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LEGISLATIVE ACTION

Senate	.	House
Comm: RS	.	
03/20/2025	.	
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The Committee on Regulated Industries (Gaetz) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (1) of section 350.01, Florida
Statutes, is amended to read:

350.01 Florida Public Service Commission; terms of
commissioners; vacancies; election and duties of chair; quorum;
proceedings; public records and public meetings exemptions.—

(1) The Florida Public Service Commission shall be composed



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11 ~~consist~~ of seven ~~five~~ commissioners appointed pursuant to s.
12 350.031. One member must be a certified public accountant, and
13 one member must be a chartered financial analyst.

14 Section 2. Section 350.129, Florida Statutes, is created to
15 read:

16 350.129 Orders of the Public Service Commission.-

17 (1) All orders issued by the commission must contain
18 adequate support for the commission's conclusions, including the
19 specific facts and factors on which the conclusions are based.
20 While the commission may make conclusions based upon the public
21 interest, as provided in chapters 350-368, the commission shall
22 specify in its orders a rationale for its conclusions.

23 (2) For commission orders that affect substantial interests
24 pursuant to s. 120.569, when issuing an order accepting or
25 denying a settlement agreement reached by any of the parties to
26 a proceeding, the commission shall provide a reasoned
27 explanation, citing the specific facts and factors on which it
28 relied. In addition, the commission shall provide in its order a
29 discussion of the major elements of the settlement and a
30 rationale for its conclusions.

31 Section 3. Present subsection (4) of section 366.06,
32 Florida Statutes, is redesignated as subsection (5), and a new
33 subsection (4) is added to that section, to read:

34 366.06 Rates; procedure for fixing and changing.-

35 (4) In order to best meet the needs of Florida households,
36 the commission shall work to keep the allowable return on equity
37 close to the risk-free rate of return and shall require that
38 upward deviations from the risk-free rate be specifically
39 justified by the utility seeking a tariff modification.



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40 Section 4. Section 366.07, Florida Statutes, is amended to
41 read:

42 366.07 Rates; adjustment.—

43 (1) Whenever the commission, after public hearing either
44 upon its own motion or upon complaint, shall find the rates,
45 rentals, charges or classifications, or any of them, proposed,
46 demanded, observed, charged or collected by any public utility
47 for any service, or in connection therewith, or the rules,
48 regulations, measurements, practices or contracts, or any of
49 them, relating thereto, are unjust, unreasonable, insufficient,
50 excessive, or unjustly discriminatory or preferential, or in
51 anywise in violation of law, or any service is inadequate or
52 cannot be obtained, the commission shall determine and by order
53 fix the fair and reasonable rates, rentals, charges or
54 classifications, and reasonable rules, regulations,
55 measurements, practices, contracts or service, to be imposed,
56 observed, furnished or followed in the future.

57 (2) The commission shall establish a schedule by which rate
58 change requests may be submitted to the commission by each
59 public utility company.

60 Section 5. Section 366.077, Florida Statutes, is created to
61 read:

62 366.077 Report on rates.—The commission shall require each
63 public utility to submit an annual report to the Governor and
64 the Legislature by each March 1.

65 (1) The report must include all of the following:

66 (a) An investigation of contemporary economic analysis
67 related to rate changes in this state.

68 (b) An analysis of potential cost impacts to utility



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69 customers in this state if excess returns on equity have
70 occurred, and, if such excess returns have not occurred at a
71 significant rate, any resulting cost savings to such customers.

72 (c) An analysis of alternative rate-of-return scenarios,
73 including an investigation of the rationale as to why such
74 scenarios were not explored in the past and of the advisability
75 of exploring such scenarios in the future.

76 4. An assessment of long-term impacts, including the
77 economic repercussions of rising rates of returns on equity, to
78 utilities and their customers in the future.

79 5. A summary providing detailed information regarding the
80 compensation of the executive officers of each public utility
81 providing service to the residents of this state, or the
82 executive officers of their affiliated companies or parent
83 company. Such information must include but need not be limited
84 to salaries, benefits, stock options, bonuses, stock buybacks,
85 and other taxable payments, expressed both as dollar amounts and
86 as a percentage of the entity's total revenue. The summary must
87 include the profits and losses of each entity as reported in its
88 financial statements and must highlight any compensation that
89 exceeds the industry average. The commission shall also include
90 any rationale provided by a public utility justifying
91 compensation exceeding the industry average and, for each public
92 utility, an explanation as to how specific data gathered during
93 the compiling of information informed the commission's decisions
94 on the public utility's rate change requests.

