn, Holmberg, W. Stenehjem

Representatives Delmore, Nottestad, Poolman

1 A BILL for an Act to create and enact a new subsection to section 54-17.2-03, a new  
2 subsection to section 54-44.5-04, and a new section to chapter 54-44.5 of the North Dakota  
3 Century Code, relating to powers of the North Dakota building authority and the office of  
4 governmental assistance to implement a state facility energy improvement program.

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

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

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

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

13 Implement a state facility energy improvement program.

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

16 **State facility energy improvement program.** By August fifteenth of each  
17 odd-numbered year, the office shall inform all state agencies and institutions of the state facility  
18 energy improvement program. The office shall work with interested agencies and institutions to  
19 identify potential state facility energy improvement programs and select facilities for indepth  
20 energy audits designed to provide information on project costs along with estimated energy  
21 savings from implementation of those projects. The office shall notify affected utilities to  
22 discuss the potential impact on the utility and its customers of the proposed energy savings or  
23 conservation project. Upon completion of the energy audit, the office, in consultation with the  
24 interested agencies or institutions, shall submit a list of proposed projects to the governor,

1 accompanied with the estimated cost of each project and energy savings resulting from the  
2 projects. The office shall submit a report listing the proposed energy savings or conservation  
3 projects to the governor by September first of each even-numbered year. The governor shall  
4 include the proposed energy efficiency or conservation projects in the biennial budget. The  
5 governor shall make available to the legislative assembly a report prepared by the office on  
6 each energy efficiency or conservation project, a description of the improvements to be  
7 financed, the estimated cost of each project, the total cost of the program, and the proposed  
8 method of financing the program. If the office proposes that evidences of indebtedness be  
9 issued to finance the energy efficiency or conservation improvements, the office shall provide  
10 an assurance that energy savings resulting from the improvements will be sufficient to equal or  
11 exceed the annual debt service of the evidences of indebtedness. In determining whether the  
12 energy savings will be sufficient to equal or exceed the annual debt service, the office, in  
13 consultation with the interested agencies or institutions, may analyze state agency utility data to  
14 identify potential projects; perform detailed energy audits of state facilities, including contracting  
15 for audits if necessary; and provide training to facility maintenance staff to ensure that sufficient  
16 cost-savings are realized from projects to cover the debt service. The governor shall include in  
17 the executive budget recommendation for each state agency or institution participating in the  
18 state facility energy improvement program an estimate of the annual energy cost-savings  
19 expected for that agency, and, if needed, a projection of the debt service on program bonds  
20 that is apportioned to that agency. The executive budget recommendation must then reduce  
21 the current level of utility appropriations by the amount needed for debt service retirement and  
22 recommend an appropriation of that amount to the state building authority. Any appropriation  
23 of an amount needed for debt service retirement to the state building authority is not subject to  
24 the limitation contained in section 54-17.2-23.