1 2 An act relating to the Florida Energy and Climate 3 Commission; transferring the duties of the Florida Energy and Climate Commission with respect to planning 4 5 and developing the state's energy policy and its 6 duties under the Florida Energy and Climate Protection 7 Act to the Department of Agriculture and Consumer 8 Services; providing for the transfer of the 9 commission's duties and records, personnel, property, 10 unexpended balances of appropriations, allocations, and other funds, administrative authority, 11 12 administrative rules, pending issues, and existing 13 contracts to the Department of Agriculture and Consumer Services; amending ss. 213.053, 220.192, 14 288.1089, 288.9607, 366.82, 366.92, 377.6015, 377.602, 15 16 377.603, 377.604, 377.605, 377.606, and 377.608, F.S.; 17 eliminating the Florida Energy and Climate Commission 18 and transferring its duties to the Department of 19 Agriculture and Consumer Services; conforming provisions to changes made by the act; amending s. 20 21 377.701, F.S.; transferring the duties of petroleum 22 allocation from the Florida Energy and Climate 23 Commission to the Division of Emergency Management; 2.4 amending s. 377.703, F.S.; conforming provisions to 25 changes made by the act; transferring energy emergency 26 contingency plans to the Division of Emergency 27 Management; providing for the Department of Management 28 Services to coordinate the energy conservation 29 programs of all state agencies; transferring

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30	administration of the Coastal Energy Impact Program to
31	the Department of Environmental Protection; amending
32	ss. 377.711, 377.801, 377.803, 377.804, 377.806,
33	377.807, 377.808, 377.809, 403.44, 526.207, 570.954,
34	and 1004.648, F.S.; conforming provisions to changes
35	made by the act; amending s. 570.074, F.S.; providing
36	for the creation of the Office of Energy and Water
37	within the Department of Agriculture and Consumer
38	Services; amending ss. 1 and 2 of chapter 2010-282,
39	Laws of Florida; conforming cross references in the
40	chapter to changes made in the act; authorizing the
41	Department of Agriculture to submit a request to the
42	Legislative Budget Commission for a fixed capital
43	outlay appropriation for federal energy grants;
44	providing an effective date.
45	
46	Be It Enacted by the Legislature of the State of Florida:
47	
48	Section 1. The powers, duties, functions, records,
49	personnel, property, pending issues and existing contracts,
50	administrative authority, administrative rules, and unexpended
51	balances of appropriations, allocations, and other funds of the
52	Florida Energy and Climate Commission within the Executive
53	Office of the Governor are transferred by a type two transfer,
54	as defined in s. 20.06(2), Florida Statutes, to the Department
55	of Agriculture and Consumer Services.
56	Section 2. Paragraph (y) of subsection (8) of section
57	213.053, Florida Statutes, is amended to read:
58	213.053 Confidentiality and information sharing

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20112106er 59 (8) Notwithstanding any other provision of this section, 60 the department may provide: 61 (y) Information relative to ss. 212.08(7)(ccc) and 220.192 62 to the Department of Agriculture and Consumer Services Florida 63 Energy and Climate Commission for use in the conduct of its official business. 64 65 Disclosure of information under this subsection shall be 66 67 pursuant to a written agreement between the executive director 68 and the agency. Such agencies, governmental or nongovernmental, shall be bound by the same requirements of confidentiality as 69 70 the Department of Revenue. Breach of confidentiality is a 71 misdemeanor of the first degree, punishable as provided by s. 72 775.082 or s. 775.083. 73 Section 3. Subsections (3), (4), (5), and (8) and paragraph 74 (b) of subsection (6) of section 220.192, Florida Statutes, are 75 amended to read: 220.192 Renewable energy technologies investment tax 76 77 credit.-78 (3) CORPORATE APPLICATION PROCESS.-Any corporation wishing 79 to obtain tax credits available under this section must submit to the Department of Agriculture and Consumer Services Florida 80 81 Energy and Climate Commission an application for tax credit that 82 includes a complete description of all eligible costs for which 83 the corporation is seeking a credit and a description of the total amount of credits sought. The Department of Agriculture 84 and Consumer Services Florida Energy and Climate Commission 85 shall make a determination on the eligibility of the applicant 86 87 for the credits sought and certify the determination to the

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88 applicant and the Department of Revenue. The corporation must 89 attach the Department of Agriculture and Consumer Services' 90 Florida Energy and Climate Commission's certification to the tax 91 return on which the credit is claimed. The Department of 92 Agriculture and Consumer Services is Florida Energy and Climate 93 Commission shall be responsible for ensuring that the corporate 94 income tax credits granted in each fiscal year do not exceed the 95 limits provided for in this section. The Department of 96 Agriculture and Consumer Services may Florida Energy and Climate 97 Commission is authorized to adopt the necessary rules, 98 quidelines, and forms application materials for the application 99 process.

