

By: Clardy

H.B. No. 599

A BILL TO BE ENTITLED

AN ACT

relating to energy savings performance contracts entered into by public institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 51.927, Education Code, is amended by amending Subsections (i) and (l) and adding Subsections (i-1) and (i-2) to read as follows:

(i) An energy savings performance contract shall be let according to the procedures established for procuring certain professional services by Section 2254.004, Government Code. Notice of the request for qualifications shall be given in the manner provided by Section 2156.002, Government Code. The [~~Texas Higher Education Coordinating Board, in consultation with the~~] State Energy Conservation Office [~~with regard to energy and water conservation measures,~~] shall establish guidelines and an approval process for awarding energy savings performance contracts under this section.

(i-1) The guidelines established under Subsection (i) must require that the cost savings projected by an offeror be reviewed by a licensed professional engineer who has a minimum of three years of experience in energy calculation and review, is not an officer or employee of an offeror for the contract under review, and is not otherwise associated with the contract. In conducting the review, the engineer shall focus primarily on the proposed improvements

1 from an engineering perspective, the methodology and calculations
2 related to cost savings, increases in revenue, and, if applicable,
3 efficiency or accuracy of metering equipment. An engineer who
4 reviews a contract shall maintain the confidentiality of any
5 proprietary information the engineer acquires while reviewing the
6 contract. Sections 1001.053 and 1001.407, Occupations Code, apply
7 to work performed under the contract.

8 (i-2) The board may not enter into an energy savings
9 performance contract unless the contract has been [~~A contract is~~
10 ~~not required to be reviewed or~~] approved by the State Energy
11 Conservation Office. The contract is not required to be reviewed or
12 approved by the Texas Higher Education Coordinating Board.
13 However, the coordinating board may review energy savings
14 performance contracts in performing the duties of the coordinating
15 board under Section 61.058 [~~Sections 1001.053 and 1001.407,~~
16 ~~Occupations Code, apply to work performed under the contract~~].

17 (1) The guidelines established under Subsection (i) must
18 require the State Energy Conservation Office [~~Texas Higher~~
19 ~~Education Coordinating Board~~] to:

20 (1) review any reports submitted to the office [~~board~~]
21 that measure and verify cost savings to an institution of higher
22 education under an energy savings performance contract; and

23 (2) based on the reports, provide an analysis, on a
24 periodic basis, of the cost savings under the energy savings
25 performance contract to the governing board of the institution of
26 higher education and the Legislative Budget Board until the
27 governing board of the institution of higher education determines

1 that the analysis is no longer required to accurately measure cost
2 savings.

3 SECTION 2. The change in law made by this Act to Section
4 [51.927](#), Education Code, does not apply to an energy savings
5 performance contract submitted for approval by the Texas Higher
6 Education Coordinating Board under that section before the
7 effective date of this Act, and the former law governing the
8 approval of that contract is continued in effect for that purpose.

9 SECTION 3. This Act takes effect September 1, 2015.