95 (b) The report must provide benchmarking, comparing public
96 utilities providing service to the residents of this state with
97 public utilities providing service to the residents of other



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98 states, including commentary on all findings.

99 Section 6. Subsections (4) and (11) of section 366.96,
100 Florida Statutes, are amended to read:

101 366.96 Storm protection plan cost recovery.—

102 (4) At a minimum, any improvement included in a
103 transmission and distribution storm protection plan filed
104 pursuant to this section must have a forecasted customer benefit
105 exceeding its forecasted cost. In addition, in its review of
106 each ~~transmission and distribution storm protection~~ plan filed
107 pursuant to this section, the commission shall consider:

108 (a) The extent to which the plan is expected to reduce
109 restoration costs and outage times associated with extreme
110 weather events and enhance reliability, including whether the
111 plan prioritizes areas of lower reliability performance and
112 whether the cost of implementing the plan is reasonable and
113 prudent given the expected benefit.

114 (b) The extent to which storm protection of transmission
115 and distribution infrastructure is feasible, reasonable, or
116 practical in certain areas of the utility's service territory,
117 including, but not limited to, flood zones and rural areas.

118 (c) The estimated costs and benefits to the utility and its
119 customers of making the improvements proposed in the plan.

120 (d) The estimated annual rate impact resulting from
121 implementation of the plan during the first 3 years addressed in
122 the plan.

123 (e) The performance of previously approved plan
124 improvements in reducing outage times and storm restoration
125 costs.

126 (11) The commission shall adopt rules to implement and



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127 ~~administer this section and shall propose a rule for adoption as~~
128 ~~soon as practicable after the effective date of this act, but~~
129 ~~not later than October 31, 2019.~~

130 Section 7. Present subsections (7), (8), (9), and (10)
131 through (13) of section 367.021, Florida Statutes, are
132 redesignated as subsections (8), (9), (10), and (12) through
133 (15), respectively, and new subsections (7) and (11) are added
134 to that section, to read:

135 367.021 Definitions.—As used in this chapter, the following
136 words or terms shall have the meanings indicated:

137 (7) "Governing board" means a board of directors, nonprofit
138 board, board of trustees, or similar body overseeing the
139 operations of an organization.

140 (11) "Qualifying nonprofit organization" means an
141 organization that meets all of the following criteria:

142 (a) The organization is a nonprofit corporation,
143 association, or cooperative providing service solely to members
144 who own and control it.

145 (b) The organization conducts open and fair elections to
146 its governing board at an annual meeting of its members. The
147 term of any one governing board member may not exceed 36 months;
148 however, a candidate may run for reelection without any limit on
149 the number of terms he or she may serve.

150 (c) At least 75 percent of the organization's governing
151 board is made up of the organization's members.

152 (d) The organization provides a mechanism for members of
153 the organization to directly nominate candidates for the
154 governing board. At a minimum, any member or candidate who
155 obtains the signatures of at least 1 percent of the members of



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156 the organization on a petition for nomination for a particular
157 board position or election must, as established by that
158 organization's bylaws, be allowed to stand for election in the
159 same manner as if that member had been nominated by the existing
160 governing board, a committee on nominations established by the
161 board, or other nomination mechanism or procedure as established
162 by the organization's governing documents. Such candidate must
163 meet all other requirements established by law or by the
164 organization's governing documents to serve on the board.

165 (e) The organization is not subject to disqualification
166 pursuant to s. 367.24.

167 Section 8. Subsection (7) of section 367.022, Florida
168 Statutes, is amended to read:

169 367.022 Exemptions.—The following are not subject to
170 regulation by the commission as a utility nor are they subject
171 to the provisions of this chapter, except as expressly provided:

172 (7) Qualifying nonprofit organizations ~~Nonprofit~~
173 ~~corporations, associations, or cooperatives providing service~~
174 ~~solely to members who own and control such nonprofit~~
175 ~~corporations, associations, or cooperatives.~~

176 Section 9. Section 367.24, Florida Statutes, is created to
177 read:

178 367.24 Disqualification from exempt status.—

179 (1) The commission may, upon its own motion or petition by
180 any person, initiate a proceeding to determine whether an
181 organization meets the definition of a qualifying nonprofit
182 organization under s. 367.021.

183 (2) In making its determination as to whether an
184 organization meets the definition of a qualifying nonprofit



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185 organization pursuant to a petition filed under subsection (1),
186 the commission shall consider all of the following:

187 (a) The governing documents of the organization.