(4) TAXPAYER APPLICATION PROCESS.-To claim a credit under 100 101 this section, each taxpayer must apply to the Department of Agriculture and Consumer Services Florida Energy and Climate 102 103 Commission for an allocation of each type of annual credit by 104 the date established by the Department of Agriculture and 105 Consumer Services Florida Energy and Climate Commission. The 106 application form adopted may be established by the Department of Agriculture and Consumer Services Florida Energy and Climate 107 Commission. The form must include an affidavit from each 108 taxpayer certifying that all information contained in the 109 application, including all records of eligible costs claimed as 110 111 the basis for the tax credit, are true and correct. Approval of 112 the credits under this section is shall be accomplished on a 113 first-come, first-served basis, based upon the date complete 114 applications are received by the Department of Agriculture and 115 Consumer Services Florida Energy and Climate Commission. A 116 taxpayer must shall submit only one complete application based

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117 upon eligible costs incurred within a particular state fiscal 118 year. Incomplete placeholder applications will not be accepted 119 and will not secure a place in the first-come, first-served 120 application line. If a taxpayer does not receive a tax credit 121 allocation due to the exhaustion of the annual tax credit 122 authorizations, then such taxpayer may reapply in the following 123 year for those eligible costs and will have priority over other 124 applicants for the allocation of credits.

125

(5) ADMINISTRATION; AUDIT AUTHORITY; RECAPTURE OF CREDITS.-

126 (a) In addition to its existing audit and investigation 127 authority, the Department of Revenue may perform any additional financial and technical audits and investigations, including 128 129 examining the accounts, books, and records of the tax credit 130 applicant, which are necessary to verify the eligible costs included in the tax credit return and to ensure compliance with 131 132 this section. The Department of Agriculture and Consumer 133 Services Florida Energy and Climate Commission shall provide technical assistance when requested by the Department of Revenue 134 135 on any technical audits or examinations performed pursuant to 136 this section.

(b) It is grounds for forfeiture of previously claimed and 137 received tax credits if the Department of Revenue determines, as 138 a result of an audit or examination or from information received 139 140 from the Department of Agriculture and Consumer Services Florida 141 Energy and Climate Commission, that a taxpayer received tax 142 credits pursuant to this section to which the taxpayer was not 143 entitled. The taxpayer is responsible for returning forfeited 144 tax credits to the Department of Revenue, and such funds shall 145 be paid into the General Revenue Fund of the state.

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146 (c) The Department of Agriculture and Consumer Services 147 Florida Energy and Climate Commission may revoke or modify any 148 written decision granting eligibility for tax credits under this 149 section if it is discovered that the tax credit applicant submitted any false statement, representation, or certification 150 151 in any application, record, report, plan, or other document 152 filed in an attempt to receive tax credits under this section. 153 The Department of Agriculture and Consumer Services Florida 154 Energy and Climate Commission shall immediately notify the 155 Department of Revenue of any revoked or modified orders 156 affecting previously granted tax credits. Additionally, the 157 taxpayer must notify the Department of Revenue of any change in 158 its tax credit claimed.

159 (d) The taxpayer shall file with the Department of Revenue 160 an amended return or such other report as the Department of 161 Revenue prescribes by rule and shall pay any required tax and 162 interest within 60 days after the taxpayer receives notification 163 from the Department of Agriculture and Consumer Services Florida 164 Energy and Climate Commission that previously approved tax 165 credits have been revoked or modified. If the revocation or modification order is contested, the taxpayer shall file an 166 167 amended return or other report as provided in this paragraph 168 within 60 days after a final order is issued after proceedings.

(e) A notice of deficiency may be issued by the Department
of Revenue at any time within 3 years after the taxpayer
receives formal notification from the <u>Department of Agriculture</u>
<u>and Consumer Services</u> Florida Energy and Climate Commission that
previously approved tax credits have been revoked or modified.
If a taxpayer fails to notify the Department of Revenue of any

