

By Senator Bennett

21-623-05

1                                    A bill to be entitled  
2                    An act relating to the provision of electric  
3                    power; amending s. 366.05, F.S.; requiring  
4                    findings by the Public Service Commission  
5                    before a public utility constructs a power  
6                    plant or buys certain power from a third party;  
7                    requiring a public utility to purchase  
8                    wholesale power under certain conditions;  
9                    amending s. 403.503, F.S.; adding gas and  
10                   combined cycle facilities to the power plants  
11                   that are subject to the Florida Electrical  
12                   Power Plant Siting Act; amending s. 403.506,  
13                   F.S.; providing for application of the act to  
14                   steam-generating plants; applying the act's  
15                   certification requirement to facilities that  
16                   alter or add certain steam generating capacity  
17                   to an existing plant; specifying that the  
18                   replacement of an existing turbine is an  
19                   alteration rather than a modification; amending  
20                   s. 403.5175, F.S.; requiring that a  
21                   determination of need by the Public Service  
22                   Commission be included in an application for  
23                   power plant certification which seeks a certain  
24                   increase in steam-generating capacity at an  
25                   existing plant; providing an effective date.

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27 Be It Enacted by the Legislature of the State of Florida:  
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29                    Section 1. Subsection (12) is added to section 366.05,  
30 Florida Statutes, to read:  
31                    366.05 Powers.--

1           (12) In order to ensure that each public utility that  
2 produces or purchases power complies with its obligations  
3 under s. 366.03 regarding fair and reasonable rates and  
4 charges, each public utility shall:

5           (a) Seek and receive commission approval before  
6 constructing an electric power plant as defined in s. 403.503,  
7 procuring capacity in an amount greater than 150 megawatts  
8 from a third-party supplier, or procuring capacity for a term  
9 longer than 1 year from a third-party supplier. The commission  
10 may not grant approval unless it finds that:

11           1. The utility seeking approval conducted a publicly  
12 announced fair and competitive procurement process that was  
13 monitored for fairness and evaluated for cost-effectiveness by  
14 an independent evaluator appointed by the commission; and

15           2. The decision to construct or procure by the utility  
16 seeking approval is the most cost-effective alternative for  
17 the customers of the utility.

18           (b) Purchase energy from third-party suppliers when  
19 such power is available for purchase on the wholesale market  
20 at prices that make it less costly for the utility to buy the  
21 power than to produce it, taking into consideration to the  
22 greatest extent possible the utility's purchasing obligations  
23 under the federal Public Utility Regulatory Policy Act.

24           Section 2. Subsection (12) of section 403.503, Florida  
25 Statutes, is amended to read:

26           403.503 Definitions relating to Florida Electrical  
27 Power Plant Siting Act.--As used in this act:

28           (12) "Electrical power plant" means, for the purpose  
29 of certification, any gas, steam, combined-cycle, or solar  
30 electrical generating facility using any process or fuel,  
31 including nuclear materials, and includes associated

1 facilities which directly support the construction and  
2 operation of the electrical power plant and those associated  
3 transmission lines which connect the electrical power plant to  
4 an existing transmission network or rights-of-way to which the  
5 applicant intends to connect, except that this term does not  
6 include any gas, steam, combined-cycle, or solar electrical  
7 generating facility of less than 75 megawatts in capacity  
8 unless the applicant for such a facility elects to apply for  
9 certification under this act. An associated transmission line  
10 may include, at the applicant's option, any proposed terminal  
11 or intermediate substations or substation expansions connected  
12 to the associated transmission line.

13 Section 3. Subsections (1) and (2) of section 403.506,  
14 Florida Statutes, are amended to read:

15 403.506 Applicability and certification.--

16 (1) ~~The provisions of This act~~ applies ~~shall apply~~ to  
17 any electrical power plant as defined herein, except that this  
18 ~~the provisions of this act~~ does ~~shall~~ not apply to any  
19 electrical power plant ~~or steam generating plant~~ of less than  
20 75 megawatts in capacity or to any substation to be  
21 constructed as part of an associated transmission line unless  
22 the applicant elects ~~has elected~~ to apply for certification of  
23 such plant or substation under this act. No construction of  
24 any new electrical power plant or addition or alteration of  
25 the expansion in steam generating capacity of any existing  
26 electrical power plant which increases such capacity at that  
27 plant by an amount equal to or greater than 75 megawatts may  
28 be undertaken ~~after October 1, 1973,~~ without first obtaining  
29 certification in the manner as herein provided, except that  
30 this act shall not apply to any such electrical power plant  
31 which is presently operating or under construction or which

1 has, upon the effective date of chapter 73-33, Laws of  
2 Florida, applied for a permit or certification under  
3 requirements in force prior to the effective date of such act.

4 (2) Except as provided in the certification,  
5 modification of nonnuclear fuels, internal related hardware,  
6 or operating conditions not in conflict with certification  
7 which increase the electrical output of a unit to no greater  
8 capacity than the maximum operating capacity of the existing  
9 generator ~~do shall~~ not constitute an alteration or addition to  
10 generating capacity which requires certification pursuant to  
11 this act. For the purpose of this subsection, replacement of  
12 an existing gas, steam, or combined cycle turbine is an  
13 alteration and not a modification.

14 Section 4. Subsection (1) of section 403.5175, Florida  
15 Statutes, is amended to read:

16 403.5175 Existing electrical power plant site  
17 certification.--

18 (1) An electric utility that owns or operates an  
19 existing electrical power plant as defined in s. 403.503(12)  
20 may apply for certification of an existing power plant and its  
21 site in order to obtain all agency licenses necessary to  
22 assure compliance with federal or state environmental laws and  
23 regulation using the centrally coordinated, one-stop licensing  
24 process established by this part. An application for site  
25 certification under this section must be in the form  
26 prescribed by department rule. Applications must be reviewed  
27 and processed in accordance with ss. 403.5064-403.5115, except  
28 that a determination of need by the Public Service Commission  
29 is not required unless the application seeks certification of  
30 an addition or alteration of the steam-generating capacity of  
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1 an existing power plant which would increase such capacity in  
2 that plant by an amount that equals or exceeds 75 megawatts.

3 Section 5. This act shall take effect July 1, 2005.

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6 SENATE SUMMARY

7 Requires findings by the Public Service Commission before  
8 a public utility constructs a power plant or buys certain  
9 power from a third party. Requires a public utility to  
10 purchase wholesale power under certain conditions. Adds  
11 gas and combined-cycle facilities to the power plants  
12 subject to the Florida Electrical Power Plant Siting Act.  
13 Removes steam generating plants from application of that  
14 act. Applies the act's certification requirement to  
15 facilities that alter or add certain steam-generating  
16 capacity to an existing plant.  
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