

Bill No. CS for SB 2666

Barcode 484876

CHAMBER ACTION

Senate

House

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The Committee on Transportation and Economic Development
Appropriations (Margolis) 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, reads:

13 196.175 Renewable energy source exemption.--

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

17 (a) The assessed value of such real property less any
 18 other exemptions applicable under this chapter;

19 (b) The original cost of the device, including the
 20 installation cost thereof, but excluding the cost of replacing
 21 previously existing property removed or improved in the course
 22 of such installation; or

23 (c) Eight percent of the assessed value of such
 24 property immediately following installation.

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

31 (3) It shall be the responsibility of the applicant

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

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

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

14 212.08 Sales, rental, use, consumption, distribution,
 15 and storage tax; specified exemptions.--The sale at retail,
 16 the rental, the use, the consumption, the distribution, and
 17 the storage to be used or consumed in this state of the
 18 following are hereby specifically exempt from the tax imposed
 19 by this chapter.

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

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

7 (ccc) Equipment, machinery, and other materials for
 8 renewable energy technologies.--

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

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

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

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

29 2. The sale or use of the following in the state is
 30 exempt from the tax imposed by this chapter:

31 a. Hydrogen-powered vehicles, materials incorporated

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

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

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

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

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

20 5.4.a. The exemption provided in this paragraph shall
21 be available to a purchaser only through a refund of
22 previously paid taxes. Only one purchase of an eligible item
23 is subject to refund. A purchaser who has received a refund on
24 an eligible item must notify any subsequent purchaser of the
25 item that the item is no longer eligible for a refund of tax
26 paid. This notification must be provided to the purchaser on
27 the sales invoice or other proof of purchase.

28 b. To be eligible to receive the exemption provided in
29 this paragraph, a purchaser shall file an application with the
30 Department of Environmental Protection. The application shall
31 be developed by the Department of Environmental Protection, in

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1 consultation with the department, and shall require:

2 (I) The name and address of the person claiming the
3 refund.

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

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

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

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

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

30 e. The provisions of s. 212.095 do not apply to any
31 refund application made pursuant to this paragraph. A refund

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1 approved pursuant to this paragraph shall be made within 30
2 days after formal approval by the department.

3 f. The department may adopt all rules pursuant to ss.
4 120.536(1) and 120.54 to administer this paragraph, including
5 rules establishing forms and procedures for claiming this
6 exemption.

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

11 ~~6.5.~~ The Department of Environmental Protection shall
12 determine and publish on a regular basis the amount of sales
13 tax funds remaining in each fiscal year.

14 ~~7.6.~~ This paragraph expires July 1, 2010.

15 Section 4. Section 212.086, Florida Statutes, is
16 created to read:

17 212.086 Energy Efficient Motor Vehicle Sales Tax
18 Refund Program.--

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

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

28 (3) In order to qualify for the sales tax refund under
29 this section, the alternative motor vehicle must be certified
30 as a new qualified hybrid motor vehicle, new qualified
31 alternative fuel motor vehicle, new qualified fuel cell motor

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

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

9 (a) The name and address of the person claiming the
10 refund.

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

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

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

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

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1 s. 213.255 do not apply to requests for refund which are held
2 for payment in the following fiscal year.

3 (6) The department may adopt rules pursuant to ss.
4 120.536(1) and 120.54 to administer this section, including
5 rules establishing forms and procedures for claiming this
6 refund.

7 (7) A person who receives a refund pursuant to s.
8 212.08(7)(ccc) may not be allowed a refund provided in this
9 section.

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

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

14 220.192 Renewable energy technologies investment tax
15 credit.--

16 (1) DEFINITIONS.--For purposes of this section, the
17 term:

18 (a) "Biodiesel" means biodiesel as defined in s.
19 212.08(7)(ccc).

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

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1 respect to the eligible costs. The Department of Revenue
 2 shall adopt rules to implement and administer the provisions
 3 allowing a pass-through of tax credits, including rules
 4 prescribing forms, reporting requirements, and the specific
 5 procedures, guidelines, and requirements necessary for a tax
 6 credit to be passed through to an owner, member, or partner.

7 ~~(c)(b)~~ "Eligible costs" means:

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

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

25 3. Seventy-five percent of all capital costs,
 26 operation and maintenance costs, and research and development
 27 costs incurred between July 1, 2006, and June 30, 2010, up to
 28 a limit of \$6.5 million per state fiscal year for all
 29 taxpayers, in connection with an investment in the production,
 30 storage, and distribution of biodiesel (B10-B100) and ethanol
 31 (E10-E100) in the state, including the costs of constructing,

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1 installing, and equipping such technologies in the state.
2 Gasoline fueling station pump retrofits for ethanol (E10-E100)
3 distribution qualify as an eligible cost under this
4 subparagraph.

5 ~~(d)(e)~~ "Ethanol" means ethanol as defined in s.
6 212.08(7)(ccc).

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

9 (8) TRANSFERABILITY OF CREDIT.--

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

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

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1 shall be attached to each tax return by an assignee in which
2 such tax credits are used.

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

6 220.193 Florida renewable energy production credit.--

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

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

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

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

25 Section 7. Section 255.251, Florida Statutes, is
26 amended to read:

27 255.251 Energy Conservation and Sustainable in
28 Buildings Act; short title.--This act may ~~shall~~ be cited as
29 the "Florida Energy Conservation and Sustainable in Buildings
30 Act ~~of 1974.~~"

31 Section 8. Section 255.252, Florida Statutes, is

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1 amended to read:

2 255.252 Findings and intent.--

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

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

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

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

31 (5) Each state agency must identify and compile a list

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

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

21 255.253 Definitions; ss. 255.251-255.258.--

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

28 (7) "Sustainable building rating" means a rating
29 established by the United States Green Building Council
30 (USGBC) Leadership in Energy and Environmental Design (LEED)
31 rating system, Green Building Initiative's Green Globes rating

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1 system, or a nationally recognized, high-performance green
2 building rating system as approved by the department.

3 Section 10. Section 255.254, Florida Statutes, is
4 amended to read:

5 255.254 No facility constructed or leased without
6 life-cycle costs.--

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

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

27 (2) On and after January 1, 1979, no state agency
28 shall initiate construction or have construction initiated,
29 prior to approval thereof by the department, on a facility or
30 self-contained unit of any facility, the design and
31 construction of which incorporates or contemplates the use of

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1 an energy system other than a solar energy system when the
2 life-cycle costs analysis prepared by the department has
3 determined that a solar energy system is the most
4 cost-efficient energy system for the facility or unit.

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

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

15 255.255 Life-cycle costs.--

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

26 Section 12. Subsections (10) and (11) of section
27 287.064, Florida Statutes, are amended to read:

28 287.064 Consolidated financing of deferred-payment
29 purchases.--

30 (10) Costs incurred pursuant to a guaranteed energy
31 performance savings contract, including the cost of energy

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

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

22 Section 13. Subsection (12) is added to section
 23 287.16, Florida Statutes, to read:

24 287.16 Powers and duties of department.--The
 25 Department of Management Services shall have the following
 26 powers, duties, and responsibilities:

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

31 Section 14. Section 366.93, Florida Statutes, is

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1 amended to read:

2 366.93 Cost recovery for the siting, design,
3 licensing, and construction of nuclear and integrated
4 gasification combined cycle power plants.--

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

6 (a) "Cost" includes, but is not limited to, all
7 capital investments, including rate of return, any applicable
8 taxes, and all expenses, including operation and maintenance
9 expenses, related to or resulting from the siting, licensing,
10 design, construction, or operation of the nuclear or
11 integrated gasification combined cycle power plant.