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20112106er 175 changes to its tax credit claimed, a notice of deficiency may be 176 issued at any time. 177 (6) TRANSFERABILITY OF CREDIT.-178 (b) To perfect the transfer, the transferor shall provide 179 the Department of Revenue with a written transfer statement notifying the Department of Revenue of the transferor's intent 180 to transfer the tax credits to the transferee; the date the 181 182 transfer is effective; the transferee's name, address, and 183 federal taxpayer identification number; the tax period; and the 184 amount of tax credits to be transferred. The Department of 185 Revenue shall, upon receipt of a transfer statement conforming to the requirements of this section, provide the transferee with 186 187 a certificate reflecting the tax credit amounts transferred. A copy of the certificate must be attached to each tax return for 188 189 which the transferee seeks to apply such tax credits. 190 (8) PUBLICATION.-The Department of Agriculture and Consumer 191 Services Florida Energy and Climate Commission shall determine 192 and publish on a regular basis the amount of available tax 193 credits remaining in each fiscal year. 194 Section 4. Paragraphs (d) and (e) of subsection (2) and 195 subsection (5) of section 288.1089, Florida Statutes, are amended to read: 196 288.1089 Innovation Incentive Program.-197 198 (2) As used in this section, the term: 199 (d) "Commission" means the Florida Energy and Climate 200 Commission. 201 (d) (e) "Cumulative investment" means cumulative capital 202 investment and all eligible capital costs, as defined in s. 203 220.191. Page 7 of 48

204 <u>(e) "Department" means the Department of Agriculture and</u> 205 <u>Consumer Services.</u>

206 (5) Enterprise Florida, Inc., shall evaluate proposals for 207 all three categories of innovation incentive awards and transmit 208 recommendations for awards to the office. Before making its 209 recommendations on alternative and renewable energy projects, 210 Enterprise Florida, Inc., shall solicit comments and 211 recommendations from the department Florida Energy and Climate 212 Commission. For each project, the evaluation and recommendation to the office must include, but need not be limited to: 213

(a) A description of the project, its required facilities,
and the associated product, service, or research and development
associated with the project.

217

(b) The percentage of match provided for the project.

(c) The number of full-time equivalent jobs that will be created by the project, the total estimated average annual wages of such jobs, and the types of business activities and jobs likely to be stimulated by the project.

(d) The cumulative investment to be dedicated to the project within 5 years and the total investment expected in the project if more than 5 years.

(e) The projected economic and fiscal impacts on the localand state economies relative to investment.

(f) A statement of any special impacts the project is expected to stimulate in a particular business sector in the state or regional economy or in the state's universities and community colleges.

(g) A statement of any anticipated or proposedrelationships with state universities.

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20112106er 233 (h) A statement of the role the incentive is expected to 234 play in the decision of the applicant to locate or expand in 235 this state. 236 (i) A recommendation and explanation of the amount of the 237 award needed to cause the applicant to expand or locate in this 238 state. 239 (j) A discussion of the efforts and commitments made by the local community in which the project is to be located to induce 240 241 the applicant's location or expansion, taking into consideration local resources and abilities. 242 (k) A recommendation for specific performance criteria the 243 applicant would be expected to achieve in order to receive 244 payments from the fund and penalties or sanctions for failure to 245 246 meet or maintain performance conditions. (1) Additional evaluative criteria for a research and 247 248 development facility project, including: 249 1. A description of the extent to which the project has the 250 potential to serve as catalyst for an emerging or evolving 251 cluster. 252 2. A description of the extent to which the project has or 253 could have a long-term collaborative research and development 254 relationship with one or more universities or community colleges 255 in this state. 256 3. A description of the existing or projected impact of the 257 project on established clusters or targeted industry sectors. 4. A description of the project's contribution to the 258 259 diversity and resiliency of the innovation economy of this 260 state. 261 5. A description of the project's impact on special needs

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262 communities, including, but not limited to, rural areas,263 distressed urban areas, and enterprise zones.

264 (m) Additional evaluative criteria for alternative and265 renewable energy proposals, including:

The availability of matching funds or other in-kind
 contributions applied to the total project from an applicant.
 The <u>department</u> commission shall give greater preference to
 projects that provide such matching funds or other in-kind
 contributions.

271 2. The degree to which the project stimulates in-state 272 capital investment and economic development in metropolitan and 273 rural areas, including the creation of jobs and the future 274 development of a commercial market for renewable energy 275 technologies.

3. 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.

4. The degree to which the project incorporates an
innovative new technology or an innovative application of an
existing technology.

5. 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.

286 6. The degree to which a project demonstrates efficient use287 of energy and material resources.

288 7. The degree to which the project fosters overall
289 understanding and appreciation of renewable energy technologies.
290 8. The ability to administer a complete project.

