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1
2 An act relating to the Florida Public Service
3 Commission; amending s. 350.01, F.S.; providing term
4 limits for commissioners appointed after a specified
5 date; requiring that specified meetings, workshops,
6 hearings, or proceedings of the commission be streamed
7 live and recorded copies be made available on the
8 commission's website; amending s. 350.031, F.S.;
9 requiring a person who lobbies a member of the Florida
10 Public Service Commission Nominating Council to
11 register as a lobbyist; requiring implementation by
12 joint rule; amending s. 350.041, F.S.; requiring
13 public service commissioners to annually complete
14 ethics training; amending s. 350.042, F.S.; revising
15 the prohibition against ex parte communications to
16 include any matter that a commissioner knows or
17 reasonably expects will be filed within a certain
18 timeframe; providing legislative intent; defining
19 terms; applying the prohibition against ex parte
20 communications to specified meetings; specifying
21 conditions under which the Governor must remove from
22 office any commissioner found to have willfully and
23 knowingly violated the ex parte communications law;
24 amending s. 366.05, F.S.; limiting the use of tiered
25 rates in conjunction with extended billing periods;
26 limiting deposit amounts; requiring a utility to

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27 | notify each customer if it has more than one rate for
28 | any customer class; requiring the utility to provide
29 | good faith assistance to the customer in determining
30 | the best rate; assigning responsibility to the
31 | customer for the rate selection; requiring the
32 | commission to approve new tariffs and certain changes
33 | to existing tariffs; amending s. 366.82, F.S.;
34 | requiring that money received by a utility for the
35 | development of demand-side renewable energy systems be
36 | used solely for that purpose; creating s. 366.95,
37 | F.S.; defining terms; authorizing electric utilities
38 | to petition the commission for certain financing
39 | orders that authorize the issuance of nuclear asset-
40 | recovery bonds, authorize the imposition, collection,
41 | and periodic adjustments of nuclear asset-recovery
42 | charges, and authorize the creation of nuclear asset-
43 | recovery property; providing requirements; providing
44 | exceptions to the commission's jurisdiction for
45 | certain aspects of financing orders; specifying duties
46 | of electric utilities that have obtained a financing
47 | order and issued nuclear asset-recovery bonds;
48 | specifying properties, requirements, and limitations
49 | relating to nuclear asset-recovery property; providing
50 | requirements as to the sufficiency of the description
51 | of certain nuclear asset-recovery property; subjecting
52 | financing statements to the Uniform Commercial Code;

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53 providing an exception; specifying that nuclear asset-
54 recovery bonds are not public debt; specifying certain
55 state pledges relating to bondholders; declaring that
56 certain entities are not electric utilities under
57 certain circumstances; specifying effect of certain
58 provisions in situations of conflict; providing for
59 protecting validity of certain bonds under certain
60 circumstances; providing penalties; providing an
61 effective date.

62
63 Be It Enacted by the Legislature of the State of Florida:

64
65 Section 1. Subsection (3) of section 350.01, Florida
66 Statutes, is amended, and subsection (8) is added to that
67 section, to read:

68 350.01 Florida Public Service Commission; terms of
69 commissioners; vacancies; election and duties of chair; quorum;
70 proceedings.—

71 (3) Any person serving on the commission who seeks to be
72 appointed or reappointed shall file with the nominating council
73 no later than June 1 prior to the year in which his or her term
74 expires a statement that he or she desires to serve an
75 additional term. A commissioner appointed after July 1, 2015,
76 may not serve more than three consecutive terms.

77 (8) Each meeting, including each internal affairs meeting,
78 workshop, hearing, or other proceeding attended by two or more

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79 commissioners, and each such meeting, workshop, hearing, or
 80 other proceeding where a decision that concerns the rights or
 81 obligations of any person is made, shall be streamed live on the
 82 Internet and a recorded copy of the meeting, workshop, hearing,
 83 or proceeding shall be made available on the commission's
 84 website.

85 Section 2. Subsection (10) is added to section 350.031,
 86 Florida Statutes, to read:

87 350.031 Florida Public Service Commission Nominating
 88 Council.—

89 (10) In keeping with the purpose of the council, which is
 90 to select nominees to be appointed to an arm of the legislative
 91 branch of government, a person who is employed and receives
 92 payment, or who contracts for economic consideration, for the
 93 purpose of influencing or attempting to influence action of the
 94 council through oral or written communication or through an
 95 attempt to obtain the goodwill of a legislator or nonlegislator
 96 member of the council, or a person who is principally employed
 97 for governmental affairs by another person or governmental
 98 entity to act on behalf of that other person or entity for this
 99 purpose, must register as a lobbyist pursuant to s. 11.045 and
 100 otherwise comply with the requirements of that section. The
 101 Legislature shall implement this subsection by joint rule.

102 Section 3. Subsection (3) of section 350.041, Florida
 103 Statutes, is renumbered as subsection(4), and a new subsection
 104 (3) is added to that section to read:

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105 350.041 Commissioners; standards of conduct.—
 106 (3) ETHICS TRAINING.—Beginning January 1, 2016, a
 107 commissioner must annually complete at least 4 hours of ethics
 108 training that addresses, at a minimum, s. 8, Art. II of the
 109 State Constitution, the Code of Ethics for Public Officers and
 110 Employees, and the public records and public meetings laws of
 111 this state. This requirement may be satisfied by completion of a
 112 continuing legal education class or other continuing
 113 professional education class, seminar, or presentation, if the
 114 required subjects are covered.

115 Section 4. Subsections (1) and (3) and paragraph (b) of
 116 subsection (7) of section 350.042, Florida Statutes, are amended
 117 to read:

118 350.042 Ex parte communications.—
 119 (1) A commissioner should accord to every person who is
 120 legally interested in a proceeding, or the person's lawyer, full
 121 right to be heard according to law, and, except as authorized by
 122 law, shall neither initiate nor consider ex parte communications
 123 concerning the merits, threat, or offer of reward in any
 124 proceeding under s. 120.569 or s. 120.57 that is currently
 125 pending before the commission or that he or she knows or
 126 reasonably expects will be filed with the commission within 180
 127 days after the date of any such communication, other than a
 128 proceeding under s. 120.54 or s. 120.565, workshops, or internal
 129 affairs meetings. An ~~No~~ individual may not ~~shall~~ discuss ex
 130 parte with a commissioner the merits of any issue that he or she

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131 knows will be filed with the commission within 180 ~~90~~ days. ~~The~~
 132 ~~provisions of~~ This subsection does ~~shall~~ not apply to commission
 133 staff.

134 (3) (a) The Legislature finds that it is important to have
 135 commissioners who are educated and informed on regulatory
 136 policies and developments in science, technology, business
 137 management, finance, law, and public policy which are associated
 138 with the industries that the commissioners regulate. The
 139 Legislature also finds that it is in the public interest for
 140 commissioners to become educated and informed on these matters
 141 through active participation in meetings that are scheduled by
 142 organizations that sponsor such educational or informational
 143 sessions, programs, conferences, and similar events and that are
 144 duly noticed and open to the public.

