

Bill No. 8-14  
Concerning: Buildings – County  
Buildings – Clean Energy Renewable  
Technology  
Revised: 3/31/2014 Draft No. 2  
Introduced: January 28, 2014  
Enacted: June 10, 2014  
Executive: June 17, 2014  
Effective: September 16, 2014  
Sunset Date: None  
Ch. 16, Laws of Mont. Co. 2014

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Councilmembers Berliner, Floreen, Riemer, Elrich, Andrews, and Navarro

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**AN ACT** to:

- (1) ~~[[require use of certain clean energy renewable technology in the construction or extensive modification of certain County buildings;~~
- (2) require the Director of the Department of General Services to conduct a clean renewable energy technology project feasibility assessment on certain County buildings]] establish a County Clean Energy Plan and clean energy portfolio target;
- (2) require the County Executive to issue regulations to define the Plan and target;
- (3) require the Director of the Department of General Services to report on the progress of the Clean Energy Plan; and
- ~~[[2]]~~ (4) generally amend County law regarding building, energy, and environmental policy.

By adding

Montgomery County Code  
Chapter 8, Buildings  
Article VIII, Clean Renewable Energy Technology  
Sections 8-54, 8-55, 8-56, 8-57[[, 8-58]]

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<del>[[Double boldface brackets]]</del>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Article VIII (Sections 8-54, 8-55, 8-56, 8-57[[, 8-58]]) is added to**  
2 **Chapter 8 as follows:**

3                           **Article VIII. Clean Renewable Energy Technology.**

4 **8-54. Definitions.**

5           In this Article, the following words have the meanings indicated:

6           *Clean energy portfolio target* means a target, expressed in megawatt hour  
7 equivalents, for establishing an amount of clean energy to be installed on the  
8 County's portfolio of facilities. The County's portfolio includes any  
9 building, facility, or property in which the County has a financial interest. A  
10 financial interest includes any ownership, lease, or public private  
11 partnership, and any facility where the County provides 30% of total  
12 funding.

13           *Clean renewable energy technology* means a technology or system that uses  
14 geothermal heating and cooling, solar hot water heating, wind power, solar  
15 electricity generation, or solar thermal generation. *Clean renewable energy*  
16 *technology* includes passive solar energy generation that reduces energy use  
17 from other sources by at least 20%.

18           [[*Cost effective* means where the cost of installing clean renewable energy  
19 technology on a covered County building is not projected to exceed the  
20 projected cost savings of the installation within the first 15 years after the  
21 installation of the technology begins.]]

22           [[*County building* means any building for which the County government  
23 finances at least 30% of the cost of:

- 24                   (1) construction, for a newly constructed building; or  
25                   (2) modification, for a building that is extensively modified.]]

26           [[*Covered County building* means a newly constructed or extensively  
27 modified County building.]]

28           *Department* means the Department of General Services.

29 Director means the Director of the Department or the Director's designee.

30 [[Extensively modify or modified refers to any structural modification which  
 31 alters more than 50% of a building's gross floor area, as shown on an  
 32 application for a building permit.]]

33 [[Projected total cost means the estimated cost required to construct or  
 34 renovate a building, including any building system, interior finish, site  
 35 infrastructure, connection to any existing utility, landscaping, and sidewalk  
 36 and parking lot built for the immediate use of occupants of the building.]]

37 **8-55. Clean energy renewable technology required.**

38 [(a) Any contract to build or extensively modify a County building must  
 39 require the use of clean renewable energy technology. Except as  
 40 provided in subsection [(b)] (c), a covered County building must  
 41 have installed at least 1 kilowatt of clean renewable energy  
 42 technology for every 1,000 square feet of gross floor area. This  
 43 requirement may be met by using ground mounted clean renewable  
 44 energy technology on or directly adjacent to the building lot.

45 (b) Each appropriation to build or extensively modify a County building  
 46 must include an additional amount of 2% to the projected total cost  
 47 funded by the County, as shown in the project description form,  
 48 subject to subsection (c).

49 (c) The Director must limit the size of the clean renewable energy  
 50 technology installation if the initial cost of the installation is projected  
 51 to exceed 2% of the projected total cost of the new building or  
 52 renovation. However, if the Director transfers expenditures to the  
 53 project under subsection [(a)] (b), the initial cost of the installation  
 54 must not exceed 4% of the projected total cost.]]

