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A bill to be entitled An act relating to Energy; amending s. 74.051, F.S.; requiring a court to conduct a hearing and issue a final judgment on a petition for a taking within specified times after a utility's request for such hearing; amending s. 186.007, F.S.; authorizing the Executive Office of the Governor to include in the state comprehensive plan goals, objectives, and policies related to energy and global climate change; amending s. 187.201, F.S.; expanding the air quality, energy, and land use goals of the State Comprehensive Plan to include the development of low carbon emitting electric power plants, the reduction of atmospheric carbon dioxide, the promotion of the use and development of renewable energy resources, and provide for the siting of low carbon emitting electric power plants, including nuclear plants; amending ss. 196.012 and 196.175, F.S.; deleting outdated, obsolete language; removing the expiration date of the property tax exemption for real property on which a renewable energy source device is installed and revising the options for calculating the amount of the exemption; amending s. 206.43, F.S.; requiring each terminal supplier, importer, blender, and wholesaler to provide in a report to the Department of Revenue the number of gallons of gasoline fuel meeting and not meeting the required fuel standard; amending s. 212.08, F.S.; revising the definition of "ethanol"; specifying eligible items as limited to one

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refund; requiring a purchaser who receives a refund to notify a subsequent purchaser of such refund; requiring the Department of Environmental Protection to adopt, by rule, an application form for claiming a tax exemption; amending s. 220.192, F.S.; defining terms related to a tax credit; allowing the tax credit to be transferred for a specified period; providing procedures and requirements; requiring the Department of Revenue to adopt rules for implementation and administration of the program; amending s. 220.193, F.S.; defining the terms "sale" or "sold"; defining the term "taxpayer"; providing for retroactivity; providing that the use of the renewable energy production credit does not reduce the alternative minimum tax credit; amending s. 253.02, F.S.; authorizing the Secretary of Environmental Protection to grant easements across lands owned by the Board of Trustees of the Internal Improvement Trust Fund under certain conditions; amending s. 253.034, F.S.; granting a utility the use of nonsovereignty stateowned lands upon a showing of competent substantial evidence that the use is reasonable; establishing criteria relating to the title, distribution, and cost of such lands; amending s. 255.251, F.S.; creating the "Florida Energy Conservation and Sustainable Buildings Act"; amending s. 255.252, F.S.; providing findings and legislative intent; providing that it is the policy of the state that buildings constructed and financed by the state be designed to meet the United States Green Building

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Council (USGBC) Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized green building rating system as approved by the department; requiring each state agency occupying space owned or managed by the department to identify and compile a list of projects suitable for a guaranteed energy, water, and wastewater performance savings contract; amending s. 255.253, F.S.; defining terms relating to energy conservation for buildings; amending s. 255.254, F.S.; prohibiting a state agency from leasing or constructing a facility without having secured from the Department of Management Services a proper evaluation of life-cycle costs for the building; amending s. 255.255, F.S.; requiring the department to use sustainable building ratings for conducting a life-cycle cost analysis; amending s. 255.257, F.S.; requiring all state agencies to adopt an energy efficiency rating system as approved by the department for all new buildings and renovations to existing buildings; requiring all county, municipal, school district, water management district, state university, community college, and Florida state court buildings to meet certain energy efficiency standards for construction; providing applicability; creating s. 286.28, F.S.; requiring the Department of Management Services to develop the Florida Climate Friendly Preferred Products

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List; requiring state agencies to consult the list and purchase products from the list if the price is comparable; requiring state agencies to contract for meeting and conference space with facilities having the "Green Lodging" designation; authorizing the Department of Environmental Protection to adopt rules; requiring the department to establish voluntary technical assistance programs for various businesses; requiring state agencies, state universities, community colleges and local governments that purchase vehicles under a state purchasing plan to maintain vehicles according to minimum standards and follow certain procedures when procuring new vehicles; requiring state agencies to use ethanol and biodiesel-blended fuels when available; amending s. 287.063, F.S.; prohibiting the payment term for equipment from exceeding the useful life of the equipment unless the contract provides for the replacement or the extension of the useful life of the equipment during the term of the loan; amending s. 287.064, F.S.; authorizing an extension of the master equipment financing agreement for energy conservation equipment; requiring the guaranteed energy, water, and wastewater savings contractor to provide for the replacement or the extension of the useful life of the energy conservation equipment during the term of the contract; amending s. 316.0741, F.S.; requiring all hybrid and other low-emission and energy-efficient vehicles that do not meet the minimum occupancy requirement and are

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driven in a high occupancy vehicle lane to comply with federally mandated minimum fuel economy standards; amending s. 337.401, F.S.; requiring the Department of Environmental Protection to adopt rules relating to the placement of and access to aerial and underground electric transmission lines having certain specifications; defining the term "base load generating facilities"; amending s. 339.175, F.S.; requiring each metropolitan planning organization to develop a long-range transportation plan and an annual project priority list that, among other considerations, provide for sustainable growth and reduce greenhouse gas emissions; amending s. 366.04, F.S.; revising functions and jurisdiction of the Florida Public Service Commission; providing that the commission shall determine revenue requirements of certain municipal utilities and determine the manner of recovery of that revenue; requiring approval of revenue sufficient to cover certain expenses and obligations; specifying that a municipality may levy a municipal utility tax on customers within the city or apply a county electric surcharge to residents outside the city if a cost differential for providing service within and outside the city can be justified; providing that any taxes or assessments adopted by a county governing board shall not be considered in determining whether a rate or charge by a municipal utility is fair, just, and reasonable; amending s. 366.82, F.S.; requiring the Florida Energy and Climate Commission

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to be a party with the Public Service Commission in the proceedings to adopt goals; amending s. 366.8255, F.S.; redefining the term "environmental compliance costs" to include costs or expenses prudently incurred for scientific research and geological assessments of carbon capture and storage for the purpose of reducing an electric utility's greenhouse gas emissions; amending s. 366.91, F.S.; clarifying the definition of "biomass" to include waste, byproducts; requiring each municipal electric utility and rural electric utility cooperative to develop a standardized interconnection and net metering program for customer-owned renewable generation; authorizing net metering to be available when a utility purchases power generated from biogas produced by anaerobic digestion; amending s. 366.92, F.S.; establishing a renewable portfolio standard; providing for an economic and environmental assessment of energy sources and the development of a successor renewable portfolio standard; prohibiting the renewable portfolio standard rule from taking effect until ratified by the Legislature; amending s. 366.93, F.S.; revising the definitions of "cost" and "preconstruction"; requiring the Public Service Commission to establish rules relating to cost recovery for the construction of new, expanded, or relocated electrical transmission lines and facilities for a nuclear power plant; amending s. 377.601, F.S.; revising legislative intent with respect to the need to implement

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163 alternative energy technologies; providing for a Type Two 164 transfer of the powers, duties and functions, records, personnel, property, and unexpended balances of 165 166 appropriations of the Florida Energy Commission to the 167 Florida Energy and Climate Commission within the Executive Office of the Governor; creating s. 377.6015, F.S.; 168 169 providing for the membership, meetings, duties and responsibilities of the Florida Energy and Climate 170 171 Commission; providing rulemaking authority; amending s. 377.602, F.S.; revising the definition of "energy 172 resources"; providing for conforming changes; amending ss. 173 174 377.603, 377.604, 377.605, 377.606, 377.703, and 377.705, F.S.; providing for conforming changes; amending s. 175 377.801, F.S.; providing a short title; amending s. 176 377.802, F.S.; providing the purpose of the Florida Energy 177 178 and Climate Protection Act; amending s. 377.803, F.S.; revising definitions; clarifying the definition of 179 180 "renewal energy" to include biomass, as defined in s. 366.91, F.S.; amending s. 377.804, F.S., relating to the 181 Renewable Energy and Energy-Efficient Technologies Grants 182 183 Program; providing for the program to include matching 184 grants for technologies that increase the energy 185 efficiency of vehicles and commercial buildings; providing 186 for the solicitation of expertise of other entities; 187 providing application requirements; amending s. 377.806, 188 F.S., relating to the Solar Energy System Incentives 189 Program; requiring compliance with the Florida Building

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Code rather than local codes in order to be eliqible for a rebate under the program; creating s. 377.808, F.S.; establishing the "Florida Green Government Grants Act;" providing for grants to be awarded to local governments in the development of programs that achieve green standards; amending ss. 380.23 and 403.031, F.S.; conforming crossreferences; creating s. 403.44, F.S.; creating the Florida Climate Protection Act; defining terms; requiring the Department of Environmental Protection to establish the methodologies, reporting periods, and reporting systems that must be used when major emitters report to The Climate Registry; authorizing the department to adopt rules for a cap-and-trade regulatory program to reduce greenhouse gas emissions from major emitters; providing for the content of the rule; prohibiting the rules from being adopted until after January 1, 2010, and from becoming effective until ratified by the Legislature; amending s. 403.502, F.S.; providing legislative intent; amending s. 403.503, F.S.; defining the term "alternate corridor" and redefining the term "corridor" for purposes of the Florida Electrical Power Plant Siting Act; amending s. 403.504, F.S.; requiring the Department of Environmental Protection to determine whether a proposed alternate corridor is acceptable; amending s. 403.506, F.S.; exempting an electric utility from obtaining certification under the Florida Electrical Power Plant Siting Act before constructing facilities for a power

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plant using nuclear materials as fuel; providing that a utility may obtain separate licenses, permits, and approvals for such construction under certain circumstances; exempting such provisions from review under ch. 120, F.S.; amending s. 403.5064, F.S.; requiring an applicant to submit a statement to the department if such applicant opts for consideration of alternate corridors; amending s. 403.5065, F.S.; providing for conforming changes; amending s. 403.50663, F.S.; providing for notice of meeting to the general public; amending s. 403.50665, F.S.; requiring an application to include a statement on the consistency of directly associated facilities constituting a "development"; requiring the Department of Environmental Protection to address at the certification hearing the issue of compliance with land use plans and zoning ordinances for a proposed substation located in or along an alternate corridor; amending s. 403.507, F.S.; providing for reports to be submitting to the department no later than 100 days after certification application has been determined complete; amending s. 403.508, F.S.; providing for land use and certification hearings; amending s. 403.509, F.S.; requiring the Governor and Cabinet sitting as the siting board to certify the corridor having the least adverse impact; authorizing the board to deny certification or allow a party to amend its proposal; amending s. 403.511, F.S.; providing for conforming changes; amending s. 403.5112, F.S.; providing

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for filing of notice; amending s. 403.5113, F.S.; providing for postcertification amendments and postcertification review; amending s. 403.5115, F.S.; requiring the applicant proposing the alternate corridor to publish all notices relating to the application; requiring that such notices comply with certain requirements; requiring that notices be published at least 45 days before the rescheduled certification hearing; amending ss. 403.516, 403.517, and 403.5175, F.S.; providing conforming changes and cross-references; amending s. 403.518, F.S.; authorizing the Department of Environmental Protection to charge an application fee for an alternate corridor; amending ss. 403.519, 403.5252, 403.526, 403.527, 403.5271, 403.5272, 403.5312, 403.5363, 403.5365, and 403.814, F.S.; relating to determinations of need and general permits; and conforming provisions to changes made by the act; amending s. 489.145, F.S.; revising provisions of the Guaranteed Energy, Water, and Wastewater Performance Savings Contracting Act; requiring that each proposed contract or lease contain certain agreements concerning operational cost-saving measures; requiring the Office of the Chief Financial Officer to review contract proposals; redefining terms; defining the term "investment grade energy audit"; requiring that certain baseline information, supporting information, and documentation be included in contracts; requiring the Office of the Chief Financial Officer to review contract

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proposals; providing audit requirements; requiring contract approval by the Chief Financial Officer; creating s. 526.201, F.S.; creating the "Florida Renewable Fuel Standard Act"; creating s. 526.202, F.S.; establishing legislative findings for the act; creating s. 526.203, F.S.; providing definitions, fuel standard, exemptions, and reporting; creating s. 526.204, F.S.; providing for suspension of standard requirement during declared emergencies; creating s. 526.205, F.S.; providing for enforcement of the act; creating s. 526.206, F.S.; providing for rulemaking authority by the Department of Revenue; creating s. 526.207, F.S.; requiring studies and reports by the Florida Energy and Climate Commission; creating s. 553.9061, F.S.; requiring the Florida Building Commission to establish a schedule of increases in the energy performance of buildings subject to the Energy Efficiency Code for Building Construction; amending s. 553.957, F.S.; including certain home and commercial appliances in the requirements for testing and certification for meeting certain energy-conservation standards; creating an undesignated statutory provision relating to the Agency for Enterprise Information Technology; creating s. 1004.648, F.S.; establishing the Florida Energy Systems Consortium; providing for a steering committee; requiring an annual report; requiring an economic impact analysis on the effects of granting financial incentives to energy producers who use woody

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biomass as fuel; repealing s. 377.701, F.S.; relating to petroleum allocation; repealing s. 377.901, F.S.; relating to the Florida Energy Commission; providing an effective date.

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

- Section 1. Present subsection (3) of section 74.051, Florida Statutes, is redesignated as subsection (4), and a new subsection (3) is added to that section, to read:
 - 74.051 Hearing on order of taking.--
- is an electric utility that is seeking to appropriate property necessary for an electric generation plant, an associated facility of such plant, an electric substation, or a power line, the court shall conduct the hearing no more than 120 days after the petition is filed. The court shall issue its final judgment no more than 30 days after the hearing.
- Section 2. Subsection (3) of section 186.007, Florida Statutes, is amended to read:
 - 186.007 State comprehensive plan; preparation; revision.--
- (3) In the state comprehensive plan, the Executive Office of the Governor may include goals, objectives, and policies related to the following program areas: economic opportunities; agriculture; employment; public safety; education; energy; global climate change; health concerns; social welfare concerns; housing and community development; natural resources and

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environmental management; recreational and cultural opportunities; historic preservation; transportation; and governmental direction and support services.

- Section 3. Subsections (10), (11), and (15) of section 187.201, Florida Statutes, are amended to read:
- 187.201 State Comprehensive Plan adopted.—The Legislature hereby adopts as the State Comprehensive Plan the following specific goals and policies:
 - (10) AIR QUALITY.-

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- (a) Goal.—Florida shall comply with all national air quality standards by 1987, and by 1992 meet standards which are more stringent than 1985 state standards.
 - (b) Policies.-
- 1. Improve air quality and maintain the improved level to safeguard human health and prevent damage to the natural environment.
- 2. Ensure that developments and transportation systems are consistent with the maintenance of optimum air quality.
- 3. Reduce sulfur dioxide and nitrogen oxide emissions and mitigate their effects on the natural and human environment.
- 4. Encourage the use of alternative energy resources that do not degrade air quality.
- 5. Ensure, at a minimum, that power plant fuel conversion does not result in higher levels of air pollution.
- 6. Encourage the development of low carbon emitting electric power plants.
 - (11) ENERGY.—

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- (a) Goal.—Florida shall reduce its energy requirements through enhanced conservation and efficiency measures in all end-use sectors, and shall reduce atmospheric carbon dioxide by while at the same time promoting an increased use of renewable energy resources and low carbon emitting electric power plants.
 - (b) Policies.-

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- 1. Continue to reduce per capita energy consumption.
- 2. Encourage and provide incentives for consumer and producer energy conservation and establish acceptable energy performance standards for buildings and energy consuming items.
- 3. Improve the efficiency of traffic flow on existing roads.
- 4. Ensure energy efficiency in transportation design and planning and increase the availability of more efficient modes of transportation.
- 5. Reduce the need for new power plants by encouraging end-use efficiency, reducing peak demand, and using cost-effective alternatives.
- 6. Increase the efficient use of energy in design and operation of buildings, public utility systems, and other infrastructure and related equipment.
- 7. Promote the development and application of solar energy technologies and passive solar design techniques.
- 8. Provide information on energy conservation through active media campaigns.
- 9. Promote the use and development of renewable energy resources and low carbon emitting electric power plants.

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- 10. Develop and maintain energy preparedness plans that will be both practical and effective under circumstances of disrupted energy supplies or unexpected price surges.
 - (15) LAND USE.-

- (a) Goal.—In recognition of the importance of preserving the natural resources and enhancing the quality of life of the state, development shall be directed to those areas which have in place, or have agreements to provide, the land and water resources, fiscal abilities, and service capacity to accommodate growth in an environmentally acceptable manner.
 - (b) Policies.-
- 1. Promote state programs, investments, and development and redevelopment activities which encourage efficient development and occur in areas which will have the capacity to service new population and commerce.
- 2. Develop a system of incentives and disincentives which encourages a separation of urban and rural land uses while protecting water supplies, resource development, and fish and wildlife habitats.
- 3. Enhance the livability and character of urban areas through the encouragement of an attractive and functional mix of living, working, shopping, and recreational activities.
- 4. Develop a system of intergovernmental negotiation for siting locally unpopular public and private land uses which considers the area of population served, the impact on land development patterns or important natural resources, and the cost-effectiveness of service delivery.

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- Encourage and assist local governments in establishing comprehensive impact-review procedures to evaluate the effects of significant development activities in their jurisdictions.
- Consider, in land use planning and regulation, the impact of land use on water quality and quantity; the availability of land, water, and other natural resources to meet demands; and the potential for flooding.
- Provide educational programs and research to meet state, regional, and local planning and growth-management needs.
- 8. Provide for the siting of low carbon emitting electric power plants, including nuclear power plants, to meet the state's determined need for electric power generation.
- Section 4. Subsection (14) of section 196.012, Florida Statutes, is amended to read:
- 196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:
- "Renewable energy source device" or "device" means (14)any of the following equipment which, when installed in connection with a dwelling unit or other structure, collects, transmits, stores, or uses solar energy, wind energy, or energy derived from geothermal deposits:
 - Solar energy collectors. (a)
- Storage tanks and other storage systems, excluding (b) swimming pools used as storage tanks.
 - (c) Rockbeds.
 - (d) Thermostats and other control devices.

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- (e) Heat exchange devices.
 - (f) Pumps and fans.
 - (g) Roof ponds.

- (h) Freestanding thermal containers.
- (i) Pipes, ducts, refrigerant handling systems, and other equipment used to interconnect such systems; however, conventional backup systems of any type are not included in this definition.
 - (j) Windmills.
 - (k) Wind-driven generators.
- (1) Power conditioning and storage devices that use wind energy to generate electricity or mechanical forms of energy.
- (m) Pipes and other equipment used to transmit hot geothermal water to a dwelling or structure from a geothermal deposit.

"Renewable energy source device" or "device" also means any heat pump with an energy efficiency ratio (EER) or a seasonal energy efficiency ratio (SEER) exceeding 8.5 and a coefficient of performance (COP), exceeding 2.8; waste heat recovery system; or water heating system the primary heat source of which is a dedicated heat pump or the otherwise unused capacity of a heat pump heating, ventilating, and air-conditioning system, provided such device is installed in a structure substantially complete before January 1, 1985, and whether or not solar energy, wind energy, or energy derived from geothermal deposits is collected, transmitted, stored, or used by such device.

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- Section 5. Section 196.175, Florida Statutes, is amended to read:
 - 196.175 Renewable energy source exemption. --
- (1) Improved real property upon which a renewable energy source device is installed and operated shall be entitled to an exemption in the amount of not greater than the lesser of:
- (a) The assessed value of such real property less any other exemptions applicable under this chapter;
- (b) the original cost of the device, including the installation cost thereof, but excluding the cost of replacing previously existing property removed or improved in the course of such installation; or
- (c) Eight percent of the assessed value of such property immediately following installation.
- (2) The exempt amount authorized under subsection (1) shall apply in full if the device was installed and operative throughout the 12-month period preceding January 1 of the year of application for this exemption. If the device was operative for a portion of that period, the exempt amount authorized under this section shall be reduced proportionally.
- (3) It shall be the responsibility of the applicant for an exemption pursuant to this section to demonstrate affirmatively to the satisfaction of the property appraiser that he or she meets the requirements for exemption under this section and that the original cost pursuant to paragraph (1)(b) and the period for which the device was operative, as indicated on the exemption application, are correct.

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(4) No exemption authorized pursuant to this section shall be granted for a period of more than 10 years. No exemption shall be granted with respect to renewable energy source devices installed before <u>July 1, 2008 January 1, 1980</u>, or after December 31, 1990.

Section 6. Subsection (2) of section 206.43, Florida Statutes, is amended to read:

206.43 Terminal supplier, importer, exporter, blender, and wholesaler to report to department monthly; deduction.--The taxes levied and assessed as provided in this part shall be paid to the department monthly in the following manner:

- (2) (a) Such report may show in detail the number of gallons so sold and delivered by the terminal supplier, importer, exporter, blender, or wholesaler in the state, and the destination as to the county in the state to which the motor fuel was delivered for resale at retail or use shall be specified in the report. The total taxable gallons sold shall agree with the total gallons reported to the county destinations for resale at retail or use. All gallons of motor fuel sold shall be invoiced and shall name the county of destination for resale at retail or use.
- (b) Each terminal supplier, importer, blender, and wholesaler shall also include in the report to the department, the number of gallons of gasoline fuel meeting and not meeting the requirements of s. 526.203.
- Section 7. Paragraph (ccc) of subsection (7) of section 212.08, Florida Statutes, is amended to read:

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212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.--The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

- (7) MISCELLANEOUS EXEMPTIONS. -- Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eliqible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.
- (ccc) Equipment, machinery, and other materials for renewable energy technologies.--
 - 1. As used in this paragraph, the term:

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- a. "Biodiesel" means the mono-alkyl esters of long-chain fatty acids derived from plant or animal matter for use as a source of energy and meeting the specifications for biodiesel and biodiesel blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Biodiesel may refer to biodiesel blends designated BXX, where XX represents the volume percentage of biodiesel fuel in the blend.
- b. "Ethanol" means <u>an</u> nominally anhydrous denatured alcohol produced by the <u>conversion of carbohydrates</u> fermentation of plant sugars meeting the specifications for fuel ethanol and fuel ethanol blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Ethanol may refer to fuel ethanol blends designated EXX, where XX represents the volume percentage of fuel ethanol in the blend.
- c. "Hydrogen fuel cells" means equipment using hydrogen or a hydrogen-rich fuel in an electrochemical process to generate energy, electricity, or the transfer of heat.
- 2. The sale or use of the following in the state is exempt from the tax imposed by this chapter:
- a. Hydrogen-powered vehicles, materials incorporated into hydrogen-powered vehicles, and hydrogen-fueling stations, up to a limit of \$2 million in tax each state fiscal year for all taxpayers.
- b. Commercial stationary hydrogen fuel cells, up to a limit of \$1 million in tax each state fiscal year for all taxpayers.
 - c. Materials used in the distribution of biodiesel (B10-

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- B100) and ethanol (E10-E100), including fueling infrastructure, transportation, and storage, up to a limit of \$1 million in tax each state fiscal year for all taxpayers. Gasoline fueling station pump retrofits for ethanol (E10-E100) distribution qualify for the exemption provided in this sub-subparagraph.
- 3. The Department of Environmental Protection shall provide to the department a list of items eligible for the exemption provided in this paragraph.
- 4.a. The exemption provided in this paragraph shall be available to a purchaser only through a refund of previously paid taxes. Only the initial purchase of an eligible item from the manufacturer is subject to refund. A purchaser who has received a refund on an eligible item must notify any subsequent purchaser of the item that the item is no longer eligible for a refund of tax paid. This notification must be provided to the subsequent purchaser on the sales invoice or other proof of purchase.
- b. To be eligible to receive the exemption provided in this paragraph, a purchaser shall file an application with the Department of Environmental Protection. The application shall be developed by the Department of Environmental Protection, in consultation with the department, and shall require:
- (I) The name and address of the person claiming the refund.
- (II) A specific description of the purchase for which a refund is sought, including, when applicable, a serial number or other permanent identification number.

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- The sales invoice or other proof of purchase showing the amount of sales tax paid, the date of purchase, and the name and address of the sales tax dealer from whom the property was purchased.
- A sworn statement that the information provided is accurate and that the requirements of this paragraph have been met.
- Within 30 days after receipt of an application, the Department of Environmental Protection shall review the application and shall notify the applicant of any deficiencies. Upon receipt of a completed application, the Department of Environmental Protection shall evaluate the application for exemption and issue a written certification that the applicant is eligible for a refund or issue a written denial of such certification within 60 days after receipt of the application. The Department of Environmental Protection shall provide the department with a copy of each certification issued upon approval of an application.
- Each certified applicant shall be responsible for forwarding a certified copy of the application and copies of all required documentation to the department within 6 months after certification by the Department of Environmental Protection.
- The provisions of s. 212.095 do not apply to any refund application made pursuant to this paragraph. A refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department.
 - f. The Department of Environmental Protection may adopt the

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form for the application for a certificate, requirements for the content and format of information submitted to the Department of Environmental Protection in support of the application, other procedural requirements, and criteria by which the application will be determined by rule. The department may adopt all other rules pursuant to ss. 120.536(1) and 120.54 to administer this paragraph, including rules establishing additional forms and procedures for claiming this exemption.

- g. The Department of Environmental Protection shall be responsible for ensuring that the total amounts of the exemptions authorized do not exceed the limits as specified in subparagraph 2.
- 5. The Department of Environmental Protection shall determine and publish on a regular basis the amount of sales tax funds remaining in each fiscal year.
 - 6. This paragraph expires July 1, 2010.
- Section 8. Subsection (1) of section 220.192, Florida Statutes, is amended, present subsection (6) is renumbered as subsection (7) and amended, present subsection (7) is renumbered as subsection (8), and a new subsection (6) is added to that section, to read:
- 220.192 Renewable energy technologies investment tax credit.--
 - (1) DEFINITIONS. -- For purposes of this section, the term:
 - (a) "Biodiesel" means biodiesel as defined in s.
- 647 212.08(7)(ccc).