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291 9. Project duration and timeline for expenditures. 292 10. The geographic area in which the project is to be 293 conducted in relation to other projects. 294 11. The degree of public visibility and interaction. 295 Section 5. Subsection (9) of section 288.9607, Florida 296 Statutes, is amended to read: 297 288.9607 Guaranty of bond issues.-(9) The membership of the corporation is authorized and 298 299 directed to conduct such investigation as it may deem necessary 300 for promulgation of regulations to govern the operation of the quaranty program authorized by this section. The regulations may 301 include such other additional provisions, restrictions, and 302 conditions as the corporation, after its investigation referred 303 304 to in this subsection, shall determine to be proper to achieve the most effective utilization of the guaranty program. This may 305 306 include, without limitation, a detailing of the remedies that 307 must be exhausted by bondholders, a trustee acting on their 308 behalf, or other credit provided before calling upon the 309 corporation to perform under its guaranty agreement and the 310 subrogation of other rights of the corporation with reference to the capital project and its operation or the financing in the 311 event the corporation makes payment pursuant to the applicable 312 guaranty agreement. The regulations promulgated by the 313 314 corporation to govern the operation of the guaranty program may 315 contain specific provisions with respect to the rights of the corporation to enter, take over, and manage all financed 316 317 properties upon default. These regulations shall be submitted by 318 the corporation to the Department of Agriculture and Consumer 319 Services Florida Energy and Climate Commission for approval.

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320 Section 6. Subsection (5) of section 366.82, Florida 321 Statutes, is amended to read:

322 366.82 Definition; goals; plans; programs; annual reports; 323 energy audits.-

(5) The <u>Department of Agriculture and Consumer Services</u>
 Florida Energy and Climate Commission 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:

(a) An evaluation of utility load forecasts, including an
 assessment of alternative supply-side and demand-side resource
 options.

(b) An analysis of various policy options that can be implemented to achieve a least-cost strategy, including nonutility programs targeted at reducing and controlling the per capita use of electricity in the state.

(c) An analysis of the impact of state and local building codes and appliance efficiency standards on the need for utility-sponsored conservation and energy efficiency measures and programs.

339 Section 7. Subsection (3) of section 366.92, Florida340 Statutes, is amended to read:

341

366.92 Florida renewable energy policy.-

(3) The commission shall adopt rules for a renewable
portfolio standard requiring each provider to supply renewable
energy to its customers directly, by procuring, or through
renewable energy credits. In developing the RPS rule, the
commission shall consult the Department of Environmental
Protection and the <u>Department of Agriculture and Consumer</u>
<u>Services Florida Energy and Climate Commission</u>. The rule shall

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349 not be implemented until ratified by the Legislature. The 350 commission shall present a draft rule for legislative 351 consideration by February 1, 2009.

(a) In developing the rule, the commission shall evaluate the current and forecasted levelized cost in cents per kilowatt hour through 2020 and current and forecasted installed capacity in kilowatts for each renewable energy generation method through 2020.

357

(b) The commission's rule:

358 1. Shall include methods of managing the cost of compliance 359 with the renewable portfolio standard, whether through direct supply or procurement of renewable power or through the purchase 360 of renewable energy credits. The commission shall have 361 362 rulemaking authority for providing annual cost recovery and incentive-based adjustments to authorized rates of return on 363 364 common equity to providers to incentivize renewable energy. 365 Notwithstanding s. 366.91(3) and (4), upon the ratification of 366 the rules developed pursuant to this subsection, the commission 367 may approve projects and power sales agreements with renewable 368 power producers and the sale of renewable energy credits needed to comply with the renewable portfolio standard. In the event of 369 370 any conflict, this subparagraph shall supersede s. 366.91(3) and (4). However, nothing in this section shall alter the obligation 371 372 of each public utility to continuously offer a purchase contract 373 to producers of renewable energy.

2. Shall provide for appropriate compliance measures and the conditions under which noncompliance shall be excused due to a determination by the commission that the supply of renewable energy or renewable energy credits was not adequate to satisfy

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378 the demand for such energy or that the cost of securing 379 renewable energy or renewable energy credits was cost 380 prohibitive.

381 3. May provide added weight to energy provided by wind and 382 solar photovoltaic over other forms of renewable energy, whether 383 directly supplied or procured or indirectly obtained through the 384 purchase of renewable energy credits.

385 4. Shall determine an appropriate period of time for which
386 renewable energy credits may be used for purposes of compliance
387 with the renewable portfolio standard.

388 5. Shall provide for monitoring of compliance with and 389 enforcement of the requirements of this section.

390 6. Shall ensure that energy credited toward compliance with
391 the requirements of this section is not credited toward any
392 other purpose.

