1 A bill to be entitled 2 An act relating to energy; amending s. 196.175, F.S.; 3 revising provisions for the renewable energy source exemption; excluding the assessed value of certain real 4 5 property for determination of such exemption; amending s. 212.08, F.S.; revising the definition of "ethanol"; 6 7 increasing the cap on the sales tax exemption for materials used in the distribution of biodiesel and 8 9 ethanol fuels; specifying eligible items as limited to one refund; requiring a purchaser who receives a refund to 10 notify a subsequent purchaser of such refund; creating s. 11 212.086, F.S.; establishing the Energy-Efficient Motor 12 Vehicle Sales Tax Holiday; providing a sales tax exemption 13 for the purchase of an alternative motor vehicle; 14 specifying a period during which the sale of such vehicles 15 16 is exempt from certain sales tax; providing eligibility requirements; requiring the department to adopt rules; 17 providing an exclusion; providing for future repeal of the 18 19 exemption; amending s. 220.192, F.S., relating to the renewable energy technologies investment tax credit; 20 providing a definition; providing for the transferability 21 of such tax credit; providing requirements and procedures 22 therefor; providing rulemaking requirements and authority; 23 amending s. 220.193, F.S.; providing a definition; 24 25 providing that a taxpayer's use of certain credits does 26 not prohibit the use of other authorized credits; amending 27 s. 255.251, F.S.; revising a short title; amending s. 255.252, F.S.; revising criteria for energy conservation 28

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and sustainability for state-owned buildings; requiring buildings constructed and financed by the state to meet certain environmental standards subject to approval by the Department of Management Services; requiring state agencies to identify state-owned buildings that are suitable for quaranteed energy performance savings contracts; providing requirements and procedures therefor; requiring the Department of Management Services to evaluate identified facilities and develop an energy efficiency project schedule; providing criteria for such schedule; amending s. 255.253, F.S.; providing definitions; amending s. 255.254, F.S.; requiring certain state-owned buildings to meet sustainable building ratings; amending s. 255.255, F.S.; requiring the department to adopt rules and procedures for energy conservation performance guidelines based on sustainable building ratings; amending s. 287.064, F.S.; extending the period of time allowed for the repayment of funds for certain purchases relating to energy conservation measures; requiring guaranteed energy performance savings contractors to provide for the replacement or the extension of the useful life of the equipment during the term of a contract; amending s. 377.802, F.S.; providing for the annual designation of "Energy Efficiency and Conservation Month"; amending s. 377.803, F.S.; revising definitions; amending s. 377.804, F.S.; deleting provisions relating to bioenergy projects under the Renewable Energy Technologies Grants Program; amending s.

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377.806, F.S.; revising rebate eligibility and application requirements for solar photovoltaic systems; requiring applicants to apply for rebate reservations and rebate payments; providing a limitation; revising rulemaking authority; creating s. 403.0874, F.S.; providing a definition; directing the Department of Environmental Protection to develop greenhouse gas inventories; providing requirements for such inventories; authorizing the department to require emission reports; requiring the department to adopt rules; amending s. 403.50663, F.S.; revising the requirements for notice of certain informational public meetings by local governments and regional planning councils relating to power plant siting; amending s. 403.50665, F.S.; authorizing local governments to determine incompleteness of information on certain siting applications as inconsistent with land use plans and zoning ordinances; revising provisions for the filing of certain petitions relating to land use; amending s. 403.508, F.S.; revising provisions for land use certification hearings relating to power plant siting; amending s. 403.509, F.S.; revising provisions for the final disposition of power plant siting applications; amending s. 403.5113, F.S.; revising provisions relating to power plant siting postcertification amendments and review; amending s. 403.5115, F.S.; revising provisions for public notice of activities relating to power plant siting; specifying requirements for such notice; amending s. 403.5252, F.S.; revising the timeframes for agencies

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and the Department of Environmental Protection to provide statements relating to the completeness of applications for power plant siting certification; amending s. 403.527, F.S.; revising the timeframe for the administrative law judge to cancel power plant siting certification hearings and relinquish jurisdiction to the Department of Environmental Protection upon request by the applicant or the department; amending s. 403.5271, F.S.; revising provisions relating to the completeness of applications for alternate corridors; amending s. 403.5272, F.S.; revising the requirements for local governments and regional planning councils to notice certain informational public meetings; amending s. 403.5317, F.S.; revising provisions for power plant siting postcertification activities; amending s. 403.5363, F.S.; revising provisions for public notices of power plant siting certification hearings; requiring local governments and regional planning councils to publish notice of certain informational meetings; providing requirements for such publication; amending s. 489.145, F.S.; revising provisions relating to guaranteed energy performance savings contracting to include energy consumption and energy-related operational savings; revising provisions for the financing of quaranteed energy performance savings contracts; revising criteria for proposed contracts; revising program administration and contract review provisions; requiring that consolidated financing of deferred payment commodity contracts be secured by certain

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funds; requiring the Chief Financial Officer to review proposed guaranteed energy performance savings contracts; creating s. 570.956, F.S.; establishing the Farm-to-Fuel Advisory Council within the Department of Agriculture and Consumer Services; providing membership requirements; providing for council duties; creating s. 570.957, F.S.; establishing the Farm-to-Fuel Grants Program within the Department of Agriculture and Consumer Services; providing definitions; specifying the use of renewable energy grants for projects relating to bioenergy; providing eligibility requirements; authorizing the department to adopt rules; providing criteria for grant award consideration; requiring the department to consult with the Department of Environmental Protection, the Office of Tourism, Trade, and Economic Development, and certain experts when evaluating applications; creating s. 570.958, F.S.; establishing the Biofuel Retail Sales Incentive Program; establishing goals for replacing petroleum consumption; providing definitions; providing incentive payments to qualified retail dealers for increases in the amount of biofuels offered for sale; providing requirements and procedures therefor; creating s. 570.959, F.S.; establishing the Florida Biofuel Production Incentive Program; providing definitions; providing incentive payments to producers of certain biofuels; providing requirements and procedures therefor; authorizing the Department of Agriculture and Consumer Services to adopt rules; directing the Florida Building Commission to

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convene a workgroup to develop a model residential energy efficiency ordinance; requiring the commission to consult with specified entities to review the cost-effectiveness of energy efficiency measures in the construction of residential, commercial, and government buildings; requiring the commission to consult with specified entities to develop and implement a public awareness campaign; requiring the commission to provide reports to the Legislature; requiring all county, municipal, and public community college buildings to meet certain energy efficiency standards for construction; providing applicability; specifying a period during which the sale of energy-efficient products is exempt from certain tax; providing a limitation; providing a definition; authorizing the Department of Revenue to adopt rules; establishing standards for diesel fuel purchases for use by state-owned diesel vehicles and equipment to include biodiesel fuel purchase requirements; establishing standards for fuel purchases for use by state-owned flexfuel vehicles to include ethanol purchase requirements; establishing standards for the use of biodiesel fuels by school district transportation services; providing legislative intent relating to the leverage of state funds for certain research and production; creating the Florida Energy, Aerospace, and Technology (F.E.A.T.) Fund; authorizing the Executive Office of the Governor to procure the services of a private business entity; providing requirements and procedures therefor; requiring

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169 that certain funds be deposited in the Grants and 170 Donations Trust Fund; providing requirements and 171 procedures therefor; providing for the construction and 172 operation of a research and demonstration cellulosic ethanol plant; providing requirements and procedures 173 174 therefor; requiring the Florida Energy Commission to 175 conduct a study and recommend a renewable portfolio 176 standard; providing requirements and procedures therefor; 177 requiring the Florida Energy Commission to conduct a study 178 to recommend the establishment of an energy efficiency and 179 solar energy initiative; providing requirements and procedures therefor; requiring the Public Service 180 Commission to submit a report to the Legislature on 181 182 methods used to evaluate the conservation goals, plans, 183 and programs of utilities subject to the Florida Energy 184 Efficiency and Conservation Act; requiring the Department 185 of Agriculture and Consumer Services to conduct a study 186 and recommend a Florida Loan Guarantee Program for 187 cellulosic ethanol facilities; requiring a report to the 188 Legislature; requiring the Department of Community Affairs 189 to convene a workgroup to identify and review certain 190 energy conservation standards for specified products; providing requirements and procedures therefor; creating 191 192 s. 1013.441, F.S.; establishing the Green Schools Pilot 193 Project to enable selected school districts to comply with 194 certain building-certification standards; defining the term "additional costs"; providing for an application and 195 selection process for participation in the pilot project; 196

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providing requirements for school districts to participate; providing for evaluation criteria that may be used during the selection process; providing for the distribution of funds by the Department of Education; providing for prorated distribution of funds under specified circumstances; providing authority to distribute excess funds for specified purposes; requiring the reporting of expenditures by participating school districts; authorizing inspection and evaluation of the reports by the Auditor General; providing for the return of improperly expended funds and of specified funds if a constructed or renovated school fails to achieve specified certification standards; providing that appropriated funds do not revert to the General Revenue Fund; requiring a report by each participating school district; providing appropriations; providing an effective date.

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

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Section 1. Section 196.175, Florida Statutes, is amended to read:

217 to read:

- 196.175 Renewable energy source exemption. --
- (1) Improved real property upon which a renewable energy source device is installed and operated shall be entitled to an exemption in the amount of not greater than the lesser of:
 - (a) The assessed value of such real property less any other exemptions applicable under this chapter;

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

- (c) Eight percent of the assessed value of such property immediately following installation.
- (2) The exempt amount authorized under subsection (1) shall apply in full if the device was installed and operative throughout the 12-month period preceding January 1 of the year of application for this exemption. If the device was operative for a portion of that period, the exempt amount authorized under this section shall be reduced proportionally.
- (3) It shall be the responsibility of the applicant for an exemption pursuant to this section to demonstrate affirmatively to the satisfaction of the property appraiser that he or she meets the requirements for exemption under this section and that the original cost pursuant to paragraph (1)(b) and the period for which the device was operative, as indicated on the exemption application, are correct.
- (4) No exemption authorized pursuant to this section shall be granted for a period of more than 10 years. No exemption shall be granted with respect to renewable energy source devices installed before <u>July 1, 2007</u> January 1, 1980, or after December 31, 1990.
- Section 2. Paragraph (ccc) of subsection (7) of section 212.08, Florida Statutes, is amended to read:
- 212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.--The sale at retail, the

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rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

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- (7) MISCELLANEOUS EXEMPTIONS. -- Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eliqible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.
- (ccc) Equipment, machinery, and other materials for renewable energy technologies.--
 - 1. As used in this paragraph, the term:
- a. "Biodiesel" means the mono-alkyl esters of long-chain fatty acids derived from plant or animal matter for use as a source of energy and meeting the specifications for biodiesel

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and biodiesel blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Biodiesel may refer to biodiesel blends designated BXX, where XX represents the volume percentage of biodiesel fuel in the blend.

