

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 297

STATE OF NEW JERSEY

ADOPTED MAY 2, 1996

Sponsored by Assemblyman ROONEY

1 AN ACT concerning energy efficiency and supplementing Title 40A
2 of the New Jersey Statutes and Title 52 of the Revised Statutes.

3

4 BE IT ENACTED by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. As used in this act:

8 "Board" means the Board of Public Utilities.

9 "Governmental entity" means the State, counties, municipalities,
10 and any of their political subdivisions, including any department,
11 division, board, bureau, office, commission, institution, agency,
12 authority or instrumentality thereof; any school district; any post-
13 secondary educational institution receiving State or county funds; and
14 any body, public and corporate, created as an independent or quasi-
15 independent agency, authority, commission, or other similar
16 instrumentality by the State or one or more counties or municipalities,
17 except those created by the State that are the subject of bi-state
18 agreements or compacts.

19 "Machinery or electrical equipment" means a fan, pump,
20 compressor, conveyor, power transmission device, or other machine
21 or piece of electrical equipment that uses more than the equivalent of
22 20,000 kilowatt-hours of electricity per year.

23 "Operations" means buildings, facilities, and any other structures,
24 the mechanical infrastructures thereof, and the equipment and
25 appliances used therein that are owned, or operated using public funds,
26 by a governmental entity.

27

28 2. a. The Administrator of the General Services Administration
29 in the Department of the Treasury, in consultation with the Board of
30 Public Utilities, shall review and modify all bid and product
31 specifications relating to the purchase of machinery or electrical
32 equipment to provide that the specifications do not discriminate
33 against, but rather encourage, the purchase of the most energy
34 efficient machinery and electrical equipment for each respective

1 category thereof.

2 b. The Administrator of the General Services Administration,
3 when purchasing any machinery and electrical equipment for use by
4 any department or agency of the State, or by any county, municipality,
5 or school district pursuant to P.L.1969, c.104 (C.52:25-16.1 et al.),
6 shall give preference to machinery and electrical equipment that the
7 board certifies, based on the technical guidelines developed pursuant
8 to section 7 of this act, as the most energy efficient machinery and
9 electrical equipment. This preference shall be based upon energy cost
10 savings over: (1) the useful life of the machinery or electrical
11 equipment; or (2) at a minimum, the first three years of operation of
12 the machinery or electrical equipment. If a bid relating to the purchase
13 of machinery or electrical equipment involves machinery or electrical
14 equipment that has a higher initial cost but would save more in energy
15 costs over the first three years of operation than the price difference
16 between that machinery or electrical equipment and the next most
17 efficient machinery or electrical equipment, that bid shall be deemed
18 to be the lowest responsible bid.

19 c. Energy efficiency shall be determined for any particular piece
20 of machinery or electrical equipment by combining the energy
21 efficiencies of all relevant component parts thereof, measured on an
22 energy equivalency basis of total annual kilowatt-hours of electricity
23 consumed, or such other comparable energy equivalency basis as may
24 be determined by the board.

25

26 3. a. Not later than one year after the effective date of this
27 section, every governmental entity that is not exempt under subsection
28 b. of this section, shall request an energy audit of its existing
29 operations from its local public utility company to be performed at no
30 cost, if such no-cost energy audits are available. Following receipt of
31 the outcome of the audit from the local public utility company, the
32 governmental entity shall submit, in writing, to the board its plan for
33 improvements thereto that the governmental entity finds economically
34 feasible and which would result in significant cost savings through
35 energy savings for the governmental entity. Improvements shall
36 include such items as: insulation, thermal pane windows, premium
37 efficiency electric motors, high efficiency heating and cooling systems,
38 gearings and pumps, and reduced-friction and resistance-free devices.

39 b. Those governmental entities already participating in energy
40 efficiency or energy conservation programs under law, to the extent of
41 their participation therein, and those governmental entities serviced by
42 public utility companies that do not provide no-cost energy audits are
43 exempt from the provisions of subsection a. of this section.

44 c. Not later than six months after the receipt by the board of any
45 plan from a governmental entity, as required under subsection a. of
46 this section, the board may recommend to the governmental entity

1 modifications to the plan, if, in the opinion of the board, the plan does
2 not promote significant energy cost savings or that modifications are
3 economically feasible and would further reduce costs to the
4 governmental entity. If the governmental entity receives no written
5 communication of modification requirements from the board within six
6 months of submitting the plan, the plan shall be considered approved
7 and the governmental entity shall begin implementation of the plan. A
8 governmental entity may negotiate with the board to set a deadline for
9 the completion of these improvements, and may negotiate for
10 extensions of that deadline.

11

12 4. Within one year after the effective date of this section, the
13 board shall recommend to the Governor and the Legislature the types
14 of funding programs that are necessary to assist governmental entities
15 in fulfilling their efforts under section 3 of this act. Thereafter, the
16 board may recommend to the Governor and the Legislature additional
17 funding programs for extended improvements, if these become
18 necessary.

19

20 5. In addition to the requirements set forth in chapter 11 of Title
21 40A of the New Jersey Statutes, no local governmental unit shall
22 purchase, contract for or lease a new electrically powered device of
23 three kilowatts of power or more unless the device shall have
24 permanently affixed thereto information identifying its component
25 efficiency rating, which rating shall be in accordance with accepted
26 industry or trade association standards.

27

28 6. No new electrically powered device of three kilowatts of power
29 or more shall be purchased, contracted for or leased by the State
30 unless it has permanently affixed thereto information identifying its
31 component efficiency rating, which shall be in accordance with
32 accepted industry or trade association standards.

33

34 7. The Board of Public Utilities, in consultation with the
35 Department of the Treasury, pursuant to the "Administrative
36 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt
37 rules and regulations necessary to implement this act, including those
38 establishing technical guidelines for use in determining and ranking the
39 energy efficiency of machinery and electrical equipment. These
40 guidelines shall be based on information from standard industry, trade
41 association, testing laboratory, and professional and technical
42 organization sources.

43

44 8. Section 2 of this act shall take effect one year following the

1 date of enactment and sections 5 and 6 shall take effect on the 45th
2 day following the date of enactment. The remainder of this act shall
3 take effect immediately.
4
5
6 _____
7
8 Requires State to purchase energy efficient machinery and electrical
9 equipment and requires governmental entities to prepare energy
10 savings plans.