

By Senator King

8-00995-09

20091154__

1 A bill to be entitled
2 An act relating to renewable energy; amending s.
3 366.92, F.S.; deleting a requirement that the Public
4 Service Commission adopt rules for a renewable
5 portfolio standard and present the draft rules to the
6 Legislature for consideration by February 1, 2009;
7 providing an effective date.

8
9 Be It Enacted by the Legislature of the State of Florida:

10
11 Section 1. Subsection (3) of section 366.92, Florida
12 Statutes, is amended, and present subsections (4) through (7)
13 are redesignated as subsections (3) through (6), respectively,
14 to read:

15 366.92 Florida renewable energy policy.—

16 ~~(3) The commission shall adopt rules for a renewable~~
17 ~~portfolio standard requiring each provider to supply renewable~~
18 ~~energy to its customers directly, by procuring, or through~~
19 ~~renewable energy credits. In developing the RPS rule, the~~
20 ~~commission shall consult the Department of Environmental~~
21 ~~Protection and the Florida Energy and Climate Commission. The~~
22 ~~rule shall not be implemented until ratified by the Legislature.~~
23 ~~The commission shall present a draft rule for legislative~~
24 ~~consideration by February 1, 2009.~~

25 ~~(a) In developing the rule, the commission shall evaluate~~
26 ~~the current and forecasted levelized cost in cents per kilowatt~~
27 ~~hour through 2020 and current and forecasted installed capacity~~
28 ~~in kilowatts for each renewable energy generation method through~~
29 ~~2020.~~

8-00995-09

20091154__

30 ~~(b) The commission's rule:~~

31 ~~1. Shall include methods of managing the cost of compliance~~
32 ~~with the renewable portfolio standard, whether through direct~~
33 ~~supply or procurement of renewable power or through the purchase~~
34 ~~of renewable energy credits. The commission shall have~~
35 ~~rulemaking authority for providing annual cost recovery and~~
36 ~~incentive-based adjustments to authorized rates of return on~~
37 ~~common equity to providers to incentivize renewable energy.~~
38 ~~Notwithstanding s. 366.91(3) and (4), upon the ratification of~~
39 ~~the rules developed pursuant to this subsection, the commission~~
40 ~~may approve projects and power sales agreements with renewable~~
41 ~~power producers and the sale of renewable energy credits needed~~
42 ~~to comply with the renewable portfolio standard. In the event of~~
43 ~~any conflict, this subparagraph shall supersede s. 366.91(3) and~~
44 ~~(4). However, nothing in this section shall alter the obligation~~
45 ~~of each public utility to continuously offer a purchase contract~~
46 ~~to producers of renewable energy.~~

47 ~~2. Shall provide for appropriate compliance measures and~~
48 ~~the conditions under which noncompliance shall be excused due to~~
49 ~~a determination by the commission that the supply of renewable~~
50 ~~energy or renewable energy credits was not adequate to satisfy~~
51 ~~the demand for such energy or that the cost of securing~~
52 ~~renewable energy or renewable energy credits was cost~~
53 ~~prohibitive.~~

54 ~~3. May provide added weight to energy provided by wind and~~
55 ~~solar photovoltaic over other forms of renewable energy, whether~~
56 ~~directly supplied or procured or indirectly obtained through the~~
57 ~~purchase of renewable energy credits.~~

58 ~~4. Shall determine an appropriate period of time for which~~

8-00995-09

20091154__

59 ~~renewable energy credits may be used for purposes of compliance~~
60 ~~with the renewable portfolio standard.~~

61 ~~5. Shall provide for monitoring of compliance with and~~
62 ~~enforcement of the requirements of this section.~~

63 ~~6. Shall ensure that energy credited toward compliance with~~
64 ~~the requirements of this section is not credited toward any~~
65 ~~other purpose.~~

66 ~~7. Shall include procedures to track and account for~~
67 ~~renewable energy credits, including ownership of renewable~~
68 ~~energy credits that are derived from a customer-owned renewable~~
69 ~~energy facility as a result of any action by a customer of an~~
70 ~~electric power supplier that is independent of a program~~
71 ~~sponsored by the electric power supplier.~~

72 ~~8. Shall provide for the conditions and options for the~~
73 ~~repeal or alteration of the rule in the event that new~~
74 ~~provisions of federal law supplant or conflict with the rule.~~

75 ~~(c) Beginning on April 1 of the year following final~~
76 ~~adoption of the commission's renewable portfolio standard rule,~~
77 ~~each provider shall submit a report to the commission describing~~
78 ~~the steps that have been taken in the previous year and the~~
79 ~~steps that will be taken in the future to add renewable energy~~
80 ~~to the provider's energy supply portfolio. The report shall~~
81 ~~state whether the provider was in compliance with the renewable~~
82 ~~portfolio standard during the previous year and how it will~~
83 ~~comply with the renewable portfolio standard in the upcoming~~
84 ~~year.~~

85 Section 2. This act shall take effect July 1, 2009.