393 7. Shall include procedures to track and account for 394 renewable energy credits, including ownership of renewable 395 energy credits that are derived from a customer-owned renewable 396 energy facility as a result of any action by a customer of an 397 electric power supplier that is independent of a program 398 sponsored by the electric power supplier.

399 8. Shall provide for the conditions and options for the
400 repeal or alteration of the rule in the event that new
401 provisions of federal law supplant or conflict with the rule.

(c) Beginning on April 1 of the year following final adoption of the commission's renewable portfolio standard rule, 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

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20112106er 407 to the provider's energy supply portfolio. The report shall 408 state whether the provider was in compliance with the renewable 409 portfolio standard during the previous year and how it will 410 comply with the renewable portfolio standard in the upcoming 411 year. 412 Section 8. Section 377.6015, Florida Statutes, is amended 413 to read: 377.6015 Department of Agriculture and Consumer Services; 414 415 powers and duties Florida Energy and Climate Commission.-416 (1) The Florida Energy and Climate Commission is created within the Executive Office of the Governor. The commission 417 shall be comprised of nine members appointed by the Covernor, 418 419 the Commissioner of Agriculture, and the Chief Financial 420 Officer. 421 (a) The Governor shall appoint one member from three 422 persons nominated by the Florida Public Service Commission 423 Nominating Council, created in s. 350.031, to each of seven 424 seats on the commission. The Commissioner of Agriculture shall 425 appoint one member from three persons nominated by the council to one seat on the commission. The Chief Financial Officer shall 426 427 appoint one member from three persons nominated by the council 428 to one seat on the commission. 429 1. The council shall submit the recommendations to the Governor, the Commissioner of Agriculture, and the Chief 430 431 Financial Officer by September 1 of those years in which the terms are to begin the following October or within 60 days after 432 433 a vacancy occurs for any reason other than the expiration of the 434 term. The Governor, the Commissioner of Agriculture, and the 435 Chief Financial Officer may proffer names of persons to be

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20112106er 436 considered for nomination by the council. 437 2. The Governor, the Commissioner of Agriculture, and the 438 Chief Financial Officer shall fill a vacancy occurring on the 439 commission by appointment of one of the applicants nominated by the council only after a background investigation of such 440 441 applicant has been conducted by the Department of Law 442 Enforcement. 3. Members shall be appointed to 3-year terms; however, in 443 444 order to establish staggered terms, for the initial appointments, the Governor shall appoint four members to 3-year 445 terms, two members to 2-year terms, and one member to a 1-year 446 447 term, and the Commissioner of Agriculture and the Chief 448 Financial Officer shall each appoint one member to a 3-year term 449 and shall appoint a successor when that appointee's term expires 450 in the same manner as the original appointment. 451 4. The Governor shall select from the membership of the 452 commission one person to serve as chair. 453 5. A vacancy on the commission shall be filled for the 454 unexpired portion of the term in the same manner as the original 455 appointment. 456 6. If the Covernor, the Commissioner of Agriculture, or the 457 Chief Financial Officer has not made an appointment within 30 458 consecutive calendar days after the receipt of the 459 recommendations, the council shall initiate, in accordance with 460 this section, the nominating process within 30 days. 461 7. Each appointment to the commission shall be subject to 462 confirmation by the Senate during the next regular session after 463 the vacancy occurs. If the Senate refuses to confirm or fails to

464 consider the appointment of the Governor, the Commissioner of

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493

20112106er 465 Agriculture, or the Chief Financial Officer, the council shall 466 initiate, in accordance with this section, the nominating 467 process within 30 days. 468 8. The Governor or the Governor's successor may recall an 469 appointee. 470 9. Notwithstanding subparagraph 7. and for the initial 471 appointments to the commission only, each initial appointment to 472 the commission is subject to confirmation by the Senate by the 473 2010 Regular Session. If the Senate refuses to confirm or fails 474 to consider an appointment made by the Governor, the Commissioner of Agriculture, or the Chief Financial Officer, the 475 council shall initiate, in accordance with this section, the 476 477 nominating process within 30 days after the Senate's refusal to 478 confirm or failure to consider such appointment. This subparagraph expires July 1, 2010. 479 (b) Members must meet the following qualifications and 480 481 restrictions: 482 1. A member must be an expert in one or more of the 483 following fields: energy, natural resource conservation, economics, engineering, finance, law, transportation and land 484 485 use, consumer protection, state energy policy, or another field substantially related to the duties and functions of the 486 487 commission. The commission shall fairly represent the fields 488 specified in this subparagraph. 489 2. Each member shall, at the time of appointment and at 490 each commission meeting during his or her term of office, 491 disclose: 492 a. Whether he or she has any financial interest, other than

