

By Senator Detert

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1 A bill to be entitled
2 An act relating to energy; amending s. 366.92, F.S.;
3 revising definitions and providing additional
4 definitions; requiring that electric utilities meet or
5 exceed specified standards for the production or
6 purchase of clean energy; establishing a schedule for
7 compliance; providing a penalty if a utility fails to
8 meet the standards; authorizing the Public Service
9 Commission to exempt certain electric utilities from
10 compliance under specified conditions; requiring that
11 the commission adopt rules; requiring an annual report
12 to the Legislature; amending s. 366.93, F.S.;
13 authorizing the Public Service Commission to allow a
14 utility to recover the costs of converting an existing
15 fossil fuel plant to a biomass plant under certain
16 conditions; encouraging utilities to pursue joint
17 ownership of nuclear power plants; requiring that
18 certain costs be shared; creating s. 366.99, F.S.;
19 providing a short title; providing legislative
20 findings with respect to the need to reduce greenhouse
21 gas emissions through the direct end-use of natural
22 gas; defining terms; authorizing a utility to
23 establish a surcharge for the purpose of constructing
24 natural gas installations in areas that lack natural
25 gas service; providing limitations on the surcharge;
26 providing procedures for determining the surcharge and
27 making filings to the commission; requiring that the
28 commission conduct limited proceedings to determine
29 the amount of the surcharge; providing for future

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30 expiration of provisions authorizing the surcharge;
31 amending s. 377.6015, F.S.; providing that terms for
32 members of the Florida Energy and Climate Commission
33 begin and end on specified dates; deleting an obsolete
34 provision; amending s. 377.705, F.S.; requiring that
35 the Solar Energy Center charge testing fees; directing
36 the Florida Building Commission to make all changes to
37 the building and energy codes necessary to conform to
38 the act; amending s. 403.503, F.S.; redefining the
39 term "electrical power plant" to exclude solar
40 electrical generating facilities; amending s. 525.09,
41 F.S.; imposing a fee on alternative fuel containing
42 alcohol; requiring that the Florida Energy and Climate
43 Commission prepare a report identifying ways to
44 increase the energy-efficiency practices of low-income
45 households; requiring that the report include certain
46 determinations and recommendations and be submitted to
47 the Legislature by a specified date; providing for the
48 extension of the appointment of a commissioner on the
49 Florida Energy and Climate Commission if he or she is
50 not confirmed during the 2011 Regular Session or the
51 2012 Regular Session; requiring that the Florida
52 Energy and Climate Commission obtain the approval of
53 the joint Legislative Budget Commission before
54 spending or disbursing any funds received from the
55 Federal Government as part of a federal stimulus
56 package; providing an effective date.

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58 Be It Enacted by the Legislature of the State of Florida:

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Section 1. Section 366.92, Florida Statutes, is amended to read:

366.92 Florida clean and renewable energy policy.—

(1) It is the intent of the Legislature to promote the development of clean and renewable energy; protect the economic viability of Florida's existing renewable energy facilities; diversify the types of fuel used to generate electricity in Florida; lessen Florida's dependence on natural gas and fuel oil for the production of electricity; minimize the volatility of fuel costs; encourage investment within the state; improve environmental conditions; and, at the same time, minimize the costs of power supply to electric utilities and their customers.

(2) As used in this section, the term:

(a) "Class I clean energy source" means Florida clean energy resources derived from wind or solar photovoltaic systems.

(b) "Class II clean energy source" means clean energy derived from Florida clean energy resources other than class I clean energy sources or class III clean energy sources.

(c) "Class III clean energy source" means clean energy derived from nuclear energy or any fossil fuel generation for which carbon capture and sequestration plans have been approved by the Department of Environmental Protection or from use of pipeline-quality synthetic gas produced by processing waste petroleum coke with carbon capture and sequestration plans approved by the state or federal authority having jurisdiction.

