

26 and Consumer Services to adopt rules; providing an
 27 appropriation; providing an effective date.

28
 29 WHEREAS, as provided in s. 366.91(1), Florida Statutes, the
 30 Legislature has determined that it is in the public interest to
 31 promote the development of renewable energy resources in this
 32 state, and

33 WHEREAS, under s. 366.91, Florida Statutes, municipal solid
 34 waste-to-energy facilities that use biomass as a fuel or energy
 35 source are deemed to be producing renewable energy, and

36 WHEREAS, municipal solid waste-to-energy facilities provide
 37 a practical and sustainable solution to reducing landfill waste,
 38 reducing volume by about 87 percent, and

39 WHEREAS, the Legislature recognizes the benefits that
 40 municipal solid waste-to-energy facilities contribute to the
 41 state and its local communities, and

42 WHEREAS, the Legislature intends to incentivize the
 43 production and sale of energy from municipal solid waste-to-
 44 energy facilities through grant programs, NOW, THEREFORE,

45
 46 Be It Enacted by the Legislature of the State of Florida:

47
 48 Section 1. Section 377.814, Florida Statutes, is created
 49 to read:

50 377.814 Municipal Solid Waste-to-Energy Program.-

51 (1) CREATION AND PURPOSE OF THE PROGRAM.—The Municipal
52 Solid Waste-to-Energy Program is created within the department.
53 The purpose of the program is to provide financial assistance
54 grants and incentive grants to municipal solid waste-to-energy
55 facilities to incentivize the production and sale of energy from
56 municipal solid waste-to-energy facilities while also reducing
57 the amount of waste that would otherwise be disposed of in a
58 landfill.

59 (2) DEFINITIONS.—For purposes of this section, the term:

60 (a) "Department" means the Department of Agriculture and
61 Consumer Services.

62 (b) "Municipal solid waste-to-energy facility" means a
63 publicly owned or government affiliate-owned facility that uses
64 an enclosed device using controlled combustion to thermally
65 break down solid waste to an ash residue that contains little or
66 no combustible material and that produces electricity, steam, or
67 other energy as a result. The term does not include facilities
68 that primarily burn fuels other than solid waste even if such
69 facilities also burn some solid waste as a fuel supplement. The
70 term does not include facilities that primarily burn vegetative,
71 agricultural, or silvicultural wastes, bagasse, clean dry wood,
72 methane or other landfill gas, wood fuel derived from
73 construction or demolition debris, or waste tires, alone or in
74 combination with fossil fuels.

75 (3) FINANCIAL ASSISTANCE GRANT PROGRAM.—The department,

76 subject to appropriation, shall provide financial assistance
77 grants to municipal solid waste-to-energy facilities that have
78 entered into a power purchase agreement with an electric utility
79 which includes capacity payments and the municipal solid waste-
80 to-energy facility will no longer receive capacity payments
81 under the agreement.

82 (a) To receive a financial assistance grant, the owner of
83 a municipal solid waste-to-energy facility must submit an
84 application to the department. The application must include the
85 name of the applicant's municipal solid waste-to-energy facility
86 and how much energy has been purchased from the facility by an
87 electric utility during the preceding state fiscal year.

88 (b) The department shall distribute funds, subject to
89 appropriation, to each qualifying applicant at a rate of 2 cents
90 per kilowatt-hour of electric power purchased by an electric
91 utility during the preceding state fiscal year, not to exceed
92 the difference between the electric utility's avoided cost and
93 the commercial retail rate. To the extent that funds are not
94 available to provide financial assistance to each qualifying
95 applicant for every qualifying kilowatt-hour purchased, the
96 department shall prorate the funds on an equitable basis, taking
97 into consideration the commercial retail rate within the
98 applicable service territory.

99 (c) The department shall establish a process to verify the
100 amount of electric power purchased from a municipal solid waste-

101 to-energy facility by an electric utility during each preceding
 102 state fiscal year. The Public Service Commission shall provide
 103 assistance to the department to help verify grant eligibility
 104 and award amounts and to ensure that the sum, per kilowatt-hour,
 105 of the award plus the electric utility's purchase at the avoided
 106 cost, do not exceed the applicable commercial retail rate within
 107 the service territory.

108 (4) INCENTIVE GRANT PROGRAM.—The department, subject to
 109 appropriation, shall provide incentive grants to municipal solid
 110 waste-to-energy facilities to assist with the planning and
 111 designing for constructing, upgrading, or expanding a municipal
 112 solid waste-to-energy facility, including necessary legal or
 113 administrative expenses.

114 (a) To qualify for an incentive grant, the owner of a
 115 municipal solid waste-to-energy facility must apply to the
 116 department for funding; provide matching funds on a dollar-for-
 117 dollar basis; and demonstrate that the project is cost-
 118 effective, permittable, and implementable and complies with s.
 119 403.7061.

120 (b) The Department of Environmental Protection shall
 121 provide assistance to the department in determining the
 122 eligibility of grant applications and establishing requirements
 123 to ensure the long-term and efficient operation and maintenance
 124 of facilities constructed or expanded under an incentive grant.

125 (c) The department shall perform adequate overview of each

126 grant application and grant award, including technical review,
127 regular inspections, disbursement approvals, and auditing, to
128 implement this section.

129 (d) The department shall require the termination or
130 repayment of incentive grant funds if the department determines
131 that program requirements are not being met.

132 (5) FUNDING.—Funds appropriated for the Municipal Solid
133 Waste-to-Energy Program must first be used for financial
134 assistance grants. Any funds remaining in a state fiscal year
135 after disbursement to all qualifying applicants may be used to
136 fund the incentive grant program.

137 (6) RULES.—The department shall adopt rules to implement
138 and administer this section, including establishing grant
139 application processes for financial assistance grants and
140 incentive grants. The rules shall include application deadlines
141 and establish the supporting documentation necessary to be
142 provided to the department. In adopting rules relating to the
143 financial assistance grant program, the department shall consult
144 the Public Service Commission. In adopting rules for the
145 incentive grant program, the department shall consult the
146 Department of Environmental Protection.

147 Section 2. For the 2022-2023 fiscal year, the sum of \$100
148 million in recurring funds is appropriated from the General
149 Revenue Fund to the Department of Agriculture and Consumer
150 Services for the Municipal Solid Waste-to-Energy Program, as

HB 1419

2022

151 | provided in s. 377.814, Florida Statutes.

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