

By the Committee on Communications and Public Utilities; and  
Senators Bennett, Lynn, Fasano and Atwater

579-2288-07

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

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

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

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 creating s. 212.086, F.S.; providing a  
11 financial incentive for the purchase of an  
12 alternative motor vehicle; providing that any  
13 person who purchases an alternative motor  
14 vehicle from a sales tax dealer is eligible for  
15 a refund of the sales tax paid; requiring that  
16 the alternative motor vehicle be certified  
17 under the Internal Revenue Code of 1986, as  
18 amended, as a new qualified hybrid motor  
19 vehicle, new qualified alternative fuel motor  
20 vehicle, new qualified fuel cell motor vehicle,  
21 or new advanced lean-burn technology motor  
22 vehicle; requiring that an application for  
23 refund be filed with the Department of Revenue;  
24 providing that the total dollar amount of  
25 refunds is limited to the total amount of  
26 appropriations in any fiscal year; authorizing  
27 a request for a refund to be held for payment  
28 in the following fiscal year under certain  
29 circumstances; requiring the department to  
30 adopt rules; providing for future repeal of the  
31 program; amending s. 255.252, F.S.; requiring

1 an inventory of state-owned buildings and an  
2 energy efficiency project schedule for  
3 guaranteed energy-performance savings contract  
4 improvements; amending s. 287.063, F.S.;  
5 requiring that the term of payment for  
6 consolidated equipment finance contracts may  
7 not extend beyond the anticipated useful life  
8 of the equipment financed; deleting the  
9 requirement that the Chief Financial Officer  
10 establish criteria that prohibits a state  
11 agency from obligating an annualized amount of  
12 payments for certain deferred payment  
13 purchases; amending s. 287.064, F.S.; extending  
14 the period of time allowed for repayment of  
15 funds under the guaranteed energy-performance  
16 savings contract; amending s. 489.145, F.S.;  
17 clarifying certain definitions; providing  
18 additional requirements for a state agency to  
19 enter into a guaranteed energy-performance  
20 savings contract; providing for financing of  
21 contracts related to guaranteed  
22 energy-performance savings; requiring the  
23 Department of Financial Services to review  
24 proposals to ensure that the most effective  
25 financing is used; requiring the Office of the  
26 Chief Financial Officer to develop model  
27 contractual and related documents; requiring  
28 that contracts or leases submitted by a state  
29 agency to the Office of Chief Financial Officer  
30 meet certain criteria; providing  
31 appropriations; providing effective dates.

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

2

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

5 288.10894 Florida Alternative Energy Development  
6 Corporation; findings; creation; membership; organization;  
7 purpose; duties; powers.--

8 (1) The Legislature finds that it is in the public  
9 interest to promote alternative energy technologies in this  
10 state, including alternative fuels and technologies for  
11 electric power plants and motor vehicles, energy conservation,  
12 distributed generation, advanced transmission methods, and  
13 pollution and greenhouse gas control. Both Florida and the  
14 United States in general are overly dependent on foreign oil  
15 to meet the energy needs of buildings and motor vehicles.  
16 Alternative energy and energy conservation technologies have  
17 the potential to decrease this dependency, minimize volatility  
18 of fuel cost, and improve environmental conditions. In-state  
19 research, development, deployment, and use of these  
20 technologies can make the state a leader in new and innovative  
21 technologies and encourage investment and economic development  
22 in this state.

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

24 (a) "Corporation" means the Florida Alternative Energy  
25 Development Corporation.

26 (b) "Alternative energy" means energy technologies  
27 that are undeveloped or less than established in current  
28 markets. The term includes, but is not limited to: biomass;  
29 agricultural products and byproducts; municipal solid waste,  
30 including landfill injection, landfill mining, and landfill  
31 gas; solar thermal and solar photovoltaic energy; geothermal;

1 ocean energy, including wave or thermal; hydrogen fuel; fuel  
2 cells; energy conservation, including building, equipment, and  
3 appliance efficiency technologies; enhancements to the  
4 transmission of electricity, including advanced transmission  
5 lines; distributed generation; ethanol, biodiesel, and similar  
6 synthetic fuels; and technologies relating to impacts of  
7 pollutants and greenhouse gases.

8 (3)(a) There is created a public corporation and a  
9 public body corporate and politic, to be known as the "Florida  
10 Alternative Energy Development Corporation." It is declared to  
11 be the intent of and constitutional construction by the  
12 Legislature that the Florida Alternative Energy Development  
13 Corporation constitutes an entrepreneurial public corporation  
14 organized to provide and promote the public welfare by  
15 administering the governmental function of promoting the  
16 development of alternative energy in Florida and that the  
17 corporation is not a department of the executive branch of  
18 state government within the scope and meaning of s. 6, Art. IV  
19 of the State Constitution, and is not functionally located  
20 within any state agency or department.

21 (b) The corporation is constituted as a public  
22 instrumentality, and the exercise by the corporation of the  
23 power conferred by this act is considered to be the  
24 performance of an essential public function. The corporation  
25 shall constitute an agency for the purposes of s. 120.52. The  
26 corporation is subject to chapter 119, subject to exceptions  
27 applicable to the corporation, and to the provisions of  
28 chapter 286; however, the corporation shall be entitled to  
29 provide notice of internal review committee meetings for  
30 competitive proposals or procurement to applicants by mail or  
31 facsimile rather than by means of publication. The corporation

1 is not governed by chapter 607, but by the provisions of this  
2 section. If for any reason the establishment of the  
3 corporation is deemed in violation of law, such provision is  
4 severable and the remainder of this act remains in full force  
5 and effect.

6 (c) The corporation is a corporation primarily acting  
7 as an instrumentality of the state, within the meaning of s.  
8 768.28.

9 (4) The corporation is the principal organization in  
10 the state for promotion of alternative energy technology. Its  
11 goals are to minimize dependence on foreign oil, with the  
12 maximum overall benefit to the State of Florida, and, where  
13 possible, to minimize the impact of greenhouse gases. It is to  
14 accomplish these goals by consolidating in-state resources and  
15 activities into a unified forum to better coordinate,  
16 facilitate, and fund research, development, deployment, and  
17 use of alternative energy technologies. To make better use of  
18 limited resources, the corporation should focus on projects  
19 having near-term, in-state benefits. Additionally, in making  
20 decisions concerning research, development, or deployment  
21 projects, and in awarding grants and other outlays, the  
22 corporation should determine which of the following elements  
23 of product and market development to focus upon in order to  
24 achieve the greatest benefit with respect to research and  
25 manufacturing, in the wholesale and retail markets, and for  
26 consumers. More specifically, the corporation shall:

27 (a) Bring together existing resources by:

28 1. Assisting in the integration of state-government  
29 energy programs.

30 2. Developing an information exchange system,  
31 including:



1           a. Creating a computer database, accessible by any  
2 interested person, by gathering and indexing all information  
3 concerning activities in this state related to programs of  
4 alternative energy technology research, development, and  
5 deployment in universities, at all levels of government  
6 agencies, and in private industry. The database must include a  
7 current index and profile of all research activities,  
8 identified by alternative energy technology area, including a  
9 summary of the project, the amount and sources of funding,  
10 anticipated completion dates, or, in case of completed  
11 research, the conclusions, recommendations, and applicability  
12 of research to state government and private-sector functions.

13           b. Developing an interactive electronic information  
14 point where interested persons can find information and  
15 connect with other interested persons.

16           c. Holding conferences for the purpose of providing  
17 additional information exchange and educating the public.

18           (b) Administer state-funded grants and capital outlay  
19 programs, including developing an application program to  
20 determine awards of those grants and outlays, and assist  
21 interested persons in obtaining additional funding for  
22 alternative energy technology projects.

23           (c) Explore the problems faced by those developing  
24 technology in Florida and determine where the problems lie,  
25 i.e., in research, development, obtaining start-up capital and  
26 financing, or finding buyers for the technology, and then  
27 assist in resolving these problems.

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

31

1           (e) Develop recommendations for legislation to  
2 establish a state energy policy. The corporation shall  
3 continually review the state energy policy and recommend to  
4 the Legislature any additional necessary changes or  
5 improvements. The recommendations of the corporation shall be  
6 based on the guiding principles of reliability, efficiency,  
7 affordability, and diversity, and more specifically on the  
8 following principles:

9           1. The state should have a reliable electric supply  
10 with adequate reserves.

11           2. The transmission and delivery of electricity should  
12 be reliable.

13           3. The generation, transmission, and delivery of  
14 electricity should be accomplished with the least detriment to  
15 the environment and public health.

16           4. The generation, transmission, and delivery of  
17 electricity should be accomplished compatibly with the goals  
18 of growth management.

