

Bill No. SB 2666

Barcode 371702

CHAMBER ACTION

Senate

House

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The Committee on Environmental Preservation and Conservation
(Dockery) recommended the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

Section 1. Subsection (2) of section 163.04, Florida
Statutes, is amended to read:

163.04 Energy devices based on renewable resources.--

(2) No deed restrictions, covenants, declarations, or
similar binding agreements running with the land shall
prohibit or have the effect of prohibiting solar collectors,
clotheslines, or other energy devices based on renewable
resources from being installed on buildings erected on the
lots or parcels covered by the deed restrictions, covenants,
declarations, or binding agreements. A property owner may not
be denied permission to install solar collectors or other
energy devices based on renewable resources by any entity
granted the power or right in any deed restriction, covenant,
declaration, or similar binding agreement to approve, forbid,

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1 control, or direct alteration of property with respect to
 2 residential dwellings, including condominiums ~~not exceeding~~
 3 ~~three stories in height~~. For purposes of this subsection, such
 4 entity may determine the specific location where solar
 5 collectors may be installed on the roof within an orientation
 6 to the south or within 45° east or west of due south provided
 7 that such determination does not impair the effective
 8 operation of the solar collectors. In the case of a
 9 condominium, solar collectors may be installed on a roof that
 10 is considered to be a common element of the condominium
 11 association.

12 Section 2. Section 196.175, Florida Statutes, is
 13 amended to read:

14 196.175 Renewable energy source exemption.--

15 (1) Improved real property upon which a renewable
 16 energy source device is installed and operated shall be
 17 entitled to an exemption in the amount ~~not greater than the~~
 18 ~~lesser of:~~

19 ~~(a) The assessed value of such real property less any~~
 20 ~~other exemptions applicable under this chapter;~~

21 ~~(b) the original cost of the device, including the~~
 22 ~~installation cost thereof, but excluding the cost of replacing~~
 23 ~~previously existing property removed or improved in the course~~
 24 ~~of such installation.~~ ~~† or~~

25 ~~(c) Eight percent of the assessed value of such~~
 26 ~~property immediately following installation.~~

27 (2) The exempt amount authorized under subsection (1)
 28 shall apply in full if the device was installed and operative
 29 throughout the 12-month period preceding January 1 of the year
 30 of application for this exemption. If the device was
 31 operative for a portion of that period, the exempt amount

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1 authorized under this section shall be reduced proportionally.

2 (3) It shall be the responsibility of the applicant
3 for an exemption pursuant to this section to demonstrate
4 affirmatively to the satisfaction of the property appraiser
5 that he or she meets the requirements for exemption under this
6 section and that the original cost ~~pursuant to paragraph~~
7 ~~(1)(b)~~ and the period for which the device was operative, as
8 indicated on the exemption application, are correct.

9 (4) No exemption authorized pursuant to this section
10 shall be granted for a period of more than 10 years. No
11 exemption shall be granted with respect to renewable energy
12 source devices installed before July 1, 2007 ~~January 1, 1980,~~
13 ~~or after December 31, 1990.~~

14 Section 3. Paragraph (ccc) of subsection (7) of
15 section 212.08, Florida Statutes, is amended to read:

16 212.08 Sales, rental, use, consumption, distribution,
17 and storage tax; specified exemptions.--The sale at retail,
18 the rental, the use, the consumption, the distribution, and
19 the storage to be used or consumed in this state of the
20 following are hereby specifically exempt from the tax imposed
21 by this chapter.

22 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to
23 any entity by this chapter do not inure to any transaction
24 that is otherwise taxable under this chapter when payment is
25 made by a representative or employee of the entity by any
26 means, including, but not limited to, cash, check, or credit
27 card, even when that representative or employee is
28 subsequently reimbursed by the entity. In addition, exemptions
29 provided to any entity by this subsection do not inure to any
30 transaction that is otherwise taxable under this chapter
31 unless the entity has obtained a sales tax exemption

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1 certificate from the department or the entity obtains or
 2 provides other documentation as required by the department.
 3 Eligible purchases or leases made with such a certificate must
 4 be in strict compliance with this subsection and departmental
 5 rules, and any person who makes an exempt purchase with a
 6 certificate that is not in strict compliance with this
 7 subsection and the rules is liable for and shall pay the tax.
 8 The department may adopt rules to administer this subsection.

9 (ccc) Equipment, machinery, and other materials for
 10 renewable energy technologies.--

11 1. As used in this paragraph, the term:

12 a. "Biodiesel" means the mono-alkyl esters of
 13 long-chain fatty acids derived from plant or animal matter for
 14 use as a source of energy and meeting the specifications for
 15 biodiesel and biodiesel blends with petroleum products as
 16 adopted by the Department of Agriculture and Consumer
 17 Services. Biodiesel may refer to biodiesel blends designated
 18 BXX, where XX represents the volume percentage of biodiesel
 19 fuel in the blend.

20 b. "Ethanol" means an ~~nominaly~~ anhydrous denatured
 21 alcohol produced by the conversion of carbohydrates
 22 ~~fermentation of plant sugars~~ meeting the specifications for
 23 fuel ethanol and fuel ethanol blends with petroleum products
 24 as adopted by the Department of Agriculture and Consumer
 25 Services. Ethanol may refer to fuel ethanol blends designated
 26 EXX, where XX represents the volume percentage of fuel ethanol
 27 in the blend.

28 c. "Hydrogen fuel cells" means equipment using
 29 hydrogen or a hydrogen-rich fuel in an electrochemical process
 30 to generate energy, electricity, or the transfer of heat.

31 2. The sale or use of the following in the state is

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1 exempt from the tax imposed by this chapter:

2 a. Hydrogen-powered vehicles, materials incorporated
3 into hydrogen-powered vehicles, and hydrogen-fueling stations,
4 up to a limit of \$2 million in tax each state fiscal year for
5 all taxpayers.

6 b. Commercial stationary hydrogen fuel cells, up to a
7 limit of \$1 million in tax each state fiscal year for all
8 taxpayers.

9 c. Materials used in the distribution of biodiesel
10 (B10-B100) and ethanol (E10-100), including fueling
11 infrastructure, transportation, and storage, up to a limit of
12 ~~\$2~~ ~~\$1~~ million in tax each state fiscal year for all taxpayers.
13 Gasoline fueling station pump retrofits for ethanol (E10-E100)
14 distribution qualify for the exemption provided in this
15 sub-subparagraph.

16 3. The Department of Environmental Protection shall
17 provide to the department a list of items eligible for the
18 exemption provided in this paragraph.

19 4. The exemption provided in this paragraph shall be
20 available only to the end user of the equipment, machinery,
21 and other materials.

22 5.4.a. The exemption provided in this paragraph shall
23 be available to a purchaser only through a refund of
24 previously paid taxes. Only one purchase of an eligible item
25 is subject to refund. A purchaser who has received a refund on
26 an eligible item must notify any subsequent purchaser of the
27 item that the item is no longer eligible for a refund of tax
28 paid. This notification must be provided to the purchaser on
29 the sales invoice or other proof of purchase.

30 b. To be eligible to receive the exemption provided in
31 this paragraph, a purchaser shall file an application with the

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1 Department of Environmental Protection. The application shall
2 be developed by the Department of Environmental Protection, in
3 consultation with the department, and shall require:

4 (I) The name and address of the person claiming the
5 refund.

6 (II) A specific description of the purchase for which
7 a refund is sought, including, when applicable, a serial
8 number or other permanent identification number.

9 (III) The sales invoice or other proof of purchase
10 showing the amount of sales tax paid, the date of purchase,
11 and the name and address of the sales tax dealer from whom the
12 property was purchased.

13 (IV) A sworn statement that the information provided
14 is accurate and that the requirements of this paragraph have
15 been met.

16 c. Within 30 days after receipt of an application, the
17 Department of Environmental Protection shall review the
18 application and shall notify the applicant of any
19 deficiencies. Upon receipt of a completed application, the
20 Department of Environmental Protection shall evaluate the
21 application for exemption and issue a written certification
22 that the applicant is eligible for a refund or issue a written
23 denial of such certification within 60 days after receipt of
24 the application. The Department of Environmental Protection
25 shall provide the department with a copy of each certification
26 issued upon approval of an application.

27 d. Each certified applicant shall be responsible for
28 forwarding a certified copy of the application and copies of
29 all required documentation to the department within 6 months
30 after certification by the Department of Environmental
31 Protection.

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1 e. The provisions of s. 212.095 do not apply to any
 2 refund application made pursuant to this paragraph. A refund
 3 approved pursuant to this paragraph shall be made within 30
 4 days after formal approval by the department.

5 f. The department may adopt all rules pursuant to ss.
 6 120.536(1) and 120.54 to administer this paragraph, including
 7 rules establishing forms and procedures for claiming this
 8 exemption.

9 g. The Department of Environmental Protection shall be
 10 responsible for ensuring that the total amounts of the
 11 exemptions authorized do not exceed the limits as specified in
 12 subparagraph 2.

13 ~~6.5.~~ The Department of Environmental Protection shall
 14 determine and publish on a regular basis the amount of sales
 15 tax funds remaining in each fiscal year.

16 ~~7.6.~~ This paragraph expires July 1, 2010.

17 Section 4. Section 212.086, Florida Statutes, is
 18 created to read:

19 212.086 Energy Efficient Motor Vehicle Sales Tax
 20 Refund Program.--

21 (1) The energy efficient motor vehicle sales tax
 22 refund is established to provide financial incentives for the
 23 purchase of alternative motor vehicles as specified by this
 24 section.

25 (2) Any person who purchases an alternative motor
 26 vehicle is eligible for a refund of the tax imposed under this
 27 chapter. The tax that is eligible for refund shall be computed
 28 on the lesser of \$15,000 or the sales price as provided in s.
 29 212.02.

30 (3) In order to qualify for the sales tax refund under
 31 this section, the alternative motor vehicle must be certified

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1 as a new qualified hybrid motor vehicle, new qualified
2 alternative fuel motor vehicle, new qualified fuel cell motor
3 vehicle, or new advanced lean-burn technology motor vehicle by
4 the Internal Revenue Service for the income tax credit for
5 alternative motor vehicles under s. 30B of the Internal
6 Revenue Code of 1986, as amended.

7 (4) Notwithstanding ss. 212.095 and 215.26, an
8 application for refund must be filed with the department
9 within 90 days after purchase of the alternative motor vehicle
10 and must contain the following:

11 (a) The name and address of the person claiming the
12 refund.

13 (b) A specific description of the alternative motor
14 vehicle for which a refund is sought, including the vehicle
15 identification number.

16 (c) The sales invoice or other proof of purchase
17 showing the amount of sales tax paid, the date of purchase,
18 and the name and address of the sales tax dealer from whom the
19 alternative motor vehicle was purchased.

20 (d) A sworn statement that the information provided is
21 accurate and that the requirements of this section have been
22 met.

23 (5) The total dollar amount of all refunds issued by
24 the department is limited to the total amount of
25 appropriations in any fiscal year for this program. The
26 department may approve refunds up to the amount appropriated
27 for this refund program based on the date of filing an
28 application for refund pursuant to subsection (4). If the
29 funds are insufficient during a given fiscal year, any
30 requests for refund received during that fiscal year may be
31 processed during the following fiscal year, subject to the

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1 appropriation, and have priority over new applications for
 2 refund filed in the following fiscal year. The provisions of
 3 s. 213.255 do not apply to requests for refund which are held
 4 for payment in the following fiscal year.

5 (6) The department may adopt rules pursuant to ss.
 6 120.536(1) and 120.54 to administer this section, including
 7 rules establishing forms and procedures for claiming this
 8 refund.

9 (7) A person who receives a refund pursuant to s.
 10 212.08(7)(ccc) may not be allowed a refund provided in this
 11 section.

12 (8) This section expires July 1, 2010.