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

14 (c) "Integrated gasification combined cycle power
15 plant" or "plant" is an electrical power plant as defined in
16 s. 403.503(13) that uses synthesis gas produced by integrated
17 gasification technology.

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

21 (e) "Power plant" or "plant" means a nuclear power
22 plant or an integrated gasification combined cycle power
23 plant.

24 ~~(f)(d)~~ "Preconstruction" is that period of time after
25 a site has been selected through and including the date the
26 utility completes site clearing work. Preconstruction costs
27 shall be afforded deferred accounting treatment and shall
28 accrue a carrying charge equal to the utility's allowance for
29 funds during construction (AFUDC) rate until recovered in
30 rates.

31 (2) Within 6 months after the enactment of this act,

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1 the commission shall establish, by rule, alternative cost
 2 recovery mechanisms for the recovery of costs incurred in the
 3 siting, design, licensing, and construction of a nuclear or
 4 integrated gasification combined cycle power plant. Such
 5 mechanisms shall be designed to promote utility investment in
 6 nuclear or integrated gasification combined cycle power plants
 7 and allow for the recovery in rates of all prudently incurred
 8 costs, and shall include, but are not limited to:

9 (a) Recovery through the capacity cost recovery clause
 10 of any preconstruction costs.

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

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

29 (4) When the nuclear or integrated gasification
 30 combined cycle power plant is placed in commercial service,
 31 the utility shall be allowed to increase its base rate charges

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

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

26 (6) In the event the utility elects not to complete or
27 is precluded from completing construction of the nuclear or
28 integrated gasification combined cycle power plant, the
29 utility shall be allowed to recover all prudent
30 preconstruction and construction costs incurred following the
31 commission's issuance of a final order granting a

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1 determination of need for the nuclear or integrated
 2 gasification combined cycle power plant. The utility shall
 3 recover such costs through the capacity cost recovery clause
 4 over a period equal to the period during which the costs were
 5 incurred or 5 years, whichever is greater. The unrecovered
 6 balance during the recovery period will accrue interest at the
 7 utility's weighted average cost of capital as reported in the
 8 commission's earnings surveillance reporting requirement for
 9 the prior year.

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

12 403.519 Exclusive forum for determination of need.--

13 (4) In making its determination on a proposed
 14 electrical power plant using nuclear materials or synthesis
 15 gas produced by integrated gasification combined cycle power
 16 plant as fuel, the commission shall hold a hearing within 90
 17 days after the filing of the petition to determine need and
 18 shall issue an order granting or denying the petition within
 19 135 days after the date of the filing of the petition. The
 20 commission shall be the sole forum for the determination of
 21 this matter and the issues addressed in the petition, which
 22 accordingly shall not be reviewed in any other forum, or in
 23 the review of proceedings in such other forum. In making its
 24 determination to either grant or deny the petition, the
 25 commission shall consider the need for electric system
 26 reliability and integrity, including fuel diversity, the need
 27 for base-load generating capacity, and the need for adequate
 28 electricity at a reasonable cost.

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

30 1. A description of the need for the generation
 31 capacity.

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1 2. A description of how the proposed nuclear or
 2 integrated gasification combined cycle power plant will
 3 enhance the reliability of electric power production within
 4 the state by improving the balance of power plant fuel
 5 diversity and reducing Florida's dependence on fuel oil and
 6 natural gas.

7 3. A description of and a nonbinding estimate of the
 8 cost of the nuclear or integrated gasification combined cycle
 9 power plant.

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

13 5. Information on whether there were any discussions
 14 with any electric utilities regarding ownership of a portion
 15 of the nuclear or integrated gasification combined cycle power
 16 plant by such electric utilities.

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

21 1. Provide needed base-load capacity.

22 2. Enhance the reliability of electric power
 23 production within the state by improving the balance of power
 24 plant fuel diversity and reducing Florida's dependence on fuel
 25 oil and natural gas.

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

31 (c) No provision of rule 25-22.082, Florida

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1 Administrative Code, shall be applicable to a nuclear or
 2 integrated gasification combined cycle power plant sited under
 3 this act, including provisions for cost recovery, and an
 4 applicant shall not otherwise be required to secure
 5 competitive proposals for power supply prior to making
 6 application under this act or receiving a determination of
 7 need from the commission.

8 (d) The commission's determination of need for a
 9 nuclear or integrated gasification combined cycle power plant
 10 shall create a presumption of public need and necessity and
 11 shall serve as the commission's report required by s.
 12 403.507(4)(a). An order entered pursuant to this section
 13 constitutes final agency action. Any petition for
 14 reconsideration of a final order on a petition for need
 15 determination shall be filed within 5 days after the date of
 16 such order. The commission's final order, including any order
 17 on reconsideration, shall be reviewable on appeal in the
 18 Florida Supreme Court. Inasmuch as delay in the determination
 19 of need will delay siting of a nuclear or integrated
 20 gasification combined cycle power plant or diminish the
 21 opportunity for savings to customers under the federal Energy
 22 Policy Act of 2005, the Supreme Court shall proceed to hear
 23 and determine the action as expeditiously as practicable and
 24 give the action precedence over matters not accorded similar
 25 precedence by law.

26 (e) After a petition for determination of need for a
 27 nuclear or integrated gasification combined cycle power plant
 28 has been granted, the right of a utility to recover any costs
 29 incurred prior to commercial operation, including, but not
 30 limited to, costs associated with the siting, design,
 31 licensing, or construction of the plant, shall not be subject

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

17 Section 16. Section 377.802, Florida Statutes, is
 18 amended to read:

19 377.802 Purposes ~~Purpose~~.--

20 (1) This act is intended to provide matching grants to
 21 stimulate capital investment in the state and to enhance the
 22 market for and promote the statewide utilization of renewable
 23 energy technologies. The targeted grants program is designed
 24 to advance the already growing establishment of renewable
 25 energy technologies in the state and encourage the use of
 26 other incentives such as tax exemptions and regulatory
 27 certainty to attract additional renewable energy technology
 28 producers, developers, and users to the state.

29 (2) This act is ~~also~~ intended to provide incentives
 30 for the purchase of energy-efficient appliances and rebates
 31 for solar energy equipment installations for residential and

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1 commercial buildings. In order to promote energy efficiency
2 and conservation of the state's resources, the month of
3 October shall annually be designated "Energy Efficiency and
4 Conservation Month."

5 Section 17. Subsection (2) of section 377.803, Florida
6 Statutes, is repealed.

7 Section 18. Subsection (6) of section 377.804, Florida
8 Statutes, is repealed.

9 Section 19. Section 377.806, Florida Statutes, is
10 amended to read:

11 377.806 Solar Energy System Incentives Program.--

12 (1) PURPOSE.--The Solar Energy System Incentives
13 Program is established within the department to provide
14 financial incentives for the purchase and installation of
15 solar energy systems.

16 (2) ELIGIBILITY.--

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

25 (b) Payment of a rebate may be made only to the final
26 purchaser of an eligible system.

