

**COST-EFFECTIVE GOVERNMENTAL ENERGY USE ACT (EXCERPT)**  
**Act 625 of 2012**

\*\*\*\*\* 18.1716.new THIS NEW SECTION IS EFFECTIVE MARCH 28, 2013 \*\*\*\*\*

**18.1716.new Energy performance contract; compliance of cost-savings measures with state or local building codes; limitation on duration.**

Sec. 6. Any governmental unit may enter into an energy performance contract with a qualified energy service provider to produce utility cost savings or operation and maintenance cost savings, except as otherwise provided in section 237 of the management and budget act, 1984 PA 431, MCL 18.1237. Cost-savings measures implemented under an energy performance contract shall comply with state or local building codes. Any governmental unit may implement other capital improvements in conjunction with an energy performance contract if the measures that are being implemented to achieve energy and operation and maintenance cost savings are a significant portion of an overall project. A governmental unit shall not enter into an energy savings performance contract for a period of more than 1 year unless the governmental unit finds that the amount the governmental unit would spend on the cost-savings measures will not exceed the amount to be saved in energy, water, wastewater, and operating costs over 15 years or the average useful life of the measures from the date of installation.

**History:** 2012, Act 625, Eff. Mar. 28, 2013.