

HB 821

2023

1                   A bill to be entitled  
2           An act relating to renewable energy cost recovery;  
3           amending s. 366.91, F.S.; revising the types of  
4           contracts which are eligible for cost recovery by a  
5           public utility under certain circumstances;  
6           authorizing a public utility to recover prudently  
7           incurred renewable natural gas and hydrogen fuel  
8           infrastructure project costs through the appropriate  
9           Public Service Commission cost-recovery mechanism;  
10          providing that such costs prudently incurred are not  
11          subject to further actions except under certain  
12          circumstances; specifying eligible renewable natural  
13          gas and hydrogen fuel infrastructure projects;  
14          providing an effective date.

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

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18          Section 1. Subsection (9) of section 366.91, Florida  
19          Statutes, is amended, and subsection (10) is added to that  
20          section, to read:

21          366.91 Renewable energy.—

22          (9) ~~The commission may approve cost recovery by a gas~~  
23          ~~public utility for~~ Contracts for the purchase of renewable  
24          natural gas and hydrogen in which the pricing provisions exceed  
25          the current market price of natural gas are eligible for cost

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26 recovery, but only if ~~which are otherwise deemed reasonable and~~  
27 ~~prudent by~~ the commission finds that the contract meets the  
28 overall goals of subsection (1) by promoting the development or  
29 use of renewable energy resources in this state and providing  
30 fuel diversification.

31 (10) A public utility may recover, through the appropriate  
32 cost-recovery mechanism administered by the commission,  
33 prudently incurred costs for renewable natural gas and hydrogen  
34 fuel infrastructure projects. If the commission determines that  
35 such costs were prudently incurred, those costs are not subject  
36 to disallowance or further prudence review except for fraud,  
37 perjury, or intentional withholding of key information by the  
38 public utility. For purposes of this subsection for utility cost  
39 recovery only, renewable natural gas may include a mixture of  
40 natural gas and renewable natural gas. Eligible renewable  
41 natural gas and hydrogen fuel infrastructure projects include,  
42 but are not limited to, capital investment in projects necessary  
43 to prepare or produce renewable natural gas and hydrogen fuel  
44 for pipeline distribution and usage; capital investment in  
45 facilities, including pipelines, necessary to inject and deliver  
46 renewable natural gas and hydrogen fuel throughout this state;  
47 renewable natural gas and hydrogen fuel storage facilities;  
48 operation and maintenance expenses associated with any such  
49 renewable natural gas and hydrogen fuel infrastructure projects;  
50 and an appropriate return on investment consistent with that

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51 allowed for other utility plants used to provide service to  
52 customers.

53       Section 2. This act shall take effect July 1, 2023.