

Southwest Energy Efficiency Project

2013 LEGISLATIVE ACTIVITY



About SWEEP: The Southwest Energy Efficiency Project is a public interest organization dedicated to advancing energy efficiency in Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. For more information, visit www.swenergy.org.

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2013 LEGISLATIVE ACTIVITY SUMMARY

In the Southwest region, the state legislatures in Arizona, Colorado, Nevada, New Mexico and Utah met during the first and second quarter of 2013. The Southwest Energy Efficiency Project (SWEET) actively engaged in each session to advance energy efficiency through sound and effective legislation. These efforts included researching and writing bill language, building coalitions, and testifying at committee hearings to advocate for the passage of energy efficiency legislation and, when necessary, opposing legislation that would hinder energy efficiency efforts.

Support for energy efficiency in the Southwest continues to grow as SWEET actively supported a total of 19 energy efficiency bills, of which 16 were signed into law. SWEET actively opposed three bad bills that ultimately were defeated.

Significant milestones for energy efficiency in our region include the following:

- Colorado adopted five bills which support the advancement of electric vehicles in the state (HB 13-1105, HB 13-1110, HB 13-1247, SB 13-070, and SB 13-254)
- Colorado also adopted SB 13-048, which allows local governments to spend their portion of gasoline and vehicle registration taxes on mass transit projects as well as non-motorized transportation, in addition to road construction and maintenance.
- New Mexico adopted HB 267, which establishes a fixed tariff rider (3% of utility revenues) for funding utility energy efficiency and load management programs. It also changes the main cost effectiveness test from the Total Resource Cost (TRC) to the Utility Cost (UC) test which will make it easier for most utility programs to pass cost effectiveness analysis.
- Utah adopted HB 202, which updates the state's mandatory building energy codes. Utah adopted the 2012 International Energy Conservation Code (IECC) as is for new commercial buildings but included some weakening amendments to the 2012 IECC for new residential buildings.
- Utah also adopted SB 221, which enacts Energy Improvement Financing (EIF) in the state, thereby allowing Utah businesses to access innovative financing for energy efficiency and renewable energy projects for their buildings.

Although some legislative proposals that SWEET advocated in Utah and Nevada were not adopted, SWEET continues to work on advancing these policies in preparation for 2014 and 2015 legislative sessions.

Details on SWEET's 2013 legislative efforts, along with information on the outcome of energy efficiency bills all five states, are described below.

ARIZONA

HB 2334	Pool pump energy standards; repeal	Did not pass
HB 2404	Property managers; records; storage (NOW: building codes; energy efficiency)	Did not pass
SB 1321	Residential energy efficiency; building codes	Did not pass

HB 2334: Pool pump energy standards; repeal

Sponsor: Representative Montenegro

Bill Summary: SWEEP opposed this bill, which would have which repealed the pool pump and spa energy efficiency standards. The pool pump standards are a very effective way to ensure that consumers reduce energy use and save money by lowering their utility bills. The standards have been in effect in Arizona for more than a year and will save Arizonans \$100 million through 2020. HB 2334 was also opposed by local pool businesses and the Association of Pool & Spa Professionals, the world’s oldest and largest association representing swimming pool, spa, and hot tub manufacturers, manufacturers’ agents, builders, designers, distributors, suppliers, installers, retailers, and service technicians.

Bill Activity: HB 2334 was voted out of the House Rules Committee but did not have enough support to be voted on by the full House.

HB 2404: Property managers; records; storage (*Revised title: Building codes; energy efficiency*)

Sponsor: Representative Carter

Bill Summary: HB 2404 would have limited the energy cost savings for homeowners by overruling the growing number of cities and towns that have adopted the 2012 International Energy Conservation Code. SWEEP opposed the bill because it would have prevented Arizona families from lowering their utility bills. The bill was also opposed by numerous jurisdictions across the state because it would have taken away local control and mandated new regulations without providing funding for enforcement.

Bill Activity: The contents of SB 1321, which failed in the House Energy, Environment, and Natural Resources Committee, were resurrected in a strike-everything amendment on HB 2404. HB 2404 did not have enough support for a Final Read in the House.

