

By Senator Rodriguez

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1 A bill to be entitled
2 An act relating to renewable energy standards;
3 amending s. 366.92, F.S.; defining the terms
4 "renewable energy credit" and "renewable portfolio
5 standard"; requiring the Public Service Commission to
6 adopt rules for a renewable portfolio standard;
7 requiring the commission to present a draft rule to
8 the Legislature for consideration by a specified date;
9 requiring providers to submit annual progress reports
10 to the commission after such rule has been adopted;
11 providing requirements for the reports; providing an
12 effective date.

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

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16 Section 1. Present subsections (3), (4), and (5) of section
17 366.92, Florida Statutes, are redesignated as subsections (4),
18 (5), and (6), respectively, paragraphs (c) and (d) are added to
19 subsection (2) of that section, and a new subsection (3) is
20 added to that section, to read:

21 366.92 Florida renewable energy policy.—

22 (2) As used in this section, the term:

23 (c) "Renewable energy credit" means a value that represents
24 the unbundled, separable, renewable attribute of renewable
25 energy produced in this state and is equivalent to 1 megawatt-
26 hour of electricity generated by a source of renewable energy
27 located in this state.

28 (d) "Renewable portfolio standard" or "RPS" means the
29 minimum percentage of total annual retail electricity sales by a

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30 provider to consumers in this state which must be supplied by
31 renewable energy produced in this state.

32 (3) The commission shall adopt rules for a renewable
33 portfolio standard requiring each provider to supply renewable
34 energy to its customers directly by procurement or through the
35 purchase of renewable energy credits. In developing the RPS
36 rule, the commission shall consult the Department of
37 Environmental Protection and the Department of Agriculture and
38 Consumer Services. The rule may not be implemented until adopted
39 by the Legislature. The commission shall present a draft rule
40 for consideration by the Legislature by February 1, 2020.

41 (a) In developing the rule, the commission shall evaluate
42 the current and forecasted levelized cost in cents per kilowatt
43 hour through 2032 and the current and forecasted installed
44 capacity in kilowatts for each renewable energy generation
45 method through 2032.

46 (b) The commission's rule:

47 1. Must include methods of managing the cost of compliance
48 with the renewable portfolio standard, whether through direct
49 supply or procurement of renewable power or through the purchase
50 of renewable energy credits. The commission may include
51 provision in the rule for annual cost recovery and incentive-
52 based adjustments to authorized rates of return on common equity
53 to providers to incentivize renewable energy. Notwithstanding s.
54 366.91(3) and (4), and upon the ratification of the rules
55 developed pursuant to this subsection, the commission may
56 approve projects and power sales agreements with renewable power
57 producers and the sale of renewable energy credits needed to
58 comply with the renewable portfolio standard. In the event of

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59 any conflict, this subparagraph supersedes s. 366.91(3) and (4).
60 However, this section does not alter the obligation of each
61 public utility to continuously offer a purchase contract to
62 producers of renewable energy.

63 2. Must provide for appropriate compliance measures and the
64 conditions under which noncompliance is excused due to a
65 determination by the commission that the supply of renewable
66 energy or renewable energy credits was not adequate to satisfy
67 the demand for such energy or that the cost of securing
68 renewable energy or renewable energy credits was cost
69 prohibitive.

70 3. May provide added weight to energy provided by wind and
71 solar photovoltaic over other forms of renewable energy, whether
72 directly supplied or procured or indirectly obtained through the
73 purchase of renewable energy credits.

74 4. Must determine an appropriate period of time during
75 which renewable energy credits may be used for purposes of
76 compliance with the renewable portfolio standard.

77 5. Must provide for monitoring of compliance with and
78 enforcement of this section.

79 6. Must ensure that energy credited toward compliance with
80 this section is not credited toward any other purpose.

81 7. Must include procedures to track and account for
82 renewable energy credits, including ownership of renewable
83 energy credits that are derived from a customer-owned renewable
84 energy facility as a result of any action by a customer of an
85 electric power supplier that is independent of a program
86 sponsored by the electric power supplier.

87 8. Must provide for the conditions and options for the

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88 repeal or alteration of the rule in the event that new
89 provisions of federal law supplant or conflict with the rule.

90 (c) Beginning on April 1 of the year following final
91 adoption of the commission's renewable portfolio standard rule,
92 each provider shall submit a report to the commission describing
93 the steps that have been taken during the previous year and the
94 steps that will be taken in the future to add renewable energy
95 to the provider's energy supply portfolio. The report must state
96 whether the provider was in compliance with the renewable
97 portfolio standard during the previous year and how it intends
98 to comply with the renewable portfolio standard in the upcoming
99 year.

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