

By the Committees on Rules; Community Affairs; and Regulated Industries; and Senator Bradley

595-03655-22

20221024c3

1 A bill to be entitled
2 An act relating to renewable energy generation;
3 amending s. 163.04, F.S.; authorizing certain entities
4 to prohibit the installation of solar collectors under
5 certain circumstances; amending s. 366.91, F.S.;
6 revising and providing legislative findings relating
7 to the redesign of net metering to avoid cross-
8 subsidization of electric service costs between
9 classes of ratepayers; providing the terms for public
10 utility net metering programs after a specified date;
11 authorizing certain customers who own or lease
12 renewable generation to remain under the net metering
13 rules that initially applied to those customers for a
14 specified time; providing applicability; requiring the
15 Public Service Commission to adopt rules that meet
16 certain requirements by a specified date; authorizing
17 public utilities to petition the commission, after a
18 specified date, for approval of certain charges;
19 providing conditions under which rulemaking must be
20 initiated if the penetration rate of customer-owned or
21 -leased renewable generation meets a specified
22 threshold; authorizing public utilities to petition
23 the commission to offer certain alternative net
24 metering programs; requiring certain public utilities
25 to provide a specified report to the commission;
26 providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:
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595-03655-22

20221024c3

30 Section 1. Subsection (2) of section 163.04, Florida
31 Statutes, is amended to read:

32 163.04 Energy devices based on renewable resources.—

33 (2) A deed restriction, covenant, declaration, or similar
34 binding agreement may not prohibit or have the effect of
35 prohibiting solar collectors, clotheslines, or other energy
36 devices based on renewable resources from being installed on
37 buildings erected on the lots or parcels covered by the deed
38 restriction, covenant, declaration, or binding agreement. A
39 property owner may not be denied permission to install solar
40 collectors or other energy devices by any entity granted the
41 power or right in any deed restriction, covenant, declaration,
42 or similar binding agreement to approve, forbid, control, or
43 direct alteration of property with respect to residential
44 dwellings and within the boundaries of a condominium unit. Such
45 entity may:

46 (a) Determine the specific location where solar collectors
47 may be installed on the roof within an orientation to the south
48 or within 45 degrees ~~45°~~ east or west of due south if such
49 determination does not impair the effective operation of the
50 solar collectors; and

51 (b) Prohibit the installation of solar collectors in
52 locations beyond the parameters specified in paragraph (a).

53 Section 2. Subsections (1) and (5) of section 366.91,
54 Florida Statutes, are amended to read:

55 366.91 Renewable energy.—

56 (1) The Legislature finds that:

57 (a) It is in the public interest to continue ~~promote~~ the
58 development of renewable energy resources in this state in a

595-03655-22

20221024c3

59 manner that is fair and equitable to all public utility
60 customers. Renewable energy resources have the potential to help
61 diversify fuel types to meet Florida's growing dependency on
62 natural gas for electric production, minimize the volatility of
63 fuel costs, encourage investment within the state, improve
64 environmental conditions, and make Florida a leader in new and
65 innovative technologies. The development and maturation of the
66 solar energy industry, the substantial decline in the cost of
67 solar panels, and the increase in customer-owned or -leased
68 renewable generation support the redesign of net metering by the
69 commission.

70 (b) Customer-owned or -leased renewable generation is not
71 available to many public utility customers who lack the
72 financial resources to purchase or lease rooftop solar panels or
73 who reside in multitenant buildings. The substantial growth of
74 customer-owned or -leased renewable generation has resulted in
75 increased cross-subsidization of the full cost of electric
76 service onto the public utility's general body of ratepayers.
77 Therefore, the redesigned net metering rate structures required
78 in paragraph (5) (d) must ensure that public utility customers
79 who own or lease renewable generation pay the full cost of
80 electric service and are not cross-subsidized by the public
81 utility's general body of ratepayers.

82 (5) (a) ~~On or before January 1, 2009,~~ Each public utility
83 shall develop a standard ~~standardized~~ interconnection agreement
84 and net metering program for customer-owned or -leased renewable
85 generation. The commission shall establish requirements relating
86 to the expedited interconnection and net metering of customer-
87 owned or -leased renewable generation by public utilities and

595-03655-22

20221024c3

88 shall ~~may~~ adopt new rules to administer this section.