19           5. Electricity generation, transmission, and delivery  
20 facilities should be reasonably secure from damage, taking all  
21 factors into consideration, and recovery from damage should be  
22 prompt.

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

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

29           8. In-state research, development, and deployment of  
30 alternative energy technologies and alternative motor vehicle  
31 fuels should be encouraged.

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

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

5  
6 It is the specific intent of the Legislature that this section  
7 does not in any way change the powers, duties, and  
8 responsibilities of the Public Service Commission or the  
9 powers, duties, and responsibilities assigned by the Florida  
10 Electrical Power Plant Siting Act, ss. 403.501-403.518.

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

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

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

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

18           (c) A member appointed by the Speaker of the House of  
19 Representatives.

20           (d) The president of Enterprise Florida, Inc., or his  
21 or her designee.

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

24           (f) The Commissioner of Agriculture or his or her  
25 designee.

26           (g) The chairman of the Florida Public Service  
27 Commission or his or her designee.

28           (h) For one initial term, the current chairman of the  
29 Florida Energy Commission and one other member of that  
30 commission to be selected by the commission members.

31

1           (i) Any additional board members selected by a  
2 consensus of all existing members of the governing board to  
3 assist the corporation in carrying out its functions and  
4 duties under this section.

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

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

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

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

25           (11) Each member of the board of directors who is not  
26 otherwise required to file a financial disclosure pursuant to  
27 s. 8, Art. II of the State Constitution or s. 112.3144 must  
28 file a disclosure of financial interests pursuant to s.  
29 112.3145.

30           (12) The corporation's board of directors must appoint  
31 a corporate president and establish and adjust the president's

1 compensation. The president is the chief administrative and  
2 operational officer of the board of directors and of the  
3 corporation, and shall direct and supervise other employees in  
4 accomplishing the goals and tasks set forth in this section.

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

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

28 (15) By December 31 each year, the corporation must  
29 submit an annual report to the Governor, the President of the  
30 Senate, and the Speaker of the House of Representatives  
31 containing:

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

3           (b) A certified audit by an independent public  
4 accountant of resources and expenditures prepared by an  
5 independent certified public accountant.

6           (c) A statement of the corporation's strategic  
7 priorities and an explanation of their use in guiding resource  
8 allocations.

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

11           288.10895 Alternative Energy Incentive Program.--

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

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

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

25           (b) "Average private-sector wage" means the statewide  
26 average wage in the private sector or the average of all  
27 private-sector wages in the county or in the standard  
28 metropolitan area in which the project is located as  
29 determined by the Agency for Workforce Innovation.

30           (c) "Corporation" means the Florida Alternative Energy  
31 Development Corporation.

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

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

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

22           2. The value of donated expendable property, such as  
23 office supplies or workshop supplies, may not exceed the fair  
24 market value of the property.

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

27           4. Donated space must be valued at fair rental value  
28 of comparable space and facilities in a privately owned  
29 building in the same locale.

30           5. The value of loaned equipment may not exceed its  
31 fair rental value.

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

3           (g) "President" means the president of the Florida  
4 Alternative Energy Development Corporation.

5           (3) ALTERNATIVE ENERGY BUSINESS PROJECT.--

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

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

16           1. The business project is located in this state;

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

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

28           4. The business project meets one of the following  
29 criteria:

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



1           b. Consists of an activity or product that uses  
2 feedstock or other raw materials grown or produced in this  
3 state; or

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

6           (4) ALTERNATIVE ENERGY RESEARCH AND DEVELOPMENT  
7 PROJECT.--

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

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

21           1. The research and development project will be  
22 located in this state;

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

29           3. The research and development project includes  
30 matching funds provided by the applicant, a public or private  
31 university or research institution, the local community, or

1 other available sources. The match requirement may be waived  
2 if the corporation determines that the merits of the  
3 individual project or the specific circumstances warrant such  
4 action;

5 4. The research and development project includes a  
6 plan for significant collaboration with a higher education  
7 institution in the state; and

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

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

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

25 (b) The location in this state at which the business  
26 project or the research and development project is located or  
27 is to be located.

28 (c) A description of the type of business activity,  
29 product, or research and development undertaken by the  
30 applicant, including six-digit North American Industry  
31

- 1 Classification System codes for all activities included in the  
2 project.
- 3 (d) The applicant's projected investment in the  
4 business project or the research and development project.
- 5 (e) The total investment, from all sources, in the  
6 business project or the research and development project.
- 7 (f) The number of net new full-time equivalent jobs in  
8 this state the applicant anticipates having created as of  
9 December 31 of each year in the business project or the  
10 research and development project and the average annual wage  
11 of such jobs.
- 12 (g) The total number of full-time equivalent employees  
13 currently employed by the applicant in this state, if  
14 applicable.
- 15 (h) The anticipated commencement date of the business  
16 project or the research and development project.
- 17 (i) A detailed explanation of why funding under the  
18 Alternative Energy Incentive Program is needed to induce the  
19 applicant to expand or locate in the state and whether an  
20 award would cause the applicant to locate or expand in this  
21 state.
- 22 (j) If applicable, an estimate of the proportion of  
23 the revenues resulting from the business project or the  
24 research and development project which will be generated  
25 outside this state.
- 26 (k) A recommendation for specific performance criteria  
27 the applicant would be expected to achieve in order to receive  
28 payments from the fund and penalties or sanctions for failure  
29 to meet or maintain performance conditions.
- 30 (l) The potential for the business project or the  
31 research and development project to stimulate additional

1 investment and employment opportunities that equal or exceed  
2 130 percent of the average private-sector wage.

3 (m) A description of the extent to which the research  
4 and development project:

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

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

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

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

19 (7) RECOMMENDATION.--After completing the evaluation,  
20 the president shall recommend to the Governor the approval or  
21 disapproval of an award. In recommending approval of an award,  
22 the president shall include proposed performance conditions  
23 that the applicant must meet in order to obtain incentive  
24 funds and any other conditions that must be met before the  
25 receipt of any incentive funds. The Governor shall consult  
26 with the President of the Senate and the Speaker of the House  
27 of Representatives before giving approval for an award. Upon  
28 approval of an award, the Executive Office of the Governor  
29 shall release the funds pursuant to the legislative  
30 consultation and review requirements set forth in s. 216.177.

31

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

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

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

25           377.703 Additional functions of the Department of  
26 Environmental Protection; energy emergency contingency plan;  
27 federal and state conservation programs.--

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

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,~~

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

1 | recommendations for energy conservation programs for the  
2 | state, including, but not limited to, the following factors:

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

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

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

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

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

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

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

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

28 |             ~~3. Identifying barriers to greater use of solar energy  
29 | systems in this state, and developing specific recommendations  
30 | for overcoming identified barriers, with findings and  
31 |~~



1 ~~recommendations to be submitted annually in the report to the~~  
2 ~~Legislature required under paragraph (f).~~

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

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

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

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

30 ~~(j) The department shall serve as the state~~  
31 ~~clearinghouse for indexing and gathering all information~~

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

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

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

27 2. Require, in cooperation with the Department of  
28 Management Services, all state agencies to operate state-owned  
29 and state-leased buildings in accordance with energy  
30 conservation standards as adopted by the Department of  
31 Management Services. Every 3 months, the Department of

1 Management Services shall furnish the department data on  
2 agencies' energy consumption in a format mutually agreed upon  
3 by the two departments.

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

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

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

21 (j)~~(m)~~ In recognition of the devastation to the  
22 economy of this state and the dangers to the health and  
23 welfare of residents of this state caused by Hurricane Andrew,  
24 and the potential for such impacts caused by other natural  
25 disasters, the department shall include in its energy  
26 emergency contingency plan and provide to the Department of  
27 Community Affairs for inclusion in the state model energy  
28 efficiency building code specific provisions to facilitate the  
29 use of cost-effective solar energy technologies as emergency  
30 remedial and preventive measures for providing electric power,  
31

1 street lighting, and water heating service in the event of  
2 electric power outages.