13 Section 5. Subsection (1) of section 220.192, Florida
 14 Statutes, is amended, and subsection (8) is added to that
 15 section, to read:

16 220.192 Renewable energy technologies investment tax
 17 credit.--

18 (1) DEFINITIONS.--For purposes of this section, the
 19 term:

20 (a) "Biodiesel" means biodiesel as defined in s.
 21 212.08(7)(ccc).

22 (b) "Corporation" means any general partnership,
 23 limited partnership, limited liability company, unincorporated
 24 business, or other business entity in which a taxpayer owns an
 25 interest and which is taxed as a partnership or is disregarded
 26 as a separate entity from the taxpayer for tax purposes. Tax
 27 credits derived by such an entity treated as a corporation
 28 pursuant to this provision which are not transferred by such
 29 entity to another taxpayer pursuant to subsection (8) shall be
 30 passed through to the taxpayers designated as partners,
 31 members, or owners, respectively, in any manner agreed to by

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1 such persons, whether or not such persons are allocated or
 2 allowed any portion of the federal energy tax credit with
 3 respect to the eligible costs. The Department of Revenue
 4 shall adopt rules to implement and administer the provisions
 5 allowing a pass-through of tax credits, including rules
 6 prescribing forms, reporting requirements, and the specific
 7 procedures, guidelines, and requirements necessary for a tax
 8 credit to be passed through to an owner, member, or partner.

9 (c)(b) "Eligible costs" means:

10 1. Seventy-five percent of all capital costs,
 11 operation and maintenance costs, and research and development
 12 costs incurred between July 1, 2006, and June 30, 2010, up to
 13 a limit of \$3 million per state fiscal year for all taxpayers,
 14 in connection with an investment in hydrogen-powered vehicles
 15 and hydrogen vehicle fueling stations in the state, including,
 16 but not limited to, the costs of constructing, installing, and
 17 equipping such technologies in the state.

18 2. Seventy-five percent of all capital costs,
 19 operation and maintenance costs, and research and development
 20 costs incurred between July 1, 2006, and June 30, 2010, up to
 21 a limit of \$1.5 million per state fiscal year for all
 22 taxpayers, and limited to a maximum of \$12,000 per fuel cell,
 23 in connection with an investment in commercial stationary
 24 hydrogen fuel cells in the state, including, but not limited
 25 to, the costs of constructing, installing, and equipping such
 26 technologies in the state.

27 3. Seventy-five percent of all capital costs,
 28 operation and maintenance costs, and research and development
 29 costs incurred between July 1, 2006, and June 30, 2010, up to
 30 a limit of \$6.5 million per state fiscal year for all
 31 taxpayers, in connection with an investment in the production,

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1 storage, and distribution of biodiesel (B10-B100) and ethanol
 2 (E10-E100) in the state, including the costs of constructing,
 3 installing, and equipping such technologies in the state.
 4 Gasoline fueling station pump retrofits for ethanol (E10-E100)
 5 distribution qualify as an eligible cost under this
 6 subparagraph.

7 ~~(d)(c)~~ "Ethanol" means ethanol as defined in s.
 8 212.08(7)(ccc).

9 ~~(e)(d)~~ "Hydrogen fuel cell" means hydrogen fuel cell
 10 as defined in s. 212.08(7)(ccc).

11 (8) TRANSFERABILITY OF CREDIT.--

12 (a) Any corporation and any subsequent transferee
 13 allowed the tax credit may transfer the tax credit, in whole
 14 or in part, to any taxpayer by written agreement without the
 15 requirement of transferring any ownership interest in the
 16 property generating the tax credit or any interest in the
 17 entity that owns the property. Transferees are entitled to
 18 apply the credits against the tax with the same effect as if
 19 the transferee had incurred the eligible costs.

20 (b) To perfect the transfer, the transferor shall
 21 provide a written transfer statement providing notice to the
 22 Department of Revenue of the assignor's intent to transfer the
 23 tax credits to the assignee; the date the transfer is
 24 effective; the assignee's name, address, federal taxpayer
 25 identification number, and tax period; and the amount of tax
 26 credits to be transferred. The Department of Revenue may adopt
 27 rules to implement and administer this section, including
 28 rules prescribing forms, reporting requirements, and the
 29 specific procedures, guidelines, and requirements necessary to
 30 transfer a tax credit. The Department of Revenue shall issue,
 31 upon receipt of a transfer statement conforming to the

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1 requirements of this section, a certificate to the assignee
 2 reflecting the tax credit amounts transferred, a copy of which
 3 shall be attached to each tax return by an assignee in which
 4 such tax credits are used.

5 Section 6. Paragraph (f) is added to subsection (2),
 6 and paragraph (j) is added to subsection (3), of section
 7 220.193, Florida Statutes, to read:

8 220.193 Florida renewable energy production credit.--

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

10 (f) "Sale" or "sold" includes the use of the
 11 electricity by the producer of the electricity when such use
 12 decreases the amount of electricity that would otherwise be
 13 purchased by the producer thereof.

14 (3) An annual credit against the tax imposed by this
 15 section shall be allowed to a taxpayer, based on the
 16 taxpayer's production and sale of electricity from a new or
 17 expanded Florida renewable energy facility. For a new
 18 facility, the credit shall be based on the taxpayer's sale of
 19 the facility's entire electrical production. For an expanded
 20 facility, the credit shall be based on the increases in the
 21 facility's electrical production that are achieved after May
 22 1, 2006.

23 (j) A taxpayer's use of the credit granted pursuant to
 24 this section does not reduce the amount of any credit
 25 authorized by s. 220.186 which would otherwise be available to
 26 that taxpayer.

27 Section 7. Section 255.251, Florida Statutes, is
 28 amended to read:

29 255.251 Energy Conservation and Sustainable in
 30 Buildings Act; short title.--This act ~~may~~ shall be cited as
 31 the "Florida Energy Conservation and Sustainable in Buildings

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1 Act ~~of 1974.~~"

2 Section 8. Section 255.252, Florida Statutes, is
3 amended to read:

4 255.252 Findings and intent.--

5 (1) Operating and maintenance expenditures associated
6 with energy equipment and with energy consumed in
7 state-financed and leased buildings represent a significant
8 cost over the life of a building. Energy conserved by
9 appropriate building design not only reduces the demand for
10 energy but also reduces costs for building operation. ~~For~~
11 ~~example, commercial buildings are estimated to use from 20 to~~
12 ~~80 percent more energy than would be required if~~
13 ~~energy-conserving designs were used.~~ The size, design,
14 orientation, and operability of windows, the ratio of
15 ventilating air to air heated or cooled, the level of lighting
16 consonant with space-use requirements, the handling of
17 occupancy loads, and the ability to zone off areas not
18 requiring equivalent levels of heating or cooling are but a
19 few of the considerations necessary to conserving energy.

20 (2) Significant efforts are needed to build
21 energy-efficient state-owned buildings that meet environmental
22 standards ~~underway by the General Services Administration, the~~
23 ~~National Institute of Standards and Technology, and others to~~
24 ~~detail the considerations and practices for energy~~
25 ~~conservation in buildings.~~ Most important is that
26 energy-efficient designs provide energy savings over the life
27 of the building structure. ~~Conversely, energy-inefficient~~
28 ~~designs cause excess and wasteful energy use and high costs~~
29 ~~over that life.~~ With buildings lasting many decades and with
30 energy costs escalating rapidly, it is essential that the
31 costs of operation and maintenance for energy-using equipment

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1 and sustainable materials be included in all design proposals
2 for state-owned ~~state~~ buildings.

3 (3) In order that such energy-efficiency
4 considerations and sustainable materials become a function of
5 building design, and also a model for future application in
6 the private sector, it shall be the policy of the state that
7 buildings constructed and financed by the state be designed
8 and constructed to meet the United States Green Building
9 Council (USGBC) Leadership in Energy and Environmental Design
10 (LEED) rating system, Green Building Initiative's Green Globes
11 rating system, or a nationally recognized, high-performance
12 green building rating system as approved by the department in
13 ~~a manner which will minimize the consumption of energy used in~~
14 ~~the operation and maintenance of such buildings.~~ It is further
15 the policy of the state, when economically feasible, to
16 retrofit existing state-owned buildings in a manner which will
17 minimize the consumption of energy used in the operation and
18 maintenance of such buildings.

19 (4) In addition to designing and constructing new
20 buildings to be energy efficient ~~energy-efficient~~, it shall be
21 the policy of the state to operate, maintain, and renovate
22 existing state-owned ~~state~~ facilities, or provide for their
23 renovation, in a manner that ~~which~~ will minimize energy
24 consumption and increase the facilities' sustainability as
25 well as ensure that facilities leased by the state are
26 operated so as to minimize energy use. Agencies are encouraged
27 to consider shared savings financing of such energy projects,
28 using contracts that ~~which~~ split the resulting savings for a
29 specified period of time between the agency and the private
30 firm or cogeneration contracts that ~~which~~ otherwise permit the
31 state to lower its energy costs. Such energy contracts may be

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1 funded from the operating budget.

2 (5) Each state agency must identify and compile a list
3 of all state-owned buildings within its inventory which would
4 be suitable for a guaranteed energy performance savings
5 contract pursuant to s. 489.145. Such list shall be submitted
6 to the Department of Management Services by December 31, 2007,
7 and shall include all facilities over 5,000 square feet in
8 area and for which the agency is responsible for paying the
9 expenses of utilities and other operating expenses as they
10 relate to energy use. In consultation with each department
11 secretary or director, by March 1, 2008, the Department of
12 Management Services shall evaluate each agency's facilities
13 suitable for energy conservation projects and shall develop an
14 energy-efficiency project schedule based on factors such as
15 project magnitude, efficiency and effectiveness of energy
16 conservation measures to be implemented, and other factors
17 that may prove to be advantageous to pursue. Such schedule
18 shall provide the deadline for guaranteed energy performance
19 savings contract improvements to be made to the state-owned
20 buildings.

21 Section 9. Subsections (6) and (7) are added to
22 section 255.253, Florida Statutes, to read:

23 255.253 Definitions; ss. 255.251-255.258.--

24 (6) "Sustainable building" means a building that is
25 healthy and comfortable for its occupants and is economical to
26 operate while conserving resources, including energy, water,
27 raw materials, and land, and minimizing the generation of
28 toxic materials and waste in its design, construction,
29 landscaping, and operation.

30 (7) "Sustainable building rating" means a rating
31 established by the United States Green Building Council

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1 (USGBC) Leadership in Energy and Environmental Design (LEED)
 2 rating system, Green Building Initiative's Green Globes rating
 3 system, or a nationally recognized, high-performance green
 4 building rating system as approved by the department.

5 Section 10. Section 255.254, Florida Statutes, is
 6 amended to read:

7 255.254 No facility constructed or leased without
 8 life-cycle costs.--

9 (1) No state agency shall ~~lease~~, construct, or have
 10 constructed, within limits prescribed herein, a facility
 11 without having secured from the department an ~~a proper~~
 12 evaluation of life-cycle costs based on sustainable building
 13 ratings, as computed by an architect or engineer.

14 Furthermore, construction shall proceed only upon disclosing,
 15 for the facility chosen, the life-cycle costs as determined in
 16 s. 255.255, its construction's sustainable building rating
 17 goal, and the capitalization of the initial construction costs
 18 of the building. The life-cycle costs shall be a primary
 19 consideration in the selection of a building design in
 20 addition to its sustainable building rating goal. ~~Such~~
 21 ~~analysis shall be required only for construction of buildings~~
 22 ~~with an area of 5,000 square feet or greater.~~ For leased
 23 buildings 5,000 ~~areas of 20,000~~ square feet or greater within
 24 a given building boundary, an energy performance analysis ~~a~~
 25 ~~life-cycle analysis~~ shall be performed, and a lease shall ~~only~~
 26 be made only where there is a showing that the energy
 27 ~~life-cycle~~ costs incurred by the state are minimal compared to
 28 available like facilities.