145 (b) As used in this subsection, the term "active
 146 participation" or "participating in" includes, but is not
 147 limited to, attending or speaking at educational sessions,
 148 participating in organization governance by attending meetings,
 149 serving on committees or in leadership positions, participating
 150 in panel discussions, and attending meals and receptions
 151 associated with such events that are open to all attendees.

152 (c) The prohibition in subsection (1) remains in effect at
 153 all times at such meetings wherever located. While participating
 154 in such meetings, a commissioner shall:

155 1. Refrain from commenting on or discussing any proceeding
 156 under s. 120.569 or s. 120.57 which is currently pending before

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157 | the commission or that he or she knows or reasonably expects
 158 | will be filed with the commission within 180 days after the
 159 | meeting.

160 | 2. Use reasonable care to ensure that the content of the
 161 | educational session or other session in which the commissioner
 162 | participates is not designed to address or create a forum to
 163 | influence the commissioner on any proceeding under s. 120.569 or
 164 | s. 120.57 which is currently pending before the commission or
 165 | that he or she knows or reasonably expects will be filed with
 166 | the commission within 180 days after the meeting ~~This section~~
 167 | ~~shall not apply to oral communications or discussions in~~
 168 | ~~scheduled and noticed open public meetings of educational~~
 169 | ~~programs or of a conference or other meeting of an association~~
 170 | ~~of regulatory agencies.~~

171 | (7)

172 | (b) If the Commission on Ethics finds that there has been
 173 | a violation of this section by a public service commissioner, it
 174 | shall provide the Governor and the Florida Public Service
 175 | Commission Nominating Council with a report of its findings and
 176 | recommendations. The Governor is authorized to enforce the
 177 | findings and recommendations of the Commission on Ethics,
 178 | pursuant to part III of chapter 112 and to remove from office a
 179 | commissioner who is found by the Commission on Ethics to have
 180 | willfully and knowingly violated this section. The Governor
 181 | shall remove from office a commissioner who is found by the
 182 | Commission on Ethics to have willfully and knowingly violated

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183 this section after a previous finding by the Commission on
 184 Ethics that the commissioner willfully and knowingly violated
 185 this section in a separate matter.

186 Section 5. Subsection (1) of section 366.05, Florida
 187 Statutes, is amended to read:

188 366.05 Powers.—

189 (1) (a) In the exercise of such jurisdiction, the
 190 commission shall have power to prescribe fair and reasonable
 191 rates and charges, classifications, standards of quality and
 192 measurements, including the ability to adopt construction
 193 standards that exceed the National Electrical Safety Code, for
 194 purposes of ensuring the reliable provision of service, and
 195 service rules and regulations to be observed by each public
 196 utility; to require repairs, improvements, additions,
 197 replacements, and extensions to the plant and equipment of any
 198 public utility when reasonably necessary to promote the
 199 convenience and welfare of the public and secure adequate
 200 service or facilities for those reasonably entitled thereto; to
 201 employ and fix the compensation for such examiners and
 202 technical, legal, and clerical employees as it deems necessary
 203 to carry out the provisions of this chapter; and to adopt rules
 204 pursuant to ss. 120.536(1) and 120.54 to implement and enforce
 205 the provisions of this chapter.

206 (b) If the commission authorizes a public utility to
 207 charge tiered rates based upon levels of usage and to vary its
 208 regular billing period, the utility may not charge a customer a

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209 higher rate because of an increase in usage attributable to an
210 extension of the billing period; however, the regular meter
211 reading date may not be advanced or postponed more than 5 days
212 for routine operating reasons without prorating the billing for
213 the period.

214 (c) Effective January 1, 2016, a utility may not charge or
215 receive a deposit in excess of the following amounts:

216 1. For an existing account, the total deposit may not
217 exceed 2 months of average actual charges, calculated by adding
218 the monthly charges from the 12-month period immediately before
219 the date any change in the deposit amount is sought, dividing
220 this total by 12, and multiplying the result by 2. If the
221 account has less than 12 months of actual charges, the deposit
222 shall be calculated by adding the available monthly charges,
223 dividing this total by the number of months available, and
224 multiplying the result by 2.

225 2. For a new service request, the total deposit may not
226 exceed 2 months of projected charges, calculated by adding the
227 12 months of projected charges, dividing this total by 12, and
228 multiplying the result by 2. Once a new customer has had
229 continuous service for a 12-month period, the amount of the
230 deposit shall be recalculated using actual data. Any difference
231 between the projected and actual amounts must be resolved by the
232 customer paying any additional amount that may be billed by the
233 utility or the utility returning any overcharge.

234 (d) If a utility has more than one rate for any customer

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235 class, it must notify each customer in that class of the
 236 available rates and explain how the rate is charged to the
 237 customer. If a customer contacts the utility seeking assistance
 238 in selecting the most advantageous rate, the utility must
 239 provide good faith assistance to the customer. The customer is
 240 responsible for charges for service provided under the selected
 241 rate.

242 (e) New tariffs and changes to an existing tariff, other
 243 than an administrative change that does not substantially change
 244 the meaning or operation of the tariff, must be approved by
 245 majority vote of the commission, except as otherwise
 246 specifically provided by law.

247 Section 6. Subsection (2) of section 366.82, Florida
 248 Statutes, is amended to read:

249 366.82 Definition; goals; plans; programs; annual reports;
 250 energy audits.—

251 (2) The commission shall adopt appropriate goals for
 252 increasing the efficiency of energy consumption and increasing
 253 the development of demand-side renewable energy systems,
 254 specifically including goals designed to increase the
 255 conservation of expensive resources, such as petroleum fuels, to
 256 reduce and control the growth rates of electric consumption, to
 257 reduce the growth rates of weather-sensitive peak demand, and to
 258 encourage development of demand-side renewable energy resources.
 259 The commission may allow efficiency investments across
 260 generation, transmission, and distribution as well as

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261 efficiencies within the user base. Moneys received by a utility
 262 to implement measures to encourage the development of demand-
 263 side renewable energy systems shall be used solely for such
 264 purposes and related administrative costs.

265 Section 7. Section 366.95, Florida Statutes, is created to
 266 read:

267 366.95 Financing for certain nuclear generating asset
 268 retirement or abandonment costs.-

269 (1) DEFINITIONS.-As used in this section, the term:

270 (a) "Ancillary agreement" means any bond, insurance
 271 policy, letter of credit, reserve account, surety bond, interest
 272 rate lock or swap arrangement, hedging arrangement, liquidity or
 273 credit support arrangement, or other financial arrangement
 274 entered into in connection with nuclear asset-recovery bonds.