3 Section 4. Section 377.901, Florida Statutes, is  
4 repealed.

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

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

15 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to  
16 any entity by this chapter do not inure to any transaction  
17 that is otherwise taxable under this chapter when payment is  
18 made by a representative or employee of the entity by any  
19 means, including, but not limited to, cash, check, or credit  
20 card, even when that representative or employee is  
21 subsequently reimbursed by the entity. In addition, exemptions  
22 provided to any entity by this subsection do not inure to any  
23 transaction that is otherwise taxable under this chapter  
24 unless the entity has obtained a sales tax exemption  
25 certificate from the department or the entity obtains or  
26 provides other documentation as required by the department.  
27 Eligible purchases or leases made with such a certificate must  
28 be in strict compliance with this subsection and departmental  
29 rules, and any person who makes an exempt purchase with a  
30 certificate that is not in strict compliance with this  
31

1 subsection and the rules is liable for and shall pay the tax.  
2 The department may adopt rules to administer this subsection.  
3 (ccc) Equipment, machinery, and other materials for  
4 renewable energy technologies.--

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

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

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

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

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

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

30  
31

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

4           c. Materials used in the distribution of biodiesel  
5 (B10-B100) and ethanol (E10-100), including fueling  
6 infrastructure, transportation, and storage, up to a limit of  
7 ~~\$2~~\$1 million in tax each state fiscal year for all taxpayers.  
8 Gasoline fueling station pump retrofits for ethanol (E10-E100)  
9 distribution qualify for the exemption provided in this  
10 sub-subparagraph.

11           3. The Department of Environmental Protection shall  
12 provide to the department a list of items eligible for the  
13 exemption provided in this paragraph.

14           4.a. The exemption provided in this paragraph shall be  
15 available to a purchaser only through a refund of previously  
16 paid taxes.

17           b. To be eligible to receive the exemption provided in  
18 this paragraph, a purchaser shall file an application with the  
19 Department of Environmental Protection. The application shall  
20 be developed by the Department of Environmental Protection, in  
21 consultation with the department, and shall require:

22           (I) The name and address of the person claiming the  
23 refund.

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

27           (III) The sales invoice or other proof of purchase  
28 showing the amount of sales tax paid, the date of purchase,  
29 and the name and address of the sales tax dealer from whom the  
30 property was purchased.

31

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

4           c. Within 30 days after receipt of an application, the  
5 Department of Environmental Protection shall review the  
6 application and shall notify the applicant of any  
7 deficiencies. Upon receipt of a completed application, the  
8 Department of Environmental Protection shall evaluate the  
9 application for exemption and issue a written certification  
10 that the applicant is eligible for a refund or issue a written  
11 denial of such certification within 60 days after receipt of  
12 the application. The Department of Environmental Protection  
13 shall provide the department with a copy of each certification  
14 issued upon approval of an application.

15           d. Each certified applicant shall be responsible for  
16 forwarding a certified copy of the application and copies of  
17 all required documentation to the department within 6 months  
18 after certification by the Department of Environmental  
19 Protection.

20           e. The provisions of s. 212.095 do not apply to any  
21 refund application made pursuant to this paragraph. A refund  
22 approved pursuant to this paragraph shall be made within 30  
23 days after formal approval by the department.

24           f. The department may adopt all rules pursuant to ss.  
25 120.536(1) and 120.54 to administer this paragraph, including  
26 rules establishing forms and procedures for claiming this  
27 exemption.

28           g. The Department of Environmental Protection shall be  
29 responsible for ensuring that the total amounts of the  
30 exemptions authorized do not exceed the limits as specified in  
31 subparagraph 2.

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

4           6. This paragraph expires July 1, 2010.

5           (19) ENERGY-EFFICIENT PRODUCTS.--

6           (a) In October of each year, the tax levied under this  
7 chapter may not be collected during the 14-day period  
8 beginning at 12:01 a.m., on the first Saturday, on the sale of  
9 a new energy-efficient product having a selling price of  
10 \$1,500 or less per product during that period. This exemption  
11 applies only when the energy-efficient product is purchased  
12 for noncommercial home or personal use and does not apply when  
13 the product is purchased for trade, business, or resale. As  
14 used in this section, the term "energy-efficient product"  
15 means a dishwasher, clothes washer, air conditioner, ceiling  
16 fan, compact florescent light bulb, dehumidifier, programmable  
17 thermostat, or refrigerator that has been designated by the  
18 United States Environmental Protection Agency or by the United  
19 States Department of Energy as meeting or exceeding the  
20 requirements under the Energy Star Program of either agency.  
21 Purchases made under this subsection may not be made using a  
22 business or company credit or debit card or check. Any  
23 construction company, building contractor, or commercial  
24 business or entity that purchases or attempts to purchase the  
25 energy-efficient products as exempt under this section commits  
26 the offense of engaging in an unfair method of competition in  
27 violation of s. 501.204, punishable as provided in s.  
28 501.2075.

29           (b) Notwithstanding chapter 120, the Department of  
30 Revenue may adopt rules to administer paragraph (a).  
31



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

4           212.08 Sales, rental, use, consumption, distribution,  
5 and storage tax; specified exemptions.--The sale at retail,  
6 the rental, the use, the consumption, the distribution, and  
7 the storage to be used or consumed in this state of the  
8 following are hereby specifically exempt from the tax imposed  
9 by this chapter.

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

28           (ccc) Equipment, machinery, and other materials for  
29 renewable energy technologies.--

30           1. As used in this paragraph, the term:  
31

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

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

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

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

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

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

28           c. Materials used in the distribution of biodiesel  
29 (B10-B100) and ethanol (E10-100), including fueling  
30 infrastructure, transportation, and storage, up to a limit of  
31 \$2 million in tax each state fiscal year for all taxpayers.

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

4 3. The Florida Alternative Energy Development  
5 Corporation ~~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. The exemption provided in this paragraph shall be  
9 available only to the end user of the equipment, machinery, or  
10 other materials.

11 5.4.a. The exemption provided in this paragraph shall  
12 be available to a purchaser only through a refund of  
13 previously paid taxes.

14 b. To be eligible to receive the exemption provided in  
15 this paragraph, a purchaser shall file an application with the  
16 Florida Alternative Energy Development Corporation ~~Department~~  
17 ~~of Environmental Protection~~. The application shall be  
18 developed by the Florida Alternative Energy Development  
19 Corporation ~~Department of Environmental Protection~~, in  
20 consultation with the department, and shall require:

21 (I) The name and address of the person claiming the  
22 refund.

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

26 (III) The sales invoice or other proof of purchase  
27 showing the amount of sales tax paid, the date of purchase,  
28 and the name and address of the sales tax dealer from whom the  
29 property was purchased.

30  
31

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

4 c. Within 30 days after receipt of an application, the  
5 Florida Alternative Energy Development Corporation ~~Department~~  
6 ~~of Environmental Protection~~ shall review the application and  
7 shall notify the applicant of any deficiencies. Upon receipt  
8 of a completed application, the Florida Alternative Energy  
9 Development Corporation ~~Department of Environmental Protection~~  
10 shall evaluate the application for exemption and issue a  
11 written certification that the applicant is eligible for a  
12 refund or issue a written denial of such certification within  
13 60 days after receipt of the application. The Florida  
14 Alternative Energy Development Corporation ~~Department of~~  
15 ~~Environmental Protection~~ shall provide the department with a  
16 copy of each certification issued upon approval of an  
17 application.

18 d. Each certified applicant shall be responsible for  
19 forwarding a certified copy of the application and copies of  
20 all required documentation to the department within 6 months  
21 after certification by the Florida Alternative Energy  
22 Development Corporation ~~Department of Environmental~~  
23 ~~Protection~~.

24 e. The provisions of s. 212.095 do not apply to any  
25 refund application made pursuant to this paragraph. A refund  
26 approved pursuant to this paragraph shall be made within 30  
27 days after formal approval by the department.

28 f. The department may adopt all rules pursuant to ss.  
29 120.536(1) and 120.54 to administer this paragraph, including  
30 rules establishing forms and procedures for claiming this  
31 exemption.

1           g. The Florida Alternative Energy Development  
2 Corporation ~~Department of Environmental Protection~~ shall be  
3 responsible for ensuring that the total amounts of the  
4 exemptions authorized do not exceed the limits as specified in  
5 subparagraph 2.

6           ~~6.5.~~ The Department of Environmental Protection shall  
7 determine and publish on a regular basis the amount of sales  
8 tax funds remaining in each fiscal year.

9           ~~7.6.~~ This paragraph expires July 1, 2010.

10           Section 7. Effective July 1, 2008, paragraph (y) of  
11 subsection (8) of section 213.053, Florida Statutes, is  
12 amended to read:

13           213.053 Confidentiality and information sharing.--

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

16           (y) Information relative to ss. 212.08(7)(ccc) and  
17 220.192 to the Florida Alternative Energy Development  
18 Corporation ~~Department of Environmental Protection~~ for use in  
19 the conduct of its official business.

20  
21 Disclosure of information under this subsection shall be  
22 pursuant to a written agreement between the executive director  
23 and the agency. Such agencies, governmental or  
24 nongovernmental, shall be bound by the same requirements of  
25 confidentiality as the Department of Revenue. Breach of  
26 confidentiality is a misdemeanor of the first degree,  
27 punishable as provided by s. 775.082 or s. 775.083.

