

By: Representatives Cockerham, Miles

To: Energy

HOUSE BILL NO. 1296

1 AN ACT TO CREATE THE "MISSISSIPPI ENERGY SUSTAINABILITY AND
2 DEVELOPMENT ACT"; TO AMEND SECTION 57-39-1, MISSISSIPPI CODE OF
3 1972, TO PROVIDE THAT WHEREVER THE WORD "DIVISION" APPEARS IN THE
4 CHAPTER OF LAW WHICH PROVIDES FOR ENERGY PLANNING, IT SHALL MEAN
5 THE MISSISSIPPI DEVELOPMENT AUTHORITY ENERGY AND NATURAL RESOURCES
6 DIVISION; TO AMEND SECTION 57-39-9, MISSISSIPPI CODE OF 1972, TO
7 REVISE THE POWERS AND DUTIES OF THE DIVISION; TO AMEND SECTION
8 57-39-11, MISSISSIPPI CODE OF 1972, TO REVISE THE CONTENTS OF THE
9 MISSISSIPPI ENERGY PLAN; TO AMEND SECTION 57-39-19, MISSISSIPPI
10 CODE OF 1972, TO REQUIRE THE DIVISION TO COORDINATE THE
11 DEVELOPMENT AND IMPLEMENTATION OF A STATE ENERGY MANAGEMENT PLAN
12 FOR STATE-OWNED AND OPERATED FACILITIES IN CONJUNCTION WITH THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION; TO AMEND SECTION
14 57-39-39, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MISSISSIPPI
15 DEVELOPMENT AUTHORITY SHALL PROMULGATE RULES FOR LOAN ELIGIBILITY
16 AND WILL ADMINISTER THE ENERGY DEVELOPMENT FUND; TO AMEND SECTION
17 57-39-112, MISSISSIPPI CODE OF 1972, TO REVISE THE DIVISION'S
18 DUTIES IN ASSISTING THE PUBLIC SCHOOL DISTRICTS IN REDUCING ENERGY
19 CONSUMPTION; TO CREATE A NEW SECTION TO REQUIRE THE DIVISION TO BE
20 RESPONSIBLE FOR COMPILING DATA RELATED TO THE ENERGY RESOURCES,
21 BOTH NATURAL AND MANMADE, OF THE STATE OF MISSISSIPPI; TO REPEAL
22 SECTION 57-39-15, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE
23 SUBMISSION OF THE MISSISSIPPI ENERGY PLAN TO THE LEGISLATURE; TO
24 REPEAL SECTION 57-39-17, MISSISSIPPI CODE OF 1972, WHICH PROVIDES
25 ADDITIONAL PROGRAMS AND ACTIVITIES OF THE BOARD OF ENERGY AND
26 TRANSPORTATION; TO REPEAL SECTION 57-39-23, MISSISSIPPI CODE OF
27 1972, WHICH PROVIDES FOR LIMITATIONS ON DISCLOSURE OF PROPRIETY
28 INFORMATION; TO REPEAL SECTION 57-39-25, MISSISSIPPI CODE OF 1972,
29 WHICH PROVIDES CRIMINAL PENALTIES FOR THE FAILURE TO SUBMIT
30 CERTAIN INFORMATION; TO REPEAL SECTION 57-39-27, MISSISSIPPI CODE
31 OF 1972, WHICH REQUIRES THE BOARD OF ENERGY AND TRANSPORTATION TO
32 PRESCRIBE POLICIES AS TO ENERGY EFFICIENCY AND ALLOCATION OF
33 PETROLEUM PRODUCTS; TO REPEAL SECTION 57-39-29, MISSISSIPPI CODE
34 OF 1972, WHICH DESIGNATES THE BOARD AS THE STATE OFFICE OF