(d) "Clean energy" means electrical energy produced from a method that uses one or more of the following fuels or energy

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88 sources: nuclear energy placed in commercial service on or after
89 July 1, 2011, any fossil fuel generation for which carbon
90 capture and sequestration plans have been approved by the
91 Department of Environmental Protection, hydrogen produced from
92 sources other than fossil fuels, biomass, solar photovoltaic,
93 geothermal energy, wind energy, ocean energy, or hydroelectric
94 power. The term includes waste heat from sulfuric acid
95 manufacturing operations; waste heat thermal energy produced by
96 a combined heat and power system placed in service in this state
97 on or after July 1, 2011, and used to produce biofuel and any
98 associated coproducts; energy produced using pipeline-quality
99 synthetic gas produced by processing waste petroleum coke with
100 carbon capture and sequestration plans approved by the state or
101 federal authority having jurisdiction; and energy produced using
102 biodiesel.

103 (e) "Combined heat and power system" means a system that
104 simultaneously or sequentially generates electricity and thermal
105 energy from the same primary energy source.

106 (f)(a) "Florida clean renewable energy resources" means
107 clean renewable energy, as defined in s. 377.803, that is
108 produced in Florida.

109 (g)(b) "Provider" means a "utility" as defined in s.
110 366.8255(1) (a) .

111 (c) "Renewable energy" means renewable energy as defined in
112 s. 366.91(2) (d) .

113 (h)(d) "Clean Renewable energy credit" or "REC" means a
114 product that represents the unbundled, separable, clean
115 renewable attribute of clean renewable energy produced in
116 Florida and is equivalent to 1 megawatt-hour of electricity

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117 generated by a source of clean renewable energy located in
118 Florida. For combined heat and power systems placed in service
119 in this state on or after July 1, 2011, one clean energy credit
120 shall be produced for every 3.412 million British thermal units
121 of waste heat thermal energy used to produce biofuel and any
122 associated coproducts.

123 (i)(e) "Clean Renewable portfolio standard" or "RPS" means
124 the minimum percentage of total annual retail electricity sales
125 by a public utility a provider to consumers in Florida which is
126 that shall be supplied by clean renewable energy or through the
127 purchase of clean energy credits from clean energy produced in
128 Florida.

129 (3) (a) Each public utility must meet or exceed the
130 following clean portfolio standards through the production of
131 clean energy or the purchase of clean energy credits:

132 1. By January 1, 2015, 7 percent of the previous years'
133 retail electricity sales;

134 2. By January 1, 2018, 12 percent of the previous years'
135 retail electricity sales;

136 3. By January 1, 2021, 18 percent of the previous years'
137 retail electricity sales; and

138 4. By January 1, 2023, 20 percent of the previous years'
139 retail electricity sales.

140
141 No more than 25 percent of the amount of the clean portfolio
142 standard requirement for each year may be from Class III clean
143 energy sources. For the production or procurement of Class III
144 clean energy, a Florida utility that is a member of the
145 Southeastern Electric Reliability Council may co-own or purchase

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146 energy from a Class III clean energy source located in another
147 state and owned by an affiliate in a holding company having
148 multistate dispatch.

149 (b) Except as otherwise provided in this section, an
150 investor-owned electric utility that fails to meet or exceed its
151 clean portfolio standard is subject to a penalty pursuant to s.
152 366.095 for each day such failure continues, and the penalty may
153 not be recovered from the utility's ratepayers. An electric
154 utility may not be required to produce or purchase any Class III
155 clean energy, or be fined or deemed imprudent for not acquiring
156 any energy from a Class III clean energy source in order to
157 achieve the clean energy standards provided in this section.

158 (c) The commission shall excuse an investor-owned electric
159 utility from compliance with the clean portfolio standard if:

160 1. The supply of clean energy and clean energy credits is
161 not adequate to satisfy the clean portfolio standard; or

162 2. The cost of producing clean energy or purchasing clean
163 energy credits is prohibitive in that the total costs of
164 compliance with the clean portfolio standard exceeds 2 percent
165 of the investor-owned electric utility's total annual revenue
166 from retail sales of electricity.

167 (d) The cost of compliance with the clean portfolio
168 standards includes:

169 1. The costs associated with the purchase of clean energy
170 credits;

171 2. The costs paid by the utility which are associated with
172 the clean energy credit market; and

173 3. The utility's costs of its self-build Florida clean
174 energy resource which exceed the costs to the utility of the

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175 generation source it would have otherwise built or the energy or
176 capacity, or both, it would have purchased from another source.

