

CHAMBER ACTION

1 The Committee on Business Regulation recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to renewable energy; creating s. 366.91,
7 F.S.; providing legislative findings; providing
8 definitions; requiring public utilities and certain
9 municipal electric utilities and rural electric
10 cooperatives to offer a purchase contract to producers of
11 renewable energy; providing requirements for such
12 contracts; providing for cost recovery; amending s.
13 403.7061, F.S.; revising a permit requirement for a waste-
14 to-energy facility; encouraging specified applicants for a
15 landfill permit to consider construction of a waste-to-
16 energy facility; providing an effective date.

17
18 Be It Enacted by the Legislature of the State of Florida:

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20 Section 1. Section 366.91, Florida Statutes, is created to
21 read:

22 366.91 Renewable electricity.--

23 (1) The Legislature finds that it is in the public
24 interest to promote the development of renewable electric

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25 resources in this state. Renewable electric resources have the
26 potential to help diversify fuel types to meet Florida's growing
27 dependency on natural gas for electric production, minimize the
28 volatility of fuel costs, encourage investment within this
29 state, improve environmental conditions, and make Florida a
30 leader in new and innovative technologies.

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

32 (a) "Biomass" means a power source that is comprised of,
33 but not limited to, combustible residues or gases from forest-
34 products manufacturing, agricultural and orchard crops, waste
35 products from livestock and poultry operations and food
36 processing, urban wood waste, municipal solid waste, municipal
37 liquid waste treatment operations, and landfill gas.

38 (b) "Renewable energy" means electrical energy produced
39 from any method or process that uses one or more of the
40 following fuels or energy sources: hydrogen produced from
41 sources other than fossil fuels, biomass, solar energy,
42 geothermal energy, wind energy, ocean energy, hydroelectric
43 power, municipal solid waste, municipal liquid waste treatment
44 operations, or landfill gas.

45 (3) On or before January 1, 2005, each public utility must
46 continuously offer a purchase contract to producers of renewable
47 energy containing payment provisions for energy and capacity, if
48 capacity payments are appropriate, which are based upon the
49 utility's full avoided costs, as defined in s. 366.051. Each
50 contract must provide a contract term of at least 10 years.
51 Prudent and reasonable costs associated with a renewable energy
52 contract shall be recovered from the ratepayers of the

53 contracting utility, without differentiation among customer
 54 classes, through the appropriate cost-recovery clause mechanism
 55 administered by the commission.

56 (4) On or before January 1, 2005, each municipal electric
 57 utility and rural electric cooperative whose annual sales as of
 58 July 1, 1993, to retail customers were greater than 2,000
 59 gigawatt hours must continuously offer a purchase contract to
 60 producers of renewable energy containing payment provisions for
 61 energy and capacity, if capacity payments are appropriate, which
 62 are based upon the utility's or cooperative's full avoided
 63 costs, as determined by the governing body of the municipal
 64 utility or cooperative. Each contract must provide a contract
 65 term of at least 10 years.

66 (5) A contracting producer of renewable energy must pay
 67 the actual costs of its interconnection with the transmission
 68 grid or distribution system.

69 Section 2. Paragraph (c) of subsection (3) of section
 70 403.7061, Florida Statutes, is amended to read:

71 403.7061 Requirements for review of new waste-to-energy
 72 facility capacity by the Department of Environmental
 73 Protection.--

74 (3) An applicant must provide reasonable assurance that
 75 the construction of a new waste-to-energy facility or the
 76 expansion of an existing waste-to-energy facility will comply
 77 with the following subsections:

78 (c) The county in which the facility is located has
 79 implemented a solid waste management and recycling program that
 80 is designed to achieve the waste reduction goal set forth in s.

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81 ~~403.706(4). The county in which the facility is located will~~
82 ~~achieve the 30 percent waste reduction goal set forth in s.~~
83 ~~403.706(4) by the time the facility begins operation. For the~~
84 ~~purposes of this section, the provisions of s. 403.706(4)(c) for~~
85 ~~counties with populations of 75,000 or less do not apply.~~

86 Section 3. Requirements relating to solid waste disposal
87 facility permitting.--Local government applicants for a permit
88 to construct or expand a Class I landfill are encouraged to
89 consider construction of a waste-to-energy facility as an
90 alternative to additional landfill space.

91 Section 4. This act shall take effect October 1, 2004.