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CHAMBER ACTION

Senate

House

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Floor: 12/AD/3R
4/30/2008 10:45 AM

1 Senator Saunders moved the following amendment:

3 Senate Amendment

4 Delete line(s) 2044-2195

5 and insert:

6 Section 30. Section 366.82, Florida Statutes, is amended to
7 read:

8 366.82 Definition; goals; plans; programs; annual reports;
9 energy audits.--

10 (1) For the purposes of ss. 366.80-366.85 and 403.519:7

11 (a) "Utility" means any person or entity of whatever form
12 which provides electricity or natural gas at retail to the
13 public, specifically including municipalities or
14 instrumentalities thereof and cooperatives organized under the
15 Rural Electric Cooperative Law and specifically excluding any
16 municipality or instrumentality thereof, any cooperative
17 organized under the Rural Electric Cooperative Law, or any other



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18 person or entity providing natural gas at retail to the public  
19 whose annual sales volume is less than 100 million therms or any  
20 municipality or instrumentality thereof and any cooperative  
21 organized under the Rural Electric Cooperative Law providing  
22 electricity at retail to the public whose annual sales as of July  
23 1, 1993, to end-use customers is less than 2,000 gigawatt hours.

24 (b) "Demand-side renewable energy" means a system located  
25 on a customer's premises generating thermal or electric energy  
26 using Florida renewable energy resources and primarily intended  
27 to offset all or part of the customer's electricity requirements  
28 provided such system does not exceed 2 megawatts.

29 (2) The commission shall adopt appropriate goals for  
30 increasing the efficiency of energy consumption and increasing  
31 the development of demand-side renewable energy systems  
32 ~~co-generation~~, specifically including goals designed to increase  
33 the conservation of expensive resources, such as petroleum fuels,  
34 to reduce and control the growth rates of electric consumption,  
35 ~~and~~ to reduce the growth rates of weather-sensitive peak demand,  
36 and to encourage development of demand-side renewable energy  
37 resources. The commission may allow efficiency investments across  
38 generation, transmission, and distribution as well as  
39 efficiencies within the user base. ~~The Executive Office of the~~  
40 ~~Governor shall be a party in the proceedings to adopt goals. The~~  
41 ~~commission may change the goals for reasonable cause. The time~~  
42 ~~period to review the goals, however, shall not exceed 5 years.~~  
43 ~~After the programs and plans to meet those goals are completed,~~  
44 ~~the commission shall determine what further goals, programs, or~~  
45 ~~plans are warranted and, if so, shall adopt them.~~

46 (3) In developing the goals, the commission shall evaluate  
47 the full technical potential of all available demand-side and

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48 supply-side conservation and efficiency measures, including  
49 demand-side renewable energy systems. In establishing the goals,  
50 the commission shall take into consideration:

51 (a) The costs and benefits to customers participating in  
52 the measure.

53 (b) The costs and benefits to the general body of  
54 ratepayers as a whole, including utility incentives and  
55 participant contributions.

56 (c) The need for incentives to promote both customer-owned  
57 and utility-owned energy efficiency and demand-side renewable  
58 energy systems.

59 (d) The costs imposed by state and federal regulations on  
60 the emission of greenhouse gases.

61 (4) Subject to specific appropriation, the commission may  
62 expend up to \$250,000 from the Florida Public Service Regulatory  
63 Trust Fund to obtain needed technical consulting assistance.

64 (5) The Florida Energy and Climate Commission shall be a  
65 party in the proceedings to adopt goals and shall file with the  
66 commission comments on the proposed goals, including, but not  
67 limited to:

68 (a) An evaluation of utility load forecasts, including an  
69 assessment of alternative supply-side and demand-side resource  
70 options.

71 (b) An analysis of various policy options that can be  
72 implemented to achieve a least-cost strategy, including  
73 nonutility programs targeted at reducing and controlling the per  
74 capita use of electricity in the state.

75 (c) An analysis of the impact of state and local building  
76 codes and appliance efficiency standards on the need for utility-

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77 sponsored conservation and energy efficiency measures and  
78 programs.

79 (6) The commission may change the goals for reasonable  
80 cause. The time period to review the goals, however, shall not  
81 exceed 5 years. After the programs and plans to meet those goals  
82 are completed, the commission shall determine what further goals,  
83 programs, or plans are warranted and adopt them.

84 (7)~~(3)~~ Following adoption of goals pursuant to subsections  
85 subsection (2) and (3), the commission shall require each utility  
86 to develop plans and programs to meet the overall goals within  
87 its service area. The commission may require modifications or  
88 additions to a utility's plans and programs at any time it is in  
89 the public interest consistent with this act. In approving plans  
90 and programs for cost recovery, the commission shall have the  
91 flexibility to modify or deny plans or programs that would have  
92 an undue impact on the costs passed on to customers. If any plan  
93 or program includes loans, collection of loans, or similar  
94 banking functions by a utility and the plan is approved by the  
95 commission, the utility shall perform such functions,  
96 notwithstanding any other provision of the law. ~~The commission~~  
97 ~~may pledge up to \$5 million of the Florida Public Service~~  
98 ~~Regulatory Trust Fund to guarantee such loans.~~ However, no  
99 utility shall be required to loan its funds for the purpose of  
100 purchasing or otherwise acquiring conservation measures or  
101 devices, but nothing herein shall prohibit or impair the  
102 administration or implementation of a utility plan as submitted  
103 by a utility and approved by the commission under this  
104 subsection. If the commission disapproves a plan, it shall  
105 specify the reasons for disapproval, and the utility whose plan  
106 is disapproved shall resubmit its modified plan within 30 days.