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

30           220.192 Renewable energy technologies investment tax  
31 credit.--

1           (1) DEFINITIONS.--For purposes of this section, the  
2 term:  
3           (a) "Biodiesel" means biodiesel as defined in s.  
4 212.08(7)(ccc).  
5           (b) "Eligible costs" means:  
6           1. Seventy-five percent of all capital costs,  
7 operation and maintenance costs, and research and development  
8 costs incurred between July 1, 2006, and June 30, 2010, up to  
9 a limit of \$3 million per state fiscal year for all taxpayers,  
10 in connection with an investment in hydrogen-powered vehicles  
11 and hydrogen vehicle fueling stations in the state, including,  
12 but not limited to, the costs of constructing, installing, and  
13 equipping such technologies in the state.  
14           2. Seventy-five percent of all capital costs,  
15 operation and maintenance costs, and research and development  
16 costs incurred between July 1, 2006, and June 30, 2010, up to  
17 a limit of \$1.5 million per state fiscal year for all  
18 taxpayers, and limited to a maximum of \$12,000 per fuel cell,  
19 in connection with an investment in commercial stationary  
20 hydrogen fuel cells in the state, including, but not limited  
21 to, the costs of constructing, installing, and equipping such  
22 technologies in the state.  
23           3. Seventy-five percent of all capital costs,  
24 operation and maintenance costs, and research and development  
25 costs incurred between July 1, 2006, and June 30, 2010, up to  
26 a limit of ~~\$13~~\$6.5 million per state fiscal year for all  
27 taxpayers, in connection with an investment in the production,  
28 storage, and distribution of biodiesel (B10-B100) and ethanol  
29 (E10-E100) in the state, including the costs of constructing,  
30 installing, and equipping such technologies in the state.  
31 Gasoline fueling station pump retrofits for ethanol (E10-E100)

1 distribution qualify as an eligible cost under this  
2 subparagraph.

3 (c) "Ethanol" means ethanol as defined in s.  
4 212.08(7)(ccc).

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

7 Section 9. Effective July 1, 2008, section 220.192,  
8 Florida Statutes, as amended by this act, is amended to read:

9 220.192 Renewable energy technologies investment tax  
10 credit.--

11 (1) DEFINITIONS.--For purposes of this section, the  
12 term:

13 (a) "Biodiesel" means biodiesel as defined in s.  
14 212.08(7)(ccc).

15 (b) "Eligible costs" means:

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

24 2. Seventy-five percent of all capital costs,  
25 operation and maintenance costs, and research and development  
26 costs incurred between July 1, 2006, and June 30, 2010, up to  
27 a limit of \$1.5 million per state fiscal year for all  
28 taxpayers, and limited to a maximum of \$12,000 per fuel cell,  
29 in connection with an investment in commercial stationary  
30 hydrogen fuel cells in the state, including, but not limited  
31

1 to, the costs of constructing, installing, and equipping such  
2 technologies in the state.

3           3. 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 \$13 million per state fiscal year for all  
7 taxpayers, in connection with an investment in the production,  
8 storage, and distribution of biodiesel (B10-B100) and ethanol  
9 (E10-E100) in the state, including the costs of constructing,  
10 installing, and equipping such technologies in the state.  
11 Gasoline fueling station pump retrofits for ethanol (E10-E100)  
12 distribution qualify as an eligible cost under this  
13 subparagraph.

14           (c) "Ethanol" means ethanol as defined in s.  
15 212.08(7)(ccc).

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

18           (2) TAX CREDIT.--For tax years beginning on or after  
19 January 1, 2007, a credit against the tax imposed by this  
20 chapter shall be granted in an amount equal to the eligible  
21 costs. Credits may be used in tax years beginning January 1,  
22 2007, and ending December 31, 2010, after which the credit  
23 shall expire. If the credit is not fully used in any one tax  
24 year because of insufficient tax liability on the part of the  
25 corporation, the unused amount may be carried forward and used  
26 in tax years beginning January 1, 2007, and ending December  
27 31, 2012, after which the credit carryover expires and may not  
28 be used. A taxpayer that files a consolidated return in this  
29 state as a member of an affiliated group under s. 220.131(1)  
30 may be allowed the credit on a consolidated return basis up to  
31 the amount of tax imposed upon the consolidated group. Any



1 eligible cost for which a credit is claimed and which is  
2 deducted or otherwise reduces federal taxable income shall be  
3 added back in computing adjusted federal income under s.  
4 220.13.

5 (3) CORPORATE APPLICATION PROCESS.--Any corporation  
6 wishing to obtain tax credits available under this section  
7 must submit to the Florida Alternative Energy Development  
8 Corporation ~~Department of Environmental Protection~~ an  
9 application for tax credit which ~~that~~ includes a complete  
10 description of all eligible costs for which the corporation is  
11 seeking a credit and a description of the total amount of  
12 credits sought. The Florida Alternative Energy Development  
13 Corporation ~~Department of Environmental Protection~~ shall make  
14 a determination on the eligibility of the applicant for the  
15 credits sought and certify the determination to the applicant  
16 and the Department of Revenue. The corporation must attach the  
17 Florida Alternative Energy Development Corporation's  
18 ~~Department of Environmental Protection's~~ certification to the  
19 tax return on which the credit is claimed. The Florida  
20 Alternative Energy Development Corporation ~~is Department of~~  
21 ~~Environmental Protection shall be~~ responsible for ensuring  
22 that the corporate income tax credits granted in each fiscal  
23 year do not exceed the limits provided for in this section.  
24 The Florida Alternative Energy Development Corporation ~~may~~  
25 ~~Department of Environmental Protection is authorized to~~ adopt  
26 the necessary rules, guidelines, and application materials for  
27 the application process.

28 (4) TAXPAYER APPLICATION PROCESS.--To claim a credit  
29 under this section, each taxpayer must apply to the Florida  
30 Alternative Energy Development Corporation ~~Department of~~  
31 ~~Environmental Protection~~ for an allocation of each type of

1 annual credit by the date established by the Florida  
2 Alternative Energy Development Corporation ~~Department of~~  
3 ~~Environmental Protection~~. The application form may be  
4 established by the Florida Alternative Energy Development  
5 Corporation ~~Department of Environmental Protection~~ and shall  
6 include an affidavit from each taxpayer certifying that all  
7 information contained in the application, including all  
8 records of eligible costs claimed as the basis for the tax  
9 credit, are true and correct. Approval of the credits under  
10 this section shall be accomplished on a first-come,  
11 first-served basis, based upon the date complete applications  
12 are received by the Florida Alternative Energy Development  
13 Corporation ~~Department of Environmental Protection~~. A taxpayer  
14 shall submit only one complete application based upon eligible  
15 costs incurred within a particular state fiscal year. The  
16 corporation may not accept incomplete placeholder applications  
17 ~~will not be accepted~~ and such an application does ~~will~~ not  
18 secure a place in the first-come, first-served application  
19 line. If a taxpayer does not receive a tax credit allocation  
20 due to the exhaustion of the annual tax credit authorizations,  
21 ~~then~~ such taxpayer may reapply in the following year for those  
22 eligible costs and shall be given ~~will have~~ priority over  
23 other applicants for the allocation of credits.

24 (5) ADMINISTRATION; AUDIT AUTHORITY; RECAPTURE OF  
25 CREDITS.--

26 (a) In addition to its existing audit and  
27 investigation authority, the Department of Revenue may perform  
28 any additional financial and technical audits and  
29 investigations, including examining the accounts, books, and  
30 records of the tax credit applicant, which ~~that~~ are necessary  
31 to verify the eligible costs included in the tax credit return

1 and to ensure compliance with this section. The Florida  
2 Alternative Energy Development Corporation ~~Department of~~  
3 ~~Environmental Protection~~ shall provide technical assistance  
4 when requested by the Department of Revenue on any technical  
5 audits or examinations performed pursuant to this section.

6 (b) It is grounds for forfeiture of previously claimed  
7 and received tax credits if the Department of Revenue  
8 determines, as a result of either an audit or examination or  
9 from information received from the Florida Alternative Energy  
10 Development Corporation ~~Department of Environmental~~  
11 ~~Protection~~, that a taxpayer received tax credits pursuant to  
12 this section to which the taxpayer was not entitled. The  
13 taxpayer is responsible for returning forfeited tax credits to  
14 the Department of Revenue, and such funds shall be paid into  
15 the General Revenue Fund of the state.

