As Passed by the House

126th General Assembly Regular Session 2005-2006

То

Am. Sub. H. B. No. 251

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A BILL

amend sections 123.011, 125.09, and 125.11 and to	1
enact section 3345.69 of the Revised Code to	2
specify certain energy efficiency and conservation	3
standards relating to facility construction and	4
leasing that the Office of Energy Services in the	5
Department of Administrative Services must adopt	6
and with which state agencies and public schools	7
must comply unless they meet higher standards;	8
require certain additional duties, and additional	9
cooperation between the Office and the Office of	10
Energy Efficiency of the Department of	11
Development, relating to state purchasing; require	12
the Department of Administrative Services to give	13
preference to procuring products and services that	14
meet federal energy efficiency guidelines; and	15
require boards of trustees of state institutions	16
of higher education to adopt rules to carry out	17
on- and off-campus building, energy efficiency and	18
conservation quidelines developed by a committee	1 0

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of those institutions in consultation with the	20
Office of Energy Services.	21
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:	
Section 1. That sections 123.011, 125.09, and 125.11 be	22
amended and section 3345.69 of the Revised Code be enacted to read	23
as follows:	24
Sec. 123.011. (A) There As used in this section:	25
(1) "Construct" includes reconstruct, improve, renovate,	26
enlarge, or otherwise alter.	27
(2) "Energy consumption analysis" means the evaluation of all	28
energy consuming systems, components, and equipment by demand and	29
type of energy, including the internal energy load imposed on a	30
facility by its occupants and the external energy load imposed by	31
climatic conditions.	32
(3) "Energy performance index" means a number describing the	33
energy requirements of a facility per square foot of floor space	34
or per cubic foot of occupied volume as appropriate under defined	35
internal and external ambient conditions over an entire seasonal	36
cycle.	37
(4) "Facility" means a building or other structure, or part	38
of a building or other structure, that includes provision for a	39
heating, refrigeration, ventilation, cooling, lighting, hot water,	40
or other major energy consuming system, component, or equipment.	41
(5) "State funded" means funded in whole or in part through	42
appropriation by the general assembly or through the use of any	43
guarantee provided by this state.	44
(6) "State institution of higher education" has the same	45
meaning as in section 3345.011 of the Revised Code.	46

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(B) There is hereby created within the department of	47
administrative services an office to be known as the office of	48
energy services. The office shall be under the supervision of a	49
manager, who shall be appointed by the director of administrative	50
services. The director shall assign to the office a such number of	51
employees and furnish <u>such</u> equipment and supplies that the	52
director considers <u>as are</u> necessary for the proper <u>full</u>	53
performance of the office's duties assigned to the office.	54
The office shall develop energy efficiency and conservation	55
programs in each of the following areas:	56
(1) New construction design and review;	57
(2) Existing building audit and retrofit;	58
(3) Energy efficient procurement;	59
(4) Alternate fuel vehicles.	60
The office may accept and administer grants from public and	61
private sources for carrying out any of its duties under this	62
section.	63
(B) In addition to its duties under division (A) of this	64
section, the office shall assist the department in its	65
responsibility for state owned, assisted, and leased facilities by	66
ensuring that energy conservation goals are observed in the	67
design, construction, renovation, and utilization of these	68
facilities in a manner that will minimize the consumption of	69
energy used in the operation and maintenance of such facilities.	70
This process shall include the use of life-cycle costs, including	71
construction, the costs of operation and maintenance of the	72
facility as it affects energy consumption over the economic life	73
of the facility, and energy consumption analyses of existing	74
facilities in order to determine and require necessary changes in	75

the operation and maintenance of such facilities.