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(b) "Corporation" includes a general partnership, limited

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partnership, limited liability company, unincorporated business, or other business entity, including entities taxed as partnerships for federal income tax purposes.

(c) (b) "Eligible costs" means:

- 1. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$3 million per state fiscal year for all taxpayers, in connection with an investment in hydrogen-powered vehicles and hydrogen vehicle fueling stations in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.
- 2. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$1.5 million per state fiscal year for all taxpayers, and limited to a maximum of \$12,000 per fuel cell, in connection with an investment in commercial stationary hydrogen fuel cells in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.
- 3. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$6.5 million per state fiscal year for all taxpayers, in connection with an investment in the production, storage, and distribution of biodiesel (B10-B100) and ethanol (E10-E100) in

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the state, including the costs of constructing, installing, and equipping such technologies in the state. Gasoline fueling station pump retrofits for ethanol (E10-E100) distribution qualify as an eligible cost under this subparagraph.

- 680 (d) (c) "Ethanol" means ethanol as defined in s. 681 212.08(7)(ccc).
- 682 "Hydrogen fuel cell" means hydrogen fuel cell as (e)(d) 683 defined in s. 212.08(7)(ccc).
 - "Taxpayer" includes corporations as defined in ss. 220.03 or 220.192.
 - TRANSFERABILITY OF CREDIT. --(6)
 - For tax years beginning on or after January 1, 2009, any corporation or subsequent transferee allowed a tax credit under this section may transfer the credit, in whole or in part, to any taxpayer by written agreement without transferring any ownership interest in the property generating the credit or any interest in the entity owning such property. The transferee is entitled to apply the credits against the tax with the same effect as if the transferee had incurred the eligible costs.
 - To perfect the transfer, the transferor shall provide the department with a written transfer statement notifying the department of the transferor's intent to transfer the tax credits to the transferee; the date the transfer is effective; the transferee's name, address, and federal taxpayer identification number; the tax period; and the amount of tax credits to be transferred. The department shall, upon receipt of a transfer statement conforming to the requirements of this

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section, provide the transferee with a certificate reflecting the tax credit amounts transferred. A copy of the certificate must be attached to each tax return for which the transferee seeks to apply such tax credits.

- (c) A tax credit authorized under this section that is held by a corporation and not transferred under this subsection shall be passed through to the taxpayers designated as partners, members, or owners, respectively, in the manner agreed to by such persons whether or not such partners, members, or owners are allocated or allowed any portion of the federal energy tax credit for the eligible costs.
- $\underline{(7)}$ (6) RULES.--The Department of Revenue shall have the authority to adopt rules <u>pursuant to ss. 120.536(1)</u> and 120.54 to administer this section, including rules relating to:
- (a) The forms required to claim a tax credit under this section, the requirements and basis for establishing an entitlement to a credit, and the examination and audit procedures required to administer this section.
- (b) The implementation and administration of the provisions allowing a transfer of a tax credit, including rules prescribing forms, reporting requirements, and specific procedures, guidelines, and requirements necessary to transfer a tax credit.
- Section 9. Paragraphs (f) and (g) are added to subsection (2) and paragraphs (j) and (k) are added to subsection (3) of section 220.193, Florida Statutes, to read:
 - 220.193 Florida renewable energy production credit.--

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- (2) As used in this section, the term:
- (f) "Sale" or "sold" includes the use of electricity by the producer of such electricity which decreases the amount of electricity that the producer would otherwise have to purchase.
- (g) "Taxpayer" includes a general partnership, limited partnership, limited liability company, trust, or other artificial entity in which a corporation, as defined in s.

 220.03(1)(e), owns an interest and is taxed as a partnership or is disregarded as a separate entity from the corporation under chapter 220.
- (3) An annual credit against the tax imposed by this section shall be allowed to a taxpayer, based on the taxpayer's production and sale of electricity from a new or expanded Florida renewable energy facility. For a new facility, the credit shall be based on the taxpayer's sale of the facility's entire electrical production. For an expanded facility, the credit shall be based on the increases in the facility's electrical production that are achieved after May 1, 2006.
- (j) When an entity treated as a partnership or a disregarded entity under this chapter produces and sells electricity from a new or expanded renewable energy facility, the credit earned by such entity shall pass through in the same manner as items of income and expense pass through for federal income tax purposes.
- (k) A taxpayer's use of the credit granted pursuant to this section does not reduce the amount of any credit available to such taxpayer under s. 220.186.

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Section 10. It is the intent of the Legislature that the amendments to s. 220.193, F.S., are remedial in nature and apply retroactively to the effective date of the law establishing the credit.

Section 11. Subsection (2) of section 253.02, Florida Statutes, is amended to read:

- 253.02 Board of trustees; powers and duties.--
- (2) (a) The board of trustees shall not sell, transfer, or otherwise dispose of any lands the title to which is vested in the board of trustees except by vote of at least three of the four trustees and as provided in this subsection.
- (b) In order to promote efficient, effective, and economical management of state lands and utility services and if the Public Service Commission has determined a need exists or the Federal Energy Regulatory Commission has granted a Certificate of Public Convenience and Necessity, the authority to grant easements for rights-of-way over, across, and upon lands the title to which is vested in the board of trustees for the construction and operation of natural gas pipeline transmission and linear facilities, including electric transmission and distribution facilities, may be delegated to the Secretary of the Department of Environmental Protection for facilities subject to part II of chapter 403 or facilities subject to part IV of chapter 373.
- Section 12. Subsection (14) is added to section 253.034,
 Florida Statutes, to read:
 - 253.034 State-owned lands; uses.--

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- organization, or natural gas company presents competent and substantial evidence that its use of nonsovereignty state-owned lands is reasonable based upon a consideration of economic and environmental factors, including an assessment of practicable alternative alignments and assurance that the lands will remain in their predominantly natural condition, the public utility, regional transmission organization, or natural gas company may be granted fee simple title, easements, or other interests in nonsovereignty state-owned lands title to which is vested in the board of trustees, a water management district, or any other agency in the state for:
 - 1. Electric transmission and distribution lines;
 - 2. Natural gas pipelines; or
- 3. Other linear facilities for which the Public Service
 Commission has determined a need exists or the Federal Energy
 Regulatory Commission has issued a Certificate of Public
 Convenience and Necessity.
- (b) In exchange for less than a fee simple interest acquired pursuant to this subsection, the grantee shall pay an amount equal to the fair market value of the interest acquired. In addition, for the initial grant of such interests only, the grantee shall also vest in the grantor a fee simple interest to other available land that is 1.5 times the size of the land acquired by the grantee. The grantor shall approve the property with a less than fee simple interest on its behalf based on the geographic location in relation to the land relinquished by the

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grantor agency and a determination that the economic,
ecological, and recreational value is at least equivalent to
that of the property transferred to the public utility, regional
transmission organization, or natural gas company.

- (c) In exchange for a fee simple interest acquired pursuant to this subsection, the grantee shall pay an amount equal to the fair market value of the interest acquired. In addition, for the initial grant of such interests only, the grantee shall also vest in the grantor a fee simple title to other available land that is 2 times the size of the land acquired by the grantee. The grantor shall approve the land to be acquired on its behalf based on a determination that the economic and ecological or recreational value is at least equivalent to that of the property transferred to the public utility, regional transmission organization, or natural gas company.
- (d) As an alternative to the consideration provided for in paragraphs (b) and (c) above, the grantee may, subject to the grantor's approval, pay the fair market value of the state-owned land plus one-half of the cost differential between the cost of constructing the facility on state-owned land and the cost of avoiding state-owned lands, up to a maximum of twice the fair market value of the land acquired by the grantee. The grantor may use these moneys to acquire fee simple or less than fee simple interest in other available land.

Section 13. Section 255.251, Florida Statutes, is amended to read:

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255.251 Energy Conservation and Sustainable in Buildings
Act; short title.--This act shall be cited as the "Florida
Energy Conservation and Sustainable in Buildings Act of 1974."

Section 14. Section 255.252, Florida Statutes, is amended to read:

255.252 Findings and intent.--

- (1) Operating and maintenance expenditures associated with energy equipment and with energy consumed in state-financed and leased buildings represent a significant cost over the life of a building. Energy conserved by appropriate building design not only reduces the demand for energy but also reduces costs for building operation. For example, commercial buildings are estimated to use from 20 to 80 percent more energy than would be required if energy conserving designs were used. The size, design, orientation, and operability of windows, the ratio of ventilating air to air heated or cooled, the level of lighting consonant with space-use requirements, the handling of occupancy loads, and the ability to zone off areas not requiring equivalent levels of heating or cooling are but a few of the considerations necessary to conserving energy.
- (2) Significant efforts are needed to build energyefficient state-owned buildings that meet environmental
 standards and underway by the General Services Administration,
 the National Institute of Standards and Technology, and others
 to detail the considerations and practices for energy
 conservation in buildings. Most important is that energyefficient designs provide energy savings over the life of the

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building structure. Conversely, energy inefficient designs cause excess and wasteful energy use and high costs over that life. With buildings lasting many decades and with energy costs escalating rapidly, it is essential that the costs of operation and maintenance for energy-using equipment and sustainable materials be included in all design proposals for state-owned state buildings.

- In order that such energy-efficiency and sustainable (3) materials considerations become a function of building design, and also a model for future application in the private sector, it shall be the policy of the state that buildings constructed and financed by the state be designed and constructed to meet the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating system as approved by the department in a manner which will minimize the consumption of energy used in the operation and maintenance of such buildings. It is further the policy of the state, when economically feasible, to retrofit existing state-owned buildings in a manner which will minimize the consumption of energy used in the operation and maintenance of such buildings.
- (4) In addition to designing and constructing new buildings to be energy-efficient, it shall be the policy of the state to operate <u>and</u> maintain, and renovate existing state facilities, or provide for their renovation, in a manner which

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will minimize energy consumption and maximize building sustainability as well as ensure that facilities leased by the state are operated so as to minimize energy use. It is further the policy of this state that the renovation of existing state facilities be in accordance with the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating system as approved by the department. State agencies are encouraged to consider shared savings financing of such energy efficiency and conservation projects, using contracts which split the resulting savings for a specified period of time between the state agency and the private firm or cogeneration contracts that which otherwise permit the state to lower its net energy costs. Such energy contracts may be funded from the operating budget.

owned or managed by the Department of Management Services must identify and compile a list of projects determined to be suitable for a guaranteed energy, water, and wastewater performance savings contract pursuant to s. 489.145. The list of projects compiled by each state agency shall be submitted to the Department of Management Services by December 31, 2008, and must include all criteria used to determine suitability. The list of projects shall be developed from the list of state-owned facilities greater than 5,000 square feet in area and for which

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the state agency is responsible for paying the expenses of utilities and other operating expenses as they relate to energy use. In consultation with each state agency executive officer, by July 1, 2009, the department shall prioritize all projects deemed suitable by each state agency and shall develop an energy efficiency project schedule based on factors such as project magnitude, efficiency and effectiveness of energy conservation measures to be implemented, and other factors that may prove to be advantageous to pursue. The schedule shall provide the deadline for guaranteed energy, water, and wastewater performance savings contract improvements to be made to the state-owned buildings.

Section 15. Subsections (6) and (7) are added to section 255.253, Florida Statutes, to read:

255.253 Definitions; ss. 255.251-255.258.--

- (6) "Sustainable building" means a building that is healthy and comfortable for its occupants and is economical to operate while conserving resources, including energy, water, raw materials and land, and minimizing the generation and use of toxic materials and waste in its design, construction, landscaping, and operation.
- (7) "Sustainable building rating" means a rating established by the United States Green Building Council (USGBC)

 Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating

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system as approved by the department.

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Section 16. Section 255.254, Florida Statutes, is amended to read:

255.254 No facility constructed or leased without life-cycle costs.--

No state agency shall lease, construct, or have constructed, within limits prescribed herein, a facility without having secured from the department an a proper evaluation of life-cycle costs based on sustainable building ratings, as computed by an architect or engineer. Furthermore, construction shall proceed only upon disclosing to the department, for the facility chosen, the life-cycle costs as determined in s. 255.255, its sustainable building rating goal, and the capitalization of the initial construction costs of the building. The life-cycle costs and the sustainable building rating goal shall be a primary considerations consideration in the selection of a building design. Such analysis shall be required only for construction of buildings with an area of 5,000 square feet or greater. For leased buildings 5,000 square feet or greater areas of 20,000 square feet or greater within a given building boundary, an energy performance analysis a lifecycle analysis consisting of a projection of the annual energy consumption costs in dollars per square foot of major energyconsuming equipment and systems based on actual expenses, from the last three years, and projected forward for the term of the proposed lease shall be performed. , and a The lease shall only be made where there is a showing that the energy life cycle

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costs <u>incurred by the state</u> are minimal compared to available like facilities. <u>Any building leased by the state from a private sector entity shall include</u>, as a part of the lease, provisions for monthly energy use data to be collected and submitted monthly to the department by the owner of the building.

- (2) On and after January 1, 1979, no state agency shall initiate construction or have construction initiated, prior to approval thereof by the department, on a facility or self-contained unit of any facility, the design and construction of which incorporates or contemplates the use of an energy system other than a solar energy system when the life-cycle costs analysis prepared by the department has determined that a solar energy system is the most cost-efficient energy system for the facility or unit.
- (3) After September 30, 1985, when any state agency must replace or supplement major items of energy-consuming equipment in existing state-owned or leased facilities or any self-contained unit of any facility with other major items of energy-consuming equipment, the selection of such items shall be made on the basis of a life-cycle cost analysis of alternatives in accordance with rules promulgated by the department under s. 255.255.

Section 17. Subsection (1) of section 255.255, Florida Statutes, is amended to read:

255.255 Life-cycle costs.--

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(1) The department shall promulgate rules and procedures, including energy conservation performance guidelines <u>based on sustainable building ratings</u>, for conducting a life-cycle cost analysis of alternative architectural and engineering designs and alternative major items of energy-consuming equipment to be retrofitted in existing state-owned or leased facilities and for developing energy performance indices to evaluate the efficiency of energy utilization for competing designs in the construction of state-financed and leased facilities.

Section 18. Section 255.257, Florida Statutes, is amended to read:

255.257 Energy management; buildings occupied by state agencies.--

- shall collect data on energy consumption and cost. The data gathered shall be on state-owned facilities and metered state-leased facilities of 5,000 net square feet or more. These data will be used in the computation of the effectiveness of the state energy management plan and the effectiveness of the energy management program of each of the state agencies. Collected data shall be reported annually to the department in a format prescribed by the department.
- (2) ENERGY MANAGEMENT COORDINATORS.--Each state agency, the Florida Public Service Commission, the Department of Military Affairs, and the judicial branch shall appoint a coordinator whose responsibility shall be to advise the head of the state agency on matters relating to energy consumption in

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facilities under the control of that head or in space occupied by the various units comprising that <u>state</u> agency, in vehicles operated by that <u>state</u> agency, and in other energy-consuming activities of the <u>state</u> agency. The coordinator shall implement the energy management program agreed upon by the <u>state</u> agency concerned <u>and assist the department in the development of the State Energy Management Plan</u>.

- (3) CONTENTS OF THE STATE ENERGY MANAGEMENT PLAN. -- The Department of Management Services shall may develop a state energy management plan consisting of, but not limited to, the following elements:
 - (a) Data-gathering requirements;
 - (b) Building energy audit procedures;
 - (c) Uniform data analysis procedures;
 - (d) Employee energy education program measures;
 - (e) Energy consumption reduction techniques;
- (f) Training program for <u>state</u> agency energy management coordinators; and
 - (g) Guidelines for building managers.

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The plan shall include a description of actions that state agencies shall take to reduce consumption of electricity and nonrenewable energy sources used for space heating and cooling, ventilation, lighting, water heating, and transportation.

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- (4) All state agencies shall adopt the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating system as approved by the department for all new buildings and renovations to existing buildings.
- (5) No state agency shall enter into new leasing agreements for office space that does not meet Energy Star building standards, except when determined by the appropriate state government entity executive that no other viable or costeffective alternative exists.
- (6) All state agencies shall develop energy conservation measures and guidelines for new and existing office space where state agencies occupy more than 5,000 square feet. These conservation measures shall focus on programs that may reduce energy consumption and when established, provide a net reduction in occupancy costs.
- Section 19. (1) The Legislature declares that there is an important state interest in promoting the construction of energy-efficient and sustainable buildings. Government leadership in promoting these standards is vital to demonstrate the state's commitment to energy conservation, saving taxpayers money, and raising public awareness of energy-rating systems.
- (2) All county, municipal, school district, water

 management district, state university, community college, and

 Florida state court buildings shall be constructed to meet the

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United States Green Building Council (USGBC) Leadership in
Energy and Environmental Design (LEED) rating system, the Green
Building Initiative's Green Globes rating system, the Florida
Green Building Coalition standards, or a nationally recognized,
high-performance green building rating system as approved by the
department. This section shall apply to all county, municipal,
school district, water management district, state university,
community college, and Florida state court buildings whose
architectural plans are started after July 1, 2008.

Section 20. Section 286.28, Florida Statutes, is created to read:

286.28 Climate Friendly Public Business.-

- (1) The Legislature recognizes the importance of leadership by state government in the area of energy efficiency and in reducing the greenhouse gas emissions of state government operations. The following shall pertain to all state agencies when conducting public business:
- (a) The Department of Management Services shall develop the "Florida Climate Friendly Preferred Products List." In maintaining that list, the department, in consultation with the Department of Environmental Protection, will continually assess products currently available for purchase under State Term Contracts to identify specific products and vendors that have clear energy efficiency or other environmental benefit over competing products. When procuring products from state term contracts, state agencies shall first consult the Florida Climate Friendly Preferred Products List and procure such

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products if the price is comparable.

- (b) Effective July 1, 2008, state agencies shall only contract for meeting and conference space with hotels or conference facilities that have received the "Green Lodging" designation from the Department of Environmental Protection for best practices in water, energy and waste efficiency standards, unless the responsible state agency's chief executive officer makes a determination that no other viable alternative exists. The Department of Environmental Protection is authorized to adopt rules to implement the "Green Lodging" program.
- vehicles meet minimum maintenance schedules shown to reduce fuel consumption which include: assuring appropriate tire pressures and tread depth; replacing fuel filters and emission filters at recommended intervals; using proper motor oils; and performing timely motor maintenance. Each state agency will measure and report compliance to the Department of Management Services through the Equipment Management Information System database.
- (d) When procuring new vehicles, all state agencies, state universities, community colleges and local governments that purchase vehicles under a state purchasing plan, shall first define the intended purpose for a vehicle and determine which of the following use classes the vehicle is being procured for:
 - 1. State business travel, designated operator;
 - 2 State business travel, pool operators;
 - 3. Construction, agricultural or maintenance work;
 - 4. Conveyance of passengers;

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- 5. Conveyance of building or maintenance materials and supplies;
 - 6. Off-road vehicles, motorcycles and all-terrain
 vehicles;
 - 7. Emergency response; or
- 1136 8. Other.

- Vehicles in subparagraphs 1. through 8., when being processed for purchase or leasing agreements, must be selected for the greatest fuel efficiency available for a given use class when fuel economy data are available. Exceptions may be made for certain individual vehicles in subparagraph 7., when accompanied, during the procurement process, by documentation indicating that the operator or operators will exclusively be emergency first responders or have special documented need for exceptional vehicle performance characteristics. Any request for an exception must be approved by the purchasing agency's chief executive officer and any exceptional performance characteristics denoted as a part of the procurement process
- (f) All state agencies shall use ethanol and biodiesel blended fuels, when available. State agencies administering central fueling operations for state-owned vehicles shall procure biofuels for fleet needs to the greatest extent practicable.

Section 21. Paragraph (b) of subsection (2) and subsection (5) of section 287.063, Florida Statutes, are amended to read:

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prior to purchase.

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- 287.063 Deferred-payment commodity contracts; preaudit review.—
- 1160 (2)

- (b) The Chief Financial Officer shall establish, by rule, criteria for approving purchases made under deferred-payment contracts which require the payment of interest. Criteria shall include, but not be limited to, the following provisions:
- 1. No contract shall be approved in which interest exceeds the statutory ceiling contained in this section. However, the interest component of any master equipment financing agreement entered into for the purpose of consolidated financing of a deferred-payment, installment sale, or lease-purchase shall be deemed to comply with the interest rate limitation of this section so long as the interest component of every interagency agreement under such master equipment financing agreement complies with the interest rate limitation of this section.
- 2. No deferred-payment purchase for less than \$30,000 shall be approved, unless it can be satisfactorily demonstrated and documented to the Chief Financial Officer that failure to make such deferred-payment purchase would adversely affect an agency in the performance of its duties. However, the Chief Financial Officer may approve any deferred-payment purchase if the Chief Financial Officer determines that such purchase is economically beneficial to the state.
- 3. No agency shall obligate an annualized amount of payments for deferred-payment purchases in excess of current operating capital outlay appropriations, unless specifically

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authorized by law or unless it can be satisfactorily demonstrated and documented to the Chief Financial Officer that failure to make such deferred payment purchase would adversely affect an agency in the performance of its duties.

- 3. 4. No contract shall be approved which extends payment beyond 5 years, unless it can be satisfactorily demonstrated and documented to the Chief Financial Officer that failure to make such deferred-payment purchase would adversely affect an agency in the performance of its duties. The payment term may not exceed the useful life of the equipment unless the contract provides for the replacement or the extension of the useful life of the equipment during the term of the loan.
- (c) The Chief Financial Officer shall require written justification based on need, usage, size of the purchase, and financial benefit to the state for deferred-payment purchases made pursuant to this subsection.
- (5) For purposes of this section, the annualized amount of any such deferred payment commodity contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, which that the Chief Financial Officer has determined is appropriate or which that the Legislature has designated for payment of the obligation incurred under this section.
- Section 22. Subsections (10) and (11) of section 287.064, Florida Statutes, are amended to read:

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- 287.064 Consolidated financing of deferred-payment purchases.--
- (10) (a) A master equipment financing agreement may finance the cost of energy, water, or wastewater efficiency and conservation measures, as defined in s. 489.145, excluding the costs of training, operation, and maintenance, for a term or repayment that may exceed 5 years but not more than 20 years.
- (b) The guaranteed energy, water, and wastewater savings contractor shall provide for the replacement or the extension of the useful life of the equipment during the term of the contract. Costs incurred pursuant to a guaranteed energy performance savings contract, including the cost of energy conservation measures, each as defined in s. 489.145, may be financed pursuant to a master equipment financing agreement; however, the costs of training, operation, and maintenance may not be financed. The period of time for repayment of the funds drawn pursuant to the master equipment financing agreement under this subsection may exceed 5 years but may not exceed 10 years.
- payment commodity contracts under this section by a state agency, the annualized amount of any such contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, which that the Chief Financial Officer has determined is appropriate or which that the Legislature has designated for payment of the obligation incurred under this section.

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- Section 23. Section 316.0741, Florida Statutes, is amended to read:
- 1240 316.0741 <u>High-occupancy-vehicle</u> High occupancy vehicle
 - (1) As used in this section, the term:
 - (a) "High-occupancy-vehicle "High occupancy vehicle lane" or "HOV lane" means a lane of a public roadway designated for use by vehicles in which there is more than one occupant unless otherwise authorized by federal law.
 - (b) "Hybrid vehicle" means a motor vehicle:
 - 1. That draws propulsion energy from onboard sources of stored energy which are both an internal combustion or heat engine using combustible fuel and a rechargeable energy-storage system; and
 - 2. That, in the case of a passenger automobile or light truck, has received a certificate of conformity under the Clean Air Act, 42 U.S.C. ss. 7401 et seq., and meets or exceeds the equivalent qualifying California standards for a low-emission vehicle.
 - (2) The number of persons that must be in a vehicle to qualify for legal use of the HOV lane and the hours during which the lane will serve as an HOV lane, if it is not designated as such on a full-time basis, must also be indicated on a traffic control device.
 - (3) Except as provided in subsection (4), a vehicle may not be driven in an HOV lane if the vehicle is occupied by fewer than the number of occupants indicated by a traffic control

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device. A driver who violates this section shall be cited for a moving violation, punishable as provided in chapter 318.

- (4) (a) Notwithstanding any other provision of this section, an inherently low-emission vehicle (ILEV) that is certified and labeled in accordance with federal regulations may be driven in an HOV lane at any time, regardless of its occupancy. In addition, upon the state's receipt of written notice from the proper federal regulatory agency authorizing such use, a vehicle defined as a hybrid vehicle under this section may be driven in an HOV lane at any time, regardless of its occupancy.
- (b) All eligible hybrid and all eligible other lowemission and energy-efficient vehicles driven in an HOV lane must comply with the minimum fuel economy standards in 23 U.S.C. s. 166(f)(3)(B).
- (c) Upon its effective date, the eligibility of hybrid and other low-emission and energy-efficient vehicles for operation in an HOV lane regardless of occupancy shall be determined in accordance with the applicable final rule issued by the United States Environmental Protection Agency pursuant to 23 U.S.C. s. 166(e).
- (5) The department shall issue a decal and registration certificate, to be renewed annually, reflecting the HOV lane designation on such vehicles meeting the criteria in subsection (4) authorizing driving in an HOV lane at any time such use. The department may charge a fee for a decal, not to exceed the costs of designing, producing, and distributing each decal, or \$5,

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1292 whichever is less. The proceeds from sale of the decals shall be 1293 deposited in the Highway Safety Operating Trust Fund. department may, for reasons of operation and management of HOV 1294 1295 facilities, limit or discontinue issuance of decals for the use 1296 of HOV facilities by hybrid and low-emission and energy-1297 efficient vehicles regardless of occupancy if it has been 1298 determined by the Department of Transportation that the 1299 facilities are degraded as defined by 23 U.S.C. s. 166(d)(2). 1300 (6) Any HOV lane facility that is redesignated as open tolling lanes may continue to allow vehicles that comply with 1301 the minimum fuel economy standards under 23 U.S.C. s. 1302 166(f)(3)(B) to use the lane without requiring payment of the 1303 1304 toll. (5) As used in this section, the term "hybrid vehicle" 1305 1306 means a motor vehicle: 1307 (a) That draws propulsion energy from onboard sources of stored energy which are both: 1308 1. An internal combustion or heat engine using combustible 1309 1310 fuel; and 1311 2. A rechargeable energy storage system; and (b) That, in the case of a passenger automobile or light 1312 truck: 1313 1. Has received a certificate of conformity under the 1314 Clean Air Act, 42 U.S.C. ss. 7401 et seq.; and 1315 1316 2. Meets or exceeds the equivalent qualifying California 1317 standards for a low-emission vehicle.