- b. "Ethanol" means <u>an</u> nominally anhydrous denatured alcohol produced by the <u>conversion of carbohydrates</u> <u>fermentation</u> of plant sugars meeting the specifications for fuel ethanol and fuel ethanol blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Ethanol may refer to fuel ethanol blends designated EXX, where XX represents the volume percentage of fuel ethanol in the blend.
- c. "Hydrogen fuel cells" means equipment using hydrogen or a hydrogen-rich fuel in an electrochemical process to generate energy, electricity, or the transfer of heat.
- 2. The sale or use of the following in the state is exempt from the tax imposed by this chapter:
- a. Hydrogen-powered vehicles, materials incorporated into hydrogen-powered vehicles, and hydrogen-fueling stations, up to a limit of \$2 million in tax each state fiscal year for all taxpayers.
- b. Commercial stationary hydrogen fuel cells, up to a limit of \$1 million in tax each state fiscal year for all taxpayers.
- c. Materials used in the distribution of biodiesel (B10-B100) and ethanol (E10-100), including fueling infrastructure, transportation, and storage, up to a limit of $\frac{$2}{$}$ million in tax each state fiscal year for all taxpayers. Gasoline fueling

station pump retrofits for ethanol (E10-E100) distribution qualify for the exemption provided in this sub-subparagraph.

- 3. The Department of Environmental Protection shall provide to the department a list of items eligible for the exemption provided in this paragraph.
- 4.a. The exemption provided in this paragraph shall be available to a purchaser only through a refund of previously paid taxes. Only one purchase of an eligible item is subject to refund. A purchaser who has received a refund on an eligible item must notify any subsequent purchaser of the item that the item is no longer eligible for a refund of tax paid. This notification must be provided to the purchaser on the sales invoice or other proof of purchase.
- b. To be eligible to receive the exemption provided in this paragraph, a purchaser shall file an application with the Department of Environmental Protection. The application shall be developed by the Department of Environmental Protection, in consultation with the department, and shall require:
- (I) The name and address of the person claiming the refund.
- (II) A specific description of the purchase for which a refund is sought, including, when applicable, a serial number or other permanent identification number.
- (III) The sales invoice or other proof of purchase showing the amount of sales tax paid, the date of purchase, and the name and address of the sales tax dealer from whom the property was purchased.

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

- c. Within 30 days after receipt of an application, the Department of Environmental Protection shall review the application and shall notify the applicant of any deficiencies. Upon receipt of a completed application, the Department of Environmental Protection shall evaluate the application for exemption and issue a written certification that the applicant is eligible for a refund or issue a written denial of such certification within 60 days after receipt of the application. The Department of Environmental Protection shall provide the department with a copy of each certification issued upon approval of an application.
- d. Each certified applicant shall be responsible for forwarding a certified copy of the application and copies of all required documentation to the department within 6 months after certification by the Department of Environmental Protection.
- e. The provisions of s. 212.095 do not apply to any refund application made pursuant to this paragraph. A refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department.
- f. The department may adopt all rules pursuant to ss. 120.536(1) and 120.54 to administer this paragraph, including rules establishing forms and procedures for claiming this exemption.
- g. The Department of Environmental Protection shall be responsible for ensuring that the total amounts of the

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exemptions authorized do not exceed the limits as specified in subparagraph 2.

- 5. The Department of Environmental Protection shall determine and publish on a regular basis the amount of sales tax funds remaining in each fiscal year.
 - 6. This paragraph expires July 1, 2010.

- Section 3. Section 212.086, Florida Statutes, is created to read:
- 212.086 Energy-Efficient Motor Vehicle Sales Tax Holiday.--
- (1) The Energy-Efficient Motor Vehicle Sales Tax Holiday is established to provide financial incentives for the purchase of alternative motor vehicles as specified in this section.
- vehicle during the period from 12:01 a.m., October 1, through 11:59 p.m., October 31, in any year is eligible for a partial exemption from the taxes imposed under this chapter. The partial exemption is limited to the first \$10,000 of the sales price of the new alternative motor vehicle. This partial exemption does not apply to the lease or rental of a new alternative motor vehicle.
- (3) To qualify for the exemption under this section, the new alternative motor vehicle must be certified as a qualified hybrid motor vehicle, a qualified alternative fuel motor vehicle, a qualified fuel cell motor vehicle, or an advanced lean-burn technology motor vehicle by the Internal Revenue Service for the income tax credit for alternative motor vehicles under s. 30B of the Internal Revenue Code of 1986, as amended.

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(4) The department may adopt rules pursuant to ss. 120.536(1) and 120.54 to administer this section and may establish guidelines as to the requisites for a dealer's documentation of such exempt sales.

- (5) A motor vehicle or materials incorporated into such motor vehicle on which an application for refund has been filed or paid pursuant to s. 212.08(7)(ccc) is not eligible for an exemption provided in this section. Likewise, a motor vehicle on which a partial exemption is received under this section is not eligible for the exemption under s. 212.08(7)(ccc).
 - (6) This section expires July 1, 2010.
- Section 4. Subsection (1) of section 220.192, Florida Statutes, is amended, subsection (6) is renumbered as subsection (7) and amended, subsection (7) is renumbered as subsection (8), and a new subsection (6) is added to that section, to read:
- 220.192 Renewable energy technologies investment tax credit.--
 - (1) DEFINITIONS. -- For purposes of this section, the term:
- (a) "Biodiesel" means biodiesel as defined in s.
 212.08(7)(ccc).
- (b) "Corporation" means a general partnership, limited partnership, limited liability company, unincorporated business, or other business entity in which a taxpayer owns an interest and which is taxed as a partnership or is disregarded as a separate entity from the taxpayer for tax purposes.
 - (c) (b) "Eligible costs" means:
- 1. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs

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incurred between July 1, 2006, and June 30, 2010, up to a limit of \$3 million per state fiscal year for all taxpayers, in connection with an investment in hydrogen-powered vehicles and hydrogen vehicle fueling stations in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.

- 2. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$1.5 million per state fiscal year for all taxpayers, and limited to a maximum of \$12,000 per fuel cell, in connection with an investment in commercial stationary hydrogen fuel cells in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.
- 3. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$6.5 million per state fiscal year for all taxpayers, in connection with an investment in the production, storage, and distribution of biodiesel (B10-B100) and ethanol (E10-E100) in the state, including the costs of constructing, installing, and equipping such technologies in the state. Gasoline fueling station pump retrofits for ethanol (E10-E100) distribution qualify as an eligible cost under this subparagraph.
- $\underline{\text{(d)}}$ "Ethanol" means ethanol as defined in s. 212.08(7)(ccc).

 $\underline{\text{(e)}}$ "Hydrogen fuel cell" means hydrogen fuel cell as defined in s. 212.08(7)(ccc).

(6) TRANSFERABILITY OF CREDIT. --

- (a) Any corporation and any subsequent transferee allowed the tax credit may transfer the tax credit, in whole or in part, to any taxpayer by written agreement, without the requirement of transferring any ownership interest in the property generating the tax credit or any interest in the entity which owns the property. Transferees are entitled to apply the credits against the tax with the same effect as if the transferee had incurred the eligible costs.
- (b) To perfect the transfer, the transferor shall provide a written transfer statement providing notice to the Department of Revenue of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address, federal taxpayer identification number and tax period, and the amount of tax credits to be transferred. The Department of Revenue shall issue, upon receipt of a transfer statement conforming to the requirements of this section, a certificate to the assignee reflecting the tax credit amounts transferred, a copy of which shall be attached to each tax return by an assignee in which such tax credits are used.
- (c) Tax credits derived by such entities treated as corporations pursuant to this section that are not transferred by such entities to other taxpayers pursuant to this subsection shall be passed through to the taxpayers designated as partners, members, or owners, respectively, in any manner agreed to by such persons, whether or not such persons are allocated or

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allowed any portion of the federal energy tax credit with respect to the eligible costs.

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- (7) (6) RULES.--The Department of Revenue shall have the authority to adopt rules relating to:
- (a) The forms required to claim a tax credit under this section, the requirements and basis for establishing an entitlement to a credit, and the examination and audit procedures required to administer this section.
- (b) The implementation and administration of the provisions allowing a transfer of tax credits, including rules prescribing forms, reporting requirements, and the specific procedures, guidelines, and requirements necessary for a tax credit to be transferred.
- (c) The implementation and administration of the provisions allowing a pass through of tax credits, including rules prescribing forms, reporting requirements, and the specific procedures, guidelines, and requirements necessary for a tax credit to be passed through to an owner, member, or partner.
- (8) (7) PUBLICATION.--The Department of Environmental Protection shall determine and publish on a regular basis the amount of available tax credits remaining in each fiscal year.
- Section 5. Paragraph (f) is added to subsection (2) and paragraph (j) is added to subsection (3) of section 220.193, Florida Statutes, to read:
 - 220.193 Florida renewable energy production credit.--
 - (2) As used in this section, the term:
 - (f) "Sale" or "sold" includes the use of the electricity

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by the producer of the electricity when such use decreases the amount of electricity that would otherwise be purchased by the producer thereof.

- (3) An annual credit against the tax imposed by this section shall be allowed to a taxpayer, based on the taxpayer's production and sale of electricity from a new or expanded Florida renewable energy facility. For a new facility, the credit shall be based on the taxpayer's sale of the facility's entire electrical production. For an expanded facility, the credit shall be based on the increases in the facility's electrical production that are achieved after May 1, 2006.
- (j) A taxpayer's use of the credit granted pursuant to this section shall not reduce the amount of any credit authorized by s. 220.186 that would otherwise be available to that taxpayer.
- Section 6. Section 255.251, Florida Statutes, is amended to read:
- 255.251 Energy Conservation <u>and Sustainable</u> in Buildings Act; short title.--This act shall be cited as the "Florida Energy Conservation <u>and Sustainable</u> in Buildings Act of 1974."
- Section 7. Section 255.252, Florida Statutes, is amended to read:
 - 255.252 Findings and intent. --
- (1) Operating and maintenance expenditures associated with energy equipment and with energy consumed in state-financed and leased buildings represent a significant cost over the life of a building. Energy conserved by appropriate building design not only reduces the demand for energy but also reduces costs for

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building operation. For example, commercial buildings are estimated to use from 20 to 80 percent more energy than would be required if energy-conserving designs were used. The size, design, orientation, and operability of windows, the ratio of ventilating air to air heated or cooled, the level of lighting consonant with space-use requirements, the handling of occupancy loads, and the ability to zone off areas not requiring equivalent levels of heating or cooling are but a few of the considerations necessary to conserving energy.