27 ~~(3)(2)~~ SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.--

28 (a) System Eligibility requirements.--A solar
29 photovoltaic system qualifies for a rebate if:

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

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

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

5 (b) Rebate amounts.--The rebate amount shall be set at
6 \$4 per watt based on the total wattage rating of the system.
7 The maximum allowable rebate per solar photovoltaic system
8 installation shall be as follows:

9 1. Twenty thousand dollars for a residence.

10 2. One hundred thousand dollars for a place of
11 business, a publicly owned or operated facility, or a facility
12 owned or operated by a private, not-for-profit organization,
13 including condominiums or apartment buildings.

14 ~~(4)(3)~~ SOLAR THERMAL SYSTEM INCENTIVE.--

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

17 1. The system is installed by a state-licensed solar
18 or plumbing contractor.

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

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

23 1. Five hundred dollars for a residence.

24 2. Fifteen dollars per 1,000 Btu up to a maximum of
25 \$5,000 for a place of business, a publicly owned or operated
26 facility, or a facility owned or operated by a private,
27 not-for-profit organization, including condominiums or
28 apartment buildings. ~~Btu must be verified by approved metering
29 equipment.~~

30 ~~(5)(4)~~ SOLAR THERMAL POOL HEATER INCENTIVE.--

31 (a) Eligibility requirements.--A solar thermal pool

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1 heater qualifies for a rebate if the system is installed by a
2 state-licensed solar or plumbing contractor and the system
3 complies with all applicable building codes as defined by the
4 local jurisdictional authority.

5 (b) Rebate amount.--Authorized rebates for
6 installation of solar thermal pool heaters shall be \$100 per
7 installation.

8 ~~(6)(5)~~ APPLICATION.--Application for a rebate must be
9 made within 90 days after the purchase of the solar energy
10 equipment.

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

14 ~~(8)(6)~~ REBATE AVAILABILITY.--The department shall
15 determine and publish on a regular basis the amount of rebate
16 funds remaining in each fiscal year. The total dollar amount
17 of all rebates issued by the department is subject to the
18 total amount of appropriations in any fiscal year for this
19 program. If funds are insufficient during the current fiscal
20 year, any requests for rebates received during that fiscal
21 year may be processed during the following fiscal year.
22 Requests for rebates received in a fiscal year that are
23 processed during the following fiscal year shall be given
24 priority over requests for rebates received during the
25 following fiscal year.

26 ~~(9)(7)~~ RULES.--The department shall adopt rules
27 pursuant to ss. 120.536(1) and 120.54 to develop rebate
28 applications and administer the issuance of rebates.

29 Section 20. The tax levied under chapter 212, Florida
30 Statutes, may not be collected during the 14-day period
31 beginning at 12:01 a.m., on the first Saturday in October

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1 2007, on the sale of a new energy-efficient product having a
2 selling price of \$1,500 or less per product during that
3 period. This exemption applies only when the energy-efficient
4 product is purchased for noncommercial home or personal use
5 and does not apply when the product is purchased for trade,
6 business, or resale. As used in this section, the term
7 "energy-efficient product" means a dishwasher, clothes washer,
8 air conditioner, ceiling fan, compact fluorescent light bulb,
9 dehumidifier, programmable thermostat, or refrigerator that
10 has been designated by the United States Environmental
11 Protection Agency or by the United States Department of Energy
12 as meeting or exceeding the requirements under the Energy Star
13 Program of either agency. Purchases made under this subsection
14 may not be made using a business or company credit or debit
15 card or check. Any construction company, building contractor,
16 or commercial business or entity that purchases or attempts to
17 purchase the energy-efficient products as exempt under this
18 section commits the offense of engaging in an unfair method of
19 competition in violation of s. 501.204, Florida Statutes,
20 punishable as provided in s. 501.2075, Florida Statutes.
21 Notwithstanding chapter 120, Florida Statutes, the Department
22 of Revenue may adopt rules to administer this section.

23 Section 21. Section 377.901, Florida Statutes, is
24 amended to read:

25 377.901 Florida Energy Commission.--

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

31 (a) The members shall be appointed as follows: the

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1 Governor, the President of the Senate, and the Speaker of the
 2 House of Representatives shall appoint four members each and
 3 shall jointly appoint the 13th ~~ninth~~ member, who shall serve
 4 as chair, except that the term of the first chair previously
 5 appointed by the President of the Senate and the Speaker of
 6 the House of Representatives prior to the Governor's ability
 7 to appoint commissioners shall not be affected by the
 8 additional commissioners to be appointed by the Governor. If
 9 at any time a sitting commissioner is appointed chair, that
 10 commissioner shall begin a new 2-year term at the time of
 11 appointment. Members shall be appointed to 2-year terms;
 12 however, in order to establish staggered terms, for the
 13 initial appointments, each appointing official shall appoint
 14 two members to a 1-year term and two members to a 2-year term.
 15 The Governor's initial appointments shall also be staggered in
 16 the manner described in this paragraph. Members must meet the
 17 following qualifications and restrictions:

18 1. A member must be an expert in one or more of the
 19 following fields: energy, natural resource conservation,
 20 economics, engineering, finance, law, consumer protection,
 21 state energy policy, or another field substantially related to
 22 the duties and functions of the commission. The commission
 23 shall fairly represent the fields specified in this
 24 subparagraph.

25 2. Each member shall, at the time of appointment and
 26 at each commission meeting during his or her term of office,
 27 disclose:

28 a. Whether he or she has any financial interest, other
 29 than ownership of shares in a mutual fund, in any business
 30 entity that, directly or indirectly, owns or controls, or is
 31 an affiliate or subsidiary of, any business entity that may

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1 | profit by the policy recommendations developed by the
2 | commission.

3 | b. Whether he or she is employed by or is engaged in
4 | any business activity with any business entity that, directly
5 | or indirectly, owns or controls, or is an affiliate or
6 | subsidiary of, any business entity that may profit by the
7 | policy recommendations developed by the commission.

8 | (b) The following are ex officio, nonvoting members
9 | who may also attend meetings and provide information and
10 | advise at the request of the chair:

11 | 1. The chair of the Florida Public Service Commission,
12 | or his or her designee.

13 | 2. The Public Counsel, or his or her designee.

14 | 3. The Commissioner of Agriculture, or his or her
15 | designee.

16 | 4. The Director of the Office of Insurance Regulation,
17 | or his or her designee.

18 | 5. The Secretary of Health, or his or her designee.

19 | 6. The chair of the State Board of Education, or his
20 | or her designee.

21 | 7. The Secretary of Community Affairs, or his or her
22 | designee.

23 | 8. The Secretary of Transportation, or his or her
24 | designee.

25 | 9. The Secretary of Environmental Protection, or his
26 | or her designee.

27 | (2) Members shall serve without compensation but are
28 | entitled to reimbursement for per diem and travel expenses as
29 | provided in s. 112.061. Ex officio, nonvoting members are
30 | entitled to the same reimbursement through their respective
31 | agency budgets.

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

5 (4)(a) The commission may employ staff to assist in
6 the performance of its duties, including an executive
7 director, an attorney, a communications staff member, and an
8 executive assistant. To carry out the duties of the
9 commission, the chair of the commission, or the chair's
10 designee, shall make all spending decisions within the annual
11 operating budget approved by the President of the Senate and
12 the Speaker of the House of Representatives, including the
13 compensation of the commission's staff.

