

One Hundred Fourth Legislature - Second Session - 2016

Introducer's Statement of Intent

LB881

Chairperson: Senator Ken Schilz

Committee: Natural Resources

Date of Hearing: January 28, 2016

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 881 would authorize performance contracting for energy related projects for political subdivisions.

Performance contracting provides cost recovery through utility and operation and maintenance savings. It is a contract that can provide for the analysis/design, acquisition, financing, installation, testing, operation, maintenance, and repair of conservation measures. Performance contracting uses utility bill savings through energy and peak demand reductions to pay for the improvements and provide long-term benefits. Often payment is benchmarked and depends on how well the levels of performance are met over time, based on measurement and verification.

Government entities use performance contracting to more accurately measure utility usage and implement self-funded programs that contractually guarantee results and allow the government entities to focus on their core operations instead of diverting funds to cover aging infrastructure.

Principal Introducer: _____

Senator Ken Schilz