- efficient state-owned buildings that meet environmental standards underway by the General Services Administration, the National Institute of Standards and Technology, and others to detail the considerations and practices for energy conservation in buildings. Most important is that energy-efficient designs provide energy savings over the life of the building structure. Conversely, energy inefficient designs cause excess and wasteful energy use and high costs over that life. With buildings lasting many decades and with energy costs escalating rapidly, it is essential that the costs of operation and maintenance for energy-using equipment and sustainable materials be included in all design proposals for state-owned state buildings.
- (3) In order that such energy-efficiency <u>and sustainable</u> <u>materials</u> considerations become a function of building design, and also a model for future application in the private sector, it shall be the policy of the state that buildings constructed and financed by the state be designed and constructed <u>to meet</u> the United States Green Building Council (USGBC) Leadership in

Energy and Environmental Design (LEED) rating system, Green Building Initiative's Green Globes rating system, or a nationally recognized, high-performance green building rating system as approved by the department in a manner which will minimize the consumption of energy used in the operation and maintenance of such buildings. It is further the policy of the state, when economically feasible, to retrofit existing state-owned buildings in a manner that which will minimize the consumption of energy used in the operation and maintenance of such buildings.

- buildings to be energy efficient energy efficient, it shall be the policy of the state to operate, maintain, and renovate existing state-owned state facilities, or provide for their renovation, in a manner that which will minimize energy consumption and maximize their sustainability as well as ensure that facilities leased by the state are operated so as to minimize energy use. Agencies are encouraged to consider shared savings financing of such energy projects, using contracts that which split the resulting savings for a specified period of time between the agency and the private firm or cogeneration contracts which otherwise permit the state to lower its energy costs. Such energy contracts may be funded from the operating budget.
- (5) Each state agency must identify and compile a list of all state-owned buildings within its inventory that it determines are suitable for a guaranteed energy performance savings contract pursuant to s. 489.145. Such list shall be

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submitted to the Department of Management Services by December 31, 2007, and shall include any criteria used to determine suitability. The list of suitable buildings shall be developed from the list of state-owned facilities over 5,000 square feet in area and for which the agency is responsible for paying the expenses of utilities and other operating expenses as they relate to energy use. In consultation with each department secretary or director, by March 1, 2008, the Department of Management Services shall evaluate each agency's facilities suitable for energy conservation projects and shall develop an energy efficiency project schedule based on factors such as project magnitude, efficiency and effectiveness of energy conservation measures to be implemented, and other factors that may prove to be advantageous to pursue. Such schedule shall provide the deadline for guaranteed energy performance savings contract improvements to be made to the state-owned buildings. Section 8. Subsections (6) and (7) are added to section 255.253, Florida Statutes, to read: 255.253 Definitions; ss. 255.251-255.258.--"Sustainable building" means a building that is healthy and comfortable for its occupants and is economical to

- (6) "Sustainable building" means a building that is healthy and comfortable for its occupants and is economical to operate while conserving resources, including energy, water, raw materials, and land, and minimizing the generation of toxic materials and waste in its design, construction, landscaping, and operation.
- (7) "Sustainable building rating" means a rating
 established by the United States Green Building Council (USGBC)
 Leadership in Energy and Environmental Design (LEED) rating

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system, Green Building Initiative's Green Globes rating system, or a nationally recognized, high-performance green building rating system as approved by the department.

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Section 9. Section 255.254, Florida Statutes, is amended to read:

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

- No state agency shall lease, construct, or have constructed, within limits prescribed herein, a facility without having secured from the department an a proper evaluation of life-cycle costs based on sustainable building ratings, as computed by an architect or engineer. Furthermore, construction shall proceed only upon disclosing, for the facility chosen, the life-cycle costs as determined in s. 255.255, its sustainable building rating goal, and the capitalization of the initial construction costs of the building. The life-cycle costs shall be a primary consideration in the selection of a building design in addition to its sustainable building rating goal. Such analysis shall be required only for construction of buildings with an area of 5,000 square feet or greater. For leased buildings 5,000 square feet or greater areas of 20,000 square feet or greater within a given building boundary, an energy performance analysis a life cycle analysis shall be performed, and a lease shall only be made where there is a showing that the energy life cycle costs incurred by the state are minimal compared to available like facilities.
- (2) On and after January 1, 1979, no state agency shall initiate construction or have construction initiated, prior to

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approval thereof by the department, on a facility or selfcontained unit of any facility, the design and construction of which incorporates or contemplates the use of an energy system other than a solar energy system when the life-cycle costs analysis prepared by the department has determined that a solar energy system is the most cost-efficient energy system for the facility or unit.

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

Section 10. Subsection (1) of section 255.255, Florida Statutes, is amended to read:

255.255 Life-cycle costs.--

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

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

287.064 Consolidated financing of deferred-payment purchases.--

- (10) Costs incurred pursuant to a guaranteed energy performance savings contract, including the cost of energy conservation measures, each as defined in s. 489.145, may be financed pursuant to a master equipment financing agreement; however, the costs of training, operation, and maintenance may not be financed. The period of time for repayment of the funds drawn pursuant to the master equipment financing agreement under this subsection may exceed 5 years but may not exceed 20 10 years for energy conservation measures pursuant to s. 489.145, excluding the costs of training, operation, and maintenance. The guaranteed energy performance savings contractor shall provide for the replacement or the extension of the useful life of the equipment during the term of the contract.
- (11) For purposes of consolidated financing of deferred payment commodity contracts under this section by a state agency, the annualized amount of any such contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, that the Chief Financial Officer has determined is appropriate or that the Legislature has designated for payment of the obligation incurred under this section.

Section 12. Section 377.802, Florida Statutes, is amended to read:

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377.802 Purposes Purpose. --

- (1) This act is intended to provide matching grants to stimulate capital investment in the state and to enhance the market for and promote the statewide utilization of renewable energy technologies. The targeted grants program is designed to advance the already growing establishment of renewable energy technologies in the state and encourage the use of other incentives such as tax exemptions and regulatory certainty to attract additional renewable energy technology producers, developers, and users to the state.
- (2) This act is also intended to provide incentives for the purchase of energy-efficient appliances and rebates for solar energy equipment installations for residential and commercial buildings. In order to promote energy efficiency and conservation of the state's resources, the month of October shall annually be designated "Energy Efficiency and Conservation Month."
- Section 13. Subsection (2) of section 377.803, Florida Statutes, is amended, and subsections (3) through (10) of that section are renumbered as subsections (2) through (9), respectively, to read:
- 717 377.803 Definitions.--As used in ss. 377.801-377.806, the term:
 - (2) "Approved metering equipment" means a device capable of measuring the energy output of a solar thermal system that has been approved by the commission.
- Section 14. Subsection (6) of section 377.804, Florida

 723 Statutes, is amended to read:

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377.804 Renewable Energy Technologies Grants Program.-(6) The department shall coordinate and actively consult with the Department of Agriculture and Consumer Services during the review and approval process of grants relating to bioenergy projects for renewable energy technology, and the departments shall jointly determine the grant awards to these bioenergy projects. No grant funding shall be awarded to any bioenergy project without such joint approval. Factors for consideration in awarding grants may include, but are not limited to, the degree to which:

- (a) The project stimulates in-state capital investment and economic development in metropolitan and rural areas, including the creation of jobs and the future development of a commercial market for bioenergy.
- (b) The project produces bioenergy from Florida grown crops or biomass.
- (c) The project demonstrates efficient use of energy and material resources.
- (d) The project fosters overall understanding and appreciation of bioenergy technologies.
- (e) Matching funds and in-kind contributions from an applicant are available.
- (f) The project duration and the timeline for expenditures are acceptable.
- (g) The project has a reasonable assurance of enhancing the value of agricultural products or will expand agribusiness in the state.

(h) Preliminary market and feasibility research has been conducted by the applicant or others and shows there is a reasonable assurance of a potential market.

Section 15. Subsections (2) and (3) of section 377.806, Florida Statutes, are amended, present subsection (6) is renumbered as subsection (7), present subsection (7) is renumbered as subsection (8) and amended, and a new subsection (6) is added to that section, to read:

377.806 Solar Energy System Incentives Program. --

- (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE. --
- (a) Eligibility requirements.--A solar photovoltaic system qualifies for a rebate if:
- 1. The system is installed by a state-licensed master electrician, electrical contractor, or solar contractor.
- 2. The system complies with state interconnection standards as provided by the commission.
- 3. The system complies with all applicable building codes as defined by the local jurisdictional authority.
- (b) Rebate amounts.--The rebate amount shall be set at \$4 per watt based on the total wattage rating of the system. The maximum allowable rebate per solar photovoltaic system installation shall be as follows:
 - 1. Twenty thousand dollars for a residence.
- 2. One hundred thousand dollars for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings.
 - (c) Application.--To be eligible to receive a rebate,

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applicants must file with the department a preapplication form demonstrating that the planned system will meet applicable requirements of this section. The department shall review the preapplication to determine if it complies with the requirements of this section, shall notify the applicant within 30 days after receipt of the preapplication that the preapplication has been received and meets such requirements, and shall reserve funding for the preapplication for up to 90 days following the date of issuance of notification to the applicant. Within 90 days after the purchase of the solar photovoltaic system, the applicant must submit to the department a separate application for a rebate payment.

(3) SOLAR THERMAL SYSTEM INCENTIVE. --

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- (a) Eligibility requirements.--A solar thermal system qualifies for a rebate if:
- 1. The system is installed by a state-licensed solar or plumbing contractor.
- 2. The system complies with all applicable building codes as defined by the local jurisdictional authority.
- (b) Rebate amounts.--Authorized rebates for installation of solar thermal systems shall be as follows:
 - 1. Five hundred dollars for a residence.
- 2. Fifteen dollars per 1,000 Btu up to a maximum of \$5,000 for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings. Btu must be verified by approved metering equipment.

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(6) LIMITATION.--Rebates are limited to one type of system per resident per state fiscal year.