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(7) (6) The department may adopt rules necessary to administer this section.

Section 24. Subsection (1) of section 337.401, Florida Statutes, is amended to read:

337.401 Use of right-of-way for utilities subject to regulation; permit; fees.--

The department and local governmental entities, referred to in ss. 337.401-337.404 as the "authority," that have jurisdiction and control of public roads or publicly owned rail corridors are authorized to prescribe and enforce reasonable rules or regulations with reference to the placing and maintaining along, across, or on any road or publicly owned rail corridors under their respective jurisdictions any electric transmission, telephone, telegraph, or other communications services lines; pole lines; poles; railways; ditches; sewers; water, heat, or gas mains; pipelines; fences; gasoline tanks and pumps; or other structures hereinafter referred to in this section as the "utility." For aerial and underground electric utility transmission lines designed to operate at 69 kV or more which are needed to accommodate the additional electrical transfer capacity on the transmission grid resulting from new base load generating facilities, where there is no other practicable alternative available for placement of the electric utility transmission lines on the department's rights-of-way, the department's rules shall provide for placement of and access to such transmission lines adjacent to and within the right-ofway of any department-controlled public roads, including

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1345	longitudinally within limited access facilities to the greatest
1346	extent allowed by federal law, if compliance with the standards
1347	established by such rules is achieved. Such rules may include,
1348	but need not be limited to, presentation of competent and
1349	substantial evidence that the use of the right-of-way is
1350	reasonable based upon a consideration of economic and
1351	environmental factors, including, without limitation, other
1352	utility corridors and easements and minimum clear zones and
1353	other safety standards if such improvements do not interfere
1354	with operational requirements of the transportation facility or
1355	planned or potential future expansion of such transportation
1356	facility. If the department approves longitudinal placement of
1357	electric utility transmission lines in limited access
1358	facilities, compensation for the use of the right-of-way is
1359	required. Such consideration or compensation paid by the
1360	electric utility in connection with the department's issuance of
1361	a permit does not create any property right in the department's
1362	property regardless of the amount of consideration paid or the
1363	improvements constructed on the property by the utility. Upon
1364	notice by the department that the property is needed for
1365	expansion or improvement of the transportation facility, the
1366	electric utility transmission line will relocate from the
1367	facility at the electric utility's sole expense. Such
1368	relocation shall occur under a schedule mutually agreed upon by
1369	the department and the electric utility, taking into
1370	consideration the maintenance of overall grid reliability and
1371	minimizing the relocation costs to the electric utility's

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customers. If the utility fails to meet the agreed upon schedule for relocation, the utility shall be responsible for reasonable direct delay damages due to the sole negligence of the electric utility as determined by a court of competent jurisdiction. As used in this subsection, the term "base load generating facilities" mean electrical power plants that are certified under part II of chapter 403. The department may enter into a permit-delegation agreement with a governmental entity if issuance of a permit is based on requirements that the department finds will ensure the safety and integrity of facilities of the Department of Transportation; however, the permit-delegation agreement does not apply to facilities of electric utilities as defined in s. 366.02(2).

Section 25. Subsections (1) and (7) of section 339.175, Florida Statutes, are amended to read:

339.175 Metropolitan planning organization.-

encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight and foster economic growth and development within and through urbanized areas of this state while minimizing transportation-related fuel consumption, and air pollution and greenhouse gas emissions through metropolitan transportation planning processes identified in this section. To accomplish these objectives, metropolitan planning organizations, referred to in this section as M.P.O.'s, shall develop, in cooperation with the state and

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public transit operators, transportation plans and programs for metropolitan areas. The plans and programs for each metropolitan area must provide for the development and integrated management and operation of transportation systems and facilities, including pedestrian walkways and bicycle transportation facilities that will function as an intermodal transportation system for the metropolitan area, based upon the prevailing principles provided in s. 334.046(1). The process for developing such plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive, to the degree appropriate, based on the complexity of the transportation problems to be addressed. To ensure that the process is integrated with the statewide planning process, M.P.O.'s shall develop plans and programs that identify transportation facilities that should function as an integrated metropolitan transportation system, giving emphasis to facilities that serve important national, state, and regional transportation functions. For the purposes of this section, those facilities include the facilities on the Strategic Intermodal System designated under s. 339.63 and facilities for which projects have been identified pursuant to s. 339.2819(4).

LONG-RANGE TRANSPORTATION PLAN. -- Each M.P.O. must develop a long-range transportation plan that addresses at least a 20-year planning horizon. The plan must include both longrange and short-range strategies and must comply with all other state and federal requirements. The prevailing principles to be considered in the long-range transportation plan are: preserving

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the existing transportation infrastructure; enhancing Florida's economic competitiveness; and improving travel choices to ensure mobility. The long-range transportation plan must be consistent, to the maximum extent feasible, with future land use elements and the goals, objectives, and policies of the approved local government comprehensive plans of the units of local government located within the jurisdiction of the M.P.O. Each M.P.O. is encouraged to consider strategies that integrate transportation and land use planning to provide for sustainable development and reduce greenhouse gas emissions. The approved long-range transportation plan must be considered by local governments in the development of the transportation elements in local government comprehensive plans and any amendments thereto. The long-range transportation plan must, at a minimum:

- (a) Identify transportation facilities, including, but not limited to, major roadways, airports, seaports, spaceports, commuter rail systems, transit systems, and intermodal or multimodal terminals that will function as an integrated metropolitan transportation system. The long-range transportation plan must give emphasis to those transportation facilities that serve national, statewide, or regional functions, and must consider the goals and objectives identified in the Florida Transportation Plan as provided in s. 339.155. If a project is located within the boundaries of more than one M.P.O., the M.P.O.'s must coordinate plans regarding the project in the long-range transportation plan.
 - (b) Include a financial plan that demonstrates how the

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plan can be implemented, indicating resources from public and private sources which are reasonably expected to be available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted long-range transportation plan if reasonable additional resources beyond those identified in the financial plan were available. For the purpose of developing the long-range transportation plan, the M.P.O. and the department shall cooperatively develop estimates of funds that will be available to support the plan implementation. Innovative financing techniques may be used to fund needed projects and programs. Such techniques may include the assessment of tolls, the use of value capture financing, or the use of value pricing.

- (c) Assess capital investment and other measures necessary to:
- 1. Ensure the preservation of the existing metropolitan transportation system including requirements for the operation, resurfacing, restoration, and rehabilitation of major roadways and requirements for the operation, maintenance, modernization, and rehabilitation of public transportation facilities; and
- 2. Make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods.
- (d) Indicate, as appropriate, proposed transportation enhancement activities, including, but not limited to, pedestrian and bicycle facilities, scenic easements,

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landscaping, historic preservation, mitigation of water pollution due to highway runoff, and control of outdoor advertising.

(e) In addition to the requirements of paragraphs (a)-(d), in metropolitan areas that are classified as nonattainment areas for ozone or carbon monoxide, the M.P.O. must coordinate the development of the long-range transportation plan with the State Implementation Plan developed pursuant to the requirements of the federal Clean Air Act.

M.P.O.

In the development of its long-range transportation plan, each M.P.O. must provide the public, affected public agencies, representatives of transportation agency employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transit, and other interested parties with a reasonable opportunity to comment on the long-range transportation plan. The long-range transportation plan must be approved by the

Section 26. Subsection (7) is added to section 366.04, 1500 Florida Statutes, to read:

366.04 Jurisdiction of commission. --

(7) As used in this section, the term "affected municipal electric utility" means a municipality that operates an electric utility that serves two cities in the same county, is located in a non-charter county, has between 30,000 and 35,000 retail electric customers as of September 30, 2007, and does not have a

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service territory that extends beyond its home county as of September 30, 2007.

- (a) Each affected municipal electric utility shall conduct a referendum election of all of its retail electric customers, with each named retail electric customer having one vote, concurrent with the next regularly scheduled general election following the effective date of this act.
- (b) The ballot for the referendum election required in paragraph (a) shall contain the following question: "Should a separate electric utility authority be created to operate the business of the electric utility in the affected municipal electric utility?" The statement must be followed by the word "yes and also by the word "no."
- (c) The provisions of the Election Code relating to notice and conduct of the election shall be followed to the extent practicable. Costs of the referendum election shall be borne by the affected municipal electric utility.
- (d) If a majority of the affected municipal electric utility's retail electric customers vote in favor of creating a separate electric utility authority, then the affected municipal electric utility shall transfer operations of its electric utility business to a duly-created authority on or before July 1, 2009.
- Section 27. Paragraph (b) of subsection (6) of section 366.82, Florida Statutes, is amended to read:
- 366.82 Definition; goals; plans; programs; annual reports; energy audits.--

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- (b) The Florida Energy and Climate Commission, created in s. 377.6015, Executive Office of the Governor shall be a party in the proceedings to adopt goals and shall file with the commission comments on the proposed goals including, but not limited to:
- 1. An evaluation of utility load forecasts, including an assessment of alternative supply and demand side resource options.
- 2. An analysis of various policy options which can be implemented to achieve a least-cost strategy.
- Section 28. Section 366.8255, Florida Statutes, is amended to read:

366.8255 Environmental cost recovery.--

- (1) As used in this section, the term:
- (a) "Electric utility" or "utility" means any investorowned electric utility that owns, maintains, or operates an electric generation, transmission, or distribution system within the State of Florida and that is regulated under this chapter.
- (b) "Commission" means the Florida Public Service Commission.
- (c) "Environmental laws or regulations" includes all federal, state, or local statutes, administrative regulations, orders, ordinances, resolutions, or other requirements that apply to electric utilities and are designed to protect the environment.
 - (d) "Environmental compliance costs" includes all costs or

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expenses incurred by an electric utility in complying with environmental laws or regulations, including but not limited to:

- 1. Inservice capital investments, including the electric utility's last authorized rate of return on equity thereon;
 - 2. Operation and maintenance expenses;
 - 3. Fuel procurement costs;
 - 4. Purchased power costs;
 - 5. Emission allowance costs;
- 6. Costs or expenses prudently incurred for the quantification, reporting, and third party verification as required for participation in greenhouse gas emission registries for greenhouse gases as defined in s. 403.44;
- 7. Costs or expenses prudently incurred for scientific research and geological assessments of carbon capture and storage conducted in Florida for the purpose of reducing an electric utility's greenhouse gas emissions when such costs or expenses are incurred in joint research projects with State of Florida government agencies and State of Florida universities;
 - 8. 6. Direct taxes on environmental equipment; and
- 9. 7. Costs or expenses prudently incurred by an electric utility pursuant to an agreement entered into on or after the effective date of this act and prior to October 1, 2002, between the electric utility and the Florida Department of Environmental Protection or the United States Environmental Protection Agency for the exclusive purpose of ensuring compliance with ozone ambient air quality standards by an electrical generating facility owned by the electric utility.

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Section 29. Section 366.91, Florida Statutes, is amended to read:

366.91 Renewable energy.--

- (1) The Legislature finds that it is in the public interest to promote the development of renewable energy resources in this state. Renewable energy resources have the potential to help diversify fuel types to meet Florida's growing dependency on natural gas for electric production, minimize the volatility of fuel costs, encourage investment within the state, improve environmental conditions, and make Florida a leader in new and innovative technologies.
 - (2) As used in this section, the term:
- (a) "Biomass" means a power source that is comprised of, but not limited to, combustible residues or gases from forest products manufacturing, waste, byproducts or products from agricultural and orchard crops, waste and co-products from livestock and poultry operations, waste and byproducts from and food processing, urban wood waste, municipal solid waste, municipal liquid waste treatment operations, and landfill gas.
- (b) "Renewable energy" means electrical energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen produced from sources other than fossil fuels, biomass, solar energy, geothermal energy, wind energy, ocean energy, and hydroelectric power. The term includes the alternative energy resource, waste heat, from sulfuric acid manufacturing operations.
 - (c) "Customer-owned renewable generation" means an

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- electric generating system located on a customer's premises that is primarily intended to offset part or all of the customer's electricity requirements with renewable energy.
- (d) "Net metering" means a metering and billing methodology whereby customer-owned renewable generation is allowed to offset the customer's electricity consumption on-site.
- On or before January 1, 2006, each public utility must continuously offer a purchase contract to producers of renewable energy. The commission shall establish requirements relating to the purchase of capacity and energy by public utilities from renewable energy producers and may adopt rules to administer this section. The contract shall contain payment provisions for energy and capacity which are based upon the utility's full avoided costs, as defined in s. 366.051; however, capacity payments are not required if, due to the operational characteristics of the renewable energy generator or the anticipated peak and off-peak availability and capacity factor of the utility's avoided unit, the producer is unlikely to provide any capacity value to the utility or the electric grid during the contract term. Each contract must provide a contract term of at least 10 years. Prudent and reasonable costs associated with a renewable energy contract shall be recovered from the ratepayers of the contracting utility, without differentiation among customer classes, through the appropriate cost-recovery clause mechanism administered by the commission.
- (4) On or before January 1, 2006, each municipal electric utility and rural electric cooperative whose annual sales, as of

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July 1, 1993, to retail customers were greater than 2,000 gigawatt hours must continuously offer a purchase contract to producers of renewable energy containing payment provisions for energy and capacity which are based upon the utility's or cooperative's full avoided costs, as determined by the governing body of the municipal utility or cooperative; however, capacity payments are not required if, due to the operational characteristics of the renewable energy generator or the anticipated peak and off-peak availability and capacity factor of the utility's avoided unit, the producer is unlikely to provide any capacity value to the utility or the electric grid during the contract term. Each contract must provide a contract term of at least 10 years.

- (5) On or before January 1, 2009, each public utility must develop a standardized interconnection agreement and net metering program for customer-owned renewable generation. The commission shall establish requirements relating to the expedited interconnection and net metering of customer-owned renewable generation by public utilities and may adopt rules to administer this section.
- (6) On or before January 1, 2009, each municipal electric utility and rural electric cooperative must develop a standardized interconnection and net metering program for customer-owned renewable generation. The standardized interconnection agreement shall provide explicit directions for the application and interconnection process, detailing specific due dates for action by the utility and the customer in order to

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simplify and expedite the interconnection process. standardized interconnection agreement shall incorporate nationally recognized standards for interconnection and safety. The net metering program shall provide for any excess energy delivered to the electric grid in one billing period be carried over to directly offset the customer's consumption in the next billing period, for a period up to 12 months. Any excess energy credits remaining at the end of the calendar year shall be purchased by the utility based upon a rate to be determined by the governing body of the municipal utility or cooperative. requirements established by a municipal or cooperative utility must be consistent with the interconnection and net metering rules adopted by the commission for the public utilities. April 1 of each year, each municipal electric utility and rural electric cooperative utility shall file a report with the commission detailing customer participation in the interconnection and net metering program, including but not limited to the number and total capacity of interconnected generating systems and the total energy net metered in the previous year.

- (7) Under the provisions of subsections (5) and (6), when a utility purchases power generated from biogas produced by the anaerobic digestion of agricultural waste, including food waste or other agricultural by products, net metering is available at a single metering point or is available as a part of conjunctive billing of multiple points for a customer at a single location.
 - (8) (5) A contracting producer of renewable energy must pay

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the actual costs of its interconnection with the transmission grid or distribution system.

Section 30. Section 366.92, Florida Statutes, is amended to read:

366.92 Florida Renewable Energy Policy. --

- (1) It is the intent of the Legislature to promote the development of renewable energy; protect the economic viability of Florida's existing renewable energy facilities; diversify the types of fuel used to generate electricity in Florida; lessen Florida's dependence on natural gas and fuel oil for the production of electricity; minimize the volatility of fuel costs; encourage investment within the state; improve environmental conditions; and, at the same time, minimize the costs of power supply to electric utilities and their customers.
- (2) For the purposes of this section, "Florida renewable energy resources" shall mean renewable energy, as defined in s. 377.803, that is produced in Florida.
 - (3) As used in this section, the term:
- (a) "Renewable Energy Credit" or "REC" shall mean a product that (i) represents the unbundled, separable, renewable attribute of renewable energy and (ii) is equivalent to one megawatt-hour of electricity generated by a source of renewable energy located in Florida.
- (b) "Provider" means an electric utility as defined in s. 366.02(2).
- (c) "Renewable portfolio standard" or "RPS" means the minimum percentage of total annual retail electricity sales by a

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1723 Provider to consumers in Florida that shall be supplied by 1724 renewable energy produced in Florida. 1725 (4) RENEWABLE PORTFOLIO STANDARD. --(a) Beginning in calendar year 2009, each provider shall 1726 1727 comply with the renewable portfolio standards in this section by supplying renewable energy to its customers, either directly or 1728 1729 through RECs, in amounts that equal or exceed the applicable percentages for each of the following calendar years: 1730 1731 2009: 2.25 percent 2010: 2.50 percent 1732 1733 2011: 2.75 percent 1734 2012: 2.75 percent 1735 2013: 3.00 percent 1736 2014: 3.25 percent 1737 2015: 3.50 percent 1738 2016: 3.75 percent 1739 2017: 3.75 percent 1740 2018: 4.00 percent 1741 2019: 4.25 percent 1742 2020: 4.50 percent 1743 2021: 5.00 percent 1744 (b) For each year after 2021, the commission shall 1745 determine the appropriate RPS, which shall not be less than 1746 5.0%. (c) If a provider finds that, in any given year, the cost 1747 1748 of a particular source of renewable energy or REC that would

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need to be procured or generated for purposes of compliance

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with the RPS would be greater than 90% of the provider's current, average residential retail price of electricity per kilowatt hour, the provider shall not be required to incur the cost of procuring or generating such source of renewable energy or REC; however, the existence of this condition excusing full compliance in any given year shall not operate to delay any increases in the RPS pursuant to section 366.92(4)(a).

- (d) Notwithstanding s. 366.91(3) and (4), the commission is authorized to approve projects, power sales agreements with renewable power producers, and the sale of RECs which are needed to comply with the RPS percentages set forth in s. 366.92(4)(a). In the event of any conflict, this section shall supersede s. 366.91(3) and (4).
- (e) Beginning on January 1, 2010, each provider shall submit a report to the commission describing the steps that have been taken in the previous year and the steps that will be taken in the future to add renewable energy to the provider's energy supply portfolio. The report shall state whether the provider was in compliance with the RPS during the previous year and how it will comply with the RPS in the upcoming year.
- (f) The commission shall take appropriate steps to ensure that each provider complies with the RPS. However, the commission shall excuse full compliance with the RPS in any year in which the provider demonstrates to the commission that full compliance was not achieved because the cost of renewable energy, was too high, as described in section 366.92(4)(c), or the supply of renewable energy was not adequate to satisfy the

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1777 demand for such energy.

- (g) Compliance with the RPS shall be determined on a calendar year basis.
- (h) For the purposes of this section, RECs may be used for two years after the date when they are created.
- (5) No provision in this section shall be construed to impede or impair terms and conditions in existing contracts.
- (6) By January 1, 2009, the Florida Public Service
 Commission shall submit a report to the Florida Energy and
 Climate Commission evaluating each method used, or proposed to
 be used, to generate electricity in the state to determine its
 efficacy in achieving the goals of reliability, affordability,
 efficiency, and diversity. This evaluation process should
 establish the levelized cost in cents per kilowatt hour and
 incremental capacity in kilowatts for each generation method.
- (7) By January 1, 2009, the Department of Environmental Protection shall submit a report to the Florida Energy and Climate Commission measuring the environmental effects of each method used, or proposed to be used, to generate electricity in the state in order to create an emission profile and determine a greenhouse coefficient for each generation method measured in equivalent pounds of carbon dioxide emitted per megawatt hour of electricity generated.
- (8) By July 1, 2009, the Florida Energy and Climate

 Commission shall prepare and submit a report to the Governor,

 the President of the Senate, the Speaker of the House of

 Representatives and the Public Service Commission, providing a

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opportunities, and energy efficiency and demand-side management resources and technologies in the state. The report also shall address existing and potential renewable resources and technologies, economic considerations, and environmental issues, and shall:

- (a) Establish a ranking for all generation methods used, or proposed to be used, in the generation of electricity in the state based on the quantitative results determined by the Public Service Commission under subsection (6).
- (b) Determine how to mitigate state greenhouse gas emissions using the quantitative results determined by the department under subsection (7) within the content of the ranking established under paragraph (a). The greenhouse effect of each generation method may be calculated using greenhouse coefficients and incremental capacity data.
- (9) By February 1, 2010, the Florida Public Service

 Commission shall use the rankings established under subsection

 (8) to develop and adopt, by rule, a renewable energy portfolio standard to replace the renewable portfolio standard established in subsection (4). Such rule shall not become effective until ratified by the Legislature.
- (3) The commission may adopt appropriate goals for increasing the use of existing, expanded, and new Florida renewable energy resources. The commission may change the goals. The commission may review and reestablish the goals at least once every 5 years.

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- $\underline{\text{(10)}}$ (4) The commission may adopt rules to administer and implement the provisions of this section.
- 1833 Section 31. Section 366.93, Florida Statutes, is amended to read:
 - 366.93 Cost recovery for the siting, design, licensing, and construction of nuclear and integrated gasification combined cycle power plants.--
 - (1) As used in this section, the term:
 - (a) "Cost" includes, but is not limited to, all capital investments, including rate of return, any applicable taxes, and all expenses, including operation and maintenance expenses, related to or resulting from the siting, licensing, design, construction, or operation of the nuclear power plant and any new, enlarged, or relocated electrical transmission lines or facilities of any size that are necessary to serve the nuclear or integrated gasification combined cycle power plant.
 - (b) "Electric utility" or "utility" has the same meaning as that provided in s. 366.8255(1)(a).
 - (c) "Integrated gasification combined cycle power plant" or "plant" is an electrical power plant as defined in <u>s.</u>

 403.503(14) which <u>s. 403.503(13) that</u> uses synthesis gas produced by integrated gasification technology.
 - (d) "Nuclear power plant" or "plant" $\underline{\text{means}}$ is an electrical power plant, as defined in $\underline{\text{s. 403.503(14)}}$, which $\underline{\text{s. 403.503(14)}}$ that uses nuclear materials for fuel.
 - (e) "Power plant" or "plant" means a nuclear power plant or an integrated gasification combined cycle power plant.

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- (f) "Preconstruction" is that period of time after a site, including any related electrical transmission lines or facilities, has been selected through and including the date the utility completes site-clearing site clearing work.

 Preconstruction costs shall be afforded deferred accounting treatment and shall accrue a carrying charge equal to the utility's allowance for funds during construction (AFUDC) rate until recovered in rates.
- (2) Within 6 months after the enactment of this act, the commission shall establish, by rule, alternative cost recovery mechanisms for the recovery of costs incurred in the siting, design, licensing, and construction of a nuclear power plant, including new, expanded, or relocated electrical transmission lines and facilities that are necessary to serve the nuclear or integrated gasification combined cycle power plant. Such mechanisms shall be designed to promote utility investment in nuclear or integrated gasification combined cycle power plants and allow for the recovery in rates of all prudently incurred costs, and shall include, but need are not be limited to:
- (a) Recovery through the capacity cost recovery clause of any preconstruction costs.
- (b) Recovery through an incremental increase in the utility's capacity cost recovery clause rates of the carrying costs on the utility's projected construction cost balance associated with the nuclear or integrated gasification combined cycle power plant. To encourage investment and provide certainty, for nuclear or integrated gasification combined cycle

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power plant need petitions submitted on or before December 31, 2010, associated carrying costs shall be equal to the pretax AFUDC in effect upon this act becoming law. For nuclear or integrated gasification combined cycle power plants for which need petitions are submitted after December 31, 2010, the utility's existing pretax AFUDC rate is presumed to be appropriate unless determined otherwise by the commission in the determination of need for the nuclear or integrated gasification combined cycle power plant.

- (3) After a petition for determination of need is granted, a utility may petition the commission for cost recovery as permitted by this section and commission rules.
- (4) When the nuclear or integrated gasification combined cycle power plant is placed in commercial service, the utility shall be allowed to increase its base rate charges by the projected annual revenue requirements of the nuclear or integrated gasification combined cycle power plant based on the jurisdictional annual revenue requirements of the plant for the first 12 months of operation. The rate of return on capital investments shall be calculated using the utility's rate of return last approved by the commission prior to the commercial inservice date of the nuclear or integrated gasification combined cycle power plant. If any existing generating plant is retired as a result of operation of the nuclear or integrated gasification combined cycle power plant, the commission shall allow for the recovery, through an increase in base rate charges, of the net book value of the retired plant over a

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period not to exceed 5 years.