275 (b) "Assignee" means any entity, including, but not
 276 limited to, a corporation, limited liability company,
 277 partnership or limited partnership, public authority, trust,
 278 financing entity, or other legally recognized entity to which an
 279 electric utility assigns, sells, or transfers, other than as
 280 security, all or a portion of its interest in or right to
 281 nuclear asset-recovery property. The term also includes any
 282 entity to which an assignee assigns, sells, or transfers, other
 283 than as security, its interest in or right to nuclear asset-
 284 recovery property.

285 (c) "Commission" means the Florida Public Service
 286 Commission.

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287 (d) "Electric utility" or "utility" has the same meaning
 288 as provided in s. 366.8255.

289 (e) "Financing costs" means:

290 1. Interest and acquisition, defeasance, or redemption
 291 premiums payable on nuclear asset-recovery bonds;

292 2. Any payment required under an ancillary agreement and
 293 any amount required to fund or replenish a reserve account or
 294 other accounts established under the terms of any indenture,
 295 ancillary agreement, or other financing documents pertaining to
 296 nuclear asset-recovery bonds;

297 3. Any other cost related to issuing, supporting,
 298 repaying, refunding, and servicing nuclear asset-recovery bonds,
 299 including, but not limited to, servicing fees, accounting and
 300 auditing fees, trustee fees, legal fees, consulting fees,
 301 financial advisor fees, administrative fees, placement and
 302 underwriting fees, capitalized interest, rating agency fees,
 303 stock exchange listing and compliance fees, security
 304 registration fees, filing fees, information technology
 305 programming costs, and any other costs necessary to otherwise
 306 ensure the timely payment of nuclear asset-recovery bonds or
 307 other amounts or charges payable in connection with the bonds,
 308 including costs related to obtaining the financing order;

309 4. Any taxes and license fees imposed on the revenues
 310 generated from the collection of the nuclear asset-recovery
 311 charge;

312 5. Any state and local taxes, franchise, gross receipts,

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313 and other taxes or similar charges, including, but not limited
 314 to, regulatory assessment fees, in any such case whether paid,
 315 payable, or accrued; and

316 6. Any costs incurred by the commission for any outside
 317 consultants or counsel pursuant to subparagraph (2)(c)2.

318 (f) "Financing order" means an order that authorizes the
 319 issuance of nuclear asset-recovery bonds; the imposition,
 320 collection, and periodic adjustments of the nuclear asset-
 321 recovery charge; and the creation of nuclear asset-recovery
 322 property.

323 (g) "Financing party" means any and all of the following:
 324 holders of nuclear asset-recovery bonds and trustees, collateral
 325 agents, any party under an ancillary agreement, or any other
 326 person acting for the benefit of holders of nuclear asset-
 327 recovery bonds.

328 (h) "Financing statement" has the same meaning as provided
 329 in Article 9 of the Uniform Commercial Code.

330 (i) "Nuclear asset-recovery bonds" means bonds,
 331 debentures, notes, certificates of participation, certificates
 332 of beneficial interest, certificates of ownership, or other
 333 evidences of indebtedness or ownership that are issued by an
 334 electric utility or an assignee pursuant to a financing order,
 335 the proceeds of which are used directly or indirectly to
 336 recover, finance, or refinance commission-approved nuclear
 337 asset-recovery costs and financing costs, and that are secured
 338 by or payable from nuclear asset-recovery property. If

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339 certificates of participation or ownership are issued,
 340 references in this section to principal, interest, or premium
 341 shall be construed to refer to comparable amounts under those
 342 certificates.

343 (j) "Nuclear asset-recovery charge" means the amounts
 344 authorized by the commission to repay, finance, or refinance
 345 nuclear asset-recovery costs and financing costs. If determined
 346 appropriate by the commission and provided for in a financing
 347 order, such amounts are to be imposed on and be a part of all
 348 customer bills and be collected by an electric utility or its
 349 successors or assignees, or a collection agent, in full through
 350 a nonbypassable charge that is separate and apart from the
 351 electric utility's base rates, which charge shall be paid by all
 352 existing or future customers receiving transmission or
 353 distribution service from the electric utility or its successors
 354 or assignees under commission-approved rate schedules or under
 355 special contracts, even if a customer elects to purchase
 356 electricity from an alternative electricity supplier following a
 357 fundamental change in regulation of public utilities in this
 358 state.

359 (k) "Nuclear asset-recovery costs" means:

360 1. At the option of and upon petition by the electric
 361 utility, and as approved by the commission pursuant to sub-
 362 subparagraph (2)(c)1.b., pretax costs that an electric utility
 363 has incurred or expects to incur which are caused by, associated
 364 with, or remain as a result of the early retirement or

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365 abandonment of a nuclear generating asset unit that generated
 366 electricity and is located in this state where such early
 367 retirement or abandonment is deemed to be reasonable and prudent
 368 by the commission through a final order approving a settlement
 369 or other final order issued by the commission before July 1,
 370 2017, and where the pretax costs to be securitized exceed \$750
 371 million at the time of the filing of the petition. Costs
 372 eligible or claimed for recovery pursuant to s. 366.93 are not
 373 eligible for securitization under this section unless they were
 374 in the electric utility's rate base and were included in base
 375 rates before retirement or abandonment.

376 2. Such pretax costs, where determined appropriate by the
 377 commission, include, but are not limited to, the capitalized
 378 cost of the retired or abandoned nuclear generating asset unit,
 379 other applicable capital and operating costs, accrued carrying
 380 charges, deferred expenses, reductions for applicable insurance
 381 and salvage proceeds and previously stipulated write-downs or
 382 write-offs, if any, and the costs of retiring any existing
 383 indebtedness, fees, costs, and expenses to modify existing debt
 384 agreements or for waivers or consents related to existing debt
 385 agreements.

386 (1) "Nuclear asset-recovery property" means:

387 1. All rights and interests of an electric utility or
 388 successor or assignee of the electric utility under a financing
 389 order, including the right to impose, bill, collect, and receive
 390 nuclear asset-recovery charges authorized under the financing

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391 order and to obtain periodic adjustments to such charges as
 392 provided in the financing order; or

393 2. All revenues, collections, claims, rights to payments,
 394 payments, money, or proceeds arising from the rights and
 395 interests specified in subparagraph 1., regardless of whether
 396 such revenues, collections, claims, rights to payment, payments,
 397 money, or proceeds are imposed, billed, received, collected, or
 398 maintained together with or commingled with other revenues,
 399 collections, rights to payment, payments, money, or proceeds.

400 (m) "Pledgee" means a financing party to which an electric
 401 utility or its successors or assignees mortgages, negotiates,
 402 hypothecates, pledges, or creates a security interest or lien on
 403 all or any portion of its interest in or right to nuclear asset-
 404 recovery property.

405 (n) "Uniform Commercial Code" has the same meaning as
 406 provided in chapters 670-680.

