

Bill No. SB 996

Barcode 705990 Comm: FAV 03/29/2007 11:38 AM

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Proposed Committee Substitute by the Committee on Communications and Public Utilities

1 A bill to be entitled

2 An act relating to energy; creating s.

3 288.10894, F.S.; creating the Florida

4 Alternative Energy Development Corporation;

5 providing legislative findings; providing

6 definitions; requiring that the corporation

7 comply with public-meetings and public-records

8 laws; providing for the organization, purpose,

9 and duties of the corporation; providing for

10 the membership of the board of directors of the

11 corporation; requiring the disclosure of

12 financial interests by board members; requiring

13 an annual report; creating s. 288.10895, F.S.;

14 creating the Alternative Energy Incentive

15 Program for the purpose of encouraging economic

16 development and research; providing

17 definitions; providing for the program to be

18 operated by the Florida Alternative Energy

19 Development Corporation; providing the

20 qualification criteria for a business to

21 receive an award under the program; providing a

22 grant-application process and requirements for

23 such application; providing for an evaluation

24 and award process; requiring that the

25 corporation validate the performance of

26 projects funded under the program; amending s.

27 377.703, F.S.; deleting provisions requiring

28 that the Department of Environmental Protection

29 conduct energy research and development, plan

30 for the development of renewable energy

31 resources, promote the development and use of

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1 renewable energy resources, and create a
2 database of all energy programs in the state;
3 repealing s. 377.901, F.S., relating to the
4 creation and operations of the Florida Energy
5 Commission; amending s. 212.08, F.S.;

6 increasing the limitation on a tax exemption
7 for materials used in the distribution of
8 biodiesel and ethanol; creating an annual tax
9 holiday for energy-efficient products; defining
10 the term "energy-efficient product";
11 authorizing the Department of Revenue to adopt
12 rules; requiring the Florida Alternative Energy
13 Development Corporation rather than the
14 Department of Environmental Protection to
15 certify eligibility for the sales tax exemption
16 for equipment, technology, and other materials
17 for renewable energy; amending s. 213.053,
18 F.S.; providing for the Department of Revenue
19 to provide information to the Florida
20 Alternative Energy Development Corporation
21 rather than the Department of Environmental
22 Protection for purposes of administering the
23 sales tax exemption and the corporate income
24 tax credit; amending s. 220.192, F.S.;

25 requiring the Florida Alternative Energy
26 Development Corporation rather than the
27 Department of Environmental Protection to
28 determine eligibility for the corporate income
29 tax credits for investments in renewable energy
30 technologies; amending s. 377.803, F.S.;

31 defining the term "corporation" for purposes of

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1 the Florida Renewable Energy Technologies and
2 Energy Efficiency Act; amending s. 377.804,
3 F.S.; providing for the Florida Alternative
4 Energy Development Corporation rather than the
5 Department of Environmental Protection to
6 administer the Renewable Energy Technologies
7 Grants Program; amending s. 377.806, F.S.;
8 requiring the Florida Alternative Energy
9 Development Corporation rather than the
10 Department of Environmental Protection to
11 administer the Solar Energy Incentives Program;
12 creating s. 366.915, F.S.; creating the Florida
13 Renewable Portfolio Standard Act; providing
14 legislative findings; providing definitions;
15 requiring public utilities to sell a minimum
16 amount of renewable energy; authorizing the
17 Public Service Commission to adopt rules;
18 amending s. 366.91, F.S.; redefining the term
19 "renewable energy"; amending s. 366.02, F.S.;
20 defining the term "net-metering program";
21 creating s. 366.925, F.S.; providing a short
22 title; directing the Public Service Commission
23 to develop rules requiring all electric
24 utilities to develop net-metering programs;
25 providing for a customer to receive credit for
26 electricity generated by renewable energy
27 systems owned by the customer; directing the
28 commission to adopt rules setting the standards
29 that renewable energy systems must meet in
30 order for customers to qualify for the program;
31 requiring every wholesaler of diesel fuel to a

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1 marina within the state to offer biodiesel for
2 sale; creating s. 403.0874, F.S.; requiring the
3 Department of Environmental Protection to
4 conduct an inventory of greenhouse gas
5 emissions; amending s. 366.04, F.S.;
6 authorizing the Public Service Commission to
7 review and approve sales and transfers of
8 public utility assets, including in a merger;
9 authorizing the commission to adopt rules;
10 providing appropriations; providing effective
11 dates.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Effective upon this act becoming a law,
16 section 288.10894, Florida Statutes, is created to read:

17 288.10894 Florida Alternative Energy Development
18 Corporation; findings; creation; membership; organization;
19 purpose; duties; powers.--

20 (1) The Legislature finds that it is in the public
21 interest to promote alternative energy technologies in this
22 state, including alternative fuels and technologies for
23 electric power plants and motor vehicles, energy conservation,
24 distributed generation, advanced transmission methods, and
25 pollution and greenhouse gas control. Both Florida and the
26 United States in general are overly dependent on foreign oil
27 to meet the energy needs of buildings and motor vehicles.
28 Alternative energy and energy conservation technologies have
29 the potential to decrease this dependency, minimize volatility
30 of fuel cost, and improve environmental conditions. In-state
31 research, development, deployment, and use of these

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1 technologies can make the state a leader in new and innovative
2 technologies and encourage investment and economic development
3 in this state.

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

5 (a) "Corporation" means the Florida Alternative Energy
6 Development Corporation.

7 (b) "Alternative energy" means energy technologies
8 that are undeveloped or less than established in current
9 markets. The term includes, but is not limited to: biomass;
10 agricultural products and byproducts; municipal solid waste,
11 including landfill injection, landfill mining, and landfill
12 gas; solar thermal and solar photovoltaic energy; geothermal;
13 ocean energy, including wave or thermal; hydrogen fuel; fuel
14 cells; energy conservation, including building, equipment, and
15 appliance efficiency technologies; enhancements to the
16 transmission of electricity, including advanced transmission
17 lines; distributed generation; ethanol, biodiesel, and similar
18 synthetic fuels; and technologies relating to impacts of
19 pollutants and greenhouse gases.

20 (3)(a) There is created a public corporation and a
21 public body corporate and politic, to be known as the "Florida
22 Alternative Energy Development Corporation." It is declared to
23 be the intent of and constitutional construction by the
24 Legislature that the Florida Alternative Energy Development
25 Corporation constitutes an entrepreneurial public corporation
26 organized to provide and promote the public welfare by
27 administering the governmental function of promoting the
28 development of alternative energy in Florida and that the
29 corporation is not a department of the executive branch of
30 state government within the scope and meaning of s. 6, Art. IV
31 of the State Constitution, and is not functionally located

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1 within any state agency or department.

2 (b) The corporation is constituted as a public
3 instrumentality, and the exercise by the corporation of the
4 power conferred by this act is considered to be the
5 performance of an essential public function. The corporation
6 shall constitute an agency for the purposes of s. 120.52. The
7 corporation is subject to chapter 119, subject to exceptions
8 applicable to the corporation, and to the provisions of
9 chapter 286; however, the corporation shall be entitled to
10 provide notice of internal review committee meetings for
11 competitive proposals or procurement to applicants by mail or
12 facsimile rather than by means of publication. The corporation
13 is not governed by chapter 607, but by the provisions of this
14 section. If for any reason the establishment of the
15 corporation is deeded in violation of law, such provision is
16 severable and the remainder of this act remains in full force
17 and effect.

18 (c) The corporation is a corporation primarily acting
19 as an instrumentality of the state, within the meaning of s.
20 768.28.

21 (4) The corporation is the principal organization in
22 the state for promotion of alternative energy technology. Its
23 goals are to minimize dependence on foreign oil, with the
24 maximum overall benefit to the State of Florida, and, where
25 possible, to minimize the impact of greenhouse gases. It is to
26 accomplish these goals by consolidating in-state resources and
27 activities into a unified forum to better coordinate,
28 facilitate, and fund research, development, deployment, and
29 use of alternative energy technologies. To make better use of
30 limited resources, the corporation should focus on projects
31 having near-term, in-state benefits. Additionally, in making

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1 decisions concerning research, development, or deployment
2 projects, and in awarding grants and other outlays, the
3 corporation should determine which of the following elements
4 of product and market development to focus upon in order to
5 achieve the greatest benefit with respect to research and
6 manufacturing, in the wholesale and retail markets, and for
7 consumers. More specifically, the corporation shall:

8 (a) Bring together existing resources by:

9 1. Assisting in the integration of state-government
10 energy programs.

11 2. Developing an information exchange system,
12 including:

13 a. Creating a computer database, accessible by any
14 interested person, by gathering and indexing all information
15 concerning activities in this state related to programs of
16 alternative energy technology research, development, and
17 deployment in universities, at all levels of government
18 agencies, and in private industry. The database must include a
19 current index and profile of all research activities,
20 identified by alternative energy technology area, including a
21 summary of the project, the amount and sources of funding,
22 anticipated completion dates, or, in case of completed
23 research, the conclusions, recommendations, and applicability
24 of research to state government and private-sector functions.

25 b. Developing an interactive electronic information
26 point where interested persons can find information and
27 connect with other interested persons.

28 c. Holding conferences for the purpose of providing
29 additional information exchange and educating the public.

30 (b) Administer state-funded grants and capital outlay
31 programs, including developing an application program to

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1 determine awards of those grants and outlays, and assist
2 interested persons in obtaining additional funding for
3 alternative energy technology projects.

4 (c) Explore the problems faced by those developing
5 technology in Florida and determine where the problems lie,
6 i.e., in research, development, obtaining start-up capital and
7 financing, or finding buyers for the technology, and then
8 assist in resolving these problems.

9 (d) In cooperation with Enterprise Florida, Inc.,
10 promote the state as a location for businesses having
11 operations related to alternative energy technologies.

