
SENATE BILL 5647

State of Washington

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By Senators Regala, Thibaudeau, Jacobsen, Eide, Rasmussen, Fraser, Kohl-Welles, Hale, Winsley, Fairley, Shin, Prentice, Patterson, Constantine, Franklin, Costa, Kastama, McAuliffe, Kline, Haugen and Oke; by request of Governor Locke

Read first time 01/29/2001. Referred to Committee on Environment, Energy & Water.

1 AN ACT Relating to the improvement of energy efficiency in state-
2 funded public buildings through adoption of energy efficiency standards
3 for new buildings, energy audits of existing state-funded public
4 buildings, and performance-based energy service contracting; amending
5 RCW 39.35.010, 39.35.030, 39.35.050, 39.35A.020, 39.35C.010,
6 39.35C.020, 43.19.668, 43.19.669, 43.19.670, 43.19.675, and 43.19.680;
7 adding a new section to chapter 39.35A RCW; creating new sections; and
8 declaring an emergency.

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

10 **PART I**
11 **INTENT**

12 NEW SECTION. **Sec. 1.** (1) The legislature hereby finds that:
13 (a) The economy of the state and the health, safety, and welfare of
14 its citizens are threatened by the current energy supply and price
15 instabilities;
16 (b) Many energy efficiency programs for public buildings launched
17 during the 1970s and 1980s were not maintained during the subsequent
18 sustained period of low energy costs and abundant supply; and

1 (c) Conservation programs originally established in the 1970s and
2 1980s can be improved or updated. New programs drawing on recently
3 developed technologies, including demand-side energy management
4 systems, can materially increase the efficiency of energy use by the
5 public sector.

6 (2) It is the policy of the state of Washington that:

7 (a) State government is committed to achieving significant gains in
8 energy efficiency. Conventional conservation programs will be reviewed
9 and updated in light of experience gained since their commencement;

10 (b) State government must play a leading role in demonstrating
11 updated and new energy efficiency technologies. New programs or
12 measures made possible by technological advances, such as demand-side
13 response measures and energy management systems, shall be treated in
14 the same manner as conventional conservation programs and will be
15 integrated into the state's energy efficiency programs.

16 PART II

17 ENERGY CONSERVATION IN DESIGN OF PUBLIC FACILITIES

18 **Sec. 2.** RCW 39.35.010 and 1982 c 159 s 1 are each amended to read
19 as follows:

20 The legislature hereby finds:

21 (1) That major publicly owned or leased facilities have a
22 significant impact on our state's consumption of energy;

23 (2) That energy conservation practices including energy management
24 systems and renewable energy systems adopted for the design,
25 construction, and utilization of such facilities will have a beneficial
26 effect on our overall supply of energy;

27 (3) That the cost of the energy consumed by such facilities over
28 the life of the facilities shall be considered in addition to the
29 initial cost of constructing such facilities;

30 (4) That the cost of energy is significant and major facility
31 designs shall be based on the total life-cycle cost, including the
32 initial construction cost, and the cost, over the economic life of a
33 major facility, of the energy consumed, and of the operation and
34 maintenance of a major facility as they affect energy consumption; and

35 (5) That the use of energy systems in these facilities which
36 utilize renewable resources such as solar energy, wood or wood waste,
37 or other nonconventional fuels (~~should~~), and which incorporate energy

1 management systems, shall be considered in the design of all publicly
2 owned or leased facilities.

3 **Sec. 3.** RCW 39.35.030 and 1996 c 186 s 402 are each amended to
4 read as follows:

5 For the purposes of this chapter the following words and phrases
6 shall have the following meanings unless the context clearly requires
7 otherwise:

8 (1) "Public agency" means every state office, officer, board,
9 commission, committee, bureau, department, and all political
10 subdivisions of the state.

11 (2) "Department" means the state department of general
12 administration.