14 (b) The commission may form advisory groups consisting
15 of members of the public to provide information on specific
16 issues.

17 (5) The commission shall develop recommendations for
18 legislation to establish a state energy policy. The
19 recommendations of the commission shall be based on the
20 guiding principles of reliability, efficiency, affordability,
21 and diversity as provided in subsection (7). The commission
22 shall continually review the state energy policy and shall
23 recommend to the Legislature any additional necessary changes
24 or improvements. In carrying out this responsibility, the
25 commission may conduct research, hold public meetings, and
26 make recommendations on any individual substantive issue that
27 may be included in such policy, including, but not limited to,
28 climate change, greenhouse gas reduction, renewable energy,
29 conservation, and power generation, transmission, and
30 distribution.

31 (6)(a) The commission shall report by December 31 of

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1 each year to the Governor, the President of the Senate, and
2 the Speaker of the House of Representatives on its progress
3 and recommendations, including draft legislation.

4 (b) The commission's initial report must be filed by
5 December 31, 2007, and must identify incentives for research,
6 development, or deployment projects involving the goals and
7 issues set forth in this section; set forth policy
8 recommendations for conservation of all forms of energy; and
9 set forth a plan of action, together with a timetable, for
10 addressing additional issues.

11 ~~(c) The commission's initial report shall also~~
12 ~~recommend consensus-based public-involvement processes that~~
13 ~~evaluate greenhouse gas emissions in this state and make~~
14 ~~recommendations regarding related economic, energy, and~~
15 ~~environmental benefits.~~

16 ~~(c)(d)~~ The report must include a recommendation
17 ~~recommended steps and a schedule for the development of a~~
18 comprehensive state climate action plan with greenhouse gas
19 reduction through a public-involvement process, including
20 transportation and land use; power generation; residential,
21 commercial, and industrial activities; waste management;
22 agriculture and forestry; emissions-reporting systems; and
23 public education.

24 (7) In developing its recommendations, the commission
25 shall be guided by the principles of reliability, efficiency,
26 affordability, and diversity, and more specifically as
27 follows:

28 (a) The state should have a reliable electric supply
29 with adequate reserves.

30 (b) The transmission and delivery of electricity
31 should be reliable.

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1 (c) The generation, transmission, and delivery of
2 electricity should be accomplished with the least detriment to
3 the environment and public health.

4 (d) The generation, transmission, and delivery of
5 electricity should be accomplished compatibly with the goals
6 for growth management.

7 (e) Electricity generation, transmission, and delivery
8 facilities should be reasonably secure from damage, taking all
9 factors into consideration, and recovery from damage should be
10 prompt.

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

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

17 (h) In-state research, development, and deployment of
18 alternative energy technologies and alternative motor vehicle
19 fuels should be encouraged.

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

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

24 (8) The commission's first report shall also contain
25 recommendations on net metering. The commission shall research
26 the application of net metering in those situations in which a
27 customer of an electric utility produces, by means of one or
28 more renewable energy systems, more energy than he or she uses
29 and as a result has excess energy to sell back to the electric
30 utility. The commission's research shall address the
31 appropriateness of this process for encouraging the

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1 development and use of renewable energy systems, power
 2 generation reliability, pricing considerations, and any other
 3 factor the commission deems necessary for an understanding of
 4 the issue.

5
 6 It is the specific intent of the Legislature that nothing in
 7 this section shall in any way change the powers, duties, and
 8 responsibilities of the Public Service Commission or the
 9 powers, duties, and responsibilities assigned by the Florida
 10 Electrical Power Plant Siting Act, ss. 403.501-403.518.

11 Section 22. Section 403.0874, Florida Statutes, is
 12 created to read:

13 403.0874 Greenhouse gas inventories.--

14 (1) The Department of Environmental Protection shall
 15 develop gas inventories of all major greenhouse gases to
 16 account for annual greenhouse gases emitted to and removed
 17 from the atmosphere, and shall also forecast gases emitted and
 18 removed, for time periods determined sufficient by the
 19 department to provide for adequate analysis and planning.

20 (2) By rule, the department shall define which
 21 greenhouse gases are to be included in each inventory, the
 22 criteria for defining major emitters, which emitters must
 23 report emissions, and what methodologies shall be used to
 24 estimate gases emitted and removed from those not required to
 25 report.

26 (3) The department may require all major emitters of
 27 defined greenhouse gases to report emissions according to
 28 methodologies and reporting systems approved by the department
 29 and established by rule, which may include the use of
 30 quality-assured data from continuous emissions monitoring
 31 systems.

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

6 Section 23. Section 489.145, Florida Statutes, is
 7 amended to read:

8 489.145 Guaranteed energy performance savings
 9 contracting.--

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

12 (2) LEGISLATIVE FINDINGS.--The Legislature finds that
 13 investment in energy conservation measures in agency
 14 facilities can reduce the amount of energy consumed and
 15 produce immediate and long-term savings. It is the policy of
 16 this state to encourage agencies to invest in energy
 17 conservation measures ~~that reduce energy consumption, produce~~
 18 ~~a cost savings for the agency, and improve the quality of~~
 19 ~~indoor air in public facilities and to operate, maintain, and,~~
 20 ~~when economically feasible, build or renovate existing agency~~
 21 ~~facilities in such a manner as to minimize energy consumption~~
 22 and maximize energy savings. It is further the policy of this
 23 state to encourage agencies to reinvest any energy savings
 24 resulting from energy conservation measures in additional
 25 energy conservation efforts.

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

27 (a) "Agency" means the state, a municipality, or a
 28 political subdivision.

29 (b) "Energy conservation measure" means a ~~training~~
 30 ~~program,~~ facility alteration, or an equipment purchase to be
 31 used in new construction, including an addition to an existing

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1 facility, which reduces energy or energy-related operating
2 costs and includes, but is not limited to:

3 1. Insulation of the facility structure and systems
4 within the facility.

5 2. Storm windows and doors, caulking or
6 weatherstripping, multiglazed windows and doors,
7 heat-absorbing, or heat-reflective, glazed and coated window
8 and door systems, additional glazing, reductions in glass
9 area, and other window and door system modifications that
10 reduce energy consumption.

11 3. Automatic energy control systems.

12 4. Heating, ventilating, or air-conditioning system
13 modifications or replacements.

14 5. Replacement or modifications of lighting fixtures
15 to increase the energy efficiency of the lighting system,
16 which, at a minimum, must conform to the applicable state or
17 local building code.

18 6. Energy recovery systems.

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

22 8. Energy conservation measures that reduce Btu, kW,
23 or kWh consumed or provide long-term operating cost reductions
24 ~~or significantly reduce Btu consumed.~~

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

27 10. Devices that reduce water consumption or sewer
28 charges.

29 11. Storage systems, such as fuel cells and thermal
30 storage.

31 12. Generating technologies, such as microturbines.

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1 13. Any other repair, replacement, or upgrade of
2 existing equipment.

3 (c) "Energy cost savings" means a measured reduction
4 in the cost of fuel, energy consumption, and stipulated
5 operation and maintenance created from the implementation of
6 one or more energy conservation measures when compared with an
7 established baseline for the previous cost of fuel, energy
8 consumption, and stipulated operation and maintenance.

