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**SECOND SUBSTITUTE HOUSE BILL 1747**

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**State of Washington**

**61st Legislature**

**2009 Regular Session**

**By** House Ways & Means (originally sponsored by Representatives Rolfes, Chase, Upthegrove, Hasegawa, Eddy, Lias, Ormsby, Pedersen, Dunshee, McCoy, Morris, Carlyle, Dickerson, Hudgins, Moeller, Sells, Kenney, White, and Nelson)

READ FIRST TIME 03/03/09.

1       AN ACT Relating to reducing climate pollution in the built  
2 environment; amending RCW 19.27A.020; adding new sections to chapter  
3 19.27A RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5       NEW SECTION. **Sec. 1.** The legislature finds that energy efficiency  
6 is the cheapest, quickest, and cleanest way to meet rising energy  
7 needs, confront climate change, and boost our economy. More than  
8 thirty percent of Washington's greenhouse gas emissions come from  
9 energy use in buildings. Making homes, businesses, and public  
10 institutions more energy efficient will save money, create good local  
11 jobs, enhance energy security, reduce pollution that causes global  
12 warming, and speed economic recovery while reducing the need to invest  
13 in costly new generation. Washington can spur its economy and assert  
14 its regional and national clean energy leadership by putting efficiency  
15 first. Washington can accomplish this by: Promoting super efficient,  
16 low-energy use building codes; requiring disclosure of buildings'  
17 energy use to prospective buyers; making public buildings models of  
18 energy efficiency; financing energy saving upgrades to existing  
19 buildings; and reducing utility bills for low-income households.

1        NEW SECTION.    **Sec. 2.**    The definitions in this section apply to  
2 sections 1 through 3 and 5 through 8 of this act and RCW 19.27A.020  
3 unless the context clearly requires otherwise.

4        (1) "Benchmark" means the energy used by a facility as recorded  
5 monthly for at least one year and the facility characteristics  
6 information inputs required for a portfolio manager.

7        (2) "Conditioned space" means conditioned space, as defined in the  
8 Washington state energy code.

9        (3) "Consumer-owned utility" includes a municipal electric utility  
10 formed under Title 35 RCW, a public utility district formed under Title  
11 54 RCW, an irrigation district formed under chapter 87.03 RCW, a  
12 cooperative formed under chapter 23.86 RCW, a mutual corporation or  
13 association formed under chapter 24.06 RCW, a port district formed  
14 under Title 53 RCW, or a water-sewer district formed under Title 57  
15 RCW, that is engaged in the business of distributing electricity to one  
16 or more retail electric customers in the state.

17        (4) "Cost-effectiveness" means that a project or resource is  
18 forecast:

19            (a) To be reliable and available within the time it is needed; and

20            (b) To meet or reduce the power demand of the intended consumers at  
21 an estimated incremental system cost no greater than that of the least-  
22 cost similarly reliable and available alternative project or resource,  
23 or any combination thereof.

24        (5) "Council" means the state building code council.

25        (6) "Department" means the department of community, trade, and  
26 economic development.

27        (7) "Energy service company" has the same meaning as in RCW  
28 43.19.670.

29        (8) "General administration" means the department of general  
30 administration.

31        (9) "Greenhouse gas" and "greenhouse gases" includes carbon  
32 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons,  
33 and sulfur hexafluoride.

34        (10) "Investment grade energy audit" means an intensive engineering  
35 analysis of energy efficiency and management measures for the facility,  
36 net energy savings, and a cost-effectiveness determination.

37        (11) "Investor-owned utility" means a corporation owned by

1 investors that meets the definition of "corporation" as defined in RCW  
2 80.04.010 and is engaged in distributing either electricity or natural  
3 gas, or both, to more than one retail electric customer in the state.

4 (12) "Major facility" means any publicly owned or leased building,  
5 or a group of such buildings at a single site, having ten thousand  
6 square feet or more of conditioned floor space.

7 (13) "National energy performance rating" means the score provided  
8 by the energy star program, to indicate the energy efficiency  
9 performance of the building compared to similar buildings in that  
10 climate as defined in the United States environmental protection agency  
11 "ENERGY STAR® Performance Ratings Technical Methodology."

12 (14) "Net zero energy use" means a building with net energy  
13 consumption of zero over a typical year as measured at utility meter.

14 (15) "Portfolio manager" means the United States environmental  
15 protection agency's energy star portfolio manager or an equivalent tool  
16 adopted by the department.