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ownership of shares in a mutual fund, in any business entity

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494	that, directly or indirectly, owns or controls, or is an
495	affiliate or subsidiary of, any business entity that may be
496	affected by the policy recommendations developed by the
497	commission.
498	b. Whether he or she is employed by or is engaged in any
499	business activity with any business entity that, directly or
500	indirectly, owns or controls, or is an affiliate or subsidiary
501	of, any business entity that may be affected by the policy
502	recommendations developed by the commission.
503	(c) The chair may designate the following ex officio,
504	nonvoting members to provide information and advice to the
505	commission at the request of the chair:
506	1. The chair of the Florida Public Service Commission, or
507	his or her designee.
508	2. The Public Counsel, or his or her designee.
509	3. A representative of the Department of Agriculture and
510	Consumer Services.
511	4. A representative of the Department of Financial
512	Services.
513	5. A representative of the Department of Environmental
514	Protection.
515	6. A representative of the Department of Community Affairs.
516	7. A representative of the Board of Governors of the State
517	University System.
518	8. A representative of the Department of Transportation.
519	(2) Members shall serve without compensation but are
520	entitled to reimbursement for per diem and travel expenses as
521	provided in s. 112.061.
522	(3) Meetings of the commission may be held in various

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20112106er 523 locations around the state and at the call of the chair; 524 however, the commission must meet at least six times each year. 525 (1) (4) The department commission may: 526 (a) Employ staff and counsel as needed in the performance 527 of its duties. (b) Prosecute and defend legal actions in its own name. 528 529 (c) Form advisory groups consisting of members of the public to provide information on specific issues. 530 531 (2) (5) The department commission shall: 532 (a) Administer the Florida Renewable Energy and Energy-533 Efficient Technologies Grants Program pursuant to s. 377.804 to 534 assure a robust grant portfolio. 535 (b) Develop policy for requiring grantees to provide 536 royalty-sharing or licensing agreements with state government 537 for commercialized products developed under a state grant. 538 (c) Administer the Florida Green Government Grants Act 539 pursuant to s. 377.808 and set annual priorities for grants. 540 (d) Administer the information gathering and reporting functions pursuant to ss. 377.601-377.608. 541 542 (e) Administer petroleum planning and emergency contingency 543 planning pursuant to ss. 377.701, 377.703, and 377.704. (e) (f) Represent Florida in the Southern States Energy 544 545 Compact pursuant to ss. 377.71-377.712. 546 (g) Complete the annual assessment of the efficacy of 547 Florida's Energy and Climate Change Action Plan, upon completion 548 by the Governor's Action Team on Energy and Climate Change pursuant to the Governor's Executive Order 2007-128, and provide 549 550 specific recommendations to the Governor and the Legislature 551 each year to improve results.

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552	<u>(f)</u> Administer the provisions of the Florida Energy and
553	Climate Protection Act pursuant to ss. <u>377.801-377.807</u>
554	377.806 .
555	<u>(g)</u> (i) Advocate for energy and climate change issues and
556	provide educational outreach and technical assistance in
557	cooperation with the state's academic institutions.
558	(h) (j) Be a party in the proceedings to adopt goals and
559	submit comments to the Public Service Commission pursuant to s.
560	366.82.
561	<u>(i) (k)</u> Adopt rules pursuant to chapter 120 in order to
562	implement all powers and duties described in this section.
563	Section 9. Subsection (1) and paragraphs (a) and (b) of
564	subsection (2) of section 377.602, Florida Statutes, are amended
565	to read:
566	377.602 DefinitionsAs used in ss. 377.601-377.608:
567	(1) <u>"Department"</u> "Commission" means the <u>Department of</u>
568	Agriculture and Consumer Services Florida Energy and Climate
569	Commission.
570	(2) "Energy resources" includes, but shall not be limited
571	to:
572	(a) Energy converted from solar radiation, wind, hydraulic
573	potential, tidal movements, biomass, geothermal sources, and
574	other energy resources the <u>department</u> commission determines to
575	be important to the production or supply of energy.
576	(b) Propane, butane, motor gasoline, kerosene, home heating
577	oil, diesel fuel, other middle distillates, aviation gasoline,
578	kerosene-type jet fuel, naphtha-type jet fuel, residual fuels,
579	crude oil, and other petroleum products and hydrocarbons as may
580	be determined by the <u>department</u> commission to be of importance.