188 (b) The conduct of the organization.

189 (c) The conduct of the governing board of the organization.

190 (3) If the commission determines that an organization does
191 not meet the definition of a qualifying nonprofit organization,
192 the commission must provide the organization reasoning for its
193 determination and allow the organization 90 days to address the
194 commission's determination.

195 (4) If, after the expiration of the 90-day period specified
196 in subsection (3), the commission maintains its determination
197 that the organization does not meet the definition of a
198 qualifying nonprofit organization, the commission must issue an
199 order stating that the organization is not exempt from the
200 jurisdiction of the commission pursuant to s. 367.022 and must
201 be regulated as a utility under this chapter.

202 (5) The commission shall follow the procedures established
203 in s. 367.171(2) for an organization determined not to be exempt
204 from the jurisdiction of the commission under subsection (4).
205 The commission shall follow such procedures as if the
206 organization were an established utility in a county newly
207 entering into the commission's jurisdiction.

208 (6) After a period of 24 months, an organization that is
209 determined not to be exempt from the jurisdiction of the
210 commission under subsection (4) may petition the commission to
211 regain qualifying nonprofit organization status. In reviewing
212 this petition, the commission shall comply with the procedure
213 established in subsections (2), (3), and (4). If the commission



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214 does not approve the petition, the organization must wait an
215 additional 24 months before filing another petition with the
216 commission for such status.

217 (7) Consistent with its jurisdiction over utility rates and
218 service, the commission shall resolve issues relating to whether
219 an organization is exempt from jurisdiction under this section
220 and the manner in which a utility is brought under its
221 jurisdiction pursuant to this section.

222 (8) The commission shall adopt rules to implement and
223 administer this section and shall submit such proposed rules for
224 adoption as soon as practicable after July 1, 2026.

225 Section 10. The Public Service Commission shall submit a
226 proposed rule for adoption which implements the amendments made
227 by this act to s. 366.96, Florida Statutes, as soon as
228 practicable after the effective date of this act, but not later
229 than October 31, 2025.

230 Section 11. Paragraph (b) of subsection (2) of section
231 288.0655, Florida Statutes, is amended to read:

232 288.0655 Rural Infrastructure Fund.—

233 (2)

234 (b) To facilitate access of rural communities and rural
235 areas of opportunity as defined by the Rural Economic
236 Development Initiative to infrastructure funding programs of the
237 Federal Government, such as those offered by the United States
238 Department of Agriculture and the United States Department of
239 Commerce, and state programs, including those offered by Rural
240 Economic Development Initiative agencies, and to facilitate
241 local government or private infrastructure funding efforts, the
242 department may award grants for up to 75 percent of the total



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243 infrastructure project cost, or up to 100 percent of the total
244 infrastructure project cost for a project located in a rural
245 community as defined in s. 288.0656(2) which is also located in
246 a fiscally constrained county as defined in s. 218.67(1) or a
247 rural area of opportunity as defined in s. 288.0656(2). Eligible
248 uses of funds may include improving any inadequate
249 infrastructure that has resulted in regulatory action that
250 prohibits economic or community growth and reducing the costs to
251 community users of proposed infrastructure improvements that
252 exceed such costs in comparable communities. Eligible uses of
253 funds include improvements to public infrastructure for
254 industrial or commercial sites and upgrades to or development of
255 public tourism infrastructure. Authorized infrastructure may
256 include the following public or public-private partnership
257 facilities: storm water systems; telecommunications facilities;
258 roads or other remedies to transportation impediments; nature-
259 based tourism facilities; or other physical requirements
260 necessary to facilitate tourism, trade, and economic development
261 activities in the community. Authorized infrastructure may also
262 include publicly or privately owned self-powered nature-based
263 tourism facilities, publicly owned telecommunications
264 facilities, and additions to the distribution facilities of the
265 existing natural gas utility as defined in s. 366.04(3)(c), the
266 existing electric utility as defined in s. 366.02, or the
267 existing water or wastewater utility as defined in s.
268 367.021(14) ~~s. 367.021(12)~~, or any other existing water or
269 wastewater facility, which owns a gas or electric distribution
270 system or a water or wastewater system in this state when:

- 271 1. A contribution-in-aid of construction is required to



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272 serve public or public-private partnership facilities under the
273 tariffs of any natural gas, electric, water, or wastewater
274 utility as defined herein; and

275 2. Such utilities as defined herein are willing and able to
276 provide such service.

