

By Senator Detert

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1                   A bill to be entitled  
2       An act relating to energy; amending s. 366.92, F.S.;  
3       revising definitions and providing additional  
4       definitions; requiring that electric utilities meet or  
5       exceed specified standards for the production or  
6       purchase of clean energy; establishing a schedule for  
7       compliance; providing a penalty if a utility fails to  
8       meet the standards; authorizing the Public Service  
9       Commission to waive certain electric utilities from  
10      compliance under specified conditions; requiring that  
11      the commission adopt rules; requiring an annual report  
12      to the Legislature; amending s. 366.93, F.S.;  
13      authorizing the Public Service Commission to allow a  
14      utility to recover the costs of converting an existing  
15      fossil fuel plant to a biomass plant under certain  
16      conditions; encouraging utilities to pursue joint  
17      ownership of nuclear power plants; requiring that  
18      certain costs be shared; creating s. 366.99, F.S.;  
19      providing a short title; providing legislative  
20      findings with respect to the need to reduce greenhouse  
21      gas emissions through the direct end-use of natural  
22      gas; defining terms; authorizing a utility to  
23      establish a surcharge for the purpose of constructing  
24      natural gas installations in areas that lack natural  
25      gas service; providing limitations on the surcharge;  
26      providing procedures for determining the surcharge and  
27      making filings to the commission; requiring that the  
28      commission conduct limited proceedings to determine  
29      the amount of the surcharge; providing for future

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30 expiration of provisions authorizing the surcharge;  
31 amending s. 377.6015, F.S.; providing that terms for  
32 members of the Florida Energy and Climate Commission  
33 begin and end on specified dates; amending s. 377.705,  
34 F.S.; requiring that the Solar Energy Center charge  
35 testing fees; directing the Florida Building  
36 Commission to make all changes to the building and  
37 energy codes necessary to conform to the act; amending  
38 s. 403.503, F.S.; redefining the term "electrical  
39 power plant" to exclude solar electrical generating  
40 facilities; amending s. 525.09, F.S.; imposing a fee  
41 on alternative fuel containing alcohol; requiring that  
42 the Florida Energy and Climate Commission prepare a  
43 report identifying ways to increase the energy-  
44 efficiency practices of low-income households;  
45 requiring that the report include certain  
46 determinations and recommendations and be submitted to  
47 the Legislature by a specified date; providing for the  
48 extension of the appointment of a commissioner on the  
49 Florida Energy and Climate Commission if he or she is  
50 not confirmed during the 2010 Regular Session or the  
51 2011 Regular Session; requiring that the Florida  
52 Energy and Climate Commission obtain the approval of  
53 the joint Legislative Budget Commission before  
54 spending or disbursing any funds received from the  
55 Federal Government as part of a federal stimulus  
56 package; providing an effective date.

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

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Section 1. Section 366.92, Florida Statutes, is amended to read:

366.92 Florida clean and renewable energy policy.—

(1) It is the intent of the Legislature to promote the development of clean and renewable energy; protect the economic viability of Florida's existing renewable energy facilities; diversify the types of fuel used to generate electricity in Florida; lessen Florida's dependence on natural gas and fuel oil for the production of electricity; minimize the volatility of fuel costs; encourage investment within the state; improve environmental conditions; and, at the same time, minimize the costs of power supply to electric utilities and their customers.

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

(a) "Class I clean energy source" means Florida clean energy resources derived from wind or solar photovoltaic systems.

(b) "Class II clean energy source" means clean energy derived from Florida clean energy resources other than class I clean energy sources or class III clean energy sources.

(c) "Class III clean energy source" means clean energy derived from nuclear energy or any fossil fuel generation for which carbon capture and sequestration plans have been approved by the Department of Environmental Protection or from use of pipeline-quality synthetic gas produced by processing waste petroleum coke with carbon capture and sequestration plans approved by the state or federal authority having jurisdiction.