SB 1321: Residential energy efficiency; building codes

Sponsor: Senators Griffin, Burges, Farley, Crandell, Ward

Bill Summary: SB 1321 would have limited the energy cost savings for homeowners by overruling the growing number of cities and towns that have adopted the 2012 International Energy Conservation Code. SWEEP opposed the bill because it would have prevented Arizona families from lowering their utility bills. The bill was also opposed by numerous jurisdictions across the state because it would have taken away local control and mandated new regulations without providing funding for enforcement.

Bill Activity: SB 1321 was introduced in the Senate on 1/31/13 and assigned to the Senate Government & Environment Committee. The Senate passed on a vote of 18-10-2, but the bill failed to pass the House Energy, Environment & Natural Resources Committee.

For additional information regarding these bills, visit the website of the Arizona State Legislature, at <http://www.azleg.gov/>.

Colorado

HB 13-1105	Energy Saving Mortgage Program	PASSED
HB 13-1110	Special fuels taxes and electric vehicles	PASSED
HB 13-1247	Innovative Motor Vehicle Income Tax Credit	PASSED
SB 13-048	Authorize Local Government Use of Highway Users Trust Fund for Transit	PASSED
SB 13-070	Alternative Fuel Fleet Vehicles	PASSED
SB 13-212	Energy District Private Financing Commercial	PASSED
SB 13-254	Allowing performance contracting to finance acquisition of electric vehicles	PASSED

HB 13-1105: Energy Saving Mortgage Program

Sponsor: Representatives Tyler and Foote; Senator Schwartz

Bill Summary: SWEEP supported this bill, which enables the Colorado Energy Office, public utilities and lenders to partner in implementing an innovative energy efficiency program, namely to provide incentives for highly efficient new homes and home retrofits. The energy savings mortgage program is voluntary and doesn't force anyone to do anything they don't want to do, but facilitates interested lenders, utilities and the states working together to help builders and homeowners incorporate high levels of energy efficiency into new and existing homes.

HB 13-1105 creates a Colorado energy saving mortgage program fund that is continuously appropriated to the Colorado Energy Office and is to be used by the office to fund the program; limits the amount of fund principal allowed to be appropriated or transferred to the fund from state sources to the total amount of fund principal credited to the fund from all nonstate sources combined; and specifies requirements for program participation and limitations on the maximum amount of financial benefits that a borrower may receive from an energy saving mortgage.

Bill Activity: HB 13-1105 was introduced in House on 1/18/13, and assigned to the Transportation & Energy Committee and the Appropriations Committee. The amended bill passed the House on a vote of 36-26-3, passed the Senate on a vote of 20-15-0, and was signed by the Governor on 5/28/2013.

HB 13-1110: Special fuels taxes and electric vehicles

Sponsor: Representative Fisher; Senator Jones

Bill Summary: This bill modifies the approach to taxing the use of natural gas as a vehicle fuel. It also creates a decal program for electric vehicles and requires a \$50 annual payment for an EV

decal. \$30 of this will be deposited into the Highway Users Trust Fund, and \$20 will be deposited into the electric vehicle infrastructure fund housed within the Colorado Energy Office.

SWEEP supported this bill. The EV decal fee is a reasonable mechanism for electric vehicles owners to pay their fair share of the upkeep of roads and bridges in the state, and resolves longstanding proposals to create more onerous mechanisms for taxing EVs. We were strongly supportive of the \$20 portion that will go to the EV infrastructure fund. One of the key barriers to achieving high levels of market penetration is availability of charging infrastructure, and there is significant value in creating an ongoing mechanism to fund this infrastructure.

Bill Activity: HB 13-1110 was introduced in the House on 1/18/2013 and assigned to the Transportation & Energy Committee, the Finance Committee, and the Appropriations Committee. The amended bill passed the House on vote of 64-0-1, passed the Senate on vote of 23-12-0, and was signed by the Governor on 5/15/13.

