



Rep. Brandon W. Phelps

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LRB097 10230 PJG 52844 a

1 AMENDMENT TO HOUSE BILL 1504

2 AMENDMENT NO. _____. Amend House Bill 1504 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by
5 changing Section 25-45 and by adding the heading of Article 32
6 and Sections 32-3, 32-4, 32-5, 32-10, 32-15, 32-20, and 32-25
7 as follows:

8 (30 ILCS 500/25-45)

9 Sec. 25-45. Energy conservation program. State purchasing
10 officers may enter into energy conservation program contracts
11 that provide for utility cost savings. The chief procurement
12 officer shall promulgate and adopt rules in accordance with
13 Article 32 of this Act for the implementation of this Section.

14 For the purposes of promoting energy conservation and
15 carbon reduction in State owned facilities, the State
16 purchasing officer of the Illinois Department of Corrections

1 (IDOC) may work in conjunction with the State purchasing
2 officer of the Capital Development Board (CDB) to follow the
3 procedure prescribed in Article 32 of this Act for the
4 procurement of guaranteed energy saving contracts. After
5 evaluating proposals, IDOC may enter into a contract with the
6 qualified provider to reduce energy usage and carbon footprints
7 of the correctional facilities administered by IDOC. If, in the
8 judgment of IDOC and CDB, it is in the State's best interest to
9 award contracts to more than one qualified provider, they may
10 do so.

11 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

12 (30 ILCS 500/Art. 32 heading new)

13 ARTICLE 32. ENERGY CONSERVATION MEASURES

14 (30 ILCS 500/32-3 new)

15 Sec. 32-3. Applicable laws. Other State laws and related
16 administrative requirements apply to this Article, including,
17 but not limited to, the following laws and related
18 administrative requirements: the Illinois Human Rights Act,
19 the Prevailing Wage Act, the Public Construction Bond Act, the
20 Public Works Preference Act, the Employment of Illinois Workers
21 on Public Works Act, the Freedom of Information Act, the Open
22 Meetings Act, the Illinois Architecture Practice Act of 1989,
23 the Professional Engineering Practice Act of 1989, the
24 Structural Engineering Practice Act of 1989, and the Contractor

1 Unified License and Permit Bond Act.

2 (30 ILCS 500/32-4 new)

3 Sec. 32-4. Applicability. In order to protect the integrity
4 of historic buildings, no provision of this Article shall be
5 interpreted to require the implementation of energy
6 conservation measures that conflict with respect to any
7 property eligible for, nominated to, or entered on the National
8 Register of Historic Places, pursuant to the National Historic
9 Preservation Act of 1966, or the Illinois Register of Historic
10 Places, pursuant to the Illinois Historic Preservation Act.

11 (30 ILCS 500/32-5 new)

12 Sec. 32-5. Definitions. As used in this Article, unless the
13 context clearly requires otherwise:

14 "Energy conservation measure" means any improvement,
15 repair, alteration, or betterment of any building or facility
16 owned or operated by the State or any equipment, fixture, or
17 furnishing to be added to or used in any such building or
18 facility, subject to all applicable building codes, that is
19 designed to reduce energy consumption or operating costs, and
20 may include, without limitation, one or more of the following:

21 (1) Insulation of the building structure or systems
22 within the building.

23 (2) Storm windows or doors, caulking or
24 weatherstripping, multiglazed windows or doors, heat

1 absorbing or heat reflective glazed and coated window or
2 door systems, additional glazing, reductions in glass
3 area, or other window and door system modifications that
4 reduce energy consumption.

5 (3) Automated or computerized energy control systems.

6 (4) Heating, ventilating, or air conditioning system
7 modifications or replacements.

8 (5) Replacement or modification of lighting fixtures
9 to increase the energy efficiency of the lighting system
10 without increasing the overall illumination of a facility,
11 unless an increase in illumination is necessary to conform
12 to the applicable State or local building code for the
13 lighting system after the proposed modifications are made.

14 (6) Energy recovery systems.

15 (7) Energy conservation measures that provide
16 long-term operating cost reductions.

17 "Guaranteed energy savings contract" means a contract for:
18 (i) the implementation of an energy audit, data collection, and
19 other related analyses preliminary to the undertaking of energy
20 conservation measures; (ii) the evaluation and recommendation
21 of energy conservation measures; (iii) the implementation of
22 one or more energy conservation measures; and (iv) the
23 implementation of project monitoring and data collection to
24 verify post-installation energy consumption and energy-related
25 operating costs. The contract shall provide that all payments,
26 except obligations on termination of the contract before its

1 expiration, are to be made over time and that the savings are
2 guaranteed to the extent necessary to pay the costs of the
3 energy conservation measures. Energy savings may include
4 energy reduction and offsetting sources of renewable energy
5 funds including renewable energy credits and carbon credits.