89 (b) Effective January 1, 2024, public utility net metering
90 programs for customer-owned or -leased renewable generation must
91 provide that:

92 1. Electricity used by the customer in excess of the
93 generation supplied by customer-owned or -leased renewable
94 generation is billed by the public utility in accordance with
95 normal billing practices; and

96 2. Excess customer-owned or -leased renewable generation
97 delivered to the public utility's electric grid during the
98 customer's regular billing cycle is credited to the customer's
99 energy consumption for the next month's billing cycle as
100 follows:

101 a. For energy credits produced from customer-owned or -
102 leased renewable generation for which a standard interconnection
103 agreement is executed by both parties during calendar years 2024
104 and 2025, the customer's energy usage is offset by 75 percent of
105 the amount credited.

106 b. For energy credits produced from customer-owned or -
107 leased renewable generation for which a standard interconnection
108 agreement is executed by both parties during calendar years 2026
109 and 2027, the customer's energy usage is offset by 50 percent of
110 the amount credited.

111 (c) A public utility customer who owns or leases renewable
112 generation for which a standard interconnection agreement is
113 executed by both parties before December 31, 2023, is granted 20
114 years to continue to use the net metering rate design and rates
115 that applied at the time the standard interconnection agreement
116 was executed by both parties. This paragraph applies to

595-03655-22

20221024c3

117 customers who purchase or lease real property upon which
118 customer-owned or -leased renewable generation is installed for
119 all or part of that 20-year period.

120 (d) The commission shall adopt subsequent rules to become
121 effective January 1, 2028, which establish a new program design
122 for customer-owned or -leased renewable generation for which a
123 standard interconnection agreement was executed by both parties
124 on or after January 1, 2028. The new program design must comply
125 with the following criteria:

126 1. Each public utility customer who owns or leases
127 renewable generation must pay the full cost of electric service
128 and may not be subsidized by the public utility's general body
129 of ratepayers after December 31, 2027.

130 2. All energy delivered by the public utility must be
131 purchased at the public utility's applicable retail rate, and
132 all energy delivered by the customer-owned or -leased renewable
133 generation to the public utility must be credited to the
134 customer at the public utility's full avoided costs.

135 3. The commission shall establish revised guidelines for
136 net metering credits, netting intervals, fees, and charges as
137 described herein, so as to ensure that the renewable generation
138 subsidy is zero by January 1, 2028.

139 (e) After the effective date of the subsequent net metering
140 rules described in paragraph (d), a public utility may petition
141 the commission for approval to impose fixed charges, including
142 base facilities charges, electric grid access fees, or monthly
143 minimum bills, to help ensure that the public utility recovers
144 the fixed costs of serving customers who engage in net metering
145 and that the general body of public utility ratepayers does not

595-03655-22

20221024c3

146 subsidize customer-owned or -leased renewable generation.

147 (f)1. If at any time the statewide penetration rate of
148 customer-owned or -leased renewable generation exceeds 6.5
149 percent, the commission, upon petition or on its own motion,
150 must initiate rulemaking to adopt a new program design that
151 complies with subparagraphs (d)1. and 2. A new program design
152 adopted pursuant to this subparagraph becomes effective 60 days
153 after rule adoption and shall apply to customer-owned or -leased
154 renewable generation for which a standard interconnection
155 agreement was executed by both parties after that effective
156 date.

157 2. For purposes of this paragraph, the penetration rate
158 must be calculated by dividing the aggregate gross power rating
159 (alternating current) of all in-service customer-owned or -
160 leased renewable generation in all investor-owned electric
161 utilities' service territories by the total summer peak demand
162 of all investor-owned electric utilities.

163 (g) This subsection establishes the minimum requirements
164 for each public utility net metering program. A public utility
165 may petition the commission at any time for approval to offer a
166 net metering program on terms that are more favorable to
167 customers who own or lease renewable generation than the terms
168 specified in this subsection or in commission rules adopted
169 pursuant to this subsection.

170 (h) The commission shall require a public utility
171 requesting a change in base rates under s. 366.06 to report to
172 the commission the impact of net metering on the public
173 utility's revenues and cost of service.

174 Section 3. This act shall take effect July 1, 2022.