12 (e) Develop recommendations for legislation to
13 establish a state energy policy. The corporation shall
14 continually review the state energy policy and recommend to
15 the Legislature any additional necessary changes or
16 improvements. The recommendations of the corporation shall be
17 based on the guiding principles of reliability, efficiency,
18 affordability, and diversity, and more specifically on the
19 following principles:

20 1. The state should have a reliable electric supply
21 with adequate reserves.

22 2. The transmission and delivery of electricity should
23 be reliable.

24 3. The generation, transmission, and delivery of
25 electricity should be accomplished with the least detriment to
26 the environment and public health.

27 4. The generation, transmission, and delivery of
28 electricity should be accomplished compatibly with the goals
29 of growth management.

30 5. Electricity generation, transmission, and delivery
31 facilities should be reasonably secure from damage, taking all

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1 factors into consideration, and recovery from damage should be
2 prompt.

3 6. Electric rates should be affordable as to base
4 rates and all recovery-clause additions, with sufficient
5 incentives for utilities to achieve this goal.

6 7. The state should have a reliable supply of motor
7 vehicle fuels under normal circumstances and during hurricanes
8 and other emergency situations.

9 8. In-state research, development, and deployment of
10 alternative energy technologies and alternative motor vehicle
11 fuels should be encouraged.

12 9. When possible, the resources of the state should be
13 used in achieving the goals enumerated in this subsection.

14 10. Consumers of energy should be encouraged and given
15 incentives to be more efficient in their use of energy.

16
17 It is the specific intent of the Legislature that this section
18 does not in any way change the powers, duties, and
19 responsibilities of the Public Service Commission or the
20 powers, duties, and responsibilities assigned by the Florida
21 Electrical Power Plant Siting Act, ss. 403.501-403.518.

22 (5) The corporation shall establish one or more
23 corporate offices, at least one of which must be located in
24 Leon County.

25 (6) The corporation shall be governed by a board of
26 directors consisting of the following members:

27 (a) The Governor or the Governor's designee.

28 (b) A member appointed by the President of the Senate.

29 (c) A member appointed by the Speaker of the House of
30 Representatives.

31 (d) The president of Enterprise Florida, Inc., or his

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1 or her designee.

2 (e) A representative from the State Board of
3 Education, selected by the members of that board.

4 (f) Any additional board members selected by a
5 consensus of all existing members of the governing board to
6 assist the corporation in carrying out its functions and
7 duties under this section.

8 (7) A member's term of office may not exceed 4 years,
9 and a member may not serve more than two consecutive terms.

10 (8) The Governor shall serve as chairperson of the
11 board. The members of the board of directors must select a
12 vice chairperson biennially, upon selection of any new
13 members. The corporation's president shall keep a record of
14 the proceedings of the board of directors, act as custodian of
15 all books, documents, and papers filed with the board of
16 directors, and keep the minutes of the board of directors.

17 (9) The board of directors must meet at least once
18 each year, upon the call of the chairperson, at the request of
19 the vice chairperson, or at the request of a majority of the
20 membership. A majority of the total number of all directors
21 constitutes a quorum. The board may take official action by a
22 majority vote of the members present at any meeting at which a
23 quorum is present.

24 (10) Members of the board of directors serve without
25 compensation, but members, the president, and staff may be
26 reimbursed for all reasonable, necessary, and actual expenses,
27 as determined by the board.

28 (11) Each member of the board of directors who is not
29 otherwise required to file a financial disclosure pursuant to
30 s. 8, Art. II of the State Constitution or s. 112.3144 must
31 file a disclosure of financial interests pursuant to s.

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1 112.3145.

2 (12) The corporation's board of directors must appoint
3 a corporate president and establish and adjust the president's
4 compensation. The president is the chief administrative and
5 operational officer of the board of directors and of the
6 corporation, and shall direct and supervise other employees in
7 accomplishing the goals and tasks set forth in this section.

8 (13) State officers, agencies, departments, boards,
9 and commissions may provide such services to the corporation
10 within each entity's respective functions as may be requested
11 by the corporation. Upon request of the corporation, the
12 Governor may temporarily transfer to the corporation any
13 officers or employees as are considered necessary from time to
14 time in order to assist the corporation in carrying out its
15 functions and duties under this section. Officers and
16 employees so transferred do not lose their career service,
17 select exempt, or senior management status or rights.

18 (14) The corporation shall receive funding from the
19 state through the Florida Alternative Energy Development
20 Corporation Trust Fund pursuant to general law. The board of
21 directors, officers, and employees of the corporation are
22 responsible for the prudent use of all public and private
23 funds within the corporation's control and must ensure that
24 the use of such funds is in accordance with applicable laws,
25 bylaws, and contractual requirements. In performing all of its
26 functions, the corporation shall take all possible steps to
27 ensure the maximum benefit to the state. As part of its
28 duties, the corporation shall establish strategic priorities,
29 consistent with this section, to guide funding and resource
30 allocations and ensure the best use of available resources.

31 (15) By December 31 each year, the corporation must

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1 submit an annual report to the Governor, the President of the
2 Senate, and the Speaker of the House of Representatives
3 containing:

4 (a) A detailed description of the corporation's
5 activities and accomplishments for the year.

6 (b) A certified audit by an independent public
7 accountant of resources and expenditures prepared by an
8 independent certified public accountant.

9 (c) A statement of the corporation's strategic
10 priorities and an explanation of their use in guiding resource
11 allocations.

12 Section 2. Effective upon this act becoming a law,
13 section 288.10895, Florida Statutes, is created to read:

14 288.10895 Alternative Energy Incentive Program.--

15 (1) PROGRAM CREATED.--The Alternative Energy Incentive
16 Program is created and shall be operated by the Florida
17 Alternative Energy Development Corporation. The program shall
18 encourage economic development and research and development in
19 the state which will commercialize alternative energy
20 innovations and develop new alternative energy manufacturing,
21 blending, power generation, and distribution facilities.

22 (2) DEFINITIONS.--As used in this section, the term:

23 (a) "Alternative energy" means electrical, mechanical,
24 or thermal energy produced from a method that uses one or more
25 of the following fuels or energy sources: ethanol, biodiesel,
26 biomass, biogas, waste heat, fuel cells, hydrogen, solar,
27 hydro, wind, or geothermal.

28 (b) "Average private-sector wage" means the statewide
29 average wage in the private sector or the average of all
30 private-sector wages in the county or in the standard
31 metropolitan area in which the project is located as

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1 determined by the Agency for Workforce Innovation.

2 (c) "Corporation" means the Florida Alternative Energy
3 Development Corporation.

4 (d) "Jobs" means full-time equivalent positions, as
5 that term is consistent with terms used by the Agency for
6 Workforce Innovation and the United States Department of Labor
7 for purposes of unemployment compensation tax administration
8 and employment estimation, resulting directly from a project
9 in this state. The term does not include temporary
10 construction jobs.

11 (f) "Match" or "matching funds" means actual cash
12 outlays contributed, including, but not limited to, cash
13 outlays for wages, rental expenses, travel expenses,
14 unrecovered indirect costs, and purchases of material and
15 supplies as a direct benefit to the project, or noncash
16 contributions necessary and reasonable for proper and
17 efficient accomplishment of project objectives. The value of
18 noncash contributions shall be established using the following
19 guidelines:

20 1. Rates for donated or volunteer services of any
21 person must be consistent with their regular rate of pay, or
22 the rate of pay of those paid for similar work at a similar
23 level of experience in the labor market, including the value
24 of fringe benefits.

25 2. The value of donated expendable property, such as
26 office supplies or workshop supplies, may not exceed the fair
27 market value of the property.

28 3. The value of donated real property, such as land,
29 may not exceed the fair market value of the property.

30 4. Donated space must be valued at fair rental value
31 of comparable space and facilities in a privately owned

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1 building in the same locale.

2 5. The value of loaned equipment may not exceed its
3 fair rental value.

4 6. Rates for donated travel expense must be valued at
5 the approved state rate as defined in s. 112.061.

6 (g) "President" means the president of the Florida
7 Alternative Energy Development Corporation.

8 (3) ALTERNATIVE ENERGY BUSINESS PROJECT.--

9 (a) "Business project" is defined as the location to
10 or expansion in this state of a business that manufactures,
11 blends, or distributes alternative energy, generates power for
12 sale in this state from an alternative energy source, or
13 develops new or expanded infrastructure in this state for the
14 commercialization or distribution of alternative energy.

15 (b) In order to qualify for consideration under the
16 Alternative Energy Incentive Program, a business project must,
17 at a minimum, establish to the satisfaction of the corporation
18 that:

19 1. The business project is located in this state;
20 2. The jobs created by the business project pay an
21 estimated annual average wage that equals at least 130 percent
22 of the average private-sector wage. The average wage
23 requirement may be waived if the corporation determines that
24 the merits of the individual project or the specific
25 circumstances warrant such action;

26 3. The business project includes matching funds
27 provided by the applicant, the local community, or other
28 available sources. The match requirement may be waived if the
29 corporation determines that the merits of the individual
30 project or the specific circumstances warrant such action; and

31 4. The business project meets one of the following

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1 criteria:

2 a. Results in the creation of at least 20 direct, new
3 jobs at the business;

4 b. Consists of an activity or product that uses
5 feedstock or other raw materials grown or produced in this
6 state; or

7 c. Has a cumulative investment of at least \$50 million
8 within a 5-year period.

9 (4) ALTERNATIVE ENERGY RESEARCH AND DEVELOPMENT
10 PROJECT.--

11 (a) "Research and development project" is defined as
12 basic and applied research that is conducted in this state in
13 the sciences or engineering and that relates to the
14 development, manufacturing, blending, or use of new and
15 existing alternative energy technologies. A research and
16 development project does not include market research, routine
17 consumer product testing, sales research, research in the
18 social sciences or psychology, nontechnological activities, or
19 technical services.