13 (3) "Major facility" means any publicly owned or leased building
14 having twenty-five thousand square feet or more of usable floor space.

15 (4) "Initial cost" means the moneys required for the capital
16 construction or renovation of a major facility.

17 (5) "Renovation" means additions, alterations, or repairs within
18 any twelve-month period which exceed fifty percent of the value of a
19 major facility and which will affect any energy system.

20 (6) "Economic life" means the projected or anticipated useful life
21 of a major facility as expressed by a term of years.

22 (7) "Energy management system" means a program, energy efficiency
23 equipment, technology, device, or other measure including, but not
24 limited to, a management, educational, or promotional program, smart
25 appliance, meter reading system that provides real-time pricing
26 capability, computer software or hardware, communications equipment or
27 hardware, thermostat or other control equipment, together with related
28 administrative or operational programs, that allows identification and
29 management of opportunities for improvement in the efficiency of energy
30 use, including but not limited to a measure that allows:

31 (a) Public agencies to obtain information about the cost of energy
32 before the time of consumption;

33 (b) Two-way interactive communication between public agencies and
34 their energy suppliers;

35 (c) Public agencies to respond to price signals and to manage their
36 purchase and use of electricity; or

37 (d) For other kinds of demand-side energy management.

1 (8) "Life-cycle cost" means the initial cost and cost of operation
2 of a major facility over its economic life. This shall be calculated
3 as the initial cost plus the operation, maintenance, and energy costs
4 over its economic life, reflecting anticipated increases in these costs
5 discounted to present value at the current rate for borrowing public
6 funds, as determined by the office of financial management. The energy
7 cost projections used shall be those provided by the department. The
8 department shall update these projections at least every two years.

9 (~~(8)~~) (9) "Life-cycle cost analysis" includes, but is not limited
10 to, the following elements:

11 (a) The coordination and positioning of a major facility on its
12 physical site;

13 (b) The amount and type of fenestration employed in a major
14 facility;

15 (c) The amount of insulation incorporated into the design of a
16 major facility;

17 (d) The variable occupancy and operating conditions of a major
18 facility; and

19 (e) An energy-consumption analysis of a major facility.

20 (~~(9)~~) (10) "Energy systems" means all utilities, including, but
21 not limited to, heating, air-conditioning, ventilating, lighting, and
22 the supplying of domestic hot water.

23 (~~(10)~~) (11) "Energy-consumption analysis" means the evaluation of
24 all energy systems and components by demand and type of energy
25 including the internal energy load imposed on a major facility by its
26 occupants, equipment, and components, and the external energy load
27 imposed on a major facility by the climatic conditions of its location.
28 An energy-consumption analysis of the operation of energy systems of a
29 major facility shall include, but not be limited to, the following
30 elements:

31 (a) The comparison of three or more system alternatives, at least
32 one of which shall include renewable energy systems, and one of which
33 shall comply at a minimum with the sustainable design guidelines of the
34 United States green building council leadership in energy and
35 environmental design silver standard or similar design standard as may
36 be adopted by rule by the department;

37 (b) The simulation of each system over the entire range of
38 operation of such facility for a year's operating period; and

1 (c) The evaluation of the energy consumption of component equipment
2 in each system considering the operation of such components at other
3 than full or rated outputs.

4 The energy-consumption analysis shall be prepared by a professional
5 engineer or licensed architect who may use computers or such other
6 methods as are capable of producing predictable results.

7 (~~(11)~~) (12) "Renewable energy systems" means methods of facility
8 design and construction and types of equipment for the utilization of
9 renewable energy sources including, but not limited to, hydroelectric
10 power, active or passive solar space heating or cooling, domestic solar
11 water heating, windmills, waste heat, biomass and/or refuse-derived
12 fuels, photovoltaic devices, and geothermal energy.