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107 Prior approval by the commission shall be required to modify or  
108 discontinue a plan, or part thereof, which has been approved. If  
109 any utility has not implemented its programs and is not  
110 substantially in compliance with the provisions of its approved  
111 plan at any time, the commission shall adopt programs required  
112 for that utility to achieve the overall goals. Utility programs  
113 may include variations in rate design, load control,  
114 cogeneration, residential energy conservation subsidy, or any  
115 other measure within the jurisdiction of the commission which the  
116 commission finds likely to be effective; this provision shall not  
117 be construed to preclude these measures in any plan or program.

118 (8) The commission may authorize financial rewards for  
119 those utilities over which it has rate-setting authority that  
120 exceed their goals and may authorize financial penalties for  
121 those utilities that fail to meet their goals, including, but not  
122 limited to, the sharing of generation, transmission, and  
123 distribution cost savings associated with conservation, energy  
124 efficiency, and demand-side renewable energy systems additions.

125 (9) The commission is authorized to allow an investor-owned  
126 electric utility an additional return on equity of up to 50 basis  
127 points for exceeding 20 percent of their annual load-growth  
128 through energy efficiency and conservation measures. The  
129 additional return on equity shall be established by the  
130 commission through a limited proceeding.

131 (10)-(4) The commission shall require periodic reports from  
132 each utility and shall provide the Legislature and the Governor  
133 with an annual report by March 1 of the goals it has adopted and  
134 its progress toward meeting those goals. The commission shall  
135 also consider the performance of each utility pursuant to ss.

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136 366.80-366.85 and 403.519 when establishing rates for those  
137 utilities over which the commission has ratesetting authority.  
138 (11)~~(5)~~ The commission shall require each utility to offer,  
139 or to contract to offer, energy audits to its residential  
140 customers. This requirement need not be uniform, but may be based  
141 on such factors as level of usage, geographic location, or any  
142 other reasonable criterion, so long as all eligible customers are  
143 notified. The commission may extend this requirement to some or  
144 all commercial customers. The commission shall set the charge for  
145 audits by rule, not to exceed the actual cost, and may describe  
146 by rule the general form and content of an audit. In the event  
147 one utility contracts with another utility to perform audits for  
148 it, the utility for which the audits are performed shall pay the  
149 contracting utility the reasonable cost of performing the audits.  
150 Each utility over which the commission has ratesetting authority  
151 shall estimate its costs and revenues for audits, conservation  
152 programs, and implementation of its plan for the immediately  
153 following 6-month period. Reasonable and prudent unreimbursed  
154 costs projected to be incurred, or any portion of such costs, may  
155 be added to the rates which would otherwise be charged by a  
156 utility upon approval by the commission, provided that the  
157 commission shall not allow the recovery of the cost of any  
158 company image-enhancing advertising or of any advertising not  
159 directly related to an approved conservation program. Following  
160 each 6-month period, each utility shall report the actual results  
161 for that period to the commission, and the difference, if any,  
162 between actual and projected results shall be taken into account  
163 in succeeding periods. The state plan as submitted for  
164 consideration under the National Energy Conservation Policy Act  
165 shall not be in conflict with any state law or regulation.



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166        ~~(12)(6)(a)~~ Notwithstanding the provisions of s. 377.703,  
167 the commission shall be the responsible state agency for  
168 performing, coordinating, implementing, or administering the  
169 functions of the state plan submitted for consideration under the  
170 National Energy Conservation Policy Act and any acts amendatory  
171 thereof or supplemental thereto and for performing, coordinating,  
172 implementing, or administering the functions of any future  
173 federal program delegated to the state which relates to  
174 consumption, utilization, or conservation of electricity or  
175 natural gas; and the commission shall have exclusive  
176 responsibility for preparing all reports, information, analyses,  
177 recommendations, and materials related to consumption,  
178 utilization, or conservation of electrical energy which are  
179 required or authorized by s. 377.703.

180        ~~(b) The Executive Office of the Governor shall be a party~~  
181 ~~in the proceedings to adopt goals and shall file with the~~  
182 ~~commission comments on the proposed goals including, but not~~  
183 ~~limited to:~~

184            ~~1. An evaluation of utility load forecasts, including an~~  
185 ~~assessment of alternative supply and demand side resource~~  
186 ~~options.~~

187            ~~2. An analysis of various policy options which can be~~  
188 ~~implemented to achieve a least cost strategy.~~

189        ~~(13)(7)~~ The commission shall establish all minimum  
190 requirements for energy auditors used by each utility. The  
191 commission is authorized to contract with any public agency or  
192 other person to provide any training, testing, evaluation, or  
193 other step necessary to fulfill the provisions of this  
194 subsection.