35 PETROLEUM ALLOCATION; TO REPEAL SECTION 57-39-31, MISSISSIPPI CODE
36 OF 1972, WHICH REQUIRES THE BOARD OF ENERGY AND TRANSPORTATION TO
37 ADMINISTER THE STATE SET-ASIDE PROGRAM; TO REPEAL SECTION
38 57-39-33, MISSISSIPPI CODE OF 1972, WHICH PROVIDES THE BOARD WITH
39 SOLE AUTHORITY TO ESTABLISH PRIORITIES AMONG USERS AND CONSUMERS
40 OF ALLOCATED PRODUCTS; TO REPEAL SECTION 57-39-35, MISSISSIPPI
41 CODE OF 1972, WHICH PROHIBITS THE ESTABLISHMENT OF PRIORITIES BY
42 LOCAL GOVERNMENT OR SUPPLIER WITHOUT BOARD APPROVAL; TO REPEAL
43 SECTION 57-39-41, MISSISSIPPI CODE OF 1972, WHICH REQUIRES THE
44 BOARD TO PREPARE A PLAN FOR ESTABLISHING A CENTRAL MOTOR POOL; TO
45 REPEAL SECTION 57-39-105, MISSISSIPPI CODE OF 1972, WHICH REQUIRES
46 THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO DEVELOP
47 AND IMPLEMENT A GENERAL ENERGY MANAGEMENT PLAN; TO REPEAL SECTION
48 57-39-107, MISSISSIPPI CODE OF 1972, WHICH REQUIRES THE DEPARTMENT
49 OF FINANCE AND ADMINISTRATION TO SUBMIT DATA REGARDING ENERGY
50 CONSUMPTION; TO REPEAL SECTION 57-39-111, MISSISSIPPI CODE OF
51 1972, WHICH REQUIRES STATE AGENCIES TO SUBMIT ENERGY MANAGEMENT
52 PLANS; TO REPEAL SECTION 57-39-113, MISSISSIPPI CODE OF 1972,
53 WHICH ALLOWS FOR A SMALLER PERCENTAGE REDUCTION GOAL FOR
54 QUALIFYING AGENCIES; TO REPEAL SECTION 57-39-115, MISSISSIPPI CODE
55 OF 1972, WHICH REQUIRES AN ANNUAL REPORT ON ENERGY REDUCTION
56 PROGRAMS; TO REPEAL SECTION 57-39-201, MISSISSIPPI CODE OF 1972,
57 WHICH AUTHORIZES LOANS FOR SCHOOL ENERGY CONSERVATION PROGRAMS; TO
58 REPEAL SECTION 57-39-203, MISSISSIPPI CODE OF 1972, WHICH
59 DESCRIBES THE PROCESS FOR APPROVAL OF LOANS AND REPAYMENT; TO
60 REPEAL SECTION 57-39-205, MISSISSIPPI CODE OF 1972, WHICH ALLOWS
61 FOR THE FORFEITURE OF HOMESTEAD EXEMPTION IN THE CASE OF A LOAN
62 DEFAULT; AND FOR RELATED PURPOSES.

63 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

64 **SECTION 1.** This act shall be known and may be cited as
65 the "Mississippi Energy Sustainability and Development Act."

66 **SECTION 2.** Section 57-39-1, Mississippi Code of 1972,
67 is amended as follows:

68 57-39-1. (1) The purpose of this chapter is to coordinate
69 all energy-related needs and activities in Mississippi with the
70 objective of providing an efficient and economical energy system
71 through a statewide plan. To that end, the * * * Mississippi
72 Development Authority is directed to evaluate this state's energy
73 needs and availability.



74 (2) The powers, duties and responsibilities of the Board of
75 Energy and Transportation with respect to the state's energy needs
76 and activities are transferred to the * * * Mississippi
77 Development Authority, and wherever the word "board" appears in
78 this chapter meaning the former Board of Energy and Transportation
79 it shall mean the * * * Mississippi Development Authority.
80 Whenever the word "division" appears in this chapter, it shall
81 mean the Mississippi Development Authority Energy and Natural
82 Resources Division.