16 (c) The Florida Alternative Energy Development  
17 Corporation ~~Department of Environmental Protection~~ may revoke  
18 or modify any written decision granting eligibility for tax  
19 credits under this section if it is discovered that the tax  
20 credit applicant submitted any false statement,  
21 representation, or certification in any application, record,  
22 report, plan, or other document filed in an attempt to receive  
23 tax credits under this section. The Florida Alternative Energy  
24 Development Corporation ~~Department of Environmental Protection~~  
25 shall immediately notify the Department of Revenue of any  
26 revoked or modified orders affecting previously granted tax  
27 credits. Additionally, the taxpayer must notify the Department  
28 of Revenue of any change in its tax credit claimed.

29 (d) The taxpayer shall file with the Department of  
30 Revenue an amended return or such other report as the  
31 Department of Revenue prescribes by rule and shall pay any

1 required tax and interest within 60 days after the taxpayer  
2 receives notification from the Florida Alternative Energy  
3 Development Corporation ~~Department of Environmental Protection~~  
4 that previously approved tax credits have been revoked or  
5 modified. If the revocation or modification order is  
6 contested, the taxpayer shall file an amended return or other  
7 report as provided in this paragraph within 60 days after a  
8 final order is issued following proceedings.

9 (e) A notice of deficiency may be issued by the  
10 Department of Revenue at any time within 3 years after the  
11 taxpayer receives formal notification from the Florida  
12 Alternative Energy Development Corporation ~~Department of~~  
13 ~~Environmental Protection~~ that previously approved tax credits  
14 have been revoked or modified. If a taxpayer fails to notify  
15 the Department of Revenue of any changes to its tax credit  
16 claimed, a notice of deficiency may be issued at any time.

17 (6) RULES.--The Department of Revenue may ~~shall have~~  
18 ~~the authority to~~ adopt rules relating to the forms required to  
19 claim a tax credit under this section, the requirements and  
20 basis for establishing an entitlement to a credit, and the  
21 examination and audit procedures required to administer this  
22 section.

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

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

29 377.803 Definitions.--As used in ss. 377.801-377.806,  
30 the term:

31

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

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

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

8           (3) "Commission" means the Florida Public Service  
9 Commission.

10          ~~(4) "Department" means the Department of Environmental~~  
11 ~~Protection.~~

12          ~~(4)(5)~~ "Person" means an individual, partnership,  
13 joint venture, private or public corporation, association,  
14 firm, public service company, or any other public or private  
15 entity.

16          ~~(5)(6)~~ "Renewable energy" means electrical,  
17 mechanical, or thermal energy produced from a method that uses  
18 one or more of the following fuels or energy sources:  
19 hydrogen, biomass, solar energy, geothermal energy, wind  
20 energy, ocean energy, waste heat, ~~or~~ hydroelectric power,  
21 ethanol, or biodiesel.

22          ~~(6)(7)~~ "Renewable energy technology" means any  
23 technology that generates or utilizes a renewable energy  
24 resource.

25          ~~(7)(8)~~ "Solar energy system" means equipment that  
26 provides for the collection and use of incident solar energy  
27 for water heating, space heating or cooling, or other  
28 applications that would normally require a conventional source  
29 of energy such as petroleum products, natural gas, or  
30 electricity that performs primarily with solar energy. In  
31 other systems in which solar energy is used in a supplemental

1 way, only those components that collect and transfer solar  
2 energy shall be included in this definition.

3 ~~(8)(9)~~ "Solar photovoltaic system" means a device that  
4 converts incident sunlight into electrical current.

5 ~~(9)(10)~~ "Solar thermal system" means a device that  
6 traps heat from incident sunlight in order to heat water.

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

9 377.804 Renewable Energy Technologies Grants  
10 Program.--

11 (1) The Renewable Energy Technologies Grants Program  
12 is established within the corporation ~~department~~ to provide  
13 renewable energy matching grants for demonstration,  
14 commercialization, research, and development projects relating  
15 to renewable energy technologies.

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

19 (a) Municipalities and county governments.

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

22 (c) Universities and colleges in the state.

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

24 (e) Not-for-profit organizations.

25 (f) Other qualified persons, as determined by the  
26 corporation ~~department~~.

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

31

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

3           (a) The availability of matching funds or other  
4 in-kind contributions applied to the total project from an  
5 applicant. The corporation ~~department~~ shall give greater  
6 preference to projects that provide such matching funds or  
7 other in-kind contributions.

8           (b) The degree to which the project stimulates  
9 in-state capital investment and economic development in  
10 metropolitan and rural areas, including the creation of jobs  
11 and the future development of a commercial market for  
12 renewable energy technologies.

13           (c) The extent to which the proposed project has been  
14 demonstrated to be technically feasible based on pilot project  
15 demonstrations, laboratory testing, scientific modeling, or  
16 engineering or chemical theory that supports the proposal.

17           (d) The degree to which the project incorporates an  
18 innovative new technology or an innovative application of an  
19 existing technology.

20           (e) The degree to which a project generates thermal,  
21 mechanical, or electrical energy by means of a renewable  
22 energy resource that has substantial long-term production  
23 potential.

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

26           (g) The degree to which the project fosters overall  
27 understanding and appreciation of renewable energy  
28 technologies.

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

30           (i) Project duration and timeline for expenditures.

31

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

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

4           (5) The corporation ~~department~~ shall solicit the  
5 expertise of other state agencies in evaluating project  
6 proposals. State agencies shall cooperate with the Department  
7 of Environmental Protection and provide such assistance as  
8 requested.

9           ~~(6) The department shall coordinate and actively~~  
10 ~~consult with the Department of Agriculture and Consumer~~  
11 ~~Services during the review and approval process of grants~~  
12 ~~relating to bioenergy projects for renewable energy~~  
13 ~~technology, and the departments shall jointly determine the~~  
14 ~~grant awards to these bioenergy projects. No grant funding~~  
15 ~~shall be awarded to any bioenergy project without such joint~~  
16 ~~approval. Factors for consideration in awarding grants may~~  
17 ~~include, but are not limited to, the degree to which:~~

18           ~~(a) The project stimulates in state capital investment~~  
19 ~~and economic development in metropolitan and rural areas,~~  
20 ~~including the creation of jobs and the future development of a~~  
21 ~~commercial market for bioenergy.~~

22           ~~(b) The project produces bioenergy from Florida grown~~  
23 ~~crops or biomass.~~

24           ~~(c) The project demonstrates efficient use of energy~~  
25 ~~and material resources.~~

26           ~~(d) The project fosters overall understanding and~~  
27 ~~appreciation of bioenergy technologies.~~

28           ~~(e) Matching funds and in kind contributions from an~~  
29 ~~applicant are available.~~

30           ~~(f) The project duration and the timeline for~~  
31 ~~expenditures are acceptable.~~



1           ~~(g) The project has a reasonable assurance of~~  
2 ~~enhancing the value of agricultural products or will expand~~  
3 ~~agribusiness in the state.~~

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

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

9           377.806 Solar Energy System Incentives Program.--

10           (1) PURPOSE.--The Solar Energy System Incentives  
11 Program is established within the corporation department to  
12 provide financial incentives for the purchase and installation  
13 of solar energy systems. Any resident of the state who  
14 purchases and installs a new solar energy system of 2  
15 kilowatts or larger for a solar photovoltaic system, a solar  
16 energy system that provides at least 50 percent of a  
17 building's hot water consumption for a solar thermal system,  
18 or a solar thermal pool heater, from July 1, 2006, through  
19 June 30, 2010, is eligible for a rebate on a portion of the  
20 purchase price of that solar energy system. Payment of a  
21 rebate may be made only to the end user of an eligible system.

22           (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.--

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

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

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

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

1 (b) Rebate amounts.--The rebate amount shall be set at  
2 \$4 per watt based on the total wattage rating of the system.  
3 The maximum allowable rebate per solar photovoltaic system  
4 installation shall be as follows:

- 5 1. Twenty thousand dollars for a residence.
- 6 2. One hundred thousand dollars for a place of  
7 business, a publicly owned or operated facility, or a facility  
8 owned or operated by a private, not-for-profit organization,  
9 including condominiums or apartment buildings.

10 (3) SOLAR THERMAL SYSTEM INCENTIVE.--

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

- 13 1. The system is installed by a state-licensed solar  
14 or plumbing contractor.
- 15 2. The system complies with all applicable building  
16 codes as defined by the local jurisdictional authority.

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

- 19 1. Five hundred dollars for a residence.
- 20 2. Fifteen dollars per 1,000 Btu up to a maximum of  
21 \$5,000 for a place of business, a publicly owned or operated  
22 facility, or a facility owned or operated by a private,  
23 not-for-profit organization, including condominiums or  
24 apartment buildings. ~~Btu must be verified by approved metering  
25 equipment.~~

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

27 (a) Eligibility requirements.--A solar thermal pool  
28 heater qualifies for a rebate if the system is installed by a  
29 state-licensed solar or plumbing contractor and the system  
30 complies with all applicable building codes as defined by the  
31 local jurisdictional authority.

