

HB 1417 - Department of General Services - Clean Energy Procurement Program - Establishment

Position: Letter of Information

Committee: Economic Matters

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The Department of General Services (DGS) appreciates the opportunity to provide information regarding House Bill 1417 - Department of General Services - Clean Energy Procurement Program - Establishment. DGS is providing this Letter of Information to explain the operational and fiscal effects of this proposed legislation on the Department.

House Bill 1417 proposes to establish a Clean Energy Procurement Program within DGS to procure biogas for use in the State's transportation and building sectors. Additionally, the bill requires an evaluation of the environmental and economic benefits of replacing fossil natural gas with biogas.

Establishing this program would necessitate comprehensive market research, issuing a competitive sealed procurement, and conducting extensive data collection and analysis over a period of more than one year. To effectively implement and manage this program, DGS would require additional staffing, at a minimum hiring one dedicated personnel member.

However, DGS notes that it is not necessary to issue a procurement to evaluate the potential environmental and economic benefits of transitioning from fossil natural gas to biogas. The Department has the capability to conduct an analysis of environmental benefits and price differentials without the immediate purchase of biogas. This would allow the State to assess the viability of such a transition without committing to procurement before a thorough review.

DGS remains committed to exploring opportunities for clean energy utilization and supports initiatives that align with the State's sustainability and energy efficiency goals. We look forward to further discussions with stakeholders to determine the most effective and fiscally responsible approach to evaluating and implementing clean energy solutions.

Again, DGS is providing this testimony for informational purposes, and the Department looks forward to being of further assistance as the Committee considers this bill.