20 (b) In order to qualify for consideration under the
21 Alternative Energy Incentive Program, a research and
22 development project must, at a minimum, establish to the
23 satisfaction of the corporation that:

24 1. The research and development project will be
25 located in this state;

26 2. The jobs created by the research and development
27 project will pay an estimated annual average wage that equals
28 at least 130 percent of the average private-sector wage. The
29 average wage requirement may be waived if the corporation
30 determines that the merits of the individual project or the
31 specific circumstances warrant such action;

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1 3. The research and development project includes
 2 matching funds provided by the applicant, a public or private
 3 university or research institution, the local community, or
 4 other available sources. The match requirement may be waived
 5 if the corporation determines that the merits of the
 6 individual project or the specific circumstances warrant such
 7 action;

8 4. The research and development project includes a
 9 plan for significant collaboration with a higher education
 10 institution in the state; and

11 5. The research and development project includes a
 12 plan for the commercialization of the research through direct
 13 use by the applicant in this state or the transfer or
 14 licensing of new technology to Florida-based businesses that
 15 produce alternative energy for use or sale within the state.

16 (5) APPLICATION REQUIREMENTS.--A business project or
 17 research and development project applicant must submit a
 18 written application to the corporation before making a
 19 decision to locate new operations in this state or expand an
 20 existing operation in this state. The application must
 21 include, but need not be limited to:

22 (a) The applicant's federal employer identification
 23 number, unemployment account number, state sales tax
 24 registration number, or related documentation. If such numbers
 25 are not available at the time of application, the numbers must
 26 be submitted to the corporation in writing before the
 27 disbursement of any payments under this section.

28 (b) The location in this state at which the business
 29 project or the research and development project is located or
 30 is to be located.

31 (c) A description of the type of business activity,

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1 product, or research and development undertaken by the
2 applicant, including six-digit North American Industry
3 Classification System codes for all activities included in the
4 project.

5 (d) The applicant's projected investment in the
6 business project or the research and development project.

7 (e) The total investment, from all sources, in the
8 business project or the research and development project.

9 (f) The number of net new full-time equivalent jobs in
10 this state the applicant anticipates having created as of
11 December 31 of each year in the business project or the
12 research and development project and the average annual wage
13 of such jobs.

14 (g) The total number of full-time equivalent employees
15 currently employed by the applicant in this state, if
16 applicable.

17 (h) The anticipated commencement date of the business
18 project or the research and development project.

19 (i) A detailed explanation of why funding under the
20 Alternative Energy Incentive Program is needed to induce the
21 applicant to expand or locate in the state and whether an
22 award would cause the applicant to locate or expand in this
23 state.

24 (j) If applicable, an estimate of the proportion of
25 the revenues resulting from the business project or the
26 research and development project which will be generated
27 outside this state.

28 (k) A recommendation for specific performance criteria
29 the applicant would be expected to achieve in order to receive
30 payments from the fund and penalties or sanctions for failure
31 to meet or maintain performance conditions.

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1 (1) The potential for the business project or the
 2 research and development project to stimulate additional
 3 investment and employment opportunities that equal or exceed
 4 130 percent of the average private-sector wage.

5 (m) A description of the extent to which the research
 6 and development project:

7 1. Is likely to develop a new, emerging, or evolving
 8 form of alternative energy.

9 2. Has or could have a significant collaborative
 10 research and development relationship with one or more
 11 universities or community colleges in this state.

12 3. Will be used by the applicant within this state or
 13 transferred or licensed to Florida-based businesses.

14 (6) AWARD AMOUNT.--The corporation may negotiate the
 15 proposed amount of an award for any applicant meeting the
 16 requirements of this section. In negotiating such award, the
 17 corporation shall consider the amount of the incentive needed
 18 to cause the applicant to locate or expand in this state in
 19 conjunction with other relevant effect and cost information
 20 and analysis as described in this section.

21 (7) RECOMMENDATION.--After completing the evaluation,
 22 the president shall recommend to the Governor the approval or
 23 disapproval of an award. In recommending approval of an award,
 24 the president shall include proposed performance conditions
 25 that the applicant must meet in order to obtain incentive
 26 funds and any other conditions that must be met before the
 27 receipt of any incentive funds. The Governor shall consult
 28 with the President of the Senate and the Speaker of the House
 29 of Representatives before giving approval for an award. Upon
 30 approval of an award, the Executive Office of the Governor
 31 shall release the funds pursuant to the legislative

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1 consultation and review requirements set forth in s. 216.177.

2 (8) CERTIFICATION.--Upon approval by the Governor and
 3 release of the funds as set forth in subsection (7), the
 4 president shall issue a letter certifying the applicant as
 5 qualified for an award. The corporation and the applicant
 6 shall enter into an agreement that sets forth the conditions
 7 for payment of funds under the Alternative Energy Incentive
 8 Program, including, but not limited to, the total amount of
 9 funds awarded, the performance conditions that must be met in
 10 order to obtain the award or portions of the award, the
 11 methodology for validating performance, the schedule of
 12 payments, and sanctions for failure to meet performance
 13 conditions, including any clawback provisions.

14 (9) VALIDATION.--The corporation shall validate the
 15 performance of business projects and research and development
 16 projects that have received an award under the Alternative
 17 Energy Incentive Program. At the conclusion of an award
 18 agreement, or its earlier termination, the corporation shall,
 19 within 90 days, report the results of the award under the
 20 Alternative Energy Incentive Program to the Governor, the
 21 President of the Senate, and the Speaker of the House of
 22 Representatives.

23 Section 3. Effective upon this act becoming a law,
 24 subsection (3) of section 377.703, Florida Statutes, is
 25 amended to read:

26 377.703 Additional functions of the Department of
 27 Environmental Protection; energy emergency contingency plan;
 28 federal and state conservation programs.--

29 (3) DEPARTMENT OF ENVIRONMENTAL PROTECTION;
 30 DUTIES.--The Department of Environmental Protection shall, in
 31 addition to assuming the duties and responsibilities provided

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1 by ss. 20.255 and 377.701, perform the following functions
2 consistent with the development of a state energy policy:

3 (a) The department shall assume the responsibility for
4 development of an energy emergency contingency plan to respond
5 to serious shortages of primary and secondary energy sources.
6 Upon a finding by the Governor, implementation of any
7 emergency program shall be upon order of the Governor that a
8 particular kind or type of fuel is, or that the occurrence of
9 an event which is reasonably expected within 30 days will make
10 the fuel, in short supply. The department shall then respond
11 by instituting the appropriate measures of the contingency
12 plan to meet the given emergency or energy shortage. The
13 Governor may utilize the provisions of s. 252.36(5) to carry
14 out any emergency actions required by a serious shortage of
15 energy sources.

16 (b) The department shall constitute the responsible
17 state agency for performing or coordinating the functions of
18 any federal energy programs delegated to the state, including
19 energy supply, demand, conservation, or allocation.

20 (c) The department shall analyze present and proposed
21 federal energy programs and make recommendations regarding
22 those programs to the Governor.

23 (d) The department shall coordinate efforts to seek
24 federal support or other support for state energy conservation
25 activities, ~~including energy conservation, research, or~~
26 ~~development~~, and shall be the state agency responsible for the
27 coordination of multiagency energy conservation programs and
28 plans.

29 ~~(e) The department shall analyze energy data collected~~
30 ~~and prepare long-range forecasts of energy supply and demand~~
31 ~~in coordination with the Florida Public Service Commission,~~

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1 ~~which shall have responsibility for electricity and natural~~
2 ~~gas forecasts. To this end, the forecasts shall contain:~~

3 1. ~~An analysis of the relationship of state economic~~
4 ~~growth and development to energy supply and demand, including~~
5 ~~the constraints to economic growth resulting from energy~~
6 ~~supply constraints.~~

7 2. ~~Plans for the development of renewable energy~~
8 ~~resources and reduction in dependence on depletable energy~~
9 ~~resources, particularly oil and natural gas, and an analysis~~
10 ~~of the extent to which renewable energy sources are being~~
11 ~~utilized in the state.~~

12 3. ~~Consideration of alternative scenarios of statewide~~
13 ~~energy supply and demand for 5, 10, and 20 years, to identify~~
14 ~~strategies for long-range action, including identification of~~
15 ~~potential social, economic, and environmental effects.~~

16 4. ~~An assessment of the state's energy resources,~~
17 ~~including examination of the availability of commercially~~
18 ~~developable and imported fuels, and an analysis of anticipated~~
19 ~~effects on the state's environment and social services~~
20 ~~resulting from energy resource development activities or from~~
21 ~~energy supply constraints, or both.~~

22 ~~(e)(f)~~ The department shall make a report, as
23 requested by the Governor or the Legislature, reflecting its
24 activities and making recommendations of policies for
25 improvement of the state's response to energy supply and
26 demand and its effect on the health, safety, and welfare of
27 the people of Florida. The report shall include a report from
28 the Florida Public Service Commission on electricity and
29 natural gas and information on energy conservation programs
30 conducted and under way in the past year and shall include
31 recommendations for energy conservation programs for the

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1 state, including, but not limited to, the following factors:

2 1. Formulation of specific recommendations for
3 improvement in the efficiency of energy utilization in
4 governmental, residential, commercial, industrial, and
5 transportation sectors.

6 2. Collection and dissemination of information
7 relating to energy conservation.

8 3. Development and conduct of educational and training
9 programs relating to energy conservation.

10 4. An analysis of the ways in which state agencies are
11 seeking to implement s. 377.601(4), the state energy policy,
12 and recommendations for better fulfilling this policy.

13 ~~(f)(g)~~ The department has authority to adopt rules
14 pursuant to ss. 120.536(1) and 120.54 to implement the
15 provisions of this act.