29 (2) On and after January 1, 1979, no state agency
 30 shall initiate construction or have construction initiated,
 31 prior to approval thereof by the department, on a facility or

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1 self-contained unit of any facility, the design and
 2 construction of which incorporates or contemplates the use of
 3 an energy system other than a solar energy system when the
 4 life-cycle costs analysis prepared by the department has
 5 determined that a solar energy system is the most
 6 cost-efficient energy system for the facility or unit.

7 (3) After September 30, 1985, when any state agency
 8 must replace or supplement major items of energy-consuming
 9 equipment in existing state-owned ~~or leased~~ facilities or any
 10 self-contained unit of any facility with other major items of
 11 energy-consuming equipment, the selection of such items shall
 12 be made on the basis of a life-cycle cost analysis of
 13 alternatives in accordance with rules promulgated by the
 14 department under s. 255.255.

15 Section 11. Subsection (1) of section 255.255, Florida
 16 Statutes, is amended to read:

17 255.255 Life-cycle costs.--

18 (1) The department shall promulgate rules and
 19 procedures, including energy conservation performance
 20 guidelines based on sustainable building ratings, for
 21 conducting a life-cycle cost analysis of alternative
 22 architectural and engineering designs and alternative major
 23 items of energy-consuming equipment to be retrofitted in
 24 existing state-owned or leased facilities and for developing
 25 energy performance indices to evaluate the efficiency of
 26 energy utilization for competing designs in the construction
 27 of state-financed and leased facilities.

28 Section 12. Subsections (10) and (11) of section
 29 287.064, Florida Statutes, are amended to read:

30 287.064 Consolidated financing of deferred-payment
 31 purchases.--

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1 (10) Costs incurred pursuant to a guaranteed energy
2 performance savings contract, including the cost of energy
3 conservation measures, each as defined in s. 489.145, may be
4 financed pursuant to a master equipment financing agreement;
5 however, the costs of training, operation, and maintenance may
6 not be financed. The period of time for repayment of the funds
7 drawn pursuant to the master equipment financing agreement
8 under this subsection may exceed 5 years but may not exceed 20
9 ~~10~~ years for energy conservation measures pursuant to s.
10 489.145, excluding the costs of training, operation, and
11 maintenance. The guaranteed energy performance savings
12 contractor shall provide for the replacement or the extension
13 of the useful life of the equipment during the term of the
14 contract.

15 (11) For purposes of consolidated financing of
16 deferred payment commodity contracts under this section by a
17 state agency, the annualized amount of any such contract must
18 be supported from available recurring funds appropriated to
19 the agency in an appropriation category, ~~other than the~~
20 ~~expense appropriation category~~ as defined in chapter 216, that
21 the Chief Financial Officer has determined is appropriate or
22 that the Legislature has designated for payment of the
23 obligation incurred under this section.

24 Section 13. Subsection (12) is added to section
25 287.16, Florida Statutes, to read:

26 287.16 Powers and duties of department.--The
27 Department of Management Services shall have the following
28 powers, duties, and responsibilities:

29 (12) To conduct an inventory and determine the
30 percentage of motor vehicles purchased with state funds which
31 are flexible motor fuel vehicles or hybrid motor vehicles in

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1 current use. Notwithstanding s. 287.151, the department shall
 2 purchase over the next 3 years a sufficient number of flexible
 3 motor fuel vehicles or hybrid motor vehicles to increase the
 4 percentage of such vehicles in the state's inventory to 50
 5 percent.

6 Section 14. Section 366.93, Florida Statutes, is
 7 amended to read:

8 366.93 Cost recovery for the siting, design,
 9 licensing, and construction of nuclear and integrated
 10 gasification combined cycle power plants.--

11 (1) As used in this section, the term:

12 (a) "Cost" includes, but is not limited to, all
 13 capital investments, including rate of return, any applicable
 14 taxes, and all expenses, including operation and maintenance
 15 expenses, related to or resulting from the siting, licensing,
 16 design, construction, or operation of the nuclear or
 17 integrated gasification combined cycle power plant.

18 (b) "Electric utility" or "utility" has the same
 19 meaning as that provided in s. 366.8255(1)(a).

20 (c) "Integrated gasification combined cycle power
 21 plant" or "plant" is an electrical power plant as defined in
 22 s. 403.503(13) that uses synthesis gas produced by integrated
 23 gasification technology.

24 ~~(d)(c)~~ "Nuclear power plant" or "plant" is an
 25 electrical power plant as defined in s. 403.503(13)~~(12)~~ that
 26 uses nuclear materials for fuel.

27 (e) "Power plant" or "plant" means a nuclear power
 28 plant or an integrated gasification combined cycle power
 29 plant.

30 ~~(f)(d)~~ "Preconstruction" is that period of time after
 31 a site has been selected through and including the date the

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1 utility completes site clearing work. Preconstruction costs
 2 shall be afforded deferred accounting treatment and shall
 3 accrue a carrying charge equal to the utility's allowance for
 4 funds during construction (AFUDC) rate until recovered in
 5 rates.

6 (2) Within 6 months after the enactment of this act,
 7 the commission shall establish, by rule, alternative cost
 8 recovery mechanisms for the recovery of costs incurred in the
 9 siting, design, licensing, and construction of a nuclear or
 10 integrated gasification combined cycle power plant. Such
 11 mechanisms shall be designed to promote utility investment in
 12 nuclear or integrated gasification combined cycle power plants
 13 and allow for the recovery in rates of all prudently incurred
 14 costs, and shall include, but are not limited to:

15 (a) Recovery through the capacity cost recovery clause
 16 of any preconstruction costs.

17 (b) Recovery through an incremental increase in the
 18 utility's capacity cost recovery clause rates of the carrying
 19 costs on the utility's projected construction cost balance
 20 associated with the nuclear or integrated gasification
 21 combined cycle power plant. To encourage investment and
 22 provide certainty, for nuclear or integrated gasification
 23 combined cycle power plant need petitions submitted on or
 24 before December 31, 2010, associated carrying costs shall be
 25 equal to the pretax AFUDC in effect upon this act becoming
 26 law. For nuclear or integrated gasification combined cycle
 27 power plants for which need petitions are submitted after
 28 December 31, 2010, the utility's existing pretax AFUDC rate is
 29 presumed to be appropriate unless determined otherwise by the
 30 commission in the determination of need for the nuclear or
 31 integrated gasification combined cycle power plant.

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1 (3) After a petition for determination of need is
2 granted, a utility may petition the commission for cost
3 recovery as permitted by this section and commission rules.

4 (4) When the nuclear or integrated gasification
5 combined cycle power plant is placed in commercial service,
6 the utility shall be allowed to increase its base rate charges
7 by the projected annual revenue requirements of the nuclear or
8 integrated gasification combined cycle power plant based on
9 the jurisdictional annual revenue requirements of the plant
10 for the first 12 months of operation. The rate of return on
11 capital investments shall be calculated using the utility's
12 rate of return last approved by the commission prior to the
13 commercial inservice date of the nuclear or integrated
14 gasification combined cycle power plant. If any existing
15 generating plant is retired as a result of operation of the
16 nuclear or integrated gasification combined cycle power plant,
17 the commission shall allow for the recovery, through an
18 increase in base rate charges, of the net book value of the
19 retired plant over a period not to exceed 5 years.

20 (5) The utility shall report to the commission
21 annually the budgeted and actual costs as compared to the
22 estimated inservice cost of the nuclear or integrated
23 gasification combined cycle power plant provided by the
24 utility pursuant to s. 403.519(4), until the commercial
25 operation of the nuclear or integrated gasification combined
26 cycle power plant. The utility shall provide such information
27 on an annual basis following the final order by the commission
28 approving the determination of need for the nuclear or
29 integrated gasification combined cycle power plant, with the
30 understanding that some costs may be higher than estimated and
31 other costs may be lower.

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1 (6) In the event the utility elects not to complete or
2 is precluded from completing construction of the nuclear or
3 integrated gasification combined cycle power plant, the
4 utility shall be allowed to recover all prudent
5 preconstruction and construction costs incurred following the
6 commission's issuance of a final order granting a
7 determination of need for the nuclear or integrated
8 gasification combined cycle power plant. The utility shall
9 recover such costs through the capacity cost recovery clause
10 over a period equal to the period during which the costs were
11 incurred or 5 years, whichever is greater. The unrecovered
12 balance during the recovery period will accrue interest at the
13 utility's weighted average cost of capital as reported in the
14 commission's earnings surveillance reporting requirement for
15 the prior year.

16 Section 15. Subsection (4) of section 403.519, Florida
17 Statutes, is amended to read:

18 403.519 Exclusive forum for determination of need.--

19 (4) In making its determination on a proposed
20 electrical power plant using nuclear materials or synthesis
21 gas produced by integrated gasification combined cycle power
22 plant as fuel, the commission shall hold a hearing within 90
23 days after the filing of the petition to determine need and
24 shall issue an order granting or denying the petition within
25 135 days after the date of the filing of the petition. The
26 commission shall be the sole forum for the determination of
27 this matter and the issues addressed in the petition, which
28 accordingly shall not be reviewed in any other forum, or in
29 the review of proceedings in such other forum. In making its
30 determination to either grant or deny the petition, the
31 commission shall consider the need for electric system

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1 reliability and integrity, including fuel diversity, the need
2 for base-load generating capacity, and the need for adequate
3 electricity at a reasonable cost.

4 (a) The applicant's petition shall include:

5 1. A description of the need for the generation
6 capacity.

7 2. A description of how the proposed nuclear or
8 integrated gasification combined cycle power plant will
9 enhance the reliability of electric power production within
10 the state by improving the balance of power plant fuel
11 diversity and reducing Florida's dependence on fuel oil and
12 natural gas.

13 3. A description of and a nonbinding estimate of the
14 cost of the nuclear or integrated gasification combined cycle
15 power plant.

16 4. The annualized base revenue requirement for the
17 first 12 months of operation of the nuclear or integrated
18 gasification combined cycle power plant.

19 5. Information on whether there were any discussions
20 with any electric utilities regarding ownership of a portion
21 of the nuclear or integrated gasification combined cycle power
22 plant by such electric utilities.

23 (b) In making its determination, the commission shall
24 take into account matters within its jurisdiction, which it
25 deems relevant, including whether the nuclear or integrated
26 gasification combined cycle power plant will:

27 1. Provide needed base-load capacity.

28 2. Enhance the reliability of electric power
29 production within the state by improving the balance of power
30 plant fuel diversity and reducing Florida's dependence on fuel
31 oil and natural gas.

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1 3. Provide the most cost-effective source of power,
 2 taking into account the need to improve the balance of fuel
 3 diversity, reduce Florida's dependence on fuel oil and natural
 4 gas, reduce air emission compliance costs, and contribute to
 5 the long-term stability and reliability of the electric grid.

6 (c) No provision of rule 25-22.082, Florida
 7 Administrative Code, shall be applicable to a nuclear or
 8 integrated gasification combined cycle power plant sited under
 9 this act, including provisions for cost recovery, and an
 10 applicant shall not otherwise be required to secure
 11 competitive proposals for power supply prior to making
 12 application under this act or receiving a determination of
 13 need from the commission.

14 (d) The commission's determination of need for a
 15 nuclear or integrated gasification combined cycle power plant
 16 shall create a presumption of public need and necessity and
 17 shall serve as the commission's report required by s.
 18 403.507(4)(a). An order entered pursuant to this section
 19 constitutes final agency action. Any petition for
 20 reconsideration of a final order on a petition for need
 21 determination shall be filed within 5 days after the date of
 22 such order. The commission's final order, including any order
 23 on reconsideration, shall be reviewable on appeal in the
 24 Florida Supreme Court. Inasmuch as delay in the determination
 25 of need will delay siting of a nuclear or integrated
 26 gasification combined cycle power plant or diminish the
 27 opportunity for savings to customers under the federal Energy
 28 Policy Act of 2005, the Supreme Court shall proceed to hear
 29 and determine the action as expeditiously as practicable and
 30 give the action precedence over matters not accorded similar
 31 precedence by law.