(d) "Clean energy" means electrical energy produced from a method that uses one or more of the following fuels or energy

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88 sources: nuclear energy placed in commercial service on or after  
89 July 1, 2010; any fossil fuel generation for which carbon  
90 capture and sequestration plans have been approved by the  
91 Department of Environmental Protection; hydrogen produced from  
92 sources other than fossil fuels, biomass, solar photovoltaic,  
93 geothermal energy, wind energy, ocean energy, or hydroelectric  
94 power. The term includes waste heat from sulfuric acid  
95 manufacturing operations; waste heat thermal energy produced by  
96 a combined heat and power system placed in service in this state  
97 on or after July 1, 2010, and used to produce biofuel and any  
98 associated coproducts; energy produced using pipeline-quality  
99 synthetic gas produced by processing waste petroleum coke with  
100 carbon capture and sequestration plans approved by the state or  
101 federal authority having jurisdiction; and energy produced using  
102 biodiesel.

103 (e) "Combined heat and power system" means a system that  
104 simultaneously or sequentially generates electricity and thermal  
105 energy from the same primary energy source.

106 (f)-(a) "Florida clean renewable energy resources" means  
107 clean renewable energy, as defined in s. 377.803, that is  
108 produced in Florida.

109 (g)-(b) "Provider" means a "utility" as defined in s.  
110 366.8255(1) (a) .

111 (c) "Renewable energy" means renewable energy as defined in  
112 s. 366.91(2) (d) .

113 (h)-(d) "Clean Renewable energy credit" or "REC" means a  
114 product that represents the unbundled, separable, clean  
115 renewable attribute of clean renewable energy produced in  
116 Florida and is equivalent to 1 megawatt-hour of electricity

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117 generated by a source of clean renewable energy located in  
118 Florida. For combined heat and power systems placed in service  
119 in this state on or after July 1, 2010, one clean energy credit  
120 shall be produced for every 3.412 million British thermal units  
121 of waste heat thermal energy used to produce biofuel and any  
122 associated coproducts.

123 (i)(e) "Clean Renewable portfolio standard" or "RPS" means  
124 the minimum percentage of total annual retail electricity sales  
125 by a public utility a provider to consumers in Florida which is  
126 that shall be supplied by clean renewable energy or through the  
127 purchase of clean energy credits from clean energy produced in  
128 Florida.

129 (3) (a) Each public utility must meet or exceed the  
130 following clean portfolio standards through the production of  
131 clean energy or the purchase of clean energy credits:

132 1. By January 1, 2014, 7 percent of the previous years'  
133 retail electricity sales;

134 2. By January 1, 2017, 12 percent of the previous years'  
135 retail electricity sales;

136 3. By January 1, 2020, 18 percent of the previous years'  
137 retail electricity sales; and

138 4. By January 1, 2022, 20 percent of the previous years'  
139 retail electricity sales.

140  
141 No more than 25 percent of the amount of the clean portfolio  
142 standard requirement for each year may be from Class III clean  
143 energy sources. For the production or procurement of Class III  
144 clean energy, a Florida utility that is a member of the  
145 Southeastern Electric Reliability Council may co-own or purchase

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146 energy from a Class III clean energy source located in another  
147 state and owned by an affiliate in a holding company having  
148 multistate dispatch.

149 (b) Except as otherwise provided in this section, an  
150 investor-owned electric utility that fails to meet or exceed its  
151 clean portfolio standard is subject to a penalty pursuant to s.  
152 366.095 for each day such failure continues, and the penalty may  
153 not be recovered from the utility's ratepayers. An electric  
154 utility may not be required to produce or purchase any Class III  
155 clean energy, or be fined or deemed imprudent for not acquiring  
156 any energy from a Class III clean energy source in order to  
157 achieve the clean energy standards provided in this section.

158 (c) The commission shall excuse an investor-owned electric  
159 utility from compliance with the clean portfolio standard if:

160 1. The supply of clean energy and clean energy credits is  
161 not adequate to satisfy the clean portfolio standard; or

162 2. The cost of producing clean energy or purchasing clean  
163 energy credits is prohibitive in that the total costs of  
164 compliance with the clean portfolio standard exceeds 2 percent  
165 of the investor-owned electric utility's total annual revenue  
166 from retail sales of electricity.

167 (d) The cost of compliance with the clean portfolio  
168 standards includes:

169 1. The costs associated with the purchase of clean energy  
170 credits;

171 2. The costs paid by the utility which are associated with  
172 the clean energy credit market; and

173 3. The utility's costs of its self-build Florida clean  
174 energy resource which exceed the costs to the utility of the

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175 generation source it would have otherwise built or the energy or  
176 capacity, or both, it would have purchased from another source.

