

By Senator Berman

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1 A bill to be entitled
2 An act relating to the community solar program;
3 creating s. 366.0751, F.S.; defining terms; specifying
4 requirements for utilities; requiring utilities to
5 begin crediting the subscriber accounts of each
6 community solar facility in their respective service
7 territories within a specified timeframe; requiring
8 subscriber organizations to provide subscriber lists
9 to utilities; providing that all environmental
10 attributes associated with a community solar facility
11 are the property of the subscriber organization;
12 authorizing utilities to own or operate a community
13 solar facility; requiring the Public Service
14 Commission to adopt rules by a certain date which meet
15 certain requirements; requiring the commission to make
16 certain information relating to community solar
17 facilities available on its website; requiring the
18 commission to seek a third-party administrator for the
19 program; specifying selection criteria for the
20 administrator; requiring utilities to submit to the
21 commission annual status reports that contain
22 specified information; requiring the commission to
23 review the program within a specified timeframe;
24 authorizing the commission to propose certain program
25 adjustments to achieve specified objectives; providing
26 an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:
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30 Section 1. Section 366.0751, Florida Statutes, is created
31 to read:

32 366.0751 Community solar program.-

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

34 (a) "Applicable bill credit rate" means the total aggregate
35 retail rate charged to customers after the rate is reduced by
36 the amount of a commission-approved charge, which is a fixed
37 amount and does not include costs already recovered by the
38 utility from community solar subscribers through other charges,
39 to recover the cost to the utility incurred by integrating the
40 generation from the community solar facility into the utility's
41 system and administering contracts with community solar facility
42 owners.

43 (b) "Bill credit" means the monetary value of the
44 electricity generated by a community solar facility which is
45 allocated to a subscriber to offset that subscriber's
46 electricity bill from a utility.

47 (c) "Community solar facility" means a facility that
48 generates electricity through a solar photovoltaic device
49 whereby subscribers receive a bill credit for the electricity
50 generated in proportion to the size of their subscription, and
51 which:

- 52 1. Is located in the service territory of a utility;
53 2. Is connected to the electric distribution grid serving
54 this state;
55 3. Has a nameplate capacity rating of 10 megawatts or less
56 of alternative current power;
57 4. Has at least 10 subscribers;
58 5. Has at least 50 percent of its capacity subscribed to by

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59 residential and small commercial customers with subscriptions of
60 25 kilowatts or less; and

61 6. Is not colocated with another community solar project on
62 a single parcel of land or on a contiguous parcel of land if the
63 nameplate rating of 10 megawatts is exceeded in the aggregate.

64 (d) "Community solar program" or "program" means a program
65 created to allow for the development of community solar
66 facilities, which may include a colocation of a community solar
67 facility or an energy storage facility.

68 (e) "Energy storage" means technology that captures energy
69 produced at one time for use at a later time.

70 (f) "Low-income affordable housing provider" refers to a
71 person or entity who owns, operates, or manages affordable
72 housing units and who may qualify as a participant in a low-
73 income community solar project, if the provider passes along
74 specific, identifiable, and quantifiable long-term benefits to
75 tenants or residents.

76 (g) "Low-income customer" means an individual or household
77 with an adjusted gross income of not more than 80 percent of the
78 area median income by county, adjusted for family size and
79 revised every 5 years.

80 (h) "Low-income service organization" means a for-profit or
81 nonprofit organization whose primary function is to provide
82 services or assistance to low-income individuals.

83 (i) "Low-to-moderate income project" means a project in
84 which at least 51 percent of its subscribers are low-income and
85 moderate-income subscribers, which may include low-income
86 households, low-income affordable housing providers, low-income
87 service organizations, and moderate-income households, but must

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88 include at least 10 percent low-income households.

89 (j) "Moderate-income customer" means an individual or
90 household with an adjusted gross income of not more than 120
91 percent of the area median income by county, adjusted for family
92 size and revised every 5 years.

93 (k) "Subscriber" means a retail electric customer of a
94 utility who owns one or more subscriptions of a community solar
95 facility that is interconnected with that utility and who is
96 located in the same electric utility service territory where the
97 community solar facility is located.

98 (l) "Subscriber organization" means any for-profit or
99 nonprofit entity that owns or operates one or more community
100 solar facilities. The term may include a public utility. A
101 subscriber organization is not a utility solely as a result of
102 its ownership or operation of a community solar facility.

103 (m) "Subscription" means a contract between a subscriber
104 and the owner of the community solar facility.

