

114TH CONGRESS
1ST SESSION

S. 723

To amend the National Energy Conservation Policy Act to provide guidance on utility energy service contracts used by Federal agencies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2015

Mr. SCHATZ (for himself, Mr. ALEXANDER, Mr. COATS, and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the National Energy Conservation Policy Act to provide guidance on utility energy service contracts used by Federal agencies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Utility Energy Service
5 Contracts Improvement Act of 2015”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the Federal Government is the largest con-
9 sumer of energy in the United States;

1 (2) Federal agencies are expected to meet, by
2 law, Executive order, and mandate, stringent energy
3 efficiency and conservation targets;

4 (3) the utility energy service contract (referred
5 to in this section as “UESC”) was developed to pro-
6 vide Federal agencies an effective means to imple-
7 ment energy efficiency, renewable energy and water
8 efficiency projects, and has been used successfully to
9 invest nearly \$2,700,000,000 in property at Federal
10 facilities;

11 (4) the General Services Administration, which
12 manages more than 9,600 Federal properties and is
13 the lead agency for procuring utility services for the
14 Federal Government, has determined that UESCs
15 may extend beyond a 10-year period under the law;

16 (5) the Federal Energy Management Program,
17 which oversees the UESC program and is a principal
18 office guiding agencies to use funding more effec-
19 tively in meeting Federal and agency-specific energy
20 and resource management objectives, has determined
21 that UESCs may extend beyond a 10-year period
22 under the law;

23 (6) extensive precedent exists for Federal agen-
24 cies to contract for energy saving services using con-

1 tracts with term limits of more than 10 years but
2 not to exceed 25 years;

3 (7) a number of Federal agencies, contrary to
4 congressional intent, have sought to limit UESC
5 term limits to periods of less than 10 years; and

6 (8) greater flexibility with UESCs will help re-
7 duce the operational cost of Federal agencies, ulti-
8 mately saving money for taxpayers.

9 **SEC. 3. UTILITY ENERGY SERVICE CONTRACTS.**

10 Part 3 of title V of the National Energy Conservation
11 Policy Act is amended by adding after section 553 (42
12 U.S.C. 8259b) the following:

13 **“SEC. 554. UTILITY ENERGY SERVICE CONTRACTS.**

14 “(a) IN GENERAL.—Each Federal agency may use,
15 to the maximum extent practicable, measures provided by
16 law to meet energy efficiency and conservation mandates
17 and laws, including through utility energy service con-
18 tracts.

19 “(b) CONTRACT PERIOD.—The term of a utility en-
20 ergy service contract entered into by a Federal agency may
21 have a contract period that extends beyond 10 years, but
22 not to exceed 25 years.

23 “(c) REQUIREMENTS.—The conditions of a utility en-
24 ergy service contract entered into by a Federal agency
25 shall include requirements for measurement, verification,

1 and performance assurances or guarantees of the sav-
2 ings.”.

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