- (8) (7) RULES.--The department shall adopt rules pursuant to ss. 120.536(1) and 120.54 to develop rebate applications for rebate reservations and rebate payments and administer the issuance of rebates.
- Section 16. Section 403.0874, Florida Statutes, is created to read:
 - 403.0874 Greenhouse gas inventories. --

- (1) "Greenhouse gases" means gases that trap heat in the atmosphere. The principal greenhouse gases are: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), and fluorinated gases (such as hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride).
- inventories that account for annual greenhouse gases emitted to and removed from the atmosphere, and forecast gases emitted and removed, for all major greenhouse gases, for time periods determined sufficient by the department to provide for adequate analysis and planning.
- (3) By rule, the department shall define which greenhouse gases are to be included in each inventory, the criteria for defining major emitters, which emitters must report emissions, and what methodologies shall be used to estimate gases emitted and removed from those not required to report.
- (4) The department is authorized to require all major emitters of defined greenhouse gases to report emissions according to methodologies and reporting systems approved by the

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department and established by rule, which may include the use of quality-assured data from continuous emissions monitoring systems.

Section 17. Subsection (3) of section 403.50663, Florida Statutes, is amended to read:

403.50663 Informational public meetings.--

(3) A local government or regional planning council that intends to conduct an informational public meeting must provide notice of the meeting to all parties not less than $\underline{15}$ 5 days prior to the meeting and to the general public, in accordance with the provisions of s. 403.5115(5).

Section 18. Subsections (2), (3), and (4) of section 403.50665, Florida Statutes, are amended to read:

403.50665 Land use consistency.--

(2) Within 45 days after the filing of the application, each local government shall file a determination with the department, the applicant, the administrative law judge, and all parties on the consistency of the site or any directly associated facilities with existing land use plans and zoning ordinances that were in effect on the date the application was filed, based on the information provided in the application. The local government may issue its determination up to 35 days later if the local government has requested additional information on land use and zoning consistency as part of the local government's statement on completeness of the application submitted pursuant to s. 403.5066(1)(a). Incompleteness of information necessary for a local government to evaluate an application may be claimed by the local government as cause for

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<u>a statement of inconsistency with existing land use plans and zoning ordinances.</u> Notice of the consistency determination shall be published in accordance with the requirements of s. 403.5115.

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- If the local government issues a determination that the proposed electrical power plant is not consistent or in compliance with local land use plans and zoning ordinances, the applicant may apply to the local government for the necessary local approval to address the inconsistencies in the local government's determination. If the applicant makes such an application to the local government, the time schedules under this act shall be tolled until the local government issues its revised determination on land use and zoning or the applicant otherwise withdraws its application to the local government. If the applicant applies to the local government for necessary local land use or zoning approval, the local government shall issue a revised determination within 30 days following the conclusion of any that local proceeding held by the local government to consider the application for land use or zoning approval, and the time schedules and notice requirements under this act shall apply to such revised determination.
- (4) If any substantially affected person wishes to dispute the local government's determination, he or she shall file a petition with the <u>designated administrative law judge</u> department within 21 days after the publication of notice of the local government's determination. If a hearing is requested, the provisions of s. 403.508(1) shall apply.

Section 19. Paragraph (a) of subsection (1) and paragraph (a) of subsection (2) of section 403.508, Florida Statutes, are amended to read:

403.508 Land use and certification hearings, parties, participants.--

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- Within 5 days after the filing of If a petition for (1)(a) a hearing on land use has been filed pursuant to s. 403.50665, the designated administrative law judge shall schedule conduct a land use hearing to be conducted in the county of the proposed site or directly associated facility, as applicable, as expeditiously as possible, but not later than 30 days after the department's receipt of the petition. The place of such hearing shall be as close as possible to the proposed site or directly associated facility. If a petition is filed, the hearing shall be held regardless of the status of the completeness of the application. However, incompleteness of information necessary for a local government to evaluate an application may be claimed by the local government as cause for a statement of inconsistency with existing land use plans and zoning ordinances under s. 403.50665.
- (2)(a) A certification hearing shall be held by the designated administrative law judge no later than 265 days after the application is filed with the department. The certification hearing shall be held at a location in proximity to the proposed site. At the conclusion of the certification hearing, the designated administrative law judge shall, after consideration of all evidence of record, submit to the board a recommended

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order no later than 45 days after the filing of the hearing transcript.

Section 20. Subsection (5) of section 403.509, Florida Statutes, is amended to read:

403.509 Final disposition of application .--

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to read:

For certifications issued by the board in regard to the properties and works of any agency which is a party to the certification hearing, the board shall have the authority to decide issues relating to the use, the connection thereto, or the crossing thereof, for the electrical power plant and directly associated facilities and to direct any such agency to execute, within 30 days after the entry of certification, the necessary license or easement for such use, connection, or crossing, subject only to the conditions set forth in such certification. For certifications issued by the department in regard to the properties and works of any agency which is a party to the proceeding, any stipulation filed pursuant to s. 403.508(6)(a) must include a stipulation regarding any issues relating to the use, the connection thereto, or the crossing thereof, for the electrical power plant and directly associated facilities. Any agency stipulating to the use, connection to, or crossing of its property must agree to execute, within 30 days after the entry of certification, the necessary license or easement for such use, connection, or crossing, subject only to the conditions set forth in such certification.

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403.5113 Postcertification amendments and review. --

Section 21. Section 403.5113, Florida Statutes, is amended

(1) POSTCERTIFICATION AMENDMENTS. --

- (a) If, subsequent to certification by the board, a licensee proposes any material change to the application and revisions or amendments thereto, as certified, the licensee shall submit a written request for amendment and a description of the proposed change to the application to the department. Within 30 days after the receipt of the request for the amendment, the department shall determine whether the proposed change to the application requires a modification of the conditions of certification.
- (b)(2) If the department concludes that the change would not require a modification of the conditions of certification, the department shall provide written notification of the determination on approval of the proposed amendment to the licensee, all agencies, and all other parties.
- $\underline{(c)}$ If the department concludes that the change would require a modification of the conditions of certification, the department shall provide written notification to the licensee that the proposed change to the application requires a request for modification pursuant to s. 403.516.
- (2) (4) POSTCERTIFICATION REVIEW.--Postcertification submittals filed by the licensee with one or more agencies are for the purpose of monitoring for compliance with the issued certification and must be reviewed by the agencies on an expedited and priority basis because each facility certified under this act is a critical infrastructure facility. In no event shall a postcertification review be completed in more than

970 90 days after complete information is submitted to the reviewing agencies.

Section 22. Section 403.5115, Florida Statutes, is amended to read:

403.5115 Public notice.--

- (1) The following notices are to be published by the applicant <u>for all applications</u>:
- (a) Notice of the filing of a notice of intent under s. 403.5063, which shall be published within 21 days after the filing of the notice. The notice shall be published as specified by subsection (2), except that the newspaper notice shall be one-fourth page in size in a standard size newspaper or one-half page in size in a tabloid size newspaper.
- (b) Notice of filing of the application, which shall include a description of the proceedings required by this act, within 21 days after the date of the application filing. Such notice shall give notice of the provisions of s. 403.511(1) and (2).
- (c) <u>If applicable</u>, notice of the land use determination made pursuant to s. 403.50665(1) within 21 days after the determination is filed.
- (d) <u>If applicable</u>, notice of the land use hearing, which shall be published as specified in subsection (2), no later than 15 days before the hearing.
- (e) Notice of the certification hearing and notice of the deadline for filing notice of intent to be a party, which shall be published as specified in subsection (2), at least 65 days before the date set for the certification hearing.

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(f) Notice of the cancellation of the certification hearing, if applicable, no later than 3 days before the date of the originally scheduled certification hearing.

- (g) Notice of modification when required by the department, based on whether the requested modification of certification will significantly increase impacts to the environment or the public. Such notice shall be published as specified under subsection (2):
- 1. Within 21 days after receipt of a request for modification. The newspaper notice shall be of a size as directed by the department commensurate with the scope of the modification.
- 2. If a hearing is to be conducted in response to the request for modification, then notice shall be published no later than 30 days before the hearing.
- (h) Notice of a supplemental application, which shall be published as specified in paragraph (b) and subsection (2).
- (i) Notice of existing site certification pursuant to s. 403.5175. Notices shall be published as specified in paragraph (b) and subsection (2).
- (2) Notices provided by the applicant shall be published in newspapers of general circulation within the county or counties in which the proposed electrical power plant will be located. The newspaper notices shall be at least one-half page in size in a standard size newspaper or a full page in a tabloid size newspaper. These notices shall include a map generally depicting the project and all associated facilities corridors. A newspaper of general circulation shall be the newspaper which

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has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

- (3) All notices published by the applicant shall be paid for by the applicant and shall be in addition to the application fee.
- (4) The department shall arrange for publication of the following notices in the manner specified by chapter 120 and provide copies of those notices to any persons who have requested to be placed on the departmental mailing list for this purpose for each case for which an application has been received by the department:
- (a) Notice of the filing of the notice of intent within 15 days after receipt of the notice.
- (b) Notice of the filing of the application, no later than21 days after the application filing.
- (c) Notice of the land use determination made pursuant to s. 403.50665(1) within 21 days after the determination is filed.
- (d) Notice of the land use hearing before the administrative law judge, if applicable, no later than 15 days before the hearing.
- (e) Notice of the land use hearing before the board, if applicable.
- 1052 (f) Notice of the certification hearing at least 45 days 1053 before the date set for the certification hearing.

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(g) Notice of the cancellation of the certification hearing, if applicable, no later than 3 days prior to the date of the originally scheduled certification hearing.

- (h) Notice of the hearing before the board, if applicable.
- (i) Notice of stipulations, proposed agency action, or petitions for modification.
- (5) A local government or regional planning council that proposes to conduct an informational public meeting pursuant to s. 403.50663 must publish notice of the meeting in a newspaper of general circulation within the county or counties in which the proposed electrical power plant will be located no later than 7 days prior to the meeting. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.
- Section 23. Subsection (1) of section 403.5252, Florida Statutes, is amended to read:
 - 403.5252 Determination of completeness.--
- (1) (a) Within 30 days after the filing distribution of an application, the affected agencies shall file a statement with the department containing the recommendations of each agency concerning the completeness of the application for certification.

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(b) Within 37 7 days after the filing receipt of the application completeness statements of each agency, the department shall file a statement with the Division of Administrative Hearings, with the applicant, and with all parties declaring its position with regard to the completeness of the application. The statement of the department shall be based upon its consultation with the affected agencies.