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20112106er 581 Section 10. Section 377.603, Florida Statutes, is amended 582 to read: 583 377.603 Energy data collection; powers and duties of the 584 department commission.-585 (1) The department commission may collect data on the extraction, production, importation, exportation, refinement, 586 transportation, transmission, conversion, storage, sale, or 587 588 reserves of energy resources in this state in an efficient and 589 expeditious manner. 590 (2) The department commission may prepare periodic reports 591 of energy data it collects. 592 (3) The department commission may adopt and promulgate such 593 rules and regulations as are necessary to carry out the 594 provisions of ss. 377.601-377.608. Such rules shall be pursuant 595 to chapter 120. 596 (4) The department commission shall maintain internal 597 validation procedures to assure the accuracy of information received. 598 599 Section 11. Section 377.604, Florida Statutes, is amended 600 to read: 601 377.604 Required reports.-Every person who produces, 602 imports, exports, refines, transports, transmits, converts, 603 stores, sells, or holds known reserves of any form of energy 604 resources used as fuel shall report to the department 605 commission, at the request of and in a manner prescribed by the 606 department commission, on forms provided by the department commission. Such forms shall be designed in such a manner as to 607 608 indicate: 609 (1) The identity of the person or persons making the

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610 report. (2) The quantity of energy resources extracted, produced, 611 612 imported, exported, refined, transported, transmitted, converted, stored, or sold except at retail. 613 614 (3) The quantity of energy resources known to be held in 615 reserve in the state. 616 (4) The identity of each refinery from which petroleum 617 products have normally been obtained and the type and quantity 618 of products secured from that refinery for sale or resale in 619 this state. (5) Any other information which the department commission 620 deems proper pursuant to the intent of ss. 377.601-377.608. 621 622 Section 12. Section 377.605, Florida Statutes, is amended 623 to read: 624 377.605 Use of existing information.-The department 625 commission may utilize to the fullest extent possible any 626 existing energy information already prepared for state or federal agencies. Every state, county, and municipal agency 627 628 shall cooperate with the department commission and shall submit 629 any information on energy to the department commission upon 630 request. Section 13. Section 377.606, Florida Statutes, is amended 631 632 to read: 633 377.606 Records of the department commission; limits of 634 confidentiality.-The information or records of individual persons, as defined in this section, obtained by the department 635 636 commission as a result of a report, investigation, or 637 verification required by the department commission shall be open 638 to the public, except such information the disclosure of which

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639 would be likely to cause substantial harm to the competitive 640 position of the person providing such information and which is 641 requested to be held confidential by the person providing such 642 information. Such proprietary information is confidential and 643 exempt from the provisions of s. 119.07(1). Information reported 644 by entities other than the department commission in documents or reports open to public inspection shall under no circumstances 645 646 be classified as confidential by the department commission. 647 Divulgence of proprietary information as is requested to be held 648 confidential, except upon order of a court of competent 649 jurisdiction or except to an officer of the state entitled to 650 receive the same in his or her official capacity, shall be a 651 misdemeanor of the second degree, punishable as provided in ss. 652 775.082 and 775.083. Nothing in This section does not shall be 653 construed to prohibit the publication or divulgence by other 654 means of data so classified as to prevent identification of 655 particular accounts or reports made to the department commission 656 in compliance with s. 377.603 or to prohibit the disclosure of 657 such information to properly qualified legislative committees. 658 The department commission shall establish a system which permits 659 reasonable access to information developed.

660 Section 14. Section 377.608, Florida Statutes, is amended 661 to read:

377.608 Prosecution of cases by state attorney.-The state
attorney shall prosecute all cases certified to him or her for
prosecution by the <u>department</u> commission immediately upon
receipt of the evidence transmitted by the <u>department</u>
commission, or as soon thereafter as practicable.
Section 15. Subsections (1), (2), and (3) of section

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668 377.701, Florida Statutes, are amended to read:

669

377.701 Petroleum allocation.-

670 (1) The Division of Emergency Management Florida Energy and 671 Climate Commission shall assume the state's role in petroleum 672 allocation and conservation, including the development of a fair 673 and equitable petroleum plan. The Division of Emergency 674 Management commission shall constitute the responsible state 675 agency for performing the functions of any federal program 676 delegated to the state, which relates to petroleum supply, demand, and allocation. 677

678 (2) The <u>Division of Emergency Management</u> commission shall,
679 in addition to assuming the duties and responsibilities provided
680 by subsection (1), perform the following:

(a) In projecting available supplies of petroleum,
coordinate with the Department of Revenue to secure information
necessary to assure the sufficiency and accuracy of data
submitted by persons affected by any federal fuel allocation
program.