HB 13-1247: Innovative Motor Vehicle Income Tax Credit

Sponsor: Representatives Duran and Singer; Senators Johnston and Ulibarri

Bill Summary: HB 13-1247 modifies and extends state tax credits for electric and compressed natural gas vehicles. The bill:

- Specifies that plug-in electric vehicles like the Chevy Volt and Ford C-Max Energi are included.
- Changes the credit calculation at the request of the Department of Revenue, to simplify administration and make it easier for dealers and consumers to understand the credit.
- Extends the credit for innovative motor vehicles. The 2009 bill specified the level of credit available through 2015; HB 1247 extends the credit for innovative motor vehicles including electric, plug-in electric, and CNG vehicles through 2022. Electric vehicles will be eligible for up to \$6,000 credits during this period. The final four years of the credit phase down the credit value in equal increments for each vehicle type.

Electric vehicles offer significant environmental benefits. Electric vehicles in 2020, compared to gasoline vehicles, have 35% lower emissions of greenhouse gas; 88% lower emissions of volatile organic compounds (VOCs) and 69% lower emissions of nitrogen oxides (NO_x). CNG vehicles, compared to gasoline vehicles, will have 10% lower emissions of GHGs, 72% lower emissions of VOCs, and 55% lower emissions of NO_x.

Projections are that with the credit there will be approximately 13,400 EVs on the road in 2020, with annual savings of over 25,000 tons of GHGs, and 2100 CNG vehicles with annual savings of 1100 tons of GHGs.

Other supporters included the Colorado Cleantech Industry Association, Denver Metro Clean Cities Coalition, and General Motors.

Bill Activity: HB 13-1247 was introduced in the House on 3/04/13 and assigned to the Transportation & Energy Committee. The amended bill passed the House on vote of 40-21-4, passed the Senate on vote of 24-10-1, and was signed by the Governor on 5/15/13.

SB 13-048: Authorize Local Government Use of Highway Users Trust Fund for Transit

Sponsor: Senators Todd, Jones, Cadman, Heath, Hudak, Kerr, Newell; Representatives Tyler and Labuda, Fields, Melton, Peniston, Ryden, Salazar

Bill Summary: The Highway Users Tax Fund (HUTF) is funded through revenues raised from statewide gas tax, vehicle registration fees, license fees, and user fees. HUTF revenues are allocated by formula to the Colorado Department of Transportation (CDOT) and Colorado's counties and municipalities. Historically the legislature has forbid funding of transit or other multi-modal investments with HUTF revenues. Beginning in 2009, however, through the adoption of SB 09-108, the FASTER legislation, CDOT has been authorized by the General Assembly to expend a small portion of HUTF revenues on transit and other multi-modal investments.

SB 13-048 provides Colorado's cities and counties with the flexibility to spend HUTF dollars on transit, multi-modal, bicycle and pedestrian projects. SB 13-048 is permissive and does not require local governments to direct any of their local HUTF revenues to multi-modal investments – it only provides them with the authority to do so. SB 13-048 does not alter the HUTF allocation formula in any way. It merely allows local governments, if they choose, to spend their HUTF transportation dollars on transit and other multi-modal projects.

SWEEP authored this bill. The [Colorado Transportation Blueprint](#) demonstrates that significant benefits are produced by co-locating new development with enhanced transit services to provide mobility that is faster, less expensive and more convenient than auto trips. SB 13-048 supports this goal by allowing local governments more flexibility to invest in transit.

Other supporters included the Metropolitan mayors Caucus, the Metro Area County Commissioners, the Metro Denver Chamber of Commerce, the Denver Regional Council of Governments, Bicycle Colorado, the Colorado Association of Transit Agencies, Colorado Counties Incorporated, and the Colorado Municipal League.

Bill Activity: SB 13-048 was introduced in the Senate on 1/13/13 and assigned to the Transportation Committee. The amended bill passed the Senate on vote of 24-11-0, passed House with further amendments on vote of 37-27-1, and was signed by the Governor on 4/26/13.