13 (~~(12)~~) (13) "Cogeneration" means the sequential generation of two
14 or more forms of energy from a common fuel or energy source. Where
15 these forms are electricity and thermal energy, then the operating and
16 efficiency standards established by 18 C.F.R. Sec. 292.205 and the
17 definitions established by 18 C.F.R. 292.202 (c) through (m) as of July
18 28, 1991, shall apply.

19 (~~(13)~~) (14) "Selected buildings" means educational, office,
20 residential care, and correctional facilities that are designed to
21 comply with the design standards analyzed and recommended by the
22 department.

23 (~~(14)~~) (15) "Design standards" means the heating, air-
24 conditioning, ventilating, and renewable resource systems identified,
25 analyzed, and recommended by the department as providing an efficient
26 energy system or systems based on the economic life of the selected
27 buildings.

28 **Sec. 4.** RCW 39.35.050 and 1996 c 186 s 403 are each amended to
29 read as follows:

30 The department, in consultation with affected public agencies,
31 shall develop and issue guidelines for administering this chapter. The
32 purpose of the guidelines is to define a procedure and method for
33 performance of life-cycle cost analysis to promote the selection of
34 low-life-cycle cost alternatives. At a minimum, the guidelines must
35 contain provisions that:

36 (1) Address energy considerations during the planning phase of the
37 project;

1 (2) Identify energy components and system alternatives including
2 energy management systems, renewable energy systems, and cogeneration
3 applications prior to commencing the energy consumption analysis;

4 (3) Identify simplified methods to assure the lowest life-cycle
5 cost alternatives for selected buildings with between twenty-five
6 thousand and one hundred thousand square feet of usable floor area;

7 (4) Establish times during the design process for preparation,
8 review, and approval or disapproval of the life-cycle cost analysis;

9 (5) Specify the assumptions to be used for escalation and inflation
10 rates, equipment service lives, economic building lives, and
11 maintenance costs;

12 (6) Determine life-cycle cost analysis format and submittal
13 requirements to meet the provisions of chapter 201, Laws of 1991;

14 (7) Provide for review and approval of life-cycle cost analysis.

15 **PART III**

16 **PERFORMANCE-BASED CONTRACTING BY MUNICIPALITIES**

17 **Sec. 5.** RCW 39.35A.020 and 1985 c 169 s 2 are each amended to read
18 as follows:

19 Unless the context clearly indicates otherwise, the definitions in
20 this section shall apply throughout this chapter.

21 (1) "Energy equipment and services" means energy management systems
22 and any equipment, materials, or supplies that are expected, upon
23 installation, to reduce the energy use or energy cost of an existing
24 building or facility, and the services associated with the equipment,
25 materials, or supplies, including but not limited to design,
26 engineering, financing, installation, project management, guarantees,
27 operations, and maintenance.

28 (2) "Energy management system" has the definition provided in RCW
29 39.35.030.

30 (3) "Municipality" has the definition provided in RCW 39.04.010.

31 ((+3+)) (4) "Performance-based contract" means one or more
32 contracts for energy equipment and services between a municipality and
33 any other persons or entities, if the payment obligation for each year
34 under the contract, including the year of installation, is either: (a)
35 Set as a percentage of the annual energy cost savings attributable
36 under the contract to the energy equipment and services; or (b)
37 guaranteed by the other persons or entities to be less than the annual

1 energy cost savings attributable under the contract to the energy
2 equipment and services. Such guarantee shall be, at the option of the
3 municipality, a bond or insurance policy, or some other guarantee
4 determined sufficient by the municipality to provide a level of
5 assurance similar to the level provided by a bond or insurance policy.

6 NEW SECTION. **Sec. 6.** A new section is added to chapter 39.35A RCW
7 to read as follows:

8 The state department of general administration shall maintain a
9 registry of energy service contractors and provide assistance to
10 municipalities in identifying available performance-based contracting
11 services.