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178 Expenses for Class III clean energy sources may not be included  
179 in calculating the cost of compliance.

180 (e) The cost of compliance must be allocated separately for  
181 Class I and Class II clean energy sources and, for each class,  
182 the total cost of compliance is prohibitive if the costs exceed  
183 1 percent of the investor-owned electric utility's total annual  
184 revenue from retail sales of electricity.

185 (f) Each investor-owned electric utility seeking to  
186 construct a Florida clean energy project must select the  
187 technology and project most likely to be cost-effective for the  
188 general body of ratepayers for that class of clean energy  
189 technology. In determining the most cost-effective construction  
190 option and in purchasing clean energy credits, an investor-owned  
191 utility shall seek the least-cost alternatives within each class  
192 of clean energy sources. The method of determining the least-  
193 cost alternative shall be determined by the commission and may  
194 include requests for proposals, auctions, or other methods.

195 (g) A clean energy credit remains the property of the owner  
196 of the clean energy resource from which it was derived until it  
197 is sold or transferred.

198 (4)~~(3)~~ The commission shall adopt rules providing  
199 requirements for:

200 (a) Implementing the clean ~~a renewable~~ portfolio standard.

201 (b) Determining the method of establishing least-cost  
202 options for the construction of facilities or the purchase of  
203 clean energy credits.

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204       (c) Determining what entities are eligible to produce clean  
205 energy credits.

206       (d) Establishing the method for the recovery of costs or  
207 expenses prudently incurred to meet the clean portfolio standard  
208 as those costs are defined in paragraph (3) (d). The commission  
209 may allow cost recovery through a separate cost-recovery clause  
210 or a limited scope proceeding. The costs of compliance with the  
211 clean portfolio standard must appear as a separate line item on  
212 each customer's bill.

213       (e) Filing reports concerning compliance by utilities with  
214 the clean portfolio standard.

215       (f) Creating a clean energy credit market requiring each  
216 provider to supply renewable energy to its customers directly,  
217 by procuring, or through renewable energy credits. In developing  
218 the RPS rule, the commission shall consult the Department of  
219 Environmental Protection and the Florida Energy and Climate  
220 Commission. The rule shall not be implemented until ratified by  
221 the Legislature. The commission shall present a draft rule for  
222 legislative consideration by February 1, 2009.

223       ~~(a) In developing the rule, the commission shall evaluate~~  
224 ~~the current and forecasted levelized cost in cents per kilowatt~~  
225 ~~hour through 2020 and current and forecasted installed capacity~~  
226 ~~in kilowatts for each renewable energy generation method through~~  
227 ~~2020.~~

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

229       ~~1. Shall include methods of managing the cost of compliance~~  
230 ~~with the renewable portfolio standard, whether through direct~~  
231 ~~supply or procurement of renewable power or through the purchase~~  
232 ~~of renewable energy credits. The commission shall have~~

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233 ~~rulemaking authority for providing annual cost recovery and~~  
234 ~~incentive-based adjustments to authorized rates of return on~~  
235 ~~common equity to providers to incentivize renewable energy.~~  
236 ~~Notwithstanding s. 366.91(3) and (4), upon the ratification of~~  
237 ~~the rules developed pursuant to this subsection, the commission~~  
238 ~~may approve projects and power sales agreements with renewable~~  
239 ~~power producers and the sale of renewable energy credits needed~~  
240 ~~to comply with the renewable portfolio standard. In the event of~~  
241 ~~any conflict, this subparagraph shall supersede s. 366.91(3) and~~  
242 ~~(4). However, nothing in this section shall alter the obligation~~  
243 ~~of each public utility to continuously offer a purchase contract~~  
244 ~~to producers of renewable energy.~~

245 ~~2. Shall provide for appropriate compliance measures and~~  
246 ~~the conditions under which noncompliance shall be excused due to~~  
247 ~~a determination by the commission that the supply of renewable~~  
248 ~~energy or renewable energy credits was not adequate to satisfy~~  
249 ~~the demand for such energy or that the cost of securing~~  
250 ~~renewable energy or renewable energy credits was cost~~  
251 ~~prohibitive.~~