As used in this section:	77
(1) "Facility" means a building or other structure that	78
includes provision for a heating or cooling system, or both, or	79
for a hot water system.	80
(2) "State assisted facility" means a facility constructed or	81
renovated in whole or in part with state or federal funds or with	82
funds guaranteed or provided by or through a state agency.	83
(3) "Energy consumption analysis" means the evaluation of all	84
energy consuming systems and components by demand and type of	85
energy, including the internal energy load imposed on a facility	86
by its occupants, equipment, and components and the external	87
energy load imposed on a facility by climatic conditions.	88
(4) "Energy performance index" means a number describing the	89
energy requirements of a facility per square foot of floor space	90
or per cubic foot of occupied volume as appropriate under defined	91
internal and external ambient conditions over an entire seasonal	92
cycle.	93
(5) "Life cycle costs" means the cost of owning, operating,	94
and maintaining a facility over the life of the structure. This	95
may be expressed as an annual cost for each year of the facility's	96
use.	97
(C) No state agency, department, division, bureau, office,	98
unit, board, commission, authority, quasi-governmental entity, or	99
<u>institution</u> , including those agencies otherwise excluded from the	100
jurisdiction of the department under division $(A)(3)$ of section	101
123.01 of the Revised Code, and no public school shall lease,	102
construct, or <u>have</u> <u>cause to be leased or</u> constructed, within the	103
limits prescribed in this section, a <u>state-funded</u> facility,	104
without having secured from the office a proper evaluation of	105
life-cycle costs <u>cost analysis</u> or, in the case of a lease, an	106
energy consumption analysis, as computed or prepared by a	107

(2) Specifications for a life-cycle cost analysis that shall	172
determine the reasonably expected fuel costs over, for the	173
economic life of the building that are required to maintain	174
illumination, power, temperature, humidity, ventilation such	175
state-funded facility, and all other energy consuming equipment in	176
a facility and the reasonable reasonably expected costs of	177
probable facility ownership, operation, and maintenance including	178
labor, and materials, and building operation. The life-cycle cost	179
analysis shall include, but not be limited Life-cycle cost may be	180
expressed as an annual cost for each year of the facility's use.	181
Further, the life-cycle cost analysis shall demonstrate for each	182
design how the design contributes to energy efficiency and	183
conservation with respect to, all of the following:	184
$\frac{(1)(a)}{(a)}$ The coordination, orientation, and positioning of the	185
facility on its physical site;	186
$\frac{(2)}{(b)}$ The amount and type of glass employed in the facility	187
and the directions of exposure;	188
$\frac{(3)(c)}{(c)}$ Thermal characteristics of materials, including the	189
effect of insulation incorporated into facility design, including	190
<pre>insulation;</pre>	191
$\frac{(4)(d)}{(d)}$ Architectural features which that affect energy	192
consumption, including the effect of solar utilization of the	193
absorption and reflection properties of external surfaces;	194
$\frac{(5)(e)}{(e)}$ The variable occupancy and operating conditions of the	195
facility and subportions portions of the facility, including	196
illumination levels;	197
(6) An (f) Any other pertinent, physical characteristics of	198
the design.	199
A life-cycle cost analysis additionally shall include an	200
energy consumption analysis that conforms to division (D)(3) of	201

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(D)(1) to (4) of this section, provided that the application shall	233
be accompanied by a written explanation and documentation of how	234
the facility will meet energy efficiency and conservation	235
standards that exceed applicable standards prescribed in the	236
rules. The office shall notify the applicant within thirty days	237
after the date of the application's filing if more supporting	238
information is desired. Unless, within thirty days after the date	239
of the application's filing or thirty days after the date that a	240
later information request is sent, the office notifies the	241
applicant that the waiver is denied, the waiver shall be deemed	242
approved.	243
(6) A requirement that, not later than two years after the	244
effective date of this amendment, each state-funded facility	245
excepting a facility of a state institution of higher education is	246
managed by at least one building operator certified under the	247
building operator certification program or any equivalent program	248
or standards as shall be prescribed in the rules and considered	249
reasonably equivalent. Nothing in division (D)(6) of this section	250
precludes such a building operator from managing more than one	251
state-funded facility.	252
(E) The office shall conduct studies of the state's purchase	253
and use of supplies, automobiles, and equipment having a	254
significant impact on energy use by government, in order to	255
determine the potential for energy conservation. The department of	256
development shall advise the office on the state of the art of	257
energy efficiency, both generally and with reference to the cost	258
of various levels of energy efficiency. The office of energy	259
services shall promulgate adopt rules to ensure that energy	260
efficiency and conservation will be considered in state purchasing	261
the purchase of products and equipment, excepting motor vehicles,	262
by any state agency, department, division, bureau, office, unit,	263

board, commission, authority, quasi-governmental entity, or

The department of development shall make recommendations to

the office regarding planning and implementation of purchasing

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(1)(2) Each department, state agency, state institution,

university, college department, division, bureau, office, unit,

commission, board, authority, commission, board, and

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might otherwise be excluded from being awarded a contract by

operation of this section and section 125.11 of the Revised Code.