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1 (e) After a petition for determination of need for a
2 nuclear or integrated gasification combined cycle power plant
3 has been granted, the right of a utility to recover any costs
4 incurred prior to commercial operation, including, but not
5 limited to, costs associated with the siting, design,
6 licensing, or construction of the plant, shall not be subject
7 to challenge unless and only to the extent the commission
8 finds, based on a preponderance of the evidence adduced at a
9 hearing before the commission under s. 120.57, that certain
10 costs were imprudently incurred. Proceeding with the
11 construction of the nuclear or integrated gasification
12 combined cycle power plant following an order by the
13 commission approving the need for the nuclear or integrated
14 gasification combined cycle power plant under this act shall
15 not constitute or be evidence of imprudence. Imprudence shall
16 not include any cost increases due to events beyond the
17 utility's control. Further, a utility's right to recover costs
18 associated with a nuclear or integrated gasification combined
19 cycle power plant may not be raised in any other forum or in
20 the review of proceedings in such other forum. Costs incurred
21 prior to commercial operation shall be recovered pursuant to
22 chapter 366.

23 Section 16. Section 377.802, Florida Statutes, is
24 amended to read:

25 377.802 Purposes ~~Purpose~~.--

26 (1) This act is intended to provide matching grants to
27 stimulate capital investment in the state and to enhance the
28 market for and promote the statewide utilization of renewable
29 energy technologies. The targeted grants program is designed
30 to advance the already growing establishment of renewable
31 energy technologies in the state and encourage the use of

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1 other incentives such as tax exemptions and regulatory
2 certainty to attract additional renewable energy technology
3 producers, developers, and users to the state.

4 (2) This act is ~~also~~ intended to provide incentives
5 for the purchase of energy-efficient appliances and rebates
6 for solar energy equipment installations for residential and
7 commercial buildings. In order to promote energy efficiency
8 and conservation of the state's resources, the month of
9 October shall annually be designated "Energy Efficiency and
10 Conservation Month."

11 Section 17. Subsection (2) of section 377.803, Florida
12 Statutes, is repealed.

13 Section 18. Subsection (6) of section 377.804, Florida
14 Statutes, is repealed.

15 Section 19. Section 377.806, Florida Statutes, is
16 amended to read:

17 377.806 Solar Energy System Incentives Program.--

18 (1) PURPOSE.--The Solar Energy System Incentives
19 Program is established within the department to provide
20 financial incentives for the purchase and installation of
21 solar energy systems.

22 (2) ELIGIBILITY.--

23 (a) Any resident of the state who purchases and
24 installs a new solar energy system of 2 kilowatts or larger
25 for a solar photovoltaic system, a solar energy system that
26 provides at least 50 percent of a building's hot water
27 consumption for a solar thermal system, or a solar thermal
28 pool heater, from July 1, 2006, through June 30, 2010, is
29 eligible for a rebate on a portion of the purchase price of
30 that solar energy system.

31 (b) Payment of a rebate may be made only to the final

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1 purchaser of an eligible system.

2 ~~(3)(2)~~ SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.--

3 (a) System ~~Eligibility~~ requirements.--A solar
4 photovoltaic system qualifies for a rebate if:

5 1. The system is installed by a state-licensed master
6 electrician, electrical contractor, or solar contractor.

7 2. The system complies with state interconnection
8 standards as provided by the commission.

9 3. The system complies with all applicable building
10 codes as defined by the local jurisdictional authority.

11 (b) Rebate amounts.--The rebate amount shall be set at
12 \$4 per watt based on the total wattage rating of the system.
13 The maximum allowable rebate per solar photovoltaic system
14 installation shall be as follows:

15 1. Twenty thousand dollars for a residence.

16 2. One hundred thousand dollars for a place of
17 business, a publicly owned or operated facility, or a facility
18 owned or operated by a private, not-for-profit organization,
19 including condominiums or apartment buildings.

20 ~~(4)(3)~~ SOLAR THERMAL SYSTEM INCENTIVE.--

21 (a) Eligibility requirements.--A solar thermal system
22 qualifies for a rebate if:

23 1. The system is installed by a state-licensed solar
24 or plumbing contractor.

25 2. The system complies with all applicable building
26 codes as defined by the local jurisdictional authority.

27 (b) Rebate amounts.--Authorized rebates for
28 installation of solar thermal systems shall be as follows:

29 1. Five hundred dollars for a residence.

30 2. Fifteen dollars per 1,000 Btu up to a maximum of
31 \$5,000 for a place of business, a publicly owned or operated

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1 facility, or a facility owned or operated by a private,
2 not-for-profit organization, including condominiums or
3 apartment buildings. ~~Btu must be verified by approved metering~~
4 ~~equipment.~~

5 (5)~~(4)~~ SOLAR THERMAL POOL HEATER INCENTIVE.--

6 (a) Eligibility requirements.--A solar thermal pool
7 heater qualifies for a rebate if the system is installed by a
8 state-licensed solar or plumbing contractor and the system
9 complies with all applicable building codes as defined by the
10 local jurisdictional authority.

11 (b) Rebate amount.--Authorized rebates for
12 installation of solar thermal pool heaters shall be \$100 per
13 installation.

14 (6)~~(5)~~ APPLICATION.--Application for a rebate must be
15 made within 90 days after the purchase of the solar energy
16 equipment.

17 (7) LIMITS.--Rebates are limited to one per type of
18 system described in paragraph (2)(a) per resident per state
19 fiscal year.

20 (8)~~(6)~~ REBATE AVAILABILITY.--The department shall
21 determine and publish on a regular basis the amount of rebate
22 funds remaining in each fiscal year. The total dollar amount
23 of all rebates issued by the department is subject to the
24 total amount of appropriations in any fiscal year for this
25 program. If funds are insufficient during the current fiscal
26 year, any requests for rebates received during that fiscal
27 year may be processed during the following fiscal year.
28 Requests for rebates received in a fiscal year that are
29 processed during the following fiscal year shall be given
30 priority over requests for rebates received during the
31 following fiscal year.

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1 ~~(9)(7)~~ RULES.--The department shall adopt rules
2 pursuant to ss. 120.536(1) and 120.54 to develop rebate
3 applications and administer the issuance of rebates.

4 Section 20. Section 212.0802, Florida Statutes, is
5 created to read:

6 212.0802 Sales tax exemption for energy efficient
7 products.--

8 (1) To encourage Floridians to conserve energy and use
9 energy efficiently, the weeks beginning October 1, 2007, and
10 March 3, 2008, are designated "Energy Efficiency and
11 Conservation Weeks."

12 (2) The tax levied under this chapter may not be
13 collected from 12:01 a.m., October 1, 2007, through midnight,
14 October 7, 2007, and from 12:01 a.m., March 3, 2008, through
15 midnight, April 9, 2008, on the sale of a new energy-efficient
16 product having a selling price of \$1,500 or less per product
17 during that period. This exemption applies only when the
18 energy-efficient product is purchased for noncommercial home
19 or personal use and does not apply when the product is
20 purchased for trade, business, or resale. As used in this
21 section, the term "energy-efficient product" means a
22 dishwasher, clothes washer, air conditioner, ceiling fan,
23 fluorescent light bulb, dehumidifier, programmable thermostat,
24 or refrigerator that has been designated by the United States
25 Environmental Protection Agency or by the United States
26 Department of Energy as meeting or exceeding the requirements
27 under the Energy Star Program of either agency. Purchases made
28 under this section may not be made using a business or company
29 credit or debit card or check. Any construction company,
30 building contractor, or commercial business or entity that
31 purchases or attempts to purchase the energy-efficient

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1 products as exempt under this section commits an unfair method
 2 of competition in violation of s. 501.204, punishable as
 3 provided in s. 501.2075. The Department of Revenue may adopt
 4 rules under ss. 120.536(1) and 120.54 to administer this
 5 section.

6 Section 21. Section 377.901, Florida Statutes, is
 7 amended to read:

8 377.901 Florida Energy Commission.--

9 (1) The Florida Energy Commission is created and shall
 10 be located within the Office of Legislative Services but is to
 11 otherwise function independently for administrative purposes.
 12 The commission shall be comprised of a total of 13 ~~nine~~
 13 members.

14 (a) The members shall be appointed as follows: the
 15 Governor, the President of the Senate, and the Speaker of the
 16 House of Representatives shall appoint four members each and
 17 shall jointly appoint the 13th ~~ninth~~ member, who shall serve
 18 as chair, except that the term of the first chair previously
 19 appointed by the President of the Senate and the Speaker of
 20 the House of Representatives prior to the Governor's ability
 21 to appoint commissioners shall not be affected by the
 22 additional commissioners to be appointed by the Governor. If
 23 at any time a sitting commissioner is appointed chair, that
 24 commissioner shall begin a new 2-year term at the time of
 25 appointment. Members shall be appointed to 2-year terms;
 26 however, in order to establish staggered terms, for the
 27 initial appointments, each appointing official shall appoint
 28 two members to a 1-year term and two members to a 2-year term.
 29 The Governor's initial appointments shall also be staggered in
 30 the manner described in this paragraph. Members must meet the
 31 following qualifications and restrictions:

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1 1. A member must be an expert in one or more of the
 2 following fields: energy, natural resource conservation,
 3 economics, engineering, finance, law, consumer protection,
 4 state energy policy, or another field substantially related to
 5 the duties and functions of the commission. The commission
 6 shall fairly represent the fields specified in this
 7 subparagraph.

8 2. Each member shall, at the time of appointment and
 9 at each commission meeting during his or her term of office,
 10 disclose:

11 a. Whether he or she has any financial interest, other
 12 than ownership of shares in a mutual fund, in any business
 13 entity that, directly or indirectly, owns or controls, or is
 14 an affiliate or subsidiary of, any business entity that may
 15 profit by the policy recommendations developed by the
 16 commission.

17 b. Whether he or she is employed by or is engaged in
 18 any business activity with any business entity that, directly
 19 or indirectly, owns or controls, or is an affiliate or
 20 subsidiary of, any business entity that may profit by the
 21 policy recommendations developed by the commission.

22 (b) The following are ex officio, nonvoting members
 23 who may also attend meetings and provide information and
 24 advise at the request of the chair:

25 1. The chair of the Florida Public Service Commission,
 26 or his or her designee.

27 2. The Public Counsel, or his or her designee.

28 3. The Commissioner of Agriculture, or his or her
 29 designee.

30 4. The Director of the Office of Insurance Regulation,
 31 or his or her designee.

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1 5. The Secretary of Health, or his or her designee.

2 6. The chair of the State Board of Education, or his
3 or her designee.

4 7. The Secretary of Community Affairs, or his or her
5 designee.

6 8. The Secretary of Transportation, or his or her
7 designee.

8 9. The Secretary of Environmental Protection, or his
9 or her designee.

10 (2) Members shall serve without compensation but are
11 entitled to reimbursement for per diem and travel expenses as
12 provided in s. 112.061. Ex officio, nonvoting members are
13 entitled to the same reimbursement through their respective
14 agency budgets.

15 (3) Meetings of the commission shall be held in
16 various locations around the state and at the call of the
17 chair; however, the commission must meet at least twice each
18 year.

19 (4)(a) The commission may employ staff to assist in
20 the performance of its duties, including an executive
21 director, an attorney, a communications staff member, and an
22 executive assistant. To carry out the duties of the
23 commission, the chair of the commission, or the chair's
24 designee, shall make all spending decisions within the annual
25 operating budget approved by the President of the Senate and
26 the Speaker of the House of Representatives, including the
27 compensation of the commission's staff.

28 (b) The commission may form advisory groups consisting
29 of members of the public to provide information on specific
30 issues.

