A bill to be entitled 1 2 An act relating to energy efficiency; providing 3 legislative findings; providing definitions; requiring 4 each electric utility in the state to collect from each 5 residential, commercial, and industrial customer a designated monthly systems charge; requiring the electric 6 7 utilities to deposit collected funds into the Sustainable 8 and Renewable Energy Policy Trust Fund; creating a direct-9 support organization for the Florida Energy and Climate 10 Commission; providing for a board of directors of the 11 direct-support organization; providing for appointment of members and terms of office; requiring a written contract 12 13 between the commission and the direct-support 14 organization; providing that certain transactions and 15 agreements are subject to approval by the Governor; 16 providing for the use of the deposited funds; requiring an annual audit; amending s. 377.806, F.S.; reestablishing a 17 period of time for which residents of the state are 18 19 eligible to receive rebates for specified solar energy 20 systems under the Solar Energy System Incentives Program; 21 revising the rebate amount for eligible solar photovoltaic 22 energy systems; providing a schedule for rebate amounts 23 based on the total wattage of the system; clarifying 24 eligibility provisions for the installation of specified 25 thermal roofs; revising provisions relating to the 26 determination and publication of rebate availability 27 information; providing for the issuance of specified 28 rebates; providing appropriations for the Solar Energy

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CODING: Words stricken are deletions; words underlined are additions.

System Incentives Program and the Low-income Emergency Home Repair Program; providing an effective date.

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

- Section 1. (1) The Legislature finds that there is a need for a funding mechanism to support and finance a comprehensive energy policy, especially as it relates to sustainable and renewable energy, energy conservation, and energy efficiencies. With such a stable funding mechanism, this state will realize important long-term goals, including:
- (a) The reduction of dependence on oil from foreign countries.
- (b) The ensuring of an adequate and reliable energy supply.
- (c) The promotion of economic growth through investment in emerging technologies that result in the creation of high-paying jobs.
- (d) The mitigation of adverse environmental impacts and the promotion of stewardship of the environment.
- (e) The forging of a leadership role in the nation in energy conservation and energy efficiencies by providing needed support for implementing and marketing the products of renewable energy research and innovation.
- (f) The establishing of a sustainable and renewable energy policy for the state.
 - (2) As used in this section, the term:
 - (a) "Commission" means the Florida Energy and Climate

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Commission.

- (b) "Direct-support organization" means an organization that is:
- 1. A Florida corporation, not for profit, incorporated under chapter 617, Florida Statutes, and approved by the Department of State;
- 2. Organized and operated exclusively to obtain funds; to request and receive grants, gifts, and bequests of moneys; to acquire, receive, hold, invest, and administer in its own name securities, funds, or property; and to make expenditures to support the achievement of the goals stated under subsection (1) and to increase public awareness of and support for the Sustainable and Renewable Energy Policy Trust Fund; and
- 3. Determined by the commission to be operating in a manner consistent with the goals stated under subsection (1).
- (c) "Electric utility" means any municipal electric utility, investor-owned electric utility, or rural electric cooperative that owns, maintains, or operates an electric generation, transmission, or distribution system within the state.
- (d) "Energy conservation" or "energy efficiencies" means any activity that facilitates and promotes the use of cost-effective energy conservation, energy-demand management, and renewable energy technologies.
- (e) "Renewable energy" means solar photovoltaic energy, solar thermal energy, geothermal energy, ocean thermal energy, wave or tidal energy, wind, fuel cells, landfill gas, hydrogen production and hydrogen conversion technologies, low-emission

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

- (3) Beginning January 1, 2011, each electric utility shall collect from each residential, commercial, and industrial electric utility customer a monthly charge of 25 cents as a systems benefits charge. The electric utilities shall deposit the collected funds into the Sustainable and Renewable Energy Policy Trust Fund.
- (4) (a) The Florida Energy and Climate Commission shall establish a direct-support organization to provide assistance, funding, and support for the commission in carrying out its mission.
- (b) The direct-support organization shall be governed by a board of directors. The board of directors shall consist of nine members, as follows:
- 1. The chair of the Florida Public Service Commission, or his or her designee.
- 2. The Secretary of Environmental Protection, or his or her designee.
 - 3. Two members appointed by the Governor, both of whom are

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residential electric utility customers and one of whom has experience relating to low-income housing concerns.

- 4. Two members appointed by the President of the Senate, both of whom are members of the Senate and one of whom is a member of the minority party.
- 5. Two members appointed by the Speaker of the House of Representatives, both of whom are members of the House of Representatives and one of whom is a member of the minority party.
- 6. One member appointed by the Chief Financial Officer who has experience related to renewable energy business or commercial investments.
- years, except those members of the Senate and the House of
 Representatives, who shall serve 2-year terms concurrent with
 the 2-year elected terms of House members. The terms of the
 initial appointees, except those members of the Senate and the
 House of Representatives, shall be for 1 year, 2 years, or 3
 years in order to achieve staggered terms. A member may be
 reappointed when his or her term expires. The head of the
 commission or his or her designee shall serve as an ex officio
 member of the board of directors.
- (d) Members must be residents of this state. A majority of the members must be actively involved with sustainable and renewable energy systems and highly knowledgeable about the commission, its research, and its mission. A member may be removed by the Governor, the President of the Senate, the Speaker of the House of Representatives, or the Chief Financial

Officer for cause and with the approval of a majority of the
members of the board of directors. A vacancy shall be filled in
the same manner as the initial appointment.