1 (b) Rebate amount.--Authorized rebates for  
2 installation of solar thermal pool heaters shall be \$100 per  
3 installation.

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

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

10 (7)(6) REBATE AVAILABILITY.--The corporation  
11 ~~department~~ shall determine and publish on a regular basis the  
12 amount of rebate funds remaining in each fiscal year. The  
13 total dollar amount of all rebates issued by the department is  
14 subject to the total amount of appropriations in any fiscal  
15 year for this program. If funds are insufficient during the  
16 current fiscal year, any requests for rebates received during  
17 that fiscal year may be processed during the following fiscal  
18 year. Requests for rebates received in a fiscal year that are  
19 processed during the following fiscal year shall be given  
20 priority over requests for rebates received during the  
21 following fiscal year.

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

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

27 366.915 Minimum purchase of renewable energy.--

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

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

1           1. Encourage investment in renewable energy resources  
2 in order to expand environmentally sustainable methods of  
3 generating electricity.

4           2. Stimulate the economic growth of this state.

5           3. Enhance the continued diversification of the fuel  
6 sources for electricity used in the state.

7           (b) The Legislature further finds and declares that a  
8 program requiring public utilities to use renewable energy is  
9 a way to encourage investments in renewable energy resources,  
10 stimulate economic growth within the state, and enhance the  
11 continued diversification of the state's energy resources.

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

13           (a) "Biomass" means a power source that is comprised  
14 of, but not limited to, combustible residues or gases from  
15 forest products manufacturing, agricultural and orchard crops,  
16 waste products from livestock and poultry operations and food  
17 processing, urban wood waste, municipal solid waste, municipal  
18 liquid waste treatment operations, and landfill gas.

19           (b) "Renewable energy" means electrical energy  
20 produced from a method that uses one or more of the following  
21 fuels or energy sources: hydrogen produced from sources other  
22 than fossil fuels, biomass, solar energy, geothermal energy,  
23 wind energy, ocean energy, and hydroelectric power. The term  
24 also includes energy-efficiency resources, such as waste heat  
25 from sulfuric acid manufacturing operations and combined heat  
26 and power. It also includes nuclear and coal fuel when coal is  
27 used in a facility having potential carbon-dioxide-capturing  
28 technology.

29           (4) Each public utility, as defined in s. 366.02,  
30 shall ensure that by 2015 and for each year thereafter, at  
31 least 50 percent of all new net energy for load, using 2006 as

1 a base year, is derived from renewable energy produced in this  
2 state.

3 (5) If a public utility must procure renewable energy  
4 in order to satisfy the requirements of this section, the  
5 public utility shall use a competitive-procurement process,  
6 give priority to entities that produce renewable energy in  
7 this state, and use sources of renewable energy which are not  
8 related to or affiliated with the public utility, except when,  
9 and only to the extent that, such entities collectively cannot  
10 produce enough renewable energy to satisfy the requirements of  
11 this section.

12 (6) The Public Service Commission may adopt rules to  
13 ensure that the procurement of renewable energy by public  
14 utilities is conducted in a fair and impartial manner,  
15 consistent with the goals set forth in this section. The  
16 Public Service Commission also may develop an accreditation  
17 process to ensure that any entities providing renewable energy  
18 in this state satisfy the goals of this section.

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

22 366.91 Renewable energy.--

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

24 (b) "Renewable energy" means electrical energy  
25 produced from a method that uses one or more of the following  
26 fuels or energy sources: hydrogen produced from sources other  
27 than fossil fuels, biomass, solar energy, geothermal energy,  
28 wind energy, ocean energy, and hydroelectric power. The term  
29 also includes the ~~alternative~~ energy efficiency resources  
30 ~~resource~~, waste heat, from sulfuric acid manufacturing  
31 operations, and combined heat and power.

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

3           366.02 Definitions.--As used in this chapter:

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

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

10          366.925 Electric utilities; net metering.--

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

13          (2) The commission shall develop rules requiring all  
14 electric utilities to develop net-metering programs that meet  
15 the requirements of this subsection. Each utility shall make  
16 available meters that measure both energy production and  
17 consumption by the customer. The customer shall receive credit  
18 at the full retail rate for energy generated by an eligible  
19 system. If the customer's system generates more energy than  
20 the customer consumes during a billing cycle, the utility  
21 shall pay the customer for the excess generation at its full  
22 avoided cost, as set forth in s. 366.051.

23          (3) The commission shall develop rules setting the  
24 interconnection requirements and other standards that  
25 renewable energy systems must meet in order to ensure public  
26 safety and reliability for customers who participate in the  
27 net-metering program.

28          Section 17. Effective July 1, 2007, every wholesaler  
29 of diesel to a marina within this state must offer biodiesel  
30 for sale.

31

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

3           403.0874 Greenhouse gas inventories.--

4           (1) The department shall develop greenhouse gas  
5 inventories that account for annual greenhouse gases emitted  
6 into and removed from the atmosphere, and that forecast gases  
7 emitted into and removed from the atmosphere, for all major  
8 greenhouse gases and for time periods that are determined  
9 sufficient by the department to provide for adequate analysis  
10 and planning.

11           (2) By rule, the department shall define what  
12 greenhouse gases are to be included in each inventory, the  
13 criteria for defining major emitters, which emitters must  
14 report emissions, and what methodologies shall be used to  
15 estimate gases emitted into and removed from the atmosphere  
16 and determine those that are not required to be reported.

17           (3) The department may require all major emitters of  
18 defined greenhouse gases to report emissions according to  
19 methodologies and reporting systems approved by the department  
20 and established by rule, which may include the use of  
21 quality-assured data from continuous emissions-monitoring  
22 systems.

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

26           366.04 Jurisdiction of commission.--

27           (2) In the exercise of its jurisdiction, the  
28 commission shall have power over electric utilities for the  
29 following purposes:

30           (a) To prescribe uniform systems and classifications  
31 of accounts.

1           (b) To prescribe a rate structure for all electric  
2 utilities.

3           (c) To require electric power conservation and  
4 reliability within a coordinated grid, for operational as well  
5 as emergency purposes.

6           (d) To approve territorial agreements between and  
7 among rural electric cooperatives, municipal electric  
8 utilities, and other electric utilities under its  
9 jurisdiction. However, nothing in this chapter shall be  
10 construed to alter existing territorial agreements as between  
11 the parties to such agreements.

12           (e) To resolve, upon petition of a utility or on its  
13 own motion, any territorial dispute involving service areas  
14 between and among rural electric cooperatives, municipal  
15 electric utilities, and other electric utilities under its  
16 jurisdiction. In resolving territorial disputes, the  
17 commission may consider, but not be limited to consideration  
18 of, the ability of the utilities to expand services within  
19 their own capabilities and the nature of the area involved,  
20 including population, the degree of urbanization of the area,  
21 its proximity to other urban areas, and the present and  
22 reasonably foreseeable future requirements of the area for  
23 other utility services.

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

27           ~~(g) To review and approve or deny proposed sales and~~  
28 ~~transfers of utility assets, including a proposed merger or~~  
29 ~~acquisition of the utility.~~

30  
31



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

7 (7) The commission may establish rules and standards  
8 of conduct to insulate and protect the public from business  
9 practices and merger activity that would adversely affect the  
10 credit rating and financial standing of the state's regulated  
11 public utilities. The commission has specific authority to  
12 approve, deny, or impose conditions upon mergers between a  
13 public utility and another entity. As used in this subsection,  
14 the term "assets" includes, but is not limited to, real  
15 assets, financial assets, construction work in progress, and  
16 allowances for funds used during construction. However, the  
17 commission may establish by rule minimum levels of value of  
18 asset transfer which shall be deemed immaterial because the  
19 amount involved would not adversely affect the utility and  
20 therefore is not subject to this subsection. In the exercise  
21 of this jurisdiction, the commission has the powers set forth  
22 in this subsection.

