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Shared Energy Savings Program

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Shared Energy Savings Program

Sec. 16a-37c-1. Scope

These regulations shall set forth the guidelines for a program designed to provide an incentive to agencies that achieve dollar savings through energy efficiency improvements utilizing agency procured funds for construction or, in the case of third party financing arrangements, project costs.

(Effective December 30, 1991)

Sec. 16a-37c-2. Definitions

(a) **Eligible Facility:** Any facility or building owned or leased by the state which is supported by appropriated funds. In the case of a leased facility or building, fuel or utility costs must be paid separate from the lease payment by the facility and the lease must extend beyond the installation of the energy conservation measures at least as long as the average simple payback period of all energy conservation measures for which savings will be shared.

(b) **Eligible Energy Conservation Measure:** Any construction, alteration or improvement of the capital assets of an eligible facility for the purpose of reducing fuel and utility costs.

(c) **Energy Conservation Project:** One or more energy conservation measures selected for implementation by an eligible facility, whose total cost must exceed ten thousand dollars (\$10,000).

(d) **Simple Payback Period:** A calculated period of time, within which the total cost of an energy conservation project will be recovered from the savings generated by the reduced fuel and utility operating costs resulting therefrom.

(e) **Useful Life:** That period of time during which an energy conservation measure performs at eighty five per cent (85%) or greater of its designed efficiency. In no case shall the useful life extend beyond the estimated useful life as documented by manufacturer's data.

(f) **Energy Conservation Related Activities:** Improvements, maintenance, or modifications to existing energy systems, including fenestration, roofing, or insulation, but exclusive of those activities which will result in multiple year obligations of state funds.

(Effective December 30, 1991)

Sec. 16a-37c-3. Procedures for participation

(a) Any state agency desiring to participate in this program shall:

(1) Provide, on forms prepared by the Of of Policy and Management, information including but not limited to:

(A) A description of each proposed energy conservation project, including the facilities involved in the project, those energy conservation measures anticipated to be implemented, technical documentation of estimated total implementation costs by measure, estimated energy usage savings (in units) by measure, estimated useful life of each measure based on manufacturer's documentation, and Department of Public Works assigned project number(s), if applicable.

(B) Source(s) of funding, which shall account for all project costs.

(C) Expected date of project completion within the fiscal year.

(2) Submit the above forms to the Office of Policy and Management by May 1 for all projects expected to be completed by June 30 of that same fiscal year. No more than one energy conservation project under this program will be allowed in

each fiscal year for each budgeted agency, unless a waiver of this requirement has been requested of and granted by the Office of Policy and Management.

(3) Submit to the Office of Policy and Management, by August 1 for any project completed in the preceding fiscal year, written confirmation, signed by the agency head, of all energy conservation measures completed in the preceding fiscal year, actual total implementation costs, and calculated savings (by unit). Such confirmation must be based upon those estimates for any project identified in 3 (a) (1) (A) above.

(4) Submit, beginning two years after the submittal required in subdivision (3) above, and each August 1 thereafter, technical certification that each completed energy conservation measure is performing at eighty five per cent (85%) or greater of its designed efficiency, or has been replaced, or is no longer functioning. Such verification shall be confirmed, in writing, by the agency head and forwarded to the Office of Policy and Management. The level of technical verification required shall be determined by the Office of Policy and Management for each energy conservation measure implemented.

(b) The Office of Policy and Management shall:

(1) For each budgeted agency participating in the program in any full fiscal year, provide, by June 30 of the following fiscal year, a statement of determined dollar savings achieved through energy conservation measures.

(2) Allow not less than fifty per cent of the determined dollar savings achieved through energy conservation measures during the preceding fiscal year of program participation to be credited to that agency for future energy costs or energy conservation related activities. Such savings shall be credited to the agency through the annual budget review and each annual credited amount must be used by the agency in that fiscal year. In the case of energy conservation projects funded through third party financing agreements, such portion credited must first be used as payment toward the debt of such obligation.

(3) Allow the savings identified in subdivision (2) above to be credited to the agency annually for a period equal to the useful life of the energy conservation measures implemented as identified in 3 (a) (3) and (4) above.

(4) Allow not less than fifty per cent of the credited amount to be used for future energy conservation related activities.

(Effective December 30, 1991)