16 ~~(h) Promote the development and use of renewable
17 energy resources, in conformance with the provisions of
18 chapter 187 and s. 377.601, by:~~

19 ~~1. Establishing goals and strategies for increasing
20 the use of solar energy in this state.~~

21 ~~2. Aiding and promoting the commercialization of solar
22 energy technology, in cooperation with the Florida Solar
23 Energy Center, Enterprise Florida, Inc., and any other
24 federal, state, or local governmental agency which may seek to
25 promote research, development, and demonstration of solar
26 energy equipment and technology.~~

27 ~~3. Identifying barriers to greater use of solar energy
28 systems in this state, and developing specific recommendations
29 for overcoming identified barriers, with findings and
30 recommendations to be submitted annually in the report to the
31 legislature required under paragraph (f).~~

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1 ~~4. In cooperation with the Department of~~
 2 ~~Transportation, the Department of Community Affairs,~~
 3 ~~Enterprise Florida, Inc., the Florida Solar Energy Center, and~~
 4 ~~the Florida Solar Energy Industries Association, investigating~~
 5 ~~opportunities, pursuant to the National Energy Policy Act of~~
 6 ~~1992 and the Housing and Community Development Act of 1992,~~
 7 ~~for solar electric vehicles and other solar energy~~
 8 ~~manufacturing, distribution, installation, and financing~~
 9 ~~efforts which will enhance this state's position as the leader~~
 10 ~~in solar energy research, development, and use.~~

11 ~~5. Undertaking other initiatives to advance the~~
 12 ~~development and use of renewable energy resources in this~~
 13 ~~state.~~

14
 15 ~~In the exercise of its responsibilities under this paragraph,~~
 16 ~~the department shall seek the assistance of the solar energy~~
 17 ~~industry in this state and other interested parties and is~~
 18 ~~authorized to enter into contracts, retain professional~~
 19 ~~consulting services, and expend funds appropriated by the~~
 20 ~~Legislature for such purposes.~~

21 ~~(g)(i)~~ The department shall promote energy
 22 conservation in all energy use sectors throughout the state
 23 and shall constitute the state agency primarily responsible
 24 for this function. To this end, the department shall
 25 coordinate the energy conservation programs of all state
 26 agencies and review and comment on the energy conservation
 27 programs of all state agencies.

28 ~~(j)~~ The department shall serve as the state
 29 clearinghouse for indexing and gathering all information
 30 related to energy programs in state universities, in private
 31 universities, in federal, state, and local government

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1 ~~agencies, and in private industry and shall prepare and~~
2 ~~distribute such information in any manner necessary to inform~~
3 ~~and advise the citizens of the state of such programs and~~
4 ~~activities. This shall include developing and maintaining a~~
5 ~~current index and profile of all research activities, which~~
6 ~~shall be identified by energy area and may include a summary~~
7 ~~of the project, the amount and sources of funding, anticipated~~
8 ~~completion dates, or, in case of completed research,~~
9 ~~conclusions, recommendations, and applicability to state~~
10 ~~government and private sector functions. The department shall~~
11 ~~coordinate, promote, and respond to efforts by all sectors of~~
12 ~~the economy to seek financial support for energy activities.~~
13 ~~The department shall provide information to consumers~~
14 ~~regarding the anticipated energy-use and energy-saving~~
15 ~~characteristics of products and services in coordination with~~
16 ~~any federal, state, or local governmental agencies as may~~
17 ~~provide such information to consumers.~~

18 (h)(k) The department shall coordinate energy-related
19 programs of state government, including, but not limited to,
20 the programs provided in this section. To this end, the
21 department shall:

22 1. Provide assistance to other state agencies,
23 counties, municipalities, and regional planning agencies to
24 further and promote their energy planning activities.

25 2. Require, in cooperation with the Department of
26 Management Services, all state agencies to operate state-owned
27 and state-leased buildings in accordance with energy
28 conservation standards as adopted by the Department of
29 Management Services. Every 3 months, the Department of
30 Management Services shall furnish the department data on
31 agencies' energy consumption in a format mutually agreed upon

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1 by the two departments.

2 3. Promote the development and use of ~~renewable energy~~
3 ~~resources, energy efficiency technologies, and~~ conservation
4 measures.

5 4. Promote the recovery of energy from wastes,
6 including, but not limited to, the use of waste heat, the use
7 of agricultural products as a source of energy, and recycling
8 of manufactured products. Such promotion shall be conducted in
9 conjunction with, and after consultation with, the Department
10 of Environmental Protection, the Florida Public Service
11 Commission where electrical generation or natural gas is
12 involved, and any other relevant federal, state, or local
13 governmental agency having responsibility for resource
14 recovery programs.

15 ~~(i)(l)~~ The department shall develop, coordinate, and
16 promote a comprehensive research plan for state programs. Such
17 plan shall be consistent with state energy policy and shall be
18 updated on a biennial basis.

19 ~~(j)(m)~~ In recognition of the devastation to the
20 economy of this state and the dangers to the health and
21 welfare of residents of this state caused by Hurricane Andrew,
22 and the potential for such impacts caused by other natural
23 disasters, the department shall include in its energy
24 emergency contingency plan and provide to the Department of
25 Community Affairs for inclusion in the state model energy
26 efficiency building code specific provisions to facilitate the
27 use of cost-effective solar energy technologies as emergency
28 remedial and preventive measures for providing electric power,
29 street lighting, and water heating service in the event of
30 electric power outages.

31 Section 4. Section 377.901, Florida Statutes, is

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1 repealed.

2 Section 5. Effective July 1, 2007, paragraph (ccc) of
3 subsection (7) of section 212.08, Florida Statutes, is
4 amended, and subsection (19) is added to that section, to
5 read:

6 212.08 Sales, rental, use, consumption, distribution,
7 and storage tax; specified exemptions.--The sale at retail,
8 the rental, the use, the consumption, the distribution, and
9 the storage to be used or consumed in this state of the
10 following are hereby specifically exempt from the tax imposed
11 by this chapter.

12 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to
13 any entity by this chapter do not inure to any transaction
14 that is otherwise taxable under this chapter when payment is
15 made by a representative or employee of the entity by any
16 means, including, but not limited to, cash, check, or credit
17 card, even when that representative or employee is
18 subsequently reimbursed by the entity. In addition, exemptions
19 provided to any entity by this subsection do not inure to any
20 transaction that is otherwise taxable under this chapter
21 unless the entity has obtained a sales tax exemption
22 certificate from the department or the entity obtains or
23 provides other documentation as required by the department.
24 Eligible purchases or leases made with such a certificate must
25 be in strict compliance with this subsection and departmental
26 rules, and any person who makes an exempt purchase with a
27 certificate that is not in strict compliance with this
28 subsection and the rules is liable for and shall pay the tax.
29 The department may adopt rules to administer this subsection.

30 (ccc) Equipment, machinery, and other materials for
31 renewable energy technologies.--

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

2 a. "Biodiesel" means the mono-alkyl esters of
3 long-chain fatty acids derived from plant or animal matter for
4 use as a source of energy and meeting the specifications for
5 biodiesel and biodiesel blends with petroleum products as
6 adopted by the Department of Agriculture and Consumer
7 Services. Biodiesel may refer to biodiesel blends designated
8 BXX, where XX represents the volume percentage of biodiesel
9 fuel in the blend.

10 b. "Ethanol" means nominally anhydrous denatured
11 alcohol produced by the fermentation of plant sugars meeting
12 the specifications for fuel ethanol and fuel ethanol blends
13 with petroleum products as adopted by the Department of
14 Agriculture and Consumer Services. Ethanol may refer to fuel
15 ethanol blends designated EXX, where XX represents the volume
16 percentage of fuel ethanol in the blend.

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

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

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

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

29 c. Materials used in the distribution of biodiesel
30 (B10-B100) and ethanol (E10-100), including fueling
31 infrastructure, transportation, and storage, up to a limit of

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1 ~~\$2~~ ~~\$1~~ million in tax each state fiscal year for all taxpayers.
 2 Gasoline fueling station pump retrofits for ethanol (E10-E100)
 3 distribution qualify for the exemption provided in this
 4 sub-subparagraph.

5 3. The Department of Environmental Protection shall
 6 provide to the department a list of items eligible for the
 7 exemption provided in this paragraph.

8 4.a. The exemption provided in this paragraph shall be
 9 available to a purchaser only through a refund of previously
 10 paid taxes.

11 b. To be eligible to receive the exemption provided in
 12 this paragraph, a purchaser shall file an application with the
 13 Department of Environmental Protection. The application shall
 14 be developed by the Department of Environmental Protection, in
 15 consultation with the department, and shall require:

16 (I) The name and address of the person claiming the
 17 refund.

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

21 (III) The sales invoice or other proof of purchase
 22 showing the amount of sales tax paid, the date of purchase,
 23 and the name and address of the sales tax dealer from whom the
 24 property was purchased.

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

28 c. Within 30 days after receipt of an application, the
 29 Department of Environmental Protection shall review the
 30 application and shall notify the applicant of any
 31 deficiencies. Upon receipt of a completed application, the

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1 Department of Environmental Protection shall evaluate the
 2 application for exemption and issue a written certification
 3 that the applicant is eligible for a refund or issue a written
 4 denial of such certification within 60 days after receipt of
 5 the application. The Department of Environmental Protection
 6 shall provide the department with a copy of each certification
 7 issued upon approval of an application.

8 d. Each certified applicant shall be responsible for
 9 forwarding a certified copy of the application and copies of
 10 all required documentation to the department within 6 months
 11 after certification by the Department of Environmental
 12 Protection.

13 e. The provisions of s. 212.095 do not apply to any
 14 refund application made pursuant to this paragraph. A refund
 15 approved pursuant to this paragraph shall be made within 30
 16 days after formal approval by the department.

17 f. The department may adopt all rules pursuant to ss.
 18 120.536(1) and 120.54 to administer this paragraph, including
 19 rules establishing forms and procedures for claiming this
 20 exemption.

21 g. The Department of Environmental Protection shall be
 22 responsible for ensuring that the total amounts of the
 23 exemptions authorized do not exceed the limits as specified in
 24 subparagraph 2.

25 5. The Department of Environmental Protection shall
 26 determine and publish on a regular basis the amount of sales
 27 tax funds remaining in each fiscal year.

28 6. This paragraph expires July 1, 2010.