83 **SECTION 3.** Section 57-39-9, Mississippi Code of 1972, is
84 amended as follows:

85 57-39-9. The powers and duties of the * * * division shall
86 include, but not be limited to, the following:

87 (a) To promote Mississippi as a leader in energy
88 development, job creation and research.

89 (b) To contribute to economic development activities
90 related to the energy production and manufacturing sectors.

91 (c) To promote energy efficiency across state
92 government and within the private sector and other sectors, so
93 that the state can realize the monetary and environmental benefits
94 of energy efficiency.

95 (* * *d) To prepare, when necessary, a Mississippi Energy
96 Plan and a State Energy Management Plan as hereinafter set forth.



97 (e) To develop policies and long-term strategic plans
98 for the State of Mississippi to accomplish the duties hereinafter
99 set forth.

100 (f) To collect, maintain and provide analysis of data
101 related to energy consumption, production and natural resources
102 pertinent to the development of more energy opportunities within
103 the state.

104 (g) To promote the development, manufacturing and use
105 of renewable technologies, processes and products in the state.

106 (h) To serve as the State Energy Office for the State
107 of Mississippi and fulfill requirements of the State Energy Office
108 as mandated by the federal government or the Governor.

109 (* * * i) To prepare implementation programs in
110 accordance with the requirements of the plan.

111 (* * * j) Upon request, to accept, receive and receipt
112 for federal monies and other monies, either public or private, for
113 and in behalf of this state. Upon request of any political
114 subdivision of the state, to accept, receive and receipt for any
115 designated purpose, federal monies and other monies, either public
116 or private, for and in behalf of any such political subdivision.

117 (* * * k) To confer with or to hold joint hearings with
118 any agency of the United States in connection with any matter
119 arising under this chapter, or relating to the sound development
120 of energy utilization.

121 * * *



122 (* * *l) To perform such acts, make, promulgate and
123 amend such reasonable general or special rules, regulations and
124 procedures as it shall deem necessary to carry out the provisions
125 of this chapter and to perform its duties hereunder. No rules,
126 regulations or procedures prescribed by the board shall be
127 inconsistent with, or contrary to, any acts of the Congress of the
128 United States or any regulations promulgated pursuant thereto, or
129 to this chapter or any other statutes of the State of Mississippi.

130 (* * *m) To enter into contracts, grants and
131 cooperative agreements with any federal or state agency,
132 department or subdivision thereof, or any public or private
133 institution located inside or outside the State of Mississippi, or
134 any person, corporation or association in connection with carrying
135 out the provisions of this chapter, provided the agreements do not
136 have a financial cost in excess of the amounts appropriated for
137 such purposes by the Legislature.

138 (n) As required by the federal government or as
139 directed by the Governor of the State of Mississippi, to establish
140 a state program to administer the State Petroleum Set-Aside
141 Program and to provide assistance in obtaining adjustments
142 specified in orders issued by the Federal Energy Office.

143 **SECTION 4.** Section 57-39-11, Mississippi Code of 1972, is
144 amended as follows:

145 57-39-11. (1) The * * * division shall be tasked with
146 developing, implementing and refining over time the Mississippi



147 Energy Plan. The Mississippi Energy Plan shall include, but not
148 be limited to the following: * * *

149 * * *

150 (a) * * * Efforts to promote Mississippi as a leader in
151 energy development, job creation and research;

152 (b) * * * Plans to encourage the safe and responsible
153 exploration and extraction of the state's natural resources;

154 (c) * * * Plans to add value and sustain resources
155 through advances in manufacturing, conversion, and processing
156 related to energy consumption and generation;

157 (d) Expanding energy capacity and realizing savings
158 through energy efficiency;

159 (e) Encourage investments in the energy infrastructure
160 of transmission and distribution to maintain the state's
161 leadership in this area;

162 (f) Plans to ensure the state competes in
163 technology-based energy economic development, research and
164 development, and commercialization;

165 (g) Prepare a twenty-first century energy workforce;

166 (h) Statewide forecasts of energy needs and
167 deficiencies;

168 (* * * i) A program for directing the expenditure of
169 local, state and federal energy funds in conformity with the
170 statewide plan;



171 (* * *j) Statewide implementation program, including a
172 schedule of improvement programs, an operations program, a
173 financial plan, necessary policies and legislation for
174 implementation of the energy plan * * *; and

175 (* * *k) Financial impact statement.