Section 24. Paragraph (a) of subsection (6) of section 403.527, Florida Statutes, is amended to read:

403.527 Certification hearing, parties, participants.--

(6)(a) No later than 29 25 days before the certification hearing, the department or the applicant may request that the administrative law judge cancel the certification hearing and relinquish jurisdiction to the department if all parties to the proceeding stipulate that there are no disputed issues of material fact or law to be raised at the certification hearing.

Section 25. Paragraph (e) of subsection (1) of section 403.5271, Florida Statutes, is amended to read:

403.5271 Alternate corridors.--

- (1) No later than 45 days before the originally scheduled certification hearing, any party may propose alternate transmission line corridor routes for consideration under the provisions of this act.
- (e)1. Reviewing agencies shall advise the department of any issues concerning completeness no later than 15 days after the submittal of the data required by paragraph (d). Within 22 days after receipt of the data, the department shall issue a determination of completeness.

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2. If the department determines that the data required by paragraph (d) is not complete, the party proposing the alternate corridor must file such additional data to correct the incompleteness. This additional data must be submitted within 14 days after the determination by the department.

3. Reviewing agencies may advise the department of any issues concerning completeness of the additional data within 10 days after the filing by the party proposing the alternate corridor. If the department, within 14 days after receiving the additional data, determines that the data remains incomplete, the incompleteness of the data is deemed a withdrawal of the proposed alternate corridor. The department may make its determination based on recommendations made by other affected agencies.

Section 26. Subsection (3) of section 403.5272, Florida Statutes, is amended to read:

403.5272 Informational public meetings.--

(3) A local government or regional planning council that intends to conduct an informational public meeting must provide notice of the meeting, with notice sent to all parties listed in s. 403.527(2)(a), not less than $\underline{15}$ 5 days before the meeting, to the general public, in accordance with the provisions of s. 403.5363(4).

Section 27. Paragraph (b) of subsection (1) of section 403.5317, Florida Statutes, is amended to read:

403.5317 Postcertification activities.--

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(b) If the department concludes that the change would not require a modification of the conditions of certification, the department shall notify, in writing, the licensee, all agencies, and all parties of the <u>determination on approval</u> of the amendment.

Section 28. Paragraph (c) of subsection (3) of section 403.5363, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

403.5363 Public notices; requirements.--

- (3) The department shall arrange for the publication of the following notices in the manner specified by chapter 120:
- (c) The notice of the cancellation of a certification hearing, if applicable. The notice must be published not later than $\underline{3}$ 7 days before the date of the originally scheduled certification hearing.
- (4) A local government or regional planning council that proposes to conduct an informational public meeting pursuant to s. 403.5272 must publish notice of the meeting in a newspaper of general circulation within the county or counties in which the proposed electrical transmission line will be located no later than 7 days prior to the meeting. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

Section 29. Section 489.145, Florida Statutes, is amended to read:

489.145 Guaranteed energy performance savings contracting.--

- (1) SHORT TITLE.--This section may be cited as the "Guaranteed Energy Performance Savings Contracting Act."
- (2) LEGISLATIVE FINDINGS.--The Legislature finds that investment in energy conservation measures in agency facilities can reduce the amount of energy consumed and produce immediate and long-term savings. It is the policy of this state to encourage agencies to invest in energy conservation measures that reduce energy consumption, produce a cost savings for the agency, and improve the quality of indoor air in public facilities and to operate, maintain, and, when economically feasible, build or renovate existing agency facilities in such a manner as to minimize energy consumption and maximize energy savings. It is further the policy of this state to encourage agencies to reinvest any energy savings resulting from energy conservation measures in additional energy conservation efforts.
 - (3) DEFINITIONS. -- As used in this section, the term:
- (a) "Agency" means the state, a municipality, or a political subdivision.
- (b) "Energy conservation measure" means a training program, facility alteration, or an equipment purchase to be used in new construction, including an addition to an existing facility, which reduces energy or energy-related operating costs and includes, but is not limited to:

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

- 2. Storm windows and doors, caulking or weatherstripping, multiglazed windows and doors, heat-absorbing, or heat-reflective, glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption.
 - 3. Automatic energy control systems.
- 4. Heating, ventilating, or air-conditioning system modifications or replacements.
- 5. Replacement or modifications of lighting fixtures to increase the energy efficiency of the lighting system, which, at a minimum, must conform to the applicable state or local building code.
 - 6. Energy recovery systems.

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- 7. Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a facility or complex of facilities.
- 8. Energy conservation measures that <u>reduce Btu, kW, or kWh consumed or provide long-term operating cost reductions or significantly reduce Btu consumed.</u>
- 9. Renewable energy systems, such as solar, biomass, or wind systems.
- 1214 10. Devices that reduce water consumption or sewer 1215 charges.
- 1216 11. Storage systems, such as fuel cells and thermal 1217 storage.
- 1218 12. Generating technologies, such as microturbines.

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

- (c) "Energy cost savings" means a measured reduction in the cost of fuel, energy consumption, and stipulated operation and maintenance created from the implementation of one or more energy conservation measures when compared with an established baseline for the previous cost of fuel, energy consumption, and stipulated operation and maintenance.
- (d) "Guaranteed energy performance savings contract" means a contract for the evaluation, recommendation, and implementation of energy conservation measures or energy-related operational saving measures, which, at a minimum, shall include:
- 1. The design and installation of equipment to implement one or more of such measures and, if applicable, operation and maintenance of such measures.
- 2. The amount of any actual annual savings that meet or exceed total annual contract payments made by the agency for the contract and may include allowable cost avoidance. As used in this section, allowable cost avoidance calculations include, but are not limited to, avoided provable budgeted costs contained in a capital replacement plan less the current undepreciated value of replaced equipment and the replacement cost of the new equipment.
- 3. The finance charges incurred by the agency over the life of the contract.
- (e) "Guaranteed energy performance savings contractor" means a person or business that is licensed under chapter 471, chapter 481, or this chapter, and is experienced in the

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analysis, design, implementation, or installation of energy conservation measures through energy performance contracts.

(4) PROCEDURES. --

- (a) An agency may enter into a guaranteed energy performance savings contract with a guaranteed energy performance savings contractor to significantly reduce energy consumption or energy-related operating costs of an agency facility through one or more energy conservation measures.
- (b) Before design and installation of energy conservation measures, the agency must obtain from a guaranteed energy performance savings contractor a report that summarizes the costs associated with the energy conservation measures or energy-related operational cost saving measures and provides an estimate of the amount of the energy cost savings. The agency and the guaranteed energy performance savings contractor may enter into a separate agreement to pay for costs associated with the preparation and delivery of the report; however, payment to the contractor shall be contingent upon the report's projection of energy or operational cost savings being equal to or greater than the total projected costs of the design and installation of the report's energy conservation measures.
- (c) The agency may enter into a guaranteed energy performance savings contract with a guaranteed energy performance savings contractor if the agency finds that the amount the agency would spend on the energy conservation or energy-related cost saving measures will not likely exceed the amount of the energy or energy-related cost savings for up to 20 years from the date of installation, based on the life cycle

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cost calculations provided in s. 255.255, if the recommendations in the report were followed and if the qualified provider or providers give a written guarantee that the energy or energy-related cost savings will meet or exceed the costs of the system. However, actual computed cost savings must meet or exceed the estimated cost savings provided in program approval.

Baseline adjustments used in calculations must be specified in the contract. The contract may provide for installment payments for a period not to exceed 20 years.

- (d) A guaranteed energy performance savings contractor must be selected in compliance with s. 287.055; except that if fewer than three firms are qualified to perform the required services, the requirement for agency selection of three firms, as provided in s. 287.055(4)(b), and the bid requirements of s. 287.057 do not apply.
- (e) Before entering into a guaranteed energy performance savings contract, an agency must provide published notice of the meeting in which it proposes to award the contract, the names of the parties to the proposed contract, and the contract's purpose.
- (f) A guaranteed energy performance savings contract may provide for financing, including tax exempt financing, by a third party. The contract for third party financing may be separate from the energy performance contract. A separate contract for third party financing <u>pursuant to this paragraph</u> must include a provision that the third party financier must not be granted rights or privileges that exceed the rights and

privileges available to the guaranteed energy performance savings contractor.

- (g) Financing for guaranteed energy performance savings contracts may be provided under the authority of s. 287.064.
- (h) The Office of the Chief Financial Officer shall review proposals to ensure that the most effective financing is being used.
- (i)(g) In determining the amount the agency will finance to acquire the energy conservation measures, the agency may reduce such amount by the application of any grant moneys, rebates, or capital funding available to the agency for the purpose of buying down the cost of the guaranteed energy performance savings contract. However, in calculating the life cycle cost as required in paragraph (c), the agency shall not apply any grants, rebates, or capital funding.
 - (5) CONTRACT PROVISIONS. --

- (a) A guaranteed energy performance savings contract must include a written guarantee that may include, but is not limited to the form of, a letter of credit, insurance policy, or corporate guarantee by the guaranteed energy performance savings contractor that annual energy cost savings will meet or exceed the amortized cost of energy conservation measures.
- (b) The guaranteed energy performance savings contract must provide that all payments, except obligations on termination of the contract before its expiration, may be made over time, but not to exceed 20 years from the date of complete installation and acceptance by the agency, and that the annual savings are guaranteed to the extent necessary to make annual

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payments to satisfy the guaranteed energy performance savings contract.

