

#### **IC 4-13.6-8**

##### Chapter 8. Energy Cost Savings Contracts

#### **IC 4-13.6-8-1**

##### **"Commission" defined**

Sec. 1. As used in this chapter, "commission" means the Indiana finance authority established by IC 4-4-11-4.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8. Amended by P.L.235-2005, SEC.58.*

#### **IC 4-13.6-8-2**

##### **"Energy cost savings contract" defined**

Sec. 2. As used in this chapter, "energy cost savings contract" means a contract between:

- (1) the state or the commission; and
- (2) a qualified provider;

for the implementation of at least one (1) qualified energy savings project and related measures for a governmental body.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-3**

##### **"Qualified energy savings project" defined**

Sec. 3. As used in this chapter, "qualified energy savings project" means a facility alteration designed to reduce energy consumption costs or other operating costs. The term includes the following:

- (1) Providing insulation of the facility and systems within the facility.
- (2) Installing or providing for window and door systems, including:
  - (A) storm windows and storm doors;
  - (B) caulking or weatherstripping;
  - (C) multi-glazed windows and doors;
  - (D) heat absorbing or heat reflective glazed and coated windows and doors;
  - (E) additional glazing;
  - (F) reduction in glass area; and
  - (G) other modifications that reduce energy consumption.
- (3) Installing automatic energy control systems.
- (4) Modifying or replacing heating, ventilating, or air conditioning systems.
- (5) Unless an increase in illumination is necessary to conform to Indiana laws or rules or local ordinances, modifying or replacing lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility.
- (6) Providing for other measures that reduce energy consumption or reduce operating costs.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-4**

#### **"Qualified provider" defined**

Sec. 4. As used in this chapter, "qualified provider" means a person experienced in the design, implementation, and installation of energy and operational cost savings systems.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-5**

##### **Contract proposals**

Sec. 5. (a) At the request of a governmental body, the department, in consultation with the governmental body, may do the following:

(1) Solicit proposals from qualified providers for an energy cost savings contract.

(2) Review proposals and contract with a qualified provider.

(b) An energy cost savings contract may cover more than one (1) governmental body.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-6**

##### **Allowable provisions in contracts**

Sec. 6. An energy cost savings contract may do any of the following:

(1) Provide that energy cost savings are guaranteed by the qualified provider to the extent necessary to make payments for the qualified energy savings project.

(2) Include contracts for building operation programs, maintenance, and management or similar agreements with the qualified provider to reduce energy or operational costs.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-7**

##### **Contract approval and guarantee**

Sec. 7. (a) After reviewing the proposals submitted and after receiving a recommendation from the budget committee, the department may approve an energy cost savings contract with a qualified provider that best meets the needs of the governmental body if the department reasonably expects the cost of the qualified energy savings project recommended in the proposal would not exceed the amount to be saved in:

(1) energy costs;

(2) operational costs; or

(3) both energy and operational costs;

not later than twenty (20) years after the date installation is completed if the recommendations in the proposal are followed.

(b) An energy cost savings contract must include a guarantee from the qualified provider to the state that:

(1) energy cost savings;

(2) operational cost savings; or

(3) both energy and operational cost savings;

will meet or exceed the cost of the qualified energy project not later than twenty (20) years after the date installation is completed.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8. Amended by P.L.71-2009, SEC.1; P.L.99-2009, SEC.1.*

#### **IC 4-13.6-8-8**

##### **Wage scales; records**

Sec. 8. (a) An agreement or a contract under this chapter is subject to IC 5-16-7.

(b) The contractor and each subcontractor engaged in installing energy conservation measures under a guaranteed energy savings contract shall keep full and accurate records indicating the names, classifications, and work performed by each worker employed by the respective contractor and subcontractor in connection with the work and an accurate record of the number of hours worked by each worker and the actual wages paid.

(c) The payroll records required to be kept under this section must be open to inspection by an authorized representative of the department and the department of labor.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-9**

##### **Reduction of state appropriations due to energy cost savings prohibited**

Sec. 9. The amount of state appropriations available to a governmental body may not be reduced because of energy cost savings and operational cost savings realized from a qualified energy savings project and an energy cost savings contract.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8.*

#### **IC 4-13.6-8-10**

##### **Recommendations to governor**

Sec. 10. The department may recommend to the governor that an energy cost savings contract be entered into by the commission under IC 4-13.5-1.5.

*As added by P.L.58-1999, SEC.9 and P.L.172-1999, SEC.8. Amended by P.L.235-2005, SEC.59.*