31 (5) The commission shall develop recommendations for

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1 | legislation to establish a state energy policy. The
2 | recommendations of the commission shall be based on the
3 | guiding principles of reliability, efficiency, affordability,
4 | and diversity as provided in subsection (7). The commission
5 | shall continually review the state energy policy and shall
6 | recommend to the Legislature any additional necessary changes
7 | or improvements. In carrying out this responsibility, the
8 | commission may conduct research, hold public meetings, and
9 | make recommendations on any individual substantive issue that
10 | may be included in such policy, including, but not limited to,
11 | climate change, greenhouse gas reduction, renewable energy,
12 | conservation, and power generation, transmission, and
13 | distribution.

14 | (6)(a) The commission shall report by December 31 of
15 | each year to the Governor, the President of the Senate, and
16 | the Speaker of the House of Representatives on its progress
17 | and recommendations, including draft legislation.

18 | (b) The commission's initial report must be filed by
19 | December 31, 2007, and must identify incentives for research,
20 | development, or deployment projects involving the goals and
21 | issues set forth in this section; set forth policy
22 | recommendations for conservation of all forms of energy; and
23 | set forth a plan of action, together with a timetable, for
24 | addressing additional issues.

25 | ~~(c) The commission's initial report shall also~~
26 | ~~recommend consensus-based public involvement processes that~~
27 | ~~evaluate greenhouse gas emissions in this state and make~~
28 | ~~recommendations regarding related economic, energy, and~~
29 | ~~environmental benefits.~~

30 | ~~(c)(d)~~ The report must include a recommendation
31 | ~~recommended steps and a schedule for the development of a~~

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1 comprehensive state climate action plan with greenhouse gas
2 reduction through a public-involvement process, including
3 transportation and land use; power generation; residential,
4 commercial, and industrial activities; waste management;
5 agriculture and forestry; emissions-reporting systems; and
6 public education.

7 (7) In developing its recommendations, the commission
8 shall be guided by the principles of reliability, efficiency,
9 affordability, and diversity, and more specifically as
10 follows:

11 (a) The state should have a reliable electric supply
12 with adequate reserves.

13 (b) The transmission and delivery of electricity
14 should be reliable.

15 (c) The generation, transmission, and delivery of
16 electricity should be accomplished with the least detriment to
17 the environment and public health.

18 (d) The generation, transmission, and delivery of
19 electricity should be accomplished compatibly with the goals
20 for growth management.

21 (e) Electricity generation, transmission, and delivery
22 facilities should be reasonably secure from damage, taking all
23 factors into consideration, and recovery from damage should be
24 prompt.

25 (f) Electric rates should be affordable, as to base
26 rates and all recovery-clause additions, with sufficient
27 incentives for utilities to achieve this goal.

28 (g) The state should have a reliable supply of motor
29 vehicle fuels, both under normal circumstances and during
30 hurricanes and other emergency situations.

31 (h) In-state research, development, and deployment of

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1 alternative energy technologies and alternative motor vehicle
2 fuels should be encouraged.

3 (i) When possible, the resources of the state should
4 be used in achieving the goals enumerated in this subsection.

5 (j) Consumers of energy should be encouraged and given
6 incentives to be more efficient in their use of energy.

7 (8) The commission's first report shall also contain
8 recommendations on net metering. The commission shall research
9 the application of net metering in those situations in which a
10 customer of an electric utility produces, by means of one or
11 more renewable energy systems, more energy than he or she uses
12 and as a result has excess energy to sell back to the electric
13 utility. The commission's research shall address the
14 appropriateness of this process for encouraging the
15 development and use of renewable energy systems, power
16 generation reliability, pricing considerations, and any other
17 factor the commission deems necessary for an understanding of
18 the issue.

19
20 It is the specific intent of the Legislature that nothing in
21 this section shall in any way change the powers, duties, and
22 responsibilities of the Public Service Commission or the
23 powers, duties, and responsibilities assigned by the Florida
24 Electrical Power Plant Siting Act, ss. 403.501-403.518.

25 Section 22. Section 403.0874, Florida Statutes, is
26 created to read:

27 403.0874 Greenhouse gas inventories.--

28 (1) The Department of Environmental Protection shall
29 develop gas inventories of all major greenhouse gases to
30 account for annual greenhouse gases emitted to and removed
31 from the atmosphere, and shall also forecast gases emitted and

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1 removed, for time periods determined sufficient by the
2 department to provide for adequate analysis and planning.

3 (2) By rule, the department shall define which
4 greenhouse gases are to be included in each inventory, the
5 criteria for defining major emitters, which emitters must
6 report emissions, and what methodologies shall be used to
7 estimate gases emitted and removed from those not required to
8 report.

9 (3) The department may require all major emitters of
10 defined greenhouse gases to report emissions according to
11 methodologies and reporting systems approved by the department
12 and established by rule, which may include the use of
13 quality-assured data from continuous emissions monitoring
14 systems.

15 (4) The department shall provide a summary report of
16 greenhouse gas inventories at least once a year to the Florida
17 Energy Commission created by s. 377.901 for its use in its
18 long-term evaluations and for preparing the report required by
19 s. 377.901(6).

20 Section 23. Section 489.145, Florida Statutes, is
21 amended to read:

22 489.145 Guaranteed energy performance savings
23 contracting.--

24 (1) SHORT TITLE.--This section may be cited as the
25 "Guaranteed Energy Performance Savings Contracting Act."

26 (2) LEGISLATIVE FINDINGS.--The Legislature finds that
27 investment in energy conservation measures in agency
28 facilities can reduce the amount of energy consumed and
29 produce immediate and long-term savings. It is the policy of
30 this state to encourage agencies to invest in energy
31 conservation measures ~~that reduce energy consumption, produce~~

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1 ~~a cost savings for the agency, and improve the quality of~~
2 ~~indoor air in public facilities and to operate, maintain, and,~~
3 ~~when economically feasible, build or renovate existing agency~~
4 ~~facilities in such a manner as to minimize energy consumption~~
5 and maximize energy savings. It is further the policy of this
6 state to encourage agencies to reinvest any energy savings
7 resulting from energy conservation measures in additional
8 energy conservation efforts.

9 (3) DEFINITIONS.--As used in this section, the term:

10 (a) "Agency" means the state, a municipality, or a
11 political subdivision.

12 (b) "Energy conservation measure" means a ~~training~~
13 ~~program,~~ facility alteration, or an equipment purchase to be
14 used in new construction, including an addition to an existing
15 facility, which reduces energy or energy-related operating
16 costs and includes, but is not limited to:

17 1. Insulation of the facility structure and systems
18 within the facility.

19 2. Storm windows and doors, caulking or
20 weatherstripping, multiglazed windows and doors,
21 heat-absorbing, or heat-reflective, glazed and coated window
22 and door systems, additional glazing, reductions in glass
23 area, and other window and door system modifications that
24 reduce energy consumption.

25 3. Automatic energy control systems.

26 4. Heating, ventilating, or air-conditioning system
27 modifications or replacements.

28 5. Replacement or modifications of lighting fixtures
29 to increase the energy efficiency of the lighting system,
30 which, at a minimum, must conform to the applicable state or
31 local building code.

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1 6. Energy recovery systems.

2 7. Cogeneration systems that produce steam or forms of
3 energy such as heat, as well as electricity, for use primarily
4 within a facility or complex of facilities.

5 8. Energy conservation measures that reduce Btu, kW,
6 or kWh consumed or provide long-term operating cost reductions
7 ~~or significantly reduce Btu consumed.~~

8 9. Renewable energy systems, such as solar, biomass,
9 or wind systems.

10 10. Devices that reduce water consumption or sewer
11 charges.

12 11. Storage systems, such as fuel cells and thermal
13 storage.

14 12. Generating technologies, such as microturbines.

15 13. Any other repair, replacement, or upgrade of
16 existing equipment.

17 (c) "Energy cost savings" means a measured reduction
18 in the cost of fuel, energy consumption, and stipulated
19 operation and maintenance created from the implementation of
20 one or more energy conservation measures when compared with an
21 established baseline for the previous cost of fuel, energy
22 consumption, and stipulated operation and maintenance.

23 (d) "Guaranteed energy performance savings contract"
24 means a contract for the evaluation, recommendation, and
25 implementation of energy conservation measures or
26 energy-related operational savings measures, which, at a
27 minimum, shall include:

28 1. The design and installation of equipment to
29 implement one or more of such measures and, if applicable,
30 operation and maintenance of such measures.

31 2. The amount of any actual annual savings that meet

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1 or exceed total annual contract payments made by the agency
 2 for the contract and may include allowable cost avoidance. As
 3 used in this section, allowable cost-avoidance calculations
 4 include, but are not limited to, avoided provable budgeted
 5 costs contained in a capital replacement plan less the current
 6 undepreciated value of replaced equipment and the replacement
 7 cost of the new equipment.

8 3. The finance charges incurred by the agency over the
 9 life of the contract.

10 (e) "Guaranteed energy performance savings contractor"
 11 means a person or business that is licensed under chapter 471,
 12 chapter 481, or this chapter, and is experienced in the
 13 analysis, design, implementation, or installation of energy
 14 conservation measures through energy performance contracts.

15 (4) PROCEDURES.--

16 (a) An agency may enter into a guaranteed energy
 17 performance savings contract with a guaranteed energy
 18 performance savings contractor to ~~significantly~~ reduce energy
 19 consumption or energy-related operating costs of an agency
 20 facility through one or more energy conservation measures.

21 (b) Before design and installation of energy
 22 conservation measures, the agency must obtain from a
 23 guaranteed energy performance savings contractor a report that
 24 summarizes the costs associated with the energy conservation
 25 measures or energy-related operational-cost-savings measures
 26 and provides an estimate of the amount of the ~~energy~~ cost
 27 savings. The agency and the guaranteed energy performance
 28 savings contractor may enter into a separate agreement to pay
 29 for costs associated with the preparation and delivery of the
 30 report; however, payment to the contractor shall be contingent
 31 upon the report's projection of energy or operational cost

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1 savings being equal to or greater than the total projected
2 costs of the design and installation of the report's energy
3 conservation measures.

4 (c) The agency may enter into a guaranteed energy
5 performance savings contract with a guaranteed energy
6 performance savings contractor if the agency finds that the
7 amount the agency would spend on the energy conservation or
8 energy-related cost savings measures will not likely exceed
9 the amount of the energy or energy-related cost savings for up
10 to 20 years from the date of installation, based on the life
11 cycle cost calculations provided in s. 255.255, if the
12 recommendations in the report were followed and if the
13 qualified provider or providers give a written guarantee that
14 the energy or energy-related cost savings will meet or exceed
15 the costs of the system. However, actual computed cost savings
16 must meet or exceed the estimated cost savings provided in
17 program approval. Baseline adjustments used in calculations
18 must be specified in the contract. The contract may provide
19 for installment payments for a period not to exceed 20 years.

20 (d) A guaranteed energy performance savings contractor
21 must be selected in compliance with s. 287.055; except that if
22 fewer than three firms are qualified to perform the required
23 services, the requirement for agency selection of three firms,
24 as provided in s. 287.055(4)(b), and the bid requirements of
25 s. 287.057 do not apply.

26 (e) Before entering into a guaranteed energy
27 performance savings contract, an agency must provide published
28 notice of the meeting in which it proposes to award the
29 contract, the names of the parties to the proposed contract,
30 and the contract's purpose.

31 (f) A guaranteed energy performance savings contract

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1 may provide for financing, including tax exempt financing, by
2 a third party. The contract for third party financing may be
3 separate from the energy performance contract. A separate
4 contract for third party financing must include a provision
5 that the third party financier pursuant to this paragraph must
6 not be granted rights or privileges that exceed the rights and
7 privileges available to the guaranteed energy performance
8 savings contractor.

9 (g) Financing for guaranteed energy performance
10 savings contracts may be provided under the authority of s.
11 287.064.

12 (h) The Office of the Chief Financial Officer shall
13 review proposals to ensure that the most effective financing
14 is being used.

