

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 783 (Senator Klausmeier)
Education, Health, and Environmental Affairs

**State Agencies - Energy Performance Contracting - Water and Wastewater
Conservation Projects**

This bill adds water and wastewater conservation projects to the definition of energy performance contract as it relates to State procurement law.

Fiscal Summary

State Effect: None. The bill codifies existing practice. The Department of General Services advises that the State already is permitted to enter into energy performance contracts for water and wastewater conservation.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines two types of water or wastewater conservation projects in which:

- a person improves the energy or operating efficiency of a building by designing, installing, financing, maintaining, or managing water or wastewater systems, and retains a portion of the energy savings as a fee; or
- a person improves the accuracy of automated, electronic, or remotely controlled systems for calculating billable revenue in exchange for a fixed fee.

For the purpose of procurement law, these types of contracts are included as energy performance contracts.

Current Law: Energy performance contracts are agreements for the provision of energy services, including electricity, heating, ventilation, cooling, steam, or hot water in which a person agrees to improve the energy efficiency of a building in exchange for a portion of the energy savings.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of General Services, Board of Public Works, Maryland Energy Administration, University System of Maryland, Maryland Department of Transportation, Department of Budget and Management, Department of Legislative Services

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Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510