407 (2) FINANCING ORDERS.-

408 (a) An electric utility may petition the commission for a
 409 financing order. For each petition, the electric utility shall:

410 1. Describe the nuclear asset-recovery costs;

411 2. Indicate whether the utility proposes to finance all or
 412 a portion of the nuclear asset-recovery costs using nuclear
 413 asset-recovery bonds. If the utility proposes to finance a
 414 portion of such costs, the utility must identify the specific
 415 portion in the petition;

416 3. Estimate the financing costs related to the nuclear

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417 asset-recovery bonds;

418 4. Estimate the nuclear asset-recovery charges necessary
419 to recover the nuclear asset-recovery costs and financing costs
420 and the period for recovery of such costs;

421 5. Estimate any projected cost savings, based on current
422 market conditions, or demonstrate how the issuance of nuclear
423 asset-recovery bonds and the imposition of nuclear asset-
424 recovery charges would avoid or significantly mitigate rate
425 impacts to customers as compared with the traditional method of
426 financing and recovering nuclear asset-recovery costs from
427 customers;

428 6. Demonstrate that securitization has a significant
429 likelihood of resulting in lower overall costs or would avoid or
430 significantly mitigate rate impacts compared to the traditional
431 method of cost recovery; and

432 7. File direct testimony supporting the petition.

433 (b) If an electric utility is subject to a settlement
434 agreement that governs the type and amount of principal costs
435 that could be included in nuclear asset-recovery costs, the
436 electric utility must file a petition, or have filed a petition,
437 with the commission for review and approval of those principal
438 costs no later than 60 days before filing a petition for a
439 financing order pursuant to this section. The commission may not
440 authorize any such principal costs to be included or excluded,
441 as applicable, as nuclear asset-recovery costs if such inclusion
442 or exclusion, as applicable, of those costs would otherwise be

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443 precluded by such electric utility's settlement agreement.

444 (c)1. Proceedings on a petition submitted pursuant to
 445 paragraph (a) begin with the petition by an electric utility,
 446 filed subject to the timeframe specified in paragraph (b), if
 447 applicable, and shall be disposed of in accordance with chapter
 448 120 and applicable rules, except that this section, to the
 449 extent applicable, controls.

450 a. Within 7 days after the filing of a petition, the
 451 commission shall publish a case schedule, which must place the
 452 matter before the commission on an agenda that permits a
 453 commission decision no later than 120 days after the date the
 454 petition is filed.

455 b. No later than 135 days after the date the petition is
 456 filed, the commission shall issue a financing order or an order
 457 rejecting the petition. A party to the commission proceeding may
 458 petition the commission for reconsideration of the financing
 459 order within 5 days after the date of its issuance. The
 460 commission shall issue a financing order authorizing the
 461 financing of reasonable and prudent nuclear asset-recovery costs
 462 and financing costs if the commission finds that the issuance of
 463 the nuclear asset-recovery bonds and the imposition of nuclear
 464 asset-recovery charges authorized by the financing order have a
 465 significant likelihood of resulting in lower overall costs or
 466 would avoid or significantly mitigate rate impacts to customers
 467 as compared with the traditional method of financing and
 468 recovering nuclear asset-recovery costs. Any determination of

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469 whether nuclear asset-recovery costs are reasonable and prudent
470 shall be made with reference to the general public interest and
471 in accordance with paragraph (b), if applicable.

472 2. In a financing order issued to an electric utility, the
473 commission shall:

474 a. Except as provided in sub-subparagraph d. and
475 subparagraph 4., specify the amount of nuclear asset-recovery
476 costs to be financed using nuclear asset-recovery bonds, taking
477 into consideration, to the extent the commission deems
478 appropriate, any other methods used to recover these costs. The
479 commission shall describe and estimate the amount of financing
480 costs which may be recovered through nuclear asset-recovery
481 charges and specify the period over which such costs may be
482 recovered. Any such determination as to the overall time period
483 for cost recovery must be consistent with a settlement
484 agreement, if any, under paragraph (b);

485 b. Determine if the proposed structuring, expected
486 pricing, and financing costs of the nuclear asset-recovery bonds
487 have a significant likelihood of resulting in lower overall
488 costs or would avoid or significantly mitigate rate impacts to
489 customers as compared with the traditional method of financing
490 and recovering nuclear asset-recovery costs. A financing order
491 must provide detailed findings of fact addressing cost-
492 effectiveness and associated rate impacts upon retail customers
493 and retail customer classes;

494 c. Require, for the period specified pursuant to sub-

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495 subparagraph a., that the imposition and collection of nuclear
496 asset-recovery charges authorized under a financing order be
497 nonbypassable and paid by all existing and future customers
498 receiving transmission or distribution service from the electric
499 utility or its successors or assignees under commission-approved
500 rate schedules or under special contracts, even if a customer
501 elects to purchase electricity from an alternative electric
502 supplier following a fundamental change in regulation of public
503 utilities in this state;

504 d. Include a formula-based true-up mechanism for making
505 expeditious periodic adjustments in the nuclear asset-recovery
506 charges that customers are required to pay pursuant to the
507 financing order and for making any adjustments that are
508 necessary to correct for any overcollection or undercollection
509 of the charges or to otherwise ensure the timely payment of
510 nuclear asset-recovery bonds and financing costs and other
511 required amounts and charges payable in connection with the
512 nuclear asset-recovery bonds;

513 e. Specify the nuclear asset-recovery property that is, or
514 shall be, created in favor of an electric utility or its
515 successors or assignees and that shall be used to pay or secure
516 nuclear asset-recovery bonds and all financing costs;

517 f. Specify the degree of flexibility to be afforded to the
518 electric utility in establishing the terms and conditions of the
519 nuclear asset-recovery bonds, including, but not limited to,
520 repayment schedules, expected interest rates, and other

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521 financing costs consistent with sub-subparagraphs a.-e.;
522 g. Require nuclear asset-recovery charges to be allocated
523 to the customer classes using the criteria set out in s.
524 366.06(1), in the manner in which these costs or their
525 equivalent was allocated in the cost-of-service study that was
526 approved in connection with the electric utility's last rate
527 case and that is in effect during the nuclear asset-recovery
528 charge annual billing period. If the electric utility's last
529 rate case was resolved by a settlement agreement, the cost-of-
530 service methodology that was adopted in the settlement agreement
531 in that case and that is in effect during the nuclear asset-
532 recovery charge annual billing period shall be used;
533 h. Require, after the final terms of an issuance of
534 nuclear asset-recovery bonds have been established and before
535 the issuance of nuclear asset-recovery bonds, that the electric
536 utility determine the resulting initial nuclear asset-recovery
537 charge in accordance with the financing order and that such
538 initial nuclear asset-recovery charge be final and effective
539 upon the issuance of such nuclear asset-recovery bonds without
540 further commission action so long as the nuclear asset-recovery
541 charge is consistent with the financing order; and
542 i. Include any other conditions that the commission
543 considers appropriate and that are authorized by this section.
544
545 In performing the responsibilities of this subparagraph and
546 subparagraph 5., the commission may engage outside consultants

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547 and counsel. All expenses associated with such services shall be
548 included as part of financing costs and included in the nuclear
549 asset-recovery charge.