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178 Expenses for Class III clean energy sources may not be included
179 in calculating the cost of compliance.

180 (e) The cost of compliance must be allocated separately for
181 Class I and Class II clean energy sources and, for each class,
182 the total cost of compliance is prohibitive if the costs exceed
183 1 percent of the investor-owned electric utility's total annual
184 revenue from retail sales of electricity.

185 (f) Each investor-owned electric utility seeking to
186 construct a Florida clean energy project must select the
187 technology and project most likely to be cost-effective for the
188 general body of ratepayers for that class of clean energy
189 technology. In determining the most cost-effective construction
190 option and in purchasing clean energy credits, an investor-owned
191 utility shall seek the least-cost alternatives within each class
192 of clean energy sources. The method of determining the least-
193 cost alternative shall be determined by the commission and may
194 include requests for proposals, auctions, or other methods.

195 (g) A clean energy credit remains the property of the owner
196 of the clean energy resource from which it was derived until it
197 is sold or transferred.

198 (4)~~(3)~~ The commission shall adopt rules providing
199 requirements for:

200 (a) Implementing the clean ~~a-renewable~~ portfolio standard.

201 (b) Determining the method of establishing least-cost
202 options for the construction of facilities or the purchase of
203 clean energy credits.

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204 (c) Determining what entities are eligible to produce clean
205 energy credits.

206 (d) Establishing the method for the recovery of costs or
207 expenses prudently incurred to meet the clean portfolio standard
208 as those costs are defined in paragraph (3) (d). The commission
209 may allow cost recovery through a separate cost-recovery clause
210 or a limited scope proceeding. The costs of compliance with the
211 clean portfolio standard must appear as a separate line item on
212 each customer's bill.

213 (e) Filing reports concerning compliance by utilities with
214 the clean portfolio standard.

215 (f) Creating a clean energy credit market requiring each
216 provider to supply renewable energy to its customers directly,
217 by procuring, or through renewable energy credits. In developing
218 the RPS rule, the commission shall consult the Department of
219 Environmental Protection and the Florida Energy and Climate
220 Commission. The rule shall not be implemented until ratified by
221 the Legislature. The commission shall present a draft rule for
222 legislative consideration by February 1, 2009.

223 ~~(a) In developing the rule, the commission shall evaluate~~
224 ~~the current and forecasted levelized cost in cents per kilowatt~~
225 ~~hour through 2020 and current and forecasted installed capacity~~
226 ~~in kilowatts for each renewable energy generation method through~~
227 ~~2020.~~

228 ~~(b) The commission's rule:~~

229 ~~1. Shall include methods of managing the cost of compliance~~
230 ~~with the renewable portfolio standard, whether through direct~~
231 ~~supply or procurement of renewable power or through the purchase~~
232 ~~of renewable energy credits. The commission shall have~~

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233 ~~rulemaking authority for providing annual cost recovery and~~
234 ~~incentive-based adjustments to authorized rates of return on~~
235 ~~common equity to providers to incentivize renewable energy.~~
236 ~~Notwithstanding s. 366.91(3) and (4), upon the ratification of~~
237 ~~the rules developed pursuant to this subsection, the commission~~
238 ~~may approve projects and power sales agreements with renewable~~
239 ~~power producers and the sale of renewable energy credits needed~~
240 ~~to comply with the renewable portfolio standard. In the event of~~
241 ~~any conflict, this subparagraph shall supersede s. 366.91(3) and~~
242 ~~(4). However, nothing in this section shall alter the obligation~~
243 ~~of each public utility to continuously offer a purchase contract~~
244 ~~to producers of renewable energy.~~

245 ~~2. Shall provide for appropriate compliance measures and~~
246 ~~the conditions under which noncompliance shall be excused due to~~
247 ~~a determination by the commission that the supply of renewable~~
248 ~~energy or renewable energy credits was not adequate to satisfy~~
249 ~~the demand for such energy or that the cost of securing~~
250 ~~renewable energy or renewable energy credits was cost~~
251 ~~prohibitive.~~