12 **PART IV**

13 **ENERGY CONSERVATION PROJECTS**

14 **Sec. 7.** RCW 39.35C.010 and 1996 c 186 s 405 are each amended to
15 read as follows:

16 Unless the context clearly requires otherwise, the definitions in
17 this section apply throughout this chapter.

18 (1) "Cogeneration" means the sequential generation of two or more
19 forms of energy from a common fuel or energy source. If these forms
20 are electricity and thermal energy, then the operating and efficiency
21 standards established by 18 C.F.R. Sec. 292.205 and the definitions
22 established by 18 C.F.R. Sec. 292.202 (c) through (m) apply.

23 (2) "Conservation" means reduced energy consumption or energy cost,
24 or increased efficiency in the use of energy, and activities, measures,
25 or equipment designed to achieve such results, but does not include
26 thermal or electric energy production from cogeneration.

27 (3) "Cost-effective" means that the present value to a state agency
28 or school district of the energy reasonably expected to be saved or
29 produced by a facility, activity, measure, or piece of equipment over
30 its useful life, including any compensation received from a utility or
31 the Bonneville power administration, is greater than the net present
32 value of the costs of implementing, maintaining, and operating such
33 facility, activity, measure, or piece of equipment over its useful
34 life, when discounted at the cost of public borrowing.

35 (4) "Energy" means energy as defined in RCW 43.21F.025(1).

36 (5) "Energy audit" has the definition provided in RCW 43.19.670.

1 (6) "Energy efficiency project" means a conservation or
2 cogeneration project.

3 (~~(6)~~) (7) "Energy efficiency services" means assistance furnished
4 by the department to state agencies and school districts in
5 identifying, evaluating, and implementing energy efficiency projects.

6 (~~(7)~~) (8) "Department" means the state department of general
7 administration.

8 (~~(8)~~) (9) "Performance-based contracting" means contracts for
9 which payment is conditional on achieving contractually specified
10 energy savings.

11 (~~(9)~~) (10) "Public agency" means every state office, officer,
12 board, commission, committee, bureau, department, and all political
13 subdivisions of the state.

14 (~~(10)~~) (11) "Public facility" means a building or structure, or
15 a group of buildings or structures at a single site, owned by a state
16 agency or school district.

17 (~~(11)~~) (12) "State agency" means every state office or
18 department, whether elective or appointive, state institutions of
19 higher education, and all boards, commissions, or divisions of state
20 government, however designated.

21 (~~(12)~~) (13) "State facility" means a building or structure, or a
22 group of buildings or structures at a single site, owned by a state
23 agency.

24 (~~(13)~~) (14) "Utility" means privately or publicly owned electric
25 and gas utilities, electric cooperatives and mutuals, whether located
26 within or without Washington state.

27 (~~(14)~~) (15) "Local utility" means the utility or utilities in
28 whose service territory a public facility is located.

29 **Sec. 8.** RCW 39.35C.020 and 1996 c 186 s 406 are each amended to
30 read as follows:

31 (1) Each state agency and school district shall implement cost-
32 effective conservation improvements and maintain efficient operation of
33 its facilities in order to minimize energy consumption and related
34 environmental impacts and reduce operating costs. Each state agency
35 and school district shall undertake an energy audit and implement
36 energy conservation measures pursuant to the time schedules set forth
37 in chapter 43.19 RCW. Performance-based contracting shall be the
38 preferred method for implementing and completing energy audits.

1 (2) The department shall assist state agencies and school districts
2 in identifying, evaluating, and implementing cost-effective
3 conservation projects at their facilities. The assistance shall
4 include the following:

5 (a) Notifying state agencies and school districts of their
6 responsibilities under this chapter;

7 (b) Apprising state agencies and school districts of opportunities
8 to develop and finance such projects;

9 (c) Providing technical and analytical support, including
10 procurement of performance-based contracting services;

11 (d) Reviewing verification procedures for energy savings; and

12 (e) Assisting in the structuring and arranging of financing for
13 cost-effective conservation projects.