15 (i)(g) In determining the amount the agency will
16 finance to acquire the energy conservation measures, the
17 agency may reduce such amount by the application of any grant
18 moneys, rebates, or capital funding available to the agency
19 for the purpose of buying down the cost of the guaranteed
20 energy performance savings contract. However, in calculating
21 the life cycle cost as required in paragraph (c), the agency
22 shall not apply any grants, rebates, or capital funding.

23 (5) CONTRACT PROVISIONS.--

24 (a) A guaranteed energy performance savings contract
25 must include a written guarantee that may include, but is not
26 limited to the form of, a letter of credit, insurance policy,
27 or corporate guarantee by the guaranteed energy performance
28 savings contractor that annual energy cost savings will meet
29 or exceed the amortized cost of energy conservation measures.

30 (b) The guaranteed energy performance savings contract
31 must provide that all payments, except obligations on

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1 termination of the contract before its expiration, may be made
2 over time, but not to exceed 20 years from the date of
3 complete installation and acceptance by the agency, and that
4 the annual savings are guaranteed to the extent necessary to
5 make annual payments to satisfy the guaranteed energy
6 performance savings contract.

7 (c) The guaranteed energy performance savings contract
8 must require that the guaranteed energy performance savings
9 contractor to whom the contract is awarded provide a
10 100-percent public construction bond to the agency for its
11 faithful performance, as required by s. 255.05.

12 (d) The guaranteed energy performance savings contract
13 may contain a provision allocating to the parties to the
14 contract any annual energy cost savings that exceed the amount
15 of the energy cost savings guaranteed in the contract.

16 (e) The guaranteed energy performance savings contract
17 shall require the guaranteed energy performance savings
18 contractor to provide to the agency an annual reconciliation
19 of the guaranteed energy or energy-related cost savings. If
20 the reconciliation reveals a shortfall in annual energy or
21 energy-related cost savings, the guaranteed energy performance
22 savings contractor is liable for such shortfall. If the
23 reconciliation reveals an excess in annual ~~energy~~ cost
24 savings, the excess savings may be allocated under paragraph
25 (d) but may not be used to cover potential energy cost savings
26 shortages in subsequent contract years.

27 (f) The guaranteed energy performance savings contract
28 must provide for payments of not less than one-twentieth of
29 the price to be paid within 2 years from the date of the
30 complete installation and acceptance by the agency using
31 straight-line amortization for the term of the loan, and the

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1 remaining costs to be paid at least quarterly, not to exceed a
2 20-year term, based on life cycle cost calculations.

3 (g) The guaranteed energy performance savings contract
4 may extend beyond the fiscal year in which it becomes
5 effective; however, the term of any contract expires at the
6 end of each fiscal year and may be automatically renewed
7 annually for up to 20 years, subject to the agency making
8 sufficient annual appropriations based upon continued realized
9 energy savings.

10 (h) The guaranteed energy performance savings contract
11 must stipulate that it does not constitute a debt, liability,
12 or obligation of the state.

13 (6) PROGRAM ADMINISTRATION AND CONTRACT REVIEW.--The
14 Department of Management Services, with the assistance of the
15 Office of the Chief Financial Officer, shall ~~may~~, within
16 available resources, provide technical content assistance to
17 state agencies contracting for energy conservation measures
18 and engage in other activities considered appropriate by the
19 department for promoting and facilitating guaranteed energy
20 performance contracting by state agencies. The Office of the
21 Chief Financial Officer, with the assistance of the Department
22 of Management Services, shall ~~may, within available resources,~~
23 develop model contractual and related documents for use by
24 state agencies. Prior to entering into a guaranteed energy
25 performance savings contract, any contract or lease for
26 third-party financing, or any combination of such contracts, a
27 state agency shall submit such proposed contract or lease to
28 the Office of the Chief Financial Officer for review and
29 approval.

30 A proposed contract or lease shall include:

31 (a) Supporting information required by s.

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1 216.023(4)(a)9.

2 (b) Documentation supporting recurring funds
3 requirements in ss. 287.063(5) and 287.064(11).

4 (c) Approval by the agency head or his or her
5 designee.

6 (d) An agency measurement and verification plan to
7 monitor cost savings.

8 (7) FUNDING SUPPORT.--For purposes of consolidated
9 financing of deferred payment commodity contracts under this
10 section by a state agency, the annualized amount of any such
11 contract must be supported from available recurring funds
12 appropriated to the agency in an appropriation category, as
13 defined in chapter 216, which the Chief Financial Officer has
14 determined is appropriate or which the Legislature has
15 designated for payment of the obligation incurred under this
16 section.

17
18 The Office of the Chief Financial Officer may not approve any
19 contract submitted under this section which does not meet the
20 requirements of this section.

21 Section 24. Section 570.956, Florida Statutes, is
22 created to read:

23 570.956 Farm-to-Fuel Advisory Council.

24 (1) The Farm-to-Fuel Advisory Council is created
25 within the department to provide advice and counsel to the
26 commissioner concerning the production of renewable energy in
27 this state. The advisory council shall consist of 15 members,
28 14 of whom shall be appointed by the commissioner and one of
29 whom shall be appointed by the Governor for 4-year terms or
30 until a successor is duly qualified and appointed. Members
31 shall include:

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1 (a) One citizen-at-large member who represents the
2 views of the public toward renewable energy.

3 (b) Six members, each of whom is a producer or grower
4 actively engaged in the agricultural area of one of the
5 following industries:

- 6 1. Sugarcane.
- 7 2. Citrus.
- 8 3. Field crops.
- 9 4. Dairy.
- 10 5. Livestock or poultry.
- 11 6. Forestry.

12 (c) One member who represents the petroleum industry
13 or who is actively engaged in the trade of petroleum products.

14 (d) One member who represents public utilities or the
15 electric power industry.

16 (e) Two members who represent colleges and
17 universities in this state and who are engaged in research
18 involving alternative fuels or renewable energy.

19 (f) One member who represents the environmental
20 community or an environmental organization.

21 (g) One member who represents the ethanol industry or
22 who has expertise in the production of ethanol.

23 (h) One member who represents the biodiesel industry
24 or who has expertise in the production of biodiesel.

25 (i) One member appointed by the Governor.

26 (2) The council is an advisory committee the operation
27 of which is governed by s. 570.0705.

28 Section 25. Section 570.957, Florida Statutes, is
29 created to read:

30 570.957 Farm-to-Fuel Grants Program.

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

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1 (a) "Bioenergy" means useful, renewable energy
 2 produced from organic matter through the conversion of the
 3 complex carbohydrates in organic matter to energy. Organic
 4 matter may be used directly as a fuel, be processed into
 5 liquids or gases, or constitute a residue of processing and
 6 conversion.

7 (b) "Department" means the Department of Agriculture
 8 and Consumer Services.

9 (c) "Person" means an individual, partnership, joint
 10 venture, private or public corporation, association, firm,
 11 public service company, or other public or private entity.

12 (d) "Renewable energy" means electrical, mechanical,
 13 or thermal energy produced from a method that uses one or more
 14 of the following fuels or energy sources: hydrogen, biomass,
 15 solar energy, geothermal energy, wind energy, ocean energy,
 16 waste heat, or hydroelectric power.

17 (2) The Farm-to-Fuel Grants Program is established
 18 within the Department of Agriculture and Consumer Services to
 19 provide renewable energy matching grants for demonstration,
 20 commercialization, research, and development projects relating
 21 to bioenergy projects.

22 (a) Matching grants for bioenergy demonstration,
 23 commercialization, research, and development projects may be
 24 made to any of the following:

- 25 1. Municipalities and county governments.
- 26 2. Established for-profit companies licensed to do
 27 business in the state.
- 28 3. Universities and colleges in the state.
- 29 4. Utilities located and operating within the state.
- 30 5. Not-for-profit organizations.
- 31 6. Other qualified persons, as determined by the

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1 Department of Agriculture and Consumer Services.

2 (b) The Department of Agriculture and Consumer
3 Services may adopt rules to provide for allocation of grant
4 funds by project type, application requirements, ranking of
5 applications, and awarding of grants under this program.

6 (c) Factors for consideration in awarding grants may
7 include, but are not limited to, the degree to which:

8 1. The project produces bioenergy from Florida-grown
9 crops or biomass.

10 2. The project demonstrates efficient use of energy
11 and material resources.

12 3. Matching funds and in-kind contributions from an
13 applicant are available.

14 4. The project has a reasonable assurance of enhancing
15 the value of agricultural products or will expand agribusiness
16 in the state.

17 5. Preliminary market and feasibility research has
18 been conducted by the applicant or others and shows that there
19 is a reasonable assurance of a potential market.

20 6. The project stimulates in-state capital investment
21 and economic development in metropolitan and rural areas,
22 including the creation of jobs and the future development of a
23 commercial market for bioenergy.

24 (d) In evaluating and awarding grants under this
25 section, the Department of Agriculture and Consumer Services
26 shall consult with and solicit input from the Department of
27 Environmental Protection.

28 (e) In determining the technical feasibility of grant
29 applications, the Department of Agriculture and Consumer
30 Services shall coordinate and actively consult with persons
31 having expertise in renewable energy technologies.

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1 (f) In determining the economic feasibility of
 2 bioenergy grant applications, the Department of Agriculture
 3 and Consumer Services shall consult with the Office of
 4 Tourism, Trade, and Economic Development.

5 Section 26. Section 570.958, Florida Statutes, is
 6 created to read:

7 570.958 Biofuel Retail Sales Incentive Program.--

8 (1) The purpose of this section is to encourage the
 9 retail sale of biofuels in this state and replace petroleum
 10 consumption in the state by the following percentages over the
 11 specified periods:

12 (a) Three percent from January 1, 2008, through
 13 December 31, 2008.

14 (b) Five percent from January 1, 2009, through
 15 December 31, 2009.

16 (c) Seven percent from January 1, 2010, through
 17 December 31, 2010.

18 (d) Ten percent from January 1, 2011, through December
 19 31, 2011.

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

21 (a) "Biodiesel" means the mono-alkyl esters of
 22 long-chain fatty acids derived from plant or animal matter for
 23 use as a source of energy and meeting the specifications for
 24 biodiesel and biodiesel blended with petroleum products as
 25 adopted by the department.

26 (b) "Biodiesel blended fuel" means a fuel mixture
 27 containing 10 percent or more biodiesel with the balance
 28 comprised of diesel fuel and meeting the specifications for
 29 biodiesel blends as adopted by the department.

30 (c) "Biofuel" means E85 fuel ethanol, E10 motor fuel,
 31 biodiesel, and biodiesel blended fuel.

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1 (d) "E85 fuel ethanol" means ethanol blended with
 2 gasoline and formulated with a nominal percentage of 85
 3 percent ethanol by volume and meeting the applicable fuel
 4 quality specifications as adopted by the department.

5 (e) "E10 motor fuel" means a motor fuel blend
 6 consisting of nominal percentages of 90 percent gasoline by
 7 volume and 10 percent ethanol by volume and meeting the fuel
 8 quality specifications for gasoline as adopted by the
 9 department.

10 (f) "Ethanol or fuel ethanol" means an anhydrous
 11 denatured alcohol produced by the conversion of carbohydrates
 12 and meeting the specifications for fuel ethanol as adopted by
 13 the department.

14 (g) "Fuel dispenser" means a pump, meter, or similar
 15 device used to measure and deliver motor fuel or diesel fuel
 16 on a retail basis.

17 (h) "Retail dealer" means any person who is engaged in
 18 the business of selling fuel at retail at posted retail
 19 prices.

20 (i) "Retail motor fuel site" means a geographic
 21 location in this state where a retail dealer sells or offers
 22 for sale motor fuel, diesel fuel, or biofuel to the general
 23 public.

24 (3)(a) Subject to specific appropriation, a retail
 25 dealer who sells biofuel through fuel dispensers at retail
 26 motor fuel sites is entitled to an incentive payment, which
 27 shall be computed as follows:

28 1. An incentive of 1 cent for each gallon of E10 motor
 29 fuel sold through a fuel dispenser.