- (5) The utility shall report to the commission annually the budgeted and actual costs as compared to the estimated inservice cost of the nuclear or integrated gasification combined cycle power plant provided by the utility pursuant to s. 403.519(4), until the commercial operation of the nuclear or integrated gasification combined cycle power plant. The utility shall provide such information on an annual basis following the final order by the commission approving the determination of need for the nuclear or integrated gasification combined cycle power plant, with the understanding that some costs may be higher than estimated and other costs may be lower.
- is precluded from completing construction of the nuclear power plant, including any new, expanded, or relocated electrical transmission lines or facilities or integrated gasification combined cycle power plant, the utility shall be allowed to recover all prudent preconstruction and construction costs incurred following the commission's issuance of a final order granting a determination of need for the nuclear power plant and electrical transmission lines and facilities or integrated gasification combined cycle power plant. The utility shall recover such costs through the capacity cost recovery clause over a period equal to the period during which the costs were incurred or 5 years, whichever is greater. The unrecovered balance during the recovery period will accrue interest at the utility's weighted average cost of capital as reported in the

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commission's earnings surveillance reporting requirement for the prior year.

Section 32. Section 377.601, Florida Statutes, is amended to read:

377.601 Legislative intent.--

The Legislature finds that Florida's energy security can be increased by lessening dependence on foreign oil; that the impacts of global climate change can be reduced through the reduction of greenhouse gas emissions; and that the implementation of alternative energy technologies can be the source of new jobs and employment opportunities for many Floridians. The Legislature further finds that Florida is positioned at the front line against potential impacts of global climate change. Human and economic costs of those impacts can be averted by global actions and, where necessary, adapted to by a concerted effort to make Florida's communities more resilient and less vulnerable to these impacts. In focusing the government's policy and efforts to benefit and protect our state, its citizens and resources, the legislature believes that a single government entity with a specific focus on energy and climate change is both desirable and advantageous the ability to deal effectively with present shortages of resources used in the production of energy is aggravated and intensified because of inadequate or nonexistent information and that intelligent response to these problems and to the development of a state energy policy demands accurate and relevant information concerning energy supply, distribution, and use. The Legislature

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finds and declares that a procedure for the collection and analysis of data on the energy flow in this state is essential to the development and maintenance of an energy profile defining the characteristics and magnitudes of present and future energy demands and availability so that the state may rationally deal with present energy problems and anticipate future energy problems.

- (2) The Legislature further recognizes that every state official dealing with energy problems should have current and reliable information on the types and quantity of energy resources produced, imported, converted, distributed, exported, stored, held in reserve, or consumed within the state.
- (3) It is the intent of the Legislature in the passage of this act to provide the necessary mechanisms for the effective development of information necessary to rectify the present lack of information which is seriously handicapping the state's ability to deal effectively with the energy problem. To this end, the provisions of ss. 377.601-377.608 should be given the broadest possible interpretation consistent with the stated legislative desire to procure vital information.
 - (2) (4) It is the policy of the State of Florida to:
- (a) Develop and promote the effective use of energy in the state, and discourage all forms of energy waste, and recognize and address the potential of global climate change wherever possible.
- (b) Play a leading role in developing and instituting energy management programs aimed at promoting energy

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conservation, energy security and the reduction of greenhouse gas emissions.

- (c) Include energy considerations in all <u>state</u>, <u>regional</u> and <u>local</u> planning.
- (d) Utilize and manage effectively energy resources used within state agencies.
- (e) Encourage local governments to include energy considerations in all planning and to support their work in promoting energy management programs.
- (f) Include the full participation of citizens in the development and implementation of energy programs.
- (g) Consider in its decisions the energy needs of each economic sector, including residential, industrial, commercial, agricultural, and governmental uses <u>and reduce those needs</u> whenever possible.
- (h) Promote energy education and the public dissemination of information on energy and its environmental, economic, and social impact.
- (i) Encourage the research, development, demonstration, and application of alternative energy resources, particularly renewable energy resources.
- (j) Consider, in its decisionmaking, the social, economic, and environmental impacts of energy-related activities, including the whole life cycle impacts of any potential energy use choices, so that detrimental effects of these activities are understood and minimized.

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(k) Develop and maintain energy emergency preparedness plans to minimize the effects of an energy shortage within Florida.

Section 33. All of the statutory powers, duties and functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds for the administration of section 377.901, Florida Statutes, related to the Florida Energy Commission, shall be transferred by a type two transfer, as defined in s. 20.06(2), Florida Statutes, from the Office of Legislative Services to the Florida Energy and Climate Commission within the Executive Office of the Governor.

Section 34. Section 377.6015, Florida Statutes, is created to read:

377.6015 Florida Energy and Climate Commission.--

- (1) The Florida Energy and Climate Commission is created and shall be located within the Executive Office of the Governor. The commission shall be comprised of 7 members, and shall be appointed by the Governor pursuant to paragraphs (a) and (b).
- (a) The Governor shall select from three persons nominated by the Florida Public Service Commission Nominating Council, created in s. 350.031, for each seat on the commission.
- 1. The council shall submit the recommendations to the Governor by September 1 of those years in which the terms are to begin the following October, or within 60 days after a vacancy occurs for any reason other than the expiration of the term.
 - 2. The Governor shall fill a vacancy occurring on the

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commission by appointment of one of the applicants nominated by the council only after a background investigation of such applicant has been conducted by the Florida Department of Law Enforcement.

- 3. Members shall be appointed to 3-year terms; however, in order to establish staggered terms, for the initial appointments, the Governor shall appoint four members to 3-year terms, two members to 2-year terms, and one member to a 1-year term.
- 4. The council shall nominate three persons from which the Governor shall select the chair of the commission.
- 5. Vacancies on the commission shall be filled for the unexpired portion of the time in the same manner as original appointments to the commission.
- 6. If the Governor has not made an appointment within 30 consecutive calendar days after the receipt of the recommendations, the council shall initiate, in accordance with this section, the nominating process within 30 days.
- 7. Each appointment to the commission shall be subject to confirmation by the Senate during the next regular session after the vacancy occurs. If the Senate refuses to confirm or fails to consider the Governor's appointment, the council shall initiate, in accordance with this section, the nominating process within 30 days.
- 8. The Governor or the Governor's successor may recall an appointee.
 - (b) Members must meet the following qualifications and

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2073 restrictions:

- 1. A member must be an expert in one or more of the following fields: energy, natural resource conservation, economics, engineering, finance, law, transportation and land use, consumer protection, state energy policy, or another field substantially related to the duties and functions of the commission. The commission shall fairly represent the fields specified in this subparagraph.
- 2. Each member shall, at the time of appointment and at each commission meeting during his or her term of office, disclose:
- a. Whether he or she has any financial interest, other than ownership of shares in a mutual fund, in any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the commission.
- b. Whether he or she is employed by or is engaged in any business activity with any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the commission.
- (c) The chair may designate ex-officio non-voting members to provide information and advice to the commission. The following shall serve as ex-officio non-voting members and may provide information and advice at the request of the chair:
 - 1. The chair of the Florida Public Service Commission, or

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Amendments adopted in the	ENR Council on 3/26/08 have been Engrossed	
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2100	designee;
2101	2. The Public Counsel, or designee;
2102	3. A representative of the Department of Agriculture and
2103	Consumer Services;
2104	4. A representative of the Department of Financial
2105	Services;
2106	5. A representative of the Department of Environmental
2107	Protection;
2108	6. A representative of the Department of Community
2109	Affairs;
2110	7. A representative of the Board of Governors of the State
2111	University System; and
2112	8. A representative of the Department of Transportation.
2113	(2) Members shall serve without compensation but are
2114	entitled to reimbursement for per diem and travel expenses as
2115	provided in s. 112.061.
2116	(3) Meetings of the commission may be held in various
2117	locations around the state and at the call of the chair;
2118	however, the commission must meet at least six times each year.
2119	(4)(a) The commission may employ staff and counsel as
2120	needed in the performance of its duties. The commission may
2121	prosecute and defend legal actions in its own name.
2122	(b) The commission may form advisory groups consisting of
2123	members of the public to provide information on specific issues.
2124	(5) The commission shall:
2125	(a) Administer the Florida Renewable Energy and Energy

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Efficient Technologies Grant Program authorized under s. 377.804

2127 to assure a robust grant portfolio.

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- (b) Develop policy for requiring grantees to provide royalty-sharing or licensing agreements with state government for commercialized products developed under a state grant.
- (c) Administer the Florida Green Government Grants Act pursuant to s. 377.808 and set annual priorities for grants.
- (d) Administer the information gathering and reporting functions pursuant to ss. 377.601-377.608.
- (e) Administer the petroleum planning and emergency contingency planning pursuant to ss. 377.703-377.704.
- (f) Represent Florida in the Southern States Energy Compact pursuant to ss. 377.71-377.712.
- (g) Complete the annual assessment of the efficacy of Florida's Energy and Climate Change Action Plan, upon completion by the Governor's Action Team on Energy and Climate Change, pursuant to the Governor's Executive Order 2007-128, and provide specific recommendations to the Governor and the Legislature each year to improve results.
- (h) Administer the provisions of the Florida Energy and Climate Protection Act pursuant to ss. 377.801-377.806.
- (i) Advocate for energy and climate change issues and provide educational outreach and technical assistance in cooperation with Florida's academic institutions.
- (j) Be a party in the proceedings to adopt goals and submit comments to the Public Service Commission pursuant to s. 366.82.

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- (k) Adopt rules pursuant to chapter 120 in order to implement all powers and duties described in this section.
- Section 35. Section 377.602, Florida Statutes, is amended to read:
 - 377.602 Definitions.--As used in ss. 377.601-377.608:
 - (1) "Energy resources" includes, but shall not be limited to:
 - (a) Energy converted from solar radiation, wind, hydraulic potential, tidal movements, biomass, geothermal sources, and other energy resources the commission determines to be important to the production or supply of energy.
 - (b) Propane, butane, motor gasoline, kerosene, home heating oil, diesel fuel, other middle distillates, aviation gasoline, kerosene-type jet fuel, naphtha-type jet fuel, residual fuels, crude oil, and other petroleum products and hydrocarbons as may be determined by the department to be of importance.
 - (c) (b) All natural gas, including casinghead gas, all other hydrocarbons not defined as petroleum products in paragraph (a), and liquefied petroleum gas as defined in s. 527.01.
 - $\underline{\text{(d)}}$ (c) All types of coal and products derived from its conversion and used as fuel.
 - (e) (d) All types of nuclear energy, special nuclear material, and source material, as defined in s. 290.07.
 - (e) Every other energy resource, whether natural or manmade which the department determines to be important to the

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production or supply of energy, including, but not limited to, energy converted from solar radiation, wind, hydraulic potential, tidal movements, and geothermal sources.

All electrical energy.

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- "Commission" means the Florida Energy and Climate Commission.
- "Department" means the Department of Environmental (3)(2) Protection.
 - (4) (3) "Person" means producer, refiner, wholesaler, marketer, consignee, jobber, distributor, storage operator, importer, exporter, firm, corporation, broker, cooperative, public utility as defined in s. 366.02, rural electrification cooperative, municipality engaged in the business of providing electricity or other energy resources to the public, pipeline company, person transporting any energy resources as defined in subsection (1), and person holding energy reserves for further production; however, "person" does not include persons exclusively engaged in the retail sale of petroleum products.

Section 36. Section 377.603, Florida Statutes, is amended to read:

- Energy data collection; powers and duties of the commission Department of Environmental Protection .--
- The commission department may shall collect data on the extraction, production, importation, exportation, refinement, transportation, transmission, conversion, storage, sale, or reserves of energy resources in this state in an efficient and expeditious manner.

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- (2) The <u>commission</u> <u>department</u> <u>may</u> <u>shall</u> prepare <u>periodic</u> reports of energy data it collects.
- (3) The department shall prescribe and furnish forms for the collection of information as required by ss. 377.601 377.608 and shall consult with other state entities to assure that such data collected will meet their data requirements.
- (3) (4) The <u>commission</u> department may adopt and promulgate such rules and regulations as are necessary to carry out the provisions of ss. 377.601-377.608. Such rules shall be pursuant to chapter 120.
- (4) (5) The <u>commission</u> department shall maintain internal validation procedures to assure the accuracy of information received.

Section 37. Section 377.604, Florida Statutes, is amended to read:

377.604 Required reports.--Every person who produces, imports, exports, refines, transports, transmits, converts, stores, sells, or holds known reserves of any form of energy resources used as fuel shall report to the commission, department at the request of the commission, at a frequency set, and in a manner prescribed, by the commission department, on forms provided by the commission department and prepared with the advice of representatives of the energy industry. Such forms shall be designed in such a manner as to indicate:

- (1) The identity of the person or persons making the report.
 - (2) The quantity of energy resources extracted, produced,

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imported, exported, refined, transported, transmitted, converted, stored, or sold except at retail.

- (3) The quantity of energy resources known to be held in reserve in the state.
- (4) The identity of each refinery from which petroleum products have normally been obtained and the type and quantity of products secured from that refinery for sale or resale in this state.
- (5) Any other information which the <u>commission</u> department deems proper pursuant to the intent of ss. 377.601-377.608.

Section 38. Section 377.605, Florida Statutes, is amended to read:

377.605 Use of existing information.--The <u>commission</u> department <u>may shall</u> utilize to the fullest extent possible any existing energy information already prepared for state or federal agencies. Every state, county, and municipal agency shall cooperate with the <u>commission</u>, department and shall submit any information on energy to the <u>commission</u> department upon request.

Section 39. Section 377.606, Florida Statutes, is amended to read:

377.606 Records of the <u>commission</u> department; limits of confidentiality.--The information or records of individual persons, as defined herein, obtained by the <u>commission</u> department as a result of a report, investigation, or verification required by the <u>commission</u> department, shall be open to the public, except such information the disclosure of

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which would be likely to cause substantial harm to the competitive position of the person providing such information and which is requested to be held confidential by the person providing such information. Such proprietary information is confidential and exempt from the provisions of s. 119.07(1). Information reported by entities other than the department in documents or reports open to public inspection shall under no circumstances be classified as confidential by the commission department. Divulgence of proprietary information as is requested to be held confidential, except upon order of a court of competent jurisdiction or except to an officer of the state entitled to receive the same in his or her official capacity, shall be a misdemeanor of the second degree, punishable as provided in ss. 775.082 and 775.083. Nothing herein shall be construed to prohibit the publication or divulgence by other means of data so classified as to prevent identification of particular accounts or reports made to the department in compliance with s. 377.603 or to prohibit the disclosure of such information to properly qualified legislative committees. The commission department shall establish a system which permits reasonable access to information developed.

Section 40. Section 377.703, Florida Statutes, is amended to read:

377.703 Additional functions of the <u>commission</u> Department of Environmental Protection; energy emergency contingency plan; federal and state conservation programs.--

(1) LEGISLATIVE INTENT. -- Recognizing that energy supply

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and demand questions have become a major area of concern to the state which must be dealt with by effective and well-coordinated state action, it is the intent of the Legislature to promote the efficient, effective, and economical management of energy problems, centralize energy coordination responsibilities, pinpoint responsibility for conducting energy programs, and ensure the accountability of state agencies for the implementation of s. 377.601(2), the state energy policy. It is the specific intent of the Legislature that nothing in this act shall in any way change the powers, duties, and responsibilities assigned by the Florida Electrical Power Plant Siting Act, part II of chapter 403, or the powers, duties, and responsibilities of the Florida Public Service Commission.

(2) DEFINITIONS.

- (a) "Coordinate," "coordination," or "coordinating" means the examination and evaluation of state plans and programs and the providing of recommendations to the Cabinet, Legislature, and appropriate state agency on any measures deemed necessary to ensure that such plans and programs are consistent with state energy policy.
- (b) "Energy conservation" means increased efficiency in the utilization of energy.
- (c) "Energy emergency" means an actual or impending shortage or curtailment of usable, necessary energy resources, such that the maintenance of necessary services, the protection of public health, safety, and welfare, or the maintenance of basic sound economy is imperiled in any geographical section of

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2315 the state or throughout the entire state.

- (d) "Energy source" means electricity, fossil fuels, solar power, wind power, hydroelectric power, nuclear power, or any other resource which has the capacity to do work.
- (e) "Facilities" means any building or structure not otherwise exempted by the provisions of this act.
- (f) "Fuel" means petroleum, crude oil, petroleum product, coal, natural gas, or any other substance used primarily for its energy content.
- (g) "Local government" means any county, municipality, regional planning agency, or other special district or local governmental entity the policies or programs of which may affect the supply or demand, or both, for energy in the state.
- (h) "Promotion" or "promote" means to encourage, aid, assist, provide technical and financial assistance, or otherwise seek to plan, develop, and expand.
- (i) "Regional planning agency" means those agencies designated as regional planning agencies by the Department of Community Affairs.
- (j) "Renewable energy resource" means any method, process, or substance the use of which does not diminish its availability or abundance, including, but not limited to, biomass conversion, geothermal energy, solar energy, wind energy, wood fuels derived from waste, ocean thermal gradient power, hydroelectric power, and fuels derived from agricultural products.
- (2) (3) FLORIDA ENERGY AND CLIMATE COMMISSION DEPARTMENT
 OF ENVIRONMENTAL PROTECTION; DUTIES.--The commission Department

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of Environmental Protection shall, in addition to assuming the duties and responsibilities provided by ss. 20.255 and 377.701, perform the following functions consistent with the development of a state energy policy:

- (a) The <u>commission department</u> shall assume the responsibility for development of an energy emergency contingency plan to respond to serious shortages of primary and secondary energy sources. Upon a finding by the Governor, implementation of any emergency program shall be upon order of the Governor that a particular kind or type of fuel is, or that the occurrence of an event which is reasonably expected within 30 days will make the fuel, in short supply. The <u>commission department</u> shall then respond by instituting the appropriate measures of the contingency plan to meet the given emergency or energy shortage. The Governor may utilize the provisions of s. 252.36(5) to carry out any emergency actions required by a serious shortage of energy sources.
- (b) The <u>commission</u> department shall <u>be</u> constitute the responsible state agency for performing or coordinating the functions of any federal energy programs delegated to the state, including energy supply, demand, conservation, or allocation.
- (c) The <u>commission</u> <u>department</u> shall analyze present and proposed federal energy programs and make recommendations regarding those programs to the Governor <u>and the Legislature</u>.
- (d) The <u>commission</u> <u>department</u> shall coordinate efforts to seek federal support or other support for state energy activities, including energy conservation, research, or

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development, and shall be the state agency responsible for the coordination of multiagency energy conservation programs and plans.

- (e) The <u>commission</u> department shall analyze energy data collected and prepare long-range forecasts of energy supply and demand in coordination with the Florida Public Service Commission, which shall have responsibility for electricity and natural gas forecasts. To this end, the forecasts shall contain:
- 1. An analysis of the relationship of state economic growth and development to energy supply and demand, including the constraints to economic growth resulting from energy supply constraints.
- 2. Plans for the development of renewable energy resources and reduction in dependence on depletable energy resources, particularly oil and natural gas, and an analysis of the extent to which renewable energy sources are being utilized in the state.
- 3. Consideration of alternative scenarios of statewide energy supply and demand for 5, 10, and 20 years, to identify strategies for long-range action, including identification of potential social, economic, and environmental effects.
- 4. An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels, and an analysis of anticipated effects on the state's environment and social services resulting from energy resource development activities or from energy supply constraints, or both.

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- (f) The commission department shall annually make and submit a report, as requested by to the Governor and er the Legislature, reflecting its activities and making recommendations of policies for improvement of the state's response to energy supply and demand and its effect on the health, safety, and welfare of the people of Florida. The report shall include a report from the Florida Public Service Commission on electricity and natural gas and information on energy conservation programs conducted and under way in the past year and shall include recommendations for energy conservation programs for the state, including, but not limited to, the following factors:
- 1. Formulation of specific recommendations for improvement in the efficiency of energy utilization in governmental, residential, commercial, industrial, and transportation sectors.
- 2. Collection and dissemination of information relating to energy conservation.
- 3. Development and conduct of educational and training programs relating to energy conservation.
- 4. An analysis of the ways in which state agencies are seeking to implement s. 377.601(2), the state energy policy, and recommendations for better fulfilling this policy.
- (g) The $\underline{\text{commission}}$ $\underline{\text{department}}$ has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this act.
- (h) The commission shall promote Promote the development and use of renewable energy resources, in conformance with the

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2423 provisions of chapter 187 and s. 377.601, by:

- 1. Establishing goals and strategies for increasing the use of solar energy in this state.
- 2. Aiding and promoting the commercialization of solar energy technology, in cooperation with the Florida Solar Energy Center, Enterprise Florida, Inc., and any other federal, state, or local governmental agency which may seek to promote research, development, and demonstration of solar energy equipment and technology.
- 3. Identifying barriers to greater use of solar energy systems in this state, and developing specific recommendations for overcoming identified barriers, with findings and recommendations to be submitted annually in the report to the Legislature required under paragraph (f).
- 4. In cooperation with the <u>Department of Environmental</u>

 <u>Protection</u>, Department of Transportation, the Department of

 Community Affairs, Enterprise Florida, Inc., the Florida Solar

 Energy Center, and the Florida Solar Energy Industries

 Association, investigating opportunities, pursuant to the

 National Energy Policy Act of 1992 and the Housing and Community

 Development Act of 1992, and any subsequent federal legislation,

 for solar electric vehicles and other solar energy

 manufacturing, distribution, installation, and financing efforts

 which will enhance this state's position as the leader in solar

 energy research, development, and use.
- 5. Undertaking other initiatives to advance the development and use of renewable energy resources in this state.

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In the exercise of its responsibilities under this paragraph, the <u>commission</u> department shall seek the assistance of the solar energy industry in this state and other interested parties and is authorized to enter into contracts, retain professional consulting services, and expend funds appropriated by the Legislature for such purposes.

- (i) The <u>commission</u> department shall promote energy conservation in all energy use sectors throughout the state and shall constitute the state agency primarily responsible for this function. To this end, the <u>commission</u> department shall coordinate the energy conservation programs of all state agencies and review and comment on the energy conservation programs of all state agencies.
- (j) The commission department shall serve as the state clearinghouse for indexing and gathering all information related to energy programs in state universities, in private universities, in federal, state, and local government agencies, and in private industry and shall prepare and distribute such information in any manner necessary to inform and advise the citizens of the state of such programs and activities. This shall include developing and maintaining a current index and profile of all research activities, which shall be identified by energy area and may include a summary of the project, the amount and sources of funding, anticipated completion dates, or, in case of completed research, conclusions, recommendations, and applicability to state government and private sector functions.

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The <u>commission</u> department shall coordinate, promote, and respond to efforts by all sectors of the economy to seek financial support for energy activities. The <u>commission</u> department shall provide information to consumers regarding the anticipated energy-use and energy-saving characteristics of products and services in coordination with any federal, state, or local governmental agencies as may provide such information to consumers.

- (k) The <u>commission</u> department shall coordinate energy-related programs of state government, including, but not limited to, the programs provided in this section. To this end, the commission department shall:
- 1. Provide assistance to other state agencies, counties, municipalities, and regional planning agencies to further and promote their energy planning activities.
- 2. Require, in cooperation with the Department of Management Services, all state agencies to operate state-owned and state-leased buildings in accordance with energy conservation standards as adopted by the Department of Management Services. Every 3 months, the Department of Management Services shall furnish the commission department data on agencies' energy consumption and emissions of greenhouse gases in a format prescribed by the commission. mutually agreed upon by the two departments.
- 3. Promote the development and use of renewable energy resources, energy efficiency technologies, and conservation measures.

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- 4. Promote the recovery of energy from wastes, including, but not limited to, the use of waste heat, the use of agricultural products as a source of energy, and recycling of manufactured products. Such promotion shall be conducted in conjunction with, and after consultation with, the Department of Environmental Protection, and the Florida Public Service Commission where electrical generation or natural gas is involved, and any other relevant federal, state, or local governmental agency having responsibility for resource recovery programs.
- (1) The <u>commission</u> department shall develop, coordinate, and promote a comprehensive research plan for state programs. Such plan shall be consistent with state energy policy and shall be updated on a biennial basis.
- (m) In recognition of the devastation to the economy of this state and the dangers to the health and welfare of residents of this state caused by <u>severe hurricanes</u>, <u>Hurricane</u> Andrew, and the potential for such impacts caused by other natural disasters, the <u>commission</u> <u>department</u> shall include in its energy emergency contingency plan and provide to the <u>Florida Building Commission</u> <u>Department of Community Affairs</u> for inclusion in the <u>Florida Energy Efficiency Code for Building Construction</u> <u>state model energy efficiency building code</u> specific provisions to facilitate the use of cost-effective solar energy technologies as emergency remedial and preventive measures for providing electric power, street lighting, and water heating service in the event of electric power outages.

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(3) (4) The commission department shall be responsible for the administration of the Coastal Energy Impact Program provided for and described in Pub. L. No. 94-370, 16 U.S.C. s. 1456a.

Section 41. Subsection (2) of section 377.705, Florida Statutes, is amended to read:

377.705 Solar Energy Center; development of solar energy standards.--

- (2) LEGISLATIVE FINDINGS AND INTENT. --
- The Legislature recognizes that if present trends continue, Florida will increase present energy consumption sixfold by the year 2000. Because of this dramatic increase and because existing domestic conventional energy resources will not provide sufficient energy to meet the nation's future needs, new sources of energy must be developed and applied. One such source, solar energy, has been in limited use in Florida for 30 years. Applications of incident solar energy, the use of solar radiation to provide energy for water heating, space heating, space cooling, and other uses, through suitable absorbing equipment on or near a residence or commercial structure, must be extensively expanded. Unfortunately, the initial costs with regard to the production of solar energy have been prohibitively expensive. However, Because of increases in the cost of conventional fuel, certain applications of solar energy are becoming competitive, particularly when life-cycle costs are considered. It is the intent of the Legislature in formulating a sound and balanced energy policy for the state to encourage the development of an alternative energy capability in the form of

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incident solar energy.

(b) Toward this purpose, the Legislature intends to provide incentives for the production and sale of, and to set standards for, solar energy systems. Such standards shall ensure that solar energy systems manufactured or sold within the state are effective and represent a high level of quality of materials, workmanship, and design.