- (c) The guaranteed energy performance savings contract must require that the guaranteed energy performance savings contractor to whom the contract is awarded provide a 100-percent public construction bond to the agency for its faithful performance, as required by s. 255.05.
- (d) The guaranteed energy performance savings contract may contain a provision allocating to the parties to the contract any annual energy cost savings that exceed the amount of the energy cost savings guaranteed in the contract.
- (e) The guaranteed energy performance savings contract shall require the guaranteed energy performance savings contractor to provide to the agency an annual reconciliation of the guaranteed energy or energy-related cost savings. If the reconciliation reveals a shortfall in annual energy or energy-related cost savings, the guaranteed energy performance savings contractor is liable for such shortfall. If the reconciliation reveals an excess in annual energy cost savings, the excess savings may be allocated under paragraph (d) but may not be used to cover potential energy cost savings shortages in subsequent contract years.
- (f) The guaranteed energy performance savings contract must provide for payments of not less than one-twentieth of the price to be paid within 2 years from the date of the complete installation and acceptance by the agency <u>using straight-line</u> amortization for the term of the loan, and the remaining costs

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

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- (g) The guaranteed energy performance savings contract may extend beyond the fiscal year in which it becomes effective; however, the term of any contract expires at the end of each fiscal year and may be automatically renewed annually for up to 20 years, subject to the agency making sufficient annual appropriations based upon continued realized energy savings.
- (h) The guaranteed energy performance savings contract must stipulate that it does not constitute a debt, liability, or obligation of the state.
- PROGRAM ADMINISTRATION AND CONTRACT REVIEW. -- The Department of Management Services, with the assistance of the Office of the Chief Financial Officer, shall may, within available resources, provide technical content assistance to state agencies contracting for energy conservation measures and engage in other activities considered appropriate by the department for promoting and facilitating quaranteed energy performance contracting by state agencies. The Office of the Chief Financial Officer, with the assistance of the Department of Management Services, shall may, within available resources, develop model contractual and related documents for use by state agencies. Prior to entering into a guaranteed energy performance savings contract, any contract or lease for third-party financing, or any combination of such contracts, a state agency shall submit such proposed contract or lease to the Office of the Chief Financial Officer for review and approval. A proposed contract or lease shall include:

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

- (b) Documentation supporting recurring funds requirements in ss. 287.063(5) and 287.064(11).
 - (c) Approval by the agency head or his or her designee.
- (d) An agency measurement and verification plan to monitor costs savings.
- (7) FUNDING SUPPORT.--For purposes of consolidated financing of deferred payment commodity contracts under this section by a state agency, any such contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, that the Chief Financial Officer has determined is appropriate or that the Legislature has designated for payment of the obligation incurred under this section.

The Office of the Chief Financial Officer may not approve any contract submitted under this section that does not meet the requirements of this section.

Section 30. Section 570.956, Florida Statutes, is created to read:

570.956 Farm-to-Fuel Advisory Council.--

(1) The Farm-to-Fuel Advisory Council is created within the department to provide advice and counsel to the commissioner concerning the production of renewable energy in this state. The advisory council shall consist of 15 members, 14 of whom shall be appointed by the commissioner and one of whom shall be

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appointed the Governor for 4-year terms or until a successor is
duly qualified and appointed. Members shall include:

- (a) One citizen-at-large member who shall represent the views of the public toward renewable energy.
- (b) Six members each of whom is a producer or grower actively engaged in the agricultural area of one of the following industries:
 - Sugarcane.
 - 2. Citrus.
- 3. Field crops.
- 1422 4. Dairy.

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- 5. Livestock or poultry.
- 1424 <u>6. Forestry.</u>
- 1425 (c) One member who represents the petroleum industry or 1426 who is actively engaged in the trade of petroleum products.
 - (d) One member who represents public utilities or the electric power industry.
 - (e) Two members who represent colleges and universities in this state and who are engaged in research involving alternative fuels or renewable energy.
 - (f) One member who represents the environmental community or an environmental organization.
 - (g) One member who represents the ethanol industry or who has expertise in the production of ethanol.
 - (h) One member who represents the biodiesel industry or who has expertise in the production of biodiesel.
 - (i) One member appointed by the Governor.

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1439 (2) The council is an advisory committee the operation of which is governed by s. 570.0705.

Section 31. Section 570.957, Florida Statutes, is created to read:

570.957 Farm-to-Fuel Grants Program.--

- (1) As used in this section, the term:
- (a) "Bioenergy" means useful, renewable energy produced from organic matter through the conversion of the complex carbohydrates in organic matter to energy. Organic matter may either be used directly as a fuel, processed into liquids and gases, or be a residue of processing and conversion.
- (b) "Department" means the Department of Agriculture and Consumer Services.
- (c) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, or any other public or private entity.
- (d) "Renewable energy" means electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power.
- (2) The Farm-to-Fuel Grants Program is established within the department to provide renewable energy matching grants for demonstration, commercialization, research, and development projects relating to bioenergy projects.
- (a) Matching grants for bioenergy demonstration,

 commercialization, research, and development projects may be

 made to any of the following:

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- 1467 1. Municipalities and county governments.
- 1468 <u>2. Established for-profit companies licensed to do</u>
 1469 business in the state.
 - 3. Universities and colleges in the state.
 - 4. Utilities located and operating within the state.
- 1472 5. Not-for-profit organizations.

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- 1473 <u>6. Other qualified persons, as determined by the</u> 1474 Department of Agriculture and Consumer Services.
 - (b) The department may adopt rules to provide for allocation of grant funds by project type, application requirements, ranking of applications, and awarding of grants under this program.
 - (c) Factors for consideration in awarding grants may include, but are not limited to, the degree to which:
 - 1. The project produces bioenergy from Florida-grown crops or biomass.
 - 2. The project demonstrates efficient use of energy and material resources.
 - 3. Matching funds and in-kind contributions from an applicant are available.
 - 4. The project has a reasonable assurance of enhancing the value of agricultural products or will expand agribusiness in the state.
 - 5. Preliminary market and feasibility research has been conducted by the applicant or others and shows there is a reasonable assurance of a potential market.
- 1493 <u>6. The project stimulates in-state capital investment and</u> 1494 <u>economic development in metropolitan and rural areas, including</u>

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the creation of jobs and the future development of a commercial market for bioenergy.

- 7. The project incorporates an innovative new technology or an innovative application of an existing technology.
- (d) In evaluating and awarding grants under this section, the department shall consult with and solicit input from the Department of Environmental Protection.
- (e) In determining the technical feasibility of grant applications, the department shall coordinate and actively consult with persons having expertise in renewable energy technologies.
- (f) In determining the economic feasibility of bioenergy

 grant applications, the department shall consult with the Office

 of Tourism, Trade, and Economic Development.
- 1509 Section 32. Section 570.958, Florida Statutes, is created 1510 to read:
- 1511 570.958 Biofuel Retail Sales Incentive Program.--
- (1) The purpose of this section is to encourage the retail
 sale of biofuels in this state and replace petroleum consumption
 in the state by the following percentages over the specified
- 1515 periods:

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- 1516 (a) Three percent from January 1, 2008, through December 1517 31, 2008.
- 1518 (b) Five percent from January 1, 2009, through December 1519 31, 2009.
- 1520 (c) Seven percent from January 1, 2010, through December
 1521 31, 2010.
- (d) Ten percent from January 1, 2011, through December 31,

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1523 2011.

- (2) As used in this section:
- (a) "Biodiesel" means the mono-alkyl esters of long-chain fatty acids derived from plant or animal matter for use as a source of energy and meeting the specifications for biodiesel and biodiesel blended with petroleum products as adopted by the department.
- (b) "Biofuel" means E85 fuel ethanol, E10 motor fuel, biodiesel, and diesel blended <u>fuel</u>.
- (c) "Diesel blended fuel" means a fuel mixture containing

 10 percent or more biodiesel or renewable diesel fuel with the

 balance comprised of diesel fuel and meeting the specifications

 for diesel blends as adopted by the department.
- (d) "E85 fuel ethanol" means ethanol blended with gasoline and formulated with a nominal percentage of 85 percent ethanol by volume and meeting the applicable fuel quality specifications as adopted by the department.
- (e) "E10 motor fuel" means a motor fuel blend consisting of nominal percentages of 90 percent gasoline by volume and 10 percent ethanol by volume and meeting the fuel quality specifications for gasoline as adopted by the department.
- (f) "Ethanol or fuel ethanol" means an anhydrous denatured alcohol produced by the conversion of carbohydrates and meeting the specifications for fuel ethanol as adopted by the department.
- (g) "Fuel dispenser" means a pump, meter, or similar
 device used to measure and deliver motor fuel or diesel fuel on
 a retail basis.

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(h) "Renewable diesel fuel" means a fuel that meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency in the Clean Air Act; is not a mono-alkyl ester; is intended for use in engines that are designed to run on conventional, petroleum derived diesel fuel; is derived from nonpetroleum renewable resources, including, but not limited to, vegetable oils, animal wastes, including poultry fats and poultry wastes, and other waste materials, or municipal solid waste and sludges and oils derived from wastewater and the treatment of wastewater; and meets the specifications for diesel fuel as adopted by the department.

- (i) "Retail dealer" means any person who is engaged in the business of selling fuel at retail at posted retail prices.
- (j) "Retail motor fuel site" means a geographic location in this state where a retail dealer sells or offers for sale motor fuel, diesel fuel, or biofuel to the general public.
- (3) (a) Subject to specific appropriation, a retail dealer who sells biofuel through fuel dispensers at retail motor fuel sites is entitled to an incentive payment that shall be computed as follows:
- 1. An incentive of 1 cent for each gallon of E10 motor fuel sold through a fuel dispenser.
- 2. An incentive of 5 cents for each gallon of E85 fuel ethanol sold through a fuel dispenser.
- 3. An incentive of 1 cent for each gallon of diesel blended fuel sold through a fuel dispenser.

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

- (b) The incentive may be claimed for biofuel sold on or after January 1, 2008. Beginning in 2009, each applicant claiming an incentive under this section must first apply to the department by February 1 of each year for an allocation of the available incentive for the preceding calendar year. The department shall develop an application form. The application form shall, at a minimum, require a sworn affidavit from each retail dealer certifying the following information:
 - 1. The name and principal address of the retail dealer.
- 2. The address of the retail dealer's retail motor fuel sites from which it sold biofuels during the preceding calendar year.
- 3. The total gallons of E10 ethanol sold through fuel dispensers.
- 4. The total gallons of E85 ethanol sold through fuel dispensers.
- 5. The total gallons of diesel blended fuel sold through fuel dispensers.
- 6. The total gallons of biodiesel sold through fuel dispensers.
- 7. Any other information deemed necessary by the department to adequately ensure that the incentive allowed under this section shall be made only to qualified Florida retail dealers.
- 1604 (c) The department shall determine the amount of the incentive allowed under this section.

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

- (5) The department may adopt rules pursuant to ss.

 120.536(1) and 120.54 to implement and administer this section, including rules prescribing forms, the documentation needed to substantiate a claim for the incentive, and the specific procedures and guidelines for claiming the incentive.
- Section 33. Section 570.959, Florida Statutes, is created to read:
 - 570.959 Florida Biofuel Production Incentive Program. --
- (1) The purpose of this section is to encourage the development and expansion of facilities that produce biofuels in this state from crops, agricultural waste and residues, and other biomass produced in Florida by providing economic incentives to do so.
 - (2) As used in this section, the term:
- (a) "Biodiesel" means the mono-alkyl esters of long-chain fatty acids derived from plant or animal matter for use as a source of energy and meeting the specifications for biodiesel and biodiesel blended with petroleum products as adopted by the department.
 - (b) "Biofuel" means ethanol or biodiesel.
- (c) "Ethanol" or "fuel ethanol" means an anhydrous

 denatured alcohol produced by the conversion of carbohydrates

 and meeting the specifications for fuel ethanol adopted by the

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department.