29 (19) ENERGY-EFFICIENT PRODUCTS.--

30 (a) In October of each year, the tax levied under this
 31 chapter may not be collected during the 14-day period

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1 beginning at 12:01 a.m., on the first Saturday, on the sale of
2 a new energy-efficient product having a selling price of
3 \$1,500 or less per product during that period. This exemption
4 applies only when the energy-efficient product is purchased
5 for noncommercial home or personal use and does not apply when
6 the product is purchased for trade, business, or resale. As
7 used in this section, the term "energy-efficient product"
8 means a dishwasher, clothes washer, air conditioner, ceiling
9 fan, compact florescent light bulb, dehumidifier, programmable
10 thermostat, or refrigerator that has been designated by the
11 United States Environmental Protection Agency or by the United
12 States Department of Energy as meeting or exceeding the
13 requirements under the Energy Star Program of either agency.
14 Purchases made under this subsection may not be made using a
15 business or company credit or debit card or check. Any
16 construction company, building contractor, or commercial
17 business or entity that purchases or attempts to purchase the
18 energy-efficient products as exempt under this section commits
19 the offense of engaging in an unfair method of competition in
20 violation of s. 501.204, punishable as provided in s.
21 501.2075.

22 (b) Notwithstanding chapter 120, the Department of
23 Revenue may adopt rules to administer paragraph (a).

24 Section 6. Effective July 1, 2008, paragraph (ccc) of
25 subsection (7) of section 212.08, Florida Statutes, as amended
26 by this act, is amended to read:

27 212.08 Sales, rental, use, consumption, distribution,
28 and storage tax; specified exemptions.--The sale at retail,
29 the rental, the use, the consumption, the distribution, and
30 the storage to be used or consumed in this state of the
31 following are hereby specifically exempt from the tax imposed

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1 by this chapter.

2 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to
3 any entity by this chapter do not inure to any transaction
4 that is otherwise taxable under this chapter when payment is
5 made by a representative or employee of the entity by any
6 means, including, but not limited to, cash, check, or credit
7 card, even when that representative or employee is
8 subsequently reimbursed by the entity. In addition, exemptions
9 provided to any entity by this subsection do not inure to any
10 transaction that is otherwise taxable under this chapter
11 unless the entity has obtained a sales tax exemption
12 certificate from the department or the entity obtains or
13 provides other documentation as required by the department.
14 Eligible purchases or leases made with such a certificate must
15 be in strict compliance with this subsection and departmental
16 rules, and any person who makes an exempt purchase with a
17 certificate that is not in strict compliance with this
18 subsection and the rules is liable for and shall pay the tax.
19 The department may adopt rules to administer this subsection.

20 (ccc) Equipment, machinery, and other materials for
21 renewable energy technologies.--

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

23 a. "Biodiesel" means the mono-alkyl esters of
24 long-chain fatty acids derived from plant or animal matter for
25 use as a source of energy and meeting the specifications for
26 biodiesel and biodiesel blends with petroleum products as
27 adopted by the Department of Agriculture and Consumer
28 Services. Biodiesel may refer to biodiesel blends designated
29 BXX, where XX represents the volume percentage of biodiesel
30 fuel in the blend.

31 b. "Ethanol" means nominally anhydrous denatured

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1 alcohol produced by the fermentation of plant sugars meeting
 2 the specifications for fuel ethanol and fuel ethanol blends
 3 with petroleum products as adopted by the Department of
 4 Agriculture and Consumer Services. Ethanol may refer to fuel
 5 ethanol blends designated EXX, where XX represents the volume
 6 percentage of fuel ethanol in the blend.

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

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

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

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

19 c. Materials used in the distribution of biodiesel
 20 (B10-B100) and ethanol (E10-100), including fueling
 21 infrastructure, transportation, and storage, up to a limit of
 22 \$2 million in tax each state fiscal year for all taxpayers.
 23 Gasoline fueling station pump retrofits for ethanol (E10-E100)
 24 distribution qualify for the exemption provided in this
 25 sub-subparagraph.

26 3. The Florida Alternative Energy Development
 27 Corporation ~~Department of Environmental Protection~~ shall
 28 provide to the department a list of items eligible for the
 29 exemption provided in this paragraph.

30 4. The exemption provided in this paragraph shall be
 31 available only to the end user of the equipment, machinery, or

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1 other materials.

2 5.4-a. The exemption provided in this paragraph shall
3 be available to a purchaser only through a refund of
4 previously paid taxes.

5 b. To be eligible to receive the exemption provided in
6 this paragraph, a purchaser shall file an application with the
7 Florida Alternative Energy Development Corporation ~~Department~~
8 ~~of Environmental Protection~~. The application shall be
9 developed by the Florida Alternative Energy Development
10 Corporation ~~Department of Environmental Protection~~, in
11 consultation with the department, and shall require:

12 (I) The name and address of the person claiming the
13 refund.

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

17 (III) The sales invoice or other proof of purchase
18 showing the amount of sales tax paid, the date of purchase,
19 and the name and address of the sales tax dealer from whom the
20 property was purchased.

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

24 c. Within 30 days after receipt of an application, the
25 Florida Alternative Energy Development Corporation ~~Department~~
26 ~~of Environmental Protection~~ shall review the application and
27 shall notify the applicant of any deficiencies. Upon receipt
28 of a completed application, the Florida Alternative Energy
29 Development Corporation ~~Department of Environmental Protection~~
30 shall evaluate the application for exemption and issue a
31 written certification that the applicant is eligible for a

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1 refund or issue a written denial of such certification within
2 60 days after receipt of the application. The Florida
3 Alternative Energy Development Corporation ~~Department of~~
4 ~~Environmental Protection~~ shall provide the department with a
5 copy of each certification issued upon approval of an
6 application.

7 d. Each certified applicant shall be responsible for
8 forwarding a certified copy of the application and copies of
9 all required documentation to the department within 6 months
10 after certification by the Florida Alternative Energy
11 Development Corporation ~~Department of Environmental~~
12 ~~Protection~~.

13 e. The provisions of s. 212.095 do not apply to any
14 refund application made pursuant to this paragraph. A refund
15 approved pursuant to this paragraph shall be made within 30
16 days after formal approval by the department.

17 f. The department may adopt all rules pursuant to ss.
18 120.536(1) and 120.54 to administer this paragraph, including
19 rules establishing forms and procedures for claiming this
20 exemption.

21 g. The Florida Alternative Energy Development
22 Corporation ~~Department of Environmental Protection~~ shall be
23 responsible for ensuring that the total amounts of the
24 exemptions authorized do not exceed the limits as specified in
25 subparagraph 2.

26 ~~6.5.~~ The Department of Environmental Protection shall
27 determine and publish on a regular basis the amount of sales
28 tax funds remaining in each fiscal year.

29 ~~7.6.~~ This paragraph expires July 1, 2010.

30 Section 7. Effective July 1, 2008, paragraph (y) of
31 subsection (8) of section 213.053, Florida Statutes, is

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1 amended to read:

2 213.053 Confidentiality and information sharing.--

3 (8) Notwithstanding any other provision of this
4 section, the department may provide:

5 (y) Information relative to ss. 212.08(7)(ccc) and
6 220.192 to the Florida Alternative Energy Development
7 Corporation ~~Department of Environmental Protection~~ for use in
8 the conduct of its official business.

9
10 Disclosure of information under this subsection shall be
11 pursuant to a written agreement between the executive director
12 and the agency. Such agencies, governmental or
13 nongovernmental, shall be bound by the same requirements of
14 confidentiality as the Department of Revenue. Breach of
15 confidentiality is a misdemeanor of the first degree,
16 punishable as provided by s. 775.082 or s. 775.083.

17 Section 8. Effective July 1, 2007, subsection (1) of
18 section 220.192, Florida Statutes, is amended to read:

19 220.192 Renewable energy technologies investment tax
20 credit.--

21 (1) DEFINITIONS.--For purposes of this section, the
22 term:

23 (a) "Biodiesel" means biodiesel as defined in s.
24 212.08(7)(ccc).

25 (b) "Eligible costs" means:

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

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1 but not limited to, the costs of constructing, installing, and
2 equipping such technologies in the state.

3 2. Seventy-five percent of all capital costs,
4 operation and maintenance costs, and research and development
5 costs incurred between July 1, 2006, and June 30, 2010, up to
6 a limit of \$1.5 million per state fiscal year for all
7 taxpayers, and limited to a maximum of \$12,000 per fuel cell,
8 in connection with an investment in commercial stationary
9 hydrogen fuel cells in the state, including, but not limited
10 to, the costs of constructing, installing, and equipping such
11 technologies in the state.

12 3. Seventy-five percent of all capital costs,
13 operation and maintenance costs, and research and development
14 costs incurred between July 1, 2006, and June 30, 2010, up to
15 a limit of \$13 ~~\$6.5~~ million per state fiscal year for all
16 taxpayers, in connection with an investment in the production,
17 storage, and distribution of biodiesel (B10-B100) and ethanol
18 (E10-E100) in the state, including the costs of constructing,
19 installing, and equipping such technologies in the state.
20 Gasoline fueling station pump retrofits for ethanol (E10-E100)
21 distribution qualify as an eligible cost under this
22 subparagraph.

23 (c) "Ethanol" means ethanol as defined in s.
24 212.08(7)(ccc).

25 (d) "Hydrogen fuel cell" means hydrogen fuel cell as
26 defined in s. 212.08(7)(ccc).

27 Section 9. Effective July 1, 2008, section 220.192,
28 Florida Statutes, as amended by this act, is amended to read:
29 220.192 Renewable energy technologies investment tax
30 credit.--

31 (1) DEFINITIONS.--For purposes of this section, the

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1 term:

2 (a) "Biodiesel" means biodiesel as defined in s.
3 212.08(7)(ccc).

4 (b) "Eligible costs" means:

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

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

22 3. Seventy-five percent of all capital costs,
23 operation and maintenance costs, and research and development
24 costs incurred between July 1, 2006, and June 30, 2010, up to
25 a limit of \$13 million per state fiscal year for all
26 taxpayers, in connection with an investment in the production,
27 storage, and distribution of biodiesel (B10-B100) and ethanol
28 (E10-E100) in the state, including the costs of constructing,
29 installing, and equipping such technologies in the state.
30 Gasoline fueling station pump retrofits for ethanol (E10-E100)
31 distribution qualify as an eligible cost under this

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1 subparagraph.

