

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 789
May 3, 2021
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40474-MHxa-17

Short Title: Energy Savings Incentives/State Agencies. (Public)

Sponsors: Representative Harrison.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT ANY ENERGY SAVINGS REALIZED BY STATE
3 AGENCIES MAY REMAIN AVAILABLE TO THE AGENCY FOR OTHER FACILITY
4 UPGRADES RELATED TO REDUCING ENERGY AND WATER CONSUMPTION.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Part 2 of Article 3B of Chapter 143 of the General Statutes is amended
7 by adding a new section to read:

8 "**§ 143-64.17N. Energy conservation savings nonreversion.**

9 (a) The General Fund current operations appropriations credit balance remaining at the
10 end of each fiscal year for utilities of a State governmental unit (other than the Board of
11 Governors of The University of North Carolina and its constituent institutions), to the extent that
12 credit balance represents energy savings realized from implementing an energy conservation
13 measure, shall be carried forward by the unit to the next fiscal year and is appropriated for energy
14 conservation measures by that unit. The use of funds appropriated under this section shall be
15 limited to one-time capital and operating expenditures that will not impose additional financial
16 obligations on the State. The Director of the Budget, under the authority set forth in
17 G.S. 143C-6-2, shall establish the General Fund current operations credit balance remaining in
18 each budget code of each unit.

19 (b) The Director of the Budget shall not decrease the recommended continuation budget
20 requirements for utilities for State governmental units carrying forward a credit balance under
21 subsection (a) of this section by the amount of energy savings realized from implementing energy
22 conservation measures, including savings achieved through a guaranteed energy savings
23 contract.

24 (c) State governmental units shall submit annual reports on the use of funds authorized
25 pursuant to this section as required under G.S. 143-64.12."

26 SECTION 2. G.S. 143-64.12(a) reads as rewritten:

27 "(a) The Department of Environmental Quality through the State Energy Office shall
28 develop a comprehensive program to manage energy, water, and other utility use for State
29 agencies and State institutions of higher learning and shall update this program annually. Each
30 State agency and State institution of higher learning shall develop and implement a management
31 plan that is consistent with the State's comprehensive program under this subsection to manage
32 energy, water, and other utility use, and that addresses any findings or recommendations resulting
33 from the energy audit required by subsection (b1) of this section. The energy consumption per
34 gross square foot for all State buildings in total shall be reduced by twenty percent (20%) by
35 2010 and thirty percent (30%) by 2015 based on energy consumption for the 2002-2003 fiscal
36 year. Each State agency and State institution of higher learning shall update its management plan



1 biennially and include strategies for supporting the energy consumption reduction requirements
2 under this subsection. Each community college shall submit to the State Energy Office a biennial
3 written report of utility consumption and costs. Management plans submitted biennially by State
4 agencies and institutions of higher learning shall include all of the following:

- 5 (1) Estimates of all costs associated with implementing energy conservation
6 measures, including pre-installation and post-installation costs.
- 7 (2) The cost of analyzing the projected energy savings.
- 8 (3) Design costs, engineering costs, pre-installation costs, post-installation costs,
9 debt service, and any costs for converting to an alternative energy source.
- 10 (4) An analysis that identifies projected annual energy savings and estimated
11 payback periods."

12 **SECTION 3.** This act is effective when it becomes law and applies to fiscal years
13 ending on or after June 30, 2021.