

SENATE BILL 2876

By Bailey

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 15; Title 4, Chapter 3; Title 12; Title 49, Chapter 17; Title 67; Title 68, Chapter 120 and Title 68, Chapter 204, relative to energy efficiency in public buildings.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 4, Part 1, is amended by adding the following as a new section:

(a) When contracting for the construction of a new building or the substantial renovation of an existing building, this state or any political subdivision of this state may negotiate as part of the contract, or by separate agreement, for a responsible party to guarantee that annual energy use of all habitable conditioned space within the building will meet pre-determined energy use objectives.

(b) A contract or agreement entered into under subsection (a) must:

- (1) Be three (3) years in duration;
- (2) Define energy use objectives;
- (3) Specify reimbursement rates for energy use below the defined objectives; and
- (4) Provide for an independent measurement and verification audit of measured energy use every twelve (12) months following the occupancy of the building. The independent auditor shall not have a financial interest in, or affiliation with, the responsible party. The independent auditor shall produce a report following each audit, which report must include: energy use objectives achieved; actual measured energy use reported by meter or sub-meter; other

energy use targets met, exceeded, or missed; and any reimbursement paid under the contract during the audit period. The state or political subdivision that is a party to the contract or agreement shall provide a copy of each audit report to the department of environment and conservation office of energy programs.

(c) As used in this section:

(1) "Political subdivision" means any city; town; municipality; county, including any county with a metropolitan form of government; or other local government entity that is authorized to spend public funds to contract for the construction or substantial renovation of buildings;

(2)

(A) "Responsible party" means a general contractor, architect, or engineer with whom this state or any political subdivision of this state contracts for the design or construction of any public building; and

(B) "Responsible party" also means any person who demonstrates to the satisfaction of the commissioner of environment and conservation that the person possesses the scientific and mechanical understanding to predict annual energy use within buildings and create designs to reduce energy use within buildings, and who meets the requirements of part 2 of this chapter; and

(3) "Substantial renovation" means a change in the functional use or operation of space in existing buildings or structures that will cost in excess of one hundred thousand dollars (\$100,000).

SECTION 2. This act shall take effect July 1, 2020, the public welfare requiring it, and shall apply to all contracts entered into on and after such date.