9 (d) "Guaranteed energy performance savings contract"
10 means a contract for the evaluation, recommendation, and
11 implementation of energy conservation measures or
12 energy-related operational savings measures, which, at a
13 minimum, shall include:

14 1. The design and installation of equipment to
15 implement one or more of such measures and, if applicable,
16 operation and maintenance of such measures.

17 2. The amount of any actual annual savings that meet
18 or exceed total annual contract payments made by the agency
19 for the contract and may include allowable cost avoidance. As
20 used in this section, allowable cost-avoidance calculations
21 include, but are not limited to, avoided provable budgeted
22 costs contained in a capital replacement plan less the current
23 undepreciated value of replaced equipment and the replacement
24 cost of the new equipment.

25 3. The finance charges incurred by the agency over the
26 life of the contract.

27 (e) "Guaranteed energy performance savings contractor"
28 means a person or business that is licensed under chapter 471,
29 chapter 481, or this chapter, and is experienced in the
30 analysis, design, implementation, or installation of energy
31 conservation measures through energy performance contracts.

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1 (4) PROCEDURES.--

2 (a) An agency may enter into a guaranteed energy
3 performance savings contract with a guaranteed energy
4 performance savings contractor to ~~significantly~~ reduce energy
5 consumption or energy-related operating costs of an agency
6 facility through one or more energy conservation measures.

7 (b) Before design and installation of energy
8 conservation measures, the agency must obtain from a
9 guaranteed energy performance savings contractor a report that
10 summarizes the costs associated with the energy conservation
11 measures or energy-related operational-cost-savings measures
12 and provides an estimate of the amount of the ~~energy~~ cost
13 savings. The agency and the guaranteed energy performance
14 savings contractor may enter into a separate agreement to pay
15 for costs associated with the preparation and delivery of the
16 report; however, payment to the contractor shall be contingent
17 upon the report's projection of energy or operational cost
18 savings being equal to or greater than the total projected
19 costs of the design and installation of the report's energy
20 conservation measures.

21 (c) The agency may enter into a guaranteed energy
22 performance savings contract with a guaranteed energy
23 performance savings contractor if the agency finds that the
24 amount the agency would spend on the energy conservation or
25 energy-related cost savings measures will not likely exceed
26 the amount of the energy or energy-related cost savings for up
27 to 20 years from the date of installation, based on the life
28 cycle cost calculations provided in s. 255.255, if the
29 recommendations in the report were followed and if the
30 qualified provider or providers give a written guarantee that
31 the energy or energy-related cost savings will meet or exceed

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1 the costs of the system. However, actual computed cost savings
 2 must meet or exceed the estimated cost savings provided in
 3 program approval. Baseline adjustments used in calculations
 4 must be specified in the contract. The contract may provide
 5 for installment payments for a period not to exceed 20 years.

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

12 (e) Before entering into a guaranteed energy
 13 performance savings contract, an agency must provide published
 14 notice of the meeting in which it proposes to award the
 15 contract, the names of the parties to the proposed contract,
 16 and the contract's purpose.

17 (f) A guaranteed energy performance savings contract
 18 may provide for financing, including tax exempt financing, by
 19 a third party. The contract for third party financing may be
 20 separate from the energy performance contract. A separate
 21 contract for third party financing must include a provision
 22 that the third party financier pursuant to this paragraph must
 23 not be granted rights or privileges that exceed the rights and
 24 privileges available to the guaranteed energy performance
 25 savings contractor.

26 (g) Financing for guaranteed energy performance
 27 savings contracts may be provided under the authority of s.
 28 287.064.

29 (h) The Office of the Chief Financial Officer shall
 30 review proposals to ensure that the most effective financing
 31 is being used.

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1 ~~(i)(g)~~ In determining the amount the agency will
2 finance to acquire the energy conservation measures, the
3 agency may reduce such amount by the application of any grant
4 moneys, rebates, or capital funding available to the agency
5 for the purpose of buying down the cost of the guaranteed
6 energy performance savings contract. However, in calculating
7 the life cycle cost as required in paragraph (c), the agency
8 shall not apply any grants, rebates, or capital funding.

9 (5) CONTRACT PROVISIONS.--

10 (a) A guaranteed energy performance savings contract
11 must include a written guarantee that may include, but is not
12 limited to the form of, a letter of credit, insurance policy,
13 or corporate guarantee by the guaranteed energy performance
14 savings contractor that annual energy cost savings will meet
15 or exceed the amortized cost of energy conservation measures.

16 (b) The guaranteed energy performance savings contract
17 must provide that all payments, except obligations on
18 termination of the contract before its expiration, may be made
19 over time, but not to exceed 20 years from the date of
20 complete installation and acceptance by the agency, and that
21 the annual savings are guaranteed to the extent necessary to
22 make annual payments to satisfy the guaranteed energy
23 performance savings contract.

24 (c) The guaranteed energy performance savings contract
25 must require that the guaranteed energy performance savings
26 contractor to whom the contract is awarded provide a
27 100-percent public construction bond to the agency for its
28 faithful performance, as required by s. 255.05.

29 (d) The guaranteed energy performance savings contract
30 may contain a provision allocating to the parties to the
31 contract any annual energy cost savings that exceed the amount

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1 of the energy cost savings guaranteed in the contract.

2 (e) The guaranteed energy performance savings contract
 3 shall require the guaranteed energy performance savings
 4 contractor to provide to the agency an annual reconciliation
 5 of the guaranteed energy or energy-related cost savings. If
 6 the reconciliation reveals a shortfall in annual energy or
 7 energy-related cost savings, the guaranteed energy performance
 8 savings contractor is liable for such shortfall. If the
 9 reconciliation reveals an excess in annual ~~energy~~ cost
 10 savings, the excess savings may be allocated under paragraph
 11 (d) but may not be used to cover potential energy cost savings
 12 shortages in subsequent contract years.

13 (f) The guaranteed energy performance savings contract
 14 must provide for payments of not less than one-twentieth of
 15 the price to be paid within 2 years from the date of the
 16 complete installation and acceptance by the agency using
 17 straight-line amortization for the term of the loan, and the
 18 remaining costs to be paid at least quarterly, not to exceed a
 19 20-year term, based on life cycle cost calculations.

20 (g) The guaranteed energy performance savings contract
 21 may extend beyond the fiscal year in which it becomes
 22 effective; however, the term of any contract expires at the
 23 end of each fiscal year and may be automatically renewed
 24 annually for up to 20 years, subject to the agency making
 25 sufficient annual appropriations based upon continued realized
 26 energy savings.

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

30 (6) PROGRAM ADMINISTRATION AND CONTRACT REVIEW.--The
 31 Department of Management Services, with the assistance of the

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1 Office of the Chief Financial Officer, shall ~~may~~, within
 2 available resources, provide technical content assistance to
 3 state agencies contracting for energy conservation measures
 4 and engage in other activities considered appropriate by the
 5 department for promoting and facilitating guaranteed energy
 6 performance contracting by state agencies. The Office of the
 7 Chief Financial Officer, with the assistance of the Department
 8 of Management Services, shall ~~may, within available resources,~~
 9 develop model contractual and related documents for use by
 10 state agencies. Prior to entering into a guaranteed energy
 11 performance savings contract, any contract or lease for
 12 third-party financing, or any combination of such contracts, a
 13 state agency shall submit such proposed contract or lease to
 14 the Office of the Chief Financial Officer for review and
 15 approval.