30 2. An incentive of 3 cents for each gallon of E85 fuel
 31 ethanol sold through a fuel dispenser.

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1 3. An incentive of 1 cent for each gallon of biodiesel
2 blended fuel sold through a fuel dispenser.

3 4. An incentive of 3 cents for each gallon of
4 biodiesel sold through a fuel dispenser.

5 (b) The incentive may be claimed for biofuel sold on
6 or after January 1, 2008. Beginning in 2009, each applicant
7 claiming an incentive under this section must first apply to
8 the department by February 1 of each year for an allocation of
9 the available incentive for the preceding calendar year. The
10 department shall develop an application form. The application
11 form shall, at a minimum, require a sworn affidavit from each
12 retail dealer certifying the following information:

13 1. The name and principal address of the retail
14 dealer.

15 2. The address of the retail dealer's retail motor
16 fuel sites from which it sold biofuels during the preceding
17 calendar year.

18 3. The total gallons of E10 ethanol sold through fuel
19 dispensers.

20 4. The total gallons of E85 ethanol sold through fuel
21 dispensers.

22 5. The total gallons of biodiesel blended fuel sold
23 through fuel dispensers.

24 6. The total gallons of biodiesel sold through fuel
25 dispensers.

26 7. Any other information deemed necessary by the
27 department to adequately ensure that the incentive allowed
28 under this section is made only to qualified Florida retail
29 dealers.

30 (c) The department shall determine the amount of the
31 incentive allowed under this section.

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1 (4) If the amount of incentives applied for each year
 2 exceeds the amount appropriated, the department shall pay to
 3 each applicant a prorated amount based on each applicant's
 4 gallonge of qualified biofuel sold and dispensed which is
 5 eligible for the incentive under this section.

6 (5) The department may adopt rules pursuant to ss.
 7 120.536(1) and 120.54 to implement and administer this
 8 section, including rules prescribing forms, the documentation
 9 needed to substantiate a claim for the incentive, and the
 10 specific procedures and guidelines for claiming the incentive.

11 Section 27. Section 570.959, Florida Statutes, is
 12 created to read:

13 570.959 Florida Biofuel Production Incentive
 14 Program.--

15 (1) The purpose of this section is to encourage the
 16 development and expansion of facilities that produce biofuels
 17 in this state from crops, agricultural waste and residues, and
 18 other biomass produced in Florida by providing economic
 19 incentives to do so.

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

21 (a) "Biodiesel" means the mono-alkyl esters of
 22 long-chain fatty acids derived from plant or animal matter for
 23 use as a source of energy and meeting the specifications for
 24 biodiesel and biodiesel blended with petroleum products as
 25 adopted by the department.

26 (b) "Biofuel" means ethanol or biodiesel.

27 (c) "Ethanol" or "fuel ethanol" means an anhydrous
 28 denatured alcohol produced by the conversion of carbohydrates
 29 and meeting the specifications for fuel ethanol adopted by the
 30 department.

31 (d) "Florida biofuel production" means production of

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1 biofuel in the state from crops, agricultural waste and
2 residues, and other biomass produced in Florida.

3 (3) In order to be eligible for the incentive provided
4 in this section, a producer must have registered and have met
5 the requirements contained in chapter 206.

6 (4) An incentive, subject to appropriation, shall be
7 paid to a producer based on Florida biofuel production as
8 follows:

9 (a) The incentive shall be 5 cents for each gallon of
10 unblended Florida biofuel produced, exclusive of denaturant,
11 during a given calendar year and sold to an unrelated blender
12 of biofuel.

13 (b) The incentive may be earned for production on or
14 after January 1, 2008. Beginning in 2009, each producer
15 claiming an incentive under this section must first apply to
16 the department by February 1 of each year for an allocation of
17 available incentives. The department shall develop an
18 application form that shall, at a minimum, require a sworn
19 affidavit from each producer certifying the production that
20 forms the basis of the application and certifying that all
21 information contained in the application is true and correct.

22 (c) The department shall determine whether or not such
23 production is eligible for the incentive under this section.

24 (d) If the amount of incentives applied for each year
25 exceeds the amount appropriated, the department shall pay to
26 each applicant a prorated amount based on the percentage of
27 biofuel produced that is eligible for the incentive under this
28 section.

29 (5) The department may adopt rules pursuant to ss.
30 120.536(1) and 120.54 to implement and administer this
31 section, including rules prescribing forms, the documentation

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1 needed to substantiate a claim for the incentive, and the
2 specific procedures and guidelines for claiming the incentive.

3 Section 28. (1) The Florida Building Commission shall
4 convene a workgroup comprised of representatives from the
5 Florida Energy Commission, the Department of Community
6 Affairs, the Building Officials Association of Florida, the
7 Florida Energy Office, the Florida Home Builders Association,
8 the Association of Counties, the League of Cities, and other
9 stakeholders to develop a model residential energy efficiency
10 ordinance that provides incentives to meet energy efficiency
11 standards. The commission must report back to the Legislature
12 with a developed ordinance by March 1, 2008.

13 (2) The Florida Building Commission shall, in
14 consultation with the Florida Energy Commission, the Building
15 Officials Association of Florida, the Florida Energy Office,
16 the Florida Home Builders Association, the Association of
17 Counties, the League of Cities, and other stakeholders, review
18 the Florida Energy Code for Building Construction.
19 Specifically, the commission shall revisit the analysis of
20 cost-effectiveness which serves as the basis for energy
21 efficiency levels for residential buildings, identify
22 cost-effective means to improve energy efficiency in
23 commercial buildings, and compare the code to the
24 International Energy Conservation Code and the American
25 Society of Heating, Air-Conditioning, and Refrigeration
26 Engineers Standards 90.1 and 90.2. The commission shall
27 provide a report with a standard to the Legislature by March
28 1, 2008, which may be adopted for the construction of all new
29 residential, commercial, and government buildings.

30 (3) The Florida Building Commission, in consultation
31 with the Florida Solar Energy Center, the Florida Energy

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1 Commission, the Department of Environmental Protection's
2 Energy Office, and the Florida Home Builders Association,
3 shall develop and implement a public awareness campaign that
4 promotes energy efficiency and the benefits of building green
5 by January 1, 2008. The campaign shall include enhancement of
6 an existing website from which all citizens can obtain
7 information pertaining to green building practices and
8 calculate anticipated savings from use of those options as
9 well as learn about energy efficiency strategies that may be
10 used in their existing home or when building a home. The
11 campaign shall focus on the benefits of promoting energy
12 efficiency to the purchasers of new homes, the various green
13 building standards available, and the promotion of various
14 energy efficient products through existing trade shows. The
15 campaign shall also include strategies for utilizing print
16 advertising, press releases, and television advertising to
17 promote voluntary compliance with green building practices.

18 Section 29. (1) The Legislature declares that there
19 is an important state interest in promoting the construction
20 of energy efficient and sustainable buildings. Government
21 leadership is vital to demonstrate the state's commitment to
22 energy conservation, saving taxpayers money, and raising
23 public awareness of energy-rating systems.

24 (2) All county, municipal, and public community
25 college buildings shall be constructed to meet the United
26 States Green Building Council (USGBC) Leadership in Energy and
27 Environmental Design (LEED) rating system, Green Building
28 Initiative's Green Globes rating system, or a nationally
29 recognized, high-performance green building rating system as
30 approved by the Department of Management Services. This
31 section shall apply to all county, municipal, and public

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1 community college buildings the architectural plans for which
2 are started after July 1, 2008.

3 Section 30. School district biodiesel usage.--

4 (1) By January 1, 2008, a minimum of 20 percent of
5 total diesel fuel purchases for use by school districts shall
6 be biodiesel, subject to availability.

7 (2) If a school district contracts with another
8 government entity or private entity to provide transportation
9 services for any of its pupils, the biodiesel blend fuel
10 requirement established pursuant to subsection (1) shall be
11 part of that contract. However, this requirement shall apply
12 only to contracts entered into on or after July 1, 2007.

13 Section 31. (1) The Legislature recognizes the need
14 for expanded collaboration between the public and private
15 sectors and increased public/private joint ventures in the
16 areas of energy research, alternative fuel production, space
17 exploration, and technological advances in the energy and
18 aerospace industries.

19 (2) Subject to appropriation, there is created within
20 the Executive Office of the Governor the Florida Energy,
21 Aerospace, and Technology Fund (F.E.A.T.) to encourage a state
22 partnership with the Federal Government and the private sector
23 to identify business and investment opportunities and target
24 performance goals for those investments in the areas of
25 alternative energy development and production infrastructure;
26 biofuel, wind power, and solar energy technology development
27 and applications; ethanol production and systems for
28 conversion and use of ethanol fuels; cryogenics and
29 hydrogen-based technology applications, storage, and
30 conversion systems; hybrid engine power systems conversion
31 technologies and production facilities; aerospace industry

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1 expansion or development opportunities; aerospace facility
 2 modifications and upgrades; build outs; new spaceport, range,
 3 and ground support infrastructure; new aerospace facilities
 4 and laboratories; new simulation, communications, and command
 5 and control systems; and other aerospace manufacturing and
 6 maintenance support infrastructure.

7 (3) A complete and detailed report shall be provided
 8 to the Governor, the President of the Senate, and the Speaker
 9 of the House of Representatives, setting forth the following:

10 (a) An accounting of all state funds committed and
 11 invested by the fund;

12 (b) A qualitative and quantitative assessment of each
 13 fund investment against the investment performance goals
 14 established for investment, as well as an assessment of
 15 overall fund performance against investment objectives
 16 established for the fund overall; and

17 (c) An evaluation of all activities of the fund and
 18 recommendations for changes.

19 Section 32. Research and Demonstration Cellulosic
 20 Ethanol Plant.--

21 (1) CONSTRUCTION; STANDARDS.--There shall be
 22 constructed a multifaceted Research and Demonstration
 23 Cellulosic Ethanol Plant designed to conduct research and to
 24 demonstrate and advance the commercialization of
 25 cellulose-to-ethanol technology, including technology licensed
 26 from the University of Florida, and to facilitate further
 27 research and testing of multiple cellulosic feedstocks in
 28 Florida.

29 (a) This plant, referred to in this section as the
 30 facility, shall be used to convert the initially treated
 31 material through to the final ethanol product.

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1 (b) To save in capital costs, this facility shall be
2 situated near an industrial site with infrastructure already
3 developed, thus avoiding or reducing significant capital costs
4 in waste treatment and roads. This site shall be served by a
5 range of suppliers and transportation companies and be in good
6 proximity to gasoline and ethanol blending facilities on
7 either coast of Florida. This industrial site shall have the
8 capacity to provide steam and electric power; waste treatment;
9 and a steady stream of feedstocks, including, but not limited
10 to, bagasse, woody biomass, and cane field residues to allow a
11 commercial scale plant to operate year-round.

12 (c) The facility shall also be located near
13 pre-existing on-site technical support staff and other
14 resources for electrical, mechanical, and instrumentation
15 services. In addition, this facility shall have access to
16 pre-existing on-site laboratory facilities and scientific
17 personnel and shall include the critical aspects of tying in
18 with existing facilities and meeting with construction codes
19 and permit requirements.

20 (d) The facility, of which the University of Florida
21 shall act as owner and proprietor, shall include a permanent
22 research and development laboratory operated as a satellite
23 facility of the Institute of Food and Agriculture Sciences at
24 the University of Florida.

25 (e) There shall be a scientific and technical advisory
26 panel to advise on the technology to be applied.

27 (f) Ownership of all patents, copyrights, trademarks,
28 licenses, and rights or interests thereunder or therein shall
29 vest in the state. The university, pursuant to s. 1004.23,
30 shall have full right of use and full right to retain the
31 revenues derived therefrom.