2 (c) "Ethanol" means ethanol as defined in s.
3 212.08(7)(ccc).

4 (d) "Hydrogen fuel cell" means hydrogen fuel cell as
5 defined in s. 212.08(7)(ccc).

6 (2) TAX CREDIT.--For tax years beginning on or after
7 January 1, 2007, a credit against the tax imposed by this
8 chapter shall be granted in an amount equal to the eligible
9 costs. Credits may be used in tax years beginning January 1,
10 2007, and ending December 31, 2010, after which the credit
11 shall expire. If the credit is not fully used in any one tax
12 year because of insufficient tax liability on the part of the
13 corporation, the unused amount may be carried forward and used
14 in tax years beginning January 1, 2007, and ending December
15 31, 2012, after which the credit carryover expires and may not
16 be used. A taxpayer that files a consolidated return in this
17 state as a member of an affiliated group under s. 220.131(1)
18 may be allowed the credit on a consolidated return basis up to
19 the amount of tax imposed upon the consolidated group. Any
20 eligible cost for which a credit is claimed and which is
21 deducted or otherwise reduces federal taxable income shall be
22 added back in computing adjusted federal income under s.
23 220.13.

24 (3) CORPORATE APPLICATION PROCESS.--Any corporation
25 wishing to obtain tax credits available under this section
26 must submit to the Florida Alternative Energy Development
27 Corporation ~~Department of Environmental Protection~~ an
28 application for tax credit which ~~that~~ includes a complete
29 description of all eligible costs for which the corporation is
30 seeking a credit and a description of the total amount of
31 credits sought. The Florida Alternative Energy Development

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1 ~~Corporation~~ ~~Department of Environmental Protection~~ shall make
2 a determination on the eligibility of the applicant for the
3 credits sought and certify the determination to the applicant
4 and the Department of Revenue. The corporation must attach the
5 Florida Alternative Energy Development Corporation's
6 ~~Department of Environmental Protection's~~ certification to the
7 tax return on which the credit is claimed. The Florida
8 Alternative Energy Development Corporation is ~~Department of~~
9 ~~Environmental Protection shall be~~ responsible for ensuring
10 that the corporate income tax credits granted in each fiscal
11 year do not exceed the limits provided for in this section.
12 The Florida Alternative Energy Development Corporation may
13 ~~Department of Environmental Protection is~~ authorized to adopt
14 the necessary rules, guidelines, and application materials for
15 the application process.

16 (4) TAXPAYER APPLICATION PROCESS.--To claim a credit
17 under this section, each taxpayer must apply to the Florida
18 Alternative Energy Development Corporation ~~Department of~~
19 ~~Environmental Protection~~ for an allocation of each type of
20 annual credit by the date established by the Florida
21 Alternative Energy Development Corporation ~~Department of~~
22 ~~Environmental Protection~~. The application form may be
23 established by the Florida Alternative Energy Development
24 Corporation ~~Department of Environmental Protection~~ and shall
25 include an affidavit from each taxpayer certifying that all
26 information contained in the application, including all
27 records of eligible costs claimed as the basis for the tax
28 credit, are true and correct. Approval of the credits under
29 this section shall be accomplished on a first-come,
30 first-served basis, based upon the date complete applications
31 are received by the Florida Alternative Energy Development

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1 ~~Corporation~~ ~~Department of Environmental Protection~~. A taxpayer
 2 shall submit only one complete application based upon eligible
 3 costs incurred within a particular state fiscal year. The
 4 corporation may not accept incomplete placeholder applications
 5 ~~will not be accepted~~ and such an application does ~~will~~ not
 6 secure a place in the first-come, first-served application
 7 line. If a taxpayer does not receive a tax credit allocation
 8 due to the exhaustion of the annual tax credit authorizations,
 9 ~~then~~ such taxpayer may reapply in the following year for those
 10 eligible costs and shall be given ~~will have~~ priority over
 11 other applicants for the allocation of credits.

12 (5) ADMINISTRATION; AUDIT AUTHORITY; RECAPTURE OF
 13 CREDITS.--

14 (a) In addition to its existing audit and
 15 investigation authority, the Department of Revenue may perform
 16 any additional financial and technical audits and
 17 investigations, including examining the accounts, books, and
 18 records of the tax credit applicant, which ~~that~~ are necessary
 19 to verify the eligible costs included in the tax credit return
 20 and to ensure compliance with this section. The Florida
 21 Alternative Energy Development Corporation ~~Department of~~
 22 ~~Environmental Protection~~ shall provide technical assistance
 23 when requested by the Department of Revenue on any technical
 24 audits or examinations performed pursuant to this section.

25 (b) It is grounds for forfeiture of previously claimed
 26 and received tax credits if the Department of Revenue
 27 determines, as a result of either an audit or examination or
 28 from information received from the Florida Alternative Energy
 29 Development Corporation ~~Department of Environmental~~
 30 ~~Protection~~, that a taxpayer received tax credits pursuant to
 31 this section to which the taxpayer was not entitled. The

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1 taxpayer is responsible for returning forfeited tax credits to
 2 the Department of Revenue, and such funds shall be paid into
 3 the General Revenue Fund of the state.

4 (c) The Florida Alternative Energy Development
 5 Corporation ~~Department of Environmental Protection~~ may revoke
 6 or modify any written decision granting eligibility for tax
 7 credits under this section if it is discovered that the tax
 8 credit applicant submitted any false statement,
 9 representation, or certification in any application, record,
 10 report, plan, or other document filed in an attempt to receive
 11 tax credits under this section. The Florida Alternative Energy
 12 Development Corporation ~~Department of Environmental Protection~~
 13 shall immediately notify the Department of Revenue of any
 14 revoked or modified orders affecting previously granted tax
 15 credits. Additionally, the taxpayer must notify the Department
 16 of Revenue of any change in its tax credit claimed.

17 (d) The taxpayer shall file with the Department of
 18 Revenue an amended return or such other report as the
 19 Department of Revenue prescribes by rule and shall pay any
 20 required tax and interest within 60 days after the taxpayer
 21 receives notification from the Florida Alternative Energy
 22 Development Corporation ~~Department of Environmental Protection~~
 23 that previously approved tax credits have been revoked or
 24 modified. If the revocation or modification order is
 25 contested, the taxpayer shall file an amended return or other
 26 report as provided in this paragraph within 60 days after a
 27 final order is issued following proceedings.

28 (e) A notice of deficiency may be issued by the
 29 Department of Revenue at any time within 3 years after the
 30 taxpayer receives formal notification from the Florida
 31 Alternative Energy Development Corporation ~~Department of~~

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1 ~~Environmental Protection~~ that previously approved tax credits
 2 have been revoked or modified. If a taxpayer fails to notify
 3 the Department of Revenue of any changes to its tax credit
 4 claimed, a notice of deficiency may be issued at any time.

5 (6) RULES.--The Department of Revenue may ~~shall have~~
 6 ~~the authority to~~ adopt rules relating to the forms required to
 7 claim a tax credit under this section, the requirements and
 8 basis for establishing an entitlement to a credit, and the
 9 examination and audit procedures required to administer this
 10 section.

11 (7) PUBLICATION.--The Florida Alternative Energy
 12 Development Corporation ~~Department of Environmental Protection~~
 13 shall determine and publish on a regular basis the amount of
 14 available tax credits remaining in each fiscal year.

15 Section 10. Effective July 1, 2008, section 377.803,
 16 Florida Statutes, is amended to read:

17 377.803 Definitions.--As used in ss. 377.801-377.806,
 18 the term:

19 (1) "Act" means the Florida Renewable Energy
 20 Technologies and Energy Efficiency Act.

21 (2) "Corporation" means the Florida Alternative Energy
 22 Development Corporation.

23 ~~(2) "Approved metering equipment" means a device~~
 24 ~~capable of measuring the energy output of a solar thermal~~
 25 ~~system that has been approved by the commission.~~

26 (3) "Commission" means the Florida Public Service
 27 Commission.

28 ~~(4) "Department" means the Department of Environmental~~
 29 ~~Protection.~~

30 ~~(4)~~(5) "Person" means an individual, partnership,
 31 joint venture, private or public corporation, association,

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1 firm, public service company, or any other public or private
2 entity.

3 ~~(5)(6)~~ "Renewable energy" means electrical,
4 mechanical, or thermal energy produced from a method that uses
5 one or more of the following fuels or energy sources:
6 hydrogen, biomass, solar energy, geothermal energy, wind
7 energy, ocean energy, waste heat, ~~or~~ hydroelectric power,
8 ethanol, or biodiesel.

9 ~~(6)(7)~~ "Renewable energy technology" means any
10 technology that generates or utilizes a renewable energy
11 resource.

12 ~~(7)(8)~~ "Solar energy system" means equipment that
13 provides for the collection and use of incident solar energy
14 for water heating, space heating or cooling, or other
15 applications that would normally require a conventional source
16 of energy such as petroleum products, natural gas, or
17 electricity that performs primarily with solar energy. In
18 other systems in which solar energy is used in a supplemental
19 way, only those components that collect and transfer solar
20 energy shall be included in this definition.

21 ~~(8)(9)~~ "Solar photovoltaic system" means a device that
22 converts incident sunlight into electrical current.

23 ~~(9)(10)~~ "Solar thermal system" means a device that
24 traps heat from incident sunlight in order to heat water.

25 Section 11. Effective July 1, 2008, section 377.804,
26 Florida Statutes, is amended to read:

27 377.804 Renewable Energy Technologies Grants
28 Program.--

29 (1) The Renewable Energy Technologies Grants Program
30 is established within the corporation ~~department~~ to provide
31 renewable energy matching grants for demonstration,

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1 commercialization, research, and development projects relating
2 to renewable energy technologies.