550 3. A financing order issued to an electric utility may
551 provide that creation of the electric utility's nuclear asset-
552 recovery property pursuant to sub-subparagraph 2.e. is
553 conditioned upon, and simultaneous with, the sale or other
554 transfer of the nuclear asset-recovery property to an assignee
555 and the pledge of the nuclear asset-recovery property to secure
556 nuclear asset-recovery bonds.

557 4. If the commission issues a financing order and nuclear
558 asset-recovery bonds are issued, the electric utility or
559 assignee must file with the commission at least biannually a
560 petition or a letter applying the formula-based true-up
561 mechanism pursuant to sub-subparagraph 2.d. and, based on
562 estimates of consumption for each rate class and other
563 mathematical factors, requesting administrative approval to make
564 the adjustments described in sub-subparagraph 2.d. The review of
565 such a request is limited to determining whether there is any
566 mathematical error in the application of the formula-based
567 mechanism relating to the amount of any overcollection or
568 undercollection of nuclear asset-recovery charges and the amount
569 of any adjustment. Such adjustments shall ensure the recovery of
570 revenues sufficient to provide for the timely payment of
571 principal, interest, acquisition, defeasance, financing costs,
572 or redemption premium and other fees, costs, and charges

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573 relating to nuclear asset-recovery bonds approved under the
574 financing order. Within 60 days after receiving an electric
575 utility's request pursuant to this paragraph, the commission
576 must approve the request or inform the electric utility of any
577 mathematical errors in its calculation. If the commission
578 informs the utility of mathematical errors in its calculation,
579 the utility may correct the error and refile the request. The
580 timeframes previously described in this paragraph apply to a
581 refiled request.

582 5. Within 120 days after the issuance of nuclear asset-
583 recovery bonds, the electric utility shall file with the
584 commission information on the actual costs of the nuclear asset-
585 recovery bonds issuance. The commission shall review, on a
586 reasonably comparable basis, such information to determine if
587 such costs incurred in the issuance of the bonds resulted in the
588 lowest overall costs that were reasonably consistent with market
589 conditions at the time of the issuance and the terms of the
590 financing order. The commission may disallow all incremental
591 issuance costs in excess of the lowest overall costs by
592 requiring the electric utility to make a credit to the capacity
593 cost recovery clause in an amount equal to the excess of actual
594 issuance costs incurred, and paid for out of nuclear asset-
595 recovery bonds proceeds, and the lowest overall issuance costs
596 as determined by the commission. The commission may not make
597 adjustments to the nuclear asset-recovery charges for any such
598 excess issuance costs.

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599 6. Subsequent to the transfer of nuclear asset-recovery
600 property to an assignee or the issuance of nuclear asset-
601 recovery bonds authorized thereby, whichever is earlier, a
602 financing order is irrevocable and, except as provided in
603 subparagraph 4. and paragraph (d), the commission may not amend,
604 modify, or terminate the financing order by any subsequent
605 action or reduce, impair, postpone, terminate, or otherwise
606 adjust nuclear asset-recovery charges approved in the financing
607 order. After the issuance of a financing order, the electric
608 utility retains sole discretion regarding whether to assign,
609 sell, or otherwise transfer nuclear asset-recovery property or
610 to cause nuclear asset-recovery bonds to be issued, including
611 the right to defer or postpone such assignment, sale, transfer,
612 or issuance. If the electric utility decides not to cause
613 nuclear asset-recovery bonds to be issued, the electric utility
614 may not recover financing costs, as defined in paragraph (1)(e),
615 from customers.

616 (d) At the request of an electric utility, the commission
617 may commence a proceeding and issue a subsequent financing order
618 that provides for refinancing, retiring, or refunding nuclear
619 asset-recovery bonds issued pursuant to the original financing
620 order if the commission finds that the subsequent financing
621 order satisfies all of the criteria specified in paragraph (c).
622 Effective upon retirement of the refunded nuclear asset-recovery
623 bonds and the issuance of new nuclear asset-recovery bonds, the
624 commission shall adjust the related nuclear asset-recovery

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625 charges accordingly.

626 (e) Within 30 days after the commission issues a financing
627 order or a decision denying a request for reconsideration or, if
628 the request for reconsideration is granted, within 30 days after
629 the commission issues its decision on reconsideration, an
630 adversely affected party may petition for judicial review in the
631 Florida Supreme Court. The petition for review must be served
632 upon the executive director of the commission personally or by
633 service at the office of the commission. Review on appeal shall
634 be based solely on the record before the commission and briefs
635 to the court and is limited to determining whether the financing
636 order, or the order on reconsideration, conforms to the State
637 Constitution and state and federal law and is within the
638 authority of the commission under this section. Inasmuch as
639 delay in the determination of the appeal of a financing order
640 will delay the issuance of nuclear asset-recovery bonds, thereby
641 diminishing savings to customers which might be achieved if such
642 nuclear asset-recovery bonds were issued as contemplated by a
643 financing order, the Florida Supreme Court shall proceed to hear
644 and determine the action as expeditiously as practicable and
645 give the action precedence over other matters not accorded
646 similar precedence by law.

647 (f)1. A financing order remains in effect and all such
648 nuclear asset-recovery property continues to exist until nuclear
649 asset-recovery bonds issued pursuant to the financing order have
650 been paid in full and all commission-approved financing costs of

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651 such nuclear asset-recovery bonds have been recovered in full.

652 2. A financing order issued to an electric utility remains
653 in effect and unabated notwithstanding the reorganization,
654 bankruptcy or other insolvency proceedings, merger, or sale of
655 the electric utility or its successors or assignees.

656 (3) EXCEPTIONS TO COMMISSION JURISDICTION.—

657 (a) If the commission issues a financing order to an
658 electric utility pursuant to this section, the commission may
659 not, in exercising its powers and carrying out its duties
660 regarding any matter within its authority pursuant to this
661 chapter, consider the nuclear asset-recovery bonds issued
662 pursuant to the financing order to be the debt of the electric
663 utility other than for federal income tax purposes, consider the
664 nuclear asset-recovery charges paid under the financing order to
665 be the revenue of the electric utility for any purpose, or
666 consider the nuclear asset-recovery costs or financing costs
667 specified in the financing order to be the costs of the electric
668 utility, nor may the commission determine any action taken by an
669 electric utility which is consistent with the financing order to
670 be unjust or unreasonable.

671 (b) The commission may not order or otherwise directly or
672 indirectly require an electric utility to use nuclear asset-
673 recovery bonds to finance any project, addition, plant,
674 facility, extension, capital improvement, equipment, or any
675 other expenditure, unless that expenditure is a nuclear asset-
676 recovery cost and the electric utility has filed a petition

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677 pursuant to paragraph (2)(a) to finance such expenditure using
678 nuclear asset-recovery bonds. The commission may not refuse to
679 allow an electric utility to recover nuclear asset-recovery
680 costs in an otherwise permissible fashion, or refuse or
681 condition authorization or approval pursuant to s. 366.04 of the
682 issuance and sale by an electric utility of securities or the
683 assumption by the utility of liabilities or obligations, solely
684 because of the potential availability of nuclear asset-recovery
685 cost financing.