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1 (2) TECHNOLOGY AND INFORMATION TRANSFER TO

2 AGRICULTURAL USERS.--

3 (a) The Senior Vice President of the Institute of Food
4 and Agriculture Sciences (IFAS) at the University of Florida
5 shall ensure that applicable, nonproprietary research results
6 and technologies from the plant authorized under this
7 initiative are adapted, made available, and disseminated
8 through IFAS's respective services, as appropriate.

9 (b) Not later than 2 years after the date of the
10 enactment of this act, the Senior Vice President of the
11 Institute of Food and Agriculture Sciences at the University
12 of Florida shall submit to the Legislature a report on the
13 activities conducted by IFAS's services under this subsection.

14 Section 33. (1) The Florida Energy Commission shall
15 conduct a study in conjunction with the Florida Public Service
16 Commission and the Department of Agriculture and Consumer
17 Services to recommend an appropriate Renewable Portfolio
18 Standard for the State of Florida.

19 (2) The study shall include current and future
20 availability of renewable fuels, incentives to attract large
21 scale renewable energy development, proposed changes to
22 current regulatory and market practices to encourage renewable
23 energy development, the impact on utility costs and rates,
24 environmental benefits of a Renewable Portfolio Standard, and
25 economic development associated with Florida renewable energy.

26 (3) The Florida Energy Commission shall hold public
27 hearings on these and other related issues and submit a report
28 containing specific recommendations to the Legislature no
29 later than January 31, 2008.

30 Section 34. For the 2007-2008 fiscal year, the sum of
31 \$65,763 is appropriated from the General Revenue Fund to the

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1 Department of Revenue for the purpose of administering the
2 Energy Efficient Sales Tax Holiday.

3 Section 35. For the 2007-2008 fiscal year, the sum of
4 \$20 million in nonrecurring funds is appropriated from the
5 General Revenue Fund to the University of Florida's Institute
6 of Food and Agriculture Sciences for the purpose of
7 establishing the Research and Demonstration Cellulosic Ethanol
8 Plant.

9 Section 36. For the 2007-2008 fiscal year, the sum of
10 \$40 million in nonrecurring funds is appropriated from the
11 General Revenue Fund to the Department of Environmental
12 Protection for the purpose of funding the Renewable Energy
13 Technologies Grants Program authorized in s. 377.804, Florida
14 Statutes.

15 Section 37. For the 2007-2008 fiscal year, the sum of
16 \$2.5 million in nonrecurring funds is appropriated from the
17 General Revenue Fund to the Department of Environmental
18 Protection for the purpose of funding commercial and consumer
19 solar rebates authorized in s. 377.806, Florida Statutes.

20 Section 38. For the 2007-2008 fiscal year, the sum of
21 \$10 million in nonrecurring funds is appropriated from the
22 General Revenue Fund to the Department of Agriculture and
23 Consumer Services for the purpose of funding the Farm-to-Fuel
24 Grants program authorized in s. 570.957, Florida Statutes.

25 Section 39. For the 2007-2008 fiscal year, the sum of
26 \$12.6 million in nonrecurring funds is appropriated from the
27 General Revenue Fund to the Administrative Trust Fund of the
28 Department of Revenue for the purpose of paying sales tax
29 refunds as authorized in s. 212.086, Florida Statutes.

30 Section 40. For the 2007-2008 fiscal year, the sum of
31 \$100,000 in nonrecurring funds is appropriated from the

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1 General Revenue Fund to the Department of Community Affairs
 2 for the purposes of convening a workgroup to develop a model
 3 residential energy efficient ordinance and reviewing the
 4 cost-effectiveness of energy efficiency measures in the
 5 construction of certain buildings.

6 Section 41. For the 2007-2008 fiscal year, the sum of
 7 \$334,237 in nonrecurring funds is appropriated from the
 8 General Revenue Fund to the Department of Community Affairs
 9 for the purposes of developing and implementing a public
 10 awareness campaign that promotes energy efficiency and the
 11 benefits of building green.

12 Section 42. This act shall take effect July 1, 2007.

13
 14

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

16 And the title is amended as follows:

17 Delete everything before the enacting clause

18

19 and insert:

20 A bill to be entitled
 21 An act relating to energy efficiency and
 22 alternative fuel; amending s. 163.04, F.S.;
 23 revising provisions authorizing the use of
 24 solar collectors and other energy devices;
 25 providing for use of solar collectors on the
 26 roofs of condominium common elements; amending
 27 s. 196.175, F.S.; revising provisions for the
 28 renewable energy source exemption; excluding
 29 the assessed value of certain real property for
 30 determination of such exemption; amending s.
 31 212.08, F.S.; revising the definition of

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1 "ethanol"; increasing the cap on the sales tax
2 exemption for materials used in the
3 distribution of biodiesel and ethanol fuels;
4 specifying eligible items as limited to one
5 refund; requiring a purchaser who receives a
6 refund to notify a subsequent purchaser of such
7 refund; providing that the exemption for
8 renewable energy technologies is available only
9 to the end user of the equipment, machinery,
10 and other materials; creating s. 212.086, F.S.;
11 providing financial incentives for the purchase
12 or lease of an alternative motor vehicle;
13 providing that any person who purchases or
14 leases an alternative motor vehicle from a
15 sales tax dealer is eligible for a refund of
16 the sales tax paid; requiring that the
17 alternative motor vehicle be certified under
18 the Internal Revenue Code of 1986, as amended,
19 as a new qualified hybrid motor vehicle, new
20 qualified alternative fuel motor vehicle, new
21 qualified fuel cell motor vehicle, or new
22 advanced lean-burn technology motor vehicle;
23 requiring that an application for refund be
24 filed with the Department of Revenue; providing
25 that the total dollar amount of refunds is
26 limited to the total amount of appropriations
27 in any fiscal year; authorizing a request for a
28 refund to be held for payment in the following
29 fiscal year under certain circumstances;
30 requiring the department to adopt rules;
31 providing for future repeal of the program;

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1 amending s. 220.192, F.S.; providing a
2 definition; providing for the transferability
3 of a tax credit; providing requirements and
4 procedures therefor; requiring the Department
5 of Revenue to promulgate a form and issue
6 certificates; amending s. 220.193, F.S.;
7 providing a definition; providing that a
8 taxpayer's use of certain credits does not
9 prohibit the use of other authorized credits;
10 amending s. 255.251, F.S.; revising a short
11 title; amending s. 255.252, F.S.; revising
12 criteria for energy conservation and
13 sustainability for state-owned buildings;
14 requiring that buildings constructed and
15 financed by the state meet a rating system as
16 approved by the department; requiring state
17 agencies to identify state-owned buildings that
18 are suitable for the guaranteed energy program;
19 amending s. 255.253, F.S.; defining the terms
20 "sustainable building" and "sustainable
21 building rating"; amending s. 255.254, F.S.;
22 revising provisions relating to evaluations of
23 life cycle costs before construction of state
24 facilities; deleting provisions relating to
25 evaluations of life cycle costs with respect to
26 facilities that are leased; amending s.
27 255.255, F.S.; revising energy conservation
28 performance guidelines to be used in life-cycle
29 cost analyses; amending s. 287.064, F.S.;
30 revising requirements relating to guaranteed
31 energy performance savings contracts; amending

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1 s. 287.16, F.S.; requiring the Department of
2 Management Services to conduct an inventory of
3 state vehicles that are flexible fuel motor
4 vehicles or hybrid motor vehicles; requiring a
5 specified percentage of such vehicles in the
6 state's inventory; amending s. 366.93, F.S.;
7 revising definitions related to certain power
8 plants to include integrated gasification
9 combined cycle power plants; requiring the
10 Public Service Commission to implement rules
11 related to integrated gasification combined
12 cycle power plant cost recovery; requiring a
13 report; amending s. 403.519, F.S.; providing
14 requirements and procedures for determining
15 need for certain advanced coal technology power
16 plants; providing an exemption from purchased
17 power supply bid rules under certain
18 circumstances; amending s. 377.802, F.S.;
19 designating October of each year as "Energy
20 Efficiency and Conservation Month"; repealing
21 s. 377.803(2), F.S., relating to the definition
22 of "approved metering equipment"; repealing s.
23 377.804(6), F.S.; deleting provisions relating
24 to bioenergy projects under the Renewable
25 Energy Technologies Grants Program; amending s.
26 377.806, F.S.; revising rebate eligibility and
27 application requirements for solar thermal
28 systems; providing that payment may be made
29 only to the final purchaser of an eligible
30 system; limiting the number of rebates that may
31 be made; creating s. 212.0802, F.S.; providing

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1 sales tax exemptions for certain
2 energy-efficient products; amending s. 377.901,
3 F.S.; revising membership of the Florida Energy
4 Commission; providing duties of the commission
5 chair; providing eligibility for travel and per
6 diem for ex officio members; prescribing
7 additional duties of the commission; providing
8 for research, recommendations, and a report;
9 creating s. 403.0874, F.S.; prescribing duties
10 of the Department of Environmental Protection
11 with respect to greenhouse gas inventories;
12 amending s. 489.145, F.S.; revising provisions
13 relating to guaranteed energy performance
14 savings contracting to include energy
15 consumption and energy-related operational
16 savings; revising provisions for the financing
17 of guaranteed energy performance savings
18 contracts; revising criteria for proposed
19 contracts; requiring that consolidated
20 financing of deferred payment commodity
21 contracts be secured by certain funds;
22 requiring the Chief Financial Officer to review
23 proposed guaranteed energy performance savings
24 contracts; creating s. 570.956, F.S.;

25 establishing the Farm-to-Fuel Advisory Council
26 within the Department of Agriculture and
27 Consumer Services; providing membership
28 requirements; providing for council duties;
29 creating s. 570.957, F.S.; establishing the
30 Farm-to-Fuel Grants Program within the
31 Department of Agriculture and Consumer

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1 Services; providing definitions; specifying the
2 use of grants for certain bioenergy projects;
3 providing eligibility requirements; authorizing
4 the department to adopt rules; providing
5 criteria for grant award consideration;
6 requiring the department to consult with the
7 Department of Environmental Protection, the
8 Office of Tourism, Trade, and Economic
9 Development, and certain experts when
10 evaluating applications; creating s. 570.958,
11 F.S.; establishing the Biofuel Retail Sales
12 Incentive Program; establishing goals for
13 replacing petroleum consumption; providing
14 definitions; providing incentive payments to
15 qualified retail dealers for increases in the
16 amount of biofuels offered for sale; providing
17 requirements and procedures therefor; creating
18 s. 570.959, F.S.; establishing the Florida
19 Biofuel Production Incentive Program; providing
20 definitions; providing incentive payments to
21 producers of certain biofuels; providing
22 requirements and procedures therefor;
23 authorizing the Department of Agriculture and
24 Consumer Services to adopt rules; directing the
25 Florida Building Commission to convene a
26 workgroup to develop a model residential energy
27 efficiency ordinance; requiring the commission
28 to consult with specified entities to review
29 the cost-effectiveness of energy efficiency
30 measures in the construction of residential,
31 commercial, and government buildings; requiring

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1 the commission to consult with specified
2 entities to develop and implement a public
3 awareness campaign; requiring the commission to
4 provide reports to the Legislature; requiring
5 all county, municipal, and public community
6 college buildings to meet certain energy
7 efficiency standards for construction;
8 providing applicability; establishing standards
9 for the use of biodiesel fuels by school
10 district transportation services; providing
11 legislative intent relating to the leverage of
12 state funds for certain research and
13 production; creating the Florida Energy,
14 Aerospace, and Technology Fund to encourage
15 business and investment opportunities and
16 target performance goals for investments in the
17 areas of alternative energy development and
18 production infrastructure; providing for the
19 construction and operation of a multifaceted
20 Research and Demonstration Cellulosic Ethanol
21 Plant; requiring the Florida Energy Commission
22 to conduct a study to determine the appropriate
23 goals for renewable energy resources; requiring
24 a report; providing appropriations; providing
25 effective dates.

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