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

256 ~~4. Shall determine an appropriate period of time for which~~  
257 ~~renewable energy credits may be used for purposes of compliance~~  
258 ~~with the renewable portfolio standard.~~

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

261 ~~6. Shall ensure that energy credited toward compliance with~~

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262 ~~the requirements of this section is not credited toward any~~  
263 ~~other purpose.~~

264 ~~7. Shall include procedures to track and account for~~  
265 ~~renewable energy credits, including ownership of renewable~~  
266 ~~energy credits that are derived from a customer-owned renewable~~  
267 ~~energy facility as a result of any action by a customer of an~~  
268 ~~electric power supplier that is independent of a program~~  
269 ~~sponsored by the electric power supplier.~~

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

273 ~~(c) Beginning on April 1 of the year following final~~  
274 ~~adoption of the commission's renewable portfolio standard rule,~~  
275 ~~each provider shall submit a report to the commission describing~~  
276 ~~the steps that have been taken in the previous year and the~~  
277 ~~steps that will be taken in the future to add renewable energy~~  
278 ~~to the provider's energy supply portfolio. The report shall~~  
279 ~~state whether the provider was in compliance with the renewable~~  
280 ~~portfolio standard during the previous year and how it will~~  
281 ~~comply with the renewable portfolio standard in the upcoming~~  
282 ~~year.~~

283 (5) By February 1, 2011, and each year thereafter, the  
284 commission shall submit a report to the Legislature detailing  
285 further rulemaking activities, developments in the production of  
286 clean energy, how much and what types of clean energy are  
287 available in various regions of the state and at what cost, and  
288 any impediments to further increases in the production of clean  
289 energy in this state.

290 (6)~~(4)~~ In order to demonstrate the feasibility and

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291 viability of clean energy systems, the commission shall provide  
292 for full cost recovery under the environmental cost-recovery  
293 clause of all reasonable and prudent costs incurred by a  
294 provider for renewable energy projects that are zero greenhouse  
295 gas emitting at the point of generation, up to a total of 110  
296 megawatts statewide, and for which the provider has secured  
297 necessary land, zoning permits, and transmission rights within  
298 the state. Such costs shall be deemed reasonable and prudent for  
299 purposes of cost recovery so long as the provider has used  
300 reasonable and customary industry practices in the design,  
301 procurement, and construction of the project in a cost-effective  
302 manner appropriate to the location of the facility. The provider  
303 shall report to the commission as part of the cost-recovery  
304 proceedings the construction costs, in-service costs, operating  
305 and maintenance costs, hourly energy production of the renewable  
306 energy project, and any other information deemed relevant by the  
307 commission. Any provider constructing a clean energy facility  
308 pursuant to this section shall file for cost recovery no later  
309 than July 1, 2009.

310 (7)~~(5)~~ Each municipal electric utility and rural electric  
311 cooperative shall develop standards for the promotion,  
312 encouragement, and expansion of the use of renewable energy  
313 resources and energy conservation and efficiency measures. On or  
314 before April 1, 2009, and annually thereafter, each municipal  
315 electric utility and electric cooperative shall submit to the  
316 commission a report that identifies such standards.

317 (8)~~(6)~~ ~~Nothing in~~ This section does not ~~shall be construed~~  
318 ~~to~~ impede or impair terms and conditions of existing contracts.

319 (9)~~(7)~~ The commission may adopt rules to administer and

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320 ~~implement the provisions of~~ this section.

321 Section 2. Subsection (4) of section 366.93, Florida  
322 Statutes, is amended, and subsection (7) is added to that  
323 section, to read:

324 366.93 Cost recovery for the siting, design, licensing, and  
325 construction of nuclear and integrated gasification combined  
326 cycle power plants.—