Section 42. Section 377.801, Florida Statutes, is amended to read:

377.801 Short title.--Sections 377.801-377.806 may be cited as the <u>"Florida Energy and Climate Protection Act."</u>

"Florida Renewable Energy Technologies and Energy Efficiency Act."

Section 43. Section 377.802, Florida Statutes, is amended to read:

incentives for Florida's citizens, businesses, school districts and local governments to take action to diversify Florida's energy supplies, reduce dependence on foreign oil, and mitigate the effects of climate change by providing funding for activities designed to achieve these goals. The grant programs in this act are intended to stimulate capital investment and enhance the market for renewable energy technologies and technologies intended to diversify Florida's energy supplies, reduce dependence on foreign oil, and combat or limit climate change impacts. This act is also intended to provide incentives for the purchase of energy-efficient appliances and rebates for

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solar energy equipment installations for residential and commercial buildings. This act is intended to provide matching grants to stimulate capital investment in the state and to enhance the market for and promote the statewide utilization of renewable energy technologies. The targeted grants program is designed to advance the already growing establishment of renewable energy technologies in the state and encourage the use of other incentives such as tax exemptions and regulatory certainty to attract additional renewable energy technology producers, developers, and users to the state. This act is also intended to provide incentives for the purchase of energy efficient appliances and rebates for solar energy equipment installations for residential and commercial buildings.

Section 44. Section 377.803, Florida Statutes, is amended to read:

377.803 Definitions.--As used in ss. $377.801-\underline{377.808}$ 377.806, the term:

- (1) "Act" means the <u>Florida Energy and Climate Protection</u>

 <u>Act</u> <u>Florida Renewable Energy Technologies and Energy Efficiency</u>

 <u>Act</u>.
- (2) "Approved metering equipment" means a device capable of measuring the energy output of a solar thermal system that has been approved by the commission.
- (2) (3) "Commission" means the Florida Energy and Climate Commission—Florida Public Service Commission.
- (4) "Department" means the Department of Environmental Protection.

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- (3) (5) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, or any other public or private entity.
- (4) (6) "Renewable energy" means electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen, biomass, <u>as</u> defined in s. 366.91, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power.
- $\underline{\text{(5)}}$ "Renewable energy technology" means any technology that generates or utilizes a renewable energy resource.
- (6) (8) "Solar energy system" means equipment that provides for the collection and use of incident solar energy for water heating, space heating or cooling, or other applications that would normally require a conventional source of energy such as petroleum products, natural gas, or electricity that performs primarily with solar energy. In other systems in which solar energy is used in a supplemental way, only those components that collect and transfer solar energy shall be included in this definition.
- $\underline{(7)}$ "Solar photovoltaic system" means a device that converts incident sunlight into electrical current.
- $\underline{(8)}$ (10) "Solar thermal system" means a device that traps heat from incident sunlight in order to heat water.
- Section 45. Section 377.804, Florida Statutes, is amended to read:
- 2637 377.804 Renewable Energy <u>and Energy Efficient</u> Technologies 2638 Grants Program.--

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- (1) The Renewable Energy and Energy Efficient Technologies Grants Program is established within the commission department to provide renewable energy matching grants for demonstration, commercialization, research, and development projects relating to renewable energy technologies and innovative technologies that significantly increase energy efficiency for vehicles and commercial buildings.
- (2) Matching grants for renewable energy technology demonstration, commercialization, research, and development projects may be made to any of the following:
 - (a) Municipalities and county governments.
- (b) Established for-profit companies licensed to do business in the state.
 - (c) Universities and colleges in the state.
 - (d) Utilities located and operating within the state.
 - (e) Not-for-profit organizations.
- (f) Other qualified persons, as determined by the commission department.
- (3) The <u>commission</u> department may adopt rules pursuant to ss. 120.536(1) and 120.54 to provide for application requirements, provide for ranking of applications, and administer the awarding of grants under this program.
- (4) Factors the <u>commission</u> <u>department</u> shall consider in awarding grants include, but are not limited to:
- (a) The availability of matching funds or other in-kind contributions applied to the total project from an applicant. The <u>commission</u> <u>department</u> shall give greater preference to

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projects that provide such matching funds or other in-kind contributions.

- (b) The degree to which the project stimulates in-state capital investment and economic development in metropolitan and rural areas, including the creation of jobs and the future development of a commercial market for renewable energy technologies.
- (c) The extent to which the proposed project has been demonstrated to be technically feasible based on pilot project demonstrations, laboratory testing, scientific modeling, or engineering or chemical theory that supports the proposal.
- (d) The degree to which the project incorporates an innovative new technology or an innovative application of an existing technology.
- (e) The degree to which a project generates thermal, mechanical, or electrical energy by means of a renewable energy resource that has substantial long-term production potential.
- (f) The degree to which a project demonstrates efficient use of energy and material resources.
- (g) The degree to which the project fosters overall understanding and appreciation of renewable energy technologies.
 - (h) The ability to administer a complete project.
 - (i) Project duration and timeline for expenditures.
- (j) The geographic area in which the project is to be conducted in relation to other projects.
 - (k) The degree of public visibility and interaction.
 - (5) The <u>commission</u> <u>department</u> shall solicit the expertise

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- of other state agencies, Enterprise Florida, Inc., and state universities, and may solicit the expertise of other public and private entities it deems appropriate, in evaluating project proposals. State agencies shall cooperate with the commission Department of Environmental Protection and provide such assistance as requested.
- actively consult with the Department of Agriculture and Consumer Services during the review and approval process of grants relating to bioenergy projects for renewable energy technology, and the departments shall jointly determine the grant awards to these bioenergy projects. No grant funding shall be awarded to any bioenergy project without such joint approval. Factors for consideration in awarding grants may include, but are not limited to, the degree to which:
- (a) The project stimulates in-state capital investment and economic development in metropolitan and rural areas, including the creation of jobs and the future development of a commercial market for bioenergy.
- (b) The project produces bioenergy from Florida-grown crops or biomass.
- (c) The project demonstrates efficient use of energy and material resources.
- (d) The project fosters overall understanding and appreciation of bioenergy technologies.
- (e) Matching funds and in-kind contributions from an applicant are available.

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- (f) The project duration and the timeline for expenditures are acceptable.
- (g) The project has a reasonable assurance of enhancing the value of agricultural products or will expand agribusiness in the state.
- (h) Preliminary market and feasibility research has been conducted by the applicant or others and shows there is a reasonable assurance of a potential market.
- (7) Each application shall be accompanied by an affidavit from the applicant attesting to the veracity of the statements contained therein.

Section 46. Section 377.806, Florida Statutes, is amended to read:

377.806 Solar Energy System Incentives Program.--

- is established within the <u>commission</u> department to provide financial incentives for the purchase and installation of solar energy systems. Any resident of the state who purchases and installs a new solar energy system of 2 kilowatts or larger for a solar photovoltaic system, a solar energy system that provides at least 50 percent of a building's hot water consumption for a solar thermal system, or a solar thermal pool heater, from July 1, 2006, through June 30, 2010, is eligible for a rebate on a portion of the purchase price of that solar energy system.
 - (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE . -
- (a) Eligibility requirements.--A solar photovoltaic system qualifies for a rebate if:

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- 2747 1. The system is installed by a state-licensed master electrician, electrical contractor, or solar contractor.
 - 2. The system complies with state interconnection standards as provided by the <u>Public Service Commission</u> commission.
 - 3. The system complies with all applicable building codes as defined by the $\underline{Florida\ Building\ Code}$ $\underline{local\ jurisdictional}$ $\underline{authority}$.
 - (b) Rebate amounts.--The rebate amount shall be set at \$4 per watt based on the total wattage rating of the system. The maximum allowable rebate per solar photovoltaic system installation shall be as follows:
 - 1. Twenty thousand dollars for a residence.
 - 2. One hundred thousand dollars for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings.
 - (3) SOLAR THERMAL SYSTEM INCENTIVE. --
 - (a) Eligibility requirements.--A solar thermal system qualifies for a rebate if:
 - 1. The system is installed by a state-licensed solar or plumbing contractor.
 - 2. The system complies with all applicable building codes as defined by the $\underline{Florida\ Building\ Code}$ $\underline{local\ jurisdictional}$ $\underline{authority}$.
 - (b) Rebate amounts.--Authorized rebates for installation of solar thermal systems shall be as follows:

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- 1. Five hundred dollars for a residence.
- 2. Fifteen dollars per 1,000 Btu up to a maximum of \$5,000 for a place of business, a publicly owned or operated facility, or a facility owned or operated by a private, not-for-profit organization, including condominiums or apartment buildings. Btu must be verified by approved metering equipment.
 - (4) SOLAR THERMAL POOL HEATER INCENTIVE . -
- (a) Eligibility requirements.--A solar thermal pool heater qualifies for a rebate if the system is installed by a state-licensed solar or plumbing contractor and the system complies with all applicable building codes as defined by the Florida Building Code local jurisdictional authority.
- (b) Rebate amount.--Authorized rebates for installation of solar thermal pool heaters shall be \$100 per installation.
- (5) APPLICATION.--Application for a rebate must be made within $\underline{120}$ 90 days after the purchase of the solar energy equipment.
- determine and publish on a regular basis the amount of rebate funds remaining in each fiscal year. The total dollar amount of all rebates issued by the department is subject to the total amount of appropriations in any fiscal year for this program. If funds are insufficient during the current fiscal year, any requests for rebates received during that fiscal year may be processed during the following fiscal year. Requests for rebates received in a fiscal year that are processed during the following fiscal year requests for

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rebates received during the following fiscal year.

- RULES.--The commission department shall adopt rules pursuant to ss. 120.536(1) and 120.54 to develop rebate applications and administer the issuance of rebates.
- Section 47. Section 377.808, Florida Statutes, is created to read:
 - 377.808 Florida Green Government Grants Act.--
- This section may be cited as the "Florida Green Government Grants Act."
- The commission shall use funds specifically (2) appropriated to award grants under this section to assist local governments, including municipalities, counties and school districts, in the development of programs that achieve green standards. Those standards are to be determined by the commission and must provide for cost-efficient solutions, reducing greenhouse gas emissions, improving quality of life and strengthening Florida's economy.
- (3) (a) The commission shall adopt rules pursuant to Chapter 120 to administer the grants provided for in this section. In accordance with the rules adopted by the commission under this section, the commission may provide grants, from funds specifically appropriated for this purpose to local governments for the costs of achieving green standards, including necessary administrative expenses.
 - (b) The rules of the commission must:
- Designate one or more suitable green government standards framework from which local governments may develop a

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greening government initiative, and from which projects may be eligible for funding pursuant to this statute.

- 2. Require that projects that plan, design, construct, upgrade, or replace facilities be cost-effective, environmentally sound, reduce greenhouse gas emissions, and be permittable and implementable.
- 3. Require local governments to match state funds with direct project cost share or in-kind services.
- 4. Provide for a scale of matching requirements for local governments on the basis of population in order to assist rural and undeveloped areas of the state with any financial burden of addressing climate change impacts.
- 5. Require grant applications to be submitted on appropriate forms developed and adopted by the commission with appropriate supporting documentation, and require records to be maintained.
- 6. Establish a system to determine the relative priority of grant applications. The system must consider greenhouse gas reductions, energy savings and efficiencies and proven technologies.
- 7. Establish requirements for competitive procurement of engineering and construction services, materials and equipment.
- 8. Provide for termination of grants when program requirements are not met.
- 9. Each local government is limited to not more than two grant applications during each application period announced by the commission. However, a local government may not have more

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than three active projects expending grant funds during any state fiscal year.

- (c) The commission must perform adequate overview of each grant, which may include technical review, site inspections, disbursement approvals, and auditing to successfully implement this section.
- Section 48. Paragraph (c) of subsection (3) of section 380.23, Florida Statutes, is amended to read:
 - 380.23 Federal consistency.--
- (3) Consistency review shall be limited to review of the following activities, uses, and projects to ensure that such activities, uses, and projects are conducted in accordance with the state's coastal management program:
- (c) Federally licensed or permitted activities affecting land or water uses when such activities are in or seaward of the jurisdiction of local governments required to develop a coastal zone protection element as provided in s. 380.24 and when such activities involve:
- 1. Permits and licenses required under the Rivers and Harbors Act of 1899, 33 U.S.C. ss. 401 et seq., as amended.
- 2. Permits and licenses required under the Marine Protection, Research and Sanctuaries Act of 1972, 33 U.S.C. ss. 1401-1445 and 16 U.S.C. ss. 1431-1445, as amended.
- 3. Permits and licenses required under the Federal Water Pollution Control Act of 1972, 33 U.S.C. ss. 1251 et seq., as amended, unless such permitting activities have been delegated to the state pursuant to said act.

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- 4. Permits and licenses relating to the transportation of hazardous substance materials or transportation and dumping which are issued pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. ss. 1501 et seq., as amended, or 33 U.S.C. s. 1321, as amended.
- 5. Permits and licenses required under 15 U.S.C. ss. 717-717w, 3301-3432, 42 U.S.C. ss. 7101-7352, and 43 U.S.C. ss. 1331-1356 for construction and operation of interstate gas pipelines and storage facilities.
- 6. Permits and licenses required for the siting and construction of any new electrical power plants as defined in <u>s.</u>

 403.503(14) <u>s. 403.503(13)</u>, as amended, and the licensing and relicensing of hydroelectric power plants under the Federal Power Act, 16 U.S.C. ss. 791a et seq., as amended.
- 7. Permits and licenses required under the Mining Law of 1872, 30 U.S.C. ss. 21 et seq., as amended; the Mineral Lands Leasing Act, 30 U.S.C. ss. 181 et seq., as amended; the Mineral Leasing Act for Acquired Lands, 30 U.S.C. ss. 351 et seq., as amended; the Federal Land Policy and Management Act, 43 U.S.C. ss. 1701 et seq., as amended; the Mining in the Parks Act, 16 U.S.C. ss. 1901 et seq., as amended; and the OCS Lands Act, 43 U.S.C. ss. 1331 et seq., as amended, for drilling, mining, pipelines, geological and geophysical activities, or rights-ofway on public lands and permits and licenses required under the Indian Mineral Development Act, 25 U.S.C. ss. 2101 et seq., as amended.
 - 8. Permits and licenses for areas leased under the OCS

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- 2909 Lands Act, 43 U.S.C. ss. 1331 et seq., as amended, including
 2910 leases and approvals of exploration, development, and production
 2911 plans.
 - 9. Permits and licenses required under the Deepwater Port Act of 1974, 33 U.S.C. ss. 1501 et seq., as amended.
 - 10. Permits required for the taking of marine mammals under the Marine Mammal Protection Act of 1972, as amended, 16 U.S.C. s. 1374.
 - Section 49. Subsection (20) of section 403.031, Florida Statutes, is amended to read:
 - 403.031 Definitions.--In construing this chapter, or rules and regulations adopted pursuant hereto, the following words, phrases, or terms, unless the context otherwise indicates, have the following meanings:
 - (20) "Electrical power plant" means, for purposes of this part of this chapter, any electrical generating facility that uses any process or fuel and that is owned or operated by an electric utility, as defined in $\underline{s.\ 403.503(14)}\ \underline{s.\ 403.503(13)}$, and includes any associated facility that directly supports the operation of the electrical power plant.
 - Section 50. Section 403.44, Florida Statutes, is created to read:
 - 403.44 Florida Climate Protection Act.--
 - (1) The Legislature finds it is in the best interest of this state to document, to the greatest extent practicable, greenhouse gas (GHG) emissions and to pursue a market-based emissions abatement program, such as cap-and-trade, to address

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GHG emissions reductions.

- (2) As used in this section, the term:
- (a) "Allowance" means a credit issued by the department through allotments or auction which represents an authorization to emit specific amounts of greenhouse gases, as further defined in department rule.
- (b) "Cap-and-trade" or "emissions trading" means an administrative approach used to control pollution by providing a limit on total allowable emissions, providing for allowances to emit pollutants, and providing for the transfer of the allowances among pollutant sources as a means of compliance with emission limits.
- (c) "Greenhouse gas" means carbon dioxide, methane, nitrous oxide, and fluorinated gases such as hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
- (d) "Leakage" means the offset of emission abatement that is achieved in one location subject to emission control regulation by increased emissions in unregulated locations.
- (e) "Major emitter" means an electric utility regulated under this chapter.
- (3) A major emitter must use The Climate Registry for purposes of emission registration and reporting.
- (4) The Department of Environmental Protection shall establish the methodologies, reporting periods, and reporting systems that must be used when major emitters report to The Climate Registry. The department may require the use of quality-assured data from continuous emissions-monitoring systems.

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- regulatory program to reduce greenhouse gas emissions from major emitters. When developing the rules, the department shall consult with the Florida Energy and Climate Commission and the Public Service Commission, and may consult with the Governor's Action Team for Energy and Climate Change. The department shall not adopt rules until after January 1, 2010. The rules shall not become effective until ratified by the Legislature.
- (6) The rules of the cap-and-trade regulatory program shall include, but are not limited to:
- (a) A statewide limit or cap on the amount of GHG emissions emitted by major emitters.
- (b) Methods, requirements, and conditions for allocating the cap among major emitters.
- (c) Methods, requirements, and conditions for emissions allowances and the process for issuing emissions allowances.
- (d) The relationship between allowances and the specific amounts of greenhouse gases they represent.
- (e) The length of allowance periods and the time over which entities must account for emissions and surrender allowances equal to emissions.
- (f) The time path of allowances from the initiation of the program through to 2050.
- (g) A process for the trade of allowances between major emitters, including a registry, tracking, or accounting system for such trades.
 - (h) Cost containment mechanisms to reduce price and cost

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risks associated with the electric generation market in this state. Cost containment mechanisms to be considered for inclusion in the rule include, but are not limited to:

- 1. Allowing major emitters to borrow allowances from future time periods to meet their emission limit.
- 2. Allowing major emitters to bank emission reductions in the current year to be used to meet emission limits in future years.
- 3. Allowing major emitters to purchase emissions offsets from other entities who produce verifiable reductions in unregulated greenhouse gas emissions or who produce verifiable reductions in greenhouse gases through voluntary practices that capture and store greenhouse gases that otherwise would be released into the atmosphere. In considering this cost containment mechanism, the department shall identify sectors and activities outside of the capped sectors, including other state or international activities, and the conditions under which reductions there can be credited against emissions of capped entities in place of allowances issued by the department. The department shall also consider potential methods, and their effectiveness, to avoid double-incentivizing such activities.
- 4. Providing a safety valve mechanism to ensure that the market prices for allowances or offsets do not surpass a predetermined level compatible with the affordability of electric utility rates and the well being of the state's economy. In considering this cost containment mechanism, the department shall evaluate different prices levels for the safety

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valve and methods to change the price level over time to reflect changing state, federal and international markets, regulatory environments, and technological advancements.

- In considering cost containment mechanisms for inclusion in the rule, the department shall evaluate the anticipated overall effect of each mechanism on the abatement of greenhouse gas emissions, electricity rate payers, and the well being of the state's economy, and shall also consider the interrelationships between the mechanisms under consideration.
- (g) A process to allow the department to exercise its authority to discourage leakage of GHG emissions to neighboring states attributable to the implementation of this program.
- (h) Provisions for a trial period on the trading of allowances before full implementation of a trading system.
- (7) In recommending and evaluating proposed features of the cap and trade system, the following factors shall be considered:
- (a) The overall cost-effectiveness of the cap and trade system in combination with other policies and measures in meeting statewide targets.
- (b) Minimizing the administrative burden to the state of implementing, monitoring and enforcing the program.
- (c) Minimizing the administrative burden on entities covered under the cap.
 - (d) The impacts on electricity prices for consumers.
- (e) The potential effects on leakage if economic activity relocates out of the state.

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- (f) The effectiveness of the combination of measures in meeting identified targets.
- (g) The implications for near-term periods of long run targets specified in the overall policy.
 - (h) The overall cost to the Florida economy.
- (i) How to moderate impacts on low income consumers that result from energy price increases.
- (j) Consistency of the program with other state and possible Federal efforts.
- (k) The feasibility and cost-effectiveness of extending the program scope as broadly as possible among emitting activities and sinks in Florida.
- (1) Evaluation of the conditions under which Florida should consider linking its trading system to other states' or other countries' systems, and how that might be affected by the potential inclusion in the rule of a safety valve.
- (8) Recognizing that the international, national, neighboring state policies and the science of climate change will evolve, prior to submitting the proposed rules to the Legislature for its consideration, the department shall submit the proposed rules to the Florida Energy and Climate Commission, which shall review the proposed rule and submit a report to the Governor, the President of the Florida Senate, the Speaker of the Florida House of Representatives, and the department. The report shall address:
- (a) The overall cost-effectiveness of the proposed cap and trade system in combination with other policies and measures in

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3071	meeting	statewide	targets.

- (b) The administrative burden to the state of implementing, monitoring and enforcing the program.
- - (d) The impacts on electricity prices for consumers.
- (e) The potential effects on leakage if economic activity relocates out of the state.
- (f) The effectiveness of the combination of measures in meeting identified targets.
- (g) The economic implications for near-term periods of short-term and long-term targets specified in the overall policy.
 - (h) The overall cost to the Florida economy.
- (i) The impacts on low income consumers that result from energy price increases.
- (j) The consistency of the program with other state and possible Federal efforts.
- (k) The evaluation of the conditions under which Florida should consider linking its trading system to other states' or other countries' systems, and how that might be affected by the potential inclusion in the rule of a safety valve.
- (1) The timing and changes in the external environment, such as proposals by other states or implementation of a Federal program that would spur reevaluation of the Florida program.
- (m) The conditions and options for eliminating the Florida program if a Federal program were to supplant it.

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- (n) The need for a regular re-evaluation of the progress of other emitting regions of the country and of the world, and whether other regions are abating emissions in a commensurate manner.
- (o) The desirability of and possibilities of broadening the scope of Florida's cap and trade system at a later date to include more emitting activities as well as sinks in Florida, and the conditions that would need to be met to do so, as well as how the program would encourage these conditions to be met such as developing monitoring and measuring techniques for land use emissions and sinks, regulating sources up stream, and other considerations.

Section 51. Section 403.502, Florida Statutes, is amended to read:

403.502 Legislative intent.--The Legislature finds that the present and predicted growth in electric power demands in this state requires the development of a procedure for the selection and utilization of sites for electrical generating facilities and the identification of a state position with respect to each proposed site and its associated facilities. The Legislature recognizes that the selection of sites and the routing of associated facilities including transmission lines will have a significant impact upon the welfare of the population, the location and growth of industry, and the use of the natural resources of the state. The Legislature finds that the efficiency of the permit application and review process at both the state and local level would be improved with the

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implementation of a process whereby a permit application would be centrally coordinated and all permit decisions could be reviewed on the basis of standards and recommendations of the deciding agencies. It is the policy of this state that, while recognizing the pressing need for increased power generation facilities, the state shall ensure through available and reasonable methods that the location and operation of electrical power plants will produce minimal adverse effects on human health, the environment, the ecology of the land and its wildlife, and the ecology of state waters and their aquatic life and will not unduly conflict with the goals established by the applicable local comprehensive plans. It is the intent to seek courses of action that will fully balance the increasing demands for electrical power plant location and operation with the broad interests of the public. Such action will be based on these premises:

- (1) To assure the citizens of Florida that operation safeguards are technically sufficient for their welfare and protection.
- (2) To effect a reasonable balance between the need for the facility and the environmental impact resulting from construction and operation of the facility, including air and water quality, fish and wildlife, and the water resources and other natural resources of the state.
- (3) To meet the need for electrical energy as established pursuant to s. 403.519.

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- (4) To assure the citizens of Florida that renewable energy sources and technologies, as well as conservation measures, are utilized to the extent reasonably available.
- Section 52. Subsections (6), (8), (10), (13), (27), and (29) of section 403.503, Florida Statutes, are amended, new subsections (3) and (13) are added, and subsequent subsections are renumbered to read:
- 403.503 Definitions relating to Florida Electrical Power Plant Siting Act.--As used in this act:
- (3) "Alternate corridor" means an area that is proposed by the applicant or a third party within which all or part of an associated electrical transmission line right-of-way is to be located and that is different from the preferred transmission line corridor proposed by the applicant. The width of the alternate corridor proposed for certification for an associated electrical transmission line may be the width of the proposed right-of-way or a wider boundary not to exceed a width of 1 mile. The area within the alternate corridor may be further restricted as a condition of certification. The alternate corridor may include alternate electrical substation sites if the applicant has proposed an electrical substation as part of the portion of the proposed electrical transmission line.
- (6) "Associated facilities" means, for the purpose of certification, those on-site and off-site facilities which directly support the construction and operation of the electrical generating facility power plant such as electrical transmission lines, substations, fuel unloading facilities;

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pipelines necessary for transporting fuel for the operation of the facility or other fuel transportation facilities; water or wastewater transport pipelines; construction, maintenance, and access roads; and railway lines necessary for transport of construction equipment or fuel for the operation of the facility.

- (8) "Certification" means the written order of the board, or Secretary when applicable, approving an application for the licensing of an electrical power plant, in whole or with such changes or conditions as the board may deem appropriate.
- (11) (10) "Corridor" means the proposed area within which an associated linear facility right-of-way is to be located. The width of the corridor proposed for certification as an associated facility, at the option of the applicant, may be the width of the right-of-way or a wider boundary, not to exceed a width of 1 mile. The area within the corridor in which a rightof-way may be located may be further restricted by a condition of certification. After all property interests required for the right-of-way have been acquired by the licensee, the boundaries of the area certified shall narrow to only that land within the boundaries of the right-of-way. The corridors proper for certification shall be those addressed in the application, in amendments to the application filed under s. 403.5064, and in notices of acceptance of proposed alternate corridors filed by an applicant and the department pursuant to s. 403.5271 as incorporated by reference in s. 403.5064(1)(b) for which the required information for the preparation of agency supplemental

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reports was filed.

of the electrical power plant where fuel or solar energy is transformed into electrical energy. Typical components include steam-generation boilers, combustion turbines, heat-recovery equipment, fluidized bed equipment, solar collectors, steam turbines, smoke-stacks, cooling towers, air-pollution control equipment, generators and exciters, containment buildings, and main plus auxiliary transformers. The term does not include onsite associated facilities such as cooling ponds, coal piles, fuel tanks or related support equipment, or off-site associated facilities.