16 A proposed contract or lease shall include:

17 (a) Supporting information required by s.
 18 216.023(4)(a)9.

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

21 (c) Approval by the agency head or his or her
 22 designee.

23 (d) An agency measurement and verification plan to
 24 monitor cost savings.

25 (7) FUNDING SUPPORT.--For purposes of consolidated
 26 financing of deferred payment commodity contracts under this
 27 section by a state agency, the annualized amount of any such
 28 contract must be supported from available recurring funds
 29 appropriated to the agency in an appropriation category, as
 30 defined in chapter 216, which the Chief Financial Officer has
 31 determined is appropriate or which the Legislature has

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1 designated for payment of the obligation incurred under this
2 section.

3
4 The Office of the Chief Financial Officer may not approve any
5 contract submitted under this section which does not meet the
6 requirements of this section.

7 Section 24. Section 570.956, Florida Statutes, is
8 created to read:

9 570.956 Farm-to-Fuel Advisory Council.

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

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

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

23 1. Sugarcane.

24 2. Citrus.

25 3. Field crops.

26 4. Dairy.

27 5. Livestock or poultry.

28 6. Forestry.

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

31 (d) One member who represents public utilities or the

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1 electric power industry.

2 (e) Two members who represent colleges and
3 universities in this state and who are engaged in research
4 involving alternative fuels or renewable energy.

5 (f) One member who represents the environmental
6 community or an environmental organization.

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

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

11 (i) One member appointed by the Governor.

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

14 Section 25. Section 570.957, Florida Statutes, is
15 created to read:

16 570.957 Farm-to-Fuel Grants Program.

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

18 (a) "Bioenergy" means useful, renewable energy
19 produced from organic matter through the conversion of the
20 complex carbohydrates in organic matter to energy. Organic
21 matter may be used directly as a fuel, be processed into
22 liquids or gases, or constitute a residue of processing and
23 conversion.

24 (b) "Department" means the Department of Agriculture
25 and Consumer Services.

26 (c) "Person" means an individual, partnership, joint
27 venture, private or public corporation, association, firm,
28 public service company, or other public or private entity.

29 (d) "Renewable energy" means electrical, mechanical,
30 or thermal energy produced from a method that uses one or more
31 of the following fuels or energy sources: hydrogen, biomass,

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1 solar energy, geothermal energy, wind energy, ocean energy,
2 waste heat, or hydroelectric power.

3 (2) The Farm-to-Fuel Grants Program is established
4 within the Department of Agriculture and Consumer Services to
5 provide renewable energy matching grants for demonstration,
6 commercialization, research, and development projects relating
7 to bioenergy projects.

8 (a) Matching grants for bioenergy demonstration,
9 commercialization, research, and development projects may be
10 made to any of the following:

- 11 1. Municipalities and county governments.
- 12 2. Established for-profit companies licensed to do
13 business in the state.
- 14 3. Universities and colleges in the state.
- 15 4. Utilities located and operating within the state.
- 16 5. Not-for-profit organizations.
- 17 6. Other qualified persons, as determined by the
18 Department of Agriculture and Consumer Services.

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

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

- 25 1. The project produces bioenergy from Florida-grown
26 crops or biomass.
- 27 2. The project demonstrates efficient use of energy
28 and material resources.
- 29 3. Matching funds and in-kind contributions from an
30 applicant are available.
- 31 4. The project has a reasonable assurance of enhancing

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1 the value of agricultural products or will expand agribusiness
2 in the state.

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

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

10 (d) In evaluating and awarding grants under this
11 section, the Department of Agriculture and Consumer Services
12 shall consult with and solicit input from the Department of
13 Environmental Protection.

14 (e) In determining the technical feasibility of grant
15 applications, the Department of Agriculture and Consumer
16 Services shall coordinate and actively consult with persons
17 having expertise in renewable energy technologies.

18 (f) In determining the economic feasibility of
19 bioenergy grant applications, the Department of Agriculture
20 and Consumer Services shall consult with the Office of
21 Tourism, Trade, and Economic Development.

22 Section 26. Section 570.958, Florida Statutes, is
23 created to read:

24 570.958 Biofuel Retail Sales Incentive Program.--

25 (1) The purpose of this section is to encourage the
26 retail sale of biofuels in this state and replace petroleum
27 consumption in the state by the following percentages over the
28 specified periods:

29 (a) Three percent from January 1, 2008, through
30 December 31, 2008.

31 (b) Five percent from January 1, 2009, through

1 December 31, 2009.

2 (c) Seven percent from January 1, 2010, through
3 December 31, 2010.

4 (d) Ten percent from January 1, 2011, through December
5 31, 2011.

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

7 (a) "Biodiesel" means the mono-alkyl esters of
8 long-chain fatty acids derived from plant or animal matter for
9 use as a source of energy and meeting the specifications for
10 biodiesel and biodiesel blended with petroleum products as
11 adopted by the department.

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

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

18 (d) "E85 fuel ethanol" means ethanol blended with
19 gasoline and formulated with a nominal percentage of 85
20 percent ethanol by volume and meeting the applicable fuel
21 quality specifications as adopted by the department.

22 (e) "E10 motor fuel" means a motor fuel blend
23 consisting of nominal percentages of 90 percent gasoline by
24 volume and 10 percent ethanol by volume and meeting the fuel
25 quality specifications for gasoline as adopted by the
26 department.

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

31 (g) "Fuel dispenser" means a pump, meter, or similar

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1 device used to measure and deliver motor fuel or diesel fuel
2 on a retail basis.

3 (h) "Retail dealer" means any person who is engaged in
4 the business of selling fuel at retail at posted retail
5 prices.

6 (i) "Retail motor fuel site" means a geographic
7 location in this state where a retail dealer sells or offers
8 for sale motor fuel, diesel fuel, or biofuel to the general
9 public.

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

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

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

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

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

22 (b) The incentive may be claimed for biofuel sold on
23 or after January 1, 2008. Beginning in 2009, each applicant
24 claiming an incentive under this section must first apply to
25 the department by February 1 of each year for an allocation of
26 the available incentive for the preceding calendar year. The
27 department shall develop an application form. The application
28 form shall, at a minimum, require a sworn affidavit from each
29 retail dealer certifying the following information:

30 1. The name and principal address of the retail
31 dealer.

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

4 3. The total gallons of E10 ethanol sold through fuel
5 dispensers.

6 4. The total gallons of E85 ethanol sold through fuel
7 dispensers.

8 5. The total gallons of biodiesel blended fuel sold
9 through fuel dispensers.

10 6. The total gallons of biodiesel sold through fuel
11 dispensers.

12 7. Any other information deemed necessary by the
13 department to adequately ensure that the incentive allowed
14 under this section is made only to qualified Florida retail
15 dealers.

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

18 (4) If the amount of incentives applied for each year
19 exceeds the amount appropriated, the department shall pay to
20 each applicant a prorated amount based on each applicant's
21 gallorage of qualified biofuel sold and dispensed which is
22 eligible for the incentive under this section.

23 (5) The department may adopt rules pursuant to ss.
24 120.536(1) and 120.54 to implement and administer this
25 section, including rules prescribing forms, the documentation
26 needed to substantiate a claim for the incentive, and the
27 specific procedures and guidelines for claiming the incentive.