327 (4) When the nuclear or integrated gasification combined  
328 cycle power plant is placed in commercial service, the utility  
329 shall be allowed to increase its base rate charges by the  
330 projected annual revenue requirements of the nuclear or  
331 integrated gasification combined cycle power plant based on the  
332 jurisdictional annual revenue requirements of the plant for the  
333 first 12 months of operation. The rate of return on capital  
334 investments shall be calculated using the utility's rate of  
335 return last approved by the commission prior to the commercial  
336 inservice date of the nuclear or integrated gasification  
337 combined cycle power plant. If any existing generating plant is  
338 retired as a result of operation of the nuclear or integrated  
339 gasification combined cycle power plant, the commission shall  
340 allow for the recovery, through an increase in base rate  
341 charges, of the net book value of the retired plant over a  
342 period not to exceed 5 years or, if the commission determines  
343 that it would be more cost-effective to convert the existing  
344 generating plant to a biomass plant, allow for the recovery of  
345 the costs of conversion in base rate charges over a period that  
346 is determined by the commission.

347 (7) In order to further promote the development of nuclear  
348 electrical generation and minimize the financial risk to any one

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349 utility associated with the construction of a nuclear power  
350 plant, electric utilities in this state are encouraged to pursue  
351 the joint ownership of nuclear power plants.

352 Section 3. Section 366.99, Florida Statutes, is created to  
353 read:

354 366.99 Natural gas delivery; surcharge for carbon  
355 reduction.—

356 (1) This section may be cited as the "Natural Gas Act."

357 (2) It is the intent of the Legislature to promote the  
358 expanded direct end use of natural gas for its inherent energy  
359 efficiency and environmental benefits.

360 (3) As used in this section, the term "eligible  
361 installations" means natural gas utility facilities that:

362 (a) Connect supply sources of natural gas to a distribution  
363 system that serves primarily residential customers;

364 (b) Are in service and used and useful in providing utility  
365 service;

366 (c) Were not included in the utility's rate base for  
367 purposes of determining the utility's base rate in the most  
368 recent general base-rate proceedings; and

369 (d) Consist of mains that are greater than or equal to 4  
370 inches in diameter or that are certified to operate at a maximum  
371 allowable operating pressure greater than 60 pounds per square  
372 inch gauge, together with associated valves, regulator stations,  
373 vaults, transmission line taps, and other pipeline system  
374 components.

375 (4) Notwithstanding any provision in this chapter or rule  
376 to the contrary, a public utility, as defined in s. 366.02,  
377 which is providing natural gas service may petition the

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378 commission to establish or modify a carbon-reduction surcharge  
379 to be used to construct eligible installations in areas of this  
380 state which are unserved or underserved with natural gas  
381 service. The surcharge shall be recovered through a cost-  
382 recovery clause, separate and distinct from a utility's base  
383 rates, using the same allocation methodology applicable to the  
384 utility's recovery of costs recoverable pursuant to the Energy  
385 Conservation Cost Recovery Rule, rule 25-17.015, Florida  
386 Administrative Code. The purpose of the surcharge is to recover  
387 the utility's revenue requirement relevant to construction of  
388 the eligible installations and shall be in the amount of the  
389 pretax revenues equal to:

390 (a) The utility's weighted average cost of capital allowed  
391 in the most recent rate proceeding multiplied by the 13-month  
392 average net book value of eligible installations, including  
393 recognition of accumulated depreciation associated with eligible  
394 installations;

395 (b) State, federal, and local income taxes;

396 (c) Ad valorem taxes; and

397 (d) Depreciation expenses on eligible installations.

398 (5) When a petition is filed by a utility, the commission  
399 shall conduct a limited proceeding and determine the utility's  
400 revenue requirements and the surcharge to be charged in the  
401 following year.

402 (6) The petition must contain:

403 (a) An estimation of the utility's revenue requirements and  
404 carbon-reduction surcharge collections for the following year.

405 (b) If a carbon-reduction surcharge has previously been  
406 established, an annual true-up filing showing the actual

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407 eligible installation costs and actual carbon-reduction  
408 surcharge revenues for the most recent 12-month period from  
409 January 1 through December 31 which ends before the annual  
410 petition filing, including a comparison of the actual eligible  
411 installation costs and carbon-reduction surcharge revenues to  
412 the estimated total eligible installation costs and carbon-  
413 reduction surcharge revenues previously reported for the same  
414 period. The filing shall also include the over-or-under recovery  
415 of total carbon-reduction surcharge revenue requirements for the  
416 true-up period.