105 (n) "Total aggregate retail rate" means the total retail
106 rate that would be charged to a subscriber if all electric rate
107 components of the subscriber's electric bill, including any
108 riders or other additional tariffs, except for minimum monthly
109 charges, such as meter reading fees or customer charges, were
110 expressed as per-kilowatt-hour charges.

111 (o) "Unsubscribed electricity" means electricity, measured
112 in kilowatt hours, generated by a community solar facility which
113 is not allocated to a subscriber.

114 (p) "Utility" means a public utility that supplies
115 electricity in this state.

116 (2) PROGRAM ADMINISTRATION.-

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117 (a) A utility shall do all of the following:

118 1. Provide a bill credit to a subscriber's subsequent
119 monthly electric bill for the proportional output of a community
120 solar facility which is attributable to that subscriber. The
121 value of the subscriber's bill credit must be calculated by
122 multiplying the subscriber's portion of the kilowatt hour
123 electricity production from the community solar facility by the
124 subscriber's applicable bill credit rate. If the amount of the
125 bill credit exceeds the subscriber's monthly bill, the overage
126 amount must be carried over and applied to the next month's bill
127 and to subsequent billings as long as the overage exists.

128 2. Provide the bill credits to a community solar facility's
129 subscribers for at least 25 years from the date on which the
130 community solar facility is first interconnected.

131 3. On a monthly basis and in a standardized electronic
132 format, provide to a subscriber organization a report indicating
133 the total value of bill credits generated by the community solar
134 facility in the prior month, as well as the amount of the bill
135 credit applied to each subscriber.

136 4. Within 180 days after the rules required under
137 subsection (3) are adopted, begin crediting subscriber accounts
138 of each community solar facility interconnected in its service
139 territory.

140 (b) A subscriber organization shall, on a monthly basis and
141 in a standardized electronic format, provide to the utility a
142 subscriber list that indicates the generation of kilowatt hours
143 attributable to each of the retail customers participating in a
144 community solar facility in accordance with the subscriber's
145 portion of the facility's output. Subscriber lists may be

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146 updated monthly to reflect canceling subscribers and to add new
147 subscribers. The utility shall apply bill credits to subscriber
148 bills within one billing cycle following the cycle during which
149 the energy was generated by the community solar facility.

150 (c) All environmental attributes associated with a
151 community solar facility, including renewable energy
152 certificates, are the property of the subscriber organization.
153 At the subscriber organization's discretion, those attributes
154 may be distributed to subscribers, sold, accumulated, or
155 retired.

156 (d) To promote the development of community solar
157 facilities in this state and to prevent the unfair leveraging of
158 customer and electric distribution system information and
159 competition by an investor-owned electric utility in a market,
160 such utilities may own or operate a community solar facility
161 only as provided in subsection (3).

162 (e) Community solar projects or programs by investor-owned
163 electric utilities must be regulated by the commission in
164 accordance with this section to ensure that the interests of
165 customers who subscribe to community solar facilities are
166 protected and that those utilities are allowed to recover the
167 reasonable costs for administering those programs.

168 (3) RULES.—The commission shall adopt rules for the
169 community solar program by November 1, 2020, and require each
170 utility to file any tariffs, agreements, or forms necessary for
171 implementing the program within 120 days after the commission
172 adopts such rules. The rules must:

173 (a) Establish goals for the procurement of electricity from
174 community solar facilities in this state. The goals must include

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175 all of the following:

176 1. A goal of, by 2023, at least 500 megawatts of community
177 solar facility generating capacity where 40 percent of that
178 capacity is reserved, on an annual basis, for low-to-moderate
179 income projects; and

180 2. A goal for the number of megawatts of community solar
181 capacity added in each year after 2023, but which must be at
182 least 100 megawatts per year, where 40 percent of that capacity
183 is reserved, on an annual basis, for low-to-moderate income
184 projects.

185 (b) Establish requirements for community solar facilities
186 and subscriber organizations which do all of the following:

187 1. Require a community solar facility to have at least 10
188 subscribers.

189 2. Limit individual subscriptions to 120 percent of
190 historical annual usage, with a deduction for the amount of any
191 existing solar facilities located at the premises.

192 3. Limit a single subscription to 40 percent of the
193 generating capacity of a community solar facility.

194 4. Require each community solar facility to be separately
195 interconnected and metered.

196 (c) Allow a community solar facility to be owned by an
197 unregulated affiliated interest of a utility, if the utility
198 demonstrates to the commission's satisfaction that the utility
199 has made the same customer-related and distribution system
200 information available to any other for-profit or nonprofit
201 entity requesting such information that the utility has made
202 available to its unregulated affiliated interest.

