

# State Buildings Energy Conservation Program SBECP

## Purpose

The State Buildings Energy Conservation Program (SBECP), operated by the Department of Environmental Quality (DEQ), was established by the 1989 Legislature to reduce operating costs in state facilities by identifying and funding cost effective resource efficiency improvements. Statutory authority is Title 90, Chapter 4, part 6, MCA.

## Background

- The program was started with one-time-only federal grant funding, then from 1993-2007 the state sold general obligation (G.O.) bonds and used the bond proceeds to pay for resource efficiency improvements. These bonds continue to be repaid from the resulting project cost savings.
- In the 2011 biennium, general fund and one-time-only federal funding were utilized for energy improvement projects and enabled the establishment of the current revolving fund program.
- During the 2017 Special Legislative Session, a one-time transfer of \$450,000 was moved from the state-funded Energy Conservation and Capital Projects account to the general fund to help backfill budget shortfalls.
- Resource efficiency improvements include replacing old inefficient boilers, upgrading inefficient lighting, increasing ventilation system efficiency, insulating buildings, providing more effective temperature controls, and installing water conserving fixtures
- Projects are designed so the cost savings meet or exceed the project investment. Project repayments revolve into an account for reinvestment into new projects.
- DEQ provides technical assistance on project development and works with facility staff to ensure that cost savings are maintained.
- During fiscal years 2020 and 2021, the SBECP has and/or intends to invest approximately \$770,000 into 12 projects resulting in estimated utility cost savings of \$82,000 per year. The majority of these projects are lighting upgrades.

## Executive Recommendation

\$3.7 million in appropriation is recommended for fiscal years 2022 and 2023 for the State Building Energy Conservation Program. Proposed projects are listed in table F-5. This appropriation is noted in the LRBP chart as Energy Improvements.

F-5 State Building Energy Conservation Program SBECP	
<b>Department of Fish, Wildlife, and Parks</b>	
First Peoples Buffalo Jump State Park – Lighting Upgrade	\$10,000
Lewis and Clark Caverns State Park - Lighting Upgrade	\$10,000
Pictograph Cave State Park - Lighting Upgrade	\$10,000
Traveler’s Rest State Park - Lighting Upgrade	\$10,000
<b>Department of Labor and Industry</b>	
Sidney Job Service – Lighting Upgrade	\$5,000
Helena Job Service – Lighting Upgrade	\$35,000
<b>State-wide Energy Improvements</b>	
Energy Efficiency Upgrades on A&E Projects	\$1,500,000
Lighting Upgrade Projects in State Facilities	\$750,000
Energy Efficiency Upgrades in MT University System	\$1,370,000
<b>Estimated Cost of Projects / Authority Request</b>	<b>\$3,700,000</b>