17 (16) "Preliminary energy audit" means a quick evaluation by an  
18 energy service company of the energy savings potential of a building.

19 (17) "Qualifying public agency" includes all state agencies,  
20 colleges, and universities.

21 (18) "Qualifying utility" means a consumer-owned or investor-owned  
22 gas or electric utility that serves more than twenty-five thousand  
23 customers in the state of Washington.

24 (19) "Reporting public facility" means any of the following:

25 (a) A building or structure, or a group of buildings or structures  
26 at a single site, owned by a qualifying public agency, that exceed ten  
27 thousand square feet of conditioned space;

28 (b) Buildings, structures, or spaces leased by a qualifying public  
29 agency that exceeds ten thousand square feet of conditioned space,  
30 where the qualifying public agency purchases energy directly from the  
31 investor-owned or consumer-owned utility;

32 (c) A wastewater treatment facility owned by a qualifying public  
33 agency; or

34 (d) Other facilities selected by the qualifying public agency.

35 (20) "State portfolio manager master account" means a portfolio  
36 manager account established to provide a single shared portfolio that  
37 includes reports for all the reporting public facilities.

1        NEW SECTION.     **Sec. 3.**     (1) The department shall develop and  
2     implement a strategic plan for enhancing energy efficiency in and  
3     reducing greenhouse gas emissions from homes, buildings, districts, and  
4     neighborhoods. The strategic plan must be used to direct the future  
5     code increases in RCW 19.27A.020, with targets for new buildings  
6     consistent with section 5 of this act. The strategic plan will  
7     identify barriers to achieving net zero energy use in homes and  
8     buildings and identify how to overcome these barriers in future energy  
9     code updates and through complementary policies.

10        (2) The department must complete and release the strategic plan to  
11     the legislature and the council by December 31, 2010, and update the  
12     plan every three years.

13        (3) The strategic plan must include recommendations to the council  
14     on energy code upgrades. At a minimum, the strategic plan must:

15        (a) Consider development of aspirational codes separate from the  
16     state energy code that contain economically and technically feasible  
17     optional standards that could achieve higher energy efficiency for  
18     those builders that elected to follow the aspirational codes in lieu of  
19     or in addition to complying with the standards set forth in the state  
20     energy code;

21        (b) Determine the appropriate methodology to measure achievement of  
22     state energy code targets using the United States environmental  
23     protection agency's target finder program or equivalent methodology;

24        (c) Address the need for enhanced code training and enforcement;

25        (d) Include state strategies to support research, demonstration,  
26     and education programs designed to achieve a seventy percent reduction  
27     in annual net energy consumption as specified in section 5 of this act  
28     and enhance energy efficiency and on-site renewable energy production  
29     in buildings;

30        (e) Recommend incentives, education, training programs and  
31     certifications, particularly state-approved training or certification  
32     programs, joint apprenticeship programs, or labor-management  
33     partnership programs that train workers for energy-efficiency projects  
34     to ensure proposed programs are designed to increase building  
35     professionals' ability to design, construct, and operate buildings that  
36     will meet the seventy percent reduction in annual net energy  
37     consumption as specified in section 5 of this act;

1 (f) Address barriers for utilities to serve net zero energy homes  
2 and buildings and policies to overcome those barriers;

3 (g) Address the limits of a prescriptive code in achieving net zero  
4 energy use homes and buildings and propose a transition to performance-  
5 based codes;

6 (h) Identify financial mechanisms such as tax incentives, rebates,  
7 and innovative financing to motivate energy consumers to take action to  
8 increase energy efficiency and their use of on-site renewable energy.  
9 Such incentives, rebates, or financing options may consider the role of  
10 government programs as well as utility-sponsored programs;

11 (i) Address the adequacy of education and technical assistance,  
12 including school curricula, technical training, and peer-to-peer  
13 exchanges for professional and trade audiences; and

14 (j) Develop strategies to develop and install district and  
15 neighborhood-wide energy systems that help meet net zero energy use in  
16 homes and buildings.