6 "Qualified provider" means a person or business whose
7 employees are experienced and trained in the design,
8 implementation, or installation of energy conservation
9 measures. The minimum training required for any person or
10 employee under this paragraph shall be the satisfactory
11 completion of at least 40 hours of course instruction dealing
12 with energy conservation measures. A qualified provider to whom
13 the contract is awarded shall give a sufficient bond to the
14 State agency for its faithful performance.

15 "Request for proposals" means a competitive selection
16 achieved by negotiated procurement. The request for proposals
17 shall be announced through public notice, at least 14 days
18 before the request date, in the Illinois Procurement Bulletin,
19 from the State purchasing officer that will administer the
20 program, requesting innovative solutions and proposals for
21 energy conservation measures. Proposals submitted shall be
22 sealed. The request for proposals shall include all of the
23 following:

24 (1) The name and address of the State agency.

25 (2) The name, address, title, and phone number of the
26 State purchasing officer.

1 (3) Notice indicating that the State agency is
2 requesting qualified providers to propose energy
3 conservation measures through a guaranteed energy savings
4 contract.

5 (4) The date, time, and place where proposals must be
6 received.

7 (5) The evaluation criteria for assessing the
8 proposals.

9 (6) Any other stipulations and clarifications the
10 State agency may require.

11 (30 ILCS 500/32-10 new)

12 Sec. 32-10. Evaluation of proposal. Before entering into a
13 guaranteed energy savings contract under Section 32-15, a State
14 purchasing officer shall submit a request for proposals. The
15 State purchasing officer shall evaluate any sealed proposal
16 from a qualified provider. The evaluation shall analyze the
17 estimates of all costs of installations, modifications, or
18 remodeling, including, without limitation, costs of a
19 pre-installation energy audit or analysis, design,
20 engineering, installation, maintenance, repairs, debt service,
21 conversions to a different energy or fuel source, or
22 post-installation project monitoring, data collection, and
23 reporting. The evaluation shall include a detailed analysis of
24 whether either the energy consumed or the operating costs, or
25 both, will be reduced. If technical assistance is not available

1 by a licensed architect or registered professional engineer on
2 the State agency's staff, then the evaluation of the proposal
3 shall be done by a registered professional engineer or
4 architect who is retained by the State agency. Any licensed
5 architect or registered professional engineer evaluating a
6 proposal under this Section may not have any financial or
7 contractual relationship with a qualified provider or other
8 source that would constitute a conflict of interest. The State
9 agency may pay a reasonable fee for evaluation of the proposal
10 or include the fee as part of the payments made under Section
11 32-20.

12 (30 ILCS 500/32-15 new)

13 Sec. 32-15. Award of guaranteed energy savings contract.
14 Sealed proposals must be opened by the State purchasing officer
15 at a public opening at which the contents of the proposals must
16 be announced. Each person or entity submitting a sealed
17 proposal must receive at least 10 days notice of the time and
18 place of the opening. The State purchasing officer shall select
19 the qualified provider that best meets the needs of the State
20 agency. The State agency shall provide public notice of (i) the
21 meeting at which it proposes to award a guaranteed energy
22 savings contract, (ii) the names of the parties to the proposed
23 contract, and (iii) the purpose of the contract. The public
24 notice shall be made at least 10 days prior to the meeting.
25 After evaluating the proposals under Section 32-10, the Capital

1 Development Board may enter into a guaranteed energy savings
2 contract with a qualified provider if it finds that the amount
3 the State agency would spend on the energy conservation
4 measures recommended in the proposal would not exceed the
5 amount to be saved in either energy or operational costs, or
6 both, within a 20-year period from the date of installation, if
7 the recommendations in the proposal are followed.

8 (30 ILCS 500/32-20 new)

9 Sec. 32-20. Guarantee. The guaranteed energy savings
10 contract shall include a written guarantee of the qualified
11 provider that either the energy or operational cost savings, or
12 both, will meet or exceed within 20 years the costs of the
13 energy conservation measures. The qualified provider shall
14 reimburse the State agency for any shortfall of guaranteed
15 energy savings projected in the contract. A qualified provider
16 shall provide a sufficient bond to the State agency for the
17 installation and the faithful performance of all the measures
18 included in the contract. The guaranteed energy savings
19 contract may provide for payments over a period of time, not to
20 exceed 20 years from the date of the final installation of the
21 measures.

22 (30 ILCS 500/32-25 new)

23 Sec. 32-25. Operational and energy cost savings. The State
24 agency shall document the operational and energy cost savings

1 specified in the guaranteed energy savings contract and shall
2 designate and appropriate that amount for an annual payment of
3 the contract. If the annual energy savings are less than
4 projected under the guaranteed energy savings contract, the
5 qualified provider shall pay the difference as provided in
6 Section 32-20.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".