277 Section 12. Paragraph (b) of subsection (5) of section
278 377.814, Florida Statutes, is amended to read:

279 377.814 Municipal Solid Waste-to-Energy Program.—

280 (5) FUNDING.—

281 (b) Funds awarded under the grant programs set forth in
282 this section may not be used to support, subsidize, or enable
283 the sale of electric power generated by a municipal solid waste-
284 to-energy facility to any small electric utility eligible to
285 petition the commission under s. 366.06(5) ~~s. 366.06(4)~~.

286 Section 13. Section 624.105, Florida Statutes, is amended
287 to read:

288 624.105 Waiver of customer liability.—Any regulated company
289 as defined in s. 350.111, any electric utility as defined in s.
290 366.02(4), any utility as defined in s. 367.021(14) ~~s.~~

291 ~~367.021(12)~~ or s. 367.022(2) and (7), and any provider of
292 communications services as defined in s. 202.11(1) may charge
293 for and include an optional waiver of liability provision in
294 their customer contracts under which the entity agrees to waive
295 all or a portion of the customer's liability for service from
296 the entity for a defined period in the event of the customer's
297 call to active military service, death, disability, involuntary
298 unemployment, qualification for family leave, or similar
299 qualifying event or condition. Such provisions may not be
300 effective in the customer's contract with the entity unless



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301 affirmatively elected by the customer. No such provision shall
302 constitute insurance so long as the provision is a contract
303 between the entity and its customer.

304 Section 14. For the purpose of incorporating the amendment
305 made by this act to section 366.82, Florida Statutes, in a
306 reference thereto, section 553.975, Florida Statutes, is
307 reenacted to read:

308 553.975 Report to the Governor and Legislature.—The Public
309 Service Commission shall submit a biennial report to the
310 Governor, the President of the Senate, and the Speaker of the
311 House of Representatives, concurrent with the report required by
312 s. 366.82(10), beginning in 1990. Such report shall include an
313 evaluation of the effectiveness of these standards on energy
314 conservation in this state.

315 Section 15. This act shall take effect July 1, 2025.

316

317 ===== T I T L E A M E N D M E N T =====

318 And the title is amended as follows:

319 Delete everything before the enacting clause
320 and insert:

321 A bill to be entitled

322 An act relating to the Public Service Commission;
323 amending s. 350.01, F.S.; revising the membership of
324 the Public Service Commission; creating s. 350.129,
325 F.S.; requiring that orders issued by the commission
326 contain adequate support for any conclusions made by
327 the commission; requiring the commission to provide an
328 explanation and a discussion of major elements of the
329 settlement when issuing an order accepting or denying



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330 certain settlement agreements; amending s. 366.06,
331 F.S.; requiring the commission to keep the allowable
332 return on equity close to the risk-free rate of return
333 and require that upward deviations away from the risk-
334 free rate be specifically justified by the utility
335 seeking a tariff modification; amending s. 366.07,
336 F.S.; requiring the commission to establish a schedule
337 by which rate change requests may be submitted to the
338 commission by each public utility company; creating s.
339 366.077, F.S.; requiring the commission to require
340 public utilities to provide a report to the Governor
341 and the Legislature by a specified date each year;
342 providing requirements for such report; amending s.
343 366.96, F.S.; requiring that improvements included in
344 certain transmission and distribution storm protection
345 plans have forecasted customer benefits exceeding
346 their forecasted cost; revising the factors that the
347 Public Service Commission must consider in reviewing
348 such plans; deleting obsolete language; amending s.
349 367.021, F.S.; defining terms; amending s. 367.022,
350 F.S.; revising the types of nonprofit organizations
351 which are exempt from commission jurisdiction;
352 creating s. 367.24, F.S.; providing a procedure for
353 use by the commission in determining whether an
354 organization is a qualifying nonprofit organization
355 exempt from commission jurisdiction; providing
356 criteria for making such determinations; authorizing
357 an organization to petition the commission to regain
358 qualifying nonprofit organization status under certain



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359 circumstances; requiring a specified waiting period
360 before certain organizations may petition to regain
361 qualifying nonprofit organization status; requiring
362 the commission to submit a proposed rule by a
363 specified date; amending ss. 288.0655, 377.814, and
364 624.105, F.S.; conforming cross-references; reenacting
365 s. 553.975, F.S., relating to the report to the
366 Governor and Legislature, to incorporate the amendment
367 made to s. 366.82, F.S., in a reference thereto;
368 providing an effective date.