17 (4) The department and the council shall convene a work group to  
18 inform the initial development of the strategic plan. Membership of  
19 the work group may include, but is not limited to, representatives  
20 from:

21 (a) A municipal code enforcement officer employed by a  
22 municipality;

23 (b) A residential builder;

24 (c) A commercial builder;

25 (d) An architect licensed in the state who is knowledgeable of  
26 environmentally sound building practices and standards, recommended by  
27 the American institute of architects Washington chapter;

28 (e) A professional engineer licensed in Washington state,  
29 recommended by a statewide association of structural engineers;

30 (f) A historic preservation representative, recommended by the  
31 Washington historic preservation commission, with experience  
32 implementing the state's standards for the treatment of historic  
33 properties;

34 (g) A conservation group working in energy efficiency;

35 (h) The Northwest power planning and conservation council;

36 (i) An investor-owned utility providing electricity service;

37 (j) An investor-owned utility providing natural gas service;

38 (k) A public utility district;

- 1 (l) A municipal electric utility;
- 2 (m) An electric cooperative;
- 3 (n) A representative of the energy services companies industry;
- 4 (o) A representative from the legal profession;
- 5 (p) A representative from a financial institution or entity
- 6 familiar with municipal bonds;
- 7 (q) An electrical engineer licensed in Washington state,
- 8 recommended by a statewide association of electrical engineers;
- 9 (r) A consulting design firm working on building renewable energy
- 10 solutions;
- 11 (s) A representative from a labor union representing workers in
- 12 energy or building and construction industries or labor affiliates
- 13 administering state-approved, joint apprenticeship programs or labor-
- 14 management partnership programs that train workers for these
- 15 industries;
- 16 (t) A representative of an equipment manufacturer; and
- 17 (u) A mechanical HVAC engineer licensed in Washington state,
- 18 recommended by a statewide association of mechanical HVAC engineers.

19 **Sec. 4.** RCW 19.27A.020 and 1998 c 245 s 8 are each amended to read  
20 as follows:

21 (1) (~~No later than January 1, 1991,~~) The state building code  
22 council shall adopt rules to be known as the Washington state energy  
23 code as part of the state building code.

24 (2) The council shall follow the legislature's standards set forth  
25 in this section to adopt rules to be known as the Washington state  
26 energy code. The (~~Washington~~) state energy code shall be designed  
27 to:

28 (a) Accelerate construction of increasingly energy efficient homes  
29 and buildings that help achieve the broader goal of building zero  
30 fossil-fuel greenhouse gas emission homes and buildings by the year  
31 2031;

32 (b) Require new buildings to meet a certain level of energy  
33 efficiency, but allow flexibility in building design, construction, and  
34 heating equipment efficiencies within that framework(~~. The Washington~~  
35 state energy code shall be designed to)); and

36 (c) Allow space heating equipment efficiency to offset or  
37 substitute for building envelope thermal performance.

1 (3) The Washington state energy code shall take into account  
2 regional climatic conditions. Climate zone 1 shall include all  
3 counties not included in climate zone 2. Climate zone 2 includes:  
4 Adams, Chelan, Douglas, Ferry, Grant, Kittitas, Lincoln, Okanogan, Pend  
5 Oreille, Spokane, Stevens, and Whitman counties.

6 (4) The Washington state energy code for residential buildings  
7 shall ~~((require:~~

8 ~~(a) New residential buildings that are space heated with electric~~  
9 ~~resistance heating systems to achieve energy use equivalent to that~~  
10 ~~used in typical buildings constructed with:~~

11 ~~(i) Ceilings insulated to a level of R-38. The code shall contain~~  
12 ~~an exception which permits single rafter or joist vaulted ceilings~~  
13 ~~insulated to a level of R-30 (R value includes insulation only);~~

14 ~~(ii) In zone 1, walls insulated to a level of R-19 (R value~~  
15 ~~includes insulation only), or constructed with two by four members,~~  
16 ~~R-13 insulation batts, R-3.2 insulated sheathing, and other normal~~  
17 ~~assembly components; in zone 2 walls insulated to a level of R-24 (R~~  
18 ~~value includes insulation only), or constructed with two by six~~  
19 ~~members, R-22 insulation batts, R-3.2 insulated sheathing, and other~~  
20 ~~normal construction assembly components; for the purpose of determining~~  
21 ~~equivalent thermal performance, the wall U-value shall be 0.058 in zone~~  
22 ~~1 and 0.044 in zone 2;~~

23 ~~(iii) Below grade walls, insulated on the interior side, to a level~~  
24 ~~of R-19 or, if insulated on the exterior side, to a level of R-10 in~~  
25 ~~zone 1 and R-12 in zone 2 (R value includes insulation only);~~