SB 13-070: Alternative Fuel Fleet Vehicles

Sponsor: Senator Schwartz; Representatives Scott and Tyler

Bill Summary: Previous state statute focused state procurement of alternative fuel vehicles on compressed natural gas vehicles. SB 13-070 puts competing alternative fuel vehicles, including electric and plug in hybrid electric vehicles, on a more level playing field. The statute also requires the state to consider the lifecycle cost of an alternative fuel vehicle, not just the initial cost, when making the purchasing decision. This is an important step, as it allows the state to look at what alternative fuel vehicle will minimize the total expenditures of the state, which is an appropriate metric to compare vehicles that may have higher first costs but lower fuel costs against vehicles that are cheaper to buy but more expensive to operate. Because electric vehicles have such low fuel costs, this will tend to support the use of electric vehicles.

SWEEP supported SB 13-070, and sought amendments to better define how life cycle costs will be calculated.

Bill Activity: SB 13-070 was introduced in the Senate on 1/22/13 and assigned to the Transportation Committee. The bill passed the Senate on vote of 34-1-0, passed the House with amendments on vote of 54-10-1, and was signed by the Governor on 4/26/13.

SB 13-212: Energy District Private Financing Commercial

Sponsor: Senators Jones and Schwartz, Johnston; Representative Tyler

Bill Summary: SB 13-212 enables cities and counties in Colorado to sell bonds and use the proceeds to provide loans to commercial building owners for energy efficiency retrofits, with loan repayment attached property tax payments that stay with the building if/when it is sold. The bill also removes the sunset on enabling cities and counties to do Property Assessed Clean Energy (PACE) financing now in law.

SWEEP supported this bill.

Bill Activity: SB 13-212 was introduced in the Senate on 3/14/13 and assigned to the Agriculture, Natural Resources, & Energy Committee. The amended bill passed the Senate on vote of 24-10-1, passed the House with further amendments on vote of 37-27-1, and was signed by the Governor on 5/28/13.

SB 13-254: Allowing Performance Contracting to Finance Acquisition of Electric Vehicles

Sponsor: Senator Jones; Representatives Tyler and Levy

Bill Summary: SB 13-254 expands the previous statute that allows state agencies and political subdivisions to finance building energy improvements by using performance contracting. Under SB 13-254, agencies may finance vehicle fleet operational and fuel savings measures, including acquisition of electric vehicles and charging infrastructure. Since electric vehicles are much cheaper to operate than conventional vehicles, but are more expensive to acquire, this is an important tool to allow government agencies to finance the upfront costs and pay this back through the savings in fuel and maintenance costs.

SWEEP supported this bill. Other supporters included Advanced Energy Economies.

Bill Activity: SB 13-254 was introduced in the Senate on 4/05/13 and assigned to the Agriculture, Natural Resources, & Energy Committee. The amended bill passed the Senate on vote of 31-0-4, passed the House on vote of 49-16-0, and was signed by the Governor on 6/05/2013.

For additional information regarding these bills, visit the website of the Colorado General Assembly, at <http://www.leg.state.co.us>.

Nevada

AB 33	Revises provisions governing the partial abatement of certain taxes for certain energy-efficient buildings	PASSED
AB 239	Makes various changes relating to energy.	PASSED
SB 142	Makes various changes to provisions governing local government contracting	PASSED
SB 252	Revises provisions relating to the portfolio standard for providers of electric service	PASSED
SB 329	Revises provisions governing the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans	Did not Pass

AB 33: Revises provisions governing the partial abatement of certain taxes for certain energy-efficient buildings

Sponsor: Assembly Committee on Commerce and Labor

Bill Summary: This bill expands provisions governing the partial abatement of certain taxes for newly constructed energy-efficient buildings to also apply to renovated buildings. The bill fine tunes the commercial property tax abatement for energy efficiency achievements. Among other things, it specifies that LEED or equivalent should be the rating system (previously left to the Energy Office Director) and caps the abatement at \$100,000.

SWEEP supported this bill through testimony.

Bill Activity: AB 33 was introduced in the Assembly on 2/4/13 and assigned to the Committee on Commerce and Labor. The amended bill passed the Assembly on a vote of 41-1-0, passed the Senate on a vote of 20-0-1, and was signed by the Governor on 6/11/13.

