



## Ohio Revised Code

### Section 156.03 Implementing energy saving measures.

Effective: September 15, 2014

Legislation: House Bill 483 - 130th General Assembly

---

(A) If the executive director of the Ohio facilities construction commission wishes to enter into an installment payment contract pursuant to section 156.04 of the Revised Code or any other contract to implement one or more energy or water saving measures, the executive director may proceed under Chapter 153. of the Revised Code, or, alternatively, the executive director may request the controlling board to exempt the contract from Chapter 153. of the Revised Code.

A surety bond furnished pursuant to section 153.54 of the Revised Code shall not secure obligations related to energy or water savings as referenced in division (D) of this section.

If the controlling board by a majority vote approves an exemption, that chapter shall not apply to the contract and instead the executive director shall request proposals from at least three parties for the implementation of the energy or water saving measures. Prior to providing any interested party a copy of any such request, the executive director shall advertise, in a newspaper of general circulation in the county where the contract is to be performed, and may advertise by electronic means pursuant to rules adopted by the executive director, the executive director's intent to request proposals for the implementation of the energy or water saving measures. The notice shall invite interested parties to submit proposals for consideration and shall be published at least thirty days prior to the date for accepting proposals.

(B) Upon receiving the proposals, the executive director shall analyze them and, after considering the cost estimates of each proposal and the availability of funds to pay for each with current appropriations or by financing the cost of each through an installment payment contract under section 156.04 of the Revised Code, may select one or more proposals or reject all proposals. In selecting proposals, the executive director shall select the one or more proposals most likely to result in the greatest energy, water, or wastewater savings, operating costs savings, and avoided capital costs created.

(C) No contract shall be awarded to implement energy or water saving measures under this section,



unless the executive director finds that both of the following circumstances exist:

(1) Not less than one-fifteenth of the costs of the contract shall be paid within two years from the date of purchase;

(2) In the case of a contract for a cogeneration system described in division (B)(8) of section 156.01 of the Revised Code, the remaining balance of the cost of the contract shall be paid within twenty years from the date of purchase, and, in the case of all other contracts, fifteen years.

(D) If the executive director determines that a surety bond is necessary to secure energy or water savings guaranteed in the contract, the energy services company shall provide a surety bond that satisfies all of the following requirements:

(1) The penal sum of the surety bond for the first guarantee year shall equal the amount of savings included in the annual guaranteed savings amount that is measured and calculated in accordance with the measurement and verification plan included in the contract, but may not include savings that are not measured or that are stipulated in the contract. The annual guaranteed savings amount shall include only the savings guaranteed in the contract for the one-year term that begins on the first day of the first savings guarantee year and may not include amounts from subsequent years.

(2) The surety bond shall have a term of not more than one year unless renewed. At the option of the executive director, the surety bond may be renewed for one or two additional terms, each term not to exceed one year. The surety bond may not be renewed or extended so that it is in effect for more than three consecutive years.

In the event of a renewal, the penal sum of the surety bond for each renewed year shall be revised so that the penal sum equals the annual guaranteed savings amount for such renewal year that is measured and calculated in accordance with the measurement and verification plan included in the contract, but may not include savings that are not measured or that are stipulated in the contract. Regardless of the number of renewals of the bond, the aggregate liability under each renewed bond may not exceed the penal sum stated in the renewal certificate for the applicable renewal year.

(3) The surety bond for the first year shall be issued within thirty days of the commencement of the



first savings guarantee year under the contract.

In the event of renewal, the surety shall deliver to the executive director a renewal certificate reflecting the revised penal sum within thirty days of the executive director's request. The executive director shall deliver the request for renewal not less than thirty days prior to the expiration date of the surety bond then in existence.