

Bill No. CS for SB 888

Barcode 583810

CHAMBER ACTION

Senate

House

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Comm: RCS
04/03/2006 06:23 PM

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The Committee on Environmental Preservation (Dockery)
recommended the following **amendment to amendment** (682708):

Senate Amendment (with title amendment)

On page 17, line 6,

insert:

Section 15. Section 220.193, Florida Statutes, is
created to read:

Section 220.193, Renewable Energy Production Credit.--

(1) Purpose. The purpose of this section is to

encourage the generation of renewable energy in Florida.

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

(a) "Commission" means the Florida Public Service
Commission.

(b) "Renewable Florida Energy" means renewable energy
that is produced or generated in Florida.

(c) "Affected utility" means each public utility, as
defined in s. 366.02(1), F.S., and each municipal electric
utility and rural electric cooperative subject to the
provisions of s. 366.91(4).

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1 (d) "Renewable energy project or contract approval
2 means approval by the commission of a project or contract for
3 the production or purchase of renewable Florida Energy, which
4 approval shall specify the number of megawatts estimated to be
5 sold each year of the contract, the renewable energy cost for
6 the renewable Florida energy to be delivered pursuant to the
7 contract, and the benchmark energy cost that is in effect as
8 of the date of the renewable energy project or contract
9 approval.

10 (e) "Approved renewable energy project or contract"
11 means a project or contract for the production or purchase of
12 renewable Florida energy that has been approved by the
13 commission for purposes of being entitled to the tax credit
14 provided by s.220.192(3).

15 (f) "Renewable energy cost" means the cost incurred by
16 an affected utility in producing or purchasing the renewable
17 Florida energy that it delivers to its customers, expressed on
18 a per megawatt hour basis, as specified in an approved
19 renewable energy project or contract.

20 (g) "Benchmark energy cost" means a rate set by the
21 commission equal to the cost of producing electricity from a
22 new base load, coal-fired power plant located in Florida or,
23 if the commission determines it is more appropriate, the cost
24 of producing electricity from a new nuclear power plant
25 located in Florida, together in each event with all relevant
26 costs of transmission, expressed on a per megawatt hour basis.

27 (3) Renewable Energy Credit. A credit against the tax
28 imposed by this chapter shall be allowed to an affected
29 utility with respect to sales of renewable Florida energy
30 pursuant to an approved renewable energy project or contract.
31 The credit shall be in an amount equal to the lessor of:

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1 (a) \$5.00 for each megawatt hour of renewable Florida
 2 energy that the affected utility actually delivers to its
 3 customers pursuant to an approved renewable energy project or
 4 contract during such tax year; or

5 (b) fifty percent of the excess, if any, of the
 6 renewable Florida energy cost, over the benchmark energy cost,
 7 for each megawatt hour of renewable Florida energy that the
 8 affected utility actually delivers to its customers pursuant
 9 to an approved renewable energy project or contract during
 10 such tax year.

11 (4) If the credit granted pursuant to this section is
 12 not fully used in one year because of insufficient tax
 13 liability on the part of the taxpayer, the unused amount may
 14 be carried forward for a period not to exceed 5 years. The
 15 carryover credit may be used in a subsequent year when the tax
 16 imposed by t his chapter for such year exceeds the credit fo
 17 such year under this section after applying the other credits
 18 and unused credit carryovers in the order provided in s.
 19 220.02(8).

20 (5) Any renewable energy project or contract approval
 21 shall be a public record. The department shall be provided a
 22 copy of each renewable energy project or contract approval
 23 granted by the commission.

24 (6) The department may adopt rules necessary to
 25 administer this section, including rules prescribing forms,
 26 the documentation needed to substantiate a claim for the ta
 27 credit, and the specific procedures and guidelines for
 28 claiming the credit.

30 (Redesignate subsequent sections.)

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 On page ...3....., line3....., after the word

4 "credit;",

5

6 insert:

7 creating s. 220.193, F.S., providing

8 definitions; providing tax credits for sales of

9 renewable Florida energy; authorizing the

10 Department of Revenue to adopt rules;

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