3 (2) Matching grants for renewable energy technology
4 demonstration, commercialization, research, and development
5 projects may be made to any of the following:

6 (a) Municipalities and county governments.

7 (b) Established for-profit companies licensed to do
8 business in the state.

9 (c) Universities and colleges in the state.

10 (d) Utilities located and operating within the state.

11 (e) Not-for-profit organizations.

12 (f) Other qualified persons, as determined by the
13 corporation ~~department~~.

14 (3) The corporation ~~department~~ may adopt rules
15 pursuant to ss. 120.536(1) and 120.54 to provide for
16 application requirements, provide for ranking of applications,
17 and administer the awarding of grants under this program.

18 (4) Factors the corporation ~~department~~ shall consider
19 in awarding grants include, but are not limited to:

20 (a) The availability of matching funds or other
21 in-kind contributions applied to the total project from an
22 applicant. The corporation ~~department~~ shall give greater
23 preference to projects that provide such matching funds or
24 other in-kind contributions.

25 (b) The degree to which the project stimulates
26 in-state capital investment and economic development in
27 metropolitan and rural areas, including the creation of jobs
28 and the future development of a commercial market for
29 renewable energy technologies.

30 (c) The extent to which the proposed project has been
31 demonstrated to be technically feasible based on pilot project

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1 demonstrations, laboratory testing, scientific modeling, or
2 engineering or chemical theory that supports the proposal.

3 (d) The degree to which the project incorporates an
4 innovative new technology or an innovative application of an
5 existing technology.

6 (e) The degree to which a project generates thermal,
7 mechanical, or electrical energy by means of a renewable
8 energy resource that has substantial long-term production
9 potential.

10 (f) The degree to which a project demonstrates
11 efficient use of energy and material resources.

12 (g) The degree to which the project fosters overall
13 understanding and appreciation of renewable energy
14 technologies.

15 (h) The ability to administer a complete project.

16 (i) Project duration and timeline for expenditures.

17 (j) The geographic area in which the project is to be
18 conducted in relation to other projects.

19 (k) The degree of public visibility and interaction.

20 (5) The corporation ~~department~~ shall solicit the
21 expertise of other state agencies in evaluating project
22 proposals. State agencies shall cooperate with the Department
23 of Environmental Protection and provide such assistance as
24 requested.

25 ~~(6) The department shall coordinate and actively~~
26 ~~consult with the Department of Agriculture and Consumer~~
27 ~~Services during the review and approval process of grants~~
28 ~~relating to bioenergy projects for renewable energy~~
29 ~~technology, and the departments shall jointly determine the~~
30 ~~grant awards to these bioenergy projects. No grant funding~~
31 ~~shall be awarded to any bioenergy project without such joint~~

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~~1 approval. Factors for consideration in awarding grants may
2 include, but are not limited to, the degree to which:~~

~~3 (a) The project stimulates in-state capital investment
4 and economic development in metropolitan and rural areas,
5 including the creation of jobs and the future development of a
6 commercial market for bioenergy.~~

~~7 (b) The project produces bioenergy from Florida-grown
8 crops or biomass.~~

~~9 (c) The project demonstrates efficient use of energy
10 and material resources.~~

~~11 (d) The project fosters overall understanding and
12 appreciation of bioenergy technologies.~~

~~13 (e) Matching funds and in-kind contributions from an
14 applicant are available.~~

~~15 (f) The project duration and the timeline for
16 expenditures are acceptable.~~

~~17 (g) The project has a reasonable assurance of
18 enhancing the value of agricultural products or will expand
19 agribusiness in the state.~~

~~20 (h) Preliminary market and feasibility research has
21 been conducted by the applicant or others and shows there is a
22 reasonable assurance of a potential market.~~

23 Section 12. Effective July 1, 2008, section 377.806,
24 Florida Statutes, is amended to read:

25 377.806 Solar Energy System Incentives Program.--

26 (1) PURPOSE.--The Solar Energy System Incentives
27 Program is established within the corporation ~~department~~ to
28 provide financial incentives for the purchase and installation
29 of solar energy systems. Any resident of the state who
30 purchases and installs a new solar energy system of 2
31 kilowatts or larger for a solar photovoltaic system, a solar

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1 energy system that provides at least 50 percent of a
 2 building's hot water consumption for a solar thermal system,
 3 or a solar thermal pool heater, from July 1, 2006, through
 4 June 30, 2010, is eligible for a rebate on a portion of the
 5 purchase price of that solar energy system. Payment of a
 6 rebate may be made only to the end user of an eligible system.

7 (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.--

8 (a) Eligibility requirements.--A solar photovoltaic
 9 system qualifies for a rebate if:

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

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

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

16 (b) Rebate amounts.--The rebate amount shall be set at
 17 \$4 per watt based on the total wattage rating of the system.
 18 The maximum allowable rebate per solar photovoltaic system
 19 installation shall be as follows:

20 1. Twenty thousand dollars for a residence.

21 2. One hundred thousand dollars for a place of
 22 business, a publicly owned or operated facility, or a facility
 23 owned or operated by a private, not-for-profit organization,
 24 including condominiums or apartment buildings.

25 (3) SOLAR THERMAL SYSTEM INCENTIVE.--

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

28 1. The system is installed by a state-licensed solar
 29 or plumbing contractor.

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

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1 (b) Rebate amounts.--Authorized rebates for
 2 installation of solar thermal systems shall be as follows:
 3 1. Five hundred dollars for a residence.
 4 2. Fifteen dollars per 1,000 Btu up to a maximum of
 5 \$5,000 for a place of business, a publicly owned or operated
 6 facility, or a facility owned or operated by a private,
 7 not-for-profit organization, including condominiums or
 8 apartment buildings. ~~Btu must be verified by approved metering~~
 9 ~~equipment.~~

10 (4) SOLAR THERMAL POOL HEATER INCENTIVE.--

11 (a) Eligibility requirements.--A solar thermal pool
 12 heater qualifies for a rebate if the system is installed by a
 13 state-licensed solar or plumbing contractor and the system
 14 complies with all applicable building codes as defined by the
 15 local jurisdictional authority.

16 (b) Rebate amount.--Authorized rebates for
 17 installation of solar thermal pool heaters shall be \$100 per
 18 installation.

19 (5) APPLICATION.--Application for a rebate must be
 20 made within 90 days after the purchase of the solar energy
 21 equipment.

22 (6) LIMITS.--Rebates are limited to one per type of
 23 system described in paragraph (2)(a) per resident, per state
 24 fiscal year.

25 (7)(6) REBATE AVAILABILITY.--The corporation
 26 ~~department~~ shall determine and publish on a regular basis the
 27 amount of rebate funds remaining in each fiscal year. The
 28 total dollar amount of all rebates issued by the department is
 29 subject to the total amount of appropriations in any fiscal
 30 year for this program. If funds are insufficient during the
 31 current fiscal year, any requests for rebates received during

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1 that fiscal year may be processed during the following fiscal
2 year. Requests for rebates received in a fiscal year that are
3 processed during the following fiscal year shall be given
4 priority over requests for rebates received during the
5 following fiscal year.

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

9 Section 13. Effective July 1, 2007, section 366.915,
10 Florida Statutes, is created to read:

11 366.915 Minimum purchase of renewable energy.--

12 (1) This section may be cited as the "Florida
13 Renewable Portfolio Standard Act."

14 (2)(a) The Legislature finds that it is in the
15 public's interest to:

16 1. Encourage investment in renewable energy resources
17 in order to expand environmentally sustainable methods of
18 generating electricity.

19 2. Stimulate the economic growth of this state.

20 3. Enhance the continued diversification of the fuel
21 sources for electricity used in the state.

22 (b) The Legislature further finds and declares that a
23 program requiring public utilities to use renewable energy is
24 a way to encourage investments in renewable energy resources,
25 stimulate economic growth within the state, and enhance the
26 continued diversification of the state's energy resources.

27 (3) As used in this section, the term:

28 (a) "Biomass" means a power source that is comprised
29 of, but not limited to, combustible residues or gases from
30 forest products manufacturing, agricultural and orchard crops,
31 waste products from livestock and poultry operations and food

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1 processing, urban wood waste, municipal solid waste, municipal
2 liquid waste treatment operations, and landfill gas.

3 (b) "Renewable energy" means electrical energy
4 produced from a method that uses one or more of the following
5 fuels or energy sources: hydrogen produced from sources other
6 than fossil fuels, biomass, solar energy, geothermal energy,
7 wind energy, ocean energy, and hydroelectric power. The term
8 also includes energy-efficiency resources, such as waste heat
9 from sulfuric acid manufacturing operations and combined heat
10 and power. It also includes nuclear and coal fuel when coal is
11 used in a facility having potential carbon-dioxide-capturing
12 technology.

13 (4) Each public utility, as defined in s. 366.02,
14 shall ensure that by 2015 and for each year thereafter, at
15 least 50 percent of all new net energy for load, using 2006 as
16 a base year, is derived from renewable energy produced in this
17 state.

18 (5) If a public utility must procure renewable energy
19 in order to satisfy the requirements of this section, the
20 public utility shall use a competitive-procurement process,
21 give priority to entities that produce renewable energy in
22 this state, and use sources of renewable energy which are not
23 related to or affiliated with the public utility, except when,
24 and only to the extent that, such entities collectively cannot
25 produce enough renewable energy to satisfy the requirements of
26 this section.

27 (6) The Public Service Commission may adopt rules to
28 ensure that the procurement of renewable energy by public
29 utilities is conducted in a fair and impartial manner,
30 consistent with the goals set forth in this section. The
31 Public Service Commission also may develop an accreditation

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1 process to ensure that any entities providing renewable energy
2 in this state satisfy the goals of this section.