26 ~~(iv) Floors over unheated spaces insulated to a level of R-30 (R~~  
27 ~~value includes insulation only);~~

28 ~~(v) Slab on grade floors insulated to a level of R-10 at the~~  
29 ~~perimeter;~~

30 ~~(vi) Double glazed windows with values not more than U-0.4;~~

31 ~~(vii) In zone 1 the glazing area may be up to twenty one percent of~~  
32 ~~floor area and in zone 2 the glazing area may be up to seventeen~~  
33 ~~percent of floor area where consideration of the thermal resistance~~  
34 ~~values for other building components and solar heat gains through the~~  
35 ~~glazing result in thermal performance equivalent to that achieved with~~  
36 ~~thermal resistance values for other components determined in accordance~~  
37 ~~with the equivalent thermal performance criteria of (a) of this~~  
38 ~~subsection and glazing area equal to fifteen percent of the floor area.~~

1 Throughout the state for the purposes of determining equivalent thermal  
2 performance, the maximum glazing area shall be fifteen percent of the  
3 floor area; and

4 (viii) Exterior doors insulated to a level of R-5; or an exterior  
5 wood door with a thermal resistance value of less than R-5 and values  
6 for other components determined in accordance with the equivalent  
7 thermal performance criteria of (a) of this subsection.

8 (b) New residential buildings which are space heated with all other  
9 forms of space heating to achieve energy use equivalent to that used in  
10 typical buildings constructed with:

11 (i) Ceilings insulated to a level of R-30 in zone 1 and R-38 in  
12 zone 2 the code shall contain an exception which permits single rafter  
13 or joist vaulted ceilings insulated to a level of R-30 (R value  
14 includes insulation only);

15 (ii) Walls insulated to a level of R-19 (R value includes  
16 insulation only), or constructed with two by four members, R-13  
17 insulation batts, R-3.2 insulated sheathing, and other normal assembly  
18 components;

19 (iii) Below grade walls, insulated on the interior side, to a level  
20 of R-19 or, if insulated on the exterior side, to a level of R-10 in  
21 zone 1 and R-12 in zone 2 (R value includes insulation only);

22 (iv) Floors over unheated spaces insulated to a level of R-19 in  
23 zone 1 and R-30 in zone 2 (R value includes insulation only);

24 (v) Slab on grade floors insulated to a level of R-10 at the  
25 perimeter;

26 (vi) Heat pumps with a minimum heating season performance factor  
27 (HSPF) of 6.8 or with all other energy sources with a minimum annual  
28 fuel utilization efficiency (AFUE) of seventy-eight percent;

29 (vii) Double glazed windows with values not more than U-0.65 in  
30 zone 1 and U-0.60 in zone 2. The state building code council, in  
31 consultation with the department of community, trade, and economic  
32 development, shall review these U-values, and, if economically  
33 justified for consumers, shall amend the Washington state energy code  
34 to improve the U-values by December 1, 1993. The amendment shall not  
35 take effect until July 1, 1994; and

36 (viii) In zone 1, the maximum glazing area shall be twenty one  
37 percent of the floor area. In zone 2 the maximum glazing area shall be



1 ~~seventeen percent of the floor area. Throughout the state for the~~  
2 ~~purposes of determining equivalent thermal performance, the maximum~~  
3 ~~glazing area shall be fifteen percent of the floor area.~~

4 ~~(c) The requirements of (b)(ii) of this subsection do not apply to~~  
5 ~~residences with log or solid timber walls with a minimum average~~  
6 ~~thickness of three and one-half inches and with space heat other than~~  
7 ~~electric resistance.~~

8 ~~(d) The state building code council may approve an energy code for~~  
9 ~~pilot projects of residential construction that use innovative energy~~  
10 ~~efficiency technologies intended to result in savings that are greater~~  
11 ~~than those realized in the levels specified in this section.~~