14 (3) Conservation projects implemented under this chapter shall have
15 appropriate levels of monitoring to verify the performance and measure
16 the energy savings over the life of the project. The department shall
17 solicit involvement in program planning and implementation from
18 utilities and other energy conservation suppliers, especially those
19 that have demonstrated experience in performance-based energy programs.

20 (4) The department shall comply with the requirements of chapter
21 39.80 RCW when contracting for architectural or engineering services.

22 (5) The department shall recover any costs and expenses it incurs
23 in providing assistance pursuant to this section, including
24 reimbursement from third parties participating in conservation
25 projects. The department shall enter into a written agreement with the
26 public agency for the recovery of costs.

27

PART V

28

DEPARTMENT OF GENERAL ADMINISTRATION

29 **Sec. 9.** RCW 43.19.668 and 1993 c 204 s 6 are each amended to read
30 as follows:

31 The legislature finds and declares that the buildings, facilities,
32 equipment, and vehicles owned or leased by state government consume
33 significant amounts of energy and that energy conservation actions,
34 including energy management systems, to provide for efficient energy
35 use in these buildings, facilities, equipment, and vehicles will reduce
36 the costs of state government. In order for the operations of state
37 government to provide the citizens of this state an example of energy

1 use efficiency, the legislature further finds and declares that state
2 government should undertake an aggressive program designed to reduce
3 energy use in state buildings, facilities, equipment, and vehicles
4 within a reasonable period of time. The use of appropriate tree
5 plantings for energy conservation is encouraged as part of this
6 program.

7 **Sec. 10.** RCW 43.19.669 and 1980 c 172 s 2 are each amended to read
8 as follows:

9 It is the purpose of RCW 43.19.670 through 43.19.685 to require
10 energy audits in state-owned buildings, to require energy audits as a
11 lease condition in all new, renewed, and renegotiated leases of
12 buildings by the state, to undertake such modifications and
13 installations as are necessary to maximize the efficient use of energy
14 in these buildings, including but not limited to energy management
15 systems, and to establish a policy for the purchase of state vehicles,
16 equipment, and materials which results in efficient energy use by the
17 state.

18 **Sec. 11.** RCW 43.19.670 and 1982 c 48 s 1 are each amended to read
19 as follows:

20 As used in RCW 43.19.670 through 43.19.685, the following terms
21 have the meanings indicated unless the context clearly requires
22 otherwise.

23 (1) "Energy audit" means a determination of the energy consumption
24 characteristics of a facility which consists of the following elements:

25 (a) An energy consumption survey which identifies the type, amount,
26 and rate of energy consumption of the facility and its major energy
27 systems. This survey shall be made by the agency responsible for the
28 facility.

29 (b) A walk-through survey which determines appropriate energy
30 conservation maintenance and operating procedures and indicates the
31 need, if any, for the acquisition and installation of energy
32 conservation measures and energy management systems. This survey shall
33 be made by the agency responsible for the facility if it has
34 technically qualified personnel available. The director of general
35 administration shall provide technically qualified personnel to the
36 responsible agency if necessary.

1 (c) (~~(A technical assistance study)~~) An investment grade audit,
2 which is an intensive engineering analysis of energy conservation and and
3 management measures for the facility, net energy savings, and a cost-
4 effectiveness determination. This element is required only for those
5 facilities designated in the (~~(technical assistance study)~~) schedule
6 adopted under RCW 43.19.680(~~(+3)~~) (2).

7 (2) "Cost-effective energy conservation measures" means energy
8 conservation measures that the investment grade audit concludes will
9 generate savings sufficient to finance project loans of not more than
10 ten years.