176 * * *

177 **SECTION 5.** Section 57-39-19, Mississippi Code of 1972, is
178 amended as follows:

179 57-39-19. * * * (1) To ensure that state-owned facilities
180 be operated in an energy-efficient manner to reduce operating
181 costs to the General Fund and demonstrate successful energy
182 consumption reduction strategies to other sectors of the state
183 economy, the division shall coordinate the development and
184 implementation of a general energy management plan for state-owned
185 and operated facilities in conjunction with the Department of
186 Finance and Administration, Bureau of Building, Grounds and Real
187 Property Management. The general energy management plan shall
188 include, but not be limited to, the following elements:

189 (a) * * * Gathering of energy-related data from state
190 agencies, state institutions of higher learning, and community and
191 junior colleges in a form and manner as required by the division;

192 (b) * * * Benchmarking of energy consumption and costs;

193 (c) * * * Use of a central system to aggregate and
194 track energy consumption data for all state-owned facilities;



195 (d) * * * Model buildings and facilities energy audit
196 procedures;

197 (e) * * * Model energy consumption reduction
198 techniques;

199 (f) * * * Uniform data analysis procedures;

200 (g) Model employee energy education program procedures;

201 (h) Model training program for agency and institution
202 personnel and energy coordinators;

203 (i) Model guidelines for buildings and facilities
204 managers;

205 (j) Program monitoring and evaluation procedures.

206 (2) The State Energy Management Plan shall also include a
207 description of actions to reduce consumption of electricity and
208 nonrenewable energy sources used for heating, cooling,
209 ventilation, lighting and water heating. A designee of each of
210 the following entities - the Board of Trustees of State
211 Institutions of Higher Learning, the Community College Board, the
212 Department of Education, and the Department of Finance and
213 Administration shall assist in the preparation of the State Energy
214 Management Plan and serve together on an advisory board; the
215 director of the division shall serve as the head of this board and
216 shall convene representatives of these institutions no fewer than
217 once each year in order to review implementation of the State
218 Energy Management Plan.



219 (3) The State Energy Management Plan shall be developed and
220 implemented with input and assistance from the Department of
221 Finance and Administration, Bureau of Building, Grounds and Real
222 Property Management, and the two (2) state agencies shall work
223 together and pledge to use pertinent resources and programs in
224 conjunction with one another to accomplish the goals described in
225 this section.

226 (4) The Department of Finance and Administration, Bureau of
227 Building, Grounds and Real Property Management shall transmit to
228 the division an updated state building inventory on an annual
229 basis.

230 (5) All state agencies having buildings on the inventory of
231 buildings submitted to the Department of Finance and
232 Administration as well as all institutions of higher learning and
233 community and junior colleges (hereafter referred to as "covered
234 entities"), shall submit energy consumption in a form and manner
235 prescribed by the division.

236 (6) Energy-related data may include, but shall not be
237 limited to, the following:

- 238 (a) Electrical consumption data;
239 (b) Natural gas consumption; and
240 (c) Fuel oil consumption.

241 Any covered entity that does not enter its energy data in the
242 form and manner prescribed by the division shall, at the
243 discretion of the division, not be eligible to receive energy



244 conservation funds from the Bureau of Building, Grounds and Real
245 Property Management or be eligible to receive any state, federal
246 or other funds from the division. The Mississippi Development
247 Authority, in coordination with the Bureau of Building, Grounds
248 and Real Property Management, shall promulgate rules pertaining to
249 this section.