686 (4) ELECTRIC UTILITY DUTIES.—The electric bills of an
687 electric utility that has obtained a financing order and caused
688 nuclear asset-recovery bonds to be issued must:

689 (a) Explicitly reflect that a portion of the charges on
690 such bill represents nuclear asset-recovery charges approved in
691 a financing order issued to the electric utility and, if the
692 nuclear asset-recovery property has been transferred to an
693 assignee, must include a statement to the effect that the
694 assignee is the owner of the rights to nuclear asset-recovery
695 charges and that the electric utility or other entity, if
696 applicable, is acting as a collection agent or servicer for the
697 assignee. The tariff applicable to customers must indicate the
698 nuclear asset-recovery charge and the ownership of that charge.

699 (b) Include the nuclear asset-recovery charge on each
700 customer's bill as a separate line item titled "Asset
701 Securitization Charge" and include both the rate and the amount
702 of the charge on each bill.

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703
704 The failure of an electric utility to comply with this
705 subsection does not invalidate, impair, or affect any financing
706 order, nuclear asset-recovery property, nuclear asset-recovery
707 charge, or nuclear asset-recovery bonds, but does subject the
708 electric utility to penalties under s. 366.095.

709 (5) NUCLEAR ASSET-RECOVERY PROPERTY.—

710 (a)1. All nuclear asset-recovery property that is
711 specified in a financing order constitutes an existing, present
712 property right or interest therein, notwithstanding that the
713 imposition and collection of nuclear asset-recovery charges
714 depends on the electric utility, to which the financing order is
715 issued, performing its servicing functions relating to the
716 collection of nuclear asset-recovery charges and on future
717 electricity consumption. Such property exists regardless of
718 whether the revenues or proceeds arising from the property have
719 been billed, have accrued, or have been collected and
720 notwithstanding the fact that the value or amount of the
721 property is dependent on the future provision of service to
722 customers by the electric utility or its successors or
723 assignees.

724 2. Nuclear asset-recovery property specified in a
725 financing order exists until nuclear asset-recovery bonds issued
726 pursuant to the financing order are paid in full and all
727 financing costs and other costs of such nuclear asset-recovery
728 bonds have been recovered in full.

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729 3. All or any portion of nuclear asset-recovery property
730 specified in a financing order issued to an electric utility may
731 be transferred, sold, conveyed, or assigned to a successor or
732 assignee, that is wholly owned, directly or indirectly, by the
733 electric utility, created for the limited purpose of acquiring,
734 owning, or administering nuclear asset-recovery property or
735 issuing nuclear asset-recovery bonds under the financing order.
736 All or any portion of nuclear asset-recovery property may be
737 pledged to secure nuclear asset-recovery bonds issued pursuant
738 to the financing order, amounts payable to financing parties and
739 to counterparties under any ancillary agreements, and other
740 financing costs. Each such transfer, sale, conveyance,
741 assignment, or pledge by an electric utility or affiliate of an
742 electric utility is considered to be a transaction in the
743 ordinary course of business.

744 4. If an electric utility defaults on any required payment
745 of charges arising from nuclear asset-recovery property
746 specified in a financing order, a court, upon application by an
747 interested party, and without limiting any other remedies
748 available to the applying party, shall order the sequestration
749 and payment of the revenues arising from the nuclear asset-
750 recovery property to the financing parties. Any such financing
751 order remains in full force and effect notwithstanding any
752 reorganization, bankruptcy, or other insolvency proceedings with
753 respect to the electric utility or its successors or assignees.

754 5. The interest of a transferee, purchaser, acquirer,

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755 assignee, or pledgee in nuclear asset-recovery property
756 specified in a financing order issued to an electric utility,
757 and in the revenue and collections arising from that property,
758 is not subject to setoff, counterclaim, surcharge, or defense by
759 the electric utility or any other person or in connection with
760 the reorganization, bankruptcy, or other insolvency of the
761 electric utility or any other entity.

762 6. Any successor to an electric utility, whether pursuant
763 to any reorganization, bankruptcy, or other insolvency
764 proceeding or whether pursuant to any merger or acquisition,
765 sale, or other business combination, or transfer by operation of
766 law, as a result of electric utility restructuring or otherwise,
767 must perform and satisfy all obligations of, and have the same
768 rights under a financing order as, the electric utility under
769 the financing order in the same manner and to the same extent as
770 the electric utility, including collecting and paying to the
771 person entitled to receive the revenues, collections, payments,
772 or proceeds of the nuclear asset-recovery property.

773 (b)1. Except as provided in this section, the Uniform
774 Commercial Code does not apply to nuclear asset-recovery
775 property or any right, title, or interest of an electric utility
776 or assignee described in subparagraph (1)(1)1., whether before
777 or after the issuance of the financing order. In addition, such
778 right, title, or interest pertaining to a financing order,
779 including, but not limited to, the associated nuclear asset-
780 recovery property and any revenues, collections, claims, rights

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781 to payment, payments, money, or proceeds of or arising from
782 nuclear asset-recovery charges pursuant to such order, is not
783 deemed proceeds of any right or interest other than in the
784 financing order and the nuclear asset-recovery property arising
785 from the order.

786 2. The creation, attachment, granting, perfection,
787 priority, and enforcement of liens and security interests in
788 nuclear asset-recovery property to secure nuclear asset-recovery
789 bonds is governed solely by this section and, except to the
790 extent provided in this section, not by the Uniform Commercial
791 Code.

792 3. A valid, enforceable, and attached lien and security
793 interest in nuclear asset-recovery property may be created only
794 upon the later of:

795 a. The issuance of a financing order;

796 b. The execution and delivery of a security agreement with
797 a financing party in connection with the issuance of nuclear
798 asset-recovery bonds; or

799 c. The receipt of value for nuclear asset-recovery bonds.

800

801 A valid, enforceable, and attached security interest is
802 perfected against third parties as of the date of filing of a
803 financing statement in the Florida Secured Transaction Registry,
804 as defined in s. 679.527, in accordance with subparagraph 4.,
805 and is thereafter a continuously perfected lien; and such
806 security interest in the nuclear asset-recovery property and all

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807 proceeds of such nuclear asset-recovery property, regardless of
 808 whether billed, accrued, or collected, and regardless of whether
 809 deposited into a deposit account and however evidenced, has
 810 priority in accordance with subparagraph 8. and takes precedence
 811 over any subsequent judicial or other lien creditor. A
 812 continuation statement does not need to be filed to maintain
 813 such perfection.