28 Section 27. Section 570.959, Florida Statutes, is
29 created to read:

30 570.959 Florida Biofuel Production Incentive
31 Program.--

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

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

7 (a) "Biodiesel" means the mono-alkyl esters of
8 long-chain fatty acids derived from plant or animal matter for
9 use as a source of energy and meeting the specifications for
10 biodiesel and biodiesel blended with petroleum products as
11 adopted by the department.

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

13 (c) "Ethanol" or "fuel ethanol" means an anhydrous
14 denatured alcohol produced by the conversion of carbohydrates
15 and meeting the specifications for fuel ethanol adopted by the
16 department.

17 (d) "Florida biofuel production" means production of
18 biofuel in the state from crops, agricultural waste and
19 residues, and other biomass produced in Florida.

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

23 (4) An incentive, subject to appropriation, shall be
24 paid to a producer based on Florida biofuel production as
25 follows:

26 (a) The incentive shall be 5 cents for each gallon of
27 unblended Florida biofuel produced, exclusive of denaturant,
28 during a given calendar year and sold to an unrelated blender
29 of biofuel.

30 (b) The incentive may be earned for production on or
31 after January 1, 2008. Beginning in 2009, each producer

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1 claiming an incentive under this section must first apply to
 2 the department by February 1 of each year for an allocation of
 3 available incentives. The department shall develop an
 4 application form that shall, at a minimum, require a sworn
 5 affidavit from each producer certifying the production that
 6 forms the basis of the application and certifying that all
 7 information contained in the application is true and correct.

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

10 (d) If the amount of incentives applied for each year
 11 exceeds the amount appropriated, the department shall pay to
 12 each applicant a prorated amount based on the percentage of
 13 biofuel produced that is eligible for the incentive under this
 14 section.

15 (5) The department may adopt rules pursuant to ss.
 16 120.536(1) and 120.54 to implement and administer this
 17 section, including rules prescribing forms, the documentation
 18 needed to substantiate a claim for the incentive, and the
 19 specific procedures and guidelines for claiming the incentive.

20 Section 28. (1) The Florida Building Commission shall
 21 convene a workgroup comprised of representatives from the
 22 Florida Energy Commission, the Department of Community
 23 Affairs, the Building Officials Association of Florida, the
 24 Florida Energy Office, the Florida Home Builders Association,
 25 the Association of Counties, the League of Cities, and other
 26 stakeholders to develop a model residential energy efficiency
 27 ordinance that provides incentives to meet energy efficiency
 28 standards. The commission must report back to the Legislature
 29 with a developed ordinance by March 1, 2008.

30 (2) The Florida Building Commission shall, in
 31 consultation with the Florida Energy Commission, the Building

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1 Officials Association of Florida, the Florida Energy Office,
2 the Florida Home Builders Association, the Association of
3 Counties, the League of Cities, and other stakeholders, review
4 the Florida Energy Code for Building Construction.
5 Specifically, the commission shall revisit the analysis of
6 cost-effectiveness which serves as the basis for energy
7 efficiency levels for residential buildings, identify
8 cost-effective means to improve energy efficiency in
9 commercial buildings, and compare the code to the
10 International Energy Conservation Code and the American
11 Society of Heating, Air-Conditioning, and Refrigeration
12 Engineers Standards 90.1 and 90.2. The commission shall
13 provide a report with a standard to the Legislature by March
14 1, 2008, which may be adopted for the construction of all new
15 residential, commercial, and government buildings.

16 (3) The Florida Building Commission, in consultation
17 with the Florida Solar Energy Center, the Florida Energy
18 Commission, the Department of Environmental Protection's
19 Energy Office, and the Florida Home Builders Association,
20 shall develop and implement a public awareness campaign that
21 promotes energy efficiency and the benefits of building green
22 by January 1, 2008. The campaign shall include enhancement of
23 an existing website from which all citizens can obtain
24 information pertaining to green building practices and
25 calculate anticipated savings from use of those options as
26 well as learn about energy efficiency strategies that may be
27 used in their existing home or when building a home. The
28 campaign shall focus on the benefits of promoting energy
29 efficiency to the purchasers of new homes, the various green
30 building standards available, and the promotion of various
31 energy efficient products through existing trade shows. The

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1 campaign shall also include strategies for utilizing print
2 advertising, press releases, and television advertising to
3 promote voluntary compliance with green building practices.

4 Section 29. (1) The Legislature declares that there
5 is an important state interest in promoting the construction
6 of energy efficient and sustainable buildings. Government
7 leadership is vital to demonstrate the state's commitment to
8 energy conservation, saving taxpayers money, and raising
9 public awareness of energy-rating systems.

10 (2) All county, municipal, and public community
11 college buildings shall be constructed to meet the United
12 States Green Building Council (USGBC) Leadership in Energy and
13 Environmental Design (LEED) rating system, Green Building
14 Initiative's Green Globes rating system, or a nationally
15 recognized, high-performance green building rating system as
16 approved by the Department of Management Services. This
17 section shall apply to all county, municipal, and public
18 community college buildings the architectural plans for which
19 are started after July 1, 2008.

20 Section 30. School district biodiesel usage.--

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

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

30 Section 31. (1) The Legislature recognizes the need
31 for expanded collaboration between the public and private

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1 sectors and increased public/private joint ventures in the
 2 areas of energy research, alternative fuel production, space
 3 exploration, and technological advances in the energy and
 4 aerospace industries.

5 (2) The Legislature encourages a state partnership
 6 with the Federal Government and the private sector to identify
 7 business and investment opportunities and target performance
 8 goals for those investments in the areas of alternative energy
 9 development and production infrastructure; biofuel, wind
 10 power, and solar energy technology development and
 11 applications; ethanol production and systems for conversion
 12 and use of ethanol fuels; cryogenics and hydrogen-based
 13 technology applications, storage, and conversion systems;
 14 hybrid engine power systems conversion technologies and
 15 production facilities; aerospace industry expansion or
 16 development opportunities; aerospace facility modifications
 17 and upgrades; build outs; new spaceport, range, and ground
 18 support infrastructure; new aerospace facilities and
 19 laboratories; new simulation, communications, and command and
 20 control systems; and other aerospace manufacturing and
 21 maintenance support infrastructure.

22 Section 32. Research and Demonstration Cellulosic
 23 Ethanol Plant.--

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

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

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

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

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

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

30 (f) Ownership of all patents, copyrights, trademarks,
31 licenses, and rights or interests thereunder or therein shall

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1 vest in the state. The university, pursuant to s. 1004.23,
2 shall have full right of use and full right to retain the
3 revenues derived therefrom.

4 (2) TECHNOLOGY AND INFORMATION TRANSFER TO
5 AGRICULTURAL USERS.--

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

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

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

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

29 (3) The Florida Energy Commission shall hold public
30 hearings on these and other related issues and submit a report
31 containing specific recommendations to the Legislature no

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1 later than January 31, 2008.

2 Section 34. For the 2007-2008 fiscal year, the sum of
3 \$65,763 in nonrecurring funds is appropriated from the General
4 Revenue Fund to the Department of Revenue for the purpose of
5 administering the Energy Efficient Sales Tax Holiday.

