

Amendment No.

CHAMBER ACTION

Senate

House

.

Representative Rehwinkel Vasilinda offered the following:

**Amendment (with directory and title amendments)**

Between lines 224 and 225, insert:

(2)~~(3)~~ On or before January 1, 2006, each public utility must continuously offer a purchase contract to producers of renewable energy. The commission shall establish requirements relating to the purchase of capacity and energy by public utilities from renewable energy producers and may adopt rules to administer this section. The contract shall contain payment provisions for energy and capacity which are based upon the utility's equivalent cost-recovery rate for projects constructed pursuant to s. 366.92(2) ~~full avoided costs, as defined in s. 366.051~~; however, capacity payments are not required if, due to the operational characteristics of the renewable energy generator or the anticipated peak and off-peak availability and

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17 capacity factor of the utility's avoided unit, the producer is  
18 unlikely to provide any capacity value to the utility or the  
19 electric grid during the contract term. Each contract must  
20 provide a contract term of at least 10 years. Prudent and  
21 reasonable costs associated with a renewable energy contract  
22 shall be recovered from the ratepayers of the contracting  
23 utility, without differentiation among customer classes, through  
24 the appropriate cost-recovery clause mechanism administered by  
25 the commission.

26 Section 5. (1) The Legislature finds that there is a need  
27 for a funding mechanism to support and finance a comprehensive  
28 energy policy, especially as it relates to sustainable and  
29 renewable energy, energy conservation, and energy efficiencies.  
30 With such a stable funding mechanism, this state will realize  
31 important long-term goals, including:

32 (a) Increased independence from foreign oil;

33 (b) Ensuring an adequate and reliable energy supply;

34 (c) The promotion of economic growth and new investment in  
35 the creation of high-paying jobs;

36 (d) The mitigation of adverse environmental impacts and  
37 the promotion of stewardship of the environment;

38 (e) Leading the nation in energy conservation and energy  
39 efficiencies through needed support for implementing and  
40 marketing the products of renewable energy research and  
41 innovation; and

42 (f) Contributing to a sustainable and renewable energy  
43 policy for the state.

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

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45 (a) "Direct-support organization" means an organization  
46 that is:

47 1. A Florida corporation, not for profit, incorporated  
48 under chapter 617, Florida Statutes, and approved by the  
49 Department of State;

50 2. Organized and operated exclusively to obtain funds; to  
51 request and receive grants, gifts, and bequests of moneys; to  
52 acquire, receive, hold, invest, and administer in its own name  
53 securities, funds, or property; and to make expenditures to  
54 support the achievement of the goals stated under subsection (1)  
55 and to increase public awareness of and support for the  
56 Sustainable and Renewable Energy Trust Fund; and

57 3. Determined by the office to be operating in a manner  
58 consistent with the goals stated under subsection (1).

59 (b) "Electric utility" means any municipal electric  
60 utility, investor-owned electric utility, or rural electric  
61 cooperative that owns, maintains, or operates an electric  
62 generation, transmission, or distribution system within the  
63 state.

64 (c) "Energy conservation" and "energy efficiencies" mean  
65 any activity that facilitates and promotes the use of cost-  
66 effective energy conservation, energy-demand management, and  
67 renewable energy technologies.

68 (d) "Office" means the Florida Energy Office.

69 (e) "Renewable energy" means solar photovoltaic energy,  
70 solar thermal energy, geothermal energy, ocean thermal energy,  
71 wave or tidal energy, wind, fuel cells, landfill gas, hydrogen  
72 production and hydrogen conversion technologies, low-emission

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73 advanced biomass conversion technologies, alternative fuels used  
74 for electricity generation, including ethanol, biodiesel, or  
75 other fuel produced in this state and derived from agricultural  
76 produce, algae, food waste, or waste vegetable oil, usable  
77 electricity from combined heat and power systems that have waste  
78 heat recovery systems, thermal storage systems, and other energy  
79 resources and emerging technologies that have significant  
80 potential for commercialization and that do not involve the  
81 combustion of coal, petroleum or petroleum products, or nuclear  
82 fission.

83 (3) Beginning January 1, 2011, each electric utility shall  
84 collect from each residential, commercial, and industrial  
85 electric utility customer a monthly charge of 25 cents as a  
86 systems benefits charge. The electric utilities shall deposit  
87 the collected funds into the Sustainable and Renewable Energy  
88 Policy Trust Fund.