814 4. Financing statements required to be filed pursuant to
 815 this section must be filed, maintained, and indexed in the same
 816 manner and in the same system of records maintained for the
 817 filing of financing statements in the Florida Secured
 818 Transaction Registry, as defined in s. 679.527. The filing of
 819 such a financing statement is the only method of perfecting a
 820 lien or security interest on nuclear asset-recovery property.

821 5. The priority of a lien and security interest perfected
 822 under this paragraph is not impaired by any later modification
 823 of the financing order or nuclear asset-recovery property or by
 824 the commingling of funds arising from nuclear asset-recovery
 825 property with other funds, and any other security interest that
 826 may apply to those funds is terminated as to all funds
 827 transferred to a segregated account for the benefit of an
 828 assignee or a financing party or to an assignee or financing
 829 party directly.

830 6. If a default or termination occurs under the terms of
 831 the nuclear asset-recovery bonds, the financing parties or their
 832 representatives may foreclose on or otherwise enforce their lien

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833 and security interest in any nuclear asset-recovery property as
834 if they were a secured party under Article 9 of the Uniform
835 Commercial Code; and a court may order that amounts arising from
836 nuclear asset-recovery property be transferred to a separate
837 account for the financing parties' benefit, to which their lien
838 and security interest applies. Upon application by or on behalf
839 of the financing parties to a circuit court of this state, the
840 court shall order the sequestration and payment to the financing
841 parties of revenues arising from the nuclear asset-recovery
842 property.

843 7. The interest of a pledgee of an interest or any rights
844 in any nuclear asset-recovery property is not perfected until
845 filing as provided in subparagraph 4.

846 8. The priority of the conflicting interests of pledgees
847 in the same interest or rights in any nuclear asset-recovery
848 property is determined as follows:

849 a. Conflicting perfected interests or rights of pledgees
850 rank according to priority in time of perfection. Priority dates
851 from the time a filing covering the interest or right is made in
852 accordance with this paragraph.

853 b. A perfected interest or right of a pledgee has priority
854 over a conflicting unperfected interest or right of a pledgee.

855 c. A perfected interest or right of a pledgee has priority
856 over a person who becomes a lien creditor after the perfection
857 of such pledgee's interest or right.

858 (c) The sale, assignment, or transfer of nuclear asset-

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859 recovery property is governed by this paragraph. All of the
860 following apply to a sale, assignment, or transfer under this
861 paragraph:

862 1. The sale, conveyance, assignment, or other transfer of
863 nuclear asset-recovery property by an electric utility to an
864 assignee that the parties have in the governing documentation
865 expressly stated to be a sale or other absolute transfer is an
866 absolute transfer and true sale of, and not a pledge of or
867 secured transaction relating to, the transferor's right, title,
868 and interest in, to, and under the nuclear asset-recovery
869 property, other than for federal and state income and franchise
870 tax purposes. After such a transaction, the nuclear asset-
871 recovery property is not subject to any claims of the transferor
872 or the transferor's creditors, other than creditors holding a
873 prior security interest in the nuclear asset-recovery property
874 perfected under paragraph (b).

875 2. The characterization of the sale, conveyance,
876 assignment, or other transfer as a true sale or other absolute
877 transfer under subparagraph 1. and the corresponding
878 characterization of the transferee's property interest are not
879 affected by:

880 a. Commingling of amounts arising with respect to the
881 nuclear asset-recovery property with other amounts;

882 b. The retention by the transferor of a partial or
883 residual interest, including an equity interest, in the nuclear
884 asset-recovery property, whether direct or indirect, or whether

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885 subordinate or otherwise;
 886 c. Any recourse that the transferee may have against the
 887 transferor other than any such recourse created, contingent
 888 upon, or otherwise occurring or resulting from one or more of
 889 the transferor's customers' inability or failure to timely pay
 890 all or a portion of the nuclear asset-recovery charge;
 891 d. Any indemnifications, obligations, or repurchase rights
 892 made or provided by the transferor, other than indemnity or
 893 repurchase rights based solely upon a transferor's customers'
 894 inability or failure to timely pay all or a portion of the
 895 nuclear asset-recovery charge;
 896 e. The responsibility of the transferor to collect nuclear
 897 asset-recovery charges;
 898 f. The treatment of the sale, conveyance, assignment, or
 899 other transfer for tax, financial reporting, or other purposes;
 900 or
 901 g. The granting or providing to holders of nuclear asset-
 902 recovery bonds a preferred right to the nuclear asset-recovery
 903 property or credit enhancement by the electric utility or its
 904 affiliates with respect to such nuclear asset-recovery bonds.
 905 3. Any right that an electric utility has in the nuclear
 906 asset-recovery property before its pledge, sale, or transfer or
 907 any other right created under this section or created in the
 908 financing order and assignable under this section or assignable
 909 pursuant to a financing order is property in the form of a
 910 contract right. Transfer of an interest in nuclear asset-

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911 recovery property to an assignee is enforceable only upon the
912 later of the issuance of a financing order, the execution and
913 delivery of transfer documents to the assignee in connection
914 with the issuance of nuclear asset-recovery bonds, and the
915 receipt of value. An enforceable transfer of an interest in
916 nuclear asset-recovery property to an assignee is perfected
917 against all third parties, including subsequent judicial or
918 other lien creditors, when a notice of that transfer has been
919 given by the filing of a financing statement in accordance with
920 subparagraph (b)4. The transfer is perfected against third
921 parties as of the date of filing.

922 4. Financing statements required to be filed under this
923 section must be maintained and indexed in the same manner and in
924 the same system of records maintained for the filing of
925 financing statements in the Florida Secured Transaction
926 Registry, as defined in s. 679.527. The filing of such a
927 financing statement is the only method of perfecting a transfer
928 of nuclear asset-recovery property.

929 5. The priority of a transfer perfected under this section
930 is not impaired by any later modification of the financing order
931 or nuclear asset-recovery property or by the commingling of
932 funds arising from nuclear asset-recovery property with other
933 funds. Any other security interest that may apply to those
934 funds, other than a security interest perfected under paragraph
935 (b), is terminated when they are transferred to a segregated
936 account for the assignee or a financing party. If nuclear asset-

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937 recovery property has been transferred to an assignee or
938 financing party, any proceeds of that property must be held in
939 trust for the assignee or financing party.

940 6. The priority of the conflicting interests of assignees
941 in the same interest or rights in any nuclear asset-recovery
942 property is determined as follows:

943 a. Conflicting perfected interests or rights of assignees
944 rank according to priority in time of perfection. Priority dates
945 from the time a filing covering the transfer is made in
946 accordance with subparagraph (b) 4.

947 b. A perfected interest or right of an assignee has
948 priority over a conflicting unperfected interest or right of an
949 assignee.

950 c. A perfected interest or right of an assignee has
951 priority over a person who becomes a lien creditor after the
952 perfection of such assignee's interest or right.