203 (d) Allow a community solar facility to be owned and

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204 operated by a utility as part of the community solar program
205 capacity goals provided in subparagraph (a)1. if the utility
206 submits a plan to the commission for approval which demonstrates
207 that:

208 1. Nonutility affiliated entities participating in the
209 community solar program have not reasonably delivered community
210 solar subscriptions to low-income customers, moderate-income
211 customers, low-income affordable housing providers, and low-
212 income service organizations in a manner that achieves
213 significant customer bill savings in the utility's service
214 territory;

215 2. A low-income customer, low-income affordable housing
216 provider, or low-income service organization will receive
217 meaningful savings as a result of participating in the utility's
218 community solar facility;

219 3. The utility intends to facilitate the participation of
220 low-income customers, low-income affordable housing providers,
221 or low-income service organizations by doing all of the
222 following:

223 a. Working with and compensating community-based
224 organizations to facilitate subscriber enrollment, education,
225 and management.

226 b. Providing on-bill payment or financing for an ongoing
227 subscription fee to increase access to solar for low-income
228 households and other underserved customers.

229 c. Providing favorable subscription terms, such as minimal
230 contract lengths, no upfront fees, and no termination fees.

231 d. Incorporating complementary programs, such as energy
232 efficiency improvements, weatherization, and job training.

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233 e. Facilitating the siting of solar facilities in such a
234 way that communities' environmental justice concerns are
235 addressed and the communities are meaningfully involved in the
236 decisionmaking process.

237 f. Ensuring the utility's community solar facilities meet
238 the definition of a low-to-moderate income project under
239 subsection (1).

240 g. Incorporating opportunities for periodic evaluation,
241 public comment, and adjustment;

242 4. Except for low-income customers, low-income affordable
243 housing providers, and low-income service organizations, the
244 cost of a solar facility and subscriptions for its capacity will
245 not be subsidized by customers that do not subscribe for its
246 capacity; and

247 5. It is in the public interest to allow the utility to own
248 a community solar facility.

249 (e) Allow energy storage to be colocated with a community
250 solar facility.

251 (f) Reasonably allow for the creation and financing of
252 community solar facilities.

253 (g) Allow all customer classes to participate in the
254 program, and ensure participation opportunities for all customer
255 classes.

256 (h) Prohibit the removal of a customer from his or her
257 otherwise applicable customer class in order to participate in a
258 community solar facility.

259 (i) Not apply different requirements to utility and
260 nonutility community solar facilities.

261 (j) Reasonably allow for the transferability and

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262 portability of subscriptions, including allowing a subscriber to
263 retain a subscription to a community solar facility if the
264 subscriber moves within the same utility's territory.

265 (k) Require an owner of a community solar facility to
266 provide real-time production data to the utility to facilitate
267 incorporation of the community solar facility into the utility's
268 operation of its electric distribution system and to facilitate
269 crediting individual subscribers with community solar bill
270 credits.

271 (l) Establish reasonable, uniform, efficient, and
272 nondiscriminatory standards, fees, and processes for the
273 interconnection of community solar facilities which will allow
274 the utility to recover reasonable interconnection costs for each
275 community solar facility.

276 (m) Allow the utility to recover reasonable costs for
277 administering the program.

278 (n) Provide for consumer protection in accordance with
279 existing laws.

280 (o) Create a uniform disclosure form that identifies the
281 information a subscriber organization must provide to potential
282 subscribers, in both English and Spanish languages, to ensure
283 fair disclosure of future costs and benefits of subscriptions,
284 key contract terms, and other relevant, reasonable information
285 pertaining to the subscription.

286 (p) Guarantee significant savings for low-income customers,
287 low-income affordable housing providers, and low-income service
288 organizations participating in the program. In determining these
289 mechanisms, the commission must ensure that:

290 1. At least one of the mechanisms the commission adopts is

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291 structured to reduce the energy burden for participating low-
292 income customers at no cost to them and integrate with
293 complementary programs, such as energy efficiency improvements,
294 energy assistance, and others, in order to maximize benefits for
295 participating low-income customers;

296 2. The commission creates a stakeholder process with
297 electric utilities, low-income and environmental justice
298 stakeholders, the appropriate state agencies, and other
299 interested persons to create and submit a plan to the commission
300 by November 1, 2019, which identifies strategies to meet program
301 goals for low-income customers, moderate-income customers, low-
302 income service organizations, and low-income affordable housing
303 participation;

304 3. A municipal customer, nonprofit customer, public entity,
305 or institutional entity may exceed the 120 percent limit and 40
306 percent subscription limit under paragraph (b) in order to
307 assume the obligation for low-income customers of the community
308 solar facility who default. In the event of a default, this
309 allowance may be used for only 3 months per defaulting low-
310 income customer; and

311 4. Among the measures adopted under this subsection, the
312 commission and other state agencies adopt measures to
313 facilitate:

314 a. The acquisition and management of subscriptions for low-
315 income customers by subscriber organizations; and

316 b. Any required payment for participation in a community
317 solar facility by low-income customers via the electric utility
318 bill.