12 ~~(5) U-values for glazing shall be determined using the area~~  
13 ~~weighted average of all glazing in the building. U-values for vertical~~  
14 ~~glazing shall be determined, certified, and labeled in accordance with~~  
15 ~~the appropriate national fenestration rating council (NFRC) standard,~~  
16 ~~as determined and adopted by the state building code council.~~  
17 ~~Certification of U-values shall be conducted by a certified,~~  
18 ~~independent agency licensed by the NFRC. The state building code~~  
19 ~~council may develop and adopt alternative methods of determining,~~  
20 ~~certifying, and labeling U-values for vertical glazing that may be used~~  
21 ~~by fenestration manufacturers if determined to be appropriate by the~~  
22 ~~council. The state building code council shall review and consider the~~  
23 ~~adoption of the NFRC standards for determining, certifying, and~~  
24 ~~labeling U-values for doors and skylights when developed and published~~  
25 ~~by the NFRC. The state building code council may develop and adopt~~  
26 ~~appropriate alternative methods for determining, certifying, and~~  
27 ~~labeling U-values for doors and skylights. U-values for doors and~~  
28 ~~skylights determined, certified, and labeled in accordance with the~~  
29 ~~appropriate NFRC standard shall be acceptable for compliance with the~~  
30 ~~state energy code. Sealed insulation glass, where used, shall conform~~  
31 ~~to, or be in the process of being tested for, ASTM E-774-81 class A or~~  
32 ~~better)) be the 2006 edition of the Washington state energy code, or as~~  
33 ~~amended by rule by the council.~~

34 ~~((+6)) (5) The minimum state energy code for new nonresidential~~  
35 ~~buildings shall be the Washington state energy code, ((1986)) 2006~~  
36 ~~edition, or as amended by the council by rule.~~

37 ~~((+7)) (6)(a) Except as provided in (b) of this subsection, the~~

1 Washington state energy code for residential structures shall preempt  
2 the residential energy code of each city, town, and county in the state  
3 of Washington.

4 (b) The state energy code for residential structures does not  
5 preempt a city, town, or county's energy code for residential  
6 structures which exceeds the requirements of the state energy code  
7 (~~and which was adopted by the city, town, or county prior to March 1,~~  
8 ~~1990. Such cities, towns, or counties may not subsequently amend their~~  
9 ~~energy code for residential structures to exceed the requirements~~  
10 ~~adopted prior to March 1, 1990~~)).

11 ~~((+8))~~ (7) The state building code council shall consult with the  
12 department of community, trade, and economic development as provided in  
13 RCW 34.05.310 prior to publication of proposed rules. (~~The department~~  
14 ~~of community, trade, and economic development shall review the proposed~~  
15 ~~rules for consistency with the guidelines adopted in subsection (4) of~~  
16 ~~this section.~~) The director of the department of community, trade,  
17 and economic development shall recommend to the state building code  
18 council any changes necessary to conform the proposed rules to the  
19 requirements of this section.

20 (8) The definitions in section 2 of this act apply throughout this  
21 section.

22 NEW SECTION. **Sec. 5.** (1) Residential and nonresidential  
23 construction permitted under the 2031 state energy code must achieve,  
24 in the aggregate, a seventy percent reduction in annual net energy  
25 consumption measured by the utility, using the adopted 2006 Washington  
26 state energy code as a baseline.

27 (2) The council shall adopt state energy codes from 2013 through  
28 2031 that incrementally move towards achieving the seventy percent  
29 reduction in annual net energy consumption as specified in subsection  
30 (1) of this section. The council shall report its progress by December  
31 31, 2009, and every three years thereafter. If the council determines  
32 that economic, technological, or process factors would significantly  
33 impede adoption of or compliance with subsection (1) of this section,  
34 the council shall report its findings to the legislature by December  
35 31st of the year prior to the year in which those codes would otherwise  
36 be enacted.

1        NEW SECTION.    **Sec. 6.**    (1) On and after January 1, 2010, qualifying  
2 utilities shall maintain records of the energy consumption data of all  
3 nonresidential and qualifying public agency buildings to which they  
4 provide service. This data must be maintained for at least the most  
5 recent twelve months in a format compatible for uploading to the  
6 portfolio manager.

7        (2) On and after January 1, 2010, upon the written authorization or  
8 secure electronic authorization of a nonresidential building owner or  
9 operator, a qualifying utility shall upload all of the energy  
10 consumption data for the accounts specified for a building to the  
11 portfolio manager in a manner that preserves the confidentiality of the  
12 building owners and their tenants.

13        (3) In carrying out the requirements of this section, a qualifying  
14 utility shall use any method for providing the specified data in order  
15 to maximize efficiency and minimize overall program cost. Qualifying  
16 utilities are encouraged to consult with the United States  
17 environmental protection agency and their customers in developing  
18 reasonable reporting options.

19        (4) Disclosure of nonpublic nonresidential building performance  
20 data will be phased in as follows:

21        (a) By January 1, 2011, for buildings greater than fifty thousand  
22 square feet; and

23        (b) By January 1, 2012, for buildings greater than ten thousand  
24 square feet.