252 ~~3. May provide added weight to energy provided by wind and~~
253 ~~solar photovoltaic over other forms of renewable energy, whether~~
254 ~~directly supplied or procured or indirectly obtained through the~~
255 ~~purchase of renewable energy credits.~~

256 ~~4. Shall determine an appropriate period of time for which~~
257 ~~renewable energy credits may be used for purposes of compliance~~
258 ~~with the renewable portfolio standard.~~

259 ~~5. Shall provide for monitoring of compliance with and~~
260 ~~enforcement of the requirements of this section.~~

261 ~~6. Shall ensure that energy credited toward compliance with~~

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262 ~~the requirements of this section is not credited toward any~~
263 ~~other purpose.~~

264 ~~7. Shall include procedures to track and account for~~
265 ~~renewable energy credits, including ownership of renewable~~
266 ~~energy credits that are derived from a customer-owned renewable~~
267 ~~energy facility as a result of any action by a customer of an~~
268 ~~electric power supplier that is independent of a program~~
269 ~~sponsored by the electric power supplier.~~

270 ~~8. Shall provide for the conditions and options for the~~
271 ~~repeal or alteration of the rule in the event that new~~
272 ~~provisions of federal law supplant or conflict with the rule.~~

273 ~~(c) Beginning on April 1 of the year following final~~
274 ~~adoption of the commission's renewable portfolio standard rule,~~
275 ~~each provider shall submit a report to the commission describing~~
276 ~~the steps that have been taken in the previous year and the~~
277 ~~steps that will be taken in the future to add renewable energy~~
278 ~~to the provider's energy supply portfolio. The report shall~~
279 ~~state whether the provider was in compliance with the renewable~~
280 ~~portfolio standard during the previous year and how it will~~
281 ~~comply with the renewable portfolio standard in the upcoming~~
282 ~~year.~~

283 (5) By February 1, 2012, and each year thereafter, the
284 commission shall submit a report to the Legislature detailing
285 further rulemaking activities, developments in the production of
286 clean energy, how much and what types of clean energy are
287 available in various regions of the state and at what cost, and
288 any impediments to further increases in the production of clean
289 energy in this state.

290 (6)~~(4)~~ In order to demonstrate the feasibility and

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291 viability of clean energy systems, the commission shall provide
292 for full cost recovery under the environmental cost-recovery
293 clause of all reasonable and prudent costs incurred by a
294 provider for renewable energy projects that are zero greenhouse
295 gas emitting at the point of generation, up to a total of 110
296 megawatts statewide, and for which the provider has secured
297 necessary land, zoning permits, and transmission rights within
298 the state. Such costs shall be deemed reasonable and prudent for
299 purposes of cost recovery so long as the provider has used
300 reasonable and customary industry practices in the design,
301 procurement, and construction of the project in a cost-effective
302 manner appropriate to the location of the facility. The provider
303 shall report to the commission as part of the cost-recovery
304 proceedings the construction costs, in-service costs, operating
305 and maintenance costs, hourly energy production of the renewable
306 energy project, and any other information deemed relevant by the
307 commission. Any provider constructing a clean energy facility
308 pursuant to this section shall file for cost recovery no later
309 than July 1, 2009.

310 (7)~~(5)~~ Each municipal electric utility and rural electric
311 cooperative shall develop standards for the promotion,
312 encouragement, and expansion of the use of renewable energy
313 resources and energy conservation and efficiency measures. On or
314 before April 1, 2009, and annually thereafter, each municipal
315 electric utility and electric cooperative shall submit to the
316 commission a report that identifies such standards.

317 (8)~~(6)~~ ~~Nothing in~~ This section does not ~~shall be construed~~
318 ~~to~~ impede or impair terms and conditions of existing contracts.

319 (9)~~(7)~~ The commission may adopt rules to administer and

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320 ~~implement the provisions of~~ this section.

