

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

HOUSE BILL 1636

By: Representative Beck

For An Act To Be Entitled

AN ACT TO AMEND CERTAIN DEFINITIONS THAT APPLY TO THE
GUARANTEED ENERGY COST SAVINGS ACT AND ENERGY SAVINGS
CONTRACTS; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND CERTAIN DEFINITIONS THAT APPLY
TO THE GUARANTEED ENERGY COST SAVINGS ACT
AND ENERGY SAVINGS CONTRACTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-20-405(a)(2)(A), concerning the
definition of "qualified provider" and energy savings contracts, is amended
to read as follows:

(2)(A) "Qualified provider" means ~~a business that~~ the same as
defined in § 19-11-1202.

- ~~(i) Possesses a valid Arkansas contractor's license;~~
- ~~(ii) Has a minimum of five (5) years' experience in the analysis, design, implementation, and installation of energy efficiency and facility improvement measures;~~
- ~~(iii) Has the technical and financial capabilities to ensure that the measures generate energy cost savings and the ability to provide maintenance and ongoing measurement of these measures to ensure and verify energy savings; and~~
- ~~(iv) Is preapproved by the Division of Public School Academic Facilities and Transportation.~~



SECTION 2. Arkansas Code § 6-20-405, concerning energy savings contracts, is amended to add an additional subsection to read as follows:

(f) A school district may provide by resolution that the school district shall comply with the rules promulgated by the Arkansas Pollution Control and Ecology Commission under the Guaranteed Energy Cost Savings Act, § 19-11-1201 et seq.

SECTION 3. Arkansas Code § 19-11-1202, concerning definitions that apply to the Guaranteed Energy Cost Savings Act, is amended to add additional subdivisions to read as follows:

(7) "Equipment warranty period" means the time following the execution of a guaranteed energy cost savings contract in which a material defect in an installed energy conservation measure is required to be replaced or corrected by the manufacturer or an energy service company; and

(8) "Useful life" means the rated service life of an individual energy conservation measure as defined by the:

- (A) American Society of Heating, Refrigerating and Air-Conditioning Engineers;
- (B) Illuminating Engineering Society; or
- (C) Solar Energy Industries Association.

SECTION 4. Arkansas Code § 19-11-1206(b), concerning the requirements for a guaranteed energy cost savings contract, is amended to read as follows:

~~(b)(1) The maximum term for a guaranteed energy cost savings contract is twenty (20) years after the implementation of the energy cost savings measures~~ If a guaranteed energy cost savings contract includes energy cost savings measures that possess either an active equipment warranty period or a combined useful life in excess of twenty (20) years, a guaranteed energy cost savings contract may be extended to the length of the:

- (A) Equipment warranty period; or
- (B) Weighted useful life of the relevant energy cost savings measures.

(2) A guaranteed energy cost savings contract shall not exceed twenty (20) years without the approval of the Arkansas Energy Office of the Arkansas Department of Environmental Quality.

APPROVED: 3/18/19