953 (6) DESCRIPTION OR INDICATION OF PROPERTY.—The description
954 of nuclear asset-recovery property being transferred to an
955 assignee in any sale agreement, purchase agreement, or other
956 transfer agreement, granted or pledged to a pledgee in any
957 security agreement, pledge agreement, or other security
958 document, or indicated in any financing statement is only
959 sufficient if such description or indication describes the
960 financing order that created the nuclear asset-recovery property
961 and states that such agreement or financing statement covers all
962 or part of such property described in such financing order. This

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963 subsection applies to all purported transfers of, and all
964 purported grants or liens or security interests in, nuclear
965 asset-recovery property, regardless of whether the related sale
966 agreement, purchase agreement, other transfer agreement,
967 security agreement, pledge agreement, or other security document
968 was entered into, or any financing statement was filed, before
969 or after the effective date of this section.

970 (7) FINANCING STATEMENTS.—All financing statements
971 referenced in this section are subject to Part V of Art. 9 of
972 the Uniform Commercial Code, except that the requirement as to
973 continuation statements does not apply.

974 (8) CHOICE OF LAW.—The law governing the validity,
975 enforceability, attachment, perfection, priority, and exercise
976 of remedies with respect to the transfer of an interest or right
977 or the pledge or creation of a security interest in any nuclear
978 asset-recovery property shall be the laws of this state, and
979 exclusively, the laws of this section.

980 (9) NUCLEAR ASSET-RECOVERY BONDS NOT PUBLIC DEBT.—The
981 state or its political subdivisions are not liable on any
982 nuclear asset-recovery bonds, and the bonds are not a debt or a
983 general obligation of the state or any of its political
984 subdivisions, agencies, or instrumentalities. An issue of
985 nuclear asset-recovery bonds does not, directly, indirectly, or
986 contingently obligate the state or any agency, political
987 subdivision, or instrumentality of the state to levy any tax or
988 make any appropriation for payment of the nuclear asset-recovery

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989 bonds, other than in their capacity as consumers of electricity.
 990 This subsection does not preclude bond guarantees or
 991 enhancements pursuant to this section. All nuclear asset-
 992 recovery bonds must contain on the face thereof a statement to
 993 the following effect: "Neither the full faith and credit nor the
 994 taxing power of the State of Florida is pledged to the payment
 995 of the principal of, or interest on, this bond."

996 (10) NUCLEAR ASSET-RECOVERY BONDS AS LEGAL INVESTMENTS
 997 WITH RESPECT TO INVESTORS THAT REQUIRE STATUTORY AUTHORITY
 998 REGARDING LEGAL INVESTMENT.—All of the following entities may
 999 legally invest any sinking funds, moneys, or other funds
 1000 belonging to them or under their control in nuclear asset-
 1001 recovery bonds:

1002 (a) The state, the investment board, municipal
 1003 corporations, political subdivisions, public bodies, and public
 1004 officers, except for members of the commission.

1005 (b) Banks and bankers, savings and loan associations,
 1006 credit unions, trust companies, savings banks and institutions,
 1007 investment companies, insurance companies, insurance
 1008 associations, and other persons carrying on a banking or
 1009 insurance business.

1010 (c) Personal representatives, guardians, trustees, and
 1011 other fiduciaries.

1012 (d) All other persons whatsoever who are now or may
 1013 hereafter be authorized to invest in bonds or other obligations
 1014 of a similar nature.

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1015 (11) STATE PLEDGE.—
 1016 (a) For purposes of this subsection, the term "bondholder"
 1017 means a person who holds a nuclear asset-recovery bond.
 1018 (b) The state pledges to and agrees with bondholders, the
 1019 owners of the nuclear asset-recovery property, and other
 1020 financing parties that the state will not:
 1021 1. Alter the provisions of this section which make the
 1022 nuclear asset-recovery charges imposed by a financing order
 1023 irrevocable, binding, and nonbypassable charges;
 1024 2. Take or permit any action that impairs or would impair
 1025 the value of nuclear asset-recovery property or revises the
 1026 nuclear asset-recovery costs for which recovery is authorized;
 1027 or
 1028 3. Except as authorized under this section, reduce, alter,
 1029 or impair nuclear asset-recovery charges that are to be imposed,
 1030 collected, and remitted for the benefit of the bondholders and
 1031 other financing parties until any and all principal, interest,
 1032 premium, financing costs and other fees, expenses, or charges
 1033 incurred, and any contracts to be performed, in connection with
 1034 the related nuclear asset-recovery bonds have been paid and
 1035 performed in full.
 1036
 1037 This paragraph does not preclude limitation or alteration if
 1038 full compensation is made by law for the full protection of the
 1039 nuclear asset-recovery charges collected pursuant to a financing
 1040 order and of the holders of nuclear asset-recovery bonds and any

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1041 assignee or financing party entering into a contract with the
 1042 electric utility.

1043 (c) Any person or entity that issues nuclear asset-
 1044 recovery bonds may include the pledge specified in paragraph (b)
 1045 in the nuclear asset-recovery bonds and related documentation.

1046 (12) NOT AN ELECTRIC UTILITY.—An assignee or financing
 1047 party is not an electric utility or person providing electric
 1048 service by virtue of engaging in the transactions described in
 1049 this section.

1050 (13) CONFLICTS.—If there is a conflict between this
 1051 section and any other law regarding the attachment, assignment,
 1052 or perfection, or the effect of perfection, or priority of,
 1053 assignment or transfer of, or security interest in nuclear
 1054 asset-recovery property, this section shall govern.

1055 (14) EFFECT OF INVALIDITY ON ACTIONS.—Effective on the
 1056 date that nuclear asset-recovery bonds are first issued under
 1057 this section, if any provision of this section is held invalid
 1058 or is invalidated, superseded, replaced, repealed, or expires
 1059 for any reason, that occurrence does not affect the validity of
 1060 any action allowed under this section which is taken by an
 1061 electric utility, an assignee, a financing party, a collection
 1062 agent, or a party to an ancillary agreement; and any such action
 1063 remains in full force and effect with respect to all nuclear
 1064 asset-recovery bonds issued or authorized in a financing order
 1065 issued under this section before the date that such provision is
 1066 held invalid or is invalidated, superseded, replaced, or

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1067 repealed, or expires for any reason.

1068 (15) PENALTIES.—A violation of this section or of a
 1069 financing order issued under this section subjects the utility
 1070 that obtained the order to penalties under s. 366.095 and to any
 1071 other penalties or remedies that the commission determines are
 1072 necessary to achieve the intent of this section and the intent
 1073 and terms of the financing order and to prevent any increase in
 1074 financial impact to the utility's customers above that set forth
 1075 in the financing order. If the commission orders a penalty or a
 1076 remedy for a violation, the monetary penalty or remedy and the
 1077 costs of defending against the proposed penalty or remedy may
 1078 not be recovered from the customers. The commission may not make
 1079 adjustments to nuclear asset-recovery charges for any such
 1080 penalties or remedies.

1081 Section 8. This act shall take effect July 1, 2015.