250 (7) By September 1 of each year, the division shall provide
251 to the Legislature and the Governor a report on the energy
252 consumption of covered entities. This report shall include, but
253 shall not be limited to, total energy consumption for the state,
254 total costs related to the energy metrics being tracked, increases
255 or decreases from year-to-year by the state and by each covered
256 entity, and forecast models for the coming fiscal year. The
257 Bureau of Building, Grounds and Real Property Management shall
258 provide assistance in the development of this report, as needed.
259 The division will also provide a list of covered entities that
260 have not reported data in accordance with this section.

261 (8) By November 1, 2014, and each subsequent five-year
262 interval, each covered entity must submit a detailed energy
263 management plan to the division. The detailed energy management
264 plan shall describe specific measures to be taken to reduce the
265 agency's energy consumption by energy unit measure over a
266 five-year period. The plan shall also include a timetable to
267 accomplish the agency's reduction goals. If the detailed energy
268 management plan meets the criteria developed by the division, the



269 division shall approve the plan. If the detailed energy
270 management plan fails to meet the criteria, the division shall
271 disapprove the detailed energy management plan and notify the
272 submitting agency in writing, including the reasons for
273 disapproval. Covered entities that do not submit an energy
274 management plan by the deadline or fail to remedy changes
275 subsequently required by the division shall, at the discretion of
276 the division, not be eligible to receive energy conservation funds
277 from the Bureau of Building, Grounds and Real Property Management
278 or be eligible to receive capital improvement funds from the
279 Bureau of Building, Grounds and Real Property Management or be
280 eligible to receive any state, federal or other funds from the
281 division until such time as the entity has an energy management
282 plan approved by the division.

283 **SECTION 6.** Section 57-39-39, Mississippi Code of 1972, is
284 amended as follows:

285 57-39-39. (1) There is hereby created in the State Treasury
286 a fund to be known as the Energy Development Fund. Monies in such
287 fund are reserved exclusively for:

288 (a) Promoting the * * * development of Mississippi's
289 energy resources.

290 (b) Developing projects under this section which will
291 demonstrate a realistic promise of making a significant energy
292 contribution to the State of Mississippi.



293 (c) Effectively utilizing the state's existing
294 alternative and conventional energy resources to foster economic
295 and social improvements in the state.

296 (2) The * * * division will administer the fund. The * * *
297 division will establish policy and guidelines for use of the fund
298 not later than one hundred twenty (120) days after July 1, * * *
299 2013. * * *

300 (* * * 3) * * * The department will submit to the Governor
301 on or before December 31 of each year a comprehensive report on
302 the operation of the fund.

303 * * *

304 **SECTION 7.** Section 57-39-112, Mississippi Code of 1972, is
305 amended as follows:

306 57-39-112. The division shall * * * provide technical
307 assistance to the Mississippi Department of Education so that the
308 department can assist local school districts in developing a
309 detailed energy management plan for that public school district.
310 The purposes of the plan shall be to assist the public school
311 district in * * * reducing consumption of energy in its buildings
312 and facilities * * * and to maintain or reduce that level of
313 energy consumption, subject to any allowances for building and
314 facilities modernization, remodeling or upgrading for educational
315 purposes, and for increased or decreased enrollment.

316 **SECTION 8.** (1) The division shall be responsible for
317 compiling an ongoing basis data related to the energy resources,



318 both natural and manmade, of the State of Mississippi. This
319 information shall be compiled from trusted and verified sources
320 for the purposes of aggregation for analysis and dissemination to
321 partners and the public with the intent to maximize the energy
322 resources of the state.

323 (2) **Biomass resources.** The division shall be responsible
324 for maintaining a current database and map of biomass feedstocks
325 found in the State of Mississippi. The division shall work with
326 the Mississippi Forestry Commission, the Department of
327 Agriculture, the institutions of higher learning, and other
328 knowledgeable partners to produce and maintain accurate data on
329 the renewable biomass resources of the state. The division shall
330 analyze the data and prepare reports on a regular basis in order
331 to highlight and promote the biomass resources of the state.