- 55           (a) By [6 months after date of enactment], the County Executive must  
 56           establish, by Method 1 Regulation, a Clean Energy Plan that includes  
 57           a specific amount of on-site clean energy that must be installed on any  
 58           new or existing County facility. This Plan must include:
- 59           (1) a clean energy portfolio target for total clean energy to be  
 60           installed on County facilities, which must exceed 1 kilowatt per  
 61           1,000 square feet of facilities anticipated to be added to the  
 62           County’s portfolio as documented in the Capital Improvement  
 63           Program;
- 64           (2) a process for vetting any new facility for potential renewable  
 65           energy installation during the design phase, including key  
 66           criteria for evaluating opportunities for solar energy;
- 67           (3) a plan to ensure that appropriate facilities are solar ready, to the  
 68           extent possible;
- 69           (4) criteria for responsible site selection to balance the County’s  
 70           renewable energy goals with other environmental objectives;
- 71           (5) a process to coordinate with County agencies on any new  
 72           facility built using at least 30% county funds; and
- 73           (6) required funding and staffing to achieve the target.
- 74           (b) The County may install a clean energy system in an alternate location  
 75           in the County to meet this requirement, including:
- 76           (1) a vacant property;  
 77           (2) a land swap or lease agreement; or  
 78           (3) any other property or facility where the County has a  
 79           contractual, budgetary, or other interest.
- 80           (c) The Executive must recommend to the Council whether funds to  
 81           support solar energy should be incorporated in a energy specific

82 capital improvement budget, utility Non Departmental Account, or  
 83 other mechanism to overcome any funding gap to meet the renewable  
 84 energy target.

85 **[[8-56. Project feasibility assessment.**

86 (a) The Director must perform a feasibility assessment to find whether a  
 87 covered County building can be retrofitted cost effectively to include  
 88 clean renewable energy technology. The Director may consider other  
 89 factors, including:

- 90 (1) the cost to the County;
- 91 (2) any safety or security issue;
- 92 (3) any cost savings from the installation;
- 93 (4) any clean energy job creation;
- 94 (5) the clean renewable energy technology capacity of the building;
- 95 (6) environmental benefits;
- 96 (7) the technological feasibility of a retrofit; and
- 97 (8) applicable zoning requirements.

98 (b) If the Director finds that installing clean renewable energy technology  
 99 on a covered County building would not be cost effective, the Director  
 100 must transfer expenditures from the covered County building project  
 101 equivalent to 2% of the projected total cost for use in another  
 102 applicable project, unless no applicable project is approved in the  
 103 Capital Improvement Program. The County Council must approve  
 104 any fund transfer between projects under this Section by resolution.]]

105 **8-[[57]] 56. Alternative financing.**

106 (a) An alternative financing arrangement which allows leveraging of  
 107 federal, state, utility, and other incentives, including any grant, lease-  
 108 purchase agreement, power purchase agreement, or energy savings

109 performance contract, may meet the clean renewable energy  
110 technology requirement under this Article.

111 (b) The purchase of Renewable Energy Credits does not meet the clean  
112 renewable energy technology requirement under this Article.

113 **8-[[58]] 57. Administration; reporting.**

114 (a) The Department must administer this Article using accepted principles  
115 of sound accounting and fiscal management.

116 ~~[[a]]~~ (b) The Department must submit an annual report to the County  
117 Council and County Executive by April 1 each year describing:

118 (1) the added clean renewable energy technology generation by  
119 each project;

120 (2) the revenues and expenditures of each project;

121 (3) each project supported by the Program; and

122 (4) ~~[[the annual savings to the County's utility costs from each~~  
123 supported project]] the cost and energy savings resulting from  
124 the program.

125 **[[Sec. 2. Effective date.** Article VIII, inserted by Section 1 of this Act,  
126 applies to each new or major renovation public building project for which an  
127 application for a building permit is filed on or after January 1, 2014.]]

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129 *Approved:*

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6/10/14

132 Craig L. Rice, President, County Council

Date

133 *Approved:*

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June 17, 2014

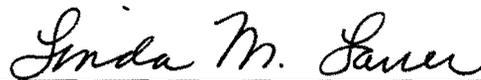
136 Isiah Leggett, County Executive

Date

137 *This is a correct copy of Council action.*

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June 18, 2014

140 Linda M. Lauer, Clerk of the Council

Date