25        (5) Based on the size guidelines in subsection (4) of this section,  
26 a property owner or operator, or their agent, of a nonresidential  
27 building shall complete and disclose the portfolio manager data and  
28 ratings for the most recent continuously occupied twelve-month period  
29 to a prospective buyer, lessee, or lender. If the data is delivered to  
30 a prospective buyer, lessee, or lender, a property owner, operator, or  
31 their agent is not required to provide additional information regarding  
32 energy consumption, and the information is deemed to be adequate to  
33 inform the prospective buyer, lessee, or lender regarding the portfolio  
34 manager data and ratings for the most recent twelve-month period for  
35 the building that is being sold, leased, financed, or refinanced.

36        (6) Notwithstanding subsections (4) and (5) of this section,  
37 nothing in this section increases or decreases the duties, if any, of

1 a property owner, operator, or their agent under this chapter or alters  
2 the duty of a seller, agent, or broker to disclose the existence of a  
3 material fact affecting the real property.

4 NEW SECTION. **Sec. 7.** By December 31, 2009, the department shall  
5 recommend to the legislature a methodology to determine an energy  
6 performance score for residential buildings and an implementation  
7 strategy to use such information to improve the energy efficiency of  
8 the state's existing housing supply. In developing its strategy, the  
9 department shall seek input from providers of residential energy  
10 audits, building contractors, the residential real estate industry, and  
11 real estate listing and form providers.

12 NEW SECTION. **Sec. 8.** (1) By July 1, 2010, each qualifying public  
13 agency shall:

14 (a) Create an energy benchmark for each reporting public facility  
15 using a portfolio manager;

16 (b) Report to general administration, the environmental protection  
17 agency national energy performance rating for each reporting public  
18 facility included in the technical requirements for this rating; and

19 (c) Link all portfolio manager accounts to the state portfolio  
20 manager master account to facilitate public reporting.

21 (2) By January 1, 2010, general administration shall establish a  
22 state portfolio manager master account. The account must be designed  
23 to provide shared reporting for all reporting public facilities.

24 (3) By July 1, 2010, general administration shall select a  
25 standardized portfolio manager report for reporting public facilities.  
26 General administration, in collaboration with the United States  
27 environmental protection agency, shall make the standard report of each  
28 reporting public facility available to the public through the portfolio  
29 manager web site.

30 (4) General administration shall prepare a biennial report  
31 summarizing the statewide portfolio manager master account reporting  
32 data. The first report must be completed by December 1, 2012.  
33 Subsequent reporting shall be completed every two years thereafter.

34 (5) By July 1, 2010, general administration shall develop a  
35 technical assistance program to facilitate the implementation of a  
36 preliminary audit and the investment grade energy audit. General

1 administration shall design the technical assistance program to utilize  
2 audit services provided by utilities or energy services contracting  
3 companies when possible.

4 (6) For each reporting public facility with a national energy  
5 performance rating score below fifty, the qualifying public agency, in  
6 consultation with general administration, shall undertake a preliminary  
7 energy audit by July 1, 2011. If potential cost-effective energy  
8 savings are identified, an investment grade energy audit must be  
9 completed by July 1, 2013. Implementation of cost-effective energy  
10 conservation measures are required by July 1, 2016. For a major  
11 facility that is leased by a state agency, college, or university,  
12 energy audits and implementation of cost-effective energy conservation  
13 measures are required only for that portion of the facility that is  
14 leased by the state agency, college, or university.

15 (7) Schools are strongly encouraged to follow the provisions in  
16 subsections (1) through (6) of this section.

17 (8) The state may not renew leases with buildings that have a  
18 portfolio manager score below fifty.

19 (9) By July 1, 2011, general administration shall conduct a review  
20 of facilities not covered by the national energy performance rating.  
21 Based on this review, general administration shall develop a portfolio  
22 of additional facilities that require preliminary energy audits. For  
23 these facilities, the qualifying public agency, in consultation with  
24 general administration, shall undertake a preliminary energy audit by  
25 July 1, 2012. If potential cost-effective energy savings are  
26 identified, an investment grade energy audit must be completed by July  
27 1, 2013.

28 NEW SECTION. **Sec. 9.** Sections 2, 3, and 5 through 8 of this act  
29 are each added to chapter 19.27A RCW.

--- END ---