23 (a) The commission may restrict and mandate the use  
24 and terms of a sale or transfer of utility assets. This  
25 includes a restriction against using utility assets as  
26 collateral or a guarantee for any nonutility business. A  
27 regulated public utility doing business in this state may not,  
28 without first obtaining the commission's approval:

29 1. Sell, lease, transfer, assign, or otherwise dispose  
30 of the whole of the property of such regulated public utility  
31 which is necessary or useful in the performance of its duties

1 to the public or any part thereof of a value in excess of  
2 those values provided in this subsection, or sell, lease,  
3 assign or otherwise dispose of any franchise, permit, or right  
4 to maintain and operate such regulated public utility or  
5 public utility property or to perform any service as a public  
6 utility;

7 2. Mortgage or otherwise encumber the whole or any  
8 part of the property of such regulated public utility which is  
9 necessary or useful in the performance of its duties to the  
10 public, including any franchise, permit, or right to maintain  
11 and operate such public utility or public utility property or  
12 to perform any service as a public utility; or

13 3. By any means whatsoever, directly or indirectly,  
14 merge, consolidate, or interconnect any of its lines, plants,  
15 systems, or other property whatsoever, including any  
16 franchise, permit, or right to maintain or operate any public  
17 utility property or to perform any service as a public  
18 utility, or any part thereof, with any other public utility.

19  
20 However, a sale, assignment, lease, or transfer of  
21 utility-related facilities or assets, or any portion thereof,  
22 may occur prior to commission approval if the contract for  
23 sale, lease, assignment, or transfer is made contingent upon  
24 commission approval.

25 (b) A merger or combination affecting any public  
26 utility may not occur through acquisition or control by stock  
27 purchase or otherwise without the approval of the commission  
28 and a determination that the proposed merger or combination  
29 affecting any public utility through acquisition or control by  
30 stock purchase or otherwise is in the public interest and will  
31 fulfill the commitments, obligations, and representations of

1 the public utility. However, a merger or combination affecting  
2 any public utility made through acquisition or control by  
3 stock purchase or otherwise may occur prior to the  
4 commission's approval if such action is made contingent upon  
5 commission approval.

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

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

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

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

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

19 (d) The commission may approve, deny, or require  
20 modification of any request submitted under this subsection. A  
21 public utility seeking review under this subsection shall file  
22 a petition with the commission coincident with or prior to  
23 filing a similar petition to the Federal Energy Regulatory  
24 Commission pursuant to s. 1289, EFACT 2005, s. 203(a) of the  
25 Federal Power Act, 16 U.S.C. s. 824b(a). In support of the  
26 petition, the public utility shall file direct testimony and  
27 supporting documents at the time the initial petition is  
28 submitted to the commission.

29 (e) The commission may adopt rules to administer this  
30 subsection, including setting material asset value thresholds.  
31

1           Section 20. Section 212.086, Florida Statutes, is  
2 created to read:

3           212.086 Energy Efficient Motor Vehicle Sales Tax  
4 Refund Program.--

5           (1) The Energy Efficient Motor Vehicle Sales Tax  
6 Refund Program is established to provide financial incentives  
7 for the purchase of alternative motor vehicles as specified by  
8 this section.

9           (2) Any person who purchases an alternative motor  
10 vehicle from a sales tax dealer in the state is eligible for a  
11 refund of the sales tax paid under this chapter. The sales tax  
12 that is eligible for refund shall be computed on the sales  
13 price of the alternative motor vehicle up to a maximum sales  
14 price of \$15,000.

15           (3) In order to qualify for the sales tax refund under  
16 this section, the alternative motor vehicle must be certified  
17 as a new qualified hybrid motor vehicle, new qualified  
18 alternative fuel motor vehicle, new qualified fuel cell motor  
19 vehicle, or new advanced lean-burn technology motor vehicle by  
20 the Internal Revenue Service for the income tax credit for  
21 alternative motor vehicles under s. 30B of the Internal  
22 Revenue Code of 1986, as amended.

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

27           (a) The name and address of the person claiming the  
28 refund.

29           (b) A specific description of the alternative motor  
30 vehicle for which a refund is sought, including the vehicle  
31 identification number.

1       (c) The sales invoice or other proof of purchase  
2 showing the amount of sales tax paid, the date of purchase,  
3 and the name and address of the sales tax dealer from whom the  
4 alternative motor vehicle was purchased.

5       (d) A sworn statement that the information provided is  
6 accurate and that the requirements of this section have been  
7 met.

8       (5) The total dollar amount of all refunds issued by  
9 the department is limited to the total amount of  
10 appropriations in any fiscal year for this program. The  
11 department may approve refunds up to the amount appropriated  
12 for this refund program based on the date of filing an  
13 application for refund pursuant to subsection (4). If the  
14 funds are insufficient during the current fiscal year, any  
15 requests for refund received during that fiscal year may be  
16 processed during the following fiscal year, subject to the  
17 appropriation, and have priority over new applications for  
18 refund filed in the following fiscal year. The provisions of  
19 s. 213.255 do not apply to requests for refund which are held  
20 for payment in the following fiscal year.

21       (6) The department shall adopt rules pursuant to ss.  
22 120.536(1) and 120.54 to administer this section, including  
23 rules establishing forms and procedures for claiming this  
24 refund.

25       (7) A taxpayer who receives a refund pursuant to s.  
26 212.08(7)(ccc) may not be allowed a refund provided in this  
27 section.

28       (8) This section is repealed July 1, 2010.

29       Section 21. For the 2007-2008 fiscal year, the sum of  
30 \$ million is appropriated from the General Revenue Fund to  
31 the Administrative Trust Fund of the Department of Revenue for

1 the purpose of paying sales tax refunds as provided in this  
2 act.

3           Section 22. Subsection (5) is added to section  
4 255.252, Florida Statutes, to read:

5           255.252 Findings and intent.--

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

24           Section 23. Paragraph (b) of subsection (2) and  
25 subsection (5) of section 287.063, Florida Statutes, are  
26 amended to read:

27           287.063 Deferred-payment commodity contracts; preaudit  
28 review.--

29           (b) The Chief Financial Officer shall establish, by  
30 rule, criteria for approving purchases made under  
31 deferred-payment contracts which require the payment of

1 interest. Criteria shall include, but not be limited to, the  
2 following provisions:

3 1. No contract shall be approved in which interest  
4 exceeds the statutory ceiling contained in this section.  
5 However, the interest component of any master equipment  
6 financing agreement entered into for the purpose of  
7 consolidated financing of a deferred-payment, installment  
8 sale, or lease-purchase shall be deemed to comply with the  
9 interest rate limitation of this section so long as the  
10 interest component of every interagency agreement under such  
11 master equipment financing agreement complies with the  
12 interest rate limitation of this section.

13 2. No deferred-payment purchase for less than \$30,000  
14 shall be approved, unless it can be satisfactorily  
15 demonstrated and documented to the Chief Financial Officer  
16 that failure to make such deferred-payment purchase would  
17 adversely affect an agency in the performance of its duties.  
18 However, the Chief Financial Officer may approve any  
19 deferred-payment purchase if the Chief Financial Officer  
20 determines that such purchase is economically beneficial to  
21 the state.

22 ~~3. No agency shall obligate an annualized amount of~~  
23 ~~payments for deferred payment purchases in excess of current~~  
24 ~~operating capital outlay appropriations, unless specifically~~  
25 ~~authorized by law or unless it can be satisfactorily~~  
26 ~~demonstrated and documented to the Chief Financial Officer~~  
27 ~~that failure to make such deferred payment purchase would~~  
28 ~~adversely affect an agency in the performance of its duties.~~

29 3.4. No contract shall be approved which extends  
30 payment beyond 5 years, unless it can be satisfactorily  
31 demonstrated and documented to the Chief Financial Officer

1 that failure to make such deferred-payment purchase would  
2 adversely affect an agency in the performance of its duties.  
3 The payment term may not extend beyond the anticipated useful  
4 life of the equipment financed.

5 (5) For purposes of this section, the annualized  
6 amount of any such deferred payment commodity contract must be  
7 supported from available recurring funds appropriated to the  
8 agency in an appropriation category, ~~other than the expense~~  
9 ~~appropriation category~~ as defined in chapter 216, that the  
10 Chief Financial Officer has determined is appropriate or that  
11 the Legislature has designated for payment of the obligation  
12 incurred under this section.

13 Section 24. Subsections (10) and (11) of section  
14 287.064, Florida Statutes, are amended to read:

15 287.064 Consolidated financing of deferred-payment  
16 purchases.--

17 (10) Energy-related or conservation-related equipment,  
18 including, but not limited to, that purchased as part of Costs  
19 ~~incurred pursuant to a guaranteed energy performance savings~~  
20 ~~contract, including the cost of energy conservation measures,~~  
21 ~~each~~ as defined in s. 489.145, may be financed pursuant to a  
22 master equipment financing agreement; however, the costs of  
23 training, operation, and maintenance may not be financed. The  
24 period of time for repayment of the funds drawn pursuant to  
25 the master equipment financing agreement under this subsection  
26 may exceed 5 years but may not exceed 20 ~~10~~ years for energy  
27 conservation measures pursuant to s. 489.145. The payment term  
28 may not extend beyond the anticipated useful life of the  
29 equipment financed.