11 (3) "Energy conservation measure" means an installation or
12 modification of an installation in a facility which is primarily
13 intended to reduce energy consumption or allow the use of an
14 alternative energy source, including:

15 (a) Insulation of the facility structure and systems within the
16 facility;

17 (b) Storm windows and doors, multiglazed windows and doors, heat
18 absorbing or heat reflective glazed and coated windows and door
19 systems, additional glazing, reductions in glass area, and other window
20 and door system modifications;

21 (c) Automatic energy control systems;

22 (d) Equipment required to operate variable steam, hydraulic, and
23 ventilating systems adjusted by automatic energy control systems;

24 (e) Solar space heating or cooling systems, solar electric
25 generating systems, or any combination thereof;

26 (f) Solar water heating systems;

27 (g) Furnace or utility plant and distribution system modifications
28 including replacement burners, furnaces, and boilers which
29 substantially increase the energy efficiency of the heating system;
30 devices for modifying flue openings which will increase the energy
31 efficiency of the heating system; electrical or mechanical furnace
32 ignitions systems which replace standing gas pilot lights; and utility
33 plant system conversion measures including conversion of existing oil-
34 and gas-fired boiler installations to alternative energy sources;

35 (h) Caulking and weatherstripping;

36 (i) Replacement or modification of lighting fixtures which increase
37 the energy efficiency of the lighting system;

38 (j) Energy recovery systems; (~~and~~)

39 (k) Energy management systems; and

1 (1) Such other measures as the director finds will save a
2 substantial amount of energy.

3 (~~(3)~~) (4) "Energy conservation maintenance and operating
4 procedure" means modification or modifications in the maintenance and
5 operations of a facility, and any installations within the facility,
6 which are designed to reduce energy consumption in the facility and
7 which require no significant expenditure of funds.

8 (~~(4)~~) (5) "Energy management system" has the definition contained
9 in RCW 39.35.030.

10 (6) "Energy savings performance contracting" means the process
11 authorized by chapter 39.35C RCW by which a company contracts with a
12 state agency to conduct no-cost energy audits, guarantee savings from
13 energy efficiency, provide financing for energy efficiency
14 improvements, install or implement energy efficiency improvements, and
15 agree to be paid for its investment solely from savings resulting from
16 the energy efficiency improvements installed or implemented.

17 (7) "Energy service company" means a company or contractor
18 providing energy savings performance contracting services.

19 (8) "Facility" means a building, a group of buildings served by a
20 central energy distribution system, or components of a central energy
21 distribution system.

22 (~~(5)~~) (9) "Implementation plan" means the annual tasks and budget
23 required to complete all acquisitions and installations necessary to
24 satisfy the recommendations of the energy audit.

25 **Sec. 12.** RCW 43.19.675 and 1982 c 48 s 2 are each amended to read
26 as follows:

27 For each state-owned facility, the director of general
28 administration, ((in cooperation with the director of the state energy
29 office)) or the agency responsible for the facility if other than the
30 department of general administration, shall conduct((, by contract or
31 other arrangement,)) an energy audit ((for each state-owned)) of that
32 facility. ((All energy audits shall be coordinated with and complement
33 other governmental energy audit programs. The energy audit for each
34 state-owned facility located on the capitol campus shall be completed
35 no later than July 1, 1981, and the results and findings of each energy
36 audit shall be compiled and transmitted to the governor and the
37 legislature no later than October 1, 1981.)) This energy audit may be
38 conducted by contract or by other arrangement, including appropriate

1 agency staff. Performance-based contracting shall be the preferred
2 method for implementing and completing energy audits. For ~~((every~~
3 ~~other))~~ each state-owned facility, the energy consumption surveys shall
4 be completed no later than October 1, ~~((1982))~~ 2001, and the walk-
5 through surveys shall be completed no later than July 1, ~~((1983))~~ 2002.

6 **Sec. 13.** RCW 43.19.680 and 1996 c 186 s 506 are each amended to
7 read as follows:

8 (1) Upon completion of each walk-through survey required by RCW
9 43.19.675, the director of general administration or the agency
10 responsible for the facility if other than the department of general
11 administration shall implement energy conservation maintenance and
12 operation procedures that may be identified for any state-owned
13 facility. These procedures shall be implemented as soon as possible
14 but not later than twelve months after the walk-through survey.