- (e) The direct-support organization shall operate under a written contract with the commission. The written contract must provide for:
- 1. Certification by the commission that the direct-support organization is complying with the terms of the contract and is doing so consistent with the goals and purposes of the department and in the best interests of the state. This certification must be made annually and reported in the official minutes of a meeting of the direct-support organization.
- 2. The reversion of moneys and property held by the direct-support organization:
- <u>a.</u> To the commission, if the direct-support organization is no longer approved to operate for the commission or if the direct-support organization ceases to exist; or
 - b. To the state, if the commission ceases to exist.
- 3. The disclosure of the material provisions of the contract and the distinction between the commission and the direct-support organization to donors of gifts, contributions, or bequests, including such disclosure on all promotional and fundraising publications.
- (f)1. The commission may permit the use of its property, facilities, and personal services by the direct-support organization, subject to this section.
- 2. The commission may prescribe by contract any condition with which the direct-support organization must comply in order

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to use property, facilities, or personal services of the commission.

- 3. The commission may not permit the use of its property, facilities, or personal services by any direct-support organization organized under this section which does not provide equal employment opportunities to all persons regardless of race, color, national origin, gender, age, or religion.
- (g) Any transaction or agreement between the directsupport organization created by this section and another directsupport organization or other entity must be approved by the Governor.
- (h) All moneys received by the direct-support organization from federal and state grants, private contributions, and the Sustainable and Renewable Energy Policy Trust Fund shall be deposited into an account of the direct-support organization.

 The direct-support organization shall use the collected charges to support funding for sustainable and renewable energy projects, including, but not limited to, grants to provide funding in the following order of priority:
- 1. Any backlog of approved rebate applications for the Solar Energy Systems Incentive Program.
- 2. The implementation of innovation to market projects, with specific attention directed toward the number of in-state jobs created.
- 3. Energy conservation and energy efficiency projects, with specific attention directed to projects for low-income housing, including rental units, rental homes, condominiums, and single-family homes.

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

- 2. The direct-support organization shall submit to the commission its federal Internal Revenue Service Application for Recognition of Exemption form and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form.
- (j) The direct-support organization shall provide for an annual financial audit in accordance with s. 215.981, Florida Statutes.
- Section 2. Subsections (1), (2), (3), and (6) of section 377.806, Florida Statutes, are amended to read:
 - 377.806 Solar Energy System Incentives Program.-
- (1) PURPOSE.—The Solar Energy System Incentives Program is established within the commission to provide financial incentives for the purchase and installation of solar energy systems. Any resident of the state who purchases and installs a new solar energy system of 2 kilowatts or larger for a solar photovoltaic system, a solar energy system that provides at least 50 percent of a building's hot water consumption for a solar thermal system, or a solar thermal pool heater, from July 1, 2011 2006, through June 30, 2015 2010, is eligible for a rebate on a portion of the purchase price of that solar energy system.
 - (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.-
- (a) Eligibility requirements.—A solar photovoltaic system qualifies for a rebate if:
 - 1. The system is installed by a state-licensed master

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electrician, electrical contractor, or solar contractor.

- 2. The system complies with state interconnection standards as provided by the Florida Public Service Commission.
- 3. The system complies with all applicable building codes as defined by the Florida Building Code.
- (b) Rebate amounts.—The rebate amount shall be set at \$2.50 \$4 per watt for the first year, \$2 per watt for the second and third years, and \$1.50 per watt for each subsequent year, based on the total wattage rating of the system. The maximum allowable rebate per solar photovoltaic system installation shall be as follows:
 - 1. Ten Twenty thousand dollars for a residence.
- 2. <u>Fifty One hundred</u> thousand dollars for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings.
 - (3) SOLAR THERMAL SYSTEM INCENTIVE.
- (a) Eligibility requirements.—A solar thermal system qualifies for a rebate if:
- 1. The system is installed by a state-licensed solar or plumbing contractor or, for the installation of a roofing contractor installing standing seam hybrid thermal roofs, a state-licensed roofing contractor.
- 2. The system complies with all applicable building codes as defined by the Florida Building Code.
- (b) Rebate amounts.—Authorized rebates for installation of solar thermal systems shall be as follows:
 - 1. Five hundred dollars for a residence.

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2. Fifteen dollars per 1,000 Btu up to a maximum of \$5,000 for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings.

(6) REBATE AVAILABILITY.-

- (a) The commission shall determine and publish on a monthly regular basis the total number of rebates issued, the amount of each rebate issued, the amount of rebate funds remaining in the current each fiscal year, and a statement that rebate applications will not be accepted after funds for the current fiscal year are depleted.
- (b) The total dollar amount of all rebates issued is subject to the total amount of appropriations in any fiscal year for this program. If funds are insufficient during the current fiscal year, any requests for rebates received during that fiscal year may be processed during the following fiscal year. Requests for rebates received in a fiscal year that are processed during the following fiscal year shall be given priority over requests for rebates received during the following fiscal year.
- (c) Before accepting any new rebate applications or issuing any new rebates, the commission shall issue rebates for applications that were approved through June 30, 2010, but were not paid due to insufficient funds. Such rebates shall be issued in the order the applications were approved.
- Section 3. (1) For the 2010-2011 fiscal year, the sum of \$130 million in nonrecurring funds is appropriated from the General Revenue Fund to the Florida Energy and Climate

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commission for the purpose of administering the Solar Energy
System Incentives Program pursuant to s. 377.806, Florida
Statutes. The commission shall allocate \$30 million of such
funds to issue rebates for applications that were approved
through June 30, 2010, but were not paid due to insufficient
funds.
(2) For the 2010-2011 fiscal year, the sum of \$50 million
in nonrecurring funds is appropriated from the General Revenue
Fund to the Department of Community Affairs for the purpose of

administering the Low-income Emergency Home Repair Program pursuant to s. 420.36, Florida Statutes.

Section 4. This act shall take effect upon becoming a law.