(14) (13) "Electrical power plant" means, for the purpose of certification, any steam or solar electrical generating facility using any process or fuel, including nuclear materials, except that this term does not include any steam or solar electrical generating facility of less than 75 megawatts in capacity unless the applicant for such a facility elects to apply for certification under this act. This term also includes the site, all associated facilities that will to be owned by the applicant that which are physically connected to the electrical power plant site; all associated facilities that or which are indirectly directly connected to the electrical power plant site by other proposed associated facilities that will to be owned by the applicant; r and associated transmission lines that will to be owned by the applicant that which connect the electrical generating facility power plant to an existing transmission

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network or rights-of-way to of which the applicant intends to connect. At the applicant's option, this term may include any offsite associated facilities that which will not be owned by the applicant; offsite associated facilities that which are owned by the applicant but which are not directly connected to the electrical power plant site; any proposed terminal or intermediate substations or substation expansions connected to the associated transmission line; or new transmission lines, upgrades, or improvements of an existing transmission line on any portion of the applicant's electrical transmission system necessary to support the generation injected into the system from the proposed electrical generating facility power plant.

- (28) (27) "Site" means any proposed location within which will be located wherein an electrical power plant's generating facility and on-site support facilities plant, or an electrical power plant alteration or addition of electrical generating facilities and on-location support facilities resulting in an increase in generating capacity, will be located, including offshore sites within state jurisdiction.
- (30) (29) "Ultimate site capacity" means the maximum gross generating capacity for a site as certified by the board, unless otherwise specified as net generating capacity.
- Section 53. Subsections (2), (3), (4), (5), (9), and (11) of section 403.504, Florida Statutes, are amended to read:
- 403.504 Department of Environmental Protection; powers and duties enumerated.—The department shall have the following powers and duties in relation to this act:

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- (2) To prescribe the form and content of the public notices and the notice of intent and the form, content, and necessary supporting documentation and studies to be prepared by the applicant for electrical power plant site certification applications.
- (3) To receive applications for electrical power plant site certifications and to determine the completeness and sufficiency thereof.
- (4) To make, or contract for, studies of electrical power plant site certification applications.
- (5) To administer the processing of applications for electric power plant site certifications and to ensure that the applications are processed as expeditiously as possible.
- (9) To determine whether an alternate corridor proposed for consideration under s. 403.5064(4) is acceptable.
- (11) To administer and manage the terms and conditions of the certification order and supporting documents and records for the life of the electrical power plant facility.
- Section 54. Subsection (1) and (3) of section 403.506, Florida Statutes, is amended to read:
 - 403.506 Applicability, thresholds, and certification.--
- (1) The provisions of this act shall apply to any electrical power plant as defined herein, except that the provisions of this act shall not apply to any electrical power plant or steam generating plant of less than 75 megawatts in gross capacity including its or to any associated facilities substation to be constructed as part of an associated

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transmission line unless the applicant has elected to apply for certification of such electrical power plant or substation under this act. The provisions of this act shall not apply to any unit capacity expansions expansion of 75 35 megawatts or less, in the aggregate, of an existing exothermic reaction cogeneration electrical generating facility unit that was exempt from this act when it was originally built; however, this exemption shall not apply if the unit uses oil or natural gas for purposes other than unit startup. No construction of any new electrical power plant or expansion in steam generating capacity as measured by an increase in the maximum electrical generator rating of any existing electrical power plant may be undertaken after October 1, 1973, without first obtaining certification in the manner as herein provided, except that this act shall not apply to any such electrical power plant which is presently operating or under construction or which has, upon the effective date of chapter 73-33, Laws of Florida, applied for a permit or certification under requirements in force prior to the effective date of such act.

(3) An electric utility may obtain separate licenses, permits, and approvals for the construction of facilities necessary to construct an electrical power plant without first obtaining certification under this act if the utility intends to locate, license, and construct a proposed or expanded electrical power plant that uses nuclear materials as fuel. Such facilities may include, but are not limited to, access and onsite roads, rail lines, electrical transmission facilities to support

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3313 construction, and facilities necessary for waterborne delivery 3314 of construction materials and project components. This exemption applies to such facilities regardless of whether the facilities 3315 3316 are used for operation of the power plant. The applicant shall 3317 file with the department a statement that declares that the construction of such facilities is necessary for the timely 3318 3319 construction of the proposed electrical power plant and 3320 identifies those facilities that the applicant intends to seek 3321 licenses for and construct prior to or separate from certification of the project. The facilities may be located 3322 within or off of the site for the proposed electrical power 3323 3324 plant. The filing of an application under this act does not affect other applications for separate licenses which are 3325 pending at the time of filing the application. Furthermore, the 3326 filing of an application does not prevent an electric utility 3327 3328 from seeking separate licenses for facilities that are necessary 3329 to construct the electrical power plant. Licenses, permits, or approvals issued by any state, regional, or local agency for 3330 3331 such facilities shall be incorporated by the department into a 3332 final certification upon completion of construction. Any 3333 facilities necessary for construction of the electrical power plant shall become part of the certified electrical power plant 3334 3335 upon completion of the electrical power plant's construction. 3336 The exemption in this subsection does not require or authorize 3337 agency rulemaking, and any action taken under this subsection is not subject to chapter 120. This subsection shall be given 3338

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retroactive effect and applies to applications filed after May 1, 2008.

Section 55. Subsections (1) and (4) of section 403.5064, Florida Statutes, are amended to read:

403.5064 Application; schedules .--

- (1) The formal date of filing of a certification application and commencement of the certification review process shall be when the applicant submits:
- (a) Copies of the certification application in a quantity and format as prescribed by rule to the department and other agencies identified in s. 403.507(2)(a).
- If the applicant opts to allow consideration of alternate corridors for any associated transmission line corridors, the applicant shall file a statement with the department affirming the exercise of this option. If alternate corridors are allowed, at the applicant's option, the portion of the application addressing associated transmission line corridors shall be processed under the schedule of the Florida Electric Transmission Line Siting Act, sections 403.521-403.526 and 403.5271, including the opportunity for the filing and review of alternate corridors, provided that any party proposing alternate transmission line corridor routes for consideration must do so no later than 115 days prior to the certification hearing that is scheduled for the power plant, including any associated transmission line corridors, in accordance with s. 403.508(2).
 - (c) (b) The application fee specified under s. 403.518 to

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Within 7 days after the filing of an application, the department shall prepare a proposed schedule of dates for determination of completeness, submission of statements of issues, submittal of final reports, and other significant dates to be followed during the certification process, including dates for filing notices of appearance to be a party pursuant to s. 403.508(3). If the application includes one or more associated transmission line corridors, at the request of the applicant filed concurrently with the application, the department shall incorporate the application processing schedule of the Florida Electric Transmission Line Siting Act, sections 403.521-403.526 and 403.5271 for the associated transmission line corridors, including the opportunity for the filing and review of alternate corridors, providing that any party may propose alternate transmission line corridor routes for consideration no later than 115 days prior to the scheduled certification hearing. Notwithstanding an applicant's option for the transmission line corridor portion of its application to be processed under this optional schedule, only one certification hearing will be held for the entire power plant in accordance with s. 403.508(2). The proposed This schedule shall be timely provided by the department to the applicant, the administrative law judge, all agencies identified pursuant to subsection (2), and all parties. Within 7 days after the filing of the proposed schedule, the administrative law judge shall issue an order establishing a schedule for the matters addressed in the department's proposed

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3393 schedule and other appropriate matters, if any.

Section 56. Subsection (1) of section 403.5065, Florida Statutes, is amended to read:

403.5065 Appointment of administrative law judge; powers and duties.—

(1) Within 7 days after receipt of an application, the department shall request the Division of Administrative Hearings to designate an administrative law judge to conduct the hearings required by this act. The division director shall designate an administrative law judge within 7 days after receipt of the request from the department. In designating an administrative law judge for this purpose, the division director shall, whenever practicable, assign an administrative law judge who has had prior experience or training in electrical power plant site certification proceedings. Upon being advised that an administrative law judge has been appointed, the department shall immediately file a copy of the application and all supporting documents with the designated administrative law judge, who shall docket the application.

Section 57. Subsection (3) of section 403.50663, Florida Statutes, is amended to read:

403.50663 Informational public meetings.--

(3) A local government or regional planning council that intends to conduct an informational public meeting must provide notice of the meeting to all parties not less than 5 days prior to the meeting and to the general public, in accordance with the provisions of s. 403.5115(5). The expense for such notice is

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eligible for reimbursement under the provisions of s.
403.518(2)(c)1.

Section 58. Section 403.50665, Florida Statutes, is amended to read:

403.50665 Land use consistency. --

- (1) The applicant shall include in the application a statement on the consistency of the site and or any directly associated facilities that constitute a "development," as defined by s. 380.04, with existing land use plans and zoning ordinances that were in effect on the date the application was filed and a full description of such consistency. This information shall include an identification of those associated facilities that the applicant believes are exempt from the requirements of land use plans and zoning ordinances under the provisions of the Local Government Comprehensive Planning and Land Development Regulation Act provisions of Chapter 163 and s. 380.04(3).
- (2) (a) Within 45 days after the filing of the application, each local government shall file a determination with the department, the applicant, the administrative law judge, and all parties on the consistency of the site, and er any directly associated facilities that are not exempt from the requirements of land use plans and zoning ordinances under the provisions of Chapter 163 and s. 380.04(3), with existing land use plans and zoning ordinances that were in effect on the date the application was filed, based on the information provided in the application. However, this requirement does not apply to any

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new electrical generation unit proposed to be constructed and operated:

- 1. On the site of a previously certified electrical power plant; or [Crystal river]
- 2. On the site of a power plant that was not previously certified that will be wholly contained within the boundaries of the existing site.
- (b) The local government may issue its determination up to 55 35 days later if the application has been determined incomplete based in whole or part upon a local government request for has requested additional information on land use and zoning consistency as part of the local government's statement on completeness of the application submitted pursuant to s. 403.5066(1)(a). Incompleteness of information necessary for a local government to evaluate an application may be claimed by the local government as cause for a statement of inconsistency with existing land use plans and zoning ordinances.
- (c) Notice of the consistency determination shall be published in accordance with the requirements of s. 403.5115.
- (3) If the local government issues a determination that the proposed site and any non-exempt associated facilities are electrical power plant is not consistent or in compliance with local land use plans and zoning ordinances, the applicant may apply to the local government for the necessary local approval to address the inconsistencies <u>identified</u> in the local government's determination.
 - (a) If the applicant makes such an application to the

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local government, the time schedules under this act shall be tolled until the local government issues its revised determination on land use and zoning or the applicant otherwise withdraws its application to the local government.

- (b) If the applicant applies to the local government for necessary local land use or zoning approval, the local government shall commence a proceeding to consider the application for land use or zoning approval within 45 days of receipt of the complete request, and shall issue a revised determination within 30 days following the conclusion of that local proceeding. , and The time schedules and notice requirements under this act shall apply to such revised determination.
- (4) If any substantially affected person wishes to dispute the local government's determination, he or she shall file a petition with the <u>designated administrative law judge</u> department within 21 days after the publication of notice of the local government's determination. If a hearing is requested, the provisions of s. 403.508(1) shall apply.
- (5) The dates in this section may be altered upon agreement between the applicant, the local government, and the department pursuant to s. 403.5095.
- (6) If it is determined by the local government that the proposed site or <u>non-exempt</u> directly associated facility does conform with existing land use plans and zoning ordinances in effect as of the date of the application and no petition has been filed, the responsible zoning or planning authority shall

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not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.

(7) The issue of land use and zoning consistency for any proposed alternate intermediate electrical substation which is proposed as part of an alternate electrical transmission line corridor which is accepted by the applicant and the department under s. 403.5271(1)(b) shall be addressed in the supplementary report prepared by the local government on the proposed alternate corridor and shall be considered as an issue at any final certification hearing. If such a proposed intermediate electrical substation is determined to not be consistent with local land use plans and zoning ordinances, then that alternate electrical substation shall not be certified.

Section 59. Paragraph (a) of subsection (2) of section 403.507, Florida Statutes, is amended to read:

403.507 Preliminary statements of issues, reports, project analyses, and studies.--

(2) (a) The No later than 100 days after the certification application has been determined complete, the following agencies shall prepare reports as provided below and shall submit them to the department and the applicant no later than 100 days after the certification application has been determined complete, unless a final order denying the Determination of Need has been issued under the provisions of s. 403.519:

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Section 60. Subsection (1) and paragraph (a) of subsection (2) of section 403.508, Florida Statutes, are amended to read:
403.508 Land use and certification hearings, parties,
participants.--

- Within 5 days after the filing of If a petition for a hearing on land use has been filed pursuant to s. 403.50665, the designated administrative law judge shall schedule conduct a land use hearing to be conducted in the county of the proposed site, or directly associated facility that is not exempt from the requirements of land use plans and zoning ordinances under the provisions of Chapter 163 and s. 380.04(3), as applicable, as expeditiously as possible, but not later than 30 days after the designated administrative law judge's department's receipt of the petition. The place of such hearing shall be as close as possible to the proposed site or directly associated facility. If a petition is filed, the hearing shall be held regardless of the status of the completeness of the application. However, incompleteness of information necessary for a local government to evaluate an application may be claimed by the local government as cause for a statement of inconsistency with existing land use plans and zoning ordinances under s. 403.50665.
- (b) Notice of the land use hearing shall be published in accordance with the requirements of s. 403.5115.
- (c) The sole issue for determination at the land use hearing shall be whether or not the proposed site or non-exempt associated facility is consistent and in compliance with

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existing land use plans and zoning ordinances. If the administrative law judge concludes that the proposed site or non-exempt associated facility is not consistent or in compliance with existing land use plans and zoning ordinances, the administrative law judge shall receive at the hearing evidence on, and address in the recommended order any changes to or approvals or variances under, the applicable land use plans or zoning ordinances which will render the proposed site or non-exempt associated facility consistent and in compliance with the local land use plans and zoning ordinances.

- (d) The designated administrative law judge's recommended order shall be issued within 30 days after completion of the hearing and shall be reviewed by the board within 60 days after receipt of the recommended order by the board.
- (e) If it is determined by the board that the proposed site or non-exempt associate facility does conform with existing land use plans and zoning ordinances in effect as of the date of the application, or as otherwise provided by this act, the responsible zoning or planning authority shall not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed electrical power plant on the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.
- (f) If it is determined by the board that the proposed site or non-exempt associated facility does not conform with existing land use plans and zoning ordinances, the board may, if

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it determines after notice and hearing and upon consideration of the recommended order on land use and zoning issues that it is in the public interest to authorize the use of the land as a site for a site or associated facility an electrical power plant, authorize a variance or other necessary approval to the adopted land use plan and zoning ordinances required to render the proposed site or associated facility consistent with local land use plans and zoning ordinances. The board's action shall not be controlled by any other procedural requirements of law. In the event a variance or other approval is denied by the board, it shall be the responsibility of the applicant to make the necessary application for any approvals determined by the board as required to make the proposed site or associated facility consistent and in compliance with local land use plans and zoning ordinances. No further action may be taken on the complete application until the proposed site or associated facility conforms to the adopted land use plan or zoning ordinances or the board grants relief as provided under this act.

(2)(a) A certification hearing shall be held by the designated administrative law judge no later than 265 days after the application is filed with the department. The certification hearing shall be held at a location in proximity to the proposed site. At the conclusion of the certification hearing, the designated administrative law judge shall, after consideration of all evidence of record, submit to the board a recommended

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order no later than 45 days after the filing of the hearing transcript.

Section 61. Subsections (3), (4), and (5) of section 403.509, Florida Statutes, are amended and a new subsection (4) is added to said section to read:

403.509 Final disposition of application .--

- (3) In determining whether an application should be approved in whole, approved with modifications or conditions, or denied, the board, or secretary when applicable, shall consider whether, and the extent to which, the location, construction and operation of the electrical power plant and directly associated facilities and their construction and operation will:
- (a) Provide reasonable assurance that operational safeguards are technically sufficient for the public welfare and protection.
- (b) Comply with applicable nonprocedural requirements of agencies.
- (c) Be consistent with applicable local government comprehensive plans and land development regulations.
- (d) Meet the electrical energy needs of the state in an orderly, reliable, and timely fashion.
- (e) Effect a reasonable balance between the need for the facility as established pursuant to s. 403.519 and the impacts upon air and water quality, fish and wildlife, water resources, and other natural resources of the state resulting from the construction and operation of the facility.
 - (f) Minimize, through the use of reasonable and available

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methods, the adverse effects on human health, the environment, and the ecology of the land and its wildlife and the ecology of state waters and their aquatic life.

- (g) Serve and protect the broad interests of the public.
- (4) (a) Any transmission line corridor certified by the board, or secretary if applicable, shall meet the criteria of this section. When more than one transmission line corridor is proper for certification under s. 403.503(10) and meets the criteria of this section, the board, or secretary if applicable, shall certify the transmission line corridor that has the least adverse impact regarding the criteria in subsection (3), including costs.
- (b) If the board, or secretary if applicable, finds that an alternate corridor rejected pursuant to s. 403.5271 as incorporated by reference in s. 403.5064(1)(b) meets the criteria of subsection (3) and has the least adverse impact regarding the criteria in subsection (3), the board, or secretary if applicable, shall deny certification or shall allow the applicant to submit an amended application to include the corridor.
- (c) If the board, or secretary if applicable, finds that two or more of the corridors that comply with subsection (3) have the least adverse impacts regarding the criteria in subsection (3), including costs, and that the corridors are substantially equal in adverse impacts regarding the criteria in subsection (3), including costs, the board, or secretary if applicable, shall certify the corridor preferred by the

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applicant if the corridor is one proper for certification under s. 403.503(10).

- (5) (4) The department's action on a federally required new source review or prevention of significant deterioration permit shall differ from the actions taken by the siting board regarding the certification if the federally approved state implementation plan requires such a different action to be taken by the department. Nothing in this part shall be construed to displace the department's authority as the final permitting entity under the federally approved permit program. Nothing in this part shall be construed to authorize the issuance of a new source review or prevention of significant deterioration permit which does not conform to the requirements of the federally approved state implementation plan.
- (6) (5) For certifications issued by the board in regard to the properties and works of any agency which is a party to the certification hearing, the board shall have the authority to decide issues relating to the use, the connection thereto, or the crossing thereof, for the electrical power plant and directly associated facilities and to direct any such agency to execute, within 30 days after the entry of certification, the necessary license or easement for such use, connection, or crossing, subject only to the conditions set forth in such certification. For certifications issued by the department in regard to the properties and works of any agency which is a party to the proceeding, any stipulation filed pursuant to s.

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relating to the use, the connection thereto, or the crossing thereof, for the electrical power plant. Any agency stipulating to the use, connection to, or crossing of its property must agree to execute, within 30 days after the entry of certification, the necessary license or easement for such use, connection, or crossing, subject only to the conditions set forth in such certification.

Section 62. Subsections (1) and (6) of section 403.511, Florida Statutes, are amended to read:

403.511 Effect of certification. --

- (1) Subject to the conditions set forth therein, any certification shall constitute the sole license of the state and any agency as to the approval of the <u>location of the site and any associated facility</u> and the construction and operation of the proposed electrical power plant, except for the issuance of department licenses required under any federally delegated or approved permit program and except as otherwise provided in subsection (4).
- (6) No term or condition of <u>an electrical power plant</u> a site certification shall be interpreted to supersede or control the provisions of a final operation permit for a major source of air pollution issued by the department pursuant to s. 403.0872 to a facility certified under this part.
- Section 63. Subsection (1) of section 403.5112, Florida Statutes, is amended to read:
 - 403.5112 Filing of notice of certified corridor route.--

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- (1) Within 60 days after certification of <u>an</u> a <u>directly</u> associated linear facility pursuant to this act, the applicant shall file, in accordance with s. 28.222, with the department and the clerk of the circuit court for each county through which the corridor will pass, a notice of the certified route.
- Section 64. Subsections (1) and (4) of section 403.5113, Florida Statutes, are amended to read:
 - 403.5113 Postcertification amendments and review.--
 - (1) POSTCERTIFICATION AMENDMENTS. --
- (a) If, subsequent to certification by the board, a licensee proposes any material change to the application and revisions or amendments thereto, as certified, the licensee shall submit a written request for amendment and a description of the proposed change to the application to the department. Within 30 days after the receipt of the request for the amendment, the department shall determine whether the proposed change to the application requires a modification of the conditions of certification.
- (b) (2) If the department concludes that the change would not require a modification of the conditions of certification, the department shall provide written notification of the approval of the proposed amendment to the licensee, all agencies, and all other parties.
- $\underline{\text{(c)}}$ (3) If the department concludes that the change would require a modification of the conditions of certification, the department shall provide written notification to the licensee that the proposed change to the application requires a request

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for modification pursuant to s. 403.516.

(2) (4) POSTCERTIFICATION REVIEW.--Postcertification submittals filed by the licensee with one or more agencies are for the purpose of monitoring for compliance with the issued certification and must be reviewed by the agencies on an expedited and priority basis because each facility certified under this act is a critical infrastructure facility. In no event shall a postcertification review be completed in more than 90 days after complete information is submitted to the reviewing agencies.

Section 65. Section 403.5115, Florida Statutes, is amended to read:

403.5115 Public notice.--

- (1) The following notices are to be published by the applicant for all applications:
- (a) Notice of the filing of a notice of intent under s. 403.5063, which shall be published within 21 days after the filing of the notice. The notice shall be published as specified by subsection (2), except that the newspaper notice shall be one-fourth page in size in a standard size newspaper or one-half page in size in a tabloid size newspaper.
- (b) Notice of filing of the application, which shall include a description of the proceedings required by this act, within 21 days after the date of the application filing. Such notice shall give notice of the provisions of s. 403.511(1) and (2).
 - (c) <u>If applicable</u>, notice of the land use determination

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made pursuant to s. 403.50665(2) (1) within 21 days after the deadline for the filing of the determination is filed.

- (d) <u>If applicable</u>, notice of the land use hearing, which shall be published as specified in subsection (2), no later than 15 days before the hearing.
- (e) Notice of the certification hearing and notice of the deadline for filing notice of intent to be a party, which shall be published as specified in subsection (2), at least 65 days before the date set for the certification hearing.
- (f) Notice of the cancellation of the certification hearing, if applicable, no later than 3 days before the date of the originally scheduled certification hearing. The newspaper notice shall be one-fourth page in size in a standard size newspaper or one-half page in size in a tabloid size newspaper.
- (g) Notice of modification when required by the department, based on whether the requested modification of certification will significantly increase impacts to the environment or the public. Such notice shall be published as specified under subsection (2):
- 1. Within 21 days after receipt of a request for modification. The newspaper notice shall be of a size as directed by the department commensurate with the scope of the modification.
- 2. If a hearing is to be conducted in response to the request for modification, then notice shall be published no later than 30 days before the hearing.
 - (h) Notice of a supplemental application, which shall be

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- published as specified in paragraph (b) and subsection (2).
- (i) Notice of existing site certification pursuant to s. 403.5175. Notices shall be published as specified in paragraph (b) and subsection (2).
- in newspapers of general circulation within the county or counties in which the proposed electrical power plant will be located. The newspaper notices, unless otherwise specified, shall be at least one-half page in size in a standard size newspaper or a full page in a tabloid size newspaper. These notices shall include a map generally depicting the project and all associated facilities corridors. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.
- (3) All notices published by the applicant shall be paid for by the applicant and shall be in addition to the application fee.
- (4) The department shall arrange for publication of the following notices in the manner specified by chapter 120 and provide copies of those notices to any persons who have requested to be placed on the departmental mailing list for this purpose for each case for which an application has been received

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by the department:

- (a) Notice of the filing of the notice of intent within 15 days after receipt of the notice.
- (b) Notice of the filing of the application, no later than21 days after the application filing.
- (c) Notice of the land use determination made pursuant to s. 403.50665(2) (1) within 21 days after the <u>deadline</u> for the filing of the determination is filed.
- (d) Notice of the land use hearing before the administrative law judge, if applicable, no later than 15 days before the hearing.
- (e) Notice of the land use hearing before the board, if applicable.
- (f) Notice of the certification hearing at least 45 days before the date set for the certification hearing.
- (g) Notice of the cancellation of the certification hearing, if applicable, no later than 3 days prior to the date of the originally scheduled certification hearing.
 - (h) Notice of the hearing before the board, if applicable.
- (i) Notice of stipulations, proposed agency action, or petitions for modification.
- (5) A local government or regional planning council that proposes to conduct an informational public meeting pursuant to s. 403.50663 must publish notice of the meeting in a newspaper of general circulation within the county or counties in which the proposed electrical power plant will be located no later than 7 days prior to the meeting. A newspaper of general

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circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

(6) A proponent of an alternate corridor shall publish public notices concerning the filing of a proposal for an alternate corridor; the route of the alternate corridor; the revised time schedules, if any; the filing deadline for a petition to become a party; and the date of the rescheduled certification hearing, if necessary. For purposes of this subsection, all notices must be published in a newspaper or newspapers of general circulation within the county or counties affected by the proposed alternate corridor and must comply with the requirements provided in subsection (2). The notices must be published at least 45 days before the date of the rescheduled certification hearing.