417 (7) The utility shall establish separate accounts or  
418 subaccounts for each eligible installation for purposes of  
419 recording the costs incurred for each project. The utility shall  
420 also establish a separate account or subaccount for any revenues  
421 derived from specific carbon-reduction surcharges.

422 (8) An eligible installation shall be included for the  
423 purposes of calculating revenue requirements for no more than 5  
424 years.

425 (9) The total amount of carbon-reduction surcharge revenue  
426 in effect in any one year may not exceed 2 percent of the  
427 utility's total annual nonfuel revenue for the previous year.

428 (10) This section expires December 31, 2015, unless  
429 reviewed and reenacted by the Legislature before that date.  
430 However, the procedures and other applicable provisions in this  
431 section and the carbon-reduction surcharges approved pursuant to  
432 this section shall remain in effect for the full term of all  
433 eligible installations approved by the commission before  
434 December 31, 2015.

435 Section 4. Paragraph (a) of subsection (1) of section

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436 377.6015, Florida Statutes, is amended to read:

437 377.6015 Florida Energy and Climate Commission.—

438 (1) The Florida Energy and Climate Commission is created  
439 within the Executive Office of the Governor. The commission  
440 shall be comprised of nine members appointed by the Governor,  
441 the Commissioner of Agriculture, and the Chief Financial  
442 Officer.

443 (a) The Governor shall appoint one member from three  
444 persons nominated by the Florida Public Service Commission  
445 Nominating Council, created in s. 350.031, to each of seven  
446 seats on the commission. The Commissioner of Agriculture shall  
447 appoint one member from three persons nominated by the council  
448 to one seat on the commission. The Chief Financial Officer shall  
449 appoint one member from three persons nominated by the council  
450 to one seat on the commission.

451 1. The council shall submit the recommendations to the  
452 Governor, the Commissioner of Agriculture, and the Chief  
453 Financial Officer by September 1 of those years in which the  
454 terms are to begin the following October or within 60 days after  
455 a vacancy occurs for any reason other than the expiration of the  
456 term. The Governor, the Commissioner of Agriculture, and the  
457 Chief Financial Officer may proffer names of persons to be  
458 considered for nomination by the council.

459 2. The Governor, the Commissioner of Agriculture, and the  
460 Chief Financial Officer shall fill a vacancy occurring on the  
461 commission by appointment of one of the applicants nominated by  
462 the council only after a background investigation of such  
463 applicant has been conducted by the Department of Law  
464 Enforcement.

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465           3. Members shall be appointed to 3-year terms; however, in  
466 order to establish staggered terms, for the initial  
467 appointments, the Governor shall appoint four members to 3-year  
468 terms, two members to 2-year terms, and one member to a 1-year  
469 term, and the Commissioner of Agriculture and the Chief  
470 Financial Officer shall each appoint one member to a 3-year term  
471 and shall appoint a successor when that appointee's term expires  
472 in the same manner as the original appointment. The terms of  
473 members shall begin on October 1 and end on September 30.

474           4. The Governor shall select from the membership of the  
475 commission one person to serve as chair.

476           5. A vacancy on the commission shall be filled for the  
477 unexpired portion of the term in the same manner as the original  
478 appointment.

479           6. If the Governor, the Commissioner of Agriculture, or the  
480 Chief Financial Officer has not made an appointment within 30  
481 consecutive calendar days after the receipt of the  
482 recommendations, the council shall initiate, in accordance with  
483 this section, the nominating process within 30 days.

484           7. Each appointment to the commission shall be subject to  
485 confirmation by the Senate during the next regular session after  
486 the vacancy occurs. If the Senate refuses to confirm or fails to  
487 consider the appointment of the Governor, the Commissioner of  
488 Agriculture, or the Chief Financial Officer, the council shall  
489 initiate, in accordance with this section, the nominating  
490 process within 30 days.

491           8. The Governor or the Governor's successor may recall an  
492 appointee.

493           9. Notwithstanding subparagraph 7. and for the initial

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494 appointments to the commission only, each initial appointment to  
495 the commission is subject to confirmation by the Senate by the  
496 2010 Regular Session. If the Senate refuses to confirm or fails  
497 to consider an appointment made by the Governor, the  
498 Commissioner of Agriculture, or the Chief Financial Officer, the  
499 council shall initiate, in accordance with this section, the  
500 nominating process within 30 days after the Senate's refusal to  
501 confirm or failure to consider such appointment. This  
502 subparagraph expires July 1, 2010.