AB 239: Makes various changes relating to energy

Sponsor: Assemblyman Kirkpatrick

Bill Summary: AB 239 modifies the rules for commercial property tax abatement for energy efficiency achievements to set aside money from the fund to create a 5-year program to subsidize electricity rates for companies locating or relocating in Nevada. It also makes operators of renewable energy transmission facilities no longer eligible for abatements and removes local government involvement. SWEEP took no position on this bill, which modifies a policy that we were actively involved in getting adopted (and revised) in the past.

Bill Activity: AB 239 was introduced in the Assembly on 3/12/13 and assigned to the Commerce & Labor Committee. The amended bill passed the Assembly on a vote of 40-0-2, passed the Senate with further amendments on a vote of 18-0-3, and was signed by the Governor on 6/11/13.

SB 142: Makes various changes to provisions governing local government contracting

Sponsor: Senators Jones, Atkinson, Segerblom, Hammond, Spearman; Assemblymen Elliot Anderson, Bobzien, Aizley

Bill Summary: SB 142 is intended to expand the use of performance contracting by local governments and school districts. It requires that the Nevada Office of Energy provide local governments with information and educational resources about performance contracting and energy savings measures. It also directs the Office of Energy to assist local governments that are interested in pursuing performance contracting and allows the Office to charge a fee for such assistance.

SWEEP supported this bill through testimony.

Bill Activity: SB 142 was introduced on 2/18/13 and referred to the Committee on Government Affairs. The amended bill passed the Senate on a vote of 21-0-0, passed the Assembly on a vote of 41-0-1, and was signed by the Governor on 6/3/13.

SB 252: Revises provisions relating to the portfolio standard for providers of electric service

Sponsor: Senate Committee on Commerce, Labor and Energy

Bill Summary: SB 252 is a bill that over the next 12 years phases out the current process of allowing credit for energy efficiency measures to satisfy 25% the renewable portfolio standard (RPS) for investor-owned utilities. It allows energy efficiency measures to continue to meet up to 25% of the standards in 2013 and 2014, up to 20% of the standards during 2015-19, and 10% of the standards during 2020-24. This effectively increases the renewable energy mandate.

SWEEP proposed establishing separate energy efficiency standards in combination with phasing out the energy efficiency credits within the RPS, but we were unsuccessful in this effort.

Bill Activity: SB 252 was introduced in the Senate on 3/15/13 and referred to the Committee on Commerce, Labor and Energy. The amended bill passed the Senate on a vote of 21-0-0, passed

the Assembly with further amendments on a vote of 27-14-1, and was signed by the Governor on 6/6/13.

SB 329: Revises provisions governing the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans

Sponsor: Senator Kihuen; Assemblyman Bobzien

Bill Summary: SB 329 would have created a new revolving loan fund in the State General Fund for energy efficiency and renewable energy projects implemented by residential homeowners. The new fund is added to a loan fund previously established using funding provided to Nevada under ARRA. The Office of Energy is directed to establish eligibility requirements for loans, which by law must be at below-market interest rates but not lower than three percent. The Director of the Office of Energy is required to report to the legislature annually on loan activity and impacts of the loan program.

SWEEP supported this bill through testimony.

Bill Activity: SB 329 was introduced in the Senate on 3/18/13 and referred to the Committee on Commerce, Labor and Energy. The amended bill passed the Senate on a vote of 21-0-0. Assembly Commerce and Labor Committee passed with additional amendments, but the bill died in the Assembly Ways and Means Committee.

For additional information regarding these bills, visit the website of the Nevada State Legislature, at <http://www.leg.state.nv.us/>.

New Mexico

HB 267	Limiting Public Utility Cost Recovery Options	PASSED
SB 14	Extend Sustainable Building Tax Credit	PASSED
SB 101	Energy Conservation Bonds (QECBs Authorization)	PASSED

HB 267: Limiting Public Utility Cost Recovery Options

Sponsor: Representative Strickler

Bill Summary: HB 267 advances electric utility energy efficiency efforts in New Mexico by establishing a fixed tariff rider (3% of utility revenues) for funding energy efficiency and load management programs. It also changes the main cost effectiveness test from the Total Resource Cost (TRC) to the Utility Cost (UC) test which will make it easier for most programs to pass cost effectiveness analysis. The bill was a compromise among energy efficiency advocates, New Mexico's utilities, and representatives of the Public Regulation Commission and as such also reduces the energy savings requirement in 2020 for electric utilities from 10% to 8% of sales.