30 (11) For purposes of consolidated financing of  
31 deferred payment commodity contracts under this section by a



1 | state agency, the annualized amount of any such contract must  
2 | be supported from available recurring funds appropriated to  
3 | the agency in an appropriation category, ~~other than the~~  
4 | ~~expense appropriation category~~ as defined in chapter 216, that  
5 | the Chief Financial Officer has determined is appropriate or  
6 | that the Legislature has designated for payment of the  
7 | obligation incurred under this section.

8 |           Section 25. Section 489.145, Florida Statutes, is  
9 | amended to read:

10 |           489.145 Guaranteed energy performance savings  
11 | contracting.--

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

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

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

29 |           (a) "Agency" means the state, a municipality, or a  
30 | political subdivision.

31 |

- 1 (b) "Energy conservation measure" means a ~~training~~  
2 ~~program~~, facility alteration, or equipment purchase to be used  
3 in new construction, including an addition to an existing  
4 facility, which reduces energy or energy-related operating  
5 costs and includes, but is not limited to:
- 6 1. Insulation of the facility structure and systems  
7 within the facility.
  - 8 2. Storm windows and doors, caulking or  
9 weatherstripping, multiglazed windows and doors,  
10 heat-absorbing, or heat-reflective, glazed and coated window  
11 and door systems, additional glazing, reductions in glass  
12 area, and other window and door system modifications that  
13 reduce energy consumption.
  - 14 3. Automatic energy control systems.
  - 15 4. Heating, ventilating, or air-conditioning system  
16 modifications or replacements.
  - 17 5. Replacement or modifications of lighting fixtures  
18 to increase the energy efficiency of the lighting system,  
19 which, at a minimum, must conform to the applicable state or  
20 local building code.
  - 21 6. Energy recovery systems.
  - 22 7. Cogeneration systems that produce steam or forms of  
23 energy such as heat, as well as electricity, for use primarily  
24 within a facility or complex of facilities.
  - 25 8. Energy conservation measures that reduce Btu/KW  
26 consumed and provide long-term operating cost reductions ~~or~~  
27 ~~significantly reduce Btu consumed~~.
  - 28 9. Renewable energy systems, such as solar, biomass,  
29 or wind systems.
  - 30 10. Devices that reduce water consumption or sewer  
31 charges.

1           11. Storage systems, such as fuel cells and thermal  
2 storage.

3           12. Generating technologies, such as microturbines.

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

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

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

17           1. The design and installation of equipment to  
18 implement one or more of such measures and, if applicable,  
19 operation and maintenance of such measures.

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

28           3. The finance charges incurred by the agency over the  
29 life of the contract.

30           (e) "Guaranteed energy performance savings contractor"  
31 means a person or business that is licensed under chapter 471,

1 chapter 481, or this chapter, and is experienced in the  
2 analysis, design, implementation, or installation of energy  
3 conservation measures through energy performance contracts.

4 (4) PROCEDURES.--

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

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

24 (c) The agency may enter into a guaranteed energy  
25 performance savings contract with a guaranteed energy  
26 performance savings contractor if the agency finds that the  
27 amount the agency would spend on the energy conservation or  
28 energy-related cost saving measures will not likely exceed the  
29 amount of the energy or energy-related cost savings for up to  
30 20 years from the date of installation, based on the life  
31 cycle cost calculations provided in s. 255.255, if the

1 | recommendations in the report were followed and if the  
2 | qualified provider or providers give a written guarantee that  
3 | the energy or energy-related cost savings will meet or exceed  
4 | the costs of the system. However, actual computed cost savings  
5 | must meet or exceed the estimated cost savings provided in  
6 | program approval. Baseline adjustments used in calculations  
7 | must be specified in the contract. The contract may provide  
8 | for installment payments for a period not to exceed 20 years.

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

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

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

29 |       (g) Financing for guaranteed energy performance  
30 | savings contracts may be provided under the authority of s.  
31 | 287.064.

1           ~~(h)(g)~~ In determining the amount the agency will  
2 finance to acquire the energy conservation measures, the  
3 agency may reduce such amount by the application of any grant  
4 moneys, rebates, or capital funding available to the agency  
5 for the purpose of buying down the cost of the guaranteed  
6 energy performance savings contract. However, in calculating  
7 the life cycle cost as required in paragraph (c), the agency  
8 shall not apply any grants, rebates, or capital funding. The  
9 Office of the Chief Financial Officer shall review proposals  
10 to ensure that the most effective financing is being used.

11           (5) CONTRACT PROVISIONS.--

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

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

26           (c) The guaranteed energy performance savings contract  
27 must require that the guaranteed energy performance savings  
28 contractor to whom the contract is awarded provide a  
29 100-percent public construction bond to the agency for its  
30 faithful performance, as required by s. 255.05.

31

1 (d) The guaranteed energy performance savings contract  
2 may contain a provision allocating to the parties to the  
3 contract any annual energy cost savings that exceed the amount  
4 of the energy cost savings guaranteed in the contract.

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

16 (f) The guaranteed energy performance savings contract  
17 must provide for payments of not less than one-twentieth of  
18 the price to be paid within 2 years from the date of the  
19 complete installation and acceptance by the agency using  
20 straight-line amortization for the term of the loan, and the  
21 remaining costs to be paid at least quarterly, not to exceed a  
22 20-year term, based on life cycle cost calculations.

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

30  
31

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

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

21 (a) Supporting information required by s.  
22 216.023(4)(a)9.

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

25 (c) Approval by agency head or designee.

26 (d) An agency measurement and verification plan to  
27 monitor costs savings.

28  
29 The Office of the Chief Financial Officer may not approve any  
30 contract submitted under this section which does not meet the  
31



1 requirements of this section or which he or she finds not  
2 fiscally prudent for the state.

3       Section 26. For the 2007-2008 fiscal year, the sum of  
4 \$500,000 is appropriated from the General Revenue Fund to the  
5 Florida Alternative Energy Trust Fund for the purpose of  
6 funding the activities of the Florida Alternative Energy  
7 Technology Center for the 2007-2008 fiscal year.

8       Section 27. For the 2007-2008 fiscal year, the sum of  
9 \$40 million is appropriated from the General Revenue Fund to  
10 the Florida Alternative Energy Trust Fund for purposes of  
11 funding the Alternative Energy Incentive Program.

12       Section 28. For the 2007-2008 fiscal year, the sum of  
13 \$15 million is appropriated to the Florida Alternative Energy  
14 Trust Fund for the purpose of funding the Renewable Energy  
15 Technologies Grants Program.

16       Section 29. For the 2007-2008 fiscal year, the sum of  
17 \$2.5 million is appropriated from the General Revenue Fund to  
18 the Department of Environmental Protection for the purpose of  
19 funding commercial and consumer solar incentives authorized in  
20 s. 377.806, Florida Statutes.

21       Section 30. For the 2007-2008 fiscal year, the sum of  
22 \$65,763 is appropriated from the General Revenue Fund to the  
23 Department of Revenue for the purpose of administering the  
24 energy-efficient products sales tax holiday.

25       Section 31. Except as otherwise expressly provided in  
26 this act, this act shall take effect upon becoming a law.

27  
28  
29  
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1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                   COMMITTEE SUBSTITUTE FOR  
3                   Senate Bill 996

4 The Committee Substitute For Senate Bill 996:

5 - creates the Florida Alternative Energy Development  
6 Corporation to promote development of alternative energy  
7 technologies in this state;

8 -creates the Alternative Energy Incentive Program, a research  
9 and economic development grant program to be operated by the  
10 Corporation,

11 -transfers to the Corporation existing authority for  
12 development of alternative and renewable energy, for  
13 administering existing economic incentives for renewable  
14 energy, and for making recommendations to the Legislature  
15 concerning energy policy,

16 -creates a Renewable Portfolio Standard requiring that a 50  
17 percent of all new electricity provided by a public utility be  
18 from renewable energy, as defined,

19 -creates the Florida Net Metering Conservation Act,

20 -requires the Department of Environmental Protection to  
21 develop greenhouse gas inventories,

22 -authorizes the Public Service Commission to review and  
23 approve or deny proposed sales and transfers of utility  
24 assets, including in the context of a proposed merger or  
25 acquisition of the utility,

26 -creates a refund of a portion of the sales tax on qualified  
27 alternative motor vehicle, and

28 - revises requirements relating to payment periods under  
29 guaranteed energy-performance savings contracts, cost savings  
30 under such contracts, and review by the Chief Financial  
31 Officer of proposed contracts.