15 ~~((By December 31, 1981, for the capitol campus the director of~~
16 ~~general administration shall prepare and transmit to the governor and~~
17 ~~the legislature an implementation plan.))~~ If a walk-through survey has
18 identified potentially cost-effective energy conservation measures, the
19 agency responsible for the facility shall undertake an investment grade
20 audit of the facility. Investment grade audits shall be completed no
21 later than December 1, 2002. Installation of cost-effective energy
22 conservation measures recommended in the investment grade audit shall
23 be completed no later than June 30, 2004.

24 ~~((By December 31, 1983, for all other state-owned facilities,~~
25 ~~the director of general administration shall prepare and transmit to~~
26 ~~the governor and the legislature the results of the energy consumption~~
27 ~~and walk through surveys and a schedule for the conduct of technical~~
28 ~~assistance studies. This submission shall contain the energy~~
29 ~~conservation measures planned for installation during the ensuing~~
30 ~~biennium. Priority considerations for scheduling technical assistance~~
31 ~~studies shall include but not be limited to a facility's energy~~
32 ~~efficiency, responsible agency participation, comparative cost and type~~
33 ~~of fuels, possibility of outside funding, logistical considerations~~
34 ~~such as possible need to vacate the facility for installation of energy~~
35 ~~conservation measures, coordination with other planned facility~~
36 ~~modifications, and the total cost of a facility modification, including~~
37 ~~other work which would have to be done as a result of installing energy~~
38 ~~conservation measures. Energy conservation measure acquisitions and~~

1 ~~installations shall be scheduled to be twenty five percent complete by~~
2 ~~June 30, 1985, or at the end of the capital budget biennium which~~
3 ~~includes that date, whichever is later, fifty five percent complete by~~
4 ~~June 30, 1989, or at the end of the capital budget biennium which~~
5 ~~includes that date, whichever is later, eighty five percent complete by~~
6 ~~June 30, 1993, or at the end of the capital budget biennium which~~
7 ~~includes that date, whichever is later, and fully complete by June 30,~~
8 ~~1995, or at the end of the capital budget biennium which includes that~~
9 ~~date, whichever is later. Each state agency shall implement energy~~
10 ~~conservation measures with a payback period of twenty four months or~~
11 ~~less that have a positive cash flow in the same biennium.))~~

12 For each biennium until all measures are installed, the director of
13 general administration shall report to the governor and legislature
14 installation progress, measures planned for installation during the
15 ensuing biennium(~~, and changes, if any, to the technical assistance~~
16 ~~study schedule~~)). This report shall be submitted by December 31,
17 ~~((1984))~~ 2004, or at the end of the following year whichever
18 immediately precedes the capital budget adoption, and every two years
19 thereafter until all measures are installed.

20 (4) ~~((The director of general administration shall adopt rules to~~
21 ~~facilitate private investment in energy conservation measures for~~
22 ~~state-owned buildings consistent with state law.))~~ Agencies may
23 contract with energy service companies as authorized by chapter 39.35C
24 RCW for energy audits and implementation of cost-effective energy
25 conservation measures. The department shall provide technically
26 qualified personnel to the responsible agency upon request. The
27 department shall recover a fee for this service.

28 (5) Agencies that completed energy audits and implemented cost-
29 effective energy conservation measures after December 31, 1996, and
30 agencies that have contracted with energy service companies for energy
31 audits and conservation measures after December 31, 1996, are deemed to
32 have fulfilled the requirements of this chapter.

33 **PART VI**
34 **MISCELLANEOUS**

35 NEW SECTION. Sec. 14. Part headings used in this act are not any
36 part of the law.

1 NEW SECTION. **Sec. 15.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and takes effect
4 immediately.

--- END ---