

HB 1371

2010

1 A bill to be entitled  
2 An act relating to renewable energy; amending s. 366.91,  
3 F.S.; requiring that a purchase contract offered to  
4 producers of renewable energy contain payment provisions  
5 for energy and capacity based upon a public utility's  
6 equivalent cost-recovery rate for certain clean energy  
7 projects rather than the utility's full avoided costs;  
8 providing an effective date.

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

11  
12 Section 1. Subsection (3) of section 366.91, Florida  
13 Statutes, is amended to read:

14 366.91 Renewable energy.—

15 (3) On or before January 1, 2006, each public utility must  
16 continuously offer a purchase contract to producers of renewable  
17 energy. The commission shall establish requirements relating to  
18 the purchase of capacity and energy by public utilities from  
19 renewable energy producers and may adopt rules to administer  
20 this section. The contract shall contain payment provisions for  
21 energy and capacity which are based upon the utility's  
22 equivalent cost-recovery rate for projects constructed pursuant  
23 to s. 366.92(4) full avoided costs, as defined in s. 366.051;  
24 however, capacity payments are not required if, due to the  
25 operational characteristics of the renewable energy generator or  
26 the anticipated peak and off-peak availability and capacity  
27 factor of the utility's avoided unit, the producer is unlikely  
28 to provide any capacity value to the utility or the electric

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29 | grid during the contract term. Each contract must provide a  
30 | contract term of at least 10 years. Prudent and reasonable costs  
31 | associated with a renewable energy contract shall be recovered  
32 | from the ratepayers of the contracting utility, without  
33 | differentiation among customer classes, through the appropriate  
34 | cost-recovery clause mechanism administered by the commission.

35 | Section 2. This act shall take effect July 1, 2010.