

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE BILL 2051  
Agriculture/Environment/Natural Resources Committee Substitute Adopted  
6/28/06  
Agriculture/Environment/Natural Resources Committee Substitute #2 Adopted  
7/13/06  
Fourth Edition Engrossed 7/18/06**

Short Title: State Energy Use Planning/Energy Assistance.

(Public)

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Sponsors:

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Referred to:

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May 26, 2006

A BILL TO BE ENTITLED

AN ACT TO REDUCE ENERGY, FUEL, AND WATER CONSUMPTION IN THE STATE THROUGH: (1) DEVELOPMENT OF A PLAN TO INCREASE THE AVAILABILITY AND USE OF ALTERNATIVE FUELS IN STATE-OWNED VEHICLE FLEETS; (2) PROVISION OF ENERGY ASSISTANCE TO LOW-INCOME PERSONS; (3) DEVELOPMENT OF A STRATEGIC PLAN TO EXPAND THE BIOFUELS INDUSTRY IN NORTH CAROLINA; AND (4) STUDY MECHANISMS TO IMPROVE ENERGY AND WATER CONSERVATION IN STATE-OWNED FACILITIES.

The General Assembly of North Carolina enacts:

**PART I. DEVELOP PLAN FOR TARGETED CONVERSION OF FUELING FACILITIES TO PROMOTE THE AVAILABILITY AND USE OF ALTERNATIVE FUELS**

**SECTION 1.** In order to promote attainment of the twenty percent (20%) reduction or displacement of petroleum products consumed in State-owned vehicle fleets by January 1, 2010, as required by Section 19.5 of S.L. 2005-276, the Department of Administration shall develop a plan for the targeted conversion of fuel dispensing facilities to provide greater availability of biodiesel, ethanol, and other alternative fuels. The Department shall consult with affected State agencies to identify measures to increase the efficiency and cost-effective utilization of resources and consider this information in the development of the plan. The Department of Administration shall submit the plan to the Joint Legislative Commission on Governmental Operations no

1 later than November 1, 2006, and shall include updates on the progress in implementing  
2 the plan as part of the report required under Section 19.5(c) of S.L. 2005-276.

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4 **PART II. PROVIDE ENERGY ASSISTANCE TO LOW-INCOME PERSONS**

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6 **SECTION 2.** Article 3 of Chapter 143B of the General Statutes is amended  
7 by adding a new Part to read:

8 "Part 34A. North Carolina Energy Assistance Act for Low-Income Persons.

9 **"§ 143B-216.72A. Legislative findings and purpose.**

10 (a) The General Assembly finds that:

- 11 (1) Maintaining the general health, welfare, and prosperity of the people  
12 of this State requires that all citizens receive essential levels of heat  
13 and electric service regardless of their economic circumstances.  
14 (2) Serving the State's most vulnerable citizens, its low-income elderly,  
15 persons with disabilities, families with children, high residential  
16 energy users, and households with a high-energy burden, is a priority.  
17 (3) Conserving energy benefits all citizens and the environment.  
18 (4) Ensuring proper payment to public utilities and other entities providing  
19 energy services actually rendered is a responsibility of this State.  
20 (5) Declining federal low-income energy assistance funding necessitates a  
21 State response to ensure the continuity and further development of  
22 energy assistance and related policies and programs in this State.  
23 (6) Current energy assistance policies and programs have benefited North  
24 Carolina citizens and should be continued with the modifications  
25 provided in this Part.

26 (b) The General Assembly declares that it is the policy of this State that  
27 weatherization, replacement of heating and cooling systems, and other energy-related  
28 assistance programs be utilized to increase the energy efficiency of dwellings owned or  
29 occupied by low-income persons, reduce their total residential expenditures, and  
30 improve their health and safety. The State shall utilize all appropriate and available  
31 means to fund the Weatherization Assistance Program for Low-Income Families and the  
32 Heating/Air Repair and Replacement Program under G.S. 108A-70.30, and any other  
33 energy-related assistance program for low-income persons while, to the extent possible,  
34 identifying and utilizing sources of funding to achieve the objectives of this Part.

35 **"§ 143B-216.72B. Definitions.**

36 The following definitions apply to this Part:

- 37 (1) Applicant. – A member of the family residing in the dwelling unit, the  
38 owner, or designated agent of the owner of a dwelling unit applying  
39 for program services.  
40 (2) Department. – The Department of Health and Human Services.  
41 (3) Secretary. – The Secretary of Health and Human Services.  
42 (4) Subgrantee. – An entity managing a weatherization project that  
43 receives a federal grant of funds awarded pursuant to 10 C.F.R. § 440

1 (1 January 2006 edition) from this State or other entity named in the  
2 Notification of Grant Award and otherwise referred to as the grantee.

- 3 (5) Weatherization. – The modification of homes and home heating and  
4 cooling systems to improve heating and cooling efficiency by caulking  
5 and weather stripping, as well as insulating ceilings, attics, walls, and  
6 floors.