332 (3) **Energy infrastructure.** The division shall be
333 responsible for maintaining a current database and map of the
334 infrastructure that transports energy fuels and products across
335 the state. The division shall analyze the data and prepare
336 reports on a regular basis in order to highlight and promote the
337 energy infrastructure of the state.

338 (4) **Energy production and reserves.** The division shall be
339 responsible for maintaining information from all readily available
340 resources on the energy production capacity in the state. The
341 division shall maintain information on the energy reserves of the
342 state.



343 (5) **Reports and publications.** The division shall produce
344 reports, white papers, or articles for placement in targeted
345 publications that include information to promote Mississippi as a
346 leader in the energy sector.

347 **SECTION 9.** Section 57-39-15, Mississippi Code of 1972, which
348 provides for the submission of the Mississippi Energy Plan to the
349 Legislature, is hereby repealed.

350 **SECTION 10.** Section 57-39-17, Mississippi Code of 1972,
351 which provides additional programs and activities of the Board of
352 Energy and Transportation, is hereby repealed.

353 **SECTION 11.** Section 57-39-23, Mississippi Code of 1972,
354 which provides for limitations on disclosure of proprietary
355 information, is hereby repealed.

356 **SECTION 12.** Section 57-39-25, Mississippi Code of 1972,
357 which provides criminal penalties for the failure to submit
358 certain information, is hereby repealed.

359 **SECTION 13.** Section 57-39-27, Mississippi Code of 1972,
360 which requires the Board of Energy and Transportation to prescribe
361 policies as to energy efficiency and allocation of petroleum
362 products, is hereby repealed.

363 **SECTION 14.** Section 57-39-29, Mississippi Code of 1972,
364 which designates the board as the State Office of Petroleum
365 Allocation, is hereby repealed.



366 **SECTION 15.** Section 57-39-31, Mississippi Code of 1972,
367 which requires the Board of Energy and Transportation to
368 administer the state set-aside program, is hereby repealed.

369 **SECTION 16.** Section 57-39-33, Mississippi Code of 1972,
370 which provides the board with sole authority to establish
371 priorities among users and consumers of allocated products, is
372 hereby repealed.

373 **SECTION 17.** Section 57-39-35, Mississippi Code of 1972,
374 which prohibits the establishment of priorities by local
375 government or supplier without board approval, is hereby repealed.

376 **SECTION 18.** Section 57-39-41, Mississippi Code of 1972,
377 which requires the board to prepare a plan for establishing
378 central motor pool, is hereby repealed.

379 **SECTION 19.** Section 57-39-105, Mississippi Code of 1972,
380 which requires the Department of Economic and Community
381 Development to develop and implement a general energy management
382 plan, is hereby repealed.

383 **SECTION 20.** Section 57-39-107, Mississippi Code of 1972,
384 which requires the Department of Finance and Administration to
385 submit data regarding energy consumption, is hereby repealed.

386 **SECTION 21.** Section 57-39-111, Mississippi Code of 1972,
387 which requires state agencies to submit energy management plans,
388 is hereby repealed.



389 **SECTION 22.** Section 57-39-113, Mississippi Code of 1972,
390 which allows for a smaller percentage reduction goal for
391 qualifying agencies, is hereby repealed.

392 **SECTION 23.** Section 57-39-115, Mississippi Code of 1972,
393 which requires an annual report on energy reduction programs, is
394 hereby repealed.

395 **SECTION 24.** Section 57-39-201, Mississippi Code of 1972,
396 which authorizes loans for school energy conservation programs, is
397 hereby repealed.

398 **SECTION 25.** Section 57-39-203, Mississippi Code of 1972,
399 which describes the process for approval of loans and repayment,
400 is hereby repealed.

401 **SECTION 26.** Section 57-39-205, Mississippi Code of 1972,
402 which allows for the forfeiture of homestead exemption in the case
403 of a loan default, is hereby repealed.

404 **SECTION 27.** This act shall take effect and be in force from
405 and after July 1, 2013.