Section 66. Subparagraph 1. of paragraph (b) of subsection (1) of section 403.516, Florida Statutes, is amended to read:
403.516 Modification of certification.--

- (1) A certification may be modified after issuance in any one of the following ways:
- (b)1. The department may modify specific conditions of a site certification which are inconsistent with the terms of any

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federally delegated or approved permit for the certified electrical power plant.

Section 67. Paragraphs (a) and (c) of subsection (1) of section 403.517, Florida Statutes, are amended to read:

403.517 Supplemental applications for sites certified for ultimate site capacity.--

- (1) (a) Supplemental applications may be submitted for certification of the construction and operation of electrical power plants to be located at sites which have been previously certified for an ultimate site capacity pursuant to this act. Supplemental applications shall be limited to electrical power plants using the fuel type previously certified for that site. Such applications shall include all new directly associated facilities that support the construction and operation of the electrical power plant.
- (c) The time limits for the processing of a complete supplemental application shall be designated by the department commensurate with the scope of the supplemental application, but shall not exceed any time limitation governing the review of initial applications for site certification pursuant to this act, it being the legislative intent to provide shorter time limitations for the processing of supplemental applications for electrical power plants to be constructed and operated at sites which have been previously certified for an ultimate site capacity.
- Section 68. Subsections (1) and (3), and paragraphs (a), (b), and (c) of subsection (2) of section 403.5175, Florida

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Statutes, are amended to read:

403.5175 Existing electrical power plant site certification.--

- electrical power plant as defined in <u>s. 403.503(14)</u> s.

 403.503(13) may apply for certification of an existing power plant and its site in order to obtain all agency licenses necessary to ensure compliance with federal or state environmental laws and regulation using the centrally coordinated, one-stop licensing process established by this part. An application for <u>site</u> certification under this section must be in the form prescribed by department rule. Applications must be reviewed and processed using the same procedural steps and notices as for an application for a new facility, except that a determination of need by the Public Service Commission is not required.
- (2) An application for certification under this section must include:
- (a) A description of the site and existing power plant installations, and associated facilities;
- (b) A description of all proposed changes or alterations to the site <u>and or electrical power plant, including</u> all new associated facilities that are the subject of the application;
- (c) A description of the environmental and other impacts caused by the existing utilization of the site and directly associated facilities, and the operation of the electrical power plant that is the subject of the application, and of the

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environmental and other benefits, if any, to be realized as a result of the proposed changes or alterations if certification is approved and such other information as is necessary for the reviewing agencies to evaluate the proposed changes and the expected impacts;

(3) The land use and zoning determination requirements of s. 403.50665 do not apply to an application under this section if the applicant does not propose to expand the boundaries of the existing site or to add additional offsite associated facilities that are not exempt from the provisions of s. 403.50665. If the applicant proposes to expand the boundaries of the existing site or to add additional offsite facilities that are not exempt from the provisions of s. 403.50665 to accommodate portions of the electrical generation facility plant or associated facilities, a land use and zoning determination shall be made as specified in s. 403.50665; provided, however, that the sole issue for determination is whether the proposed site expansion or additional non-exempt associated facilities are is consistent and in compliance with the existing land use plans and zoning ordinances.

Section 69. Section 403.518, Florida Statutes, is amended to read:

403.518 Fees; disposition.--The department shall charge the applicant the following fees, as appropriate, which, unless otherwise specified, shall be paid into the Florida Permit Fee Trust Fund:

(1) A fee for a notice of intent pursuant to s. 403.5063,

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in the amount of \$2,500, to be submitted to the department at the time of filing of a notice of intent. The notice-of-intent fee shall be used and disbursed in the same manner as the application fee.

- (2) An application fee, which shall not exceed \$200,000. The fee shall be fixed by rule on a sliding scale related to the size, type, ultimate site capacity, or increase in electrical generating capacity proposed by the application.
- (a) Sixty percent of the fee shall go to the department to cover any costs associated with coordinating the review and acting upon the application, to cover any field services associated with monitoring construction and operation of the facility, and to cover the costs of the public notices published by the department.
- (b) The following percentages shall be transferred to the Operating Trust Fund of the Division of Administrative Hearings of the Department of Management Services:
- 1. Five percent to compensate expenses from the initial exercise of duties associated with the filing of an application.
- 2. An additional 5 percent if a land use hearing is held pursuant to s. 403.508.
- 3. An additional 10 percent if a certification hearing is held pursuant to s. 403.508.
- (c)1. Upon written request with proper itemized accounting within 90 days after final agency action by the board or department, or withdrawal of the application, the agencies that prepared reports pursuant to s. 403.507 or participated in a

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hearing pursuant to s. 403.508 may submit a written request to the department for reimbursement of expenses incurred during the certification proceedings. The request shall contain an accounting of expenses incurred which may include time spent reviewing the application, preparation of any studies required of the agencies by this act, agency travel and per diem to attend any hearing held pursuant to this act, and for any agency of local government's or regional planning council's provision of notice of public meetings or hearings required as a result of the application for certification. The department shall review the request and verify that the expenses are valid. Valid expenses shall be reimbursed; however, in the event the amount of funds available for reimbursement is insufficient to provide for full compensation to the agencies requesting reimbursement, reimbursement shall be on a prorated basis.

- 2. If the application review is held in abeyance for more than 1 year, the agencies may submit a request for reimbursement. This time period shall be measured from the date the applicant has provided written notification to the department that it desires to have application review process placed on hold. The fee disbursement shall be processed in accordance with subparagraph 1.
- (d) If any sums are remaining, the department shall retain them for its use in the same manner as is otherwise authorized by this act; provided, however, that if the certification application is withdrawn, the remaining sums shall be refunded to the applicant within 90 days after the submittal of the

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written notification of withdrawal.

- (3)(a) A certification modification fee, which shall not exceed \$30,000. The department shall establish rules for determining such a fee based on the <u>number of agencies involved in the review</u>, equipment redesign, change in site size, type, increase in generating capacity proposed, or change in an associated linear facility location.
- (b) The fee shall be submitted to the department with a petition for modification pursuant to s. 403.516. This fee shall be established, disbursed, and processed in the same manner as the application fee in subsection (2), except that the Division of Administrative Hearings shall not receive a portion of the fee unless the petition for certification modification is referred to the Division of Administrative Hearings for hearing. If the petition is so referred, only \$10,000 of the fee shall be transferred to the Operating Trust Fund of the Division of Administrative Hearings of the Department of Management Services.
- (4) A supplemental application fee, not to exceed \$75,000, to cover all reasonable expenses and costs of the review, processing, and proceedings of a supplemental application. This fee shall be established, disbursed, and processed in the same manner as the certification application fee in subsection (2).
- (5) An existing site certification application fee, not to exceed \$200,000, to cover all reasonable costs and expenses of the review processing and proceedings for certification of an existing power plant site under s. 403.5175. This fee must be

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established, disbursed, and processed in the same manner as the certification application fee in subsection (2).

(6)(a) An application fee for an alternate corridor filed pursuant to s. 403.5064(4). The application fee shall be \$750 per mile for each mile of the alternate corridor located within an existing electric transmission line right-of-way or within an existing right-of-way for a road, highway, railroad, or other aboveground linear facility, or \$1,000 per mile for each mile of an electric transmission line corridor proposed to be located outside the existing right-of-way.

Section 70. Subsection (4) of section 403.519, Florida Statutes, is amended to read:

403.519 Exclusive forum for determination of need. --

(4) In making its determination on a proposed electrical power plant using nuclear materials or synthesis gas produced by integrated gasification combined cycle power plant as fuel, the commission shall hold a hearing within 90 days after the filing of the petition to determine need and shall issue an order granting or denying the petition within 135 days after the date of the filing of the petition. The commission shall be the sole forum for the determination of this matter and the issues addressed in the petition, which accordingly shall not be reviewed in any other forum, or in the review of proceedings in such other forum. In making its determination to either grant or deny the petition, the commission shall consider the need for electric system reliability and integrity, including fuel diversity, the need for base-load generating capacity, the need

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for adequate electricity at a reasonable cost, and whether renewable energy sources and technologies, as well as conservation measures, are utilized to the extent reasonably available.

- (a) The applicant's petition shall include:
- 1. A description of the need for the generation capacity.
- 2. A description of how the proposed nuclear or integrated gasification combined cycle power plant will enhance the reliability of electric power production within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.
- 3. A description of and a nonbinding estimate of the cost of the nuclear or integrated gasification combined cycle power plant, including any costs associated with new, enlarged, or relocated electrical transmission lines or facilities of any size that are necessary to serve the nuclear power plant.
- 4. The annualized base revenue requirement for the first 12 months of operation of the nuclear or integrated gasification combined cycle power plant.
- 5. Information on whether there were any discussions with any electric utilities regarding ownership of a portion of the nuclear or integrated gasification combined cycle power plant by such electric utilities.
- (b) In making its determination, the commission shall take into account matters within its jurisdiction, which it deems relevant, including whether the nuclear or integrated gasification combined cycle power plant will:

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- 1. Provide needed base-load capacity.
- 2. Enhance the reliability of electric power production within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.
- 3. Provide the most cost-effective source of power, taking into account the need to improve the balance of fuel diversity, reduce Florida's dependence on fuel oil and natural gas, reduce air emission compliance costs, and contribute to the long-term stability and reliability of the electric grid.
- (c) No provision of rule 25-22.082, Florida Administrative Code, shall be applicable to a nuclear or integrated gasification combined cycle power plant sited under this act, including provisions for cost recovery, and an applicant shall not otherwise be required to secure competitive proposals for power supply prior to making application under this act or receiving a determination of need from the commission.
- (d) The commission's determination of need for a nuclear or integrated gasification combined cycle power plant shall create a presumption of public need and necessity and shall serve as the commission's report required by s. 403.507(4)(a). An order entered pursuant to this section constitutes final agency action. Any petition for reconsideration of a final order on a petition for need determination shall be filed within 5 days after the date of such order. The commission's final order, including any order on reconsideration, shall be reviewable on appeal in the Florida Supreme Court. Inasmuch as delay in the

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determination of need will delay siting of a nuclear or integrated gasification combined cycle power plant or diminish the opportunity for savings to customers under the federal Energy Policy Act of 2005, the Supreme Court shall proceed to hear and determine the action as expeditiously as practicable and give the action precedence over matters not accorded similar precedence by law.

After a petition for determination of need for a nuclear or integrated gasification combined cycle power plant has been granted, the right of a utility to recover any costs incurred prior to commercial operation, including, but not limited to, costs associated with the siting, design, licensing, or construction of the plant and new, expanded, or relocated electrical transmission lines or facilities of any size that are necessary to serve the nuclear power plant, shall not be subject to challenge unless and only to the extent the commission finds, based on a preponderance of the evidence adduced at a hearing before the commission under s. 120.57, that certain costs were imprudently incurred. Proceeding with the construction of the nuclear or integrated gasification combined cycle power plant following an order by the commission approving the need for the nuclear or integrated gasification combined cycle power plant under this act shall not constitute or be evidence of imprudence. Imprudence shall not include any cost increases due to events beyond the utility's control. Further, a utility's right to recover costs associated with a nuclear or integrated gasification combined cycle power plant may not be raised in any

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other forum or in the review of proceedings in such other forum.

Costs incurred prior to commercial operation shall be recovered pursuant to chapter 366.

Section 71. Subsection (1) of section 403.5252, Florida Statutes, is amended to read:

403.5252 Determination of completeness.--

- (1) (a) Within 30 days after the filing distribution of an application, the affected agencies shall file a statement with the department containing the recommendations of each agency concerning the completeness of the application for certification.
- (b) Within 37 7 days after the filing receipt of the application completeness statements of each agency, the department shall file a statement with the Division of Administrative Hearings, with the applicant, and with all parties declaring its position with regard to the completeness of the application. The statement of the department shall be based upon its consultation with the affected agencies.

Section 72. Subsection (1) and paragraph (a) of subsection (2) of section 403.526, Florida Statutes, are amended to read:

- 403.526 Preliminary statements of issues, reports, and project analyses; studies.--
- (1) Each affected agency that is required to file a report in accordance with this section shall submit a preliminary statement of issues to the department and all parties no later than the submittal of each agency's recommendation that the application is complete 50 days after the filing of the

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application. Such statements of issues shall be made available to each local government for use as information for public meetings held under s. 403.5272. The failure to raise an issue in this preliminary statement of issues does not preclude the issue from being raised in the agency's report.

- (2)(a) The following agencies shall prepare reports as provided below and shall submit them to the department and the applicant no later than 90 days after the filing of the application, unless a final order denying the Determination of Need has been issued under the provisions of s. 403.537:
- Section 73. Subsection (4) and paragraph (a) of subsection (6) of section 403.527, Florida Statutes, are amended to read:
 403.527 Certification hearing, parties, participants.--
- (4) (a) One public hearing where members of the public who are not parties to the certification hearing may testify shall be held in conjunction with the certification hearing.
- (b) Upon the request of the local government, one public hearing where members of the public who are not parties to the certification hearing and who reside within the jurisdiction of the local government may testify shall be held within the boundaries of each county in which a local government that made such a request is located, at the option of any local government.
- 1. (a) A local government shall notify the administrative law judge and all parties not later than 50 days after the filing of the application 21 days after the application has been determined complete as to whether the local government wishes to

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have a public hearing within the boundaries of its county. If a filing for an alternate corridor is accepted for consideration under s. 403.5271(1) by the department and the applicant, any newly affected local government must notify the administrative law judge and all parties not later than 10 days after the data concerning the alternate corridor has been determined complete as to whether the local government wishes to have such a public hearing. The local government is responsible for providing the location of the public hearing if held separately from the certification hearing.

- 2. (b) Within 5 days after notification, the administrative law judge shall determine the date of the public hearing, which shall be held before or during the certification hearing. If two or more local governments within one county request a public hearing, the hearing shall be consolidated so that only one public hearing is held in any county. The location of a consolidated hearing shall be determined by the administrative law judge.
- 3. (c) If a local government does not request a public hearing within 50 days after the filing of the application 21 days after the application has been determined complete, then members of the public who are not parties to the certification hearing and who reside persons residing within the jurisdiction of the local government may testify during the that portion of the certification hearing held under the provisions of paragraph (4)(a) at which public testimony is heard.

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- (6)(a) No later than $\underline{29}$ $\underline{25}$ days before the certification hearing, the department or the applicant may request that the administrative law judge cancel the certification hearing and relinquish jurisdiction to the department if all parties to the proceeding stipulate that there are no disputed issues of material fact \underline{or} \underline{law} \underline{to} \underline{be} \underline{raised} \underline{at} \underline{the} $\underline{certification}$ $\underline{hearing}$.
- Section 74. Paragraphs (b), (c) and (e) of subsection (1) of section 403.5271, Florida Statutes, are amended to read:
 - 403.5271 Alternate corridors.--
- (1) No later than 45 days before the originally scheduled certification hearing, any party may propose alternate transmission line corridor routes for consideration under the provisions of this act.
- (b)1. Within 7 days after receipt of the notice, the applicant and the department shall file with the administrative law judge and all parties a notice of acceptance or rejection of a proposed alternate corridor for consideration. If the alternate corridor is rejected by the applicant or the department, the certification hearing and the public hearings shall be held as scheduled. If both the applicant and the department accept a proposed alternate corridor for consideration, the certification hearing and the public hearings shall be rescheduled, if necessary. If a filing for an alternate corridor is accepted for consideration by the department and the applicant, any newly affected local government must notify the administrative law judge and all parties not later than 10 days after the data concerning the alternate corridor has been

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- determined complete as to whether the local government wishes to have such a public hearing. The local government is responsible for providing the location of the public hearing if held separately from the certification hearing. The provisions of s. 403.527(4)(b) and (c) shall apply. Notice of the local hearings shall be published in accordance with s. 403.5363.
- 2. If rescheduled, the certification hearing shall be held no more than 90 days after the previously scheduled certification hearing, unless the data submitted under paragraph (d) is determined to be incomplete, in which case the rescheduled certification hearing shall be held no more than 105 days after the previously scheduled certification hearing. If additional time is needed due to the alternate corridor crossing a local government jurisdiction that was not previously affected, the remainder of the schedule listed below shall be appropriately adjusted by the administrative law judge to allow that local government to prepare a report pursuant to s. 403.526(2)(a)5. Notice that the certification hearing has been deferred due to the acceptance of the alternate corridor shall be published in accordance with s. 403.5363.
- (c) Notice of the filing of the alternate corridor, of the revised time schedules, of the deadline for newly affected persons and agencies to file notice of intent to become a party, of the rescheduled hearing date, and of the proceedings shall be published by the alternate proponent in accordance with s.

 403.5363(2). If the notice is not timely published or does not meet the notice requirements, the alternate shall be deemed

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<u>withdrawn</u>.

- (e)1. Reviewing agencies shall advise the department of any issues concerning completeness no later than 15 days after the submittal of the data required by paragraph (d). Within 22 days after receipt of the data, the department shall issue a determination of completeness.
- 2. If the department determines that the data required by paragraph (d) is not complete, the party proposing the alternate corridor must file such additional data to correct the incompleteness. This additional data must be submitted within 14 days after the determination by the department.
- 3. Reviewing agencies may advise the department of any issues concerning completeness of the additional data within 10 days after the filing by the party proposing the alternate corridor. If the department, within 14 days after receiving the additional data, determines that the data remains incomplete, the incompleteness of the data is deemed a withdrawal of the proposed alternate corridor. The department may make its determination based on recommendations made by other affected agencies.

Section 75. Subsection (3) of section 403.5272, Florida Statutes, is amended to read:

403.5272 Informational public meetings.--

(3) A local government or regional planning council that intends to conduct an informational public meeting must provide notice of the meeting, with notice sent to all parties listed in s. 403.527(2)(a), not less than $\underline{15}$ 5 days before the meeting \underline{and}

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- to the general public, in accordance with the provisions of s. 4307 403.5363(4).
 - Section 76. Subsection (1) of section 403.5312, Florida Statutes, is amended to read:
 - 403.5312 Filing of notice of certified corridor route.--
- (1) Within 60 days after certification of a directly
 associated transmission line under ss. 403.501-403.518 or a
 transmission line corridor under ss. 403.52-403.5365, the
 applicant shall file with the department and, in accordance with
 s. 28.222, with the clerk of the circuit court for each county
 through which the corridor will pass, a notice of the certified
 route.
- 4318 Section 77. Section 403.5363, Florida Statutes, is amended 4319 to read:
 - 403.5363 Public notices; requirements.--
 - (1)(a) The applicant shall arrange for the publication of the notices specified in paragraph (b).
 - 1. The notices shall be published in newspapers of general circulation within counties crossed by the transmission line corridors proper for certification. The required newspaper notices for filing of an application and for the certification hearing shall be one half page in size in a standard size newspaper or a full page in a tabloid-size newspaper and published in a section of the newspaper other than the section for legal notices. These two notices must include a map generally depicting all transmission corridors proper for certification. A newspaper of general circulation shall be the

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newspaper within a county crossed by a transmission line corridor proper for certification which newspaper has the largest daily circulation in that county and has its principal office in that county. If the newspaper having the largest daily circulation has its principal office outside the county, the notices must appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

- 2. The department shall adopt rules specifying the content of the newspaper notices.
- 3. All notices published by the applicant shall be paid for by the applicant and shall be in addition to the application fee.
- (b) Public notices that must be published under this section include:
- 1. The notice of the filing of an application, which must include a description of the proceedings required by this act. The notice must describe the provisions of s. 403.531(1) and (2) and give the date by which notice of intent to be a party or a petition to intervene in accordance with s. 403.527(2) must be filed. This notice must be published no more than 21 days after the application is filed. The notice shall, at a minimum, be one-half page in size in a standard-size newspaper or a full page in a tabloid-size newspaper. The notice must include a map generally depicting all transmission corridors proper for certification.
 - 2. The notice of the certification hearing and any other

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- public hearing <u>held</u> permitted under s. 403.527(4). The notice must include the date by which a person wishing to appear as a party must file the notice to do so. The notice of the <u>originally scheduled</u> certification hearing must be published at least 65 days before the date set for the certification hearing. The notice shall meet the same size and map requirements required in subparagraph 1.
- 3. The notice of the cancellation of the certification hearing under s. 403.527(6), if applicable. The notice must be published at least 3 days before the date of the originally scheduled certification hearing. The notice shall, at a minimum, be one-quarter page in size in a standard-size newspaper or one-half page in a tabloid-size newspaper. The notice shall not require a map to be included.
- 4. The notice of the deferment of the certification hearing due to the acceptance of an alternate corridor under s. 403.5272(1)(b)2. The notice must be published at least 7 days before the date of the originally scheduled certification hearing. The notice shall, at a minimum, be one-eighth page in size in a standard-size newspaper or one-quarter page in a tabloid-size newspaper. The notice shall not require a map to be included.
- 5. If the notice of the rescheduled certification hearing required of an alternate proponent under s. 403.5271(1)(c) is not timely published or does not meet the notice requirements such that an alternate corridor is withdrawn under the provisions of s. 403.5271(1)(c), the notice of rescheduled

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hearing and any local hearings shall be provided by the applicant at least 30 days prior to the rescheduled certification hearing.

- $\underline{6.}$ 4. The notice of the filing of a proposal to modify the certification submitted under s. 403.5315, if the department determines that the modification would require relocation or expansion of the transmission line right-of-way or a certified substation.
- (2) <u>Each The proponent of an alternate corridor shall</u> arrange for <u>newspaper notice of</u> the publication of the filing of the proposal for an alternate corridor. <u>If there is more than one alternate proponent, the proponents may jointly publish notice, so long as the content requirements below are met and the maps are legible.</u>
- (a) The notice shall specify, the revised time schedules, the date by which newly affected persons or agencies may file the notice of intent to become a party, and the date of the rescheduled hearing, and any public hearing held under s. 403.5271(1)(b)1.
- (b) A notice listed in this subsection must be published in a newspaper of general circulation within the county or counties crossed by the proposed alternate corridor and comply with the content, size, and map requirements set forth in this section paragraph (1)(a).
- $\underline{\text{(c)}}$ The notice of the alternate corridor proposal must be published not less than $\underline{45}$ 50 days before the rescheduled certification hearing.

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- (3) The department shall arrange for the publication of the following notices in the manner specified by chapter 120:
- (a) The notice of the filing of an application and the date by which a person intending to become a party must file a petition to intervene or a notice of intent to be a party. The notice must be published no later than 21 days after the application has been filed.
- (b) The notice of any administrative hearing for certification, if applicable. The notice must be published not less than 65 days before the date set for a hearing, except that notice for a rescheduled certification hearing after acceptance of an alternative corridor must be published not less than $\underline{40}$ $\underline{50}$ days before the date set for the hearing.
- (c) The notice of the cancellation of a certification hearing under s. 403.527(6), if applicable. The notice must be published not later than 7 days before the date of the originally scheduled certification hearing.
- (d) The notice of the deferment of the certification hearing due to the acceptance of an alternate corridor under s. 403.5272(1)(b)2. The notice must be published at least 7 days before the date of the originally scheduled certification hearing.
- $\underline{\text{(e)}}$ (d) The notice of the hearing before the siting board, if applicable.
- $\underline{\text{(f)}}$ (e) The notice of stipulations, proposed agency action, or a petition for modification.

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(4) A local government or regional planning council that proposes to conduct an informational public meeting pursuant to s. 403.5272 must publish notice of the meeting in a newspaper of general circulation within the county or counties in which the proposed electrical transmission line will be located no later than 7 days prior to the meeting. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

Section 78. Paragraphs (d) and (e) of subsection (1) of section 403.5365, Florida Statutes, are amended to read:

403.5365 Fees; disposition.--The department shall charge the applicant the following fees, as appropriate, which, unless otherwise specified, shall be paid into the Florida Permit Fee Trust Fund:

- (1) An application fee.
- (d)1. Upon written request with proper itemized accounting within 90 days after final agency action by the siting board or the department or the written notification of the withdrawal of the application, the agencies that prepared reports under s. 403.526 or s. 403.5271 or participated in a hearing under s. 403.527 or s. 403.5271 may submit a written request to the department for reimbursement of expenses incurred during the

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certification proceedings. The request must contain an accounting of expenses incurred, which may include time spent reviewing the application, preparation of any studies required of the agencies by this act, agency travel and per diem to attend any hearing held under this act, and for the local government or regional planning council providing additional notice of the informational public meeting. The department shall review the request and verify whether a claimed expense is valid. Valid expenses shall be reimbursed; however, if the amount of funds available for reimbursement is insufficient to provide for full compensation to the agencies, reimbursement shall be on a prorated basis.

- 2. If the application review is held in abeyance for more than 1 year, the agencies may submit a request for reimbursement under subparagraph 1. This time period shall be measured from the date the applicant has provided written notification to the department that it desires to have the application review process placed on hold. The fee disbursement shall be processed in accordance with subparagraph 1.
- (e) If any sums are remaining, the department shall retain them for its use in the same manner as is otherwise authorized by this section; however, if the certification application is withdrawn, the remaining sums shall be refunded to the applicant within 90 days after submittal of the written notification of withdrawal.
- Section 79. Paragraph (i) of subsection (6) of section 403.814, Florida Statutes, is amended to read:

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403.814 General permits; delegation.--

- (6) Construction and maintenance of electric transmission or distribution lines in wetlands by electric utilities, as defined in s. 366.02, shall be authorized by general permit provided the following provisions are implemented:
- (i) This subsection also applies to transmission lines and appurtenances certified pursuant to part II of this chapter.

 However, the criteria of the general permit shall not otherwise affect the authority of the siting board to condition certification of transmission lines as authorized under part II of this chapter.