3 Section 14. Effective July 1, 2007, paragraph (b) of
4 subsection (2) of section 366.91, Florida Statutes, is amended
5 to read:

6 366.91 Renewable energy.--

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

8 (b) "Renewable energy" means electrical energy
9 produced from a method that uses one or more of the following
10 fuels or energy sources: hydrogen produced from sources other
11 than fossil fuels, biomass, solar energy, geothermal energy,
12 wind energy, ocean energy, and hydroelectric power. The term
13 also includes the ~~alternative~~ energy efficiency resources
14 resource, waste heat, from sulfuric acid manufacturing
15 operations, and combined heat and power.

16 Section 15. Effective July 1, 2007, subsection (4) is
17 added to section 366.02, Florida Statutes, to read:

18 366.02 Definitions.--As used in this chapter:

19 (4) "Net-metering program" means a process by which an
20 electric utility buys back energy produced by a customer who
21 uses one or more renewable energy systems and produces more
22 energy than the customer uses.

23 Section 16. Effective July 1, 2007, section 366.925,
24 Florida Statutes, is created to read:

25 366.925 Electric utilities; net metering.--

26 (1) This section may be cited as the "Florida Net
27 Metering Conservation Act."

28 (2) The commission shall develop rules requiring all
29 electric utilities to develop net-metering programs that meet
30 the requirements of this subsection. Each utility shall make
31 available meters that measure both energy production and

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1 consumption by the customer. The customer shall receive credit
 2 at the full retail rate for energy generated by an eligible
 3 system. If the customer's system generates more energy than
 4 the customer consumes during a billing cycle, the utility
 5 shall pay the customer for the excess generation at its full
 6 avoided cost, as set forth in s. 366.051.

7 (3) The commission shall develop rules setting the
 8 interconnection requirements and other standards that
 9 renewable energy systems must meet in order to ensure public
 10 safety and reliability for customers who participate in the
 11 net-metering program.

12 Section 17. Effective July 1, 2007, every wholesaler
 13 of diesel to a marina within this state must offer biodiesel
 14 for sale.

15 Section 18. Effective July 1, 2007, section 403.0874,
 16 Florida Statutes, is created to read:

17 403.0874 Greenhouse gas inventories.--

18 (1) The department shall develop greenhouse gas
 19 inventories that account for annual greenhouse gases emitted
 20 into and removed from the atmosphere, and that forecast gases
 21 emitted into and removed from the atmosphere, for all major
 22 greenhouse gases and for time periods that are determined
 23 sufficient by the department to provide for adequate analysis
 24 and planning.

25 (2) By rule, the department shall define what
 26 greenhouse gases are to be included in each inventory, the
 27 criteria for defining major emitters, which emitters must
 28 report emissions, and what methodologies shall be used to
 29 estimate gases emitted into and removed from the atmosphere
 30 and determine those that are not required to be reported.

31 (3) The department may require all major emitters of

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1 defined greenhouse gases to report emissions according to
 2 methodologies and reporting systems approved by the department
 3 and established by rule, which may include the use of
 4 quality-assured data from continuous emissions-monitoring
 5 systems.

6 Section 19. Effective July 1, 2007, subsection (2) of
 7 section 366.04, Florida Statutes, is amended, and subsection
 8 (7) is added to that section, to read:

9 366.04 Jurisdiction of commission.--

10 (2) In the exercise of its jurisdiction, the
 11 commission shall have power over electric utilities for the
 12 following purposes:

13 (a) To prescribe uniform systems and classifications
 14 of accounts.

15 (b) To prescribe a rate structure for all electric
 16 utilities.

17 (c) To require electric power conservation and
 18 reliability within a coordinated grid, for operational as well
 19 as emergency purposes.

20 (d) To approve territorial agreements between and
 21 among rural electric cooperatives, municipal electric
 22 utilities, and other electric utilities under its
 23 jurisdiction. However, nothing in this chapter shall be
 24 construed to alter existing territorial agreements as between
 25 the parties to such agreements.

26 (e) To resolve, upon petition of a utility or on its
 27 own motion, any territorial dispute involving service areas
 28 between and among rural electric cooperatives, municipal
 29 electric utilities, and other electric utilities under its
 30 jurisdiction. In resolving territorial disputes, the
 31 commission may consider, but not be limited to consideration

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1 of, the ability of the utilities to expand services within
 2 their own capabilities and the nature of the area involved,
 3 including population, the degree of urbanization of the area,
 4 its proximity to other urban areas, and the present and
 5 reasonably foreseeable future requirements of the area for
 6 other utility services.

7 (f) To prescribe and require the filing of periodic
 8 reports and other data as may be reasonably available and as
 9 necessary to exercise its jurisdiction hereunder.

10 (g) To review and approve or deny proposed sales and
 11 transfers of utility assets, including a proposed merger or
 12 acquisition of the utility.

13
 14 No provision of this chapter shall be construed or applied to
 15 impede, prevent, or prohibit any municipally owned electric
 16 utility system from distributing at retail electrical energy
 17 within its corporate limits, as such corporate limits exist on
 18 July 1, 1974; however, existing territorial agreements shall
 19 not be altered or abridged hereby.

20 (7) The commission may establish rules and standards
 21 of conduct to insulate and protect the public from business
 22 practices and merger activity that would adversely affect the
 23 credit rating and financial standing of the state's regulated
 24 public utilities. The commission has specific authority to
 25 approve, deny, or impose conditions upon mergers between a
 26 public utility and another entity. As used in this subsection,
 27 the term "assets" includes, but is not limited to, real
 28 assets, financial assets, construction work in progress, and
 29 allowances for funds used during construction. However, the
 30 commission may establish by rule minimum levels of value of
 31 asset transfer which shall be deemed immaterial because the

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1 amount involved would not adversely affect the utility and
2 therefore is not subject to this subsection. In the exercise
3 of this jurisdiction, the commission has the powers set forth
4 in this subsection.

5 (a) The commission may restrict and mandate the use
6 and terms of a sale or transfer of utility assets. This
7 includes a restriction against using utility assets as
8 collateral or a guarantee for any nonutility business. A
9 regulated public utility doing business in this state may not,
10 without first obtaining the commission's approval:

11 1. Sell, lease, transfer, assign, or otherwise dispose
12 of the whole of the property of such regulated public utility
13 which is necessary or useful in the performance of its duties
14 to the public or any part thereof of a value in excess of
15 those values provided in this subsection, or sell, lease,
16 assign or otherwise dispose of any franchise, permit, or right
17 to maintain and operate such regulated public utility or
18 public utility property or to perform any service as a public
19 utility;

20 2. Mortgage or otherwise encumber the whole or any
21 part of the property of such regulated public utility which is
22 necessary or useful in the performance of its duties to the
23 public, including any franchise, permit, or right to maintain
24 and operate such public utility or public utility property or
25 to perform any service as a public utility; or

26 3. By any means whatsoever, directly or indirectly,
27 merge, consolidate, or interconnect any of its lines, plants,
28 systems, or other property whatsoever, including any
29 franchise, permit, or right to maintain or operate any public
30 utility property or to perform any service as a public
31 utility, or any part thereof, with any other public utility.

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However, a sale, assignment, lease, or transfer of utility-related facilities or assets, or any portion thereof, may occur prior to commission approval if the contract for sale, lease, assignment, or transfer is made contingent upon commission approval.

(b) A merger or combination affecting any public utility may not occur through acquisition or control by stock purchase or otherwise without the approval of the commission and a determination that the proposed merger or combination affecting any public utility through acquisition or control by stock purchase or otherwise is in the public interest and will fulfill the commitments, obligations, and representations of the public utility. However, a merger or combination affecting any public utility made through acquisition or control by stock purchase or otherwise may occur prior to the commission's approval if such action is made contingent upon commission approval.

(c) In its determination of whether a transaction is in the public interest, the commission may consider whether:

1. The transaction will adversely affect the adequacy, efficiency, and reliability of the electric service that is provided to the public utility's end-use customers;

2. The transaction will result in increased cost of the electric service that is provided to the public utility's end-use customers without offsetting benefits;

3. The transaction will harm the financial condition of the public utility; and

4. Comparable economic savings can be achieved through other means, including no transaction, while avoiding the possible adverse consequences of the proposed transaction.

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1 (d) The commission may approve, deny, or require
2 modification of any request submitted under this subsection. A
3 public utility seeking review under this subsection shall file
4 a petition with the commission coincident with or prior to
5 filing a similar petition to the Federal Energy Regulatory
6 Commission pursuant to s. 1289, EPACT 2005, s. 203(a) of the
7 Federal Power Act, 16 U.S.C. s. 824b(a). In support of the
8 petition, the public utility shall file direct testimony and
9 supporting documents at the time the initial petition is
10 submitted to the commission.

11 (e) The commission may adopt rules to administer this
12 subsection, including setting material asset value thresholds.

13 Section 20. For the 2007-2008 fiscal year, the sum of
14 \$500,000 is appropriated from the General Revenue Fund to the
15 Florida Alternative Energy Trust Fund for the purpose of
16 funding the activities of the Florida Alternative Energy
17 Technology Center for the 2007-2008 fiscal year.

18 Section 21. For the 2007-2008 fiscal year, the sum of
19 \$40 million is appropriated from the General Revenue Fund to
20 the Florida Alternative Energy Trust Fund for purposes of
21 funding the Alternative Energy Incentive Program.

22 Section 22. For the 2007-2008 fiscal year, the sum of
23 \$15 million is appropriated to the Florida Alternative Energy
24 Trust Fund for the purpose of funding the Renewable Energy
25 Technologies Grants Program.

26 Section 23. For the 2007-2008 fiscal year, the sum of
27 \$2.5 million is appropriated from the General Revenue Fund to
28 the Department of Environmental Protection for the purpose of
29 funding commercial and consumer solar incentives authorized in
30 s. 377.806, Florida Statutes.

31 Section 24. For the 2007-2008 fiscal year, the sum of

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1 \$65,763 is appropriated from the General Revenue Fund to the
2 Department of Revenue for the purpose of administering the
3 energy-efficient products sales tax holiday.

4 Section 25. Except as otherwise expressly provided in
5 this act, this act shall take effect upon becoming a law.

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