

By the Committee on Regulated Industries and Senator Lee

315-2095-00

1                                   A bill to be entitled  
2           An act relating to electric utilities;  
3           establishing a study commission; providing for  
4           its membership and responsibilities; providing  
5           an appropriation; providing an effective date.

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7           WHEREAS, it is the intent of the Legislature to ensure  
8           for all Floridians an adequate, reliable, and affordable  
9           supply of electricity, and

10           WHEREAS, the location, construction, operation, and  
11           decommissioning of electrical power plants may have a  
12           significant impact on the welfare of the state's residents, on  
13           the natural resources of the state, and on the location and  
14           growth of industry, and

15           WHEREAS, Florida's population is expected to double  
16           over the next three decades, with commensurate increases in  
17           demand for electricity, and

18           WHEREAS, it is the intent of the Legislature to promote  
19           energy conservation measures and the development of alternate  
20           and reasonable supplies of electricity, NOW, THEREFORE,

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

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24           Section 1. (1) The Energy 2020 Study Commission is  
25           created. The commission shall be composed of 27 members, 13 of  
26           whom are to be appointed by the Governor, 6 of whom are to be  
27           appointed by the President of the Senate, and 6 of whom are to  
28           be appointed by the Speaker of the House of Representatives.  
29           In addition, the Chairman of the Florida Public Service  
30           Commission and the Public Counsel shall serve as members. The  
31           Governor's appointments shall include a representative from

1 the Department of Environmental Protection, a representative  
2 from the Department of Community Affairs, a representative  
3 from an environmental group, a representative from the  
4 International Brotherhood of Electrical Workers, a  
5 representative of a natural gas pipeline industry, a  
6 representative of a natural gas distribution system, a  
7 representative from the Florida Solar Energy Research and  
8 Education Foundation, and two appointments from each of the  
9 following categories of interests:

10 (a) Florida Power and Light, Florida Power  
11 Corporation, Tampa Electric Company, and Gulf Power.

12 (b) A municipal utility, a cooperative utility, an  
13 electric co-generator, and a merchant plant developer.

14 (c) An industrial-class electric consumer, a  
15 commercial-class electric consumer, and a small-business  
16 electric consumer and 3 residential electric consumers,  
17 including one senior citizen from the American Association of  
18 Retired Persons.

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20 The President of the Senate and the Speaker of the House of  
21 Representatives shall each select one member under paragraph  
22 (a), one member under paragraph (b), and two members under  
23 paragraph (c), and shall also appoint two members from their  
24 respective houses of the Legislature to serve on the  
25 commission. There shall be at least one representative  
26 appointed from each of the interests specified in paragraphs  
27 (a), (b), and (c). The appointments must be made by July 1,  
28 2000, and the first meeting of the commission shall be held by  
29 August 1, 2000. The chairman of the commission shall be  
30 elected by the majority of the membership at its first  
31 meeting. Any vacancy occurring in the membership of the

1 commission is to be filled in the same manner as the original  
2 appointment.

3 (2) Each member of the commission is entitled to one  
4 vote, and action of the commission is not binding unless taken  
5 by a majority vote of the entire membership of the commission.

6 (3) The commission shall determine what Florida's  
7 electric energy needs will be in 20 years and how best to  
8 supply those needs in an efficient, affordable, and reliable  
9 manner that will ensure adequate electric reserves. Based on  
10 its findings, the commission shall recommend appropriate  
11 electric energy policies for this state, including statutory  
12 changes, if necessary. In making its determinations, the  
13 commission shall consider all relevant topics, including, but  
14 not limited to:

15 (a) Forecasts through the year 2020 of Florida's  
16 population growth, electricity needs and supply, and the  
17 expected diversity of fuels and their sources for use in the  
18 state;

19 (b) Current and future reliability of electric supply  
20 within and into the state;

21 (c) Current and future reliability of the natural gas  
22 supply into and within the state;

23 (d) Emerging and projected electric technologies and  
24 electric supplies, including solar energy, renewable energy,  
25 and distributed generation technologies, their potential  
26 contribution to reliable electric supplies, and their impact  
27 upon the state, its environment, and its electric policies;

28 (e) The experience and impacts upon electricity  
29 consumers, generators, and transmitters of all kinds from  
30 recent changes in governmental regulation of the electric  
31 utility industry in other states;

- 1           (f) Analysis of the impacts of state and local  
2 government taxes on government revenues and the electricity  
3 supply;  
4           (g) Universal access to electricity and the  
5 responsibility to provide it;  
6           (h) Stranded investment costs;  
7           (i) Functional unbundling of electricity production,  
8 transmission, and distribution services;  
9           (j) Impact of restructuring on service to low-income,  
10 elderly, and rural consumers;  
11           (k) Impact of restructuring on renewable energy,  
12 energy conservation, and energy efficiency technologies and  
13 programs;  
14           (l) Impact of restructuring on economic development  
15 and growth in the state, including potential impact on  
16 tourism, agriculture, small businesses, and industry in the  
17 state;  
18           (m) Impact of restructuring on investor-owned electric  
19 utilities, municipal electric utilities, rural electric  
20 cooperatives, and independent power producers;  
21           (n) Prevention of anticompetitive or unlawful  
22 discriminatory conduct or the unlawful exercise of market  
23 power by electricity providers; and  
24           (o) Environmental impact of electricity supply  
25 production, generation, and transmission in the state.  
26           (p) Impact of restructuring on the current and future  
27 electric utility workforce.  
28           (4) The commission shall, by December 1, 2001, provide  
29 to the President of the Senate, the Speaker of the House of  
30 Representatives, and the Governor a written report containing  
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1 specific recommendations for electric energy policies for this  
2 state, including legislative recommendations.

3 (5) The commission may establish and appoint any  
4 necessary technical advisory committees. Commission members,  
5 and the members of any technical advisory committee may not  
6 receive remuneration for their services, but members other  
7 than public officers and employees shall be entitled to be  
8 reimbursed by the Florida Public Service Commission for travel  
9 or per diem expenses in accordance with chapter 112, Florida  
10 Statutes. Public officers and employees shall be reimbursed by  
11 their respective agencies in accordance with chapter 112,  
12 Florida Statutes.

13 (6) An executive director must be selected by the  
14 Governor, subject to the approval of the commission. The  
15 executive director serves at the pleasure of and reports to  
16 the commission. The Florida Public Service Commission, the  
17 Department of Environmental Protection, and the Department of  
18 Community Affairs shall provide other staff and consultants,  
19 after consultation with the commission. Funding for these  
20 expenses will be provided through the Florida Public Service  
21 Commission.

22 (7) All agencies under the control of the Governor are  
23 directed, and all other agencies are requested, to render  
24 assistance and cooperation to the commission.

25 (8) The commission shall continue in existence until  
26 its objectives are achieved, but not later than December 1,  
27 2001.

28 Section 2. The sum of \$250,000 is appropriated from  
29 the Public Service Commission Regulatory Trust Fund to the  
30 Florida Public Service Commission to implement the provisions  
31 of this act.

1           Section 3. This act shall take effect upon becoming a  
2 law.

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4                           STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
5   COMMITTEE SUBSTITUTE FOR  
6   Senate Bill 2020

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7 The Committee Substitute for Senate Bill 2020 contains  
8 specific provisions for the membership, responsibilities, and  
9 operation of the study commission. It also provides a  
10 \$250,000 appropriation.

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