

Fiscal Estimate Narratives

DOA 3/6/02

LRB Number	01-4523/1	Introduction Number	SB-469	Estimate Type	Original
Subject					
Energy efficiency of equipment installed in state facilities					

Assumptions Used in Arriving at Fiscal Estimate

The Division of Facilities Development estimates that there may be \$33 million worth of equipment annually in the Building Program of which 80% or \$26.4 million probably would be affected by the energy standards directed to be developed under the bill. The Division also estimates the cost increase for initial purchase would be a factor of 6% or \$1,584,000. These higher acquisitions costs would be paid by the project budgets up front and would reduce other project expenditures since no increase in bonding or other costs for projects is provided. The savings in operations would occur in non-project budgets over a period of years.

Long-Range Fiscal Implications

Higher initial project costs or reduced scope for projects in the Building Program. Operating savings on energy cost would occur over multiple years.