321 Section 2. Subsection (4) of section 366.93, Florida
322 Statutes, is amended, and subsection (7) is added to that
323 section, to read:

324 366.93 Cost recovery for the siting, design, licensing, and
325 construction of nuclear and integrated gasification combined
326 cycle power plants.—

327 (4) When the nuclear or integrated gasification combined
328 cycle power plant is placed in commercial service, the utility
329 shall be allowed to increase its base rate charges by the
330 projected annual revenue requirements of the nuclear or
331 integrated gasification combined cycle power plant based on the
332 jurisdictional annual revenue requirements of the plant for the
333 first 12 months of operation. The rate of return on capital
334 investments shall be calculated using the utility's rate of
335 return last approved by the commission prior to the commercial
336 inservice date of the nuclear or integrated gasification
337 combined cycle power plant. If any existing generating plant is
338 retired as a result of operation of the nuclear or integrated
339 gasification combined cycle power plant, the commission shall
340 allow for the recovery, through an increase in base rate
341 charges, of the net book value of the retired plant over a
342 period not to exceed 5 years or, if the commission determines
343 that it would be more cost-effective to convert the existing
344 generating plant to a biomass plant, allow for the recovery of
345 the costs of conversion in base rate charges over a period that
346 is determined by the commission.

347 (7) In order to further promote the development of nuclear
348 electrical generation and minimize the financial risk to any one

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349 utility associated with the construction of a nuclear power
350 plant, electric utilities in this state are encouraged to pursue
351 the joint ownership of nuclear power plants.

352 Section 3. Section 366.99, Florida Statutes, is created to
353 read:

354 366.99 Natural gas delivery; surcharge for carbon
355 reduction.—

356 (1) This section may be cited as the "Natural Gas Act."

357 (2) It is the intent of the Legislature to promote the
358 expanded direct end-use of natural gas for its inherent energy
359 efficiency and environmental benefits.

360 (3) As used in this section, the term "eligible
361 installations" means natural gas utility facilities that:

362 (a) Connect supply sources of natural gas to a distribution
363 system that serves primarily residential customers;

364 (b) Are in service and used and useful in providing utility
365 service;

366 (c) Were not included in the utility's rate base for
367 purposes of determining the utility's base rate in the most
368 recent general base-rate proceedings; and

369 (d) Consist of mains that are greater than or equal to 4
370 inches in diameter or that are certified to operate at a maximum
371 allowable operating pressure greater than 60 pounds per square
372 inch gauge, together with associated valves, regulator stations,
373 vaults, transmission line taps, and other pipeline system
374 components.

375 (4) Notwithstanding any provision in this chapter or rule
376 to the contrary, a public utility, as defined in s. 366.02,
377 which provides natural gas service may petition the commission

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378 to establish or modify a carbon-reduction surcharge to be used
379 to construct eligible installations in areas of this state which
380 are unserved or underserved with natural gas service. The
381 surcharge shall be recovered through a cost-recovery clause,
382 separate and distinct from a utility's base rates, using the
383 same allocation methodology applicable to the utility's recovery
384 of costs recoverable pursuant to the Energy Conservation Cost
385 Recovery Rule, rule 25-17.015, Florida Administrative Code. The
386 purpose of the surcharge is to recover the utility's revenue
387 requirement relevant to construction of the eligible
388 installations and shall be in the amount of the pretax revenues
389 equal to:

390 (a) The utility's weighted average cost of capital allowed
391 in the most recent rate proceeding multiplied by the 13-month
392 average net book value of eligible installations, including
393 recognition of accumulated depreciation associated with eligible
394 installations;

395 (b) State, federal, and local income taxes;

396 (c) Ad valorem taxes; and

397 (d) Depreciation expenses on eligible installations.

398 (5) When a petition is filed by a utility, the commission
399 shall conduct a limited proceeding and determine the utility's
400 revenue requirements and the surcharge to be charged in the
401 following year.

402 (6) The petition must contain:

403 (a) An estimation of the utility's revenue requirements and
404 carbon-reduction surcharge collections for the following year.

405 (b) If a carbon-reduction surcharge has previously been
406 established, an annual true-up filing showing the actual

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407 eligible installation costs and actual carbon-reduction
408 surcharge revenues for the most recent 12-month period from
409 January 1 through December 31 which ends before the annual
410 petition filing, including a comparison of the actual eligible
411 installation costs and carbon-reduction surcharge revenues to
412 the estimated total eligible installation costs and carbon-
413 reduction surcharge revenues previously reported for the same
414 period. The filing shall also include the over recovery or under
415 recovery of total carbon-reduction surcharge revenue
416 requirements for the true-up period.