SWEEP supported the bill believing that on balance it is a positive step forward for utility energy efficiency efforts in New Mexico.

Bill Activity: HB 267 was introduced in the House on 1/25/13 and assigned to the Energy & Natural Resources Committee and the Business & Industry Committee. A substitute bill from the Business & Industry committee passed the House on vote of 65-2-3, passed the Senate on vote of 38-0-4, and was signed by the Governor on 4/2/13.

SB 014: Extend Sustainable Building Tax Credit

Sponsor: Senator Peter Wirth

Bill Summary: This bill extends the state's sustainable buildings tax credits for five additional years, through 2018. The tax credits apply to LEED Silver or better commercial buildings, LEED Silver and Building Green New Mexico Silver or better new homes, and ENERGY STAR certified manufactured housing. The amount of the tax credits was not changed. SWEEP supported this bill.

Bill Activity: SB 014 was introduced in the Senate and assigned to the Corporations and Transportation Committee and the Finance Committee. A substitute bill introduced by the Senate Finance Committee passed the Senate on vote of 37-2-3, passed House on vote of 67-0-3, and was signed by the Governor on 4/1/13.

SB 101: Energy Conservation Bonds (QECCs Authorization)

Sponsor: Senator Wirth

Bill Summary: SB 101 establishes the process in New Mexico for the state, local and tribal governments to issue \$20 million in Qualified Energy Conservation Bonds (QECCs) for clean energy, energy efficiency, transportation and other projects. The bill authorizes the State Board of Finance to administer the QECC process.

SWEEP supported this bill.

Bill Activity: SB 101 was introduced in the Senate on 1/16/13 and assigned to the Conservation Committee and the Finance Committee. The bill passed the Senate on vote of 36-0-6, passed the House on vote of 64-0-6, and was signed by the Governor on 3/27/13.

For additional information regarding these bills, visit the website of the New Mexico State Legislature, at <http://www.nmlegis.gov/lcs/>.

UTAH

HB 96	Second Substitute Cleaner Burning Fuels Tax Credits Amendments and Related Funding	PASSED
HB 110	Electric Energy Efficiency and Conservation Tariff	Failed
HB 176	Utah Industrial Facilities and Development Act Amendments	PASSED
HB 202	Energy Conservation Code Amendments	PASSED
SB 136	Construction Trades Licensing Modifications	Failed
SB 221	Assessment Area Act Amendments	PASSED

HB 96: Second Substitute Cleaner Burning Fuels Tax Credits Amendments and Related Funding

Sponsor: Representative Draxler and Senator Van Tassell

Bill Summary: HB 96 amends corporate and individual income tax credits for cleaner burning fuels and provides for transfers from the General Fund into the Education Fund in the amount by which the tax credit claimed exceeds \$500,000. The bill extends the tax credits for compressed natural gas (CNG) vehicles, electric vehicles (EVs) and plug-in electric hybrid vehicles (PHEVs) through the end of 2014. SWEEP supported this bill.

Bill Activity: HB 96 was introduced in the House on 1/31/13 and assigned to the House Revenue & Taxation Committee. The bill passed the House on vote of 58-13-4. The Senate Revenue & Taxation Committee introduced a substitute bill, which passed the Senate on vote of 18-11-0. The bill was signed by the Governor on 3/27/13.

HB 110: Electric Energy Efficiency and Conservation Tariff

Sponsor: Representative Barrus

Bill Summary: This bill would have modified the Public Service Commission's authority to approve a tariff under which an electrical corporation recovers costs incurred in demand side management.

SWEEP supported this bill.

Bill Activity: HB 110 was introduced in the House on 2/5/13 and was held by the Public Utilities and Technology Committee.

HB 176: Utah Industrial Facilities and Development Act Amendments

Sponsor: Representative Brown and Senator Van Tassell

Bill Summary: HB 176 adopts some minor changes to existing Utah statute to enable local governments to use Qualified Energy Conservation Bonds (QECB's) to support low interest loan programs through private lenders. SWEEP supported this bill.

