

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED  (Y/N)  
 ADOPTED AS AMENDED  (Y/N)  
 ADOPTED W/O OBJECTION  (Y/N)  
 FAILED TO ADOPT  (Y/N)  
 WITHDRAWN  (Y/N)  
 OTHER

1 Committee/Subcommittee hearing bill: Regulatory Affairs  
 2 Committee

3 Representative Diaz, J. offered the following:

4  
 5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Subsections (2) and (3) of section 366.93,  
 8 Florida Statutes, are amended, and subsection (7) is added to  
 9 that section, to read:

10 (2) ~~Within 6 months after the enactment of this act,~~ The  
 11 commission shall establish, by rule, alternative cost recovery  
 12 mechanisms for the recovery of costs incurred in the siting,  
 13 design, licensing, and construction of a nuclear power plant,  
 14 including new, expanded, or relocated electrical transmission  
 15 lines and facilities that are necessary thereto, or of an  
 16 integrated gasification combined cycle power plant. Such  
 17 mechanisms shall be designed to promote utility investment in  
 18 nuclear or integrated gasification combined cycle power plants  
 19 and allow for the recovery in rates of all prudently and

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20 reasonably incurred costs and shall include, but not be limited  
21 to:

22 (a) Recovery through the capacity cost recovery clause of  
23 any preconstruction costs.

24 (b) Recovery through an incremental increase in the  
25 utility's capacity cost recovery clause rates of the carrying  
26 costs on the utility's projected construction cost balance  
27 associated with the nuclear or integrated gasification combined  
28 cycle power plant. ~~To encourage investment and provide  
29 certainty, for nuclear or integrated gasification combined cycle  
30 power plant need petitions submitted on or before December 31,  
31 2010,~~ Associated carrying costs shall be equal to the utility's  
32 pretax AFUDC rate approved by the commission ~~in effect upon this  
33 act becoming law. For nuclear or integrated gasification  
34 combined cycle power plants for which need petitions are  
35 submitted after December 31, 2010, the utility's existing pretax  
36 AFUDC rate is presumed to be appropriate unless determined  
37 otherwise by the commission in the determination of need for the  
38 nuclear or integrated gasification combined cycle power plant.~~

39 (3) (a) After a petition for determination of need is  
40 granted, a utility may petition the commission for cost recovery  
41 as permitted by this section and commission rules. The utility  
42 shall identify, on each customer bill, the amount of the bill  
43 attributable to recovery of costs authorized by the commission  
44 pursuant to this section.

45 (b) No longer than one year after the date on which a  
46 utility obtains a combined license from the Nuclear Regulatory  
47 Commission for a nuclear power plant, the utility shall file

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48 with the commission a petition demonstrating that the utility  
49 intends to construct the plant and, based on updated cost  
50 estimates, construction schedules, and feasibility analyses,  
51 that construction of the plant will continue to provide the most  
52 cost-effective source of power for the consumer, taking into  
53 account whether the plant provides needed base-load capacity to  
54 the consumer, improves the balance of fuel diversity, and  
55 enhances the long-term stability and reliability of the electric  
56 grid. If the commission finds that these conditions exist, the  
57 utility shall remain eligible for cost recovery pursuant to this  
58 section.

59 (c) The utility may recover the costs specified under  
60 subsection (2) until the nuclear or integrated gasification  
61 combined cycle power plant is placed in commercial service,  
62 provided that such cost recovery shall not extend beyond  
63 December 31, 2025, for a nuclear power plant.

64 (7) This section applies only to nuclear power plants for  
65 which the commission granted a determination of need before  
66 January 1, 2013, and to integrated gasification combined cycle  
67 power plants granted a determination of need thereafter.

68 Section 2. The Public Service Commission shall perform a  
69 comprehensive review of the continuing prudence, cost  
70 effectiveness, and need for any proposed nuclear power plant for  
71 which cost recovery under section 366.93, Florida Statutes, has  
72 been authorized if the currently anticipated inservice date for  
73 the plant has been extended more than 6 years beyond the  
74 original proposed inservice date and if the most recent estimate  
75 of the plant's total cost has increased by more than 50 percent

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76 of the original cost estimate for the plant. In making this  
77 determination, the commission must consider all relevant  
78 factors, including, but not limited to, the utility's need for  
79 the plant, technology and fuel choices, applicable federal and  
80 state licensing and permitting factors, and short- and long-term  
81 costs to ratepayers. Based on its review, the commission shall  
82 determine whether to authorize for cost recovery under section  
83 366.93, Florida Statutes, any new or future costs for which cost  
84 recovery has not already been authorized. Such review shall  
85 commence on or before July 1, 2013, and shall be completed by  
86 February 1, 2014.

87 Section 3. This act shall take effect July 1, 2013.

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91 **T I T L E A M E N D M E N T**

92 Remove everything before the enacting clause and insert:

93 An act relating to cost recovery for nuclear and  
94 integrated gasification combined cycle power plants;  
95 amending s. 366.93, F.S.; revising provisions  
96 establishing alternative cost recovery mechanisms;  
97 revising provisions for the calculation of carrying  
98 costs; providing for identification of certain costs  
99 on customer bills; authorizing the Public Service  
100 Commission to approve recovery of costs after federal  
101 licensure under certain conditions; providing a  
102 timeframe for the recovery of specified costs;  
103 providing for applicability; requiring the Public

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104 Service Commission to review the circumstances  
105 surrounding a proposed nuclear power plant if the  
106 anticipated cost and completion date exceed the  
107 original cost and completion date by a certain amount  
108 or period; specifying factors to be considered and  
109 dates by which the review must commence and be  
110 completed; providing an effective date.