89 (4) (a) The Florida Energy Office shall establish a direct-  
90 support organization to provide assistance, funding, and support  
91 for the office in carrying out its mission. This section governs  
92 the creation, use, powers, and duties of the direct-support  
93 organization.

94 (b) The direct-support organization shall be governed by a  
95 board of directors. The board of directors shall consist of nine  
96 members, as follows:

97 1. The chair of the Florida Public Service Commission, or  
98 his or her designee.

99 2. The Secretary of Environmental Protection, or his or  
100 her designee.

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101 3. Two members appointed by the Governor, both of whom are  
102 residential electric utility customers and one of whom has  
103 experience relating to low-income housing concerns.

104 4. Two members appointed by the President of the Senate,  
105 both of whom are members of the Senate and one of whom is a  
106 member of the minority party.

107 5. Two members appointed by the Speaker of the House of  
108 Representatives, both of whom are members of the House of  
109 Representatives and one of whom is a member of the minority  
110 party.

111 6. One member appointed by the Chief Financial Officer who  
112 has experience related to renewable energy business or  
113 commercial investments.

114 (c) The term of office of the board members shall be 3  
115 years, except those members of the Senate and the House of  
116 Representatives, who shall serve 2-year terms concurrent with  
117 the 2-year elected terms of House members. The terms of the  
118 initial appointees, except those members of the Senate and the  
119 House of Representatives, shall be for 1 year, 2 years, or 3  
120 years in order to achieve staggered terms. A member may be  
121 reappointed when his or her term expires. The head of the office  
122 or his or her designee shall serve as an ex officio member of  
123 the board of directors.

124 (d) Members must be residents of this state. A majority of  
125 the members must be actively involved with sustainable and  
126 renewable energy systems and highly knowledgeable about the  
127 office, its research, and its mission. A member may be removed  
128 by the Governor, the President of the Senate, the Speaker of the

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129 House of Representatives, or the Chief Financial Officer for  
130 cause and with the approval of a majority of the members of the  
131 board of directors. A vacancy shall be filled in the same manner  
132 as the initial appointment.

133 (e) The direct-support organization shall operate under a  
134 written contract with the office. The written contract must  
135 provide for:

136 1. Certification by the office that the direct-support  
137 organization is complying with the terms of the contract and is  
138 doing so consistent with the goals and purposes of the  
139 department and in the best interests of the state. This  
140 certification must be made annually and reported in the official  
141 minutes of a meeting of the direct-support organization.

142 2. The reversion of moneys and property held by the  
143 direct-support organization:

144 a. To the office, if the direct-support organization is no  
145 longer approved to operate for the office or if the direct  
146 support organization ceases to exist; or

147 b. To the state, if the office ceases to exist.

148 3. The disclosure of the material provisions of the  
149 contract and the distinction between the office and the direct-  
150 support organization to donors of gifts, contributions, or  
151 bequests, including such disclosure on all promotional and  
152 fundraising publications.

153 (f)1. The office may permit the use of its property,  
154 facilities, and personal services by the direct-support  
155 organization, subject to this section.

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156 2. The office may prescribe by contract any condition with  
157 which the direct-support organization must comply in order to  
158 use property, facilities, or personal services of the office.

159 3. The office may not permit the use of its property,  
160 facilities, or personal services by any direct-support  
161 organization organized under this section which does not provide  
162 equal employment opportunities to all persons regardless of  
163 race, color, national origin, gender, age, or religion.

164 (g) Any transaction or agreement between the direct-  
165 support organization created by this section and another direct-  
166 support organization or other entity must be approved by the  
167 Governor.

168 (h) All moneys received by the direct-support organization  
169 from federal and state grants, private contributions, and the  
170 Sustainable and Renewable Energy Policy Trust Fund shall be  
171 deposited into an account of the direct-support organization.  
172 The direct-support organization shall use the collected charges  
173 to support funding for sustainable and renewable energy  
174 projects, including, but not limited to, grants to provide  
175 funding in the following order of priority:

176 1. Any backlog of approved rebate applications for the  
177 Solar Energy Systems Incentive Program.

178 2. The implementation of innovation to market projects,  
179 with specific attention directed toward the number of in-state  
180 jobs created.

181 3. Energy conservation and energy efficiency projects,  
182 with specific attention directed to projects for low-income

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183 housing, including rental units, rental homes, condominiums, and  
184 single-family homes.

185 (i)1. The fiscal year of the direct-support organization  
186 shall begin on July 1 of each year and end on June 30 of the  
187 following year.