417 (7) The utility shall establish separate accounts or
418 subaccounts for each eligible installation for purposes of
419 recording the costs incurred for each project. The utility shall
420 also establish a separate account or subaccount for any revenues
421 derived from specific carbon-reduction surcharges.

422 (8) An eligible installation shall be included for the
423 purposes of calculating revenue requirements for no more than 5
424 years.

425 (9) The total amount of carbon-reduction surcharge revenue
426 in effect in any one year may not exceed 2 percent of the
427 utility's total annual nonfuel revenue for the previous year.

428 (10) This section expires December 31, 2016, unless
429 reviewed and reenacted by the Legislature before that date.
430 However, the procedures and other applicable provisions in this
431 section and the carbon-reduction surcharges approved pursuant to
432 this section shall remain in effect for the full term of all
433 eligible installations approved by the commission before
434 December 31, 2016.

435 Section 4. Paragraph (a) of subsection (1) of section

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436 377.6015, Florida Statutes, is amended to read:

437 377.6015 Florida Energy and Climate Commission.—

438 (1) The Florida Energy and Climate Commission is created
439 within the Executive Office of the Governor. The commission
440 shall be comprised of nine members appointed by the Governor,
441 the Commissioner of Agriculture, and the Chief Financial
442 Officer.

443 (a) The Governor shall appoint one member from three
444 persons nominated by the Florida Public Service Commission
445 Nominating Council, created in s. 350.031, to each of seven
446 seats on the commission. The Commissioner of Agriculture shall
447 appoint one member from three persons nominated by the council
448 to one seat on the commission. The Chief Financial Officer shall
449 appoint one member from three persons nominated by the council
450 to one seat on the commission.

451 1. The council shall submit the recommendations to the
452 Governor, the Commissioner of Agriculture, and the Chief
453 Financial Officer by September 1 of those years in which the
454 terms are to begin the following October or within 60 days after
455 a vacancy occurs for any reason other than the expiration of the
456 term. The Governor, the Commissioner of Agriculture, and the
457 Chief Financial Officer may proffer names of persons to be
458 considered for nomination by the council.

459 2. The Governor, the Commissioner of Agriculture, and the
460 Chief Financial Officer shall fill a vacancy occurring on the
461 commission by appointment of one of the applicants nominated by
462 the council only after a background investigation of such
463 applicant has been conducted by the Department of Law
464 Enforcement.

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465 3. Members shall be appointed to 3-year terms; however, in
466 order to establish staggered terms, for the initial
467 appointments, the Governor shall appoint four members to 3-year
468 terms, two members to 2-year terms, and one member to a 1-year
469 term, and the Commissioner of Agriculture and the Chief
470 Financial Officer shall each appoint one member to a 3-year term
471 and shall appoint a successor when that appointee's term expires
472 in the same manner as the original appointment. The terms of
473 members shall begin on October 1 and end on September 30.

474 4. The Governor shall select from the membership of the
475 commission one person to serve as chair.

476 5. A vacancy on the commission shall be filled for the
477 unexpired portion of the term in the same manner as the original
478 appointment.

479 6. If the Governor, the Commissioner of Agriculture, or the
480 Chief Financial Officer has not made an appointment within 30
481 consecutive calendar days after the receipt of the
482 recommendations, the council shall initiate, in accordance with
483 this section, the nominating process within 30 days.

484 7. Each appointment to the commission shall be subject to
485 confirmation by the Senate during the next regular session after
486 the vacancy occurs. If the Senate refuses to confirm or fails to
487 consider the appointment of the Governor, the Commissioner of
488 Agriculture, or the Chief Financial Officer, the council shall
489 initiate, in accordance with this section, the nominating
490 process within 30 days.

491 8. The Governor or the Governor's successor may recall an
492 appointee.