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389 The criteria and procedures shall recognize the level and regularity of interstate commerce between Ohio this state and the 390 border states and provide that the non-Ohio businesses may qualify 391 for award of a contract as long as they are located in a state 392 that imposes no greater restrictions than are contained in this 393 section and section 125.11 of the Revised Code upon persons 394 located in Ohio this state who are selling products or services to 395 agencies of that state. The criteria and procedures shall also 396 shall provide that a non-Ohio business shall not bid on a contract 397 for state printing in this state if the business is located in a 398 state that excludes Ohio businesses from bidding on state printing 399 contracts in that state. 400

- (5) Criteria and procedures to be used to qualify bidders a 401 bidder whose manufactured products, except for mined products, are 402 produced in other states or in North America, but the bidders have 403 bidder has a significant Ohio economic presence in terms of the 404 number of employees or capital investment a the bidder has in this 405 state. Bidders with a significant Ohio economic presence shall 406 qualify for award of a contract on the same basis as if their 407 products were produced in this state. 408
- (6) Criteria and procedures for the director to grant waivers
 of the requirements of division (B) of section 125.11 of the
 Revised Code on a contract-by-contract basis where compliance with
 those requirements would result in the state agency paying an
 excessive price for the product or acquiring a disproportionately
 inferior product;
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- (7) Such other Other requirements or procedures reasonably 415 necessary to implement the system of preferences established 416 pursuant to division (B) of section 125.11 of the Revised Code. 417

In adopting the rules required under this division, the director shall, to the maximum extent possible, shall conform to the requirements of the federal "Buy America Act," 47 Stat. 1520,

purchase of products shall evaluate the bids received according to	452
the criteria and procedures established pursuant to divisions	453
(C)(1) and (2) of section 125.09 of the Revised Code for	454
determining if a product is produced or mined in the United States	455
and if a product is produced or mined in this state. The	456
department or other state agency shall first remove bids that	457
offer products that have not been or that will not be produced or	458
mined in the United States. From among the remaining bids and	459
subject to divisions (A)(1) and (2) of this section, the	460
department or other state agency shall select the lowest	461
responsive and responsible bid, in accordance with section 9.312	462
of the Revised Code, from among the bids that offer products that	463
have been produced or mined in this state where sufficient	464
competition can be generated within this state to ensure that	465
compliance with these requirements will not result in an excessive	466
price for the product or acquiring a disproportionately inferior	467
product. If there are two or more qualified bids that offer	468
products that have been produced or mined in this state, it shall	469
be deemed that there is sufficient competition to prevent an	470
excessive price for the product or the acquiring of a	471
disproportionately inferior product.	472

- (C) Division (B) of this section applies to contracts for 473 which competitive bidding is waived by the controlling board. 474
- (D) Division (B) of this section does not apply to the 475 purchase by the division of liquor control of spirituous liquor. 476
- (E) The director of administrative services shall publish in 477 the form of a model act for use by counties, townships, municipal 478 corporations, or any other political subdivision described in 479 division (B) of section 125.04 of the Revised Code, a system of 480 preferences for products mined and produced in this state and in 481 the United States and for Ohio-based contractors. The model act 482 shall reflect substantial equivalence to the system of preferences 483

(B) The chairperson of the interuniversity council of Ohio

(6) Provide that project impact assessments include the

fiscal effects of energy efficiency and conservation

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recommendations and plans;	545
(7) Establish mechanisms for each board to report	546
periodically to the committee on its progress relative to the	547
quidelines.	548
(C) The board of trustees of a state institution of higher	549
education shall adopt rules under section 111.15 of the Revised	550
Code to carry out the guidelines established pursuant to division	551
(B) of this section, including in the execution of the board's	552
authority under sections 3345.62 to 3345.66 of the Revised Code.	553
Section 2. That existing sections 123.011, 125.09, and 125.11	554
of the Revised Code are hereby repealed.	555
Section 3. Within 60 days after the effective date of this	556
act, the Director of Administrative Services shall review the	557
current operation of the Office of Energy Services and ensure that	558
staffing levels and equipment and supplies are sufficient for the	559
office to fully perform its duties under the act.	560