188 2. The direct-support organization shall submit to the  
189 office its federal Internal Revenue Service Application for  
190 Recognition of Exemption form and its federal Internal Revenue  
191 Service Return of Organization Exempt from Income Tax form.

192 (j) The direct-support organization shall provide for an  
193 annual financial audit in accordance with s. 215.981, Florida  
194 Statutes.

195 Section 6. Subsection (1) and paragraph (b) of subsection  
196 (2) of section 377.806, Florida Statutes, are amended to read:

197 377.806 Solar Energy System Incentives Program.—

198 (1) PURPOSE.—The Solar Energy System Incentives Program is  
199 established within the commission to provide financial  
200 incentives for the purchase and installation of solar energy  
201 systems. Any resident of the state who purchases and installs a  
202 new solar energy system of 2 kilowatts or larger for a solar  
203 photovoltaic system, a solar energy system that provides at  
204 least 50 percent of a building's hot water consumption for a  
205 solar thermal system, or a solar thermal pool heater, from July  
206 1, 2006, through June 30, 2015 ~~2010~~, is eligible for a rebate on  
207 a portion of the purchase price of that solar energy system.

208 (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.—

209 (b) Rebate amounts.—The rebate amount shall be set at  
210 \$2.50 ~~\$4~~ per watt for the first year, \$2 per watt for the second  
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211 and third years, and \$1.50 per watt for each subsequent year,  
212 based on the total wattage rating of the system. The maximum  
213 allowable rebate per solar photovoltaic system installation  
214 shall be as follows:

- 215 1. Twenty thousand dollars for a residence.
- 216 2. One hundred thousand dollars for a place of business, a  
217 publicly owned or operated facility, or a facility owned or  
218 operated by a private, not-for-profit organization, including  
219 condominiums or apartment buildings.

220 -----  
221  
222 **D I R E C T O R Y A M E N D M E N T**

223 Remove lines 203-206 and insert:

224 Section 4. Subsections (2) through (8) of section 366.91,  
225 Florida Statutes, are renumbered as subsections (1) through (7),  
226 respectively, and present subsection (1), paragraph (a) of  
227 present subsection (2), and present subsection (3) of that  
228 section are amended to read:

229 -----  
230  
231 **T I T L E A M E N D M E N T**

232 Remove lines 10-27 and insert:

233 the definition of the term "biomass"; requiring that a  
234 purchase contract offered to producers of renewable energy  
235 contain payment provisions for energy and capacity based  
236 upon a public utility's equivalent cost-recovery rate for  
237 certain clean energy projects rather than the utility's  
238 full avoided costs; providing legislative findings;

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239 providing definitions; requiring each electric utility in  
240 the state to collect from each residential, commercial,  
241 and industrial customer a designated monthly systems  
242 charge; requiring the electric utilities to deposit  
243 collected funds into the Sustainable and Renewable Energy  
244 Policy Trust Fund; creating a direct-support organization  
245 for the Florida Energy Office; providing for a board of  
246 directors of the direct-support organization; providing  
247 for appointment of members and terms of office; requiring  
248 a contract between the office and the direct-support  
249 organization; providing for the use of the deposited  
250 funds; requiring an annual audit; amending s. 377.806,  
251 F.S.; revising the expiration date for the Solar Energy  
252 System Incentives Program; extending the period of time  
253 for which residents of the state are eligible to receive  
254 rebates for specified solar energy systems; revising the  
255 rebate amount for eligible solar energy systems; providing  
256 a schedule for rebate amounts based on the total wattage  
257 of the system; amending s. 366.92, F.S.; deleting the  
258 legislative intent provisions; deleting and revising  
259 definitions; deleting provisions for the renewable  
260 portfolio standard and renewable energy credits; providing  
261 a mechanism for providers to recover costs to produce or  
262 purchase specified amounts of renewable energy through the  
263 environmental cost-recovery clause under certain  
264 conditions; requiring providers to include specified  
265 information related to renewable energy development in a  
266 certain report; authorizing a developer of solar energy

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267 generation to locate a solar energy generation facility on  
268 the premises of a host consumer under certain  
269 circumstances; requiring the commission to adopt rules and  
270 submit reports to the Legislature; establishing the  
271 Agriculture and Clean Energy Economic Development Pilot  
272 Project; providing that certain electric energy be  
273 considered renewable energy under the pilot project;  
274 amending s. 403.44,