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Law aimed at energy bills

*3 state agencies must cut electricity
10 percent by 2008*

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A new Arizona law will reduce the state's energy appetite over the next eight years.

House Bill 2324, signed into law April 28, requires three state agencies - the departments of Transportation and Administration and the Board of Regents - to cut their energy use 10 percent before July 1, 2008, and 15 percent before July 1, 2011. The savings will be based on energy use during fiscal 2002.



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The state could save nearly \$600,000 on utility costs for buildings near the state Capitol and the Administration Department complex in Tucson. Legislative liaison Scott Smith said the figure does not include the large number of state buildings not managed by the Administration Department.

Energy efficient uses are incorporated into the Department of Administration building near the state Capitol. General manager Roger Berna and agency director Betsey Bayless stand near the entrance.

"This is an achievable goal compared to what is required at the federal level and by other states and municipalities," said Jeff Schlegel, Arizona representative for the Southwest Energy Efficiency Project, a public interest group that promotes energy conservation in six Western states..

An executive order issued in 1999 requires federal facilities to reduce energy consumption 30 percent by 2005 and 35 percent by 2015, based on 1985 energy usage. Fort Collins, Colo., passed an ordinance in late March requiring city facilities to reduce per capita energy use 10 percent and peak demand use 15 percent by 2012.

Momentum to pass the Arizona law began last summer, when House Majority Whip Randy Graf, R-Green Valley, chaired a legislative study committee on renewable energy and energy efficiency.

"Jeff's group came in with a study that included some relatively simple things we could do to cut energy use in state buildings," Graf said.

The steps include installing sensors that turn off lights in empty rooms, replacing light fixtures with more energy-saving models and scheduling employees more efficiently to reduce air-conditioner use in summer.

Schlegel said he met with Graf in December and helped him draft the bill. In addition to the energy reduction goals, the legislation also mandates state agencies to buy energy-efficient products certified by the U.S. Department of Energy or the Environmental Protection Agency.

Graf hopes the new law will change a bureaucratic mindset that lends itself to wasting energy. He cites a financing mechanism used by some school districts to wring extra dollars from the state.

Under the excess utility statute, districts may budget for extra energy costs that are exempt from the district revenue cap. Graf said districts have been known to inflate their utility estimates whether they need the extra power or not.

"It's a game they play to get more money," he said. "If the district doesn't plan on losing that portion of funding, their budget falls off a cliff."

A bill to close loopholes in the excess utility statute was introduced during a one-day special session in March, but the proposal never got out of the House Appropriations Committee.

An energy-conscious culture has taken hold at Capitol Mall. Schlegel notes that most buildings on the mall have recently replaced their heating and air-conditioning systems. The more efficient chillers and system controls enable the state to get a handle on their biggest energy need.

"DOA has done a good job at the mall, and there is more potential for utility savings in their other building systems, like Corrections, DPS and Game and Fish," Schlegel said.

Graf envisions the 10 percent and 15 percent goals as starting points for greater energy conservation.

"The guidelines in place are meaningful," he said. "Could they have been more aggressive? Absolutely. But what we have in place will allow state agencies to set bench marks, begin thinking about reducing their energy needs and budget accordingly."