

1 A bill to be entitled
 2 An act relating to local government energy zones; defining
 3 terms; authorizing a local government to create an energy
 4 zone by ordinance; authorizing retail sales by any
 5 producer of renewable energy within an energy zone;
 6 requiring utilities to offer a disconnectable rate
 7 structure for any service to a producer and the producer's
 8 customers within the boundaries of an energy zone;
 9 providing for waiver of certain fees; requiring the Public
 10 Service Commission to adopt rules to govern sales by
 11 producers of renewable energy within the local government
 12 energy zone; providing that a disconnectable rate
 13 structure voids a specified concern; requiring that the
 14 commission submit reports to the Legislature; amending s.
 15 366.02, F.S.; redefining a term to exempt producers and
 16 sellers of renewable energy from economic regulation by
 17 the Public Service Commission; providing an effective
 18 date.

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

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 22 Section 1. Local government energy zones.—
 23 (1) As used in this section, the term:
 24 (a) "Local government" means a county or a municipality.
 25 (b) "New customer" means a residential or business
 26 location at which no previous sales of electricity have occurred
 27 which are unrelated to development or construction of the
 28 property.

29 (c) "Renewable energy" has the same meaning as provided in
 30 s. 366.91, Florida Statutes.

31 (2) A local government may adopt an ordinance establishing
 32 an energy zone within its political or geographic boundaries.
 33 Within this energy zone, any producer of renewable energy may
 34 sell renewable energy to any new customer directly at retail for
 35 any price agreed upon. All renewable energy sold under this
 36 section must be produced and used within the boundaries of the
 37 energy zone or net metered into the grid of the utility that
 38 serves the energy zone at established renewable energy rates.
 39 The utility that serves the energy zone shall offer a
 40 disconnectable rate structure for any service to a producer and
 41 the producer's customers within the boundaries of the energy
 42 zone. All producers of renewable energy sold pursuant to this
 43 section must pay the utility that serves the energy zone 1 1/2
 44 cents per kilowatt hour of renewable energy produced and sold
 45 unless the utility services to a producer and the producer's
 46 customers are on a utility-controlled disconnectable rate
 47 structure, in which case the payment of 1 1/2 cents per kilowatt
 48 hour is waived.

49 (3) The Florida Public Service Commission shall adopt
 50 rules to govern sales made pursuant to this section, and all
 51 sales of renewable energy within an energy zone are subject to
 52 the rules. When adopting such rules, the commission must
 53 establish, at a minimum:

54 (a) Requirements related to interconnection and metering.

55 (b) A mechanism for setting rates for any service provided
 56 to the consumer by the utility if such service is required by

57 the consumer, which rates must ensure that the utility's general
 58 body of ratepayers does not subsidize the consumer in any way,
 59 including the creation of any redundant utility generating
 60 capacity necessary to serve the consumer. A utility-controlled
 61 disconnectable rate structure for any service to the producer
 62 and the producer's customers within the boundaries of an energy
 63 zone voids the concern of redundant utility generating capacity.

64 (c) Requirements for notice to the commission of the size
 65 and location of each renewable energy generation facility
 66 planned under this section, the identity and historical and
 67 projected load characteristics for the facility, and any other
 68 information deemed necessary by the commission to satisfy its
 69 obligations under s. 366.04(5), Florida Statutes.

70 (4) Beginning January 1, 2012, and at least once every 6
 71 months thereafter, the commission shall submit a report to the
 72 Legislature concerning the activity under this section. The
 73 report must address the effect of such activity on the electric
 74 power grid of the state, the individual utility systems, and
 75 each utility's general body of ratepayers. The report must also
 76 include recommendations concerning implementation of this
 77 program.

78 Section 2. Subsection (1) of section 366.02, Florida
 79 Statutes, is amended to read:

80 366.02 Definitions.—As used in this chapter:

81 (1) "Public utility" means every person, corporation,
 82 partnership, association, or other legal entity and their
 83 lessees, trustees, or receivers supplying electricity or gas,
 84 whether ~~(natural, manufactured, or similar gaseous substance,)~~

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85 to or for the public within this state.~~†~~ but The term "public
 86 utility" does not include: ~~either~~

87 (a) A cooperative now or hereafter organized and existing
 88 under the Rural Electric Cooperative Law of the state.~~†~~

89 (b) A municipality or any agency thereof.~~†~~

90 (c) Any dependent or independent special natural gas
 91 district.~~†~~

92 (d) Any natural gas transmission pipeline company making
 93 only sales or transportation delivery of natural gas at
 94 wholesale and to direct industrial consumers.~~†~~

95 (e) Any entity selling or arranging for sales of natural
 96 gas which neither owns nor operates natural gas transmission or
 97 distribution facilities within the state.~~†~~~~or~~

98 (f) A person supplying liquefied petroleum gas, in either
 99 liquid or gaseous form, irrespective of the method of
 100 distribution or delivery, or owning or operating facilities
 101 beyond the outlet of a meter through which natural gas is
 102 supplied for compression and delivery into motor vehicle fuel
 103 tanks or other transportation containers, unless the ~~such~~ person
 104 also supplies electricity or manufactured or natural gas.

105 (g) A producer and seller of renewable energy under
 106 section 1 of this act.

107 Section 3. This act shall take effect July 1, 2011.