

SENATE BILL REPORT

SB 6729

As Reported By Senate Committee On:
Water, Energy & Environment, January 31, 2006

Title: An act relating to including water conservation in energy conservation provisions.

Brief Description: Including water conservation in energy conservation provisions.

Sponsors: Senators Fraser, Swecker, Fairley, Regala, Keiser, Thibaudeau, Rockefeller, Delvin, McAuliffe, Kline, Shin, Haugen, Franklin, Prentice, Spanel, Pridemore and Kohl-Welles.

Brief History:

Committee Activity: Water, Energy & Environment: 1/31/06 [DP].

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Majority Report: Do pass.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Delvin, Fraser, Honeyford, Mulliken, Pridemore and Regala.

Staff: William Bridges (786-7424)

Background: Municipalities and the Department of General Administration (GA) use "energy saving performance contracting" to identify and implement cost-effective conservation improvements in public buildings. In this process, a municipality or GA may hire a company to conduct an energy audit, complete the design work, provide financing, and serve as the general contractor to install any energy efficiency measures. Payments to the company are conditioned on energy cost savings.

Water conservation opportunities are often identified in the course of the energy audits. In August 2005, GA was advised by its attorney that water conservation projects could not be completed using energy saving performance contracting. Because of this opinion, GA has stopped pursuing water conservation projects.

Summary of Bill: The provisions concerning energy saving performance contracting are amended to allow for measures to conserve water and to reduce wastewater and solid waste.

Appropriation: None.

Fiscal Note: Preliminary note available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill will bring savings in capital and operating budgets. GA has managed these contracts for over 10 years with great success. These projects are repaid with utility savings so no capital funds are used. Some suggest that the bill be amended to expand

performance contracting to new structures. But others say this would create problems in determining baselines for measuring efficiencies and raise contracting challenges.

Testimony Against: None.

Who Testified: PRO: Sen. Fraser, prime sponsor; John Lynch, General Administration; Stan Price, NW Energy Efficiency Council.

CON: None.