493 ~~9. Notwithstanding subparagraph 7. and for the initial~~

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494 ~~appointments to the commission only, each initial appointment to~~
495 ~~the commission is subject to confirmation by the Senate by the~~
496 ~~2010 Regular Session. If the Senate refuses to confirm or fails~~
497 ~~to consider an appointment made by the Governor, the~~
498 ~~Commissioner of Agriculture, or the Chief Financial Officer, the~~
499 ~~council shall initiate, in accordance with this section, the~~
500 ~~nominating process within 30 days after the Senate's refusal to~~
501 ~~confirm or failure to consider such appointment. This~~
502 ~~subparagraph expires July 1, 2010.~~

503 Section 5. Section 377.705, Florida Statutes, is amended to
504 read:

505 377.705 Solar Energy Center; development of solar energy
506 standards.—

507 (1) SHORT TITLE.—This section ~~act shall be known and may be~~
508 ~~cited as the "Solar Energy Standards Act." of 1976.~~

509 (2) LEGISLATIVE FINDINGS AND INTENT.—

510 (a) Because of increases in the cost of conventional fuel,
511 certain applications of solar energy are becoming competitive,
512 particularly when life-cycle costs are considered. It is the
513 intent of the Legislature in formulating a sound and balanced
514 energy policy for the state to encourage the development of an
515 alternative energy capability in the form of incident solar
516 energy.

517 (b) Toward this purpose, the Legislature intends to provide
518 incentives for the production and sale of, and to set standards
519 for, solar energy systems. Such standards must ~~shall~~ ensure that
520 solar energy systems manufactured or sold within the state are
521 effective and represent a high level of quality of materials,
522 workmanship, and design.

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523 (3) DEFINITIONS.—As used in this section, the term:

524 (a) "Center" means ~~is defined as~~ the Florida Solar Energy
525 Center of the Board of Governors.

526 (b) "Solar energy systems" means ~~is defined as~~ equipment
527 that ~~which~~ provides for the collection and use of incident solar
528 energy for water heating, space heating or cooling, or other
529 applications that ~~which~~ normally require ~~or would require~~ a
530 conventional source of energy such as petroleum products,
531 natural gas, or electricity, and that ~~which~~ performs primarily
532 with solar energy. In ~~such other~~ systems in which solar energy
533 is used in a supplemental way, only those components that ~~which~~
534 collect and transfer solar energy are ~~shall be~~ included in this
535 definition.

536 (4) ~~FLORIDA SOLAR ENERGY CENTER TO SET STANDARDS, REQUIRE~~
537 ~~DISCLOSURE, SET TESTING FEES.—~~

538 ~~(a) The center shall develop and promulgate standards for~~
539 ~~solar energy systems manufactured or sold in this state based on~~
540 ~~the best currently available information and shall consult with~~
541 ~~scientists, engineers, or persons in research centers who are~~
542 ~~engaged in the construction of, experimentation with, and~~
543 ~~research of solar energy systems to properly identify the most~~
544 ~~reliable designs and types of solar energy systems.~~

545 ~~(b) The center shall~~ select nationally recognized standards
546 for solar energy systems, establish criteria for testing the
547 performance of solar energy systems, and ~~shall~~ maintain the
548 necessary capability for testing or evaluating the performance
549 of solar energy systems. ~~The center may accept results of tests~~
550 ~~on solar energy systems made by other organizations, companies,~~
551 ~~or persons when such tests are conducted according to the~~

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552 ~~criteria established by the center and when the testing entity~~
553 ~~has no vested interest in the manufacture, distribution or sale~~
554 ~~of solar energy systems.~~

555 (5)-(e) FEES.-The center shall charge ~~be entitled to receive~~
556 a testing fee sufficient to cover the costs of such testing. All
557 testing fees shall be transmitted by the center to the Chief
558 Financial Officer to be deposited in the Solar Energy Center
559 Testing Trust Fund, which is ~~hereby~~ created in the State
560 Treasury, and disbursed for the payment of expenses incurred in
561 testing solar energy systems.

562 (6)-(d) TEST RESULTS.-All solar energy systems manufactured
563 or sold in the state must meet the nationally recognized
564 standards selected ~~established~~ by the center and shall display
565 accepted results of approved performance tests in a manner
566 prescribed by the center.

567 Section 6. The Florida Building Commission shall make all
568 changes to the building and energy codes necessary to conform
569 such rules to this act.