6 Section 35. This act shall take effect July 1, 2007.

7
8

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

10 And the title is amended as follows:

11 Delete everything before the enacting clause

12

13 and insert:

14 A bill to be entitled
15 An act relating to energy efficiency and
16 alternative fuel; amending s. 163.04, F.S.;
17 revising provisions authorizing the use of
18 solar collectors and other energy devices;
19 providing for use of solar collectors on the
20 roofs of condominium common elements;
21 republishing 196.175, F.S., relating to the
22 renewable energy source exemption; amending s.
23 212.08, F.S.; revising the definition of
24 "ethanol"; specifying eligible items as limited
25 to one refund; requiring a purchaser who
26 receives a refund to notify a subsequent
27 purchaser of such refund; providing that the
28 exemption for renewable energy technologies is
29 available only to the end user of the
30 equipment, machinery, and other materials;
31 creating s. 212.086, F.S.; providing financial

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1 incentives for the purchase or lease of an
2 alternative motor vehicle; providing that any
3 person who purchases or leases an alternative
4 motor vehicle from a sales tax dealer is
5 eligible for a refund of the sales tax paid;
6 requiring that the alternative motor vehicle be
7 certified under the Internal Revenue Code of
8 1986, as amended, as a new qualified hybrid
9 motor vehicle, new qualified alternative fuel
10 motor vehicle, new qualified fuel cell motor
11 vehicle, or new advanced lean-burn technology
12 motor vehicle; requiring that an application
13 for refund be filed with the Department of
14 Revenue; providing that the total dollar amount
15 of refunds is limited to the total amount of
16 appropriations in any fiscal year; authorizing
17 a request for a refund to be held for payment
18 in the following fiscal year under certain
19 circumstances; requiring the department to
20 adopt rules; providing for future repeal of the
21 program; amending s. 220.192, F.S.; providing a
22 definition; providing for the transferability
23 of a tax credit; providing requirements and
24 procedures therefor; requiring the Department
25 of Revenue to promulgate a form and issue
26 certificates; amending s. 220.193, F.S.;
27 providing a definition; providing that a
28 taxpayer's use of certain credits does not
29 prohibit the use of other authorized credits;
30 amending s. 255.251, F.S.; revising a short
31 title; amending s. 255.252, F.S.; revising

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1 criteria for energy conservation and
2 sustainability for state-owned buildings;
3 requiring that buildings constructed and
4 financed by the state meet a rating system as
5 approved by the department; requiring state
6 agencies to identify state-owned buildings that
7 are suitable for the guaranteed energy program;
8 amending s. 255.253, F.S.; defining the terms
9 "sustainable building" and "sustainable
10 building rating"; amending s. 255.254, F.S.;
11 revising provisions relating to evaluations of
12 life cycle costs before construction of state
13 facilities; deleting provisions relating to
14 evaluations of life cycle costs with respect to
15 facilities that are leased; amending s.
16 255.255, F.S.; revising energy conservation
17 performance guidelines to be used in life-cycle
18 cost analyses; amending s. 287.064, F.S.;
19 revising requirements relating to guaranteed
20 energy performance savings contracts; amending
21 s. 287.16, F.S.; requiring the Department of
22 Management Services to conduct an inventory of
23 state vehicles that are flexible fuel motor
24 vehicles or hybrid motor vehicles; amending s.
25 366.93, F.S.; revising definitions related to
26 certain power plants to include integrated
27 gasification combined cycle power plants;
28 requiring the Public Service Commission to
29 implement rules related to integrated
30 gasification combined cycle power plant cost
31 recovery; requiring a report; amending s.

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1 403.519, F.S.; providing requirements and
2 procedures for determining need for certain
3 advanced coal technology power plants;
4 providing an exemption from purchased power
5 supply bid rules under certain circumstances;
6 amending s. 377.802, F.S.; designating October
7 of each year as "Energy Efficiency and
8 Conservation Month"; repealing s. 377.803(2),
9 F.S., relating to the definition of "approved
10 metering equipment"; repealing s. 377.804(6),
11 F.S.; deleting provisions relating to bioenergy
12 projects under the Renewable Energy
13 Technologies Grants Program; amending s.
14 377.806, F.S.; revising rebate eligibility and
15 application requirements for solar thermal
16 systems; providing that payment may be made
17 only to the final purchaser of an eligible
18 system; limiting the number of rebates that may
19 be made; providing sales tax exemptions for
20 certain energy-efficient products; amending s.
21 377.901, F.S.; revising membership of the
22 Florida Energy Commission; providing duties of
23 the commission chair; providing eligibility for
24 travel and per diem for ex officio members;
25 prescribing additional duties of the
26 commission; providing for research,
27 recommendations, and a report; creating s.
28 403.0874, F.S.; prescribing duties of the
29 Department of Environmental Protection with
30 respect to greenhouse gas inventories; amending
31 s. 489.145, F.S.; revising provisions relating

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1 to guaranteed energy performance savings
2 contracting to include energy consumption and
3 energy-related operational savings; revising
4 provisions for the financing of guaranteed
5 energy performance savings contracts; revising
6 criteria for proposed contracts; requiring that
7 consolidated financing of deferred payment
8 commodity contracts be secured by certain
9 funds; requiring the Chief Financial Officer to
10 review proposed guaranteed energy performance
11 savings contracts; creating s. 570.956, F.S.;
12 establishing the Farm-to-Fuel Advisory Council
13 within the Department of Agriculture and
14 Consumer Services; providing membership
15 requirements; providing for council duties;
16 creating s. 570.957, F.S.; establishing the
17 Farm-to-Fuel Grants Program within the
18 Department of Agriculture and Consumer
19 Services; providing definitions; specifying the
20 use of grants for certain bioenergy projects;
21 providing eligibility requirements; authorizing
22 the department to adopt rules; providing
23 criteria for grant award consideration;
24 requiring the department to consult with the
25 Department of Environmental Protection, the
26 Office of Tourism, Trade, and Economic
27 Development, and certain experts when
28 evaluating applications; creating s. 570.958,
29 F.S.; establishing the Biofuel Retail Sales
30 Incentive Program; establishing goals for
31 replacing petroleum consumption; providing

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1 definitions; providing incentive payments to
2 qualified retail dealers for increases in the
3 amount of biofuels offered for sale; providing
4 requirements and procedures therefor; creating
5 s. 570.959, F.S.; establishing the Florida
6 Biofuel Production Incentive Program; providing
7 definitions; providing incentive payments to
8 producers of certain biofuels; providing
9 requirements and procedures therefor;
10 authorizing the Department of Agriculture and
11 Consumer Services to adopt rules; directing the
12 Florida Building Commission to convene a
13 workgroup to develop a model residential energy
14 efficiency ordinance; requiring the commission
15 to consult with specified entities to review
16 the cost-effectiveness of energy efficiency
17 measures in the construction of residential,
18 commercial, and government buildings; requiring
19 the commission to consult with specified
20 entities to develop and implement a public
21 awareness campaign; requiring the commission to
22 provide reports to the Legislature; requiring
23 all county, municipal, and public community
24 college buildings to meet certain energy
25 efficiency standards for construction;
26 providing applicability; establishing standards
27 for the use of biodiesel fuels by school
28 district transportation services; providing
29 legislative intent relating to the leverage of
30 state funds for certain research and
31 production; providing for the construction and

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1 operation of a multifaceted Research and
2 Demonstration Cellulosic Ethanol Plant;
3 requiring the Florida Energy Commission to
4 conduct a study to determine the appropriate
5 goals for renewable energy resources; requiring
6 a report; providing an appropriation; providing
7 effective dates.

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