

**RULES
OF
THE ENERGY EFFICIENT SCHOOLS COUNCIL**

**CHAPTER 0520-13-01
ENERGY EFFICIENT SCHOOLS LOAN PROGRAM**

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0520-13-01-.01 AUTHORITY. Pursuant to the provisions of T.C.A. § 49-17-104(b), the Energy Efficient Schools Council (“Council”) may promulgate rules and regulations necessary for operation.

Authority: T.C.A. § 49-17-104(b). **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.02 PURPOSE AND SCOPE. The Energy Efficient Schools Council may award grants or loans to school systems for qualifying capital outlay projects.

Authority: T.C.A. § 49-17-103(e). **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.03 DEFINITIONS. The following definitions shall apply to these rules:

- (1) Applicant – Any Tennessee public K-12 school district.
- (2) Energy Efficient Schools Council (“Council”) – A twelve (12) member body that includes the commissioners of education, environment and conservation, and economic and community development or their designees; three (3) members appointed by the Governor; three (3) members appointed by the speaker of the senate; and, three (3) members appointed by the house of representatives pursuant to the provisions of T.C.A. § 49-17-103.
- (3) Technical Advisory Committee (“TAC”) – A seven (7) member body that includes two (2) Ex-Officio members representing Oak Ridge National Laboratory and Tennessee Valley Authority, and five (5) members chosen by the Council pursuant to the provisions of T.C.A. § 49-17-103.
- (4) Payback Period – The time within which the cost savings realized by incorporating energy efficient technologies equals the initial cost of the technology employed.
- (5) Prescriptive Measures – Energy efficient technologies that the Council has determined through a cost-benefit analysis have a reasonable payback period.
- (6) Qualifying Capital Outlay Project – Any project for new or existing kindergarten through grade twelve (K-12) education facilities that satisfies the Council guidelines for improving energy efficiency.

Authority: T.C.A. §§ 49-17-102, 49-17-103, and 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.04 ELIGIBLE PROJECTS. Eligibility is determined either by:

- (1) Prescriptive measures approved by the Council; or,
- (2) Custom projects that contain a cost-benefit analysis that shows incorporating energy efficient technologies provides a reasonable payback period or warranted pre-determined energy use objectives.

Custom projects must be reviewed by the TAC and recommended to the Council for approval. Eligibility determinations may be appealed to the Council by submitting a written request to the EESI Executive Director for consideration by an appeals committee appointed by the Council President.

Authority: T.C.A. §§ 49-17-103 and 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.05 LOAN APPLICATION. Eligible Applicants must submit a completed and signed loan application to EESI in order to qualify for consideration for loan funds. The loan application and any loan agreement must be signed by the School District Director; School Board Chair; and, if the applicant is not a special school district, the jurisdictional County or City Mayor. Loan applications will be approved according to written policies established by the Council.

Authority: T.C.A. § 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.06 LOAN TERMS. The repayment period and interest rate is established for each loan approved by the Council based upon written Council policy. The application must include a cost-benefit analysis which demonstrates that the annual energy savings are sufficient to retire the loan within the term requested.

Authority: T.C.A. § 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.07 LOAN REPAYMENT. The loan recipient will make monthly payments in accordance with a repayment schedule provided by EESI. A participating school system may repay the loan at any time without prepayment penalty.

Authority: T.C.A. § 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.

0520-13-01-.08 REPORTING REQUIREMENTS. Loan recipients will provide monthly progress reports to EESI during the construction phase of the project. All projects must be professionally commissioned and a commissioning report submitted to EESI. Loan recipients must enter baseline utility consumption and cost data in Energy Star Portfolio Manager for each facility for the year prior to project implementation, and shall update that data each month during the payback period. EESI shall be given access to reports on such data upon request. If loan projects are undertaken under a performance contract, the loan recipient shall require the contractor to provide annual measurement and verification reports.

Authority: T.C.A. § 49-17-104. **Administrative History:** Original rules filed April 9, 2018; effective July 8, 2018.