503 Section 5. Section 377.705, Florida Statutes, is amended to  
504 read:

505 377.705 Solar Energy Center; development of solar energy  
506 standards.—

507 (1) SHORT TITLE.—This section ~~act shall be known and~~ may be  
508 cited as the "Solar Energy Standards Act." ~~of 1976.~~

509 (2) LEGISLATIVE FINDINGS AND INTENT.—

510 (a) Because of increases in the cost of conventional fuel,  
511 certain applications of solar energy are becoming competitive,  
512 particularly when life-cycle costs are considered. It is the  
513 intent of the Legislature in formulating a sound and balanced  
514 energy policy for the state to encourage the development of an  
515 alternative energy capability in the form of incident solar  
516 energy.

517 (b) Toward this purpose, the Legislature intends to provide  
518 incentives for the production and sale of, and to set standards  
519 for, solar energy systems. Such standards must ~~shall~~ ensure that  
520 solar energy systems manufactured or sold within the state are  
521 effective and represent a high level of quality of materials,  
522 workmanship, and design.

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523 (3) DEFINITIONS.—As used in this section, the term:

524 (a) "Center" means ~~is defined as~~ the Florida Solar Energy  
525 Center of the Board of Governors.

526 (b) "Solar energy systems" means ~~is defined as~~ equipment  
527 that ~~which~~ provides for the collection and use of incident solar  
528 energy for water heating, space heating or cooling, or other  
529 applications that ~~which~~ normally require ~~or would require~~ a  
530 conventional source of energy such as petroleum products,  
531 natural gas, or electricity, and that ~~which~~ performs primarily  
532 with solar energy. In ~~such other~~ systems in which solar energy  
533 is used in a supplemental way, only those components that ~~which~~  
534 collect and transfer solar energy are ~~shall be~~ included in this  
535 definition.

536 (4) ~~FLORIDA SOLAR ENERGY CENTER TO SET STANDARDS, REQUIRE~~  
537 ~~DISCLOSURE, SET TESTING FEES.—~~

538 ~~(a) The center shall develop and promulgate standards for~~  
539 ~~solar energy systems manufactured or sold in this state based on~~  
540 ~~the best currently available information and shall consult with~~  
541 ~~scientists, engineers, or persons in research centers who are~~  
542 ~~engaged in the construction of, experimentation with, and~~  
543 ~~research of solar energy systems to properly identify the most~~  
544 ~~reliable designs and types of solar energy systems.~~

545 ~~(b) The center shall~~ select nationally-recognized standards  
546 for solar energy systems, establish criteria for testing the  
547 performance of solar energy systems, and ~~shall~~ maintain the  
548 necessary capability for testing or evaluating the performance  
549 of solar energy systems. ~~The center may accept results of tests~~  
550 ~~on solar energy systems made by other organizations, companies,~~  
551 ~~or persons when such tests are conducted according to the~~

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552 ~~criteria established by the center and when the testing entity~~  
553 ~~has no vested interest in the manufacture, distribution or sale~~  
554 ~~of solar energy systems.~~

555 (5)-(e) FEES.-The center shall charge ~~be entitled to receive~~  
556 a testing fee sufficient to cover the costs of such testing. All  
557 testing fees shall be transmitted by the center to the Chief  
558 Financial Officer to be deposited in the Solar Energy Center  
559 Testing Trust Fund, which is ~~hereby~~ created in the State  
560 Treasury, and disbursed for the payment of expenses incurred in  
561 testing solar energy systems.

562 (6)-(d) All solar energy systems manufactured or sold in the  
563 state must meet the nationally-recognized standards selected  
564 ~~established~~ by the center and shall display accepted results of  
565 approved performance tests in a manner prescribed by the center.

566 Section 6. The Florida Building Commission is directed to  
567 make all changes to the building and energy codes necessary to  
568 conform such rules to this act.

