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1                   A bill to be entitled  
2           An act relating to the Municipal Solid Waste-to-Energy  
3           Program; creating s. 377.814, F.S.; creating the  
4           Municipal Solid Waste-to-Energy Program within the  
5           Department of Agriculture and Consumer Services for a  
6           specified purpose; defining terms; requiring the  
7           department, subject to appropriation, to provide  
8           annual financial assistance grants to municipal solid  
9           waste-to-energy facilities that meet certain  
10          requirements; requiring the department to distribute  
11          funds to qualifying applicants based on certain  
12          criteria; requiring the department to establish a  
13          process to verify the amount of certain electric power  
14          purchases; directing the Public Service Commission to  
15          provide assistance in verifying grant eligibility;  
16          requiring the department, subject to appropriation, to  
17          provide incentive grants to municipal solid waste-to-  
18          energy facilities to assist with certain costs;  
19          specifying requirements for applying for the funding;  
20          requiring the Department of Environmental Protection  
21          to provide assistance in determining grant eligibility  
22          and establishing requirements; requiring the  
23          department to perform grant overview; prohibiting  
24          funds from being used for specified purposes;  
25          establishing priority for funding for the grants;  
26          authorizing the balance of certain unexpended funds to  
27          be carried forward for a specified number of years;  
28          requiring the Department of Agriculture and Consumer  
29          Services to adopt rules; providing an effective date.

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

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

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

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

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

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

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

377.814 Municipal Solid Waste-to-Energy Program.—

(1) CREATION AND PURPOSE OF THE PROGRAM.—The Municipal Solid Waste-to-Energy Program is created within the department. The purpose of the program is to provide financial assistance grants and incentive grants to municipal solid waste-to-energy facilities to incentivize the production and sale of energy from municipal solid waste-to-energy facilities while also reducing

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59 the amount of waste that would otherwise be disposed of in a  
60 landfill.

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

62 (a) "Department" means the Department of Agriculture and  
63 Consumer Services.

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

77 (3) FINANCIAL ASSISTANCE GRANT PROGRAM.—The department,  
78 subject to appropriation, shall provide annual financial  
79 assistance grants to municipal solid waste-to-energy facilities  
80 that entered into a power purchase agreement with an electric  
81 utility before January 1, 2022, which included capacity and  
82 energy payments, and the owner of the municipal solid waste-to-  
83 energy facility has entered into a new or amended power purchase  
84 agreement that either no longer includes capacity payments or  
85 includes capacity and energy payments in an amount less than the  
86 total of the capacity and energy payments the municipal solid  
87 waste-to-energy facility received under the power purchase

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88 agreement entered into before January 1, 2022.

89 (a) To apply for an annual financial assistance grant, the  
90 owner of a municipal solid waste-to-energy facility must submit  
91 an application to the department. The application must include  
92 the name of the applicant's municipal solid waste-to-energy  
93 facility, the name of the utility purchasing the electric power  
94 from the municipal solid waste-to-energy facility, the total  
95 capacity and energy payment the municipal solid waste-to-energy  
96 facility received during the last year of the power purchase  
97 agreement entered into before January 1, 2022, and the amount of  
98 energy delivered to and the total amount paid for such power by  
99 an electric utility pursuant to a new or amended power purchase  
100 agreement during the preceding state fiscal year.

101 (b) The department shall distribute funds, subject to  
102 appropriation, to each qualifying applicant at a rate of 2 cents  
103 per kilowatt-hour of electric power purchased by an electric  
104 utility during the preceding state fiscal year, not to exceed  
105 the difference between the total capacity and energy payment the  
106 municipal solid waste-to-energy facility received during the  
107 last year of the power purchase agreement entered into before  
108 January 1, 2022, and the total of the capacity and energy  
109 payment the municipal solid waste-to-energy facility received  
110 under a new or amended power purchase agreement during the  
111 preceding state fiscal year. To the extent that funds are not  
112 available to provide financial assistance to each qualifying  
113 applicant for every qualifying kilowatt-hour purchased, the  
114 department shall prorate the funds on an equitable basis.

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

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117 to-energy facility by an electric utility during each preceding  
118 state fiscal year. The Public Service Commission shall provide  
119 assistance to the department to help verify the information  
120 provided pursuant to paragraph (a).

121 (4) INCENTIVE GRANT PROGRAM.—The department, subject to  
122 appropriation, shall provide incentive grants to municipal solid  
123 waste-to-energy facilities to assist with the planning and  
124 designing for constructing, upgrading, or expanding a municipal  
125 solid waste-to-energy facility, including necessary legal or  
126 administrative expenses.

127 (a) To qualify for an incentive grant, the owner of a  
128 municipal solid waste-to-energy facility must apply to the  
129 department for funding; provide matching funds on a dollar-for-  
130 dollar basis; and demonstrate that the project is cost-  
131 effective, permittable, and implementable and complies with s.  
132 403.7061.

133 (b) The Department of Environmental Protection shall  
134 provide assistance to the department in determining the  
135 eligibility of grant applications and establishing requirements  
136 to ensure the long-term and efficient operation and maintenance  
137 of facilities constructed or expanded under an incentive grant.

138 (c) The department shall perform adequate overview of each  
139 grant application and grant award, including technical review,  
140 regular inspections, disbursement approvals, and auditing, to  
141 implement this section.

142 (d) Funds awarded under the incentive grant program may not  
143 be used to promote, establish, or convert a residential  
144 collection system that does not provide for the separate  
145 collection of residential solid waste from recovered materials

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146 as defined in s. 403.703.

147 (e) The department shall require the termination or  
148 repayment of incentive grant funds if the department determines  
149 that program requirements are not being met.

150 (5) FUNDING.—

151 (a) Funds appropriated for the Municipal Solid Waste-to-  
152 Energy Program must first be used for financial assistance  
153 grants. Any funds remaining in a state fiscal year after  
154 disbursement to all qualifying applicants may be used to fund  
155 the incentive grant program.

156 (b) Funds awarded under the grant programs set forth in  
157 this section may not be used to support, subsidize, or enable  
158 the sale of electric power generated by a municipal solid waste-  
159 to-energy facility to any small electric utility eligible to  
160 petition the commission under s. 366.06(4).

161 (c) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
162 funds allocated for the purpose of this section which are not  
163 disbursed by June 30 of the fiscal year in which the funds are  
164 allocated may be carried forward for up to 5 years after the  
165 effective date of the original appropriation.

166 (6) RULES.—The department shall adopt rules to implement  
167 and administer this section, including establishing grant  
168 application processes for financial assistance grants and  
169 incentive grants. The rules shall include application deadlines  
170 and establish the supporting documentation necessary to be  
171 provided to the department. In adopting rules relating to the  
172 financial assistance grant program, the department shall consult  
173 the Public Service Commission. In adopting rules for the  
174 incentive grant program, the department shall consult the

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175 Department of Environmental Protection.

176 Section 2. This act shall take effect July 1, 2022.