- (d) "Florida biofuel production" means production of biofuel in the state from crops, agricultural waste and residues, and other biomass produced in Florida.
- (3) In order to be eligible for the incentive provided in this section, a producer must have registered and have met the requirements contained in chapter 206.
- (4) An incentive, subject to appropriation, shall be paid to a producer based on Florida biofuel production as follows:
- (a) The incentive shall be 5 cents for each gallon of unblended Florida biofuel produced, exclusive of denaturant, during a given calendar year and sold to an unrelated blender of biofuel.
- (b) The incentive may be earned for production on or after January 1, 2008. Beginning in 2009, each producer claiming an incentive under this section must first apply to the department by February 1 of each year for an allocation of available incentives. The department shall develop an application form that shall, at a minimum, require a sworn affidavit from each producer certifying the production that forms the basis of the application and certifying that all information contained in the application is true and correct.
- (c) The department shall determine whether or not such production is eligible for the incentive under this section.
- (d) If the amount of incentives applied for each year exceeds the amount appropriated, the department shall pay to each applicant a prorated amount based on the percentage of biofuel produced that is eligible for the incentive under this

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section.

(5) The department may adopt rules pursuant to ss.

120.536(1) and 120.54 to implement and administer this section, including rules prescribing forms, the documentation needed to substantiate a claim for the incentive, and the specific procedures and guidelines for claiming the incentive.

Section 34. (1) The Florida Building Commission shall convene a workgroup comprised of representatives from the Florida Energy Commission, the Department of Community Affairs, the Building Officials Association of Florida, the Florida Energy Office, the Florida Home Builders Association, the Association of Counties, the League of Cities, and other stakeholders to develop a model residential energy efficiency ordinance that provides incentives to meet energy efficiency standards. The commission must report back to the Legislature with a developed ordinance by March 1, 2008.

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

Association of Florida, the Florida Energy Office, the Florida

Home Builders Association, the Association of Counties, the

League of Cities, and other stakeholders, review the Florida

Energy Code for Building Construction. Specifically, the

commission shall revisit the analysis of cost-effectiveness that

serves as the basis for energy efficiency levels for residential

buildings, identify cost-effective means to improve energy

efficiency in commercial buildings, and compare the code to the

International Energy Conservation Code and the American Society

of Heating Air-Conditioning and Refrigeration Engineers

Standards 90.1 and 90.2. The commission shall provide a report with a standard to the Legislature by March 1, 2008, that may be adopted for the construction of all new residential, commercial, and government buildings.

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The Florida Building Commission, in consultation with the Florida Solar Energy Center, the Florida Energy Commission, the Florida Energy Office, the United States Department of Energy, and the Florida Home Builders Association, shall develop and implement a public awareness campaign that promotes energy efficiency and the benefits of building green by January 1, 2008. The campaign shall include enhancement of an existing web site from which all citizens can obtain information pertaining to green building practices, calculate anticipated savings from use of those options, as well as learn about energy efficiency strategies that may be used in their existing home or when building a home. The campaign shall focus on the benefits of promoting energy efficiency to the purchasers of new homes, the various green building ratings available, and the promotion of various energy-efficient products through existing trade shows. The campaign shall also include strategies for utilizing print advertising, press releases, and television advertising to promote voluntary utilization of green building practices.

Section 35. (1) The Legislature declares that there is an important state interest in promoting the construction of energy-efficient and sustainable buildings. Government leadership in promoting these standards is vital to demonstrate the state's commitment to energy conservation, saving taxpayers money, and raising public awareness of energy-rating systems.

1718 (2) All county, municipal, and public community college 1719 buildings shall be constructed to meet the United States Green 1720 Building Council (USGBC) Leadership in Energy and Environmental 1721 Design (LEED) rating system, Green Building Initiative's Green 1722 Globes rating system, or a nationally recognized, high-1723 performance green building rating system as approved by the 1724 Department of Management Services. This section shall apply to all county, municipal, and public community college buildings 1725 whose architectural plans are started after July 1, 2008. 1726 1727 Section 36. The tax levied under chapter 212, Florida 1728 Statutes, may not be collected on the first \$1,500 of the 1729 selling price of a new energy-efficient product during the period from 12:01 a.m., October 1, 2007, through midnight, 1730 1731 October 14, 2007. Such period shall be designated as the 1732 "Energy-Efficient Products Sales Tax Holiday." As used in this section, the term "energy-efficient product" means a dishwasher, 1733 1734 clothes washer, air conditioner, ceiling fan, ventilating fan, 1735 compact fluorescent light bulb, dehumidifier, programmable 1736 thermostat, or refrigerator that has been designated by the 1737 United States Environmental Protection Agency or by the United 1738 States Department of Energy as meeting or exceeding the 1739 requirements under the Energy Star Program of either agency. The 1740 Department of Revenue may adopt rules under ss. 120.536(1) and 1741 120.54, Florida Statutes, to administer this section. 1742 Section 37. State fleet biodiesel usage. --1743 By July 1, 2008, a minimum of 5 percent, by January 1, 2009, a minimum of 10 percent, and by January 1, 2010, a minimum 1744 1745 of 20 percent of total diesel fuel purchases for use by state-

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owned diesel vehicles and equipment shall be biodiesel fuel (B20), subject to availability.

- (2) By July 1, 2008, a minimum of 5 percent, by January 1, 2009, a minimum of 10 percent, and by January 1, 2010, a minimum of 20 percent of total fuel purchases for use by state-owned flex-fuel vehicles shall be ethanol, subject to availability.
- (3) The Department of Management Services shall provide for the proper administration, implementation, and enforcement of this section.
- (4) The Department of Management Services shall report to the Legislature on or before March 1, 2008, and annually thereafter, the extent of biodiesel and ethanol use in the state fleet. The report shall contain the number of gallons purchased since July 1, 2007, the average price of biodiesel and ethanol, and a description of fleet performance.

Section 38. School district biodiesel usage. --

- (1) By January 1, 2008, a minimum of 20 percent of total diesel fuel purchases for use by school districts shall be biodiesel fuel (B20), subject to availability.
- (2) If a school district contracts with another government entity or private entity to provide transportation services for any of its pupils, the biodiesel blend fuel requirement established pursuant to subsection (1) shall be part of that contract. However, this requirement shall apply only to contracts entered into on or after July 1, 2007.
- Section 39. (1) The Legislature recognizes the need for expanded collaboration between the public and private sectors and increased public-private joint ventures in the areas of

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energy research, alternative fuel production, space exploration,
and technological advances in the energy and aerospace
industries.

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- Subject to appropriation, there is created within the (2) Executive Office of the Governor the Florida Energy, Aerospace, and Technology (F.E.A.T.) Fund, a program to encourage a state partnership with the Federal Government, Space Florida, Enterprise Florida, Inc., and the private sector, to identify business and investment opportunities, and to target performance goals for those investments in the areas of alternative energy development and production infrastructure; biofuel, wind power, and solar energy technology development and applications; ethanol production and systems for conversion and use of ethanol fuels; cryogenics and hydrogen-based technology applications, storage, and conversion systems; hybrid engine power systems conversion technologies and production facilities; aerospace industry expansion or development opportunities; aerospace facility modifications and upgrades; build outs; new spaceport, range, and ground support infrastructure; new aerospace facilities and laboratories; new simulation, communications, and command and control systems; and other aerospace manufacturing and maintenance support infrastructure.
- (3) The Executive Office of the Governor is authorized to competitively procure the services of a private business entity for the purposes of identifying, evaluating, and executing investment instruments in appropriate energy and aerospace opportunities and will be responsible for conduct of investment due diligence, execution, and monitoring of investment

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instruments on behalf of the F.E.A.T. Fund, either in direct investment or through participation in investment partnerships established for the purposes of advancing the objectives of the fund.

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- (4)The entity selected to represent the F.E.A.T. Fund shall have investment discretion in any investment or partnership that it enters into on behalf of the F.E.A.T. Fund, subject to the limit of the funds made available to it for investment purposes, and shall not represent or commit the full faith and credit of the state.
- (5) A complete and detailed report shall be provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives by March 1, 2008, setting forth all of the following:
- (a) An accounting of all state funds committed and invested by the fund.
- (b) A qualitative and quantitative assessment of each fund investment against the investment performance goals established for investment, as well as an assessment of overall fund performance against investment objectives established for the fund.
- An evaluation of all activities of the fund and recommendations for change.
- Funds appropriated for the purposes of the F.E.A.T. Fund shall be deposited in the Grants and Donations Trust Fund 1827 in the Executive Office of the Governor.
- Section 40. Research and demonstration cellulosic ethanol 1828 1829 plant.--

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(1) There shall be constructed a multifaceted research and demonstration cellulosic ethanol plant designed to conduct research and to demonstrate and advance the commercialization of cellulose-to-ethanol technology, including technology licensed from the University of Florida, and to facilitate further research and testing of multiple cellulosic feedstocks in the state.

- (2) The University of Florida shall act as the owner and proprietor of the facility, which shall include a permanent research and development laboratory operated as a satellite facility of the Institute of Food and Agricultural Sciences at the University of Florida. This facility shall be used to convert the initially treated material to the final ethanol product.
- (3) The facility shall be located near an industrial site with infrastructure already developed to avoid or reduce significant capital costs for waste treatment and roads, shall be served by a range of suppliers and transportation companies, and shall be in good proximity to gasoline and ethanol blending facilities on either coast of the state. The industrial site shall have the capacity to provide steam and electric power, waste treatment, and a steady stream of feedstocks, including, but not limited to, bagasse, woody biomass, and cane field residues, to allow a commercial scale plant to operate year around.
- (4) The facility shall be located near preexisting onsite technical support staff and other resources for electrical, mechanical, and instrumentation services. In addition, the

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facility shall have access to preexisting onsite laboratory facilities and scientific personnel and shall include the critical aspects of connecting to existing facilities and meeting construction codes and permit requirements.