In particular, these small changes allow local governments to utilize remaining QECB allocations to create a low interest loan programs for homeowners to make energy-efficiency and renewable energy improvements to their homes.

Changes to the Utah Industrial Facilities and Development Act Include:

- Including and defining "energy efficiency projects" and "renewable energy projects"
- Clarifying definition of a lender
- Clarifying language to allow cities and/or counties to allocate bond proceeds to a lender for a project.

Bill Activity: HB 176 was introduced in the House on 3/5/13. The bill passed the House on vote of 68-3-4, passed the Senate on vote of 23-0-6, and was signed by the Governor on 4/1/13.

HB 202: Energy Conservation Code Amendments

Sponsor: Representative Wilson and Senator Bramble

Bill Summary: HB 202 adopts the newest energy conservation standards for new commercial buildings and also updates Utah's 6-year old energy conservation standards for new home construction, thereby protecting consumers from sub-par construction, reducing energy waste and saving money for Utah families, and growing Utah's economy.

SWEEP and Utah Clean Energy supported this bill for the following reasons:

- Ensures all new commercial buildings are built using the latest energy conservation standards to reduce energy waste.
- Ensures all new homes in Utah are built using more updated practices to reduce energy waste in Utah. The provisions in HB 202 will be more efficient than the current statewide code (2006 IECC) by 10.3% on average across Utah's three climate zones.

- Energy costs are the biggest expense of home ownership after mortgage and insurance. Building homes “energy smart from the start” saves money; it is five times more expensive to repair energy leaks and inefficiencies of homes not built to the updated code. The updated energy code requires homes to be verified and tested for energy savings. This provision ensures that homes are built right from the start.
- Adoption of this bill is estimated to have minimal incremental costs to builders, whereas it can cost a homeowner upwards of \$5,000 to fix a home’s energy problems after the fact.
- The more energy-efficient our homes and other buildings are, the less energy they use – reducing the need to build expensive new power plants which everyone pays for through their energy bills.
- Energy-efficient construction helps meet Utah’s growing energy demand in the most affordable way, keeping energy costs low for everyone.

Bill Activity: HB 202 was introduced in the House on 2/11/13 and assigned to the Business & Labor Committee. The amended bill passed the House on vote of 64-8-3, passed the Senate with further amendments on vote of 24-0-5, and was signed by the Governor on 3/28/13.

SB 136: Construction Trades Licensing Modifications

Sponsor: Senator Knudson

Bill Summary: This bill would have added new licensing requirements for residential HVAC technicians, required HVAC technicians to complete fuel and electricity efficiency education, and included a 10-year sunset.

SWEEP supported this bill.

Bill Activity: SB 136 was introduced in the Senate on 1/30/13, but was held by the Senate Business & Labor Committee.

SB 221: Assessment Area Act Amendments

Sponsor: Senator Van Tassell and Representative Gage Froerer

Bill Summary: This bill enacts provisions related to an assessment for an energy efficiency upgrade or a renewable energy system. Commercial Property Assessed Clean Energy (PACE) financing allows Utah businesses to access innovative financing for energy efficiency and renewable energy projects for commercial and industrial buildings. Businesses evaluate energy

projects that achieve energy savings & receive 100% financing, repaid as a property tax assessment for up to 20 years.

SWEEP and Utah Clean Energy strongly supported this bill, for the following reasons:

- Makes it easier for property owners to implement energy efficiency & renewable energy upgrades.
- Provides an additional source of capital for local banks to lend.
- Drives spending in the local economy through the installation of energy efficiency & renewable energy improvements.
- Supports & creates local jobs in the construction & energy services sectors.

Bill Activity: SB 221 was introduced in the Senate on 2/22/13 and assigned to the Government Operations & Political Subdivisions Committee. The amended bill passed the Senate on vote of 25-0-4, passed the House on vote of 70-3-2 and was signed by the Governor on 3/27/13.

For additional information regarding these bills, visit the website of the Utah State Legislature, at <http://le.utah.gov/>.