7 **"§ 143B-216.72C. The Office of Economic Opportunity designated agency; powers**  
8 **and duties.**

9 (a) The Office of Economic Opportunity of the Department shall administer the  
10 Weatherization Assistance Program for Low-Income Families established by 42 U.S.C.  
11 § 6861, et seq., and 42 U.S.C. § 7101, et seq.; the Heating/Air Repair and Replacement  
12 Program established by the Secretary under G.S. 108A-70.30; and any other  
13 energy-related assistance program for the benefit of low-income persons in existing  
14 housing. The Office of Economic Opportunity shall exercise the following powers and  
15 duties:

- 16 (1) Establish standards and criteria to carry out the provisions and  
17 purposes of this Part.
- 18 (2) Develop policy, criteria, and standards for receiving and processing  
19 applications for weatherization assistance.
- 20 (3) Make decisions and pursue appeals from decisions to accept or deny  
21 applications for weatherization, replacement of heating and cooling  
22 systems, and other energy-related assistance programs or otherwise  
23 participate in the State plan as a subgrantee or contractor.
- 24 (4) Adopt rules, consistent with the laws of this State, that may be  
25 required by the federal government for grants-in-aid for the  
26 Weatherization Assistance Program for Low-Income Families, the  
27 Heating/Air Repair and Replacement Program, or other energy-related  
28 assistance programs for the benefit of low-income residents in existing  
29 housing. This section shall be liberally construed in order that this  
30 State and its citizens may benefit from such grants-in-aid.
- 31 (5) Establish procedures for the submission of periodic reports by any  
32 community action agency or other agency or entity authorized to  
33 manage a weatherization project, replacement of heating and cooling  
34 systems, or other energy-related assistance project.
- 35 (6) Implement criteria for periodic review of weatherization, replacement  
36 of heating and cooling systems, or other energy-related programs in  
37 existing housing for low-income households.
- 38 (7) Solicit, accept, hold, and administer on behalf of this State any grants  
39 or bequests of money, securities, or property for the benefit of  
40 low-income residents in existing housing for use by the Department or  
41 other agencies in the administration of this Part.
- 42 (8) Create a Policy Advisory Council within the Office of Economic  
43 Opportunity that shall advise the Office of Economic Opportunity with  
44 respect to the development and implementation of a Weatherization

1                    Program for Low-Income Families, the Heating/Air Repair and  
2                    Replacement Program, and any other energy-related assistance  
3                    program for the benefit of low-income persons in existing housing.

4            (b)    The Secretary shall have final decision-making authority with regard to all  
5            functions described in this Part."

### 7    **PART III. DEVELOP BIOFUELS INDUSTRY STRATEGIC PLAN**

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9            **SECTION 3.1.** There is established the Biofuels Industry Strategic Plan Work  
10            Group. The purpose of the Work Group is to develop a strategic plan for expansion of  
11            biofuels as an industry in North Carolina. The Work Group shall include representatives  
12            of the College of Agriculture and Life Sciences at North Carolina State University, the  
13            School of Agriculture and Environmental Sciences at North Carolina Agricultural and  
14            Technical State University, the North Carolina Biotechnology Center, and the Rural  
15            Economic Development Center, Inc. In developing this strategic plan, the Work Group  
16            shall delineate the increasing role of biotechnology in the development of biofuels and  
17            may consult with all of the following:

- 18            (1)    The Department of Administration.
- 19            (2)    The Department of Agriculture and Consumer Services.
- 20            (3)    The Department of Commerce.
- 21            (4)    The Department of Environment and Natural Resources.
- 22            (5)    The Department of Transportation.
- 23            (6)    The University of North Carolina System.
- 24            (7)    The Community College System.
- 25            (8)    The North Carolina Solar Center at North Carolina State University.
- 26            (9)    The North Carolina Farm Bureau Federation.
- 27            (10)   The North Carolina State Grange.
- 28            (11)   The North Carolina Agribusiness Council.
- 29            (12)   The North Carolina Forestry Association.
- 30            (13)   Representatives of private industry that are engaged in biotechnology  
31            and the biofuels industry.
- 32            (14)   Any other entity that the Biofuels Industry Strategic Plan Work Group  
33            deems appropriate, particularly entities that are engaged in  
34            biotechnology and the biofuels industry.

35            **SECTION 3.2.** No later than January 1, 2007, the Biofuels Industry  
36            Strategic Plan Work Group shall submit the strategic plan, including any legislative  
37            proposals, to the Environmental Review Commission.

### 39    **PART IV. CONDUCT STUDY TO IMPROVE ENERGY AND WATER** 40    **CONSERVATION IN STATE-OWNED FACILITIES**

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42            **SECTION 4.1.** In an effort to improve energy and water conservation by  
43            State departments, agencies, and institutions, the Joint Legislative Oversight Committee  
44            on Capital Improvements shall study the following:

- 1           (1)    The role of repair and renovation investments and related costs in  
2           reducing energy and water use in existing State-owned facilities by  
3           twenty percent (20%) by January 1, 2012.
- 4           (2)    The construction and design of new facilities, facility additions, and  
5           facility renovations with the goal of reducing energy and water use by  
6           twenty percent (20%) by January 1, 2012.
- 7           (3)    The State's method of funding and planning capital projects to improve  
8           the integration of long-term operating costs, such as energy and water  
9           use, into the design of State facilities.
- 10          (4)    The State's method of funding utility costs for State facilities and  
11          whether this method of funding creates adequate incentives for State  
12          departments, agencies, and institutions to reduce energy and water use,  
13          thereby reducing the State's utility costs.
- 14          (5)    The costs and benefits of constructing green buildings, Leadership in  
15          Energy and Environmental Design (LEED) certified buildings,  
16          building commissioning, and other design and construction techniques  
17          when constructing new State-owned facilities, facility additions, and  
18          facility renovations.
- 19          (6)    The relationship of guaranteed energy savings contracts to the State's  
20          investment in State-owned capital facilities.
- 21          (7)    Any other issue the Committee determines is pertinent to the reduction  
22          of energy and water use in State-owned facilities.

23           **SECTION 4.2.** No later than February 1, 2007, the Joint Legislative  
24    Oversight Committee on Capital Improvements shall submit a report, including any  
25    recommendations or legislative proposals, to the 2007 General Assembly.

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27    **PART V. EFFECTIVE DATE**

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29           **SECTION 5.** This act is effective when it becomes law.