



North Carolina Department of Administration

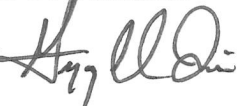
Pat McCrory, Governor
Bill Daughtridge, Jr., Secretary

State Construction Office
Gregory A. Driver, P.E., Director

November 1, 2013

MEMORANDUM

TO: All Capital Projects Coordinators

FROM: Gregory A. Driver 

SUBJECT: Session Law 2013-242
House Bill 628 – Section 1 Paragraph (a1)
Procedural Implementation of Article 8C (GS 143-135.35 - .40) (SB668)
Performance Standards for Sustainable Energy Efficient Public Buildings

Section 1, paragraph (a1) of the above referenced legislation reads as follows:

SECTION 1. G.S. 143-135.37 is amended by adding two new subsections to read:
"(a1) Net Savings Required. – The requirements of this section apply to a major facility construction or renovation project only if the Department determines that the application of the requirements to the project will result in an anticipated net savings. There is an anticipated net savings if the cost of construction or renovation in accordance with the requirements of this section plus the estimated operating costs for the first 10 years post-construction would be less than the cost of construction or renovation if the project were not subject to the requirements of this section plus the estimated operating costs for the first 10 years post-construction. All third-party certification costs before and after construction or renovation shall be included in determining construction and operating costs. Renovation projects that will include guaranteed energy savings contracts, as defined by G.S. 143-64.17, and executed in accordance with the provisions of Part 2 of Article 3B of Chapter 143 of the General Statutes, are exempt from the requirements of this subsection.

To provide clarification in regards to implementation of the above law the following shall apply:

- 1) Designer shall submit 2 project costs analysis with a summary comparison of the two at Advance Planning Phase Submittal to SCO:
 - a. Cost of construction (including design) if Article 8C is complied with, plus operating costs for the first 10 years including 3rd party certification costs before and after construction. (SB668 Bldg)
 - b. Cost of construction (including design) if Article 8C is not complied with, plus operating costs for the first 10 years including 3rd party certification costs before and after construction. (NonSB668 Bldg)
- 2) If (1a) is more than (1b) then owner does not have to comply with the requirements of Article 8C. If (1a) is less than (1b) then owner does have to comply with the requirements of Article 8C.
- 3) The owner may voluntarily incorporate performance standards of Article 8C regardless of cost analysis required by SL 2013-242.

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