- (5) There shall be a scientific and technical advisory panel to advise on the technology to be applied.
- (6) Subject to the rights of any third parties arising under any licenses granted by the university or its affiliates prior to the effective date of this act, ownership of all patents, copyrights, trademarks, licenses, and rights or interests shall vest in the university on behalf of the state. The university, pursuant to s. 1004.23, Florida Statutes, shall have the right to use and the right to retain derived revenues subject to the continuing approval of the Legislature.
- (7) The Senior Vice President for the Institute of Food and Agricultural Sciences at the University of Florida shall ensure that applicable, nonproprietary research results and technologies from the plant authorized under this initiative are adapted, made available, and disseminated through its respective services, as appropriate.
- (8) Within 2 years after enactment of this act, the Senior Vice President for the Institute of Food and Agricultural Sciences at the University of Florida shall submit to the President of the Senate and the Speaker of the House of Representatives a report on the activities conducted under this section.
- Section 41. (1) The Florida Energy Commission shall conduct a study in conjunction with the Florida Public Service

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Commission and the Department of Agriculture and Consumer Services to recommend an appropriate renewable portfolio standard for the state.

- (2) The study shall include current and future availability of renewable fuels, incentives to attract large scale renewable energy development, proposed changes to current regulatory and market practices to encourage renewable energy development, the impact on utility costs and rates, environmental benefits of a renewable portfolio standard, and economic development associated with renewable energy in the state.
- (3) The Florida Energy Commission shall hold public hearings on these and other related issues and submit a report containing specific recommendations to the President of the Senate and the Speaker of the House of Representatives by January 1, 2008.
- Section 42. (1) The Florida Energy Commission shall conduct a study in conjunction with the Florida Energy Office, the Department of Agriculture and Consumer Services, and the Public Service Commission to recommend the establishment of an energy efficiency and solar energy initiative.
- (2) The study shall include recommendations for the administration, design, implementation, and ongoing measurement and evaluation of programs that promote energy efficiency and conservation activities and market transformation efforts for solar energy technologies through a public benefits fund. The study shall include incentives for investment in energy efficiency and customer-sited solar energy systems, suggest

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changes to current regulatory and market practice to encourage solar energy and energy efficiency investment in residential and commercial applications, including standards for net metering and interconnection.

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(3) The Florida Energy Commission will hold public hearings on these issues and submit a report containing specific recommendations to the President of the Senate and the Speaker of the House of Representatives by January 1, 2008.

Section 43. The Florida Public Service Commission shall submit to the President of the Senate and the Speaker of the House of Representatives by February 28, 2008, a report that provides a detailed description of the methods used to evaluate the conservation goals, plans, and programs of utilities subject to the Florida Energy Efficiency and Conservation Act. The commission shall compare methods and policies employed in other states that could be implemented to ensure that utilities in this state acquire all energy efficiency resources that cost less than new electric power generation. As used in the section, the term "energy efficiency resources" means a reduction in kilowatt hours used by the existing and emerging fleet of buildings and equipment in this state that is achieved by providing incentives to producers, distributors, sellers, or consumers that promote the development of and investment in energy-efficient technologies.

Section 44. (1) The Department of Agriculture and

Consumer Services shall conduct a study in conjunction with the

Department of Environmental Protection and Enterprise Florida,

Inc., to recommend an appropriate Florida Loan Guarantee Program

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for cellulosic ethanol facilities developed in the state.

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(2) The Department of Agriculture and Consumer Services
shall submit a report containing specific recommendations to the
President of the Senate and the Speaker of the House of
Representatives no later than January 1, 2008.

Section 45. The Department of Community Affairs shall convene a workgroup comprised of representatives of the Florida Building Commission, the Florida Energy Commission, the Florida Energy Office, consumers, and affected industries to identify and review new or updated energy conservation standards for products that consume electricity, including, but not limited to, residential pool pumps, pool heaters, spas, and commercial and residential appliances. The workgroup shall identify efficiency improvements that could be anticipated by implementation of new standards and the anticipated costs of implementing and enforcing the standards and shall further consider methods and processes for the regular review of new standards and implementation, if warranted. No later than March 1, 2008, the department shall report to the President of the Senate and Speaker of the House of Representatives on findings of the workgroup together with any recommended statutory changes required to implement those findings.

Section 46. Section 1013.441, Florida Statutes, is created to read:

1013.441 Green Schools Pilot Project.--

(1) The Legislature finds that it is cost-effective and healthy for the public and the environment to build schools that maximize low-water usage and incorporate energy efficiencies,

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renewable energy, and recycling technologies into the construction of schools. Therefore, the Green Schools Pilot Project is established for selected school districts for the purpose of incorporating the Leadership in Energy and Environmental Design (LEED) silver-level or the Green Globes two-globe rating or better building-certification standards into every new educational building construction project and, when feasible, every educational building renovation project.

- (2) LEED building certification standards are defined by the United States Green Building Council and the Green Globes certification standards are defined by the Green Building Initiative. Both standards address the total effect that new buildings have on the environment so as to maximize energy efficiency and to minimize adverse effects on the environment.
- (3) For purposes of this section, the term "additional costs" means the expenditures that are necessary to build a complete school to LEED silver-level or Green Globes two-globe or better building-certification standards but that exceed the expenditures necessary to build a complete school in compliance with this chapter. Such additional costs may include, but are not limited to, registration and certification fees charged for certification of the school to LEED silver-level or Green Globes two-globe or better building-certification standards.
- (4) (a) The Department of Education, in consultation with the Florida Energy Office, shall develop by August 1, 2007, an application process for school districts to participate in the pilot project. Three school districts shall be selected by the State Board of Education by January 1, 2008, to participate in

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the pilot project. One school district shall be in a county having a population of 1 million or more residents; one school district shall be in a county having a population of 250,000 to 999,999 residents; and one school district shall be in a county having a population of fewer than 250,000 residents. School districts selected to participate in the pilot project shall, to the greatest extent possible, represent geographically different regions of the state.

- (b) At a minimum, each school district selected by the State Board of Education to participate in the pilot project must:
- 1. Demonstrate that it implements sound financial management practices by producing documentation that indicates that the school district for the preceding 3 years has had no material weaknesses or instances of material noncompliance noted in its annual audits required under s. 218.39.
- 2. Engage a design team that has demonstrated knowledge and experience in high-performance green building construction.
- 3. Commit to building at least one complete school to LEED silver-level or Green Globes two-globe or better building-certification standards. A school built to such building-certification standards shall be designated as a "Green School."
- (c) When selecting school districts to participate in the pilot project, evaluation criteria implemented by the State

 Board of Education may include, but need not be limited to, school districts that demonstrate a high percentage of environmentally inefficient schools or school districts that propose innovative methods for improving water savings, energy

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2026 efficiency, or indoor environmental quality.

- (5) (a) From funds appropriated for the Green Schools Pilot Program, the department shall distribute to each participating school district an amount sufficient to fund the additional costs required to build one complete school to LEED silver-level or Green Globes two-globe or better building-certification standards.
- 1. If appropriated funds are insufficient to fund the total of additional costs required to build three complete schools to LEED silver-level or Green Globes two-globe or better building-certification standards, the department shall prorate funds available and make distributions based on the ratio of each school's additional costs relative to the total of additional costs for the three schools.
- 2. If appropriated funds remain after the distribution, such funds may be distributed by the department to one or more of the participating school districts to fund the additional costs required to build other new schools or to renovate existing schools to LEED silver-level or Green Globes two-globe or better building-certification standards.
- (b) Participating school districts must annually report to the department the expenditure of funds received under paragraph (a). The reports must be open to inspection and examination by the Auditor General. A participating school district must return to the department:
- 1. Any funds found by the Auditor General to have been improperly expended.
 - 2. Funds received under paragraph (a) for the construction

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or renovation of a school if LEED silver-level or Green Globes two-globe certification or better is not obtained for the school within 1 year after its completion.

- (c) Notwithstanding s. 216.301 and pursuant to s. 216.351, undisbursed balances of appropriations for the Green Schools

 Pilot Program do not revert to the General Revenue Fund but shall be retained by the department to be used for purposes of this section.
- (6) Each participating school district shall deliver to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Commissioner of Education a report on the effects Green Schools have had on student performance and health, operational costs, energy consumption, and the environment in the district. This report shall be submitted by July 1 of the year after a Green School has been in full operation for 3 years.

Section 47. For the 2007-2008 fiscal year, the sum of \$3.5 million in nonrecurring funds is appropriated from the Public Education Capital Outlay and Debt Service Trust Fund to the Department of Education for the purpose of funding the additional costs required for the new construction of three complete schools to LEED silver-level or Green Globes two-globe or better building-certification standards under the Green Schools Pilot Project.

Section 48. For the 2007-2008 fiscal year, the sum of \$65,763 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of administering the Energy-Efficient Products Sales Tax Holiday.

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Section 49. For the 2007-2008 fiscal year, the sum of \$20 million in nonrecurring funds is appropriated from the General Revenue Fund to the University of Florida, Institute of Food and Agricultural Sciences, for the purpose of establishing a research and demonstration cellulosic ethanol plant.

Section 50. For the 2007-2008 fiscal year, the sum of \$10 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Environmental Protection for the purpose of funding the Renewable Energy Technologies Grants Program authorized in s. 377.804, Florida Statutes.

Section 51. For the 2007-2008 fiscal year, the sum of \$2.5 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Environmental Protection for the purpose of funding the Solar Energy System Incentives

Program authorized in s. 377.806, Florida Statutes.

Section 52. For the 2007-2008 fiscal year, the sum of \$40 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Agriculture and Consumer Services for the purpose of funding the Farm-to-Fuel Grants Program authorized in s. 570.957, Florida Statutes.

Section 53. For the 2007-2008 fiscal year, the sum of \$100,000 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Community Affairs for the purposes of convening a workgroup to develop a model residential energy efficiency ordinance and to review the cost-effectiveness of energy efficiency measures in the construction of certain buildings.

Section 54. For the 2007-2008 fiscal year, the sum of \$334,237 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Community Affairs for the purposes of developing and implementing a public awareness campaign that promotes energy efficiency and the benefits of building green.

Section 55. For the 2007-2008 fiscal year, the sum of \$120,000 from the General Revenue Fund is appropriated and one full-time equivalent position is authorized to the Department of Management Services for the purposes of implementing the provisions of s. 255.252, Florida Statutes, as amended by this act.

Section 56. For the 2007-2008 fiscal year, the sum of \$68,000 from the General Revenue Fund is appropriated and one full-time equivalent position is authorized to the Department of Financial Services for the purposes of implementing the provisions of s. 489.145, Florida Statutes, as amended by this act.

Section 57. This act shall take effect July 1, 2007.