Maintenance of existing electric lines and clearing of vegetation in wetlands conducted without the placement of structures in wetlands or other dredge and fill activities does not require an individual or general construction permit. For the purpose of this subsection, wetlands shall mean the landward extent of waters of the state regulated under ss. 403.91-403.929 and isolated and nonisolated wetlands regulated under part IV of chapter 373. The provisions provided in this subsection apply to the permitting requirements of the department, any water management district, and any local government implementing part IV of chapter 373 or part VIII of this chapter.

Section 80. Section 489.145, Florida Statutes, is amended to read:

489.145 Guaranteed energy, water, and wastewater performance savings contracting.--

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- (1) SHORT TITLE.--This section may be cited as the "Guaranteed Energy, Water, and Wastewater Performance Savings Contracting Act."
- LEGISLATIVE FINDINGS. -- The Legislature finds that investment in energy, water, and wastewater efficiency and conservation measures in agency facilities can reduce the amount of energy and water consumed and wastewater produced and produce immediate and long-term savings. It is the policy of this state to encourage each agency agencies to invest in energy, water, and wastewater efficiency and conservation measures that reduce energy consumption, produce a cost savings for the agency, and improve the quality of indoor air in public facilities and to operate, maintain, and, when economically feasible, build or renovate existing agency facilities in such a manner as to minimize energy and water consumption and wastewater production and maximize energy, water and wastewater savings. It is further the policy of this state to encourage agencies to reinvest any energy savings resulting from energy, water, and wastewater efficiency and conservation measures in additional energy, water, and wastewater efficiency and conservation measures efforts.
 - (3) DEFINITIONS.--As used in this section, the term:
- (a) "Agency" means the state, a municipality, or a political subdivision.
- (b) "Energy, water, and wastewater efficiency and conservation measure" means a training program <u>incidental to the contract</u>, facility alteration, or <u>an</u> equipment purchase to be

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used in new construction, including an addition to an existing facilities or infrastructure facility, which reduces energy, water, or wastewater or energy-related operating costs and includes, but is not limited to:

- 1. Insulation of the facility structure and systems within the facility.
- 2. Storm windows and doors, caulking or weatherstripping, multiglazed windows and doors, heat-absorbing, or heat-reflective, glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption.
 - 3. Automatic energy control systems.
- 4. Heating, ventilating, or air-conditioning system modifications or replacements.
- 5. Replacement or modifications of lighting fixtures to increase the energy efficiency of the lighting system, which, at a minimum, must conform to the applicable state or local building code.
 - 6. Energy recovery systems.
- 7. Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a facility or complex of facilities.
- 8. Energy conservation measures that <u>reduce British</u> thermal units (Btu), kilowatts (kW), or kilowatt hours (kWh) <u>consumed or provide long-term operating cost reductions or significantly reduce Btu consumed</u>.

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- 9. Renewable energy systems, such as solar, biomass, or wind systems.
 - 10. Devices that reduce water consumption or sewer charges.
 - 11. <u>Energy storage</u> Storage systems, such as fuel cells and thermal storage.
 - 12. <u>Energy generating</u> Generating technologies, such as microturbines.
 - 13. Any other repair, replacement, or upgrade of existing equipment.
 - (c) "Energy, water, or wastewater cost savings" means a measured reduction in the cost of fuel, energy or water consumption or wastewater production, and stipulated operation and maintenance created from the implementation of one or more energy, water, or wastewater efficiency or conservation measures when compared with an established baseline for the previous cost of fuel, energy or water consumption or wastewater production, and stipulated operation and maintenance.
 - (d) "Guaranteed energy, water, and wastewater performance savings contract" means a contract for the evaluation, recommendation, and implementation of energy, water, or wastewater efficiency or conservation measures, which, at a minimum, shall include:
 - 1. The design and installation of equipment to implement one or more of such measures and, if applicable, operation and maintenance of such measures.
 - 2. The amount of any actual annual savings that meet or

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exceed total annual contract payments made by the agency for the contract.

- 3. The finance charges incurred by the agency over the life of the contract.
- (e) "Guaranteed energy, water, and wastewater performance savings contractor" means a person or business that is licensed under chapter 471, chapter 481, or this chapter, and is experienced in the analysis, design, implementation, or installation of energy, water, and wastewater efficiency and conservation measures through energy performance contracts.
 - (4) PROCEDURES. --

- (a) An agency may enter into a guaranteed energy, water, and wastewater performance savings contract with a guaranteed energy, water, and wastewater performance savings contractor to significantly reduce energy or water consumption or wastewater production or energy-related operating costs of an agency facility through one or more energy, water, or wastewater efficiency or conservation measures.
- wastewater efficiency and conservation measures, the agency must obtain from a guaranteed energy, water, and wastewater performance savings contractor a report that summarizes the costs associated with the energy, water, or wastewater efficiency and conservation measures or energy-related operational cost saving measures and provides an estimate of the amount of the energy cost savings. The agency and the guaranteed energy, water, and wastewater performance savings contractor may

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enter into a separate agreement to pay for costs associated with the preparation and delivery of the report; however, payment to the contractor shall be contingent upon the report's projection of energy, water, and wastewater cost savings being equal to or greater than the total projected costs of the design and installation of the report's energy conservation measures.

- The agency may enter into a guaranteed energy, water, and wastewater performance savings contract with a quaranteed energy, water, and wastewater performance savings contractor if the agency finds that the amount the agency would spend on the energy, water, and wastewater efficiency and conservation cost savings measures will not likely exceed the amount of the energy cost savings for up to 20 years from the date of installation, based on the life cycle cost calculations provided in s. 255.255, if the recommendations in the report were followed and if the qualified provider or providers give a written guarantee that the energy cost savings will meet or exceed the costs of the system. However, actual computed cost savings must meet or exceed the estimated cost savings provided in each agency's program approval. Baseline adjustments used in calculations must be specified in the contract. The contract may provide for installment payments for a period not to exceed 20 years.
- (d) A guaranteed energy, water, and wastewater performance savings contractor must be selected in compliance with s.287.055; except that if fewer than three firms are qualified to perform the required services, the requirement for agency

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selection of three firms, as provided in s. 287.055(4)(b), and the bid requirements of s. 287.057 do not apply.

- (e) Before entering into a guaranteed energy, water, and wastewater performance savings contract, an agency must provide published notice of the meeting in which it proposes to award the contract, the names of the parties to the proposed contract, and the contract's purpose.
- (f) A guaranteed energy, water, and wastewater performance savings contract may provide for financing, including tax-exempt financing, by a third party. The contract for third party financing may be separate from the energy, water, and wastewater performance contract. A separate contract for third party financing pursuant to this paragraph must include a provision that the third party financier must not be granted rights or privileges that exceed the rights and privileges available to the guaranteed energy, water, and wastewater performance savings contractor.
- (g) Financing for guaranteed energy, water, and wastewater performance savings contracts may be provided under the authority of s. 287.064.
- (h) The Office of the Chief Financial Officer shall review proposals from state agencies to ensure that the most effective financing is being used.
- (i) Annually, the agency that has entered into the contract shall provide the Department of Management Services and the Chief Financial Officer the measurement and verification

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report required by the contract to validate that savings have occurred.

- (j) (g) In determining the amount the agency will finance to acquire the energy, water, and wastewater efficiency and conservation measures, the agency may reduce such amount by the application of any grant moneys, rebates, or capital funding available to the agency for the purpose of buying down the cost of the guaranteed energy, water, and wastewater performance savings contract. However, in calculating the life cycle cost as required in paragraph (c), the agency shall not apply any grants, rebates, or capital funding.
 - (5) CONTRACT PROVISIONS. --
- (a) A guaranteed energy, water, and wastewater performance savings contract must include a written guarantee that may include, but is not limited to the form of, a letter of credit, insurance policy, or corporate guarantee by the guaranteed energy, water, and wastewater performance savings contractor that annual energy cost savings will meet or exceed the amortized cost of energy, water, and wastewater efficiency and conservation measures.
- (b) The guaranteed energy, water, and wastewater performance savings contract must provide that all payments, except obligations on termination of the contract before its expiration, may be made over time, but not to exceed 20 years from the date of complete installation and acceptance by the agency, and that the annual savings are guaranteed to the extent

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necessary to make annual payments to satisfy the guaranteed energy, water, and wastewater performance savings contract.

- (c) The guaranteed energy, water, and wastewater performance savings contract must require that the guaranteed energy, water, and wastewater performance savings contractor to whom the contract is awarded provide a 100-percent public construction bond to the agency for its faithful performance, as required by s. 255.05.
- (d) The guaranteed energy, water, and wastewater performance savings contract may contain a provision allocating to the parties to the contract any annual energy cost savings that exceed the amount of the energy cost savings guaranteed in the contract.
- (e) The guaranteed energy, water, and wastewater performance savings contract shall require the guaranteed energy, water, and wastewater performance savings contractor to provide to the agency an annual reconciliation of the guaranteed energy or associated cost savings. If the reconciliation reveals a shortfall in annual energy or associated cost savings, the guaranteed energy, water, and wastewater performance savings contractor is liable for such shortfall. If the reconciliation reveals an excess in annual energy cost savings, the excess savings may be allocated under paragraph (d) but may not be used to cover potential energy or associated cost savings shortages in subsequent contract years.
- (f) The guaranteed energy, water, and wastewater performance savings contract must provide for payments of not

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less than one-twentieth of the price to be paid within 2 years from the date of the complete installation and acceptance by the agency <u>using straight-line amortization for the term of the loan</u>, and the remaining costs to be paid at least quarterly, not to exceed a 20-year term, based on life cycle cost calculations.

- (g) The guaranteed energy, water, and wastewater performance savings contract may extend beyond the fiscal year in which it becomes effective; however, the term of any contract expires at the end of each fiscal year and may be automatically renewed annually for up to 20 years, subject to the agency making sufficient annual appropriations based upon continued realized energy, water, and wastewater savings.
- (h) The guaranteed energy, water, and wastewater performance savings contract must stipulate that it does not constitute a debt, liability, or obligation of the state.
- (6) PROGRAM ADMINISTRATION AND CONTRACT REVIEW.--The
 Department of Management Services, with the assistance of the
 Office of the Chief Financial Officer, shall may, within
 available resources, provide technical content assistance to
 state agencies contracting for energy, water and wastewater
 efficiency and conservation measures and engage in other
 activities considered appropriate by the department for
 promoting and facilitating guaranteed energy, water, and
 wastewater performance contracting by state agencies. The
 Department of Management Services shall review the investmentgrade audit for each proposed project and certify that the cost
 savings are appropriate and sufficient for the term of the

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contract. The Office of the Chief Financial Officer, with the assistance of the Department of Management Services, shall may, within available resources, develop model contractual and related documents for use by state agencies. Prior to entering into a guaranteed energy, water, and wastewater performance savings contract, any contract or lease for third-party financing, or any combination of such contracts, a state agency shall submit such proposed contract or lease to the Office of the Chief Financial Officer for review and approval. A proposed contract or lease shall include:

- (a) Supporting information required by s. 216.023(4)(a)9. in ss. 287.063(5) and 287.064(11). For contracts approved under s. 489.145, the criteria may, add a minimum, include the specification of a benchmark cost of capital and minimum real rate of return on energy, water, or wastewater savings against which proposals shall be evaluated.
- (b) Documentation supporting recurring funds requirements in ss. 287.063(5) and 287.064(11).
- (c) Approval by the agency head of the agency, or his or her designee.
- (d) An agency measurement and verification plan to monitor costs savings.
- (7) FUNDING SUPPORT.--For purposes of consolidated financing of deferred payment commodity contracts under this section by an agency, any such contract must be supported from available funds appropriated to the agency in an appropriation category, as defined in chapter 216, that the Chief Financial

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4787 Officer has determined is appropriate or that the Legislature

4788 has designated for payment of the obligation incurred under this

4789 section.

The Office of the Chief Financial Officer may not approve any contract submitted under this section from a state agency that does not meet the requirements of this section.

Section 81. Section 526.201, Florida Statutes, is created to read:

526.201 Short title.-—Sections 526.201-526.207 may be cited as the "Florida Renewable Fuel Standard Act."

Section 82. Section 526.202, Florida Statutes, is created to read:

526.202 Legislative findings.--The Legislature finds it is vital to the public interest and to the state's economy to establish a market and the necessary infrastructure for renewable fuels in this state by requiring that all gasoline fuel offered for sale in this state includes a percentage of agriculturally derived, denatured ethanol. The Legislature further finds that the use of renewable fuel reduces greenhouse gas emissions and dependence on imports of foreign oil, improves the health and quality of life for Floridians, and stimulates economic development and the creation of a sustainable industry that combines agricultural production with state of the art technology.

Section 83. Section 526.203, Florida Statutes, is created to read:

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- 526.203 Renewable Fuel Standard.--
- (1) DEFINITIONS.--As used in this act, the terms "blender,"

 "importer," "terminal supplier," and "wholesaler" shall be

 defined as provided in s. 206.01.
- (a) "Fuel ethanol" means an anhydrous denatured alcohol produced by the conversion of carbohydrates meeting the specifications as adopted by the Department of Agriculture and Consumer Services.
- (b) "Blended gasoline" means a mixture of ninety percent gasoline and ten percent fuel ethanol meeting the specifications as adopted by the Department of Agriculture and Consumer

 Services. The ten percent fuel ethanol portion may be derived from any agricultural source.
- (c) "Unblended gasoline" means gasoline that has not been blended with fuel ethanol meeting the specifications as adopted by the Department of Agriculture and Consumer Services.
 - (d) "10 percent" means 9-10 percent ethanol by volume.
- (2) FUEL STANDARD.--On and after December 31, 2010, all gasoline sold or offered for sale in Florida by a terminal supplier, importer, blender, or wholesaler shall contain, at a minimum, 10 percent of agriculturally derived, denatured ethanol fuel by volume.
- (3) EXEMPTIONS.--The requirements of this act do not apply to the following:
 - (a) Fuel used in aircraft;
- 4839 (b) Fuel sold at marinas and mooring docks for use in boats
 4840 and similar watercraft;

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4841	(c) Fuel sold to a blender;
4842	(d) Fuel sold for use in collector vehicles or vehicles
4843	eligible to be licensed as collector vehicles, off-road
4844	vehicles, motorcycles, or small engines.
4845	(e) Fuel unable to comply due to requirements of the United
4846	States Environmental Protection Agency;
4847	(f) Fuel bulk transferred between terminals;
4848	(g) Fuel exported from the state in accordance with s.
4849	<u>206.052;</u>
4850	(h) Fuel qualifying for any exemption in accordance with
4851	chapter 206;
4852	(i) Fuel at an electric power plant that is regulated by
4853	the United States Nuclear Regulatory Commission unless such
4854	commission has approved the use of fuel meeting the requirements
4855	of subsection (2);
4856	(j) Fuel for a railroad locomotive; or
4857	(k) Fuel for equipment, including vehicle or vessel,
4858	covered by a warranty that would be voided, if explicitly stated
4859	in writing by the vehicle or vessel manufacturer, if it were to
4860	be operated using fuel meeting the requirements of subsection
4861	<u>(2).</u>
4862	(4) REPORTPursuant to s. 206.43, each terminal
4863	supplier, importer, blender, and wholesaler shall include in its
4864	report to the Department of Revenue, the number of gallons of
4865	gasoline fuel meeting and not meeting the requirements of this

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act, sold and delivered by the terminal supplier, importer,

blender, or wholesaler in the state, and the destination as to

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the county in the state to which the gasoline was delivered for resale at retail or use.

Section 84. Section 526.204, Florida Statutes, is created to read:

526.204 Waivers and suspensions.--

- (1) If a terminal supplier, importer, blender, or wholesaler is unable to obtain fuel ethanol or blended gasoline at the same or lower price as unblended gasoline, then the sale or delivery of unblended gasoline by the terminal supplier, importer, blender, or wholesaler shall not be deemed a violation of this act. The terminal supplier, importer, blender, or wholesaler shall, upon request of the Department of Revenue or the Department of Agriculture and Consumer Services, provide the required documentation regarding the sales transaction and price of fuel ethanol, blended gasoline, and unblended gasoline to the department making the request.
- (2) To account for supply disruptions and ensure reliable supplies of motor fuels for Florida, the requirements of this act shall be suspended when the provisions of s. 252.36(2) in any area of the state are in effect plus an additional thirty days.

Section 85. Section 526.205, Florida Statutes, is created to read:

526.205 Enforcement.--

(1) It is unlawful to sell or distribute, or offer for sale or distribution, any gasoline which fails to meet the requirements of this act.

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- (2) Upon determining that a terminal supplier, importer, blender, or wholesaler is not meeting the requirements of s.

 526.203(2), the Department of Revenue shall notify the department.
- (3) Upon notification by the Department of Revenue of a violation of this act, the department shall, subject to subsection (1), grant an extension or enter an order imposing one or more of the following penalties:
 - 1. Issuance of a warning letter.
- 2. Imposition of an administrative fine of not more than \$1,000 per violation for a first-time offender. For a second-time or repeat offender, or any person who is shown to have willfully and intentionally violated any provision of this act, the administrative fine shall not exceed \$5,000 per violation. When imposing any fine under this section, the department shall consider the amount of money the violator benefited from by noncompliance, whether the violation was committed willfully, and the compliance record of the violator.
- (4) Any terminal supplier, importer, blender, or wholesaler may apply to the department by September 30, 2010, for an extension of time to comply with the requirements of this act. The application for an extension must demonstrate that the applicant has made a good faith effort to comply with the requirements but has been unable to do so for reasons beyond the applicant's control, such as delays in receiving governmental permits. The department shall review each application and make a determination as to whether the failure to comply was beyond

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the control of the applicant. If the department determines that the applicant made a good faith effort to comply, but was unable to do so for reasons beyond the applicant's control, the department shall grant an extension of time determined necessary for the applicant to comply. If no extension is granted, the department shall proceed with enforcement pursuant to subsection (3).

Section 86. Section 526.206, Florida Statutes, is created to read:

526.206 Rules.--

- (1) The Department of Revenue is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this act.
- (2) The Department of Agriculture and Consumer Services is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this act.
- Section 87. Section 526.207, Florida Statutes, is created to read:

526.207 Studies and Reports.--

(1) The Florida Energy and Climate Commission shall conduct a study to evaluate and recommend the lifecycle greenhouse gas emissions associated with all renewable fuels including, but not limited to, biodiesel, renewable diesel, biobutanol, and ethanol derived from any source. In addition, the study shall evaluate and recommend a requirement that all renewable fuels introduced into commerce in the state, as a result of the Renewable Fuel Standard, shall reduce the lifecycle greenhouse gas emissions by

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an average percentage. The study may also evaluate and recommend any benefits associated with the creation, banking, transfer, and sale of credits among fuel refiners, blenders, and importers.

(2) The Florida Energy and Climate Commission shall submit a report containing specific recommendations to the President of the Senate and the Speaker of the House of Representatives no later than December 31, 2010.

Section 88. Section 553.9061, Florida Statutes, is created to read:

553.9061 Scheduled Increases in Thermal Efficiency Standards.--

- (1) The purpose of this section is to establish a schedule of increases in the energy performance of buildings subject to the Florida Energy Efficiency Code for Building Construction.

 The Florida Building Commission shall:
- (a) Include the necessary provisions by the 2010 edition of the Florida Energy Efficiency Code for Building Construction to increase the energy performance of new buildings by at least 20 percent as compared to the energy efficiency provisions of the 2007 Florida Building Code adopted October 31, 2007;
- (b) Increase energy efficiency requirements by the 2013 edition of the Florida Energy Efficiency Code for Building

 Construction by at least 30 percent as compared to the energy efficiency provisions of the 2007 Florida Building Code adopted October 31, 2007;
 - (c) Increase energy efficiency requirements by the 2016

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edition of the Florida Energy Efficiency Code for Building

Construction by at least 40 percent as compared to the energy

efficiency provisions of the 2007 Florida Building Code adopted

October 31, 2007;

- (d) Increase energy efficiency requirements by the 2019 edition of the Florida Energy Efficiency Code for Building

 Construction by at least 50 percent as compared to the energy efficiency provisions of the 2007 Florida Building Code adopted October 31, 2007;
- (2) The Florida Building Commission shall identify within code support and compliance documentation the specific building options and elements available to meet the energy performance goals identified above.
- (3) Prior to implementing the goals established in subsection (1), the Florida Building Commission must determine that proposed increases in energy efficiency requirements are cost-effective to the consumer.

Section 89. Subsection (1) of section 553.957, Florida Statutes, is amended to read:

553.957 Products covered by this part.--

- (1) The provisions of this part apply to the testing, certification, and enforcement of energy conservation standards for the following types of new commercial and residential products sold in the state:
- (a) Refrigerators, refrigerator-freezers, and freezers which can be operated by alternating current electricity, excluding:

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- 1. Any type designed to be used without doors; and
- 2. Any type which does not include a compressor and condenser unit as an integral part of the cabinet assembly.
 - (b) Lighting equipment.
 - (c) Showerheads.

- (d) Water heaters used to heat potable water in homes or businesses.
 - (e) Swimming pool pumps.
 - (f) Water heaters for swimming pools.
- $\underline{\text{(g)}}$ (d) Any other type of consumer product which the department classifies as a covered product as specified in this part.
- Section 90. (1) By July 1, 2009, the Agency for Enterprise Information Technology shall define objective standards for:
- (a) Measuring data center energy consumption and efficiency, including, but not limited to, airflow and cooling, power consumption and distribution, and environmental control systems in a data center facility; and
- (b) Calculating total cost of ownership of energy efficient information technology products, including initial purchase, installation, ongoing operation and maintenance, and disposal costs over the lifecycle of the product.
- (2) State data centers and computing facilities designated by the Agency for Enterprise Information Technology shall evaluate their data center facilities for energy efficiency using the standards established in this section.
 - (a) Results of these evaluations shall be reported to the

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Agency for Enterprise Information Technology, the President of the Senate, and the Speaker of the House. Reports shall enable the tracking of energy performance over time and comparisons between facilities.

- (b) By December 31, 2010, and annually thereafter, the Agency for Enterprise IT shall submit to the Legislature recommendations for reducing energy consumption and improving the energy efficiency of state data centers.
- (3) When the total cost of ownership of an energy efficient product is less than or equal to the existing data center facility or infrastructure, technical specifications for energy efficient products should be incorporated in the plans and processes for replacing, upgrading, or expanding data center facilities or infrastructure, including but not limited to network, storage, or computer equipment and software.

Section 91. Section 1004.648, Florida Statutes, is created to read:

1004.648 Florida Energy Systems Consortium.--

(1) There is created the Florida Energy Systems Consortium (FESC or consortium) to promote collaboration between experts in the State University System for the purpose of developing and implementing a comprehensive, long-term, environmentally compatible, sustainable, and efficient energy strategic plan for the state. The consortium will focus on an overall broad systems approach from energy resource to consumer and for producing innovative energy systems that will lead to alternative energy strategies, improved energy efficiencies, and

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expanded economic development for the State. The consortium shall consist of the University of Florida, Florida State University, the University of South Florida, the University of Central Florida, and Florida Atlantic University. The consortium shall be administered at the University of Florida by a director who shall report to an Oversight Board, which shall consist of the Vice President for Research at each of the five universities. The Oversight Board shall have ultimate responsibility for both the technical performance and financial management of the FESC. In performing its activities, the FESC will collaborate with the Florida Energy and Climate Commission, as well as with industry and other affected parties.

- Through collaborative research and development across the State University System and industry, the goal of the FESC is to become a world leader in energy research, education, technology, and energy systems analysis. In so doing, the consortium shall:
- a. Coordinate and initiate increased collaborative interdisciplinary energy research amongst universities and the energy industry;
 - Create a Florida energy technology industry;
- Provide a state resource for objective energy systems c. analysis; and
- Develop education and outreach programs to prepare a qualified energy workforce and informed public.
- (3) To promote collaboration between researchers within the State University System, with industry, and other external

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partners, the consortium will receive input from an external, industry-dominated Advisory Board. The University Council, which shall consist of one member from each university designated by the corresponding Vice President for Research, will provide guidance on vision and direction to the Director. A Steering Committee, consisting of the Advisory Board, the chair of the Florida Energy and Climate Commission, and the University

Council is responsible for establishing and assuring the success

- (4) A major focus of the FESC will be to expedite commercialization of innovative energy technologies by taking advantage of State University System energy expertise, high technology incubators, industrial parks, and industry-driven research centers to attract companies to establish manufacturing in the state and transition technologies into the State economy.
- (5) The consortium shall solicit and leverage state, federal, and private funds for the purpose of conducting education, research and development in the area of sustainable energy. The Oversight Board shall ensure that the FESC maintains accurate records of any funds received by the consortium.
- (6) Through research and instructional programs, the faculty associated with the consortium shall coordinate a state-wide workforce development initiative focusing on college-level degrees, technician training, and public and commercial sectors awareness. The consortium will develop specific programs targeted at preparing graduates with a background in energy, continuing education courses for technical and non-technical

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of the FESC's strategic plan.

professionals, and modules, laboratories, and courses to be shared among the universities. FESC will work with the Florida Community College system using the Florida Advanced Technological Education Center (FLATE) for the coordination and design of industry-specific training programs for technicians.

(7) By November 1 of each year, FESC shall submit an annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Florida Energy and Climate Commission regarding its activities including, but not limited to, education, research, development, and deployment of alternative energy technologies.

Section 92. Woody Biomass Economic Study.--The Department of Agriculture & Consumer Services in conjunction with the Department of Environmental Protection shall conduct an economic impact analysis on the effects of granting financial incentives to energy producers who use woody biomass as fuel. It shall include an analysis of effects on wood supply and prices, impacts on current markets and on forest sustainability. The results of the study shall be given to the Governor, President of the Senate, and the Speaker of the House of Representatives no later than March 1, 2010.

Section 93. Section 377.701, Florida Statutes, is repealed.

Section 94. Section 377.901, Florida Statutes, is repealed.

Section 95. This act shall take effect July 1, 2008.

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