save energy and which do not require the installation of energy conservation measures; and

- (D) the savings in energy costs that are likely to result from the adoption of such suggested energy conservation techniques;
- (2) the supply and installation, with the approval of the owner of the residential building, in such building in a timely manner of the energy conservation measures which are as specified in the contract and which the owner or occupant was informed (pursuant to the inspection under paragraph (1)) would be supplied and installed in such building; and
- (3) a written warranty that at a minimum any defect in materials, manufacture, design, or installation of any energy conservation measures supplied and installed pursuant to paragraph (2), found not later than one year after the date of installation, will be remedied without charge and within a reasonable period of time.

#### (c) Provision of financial assistance

The Secretary may provide financial assistance to any State or local government to carry out any plan for the establishment of a prototype residential energy efficiency program if the plan is approved under subsection (a) of this section.

#### (d) Limitation

The Secretary may approve under subsection (a) of this section not more than 4 plans for the establishment of prototype residential energy efficiency programs.

(Pub. L. 95-619, title II, §262, as added Pub. L. 96-294, title V, §562, June 30, 1980, 94 Stat. 746.)

# § 8235b. Applications for approval of plans for prototype residential energy efficiency programs

Each application for the approval of a plan under section 8235a(a) of this title for the establishment of a prototype residential energy efficiency program shall be submitted by a State or local government and shall include, at least—

- (1) a description of the plan, including the provisions of the plan specified in section 8235a(a) of this title and a description of the portion of the service area of the public utility proposing to enter into a contract under section 8235a(a)(1) of this title which is designated under the contract;
- (2) a description of the manner in which the provisions of the plan specified in section 8235a(a) of this title are to be met;
- (3) a description of the contract to be entered into pursuant to section 8235a(a)(1) of this title and the manner in which the requirements of the contract contained in section 8235a(b) of this title are to be met;
- (4) the record of the public hearing conducted pursuant to section 8235c(a)(2) of this title; and
- (5) any other information determined by the Secretary to be necessary to carry out this part.

(Pub. L. 95-619, title II, §263, as added Pub. L. 96-294, title V, §562, June 30, 1980, 94 Stat. 748.)

## §8235c. Approval of applications for plans for prototype residential energy efficiency programs

#### (a) Approval requirements

The Secretary may approve an application submitted under section 8235b of this title for a plan establishing a prototype residential energy efficiency program only if—

- (1) the application is approved in writing—
- (A) by the public utility which is to enter into the contract under the plan;
- (B) by the State regulatory authority having ratemaking authority over such public utility, in the case of a regulated utility; and
- (C) by the Governor (or any State agency specifically authorized under State law to approve such plans) of the State whose government is submitting the application (if the application is submitted by a State government) or of the State in which the local government is located (if the application is submitted by a local government); and
- (2) the application has been published, a public hearing on the application has been conducted, after notice to the public, at which representatives of the public utility which is to enter into the contract under the plan, persons engaged in the supply or installation of residential energy conservation measures, and members of the public (including ratepayers of such public utility and other interested individuals) had an opportunity to provide comment on the application, and any amendments to the application, which may be made to take into account the proceedings of the hearing, are made.

### (b) Factors in approving applications

The Secretary shall take into consideration in approving an application under subsection (a) of this section for a plan establishing a prototype residential energy efficiency program—

- (1) the potential for energy savings from the demonstration of the program;
- (2) the likelihood that the value of the energy saved by public utilities under the program will be sufficient to cover the estimated cost of the energy conservation measures to be supplied and installed under the program;
- (3) the anticipated effects of the program on competition in the portion of the service area of the public utility designated in the contract entered into under the plan; and
- (4) such other factors as the Secretary determines are appropriate.

(Pub. L. 95–619, title II,  $\S264$ , as added Pub. L. 96–294, title V,  $\S562$ , June 30, 1980, 94 Stat. 748.)

## §8235d. Rules and regulations

## (a) Proposed rules and regulations

The Secretary shall issue proposed rules and regulations to carry out this part not later than 120 days after June 30, 1980.

## (b) Final rules and regulations

The Secretary shall issue final rules and regulations to carry out this part not later than 90 days after the issuance of proposed rules and regulations under subsection (a) of this section.