569 Section 7. Subsection (14) of section 403.503, Florida  
570 Statutes, is amended to read:

571 403.503 Definitions relating to Florida Electrical Power  
572 Plant Siting Act.-As used in this act:

573 (14) "Electrical power plant" means, for the purpose of  
574 certification, any steam ~~or solar~~ electrical generating facility  
575 using any process or fuel, including nuclear materials, except  
576 that this term does not include any steam ~~or solar~~ electrical  
577 generating facility of less than 75 megawatts in capacity unless  
578 the applicant for such a facility elects to apply for  
579 certification under this act. This term also includes the site;  
580 all associated facilities that will be owned by the applicant

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581 that are physically connected to the site; all associated  
582 facilities that are indirectly connected to the site by other  
583 proposed associated facilities that will be owned by the  
584 applicant; and associated transmission lines that will be owned  
585 by the applicant which connect the electrical power plant to an  
586 existing transmission network or rights-of-way to which the  
587 applicant intends to connect. At the applicant's option, this  
588 term may include any offsite associated facilities that will not  
589 be owned by the applicant; offsite associated facilities that  
590 are owned by the applicant but that are not directly connected  
591 to the site; any proposed terminal or intermediate substations  
592 or substation expansions connected to the associated  
593 transmission line; or new transmission lines, upgrades, or  
594 improvements of an existing transmission line on any portion of  
595 the applicant's electrical transmission system necessary to  
596 support the generation injected into the system from the  
597 proposed electrical power plant.

598 Section 8. Subsections (1) and (3) of section 525.09,  
599 Florida Statutes, are amended to read:

600 525.09 Inspection fee.—

601 (1) For the purpose of defraying the expenses incident to  
602 inspecting, testing, and analyzing petroleum fuels in this  
603 state, there shall be paid to the department a charge of one-  
604 eighth cent per gallon on all gasoline, alternative fuel  
605 containing alcohol as defined in s. 525.01(1)(c)1. or 2.,  
606 kerosene that is not ~~(except when~~ used as aviation turbine  
607 fuel), and #1 fuel oil for sale or use in this state. This  
608 inspection fee shall be imposed in the same manner as the motor  
609 fuel tax pursuant to s. 206.41. Payment shall be made on or

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610 before the 25th day of each month.

611 (3) All remittances to the department for the inspection  
612 tax herein provided shall be accompanied by a detailed report  
613 under oath showing the number of gallons of gasoline,  
614 alternative fuel containing alcohol as defined in s.  
615 525.01(1)(c)1. or 2., kerosene, or fuel oil sold and delivered  
616 in each county.

617 Section 9. (1) The Florida Energy and Climate Commission  
618 shall prepare a report that:

619 (a) Identifies methods of increasing energy-efficiency  
620 practices among low-income households as defined in ss. 420.9071  
621 and 421.03, Florida Statutes. The commission shall, at a  
622 minimum, identify energy-efficiency programs that are currently  
623 offered to low-income households by community action agencies,  
624 community-based organizations, and utility companies in this  
625 state and similar programs that are offered to low-income  
626 households in other states.

627 (b) Determines the statewide impact of improving the level  
628 of the energy efficiency of rental housing stock, including, but  
629 not limited to, the environmental benefits of such improvements  
630 and the potential fiscal impact with respect to property  
631 tenants, owners, and landlords and to the economy. The  
632 commission shall consider the relative equity and economic  
633 efficiency of the cost-share for such energy-efficiency  
634 improvements.

635 (c) Provides recommendations for implementing energy-  
636 efficiency practices among residents of low-income households.

637 (2) The commission shall submit the report to the President  
638 of the Senate and the Speaker of the House of Representatives by

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639 December 1, 2010.

640       Section 10. The term of any person sitting as a member of  
641 the Florida Energy and Climate Commission on March 3, 2010,  
642 whose appointment is not confirmed by the Senate during the 2010  
643 Regular Session or the 2011 Regular Session, shall be extended  
644 until completion of the 2011 Regular Session, except for any  
645 member who, during that time, the Senate expressly refuses to  
646 confirm.

647       Section 11. The Florida Energy and Climate Commission must  
648 obtain the approval of the Legislative Budget Commission before  
649 spending or disbursing any funds received from the Federal  
650 Government as part of a federal stimulus package.

651       Section 12. This act shall take effect July 1, 2010.