

Department of Planning and Budget
2006 Fiscal Impact Statement
REVISED

1. Bill Number SB568

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron Whipple

3. Committee General Laws and Technology

4. Title Department of General Services; energy audits for state buildings.

5. Summary/Purpose:

Requires the Department of General Services (DGS) to establish a program to require every state-owned building to undergo an energy audit before December 30, 2008. After the completion of each energy audit, the department's Division of Engineering and Buildings shall develop an implementation plan to address energy conservation measures recommended by such audit. The bill defines "energy audit" as a determination of the energy consumption characteristics of a building by identifying the type, amount, and rate of energy consumption of the building and its major energy systems.

6. Fiscal impact is indeterminate. See Item 8

7. Budget amendment necessary: See Item 8

8. Fiscal implications: The Commonwealth owns over 10,000 buildings of various types, including office buildings, hospitals, houses, and retail stores, and the buildings are in various stages of repair. According to the Department of General Services (DGS), energy audits cost about 20 to 50 cents per square foot. With approximately 128.1 million square feet of building space owned by the Commonwealth, the cost of these audits could range from \$25.6 million to over \$64 million. Approximately \$800,000 of this amount would be needed to perform energy audits of the Capitol Square complex at 20 cents per square foot. Since the audits must be completed by December 30, 2008, the estimated fiscal impact of the audits will affect three fiscal years. The department may be able to recover some of the costs by billing nongeneral fund agencies. DGS estimates that it will cost an additional \$600,000 in recurring costs to administer the program.

9. Specific agency or political subdivisions affected: All state agencies and institutions that own buildings.

10. Technical amendment necessary: No

11. Other comments: None

Date: 01/23/06 / amk

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cc: Secretary of Administration