570 Section 7. Subsection (14) of section 403.503, Florida
571 Statutes, is amended to read:

572 403.503 Definitions relating to Florida Electrical Power
573 Plant Siting Act.-As used in this act:

574 (14) "Electrical power plant" means, for the purpose of
575 certification, any steam ~~or solar~~ electrical generating facility
576 using any process or fuel, including nuclear materials, except
577 that this term does not include any steam ~~or solar~~ electrical
578 generating facility of less than 75 megawatts in capacity unless
579 the applicant for such a facility elects to apply for
580 certification under this act. This term also includes the site;

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581 all associated facilities that will be owned by the applicant
582 that are physically connected to the site; all associated
583 facilities that are indirectly connected to the site by other
584 proposed associated facilities that will be owned by the
585 applicant; and associated transmission lines that will be owned
586 by the applicant which connect the electrical power plant to an
587 existing transmission network or rights-of-way to which the
588 applicant intends to connect. At the applicant's option, this
589 term may include any offsite associated facilities that will not
590 be owned by the applicant; offsite associated facilities that
591 are owned by the applicant but that are not directly connected
592 to the site; any proposed terminal or intermediate substations
593 or substation expansions connected to the associated
594 transmission line; or new transmission lines, upgrades, or
595 improvements of an existing transmission line on any portion of
596 the applicant's electrical transmission system necessary to
597 support the generation injected into the system from the
598 proposed electrical power plant.

599 Section 8. Subsections (1) and (3) of section 525.09,
600 Florida Statutes, are amended to read:

601 525.09 Inspection fee.—

602 (1) For the purpose of defraying the expenses incident to
603 inspecting, testing, and analyzing petroleum fuels in this
604 state, there shall be paid to the department a charge of one-
605 eighth cent per gallon on all gasoline, alternative fuel
606 containing alcohol as defined in s. 525.01(1)(c)1. or 2.,
607 kerosene that is not ~~(except when~~ used as aviation turbine
608 fuel), and #1 fuel oil for sale or use in this state. This
609 inspection fee shall be imposed in the same manner as the motor

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610 fuel tax pursuant to s. 206.41. Payment shall be made on or
611 before the 25th day of each month.

612 (3) All remittances to the department for the inspection
613 tax herein provided shall be accompanied by a detailed report
614 under oath showing the number of gallons of gasoline,
615 alternative fuel containing alcohol as defined in s.
616 525.01(1)(c)1. or 2., kerosene, or fuel oil sold and delivered
617 in each county.

618 Section 9. (1) The Florida Energy and Climate Commission
619 shall prepare a report that:

620 (a) Identifies methods of increasing energy-efficiency
621 practices among low-income households as defined in ss. 420.9071
622 and 421.03, Florida Statutes. The commission shall, at a
623 minimum, identify energy-efficiency programs that are currently
624 offered to low-income households by community action agencies,
625 community-based organizations, and utility companies in this
626 state and similar programs that are offered to low-income
627 households in other states.

628 (b) Determines the statewide impact of improving the level
629 of the energy efficiency of rental housing stock, including, but
630 not limited to, the environmental benefits of such improvements
631 and the potential fiscal impact with respect to property
632 tenants, owners, and landlords and to the economy. The
633 commission shall consider the relative equity and economic
634 efficiency of the cost share for such energy-efficiency
635 improvements.

636 (c) Provides recommendations for implementing energy-
637 efficiency practices among residents of low-income households.

638 (2) The commission shall submit the report to the President

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639 of the Senate and the Speaker of the House of Representatives by
640 December 1, 2011.

641 Section 10. The term of any person sitting as a member of
642 the Florida Energy and Climate Commission on March 3, 2011,
643 whose appointment is not confirmed by the Senate during the 2011
644 Regular Session or the 2012 Regular Session, shall be extended
645 until completion of the 2012 Regular Session, except for any
646 member who, during that time, the Senate expressly refuses to
647 confirm.

648 Section 11. The Florida Energy and Climate Commission must
649 obtain the approval of the Legislative Budget Commission before
650 spending or disbursing any funds received from the Federal
651 Government as part of a federal stimulus package.

652 Section 12. This act shall take effect July 1, 2011.