319 (g) Allow preference for low-income customers and projects

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320 under the program, including through bill credits, tariffs,
321 incentives, or financial mechanisms associated with the program.

322 (r) Include a list of programs and services that
323 automatically qualify customers as low-income under the program.

324 (s) Not limit the ability of a customer who has an existing
325 solar energy system on his or her premises to subscribe to a
326 community solar facility.

327 (t) Provide that if the electricity output of a community
328 solar facility is not fully subscribed in a given month, a
329 subscriber organization may accumulate bill credits for the
330 electricity generated by the community solar facility. Annually,
331 the subscriber organization may elect to distribute excess bill
332 credits to subscribers or the utility shall purchase the
333 unsubscribed electricity at the utility's applicable avoided
334 energy costs approved by the commission plus a reasonable
335 capacity value associated with the energy.

336 (u) Allow utilities to develop a standard offer to purchase
337 renewable energy credits from community solar facilities.

338 (v) Unless a community solar project is owned by a utility,
339 provide that the owners of or subscribers to a community solar
340 facility are not public utilities subject to regulation by the
341 commission solely as a result of their interest in a community
342 solar facility.

343 (w) Unless a community solar project is owned by a utility,
344 provide that prices paid for subscriptions to capacity from
345 community solar facilities are not subject to regulation by the
346 commission.

347 (4) INFORMATION FOR COMMUNITY SOLAR FACILITIES SEEKING
348 SUBSCRIBERS.—The commission shall make available on its website

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349 information regarding community solar facilities whose owners
350 are seeking subscribers and any additional relevant information.

351 (5) THIRD-PARTY PROGRAM ADMINISTRATOR.—The commission shall
352 issue a request for proposals for a third-party program
353 administrator to administer all or a portion of the community
354 solar program. The third-party program administrator must be
355 chosen through a competitive bid process that is based on
356 selection criteria and requirements developed by the commission.
357 The selection criteria must include, at a minimum, experience in
358 administering low-income energy programs and overseeing
359 statewide clean energy or energy efficiency services.

360 (6) ANNUAL STATUS REPORTS.—Beginning within 2 years after
361 the date the commission adopts rules required under subsection
362 (3), each utility shall submit to the commission a publicly
363 available annual status report that includes all of the
364 following:

365 1. The total number of participating customers by customer
366 class.

367 2. The total number of community solar facilities and the
368 associated project capacity.

369 3. The number of participating low-income customers,
370 moderate-income customers, low-income affordable housing
371 providers, and low-income service organizations.

372 4. The total program capacity subscribed to by low-income
373 customers, moderate-income customers, low-income affordable
374 housing providers, and low-income service organizations.

375 5. The number of colocated energy storage projects.

376 6. Interconnection costs that are paid by owners or
377 operators of community solar facilities.

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378 (7) COMMISSION REVIEW.—Within 5 years after adopting the
379 rules required under this section, the commission shall:

380 (a) Review the program and its rules to gauge their
381 effectiveness in meeting the objectives of this section and make
382 any adjustments necessary.

383 (b) Include in the review an inclusive and transparent
384 process to solicit feedback, including in-person meetings with
385 groups that may not have the ability to participate in a formal
386 process, and for interested persons to submit comments to the
387 commission concerning the effectiveness of its rules to
388 accomplish the objectives of this section.

389 1. Considerations for measuring the effectiveness of the
390 program must include all of the following:

391 a. Information submitted as part of annual status reports.

392 b. Mechanisms to support the participation by a diversity
393 of subscriber types.

394 c. Mechanisms to support successful creation, financing,
395 and accessibility of community solar facilities in a way that
396 encourages robust consumer participation.

397 d. Siting and interconnection challenges.

398 e. Consumer protection measures.

399 2. Within 180 days after receiving comments and feedback,
400 the commission may propose adjustments to the program which are
401 designed to ensure that the development of community solar
402 facilities accomplishes the objectives of this section.

403 Section 2. This act shall take effect July 1, 2019.