

HB 7167

2013

1 A bill to be entitled
2 An act relating to cost recovery for nuclear and
3 integrated gasification combined cycle power plants;
4 amending s. 366.93, F.S.; revising provisions
5 establishing alternative cost recovery mechanisms;
6 revising provisions for the calculation of carrying
7 costs; providing a timeframe for the recovery of
8 specified costs; authorizing the Public Service
9 Commission to approve recovery of costs after final
10 licensure under certain conditions; providing for
11 applicability; providing an effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Subsections (2) and (3) of section 366.93,
16 Florida Statutes, are amended, and subsection (7) is added to
17 that section, to read:

18 366.93 Cost recovery for the siting, design, licensing,
19 and construction of nuclear and integrated gasification combined
20 cycle power plants.—

21 (2) ~~Within 6 months after the enactment of this act,~~ The
22 commission shall establish, by rule, alternative cost recovery
23 mechanisms for the recovery of costs incurred in the siting,
24 design, licensing, and construction of a nuclear power plant,
25 including new, expanded, or relocated electrical transmission
26 lines and facilities that are necessary thereto, or of an
27 integrated gasification combined cycle power plant. Such
28 mechanisms shall:

HB 7167

2013

29 (a) Be designed to promote utility investment in nuclear
30 or integrated gasification combined cycle power plants and allow
31 for the recovery in rates of all prudently and reasonably
32 incurred costs and shall include, but not be limited to:

33 1.(a) Recovery through the capacity cost recovery clause
34 of any preconstruction costs.

35 2.(b) Recovery through an incremental increase in the
36 utility's capacity cost recovery clause rates of the carrying
37 costs on the utility's projected construction cost balance
38 associated with the nuclear or integrated gasification combined
39 cycle power plant. ~~To encourage investment and provide~~
40 ~~certainty, for nuclear or integrated gasification combined cycle~~
41 ~~power plant need petitions submitted on or before December 31,~~
42 ~~2010,~~ Associated carrying costs shall be equal to the utility's
43 pretax AFUDC rate approved by the commission in effect upon this
44 ~~act becoming law. For nuclear or integrated gasification~~
45 ~~combined cycle power plants for which need petitions are~~
46 ~~submitted after December 31, 2010, the utility's existing pretax~~
47 ~~AFUDC rate is presumed to be appropriate unless determined~~
48 ~~otherwise by the commission in the determination of need for the~~
49 ~~nuclear or integrated gasification combined cycle power plant.~~

50 (b) Provide for recovery of the costs specified under
51 paragraph (a) until the nuclear or integrated gasification
52 combined cycle power plant is placed in commercial service or
53 until December 31, 2025, whichever occurs first.

54 (3) After a petition for determination of need is granted,
55 a utility may petition the commission for cost recovery as
56 permitted by this section and commission rules. The commission

HB 7167

2013

57 may approve recovery of costs incurred after final licensure of
58 a nuclear power plant by the Nuclear Regulatory Commission only
59 upon finding, based on updated cost estimates, construction
60 schedules, and feasibility analyses, that construction of the
61 plant will continue to provide the most cost-effective source of
62 power for the consumer, taking into account whether the plant
63 provides needed base-load capacity for the consumer, improves
64 the balance of fuel diversity, and enhances the long-term
65 stability and reliability of the electric grid.

66 (7) This section applies only to power plants for which
67 the commission granted a determination of need before January 1,
68 2013.

69 Section 2. This act shall take effect July 1, 2013.