(b) Require such periodic reports from public and private
sources as may be necessary to the fulfillment of its
responsibilities under this act. Such reports may include:
petroleum use; all sales, including end-user sales, except
retail gasoline and retail fuel oil sales; inventories; expected
supplies and allocations; and petroleum conservation measures.

(c) In cooperation with the Department of Revenue and other
relevant state agencies, provide for long-range studies
regarding the usage of petroleum in the state in order to:
1. Comprehend the consumption of petroleum resources.

696

2. Predict future petroleum demands in relation to

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20112106er 697 available resources. 698 3. Report the results of such studies to the Legislature. 699 (3) For the purpose of determining accuracy of data, all 700 state agencies shall timely provide the Division of Emergency Management commission with petroleum-use information in a format 701 702 suitable to the needs of the allocation program. 703 Section 16. Section 377.703, Florida Statutes, is amended 704 to read: 705 377.703 Additional functions of the Department of 706 Agriculture and Consumer Services Florida Energy and Climate 707 Commission.-708 (1) LEGISLATIVE INTENT.-Recognizing that energy supply and 709 demand questions have become a major area of concern to the 710 state which must be dealt with by effective and well-coordinated state action, it is the intent of the Legislature to promote the 711 712 efficient, effective, and economical management of energy 713 problems, centralize energy coordination responsibilities, 714 pinpoint responsibility for conducting energy programs, and 715 ensure the accountability of state agencies for the 716 implementation of s. 377.601(2), the state energy policy. It is 717 the specific intent of the Legislature that nothing in this act 718 shall in any way change the powers, duties, and responsibilities assigned by the Florida Electrical Power Plant Siting Act, part 719 720 II of chapter 403, or the powers, duties, and responsibilities 721 of the Florida Public Service Commission. 722 (2) FLORIDA ENERGY AND CLIMATE COMMISSION; DUTIES.-The

723 <u>department</u> commission shall perform the following functions, 724 <u>unless as otherwise provided</u>, consistent with the development of 725 a state energy policy:

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726 (a) The Division of Emergency Management is responsible for 727 the commission shall assume the responsibility for development 728 of an energy emergency contingency plan to respond to serious 729 shortages of primary and secondary energy sources. Upon a 730 finding by the Governor, implementation of any emergency program 731 shall be upon order of the Governor that a particular kind or 732 type of fuel is, or that the occurrence of an event which is 733 reasonably expected within 30 days will make the fuel, in short 734 supply. The Division of Emergency Management commission shall then respond by instituting the appropriate measures of the 735 contingency plan to meet the given emergency or energy shortage. 736 737 The Governor may utilize the provisions of s. 252.36(5) to carry 738 out any emergency actions required by a serious shortage of 739 energy sources.

(b) The <u>department is</u> commission shall be responsible 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>department</u> commission shall analyze present and proposed federal energy programs and make recommendations regarding those programs to the Governor and the Legislature.

(d) The <u>department</u> commission shall coordinate efforts to seek federal support or other support for state energy activities, including energy conservation, research, or development, and <u>is</u> shall be responsible for the coordination of multiagency energy conservation programs and plans.

(e) The <u>department</u> commission shall analyze energy data
collected and prepare long-range forecasts of energy supply and
demand in coordination with the Florida Public Service

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755 Commission, which <u>is responsible</u> shall have responsibility for 756 electricity and natural gas forecasts. To this end, the 757 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.

762 2. Plans for the development of renewable energy resources 763 and reduction in dependence on depletable energy resources, 764 particularly oil and natural gas, and an analysis of the extent 765 to which renewable energy sources are being utilized in the 766 state.

767 3. Consideration of alternative scenarios of statewide 768 energy supply and demand for 5, 10, and 20 years to identify 769 strategies for long-range action, including identification of 770 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.

(f) The <u>department</u> commission shall submit an annual report to the Governor and 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

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20112106er 784 energy conservation programs conducted and underway in the past 785 year and shall include recommendations for energy conservation 786 programs for the state, including, but not limited to, the 787 following factors: 788 1. Formulation of specific recommendations for improvement 789 in the efficiency of energy utilization in governmental, residential, commercial, industrial, and transportation sectors. 790 791 2. Collection and dissemination of information relating to 792 energy conservation. 793 3. Development and conduct of educational and training 794 programs relating to energy conservation. 795 4. An analysis of the ways in which state agencies are seeking to implement s. 377.601(2), the state energy policy, and 796 797 recommendations for better fulfilling this policy. 798 (g) The department may commission has authority to adopt 799 rules pursuant to ss. 120.536(1) and 120.54 to implement the 800 provisions of this act. 801 (h) The department commission shall promote the development 802 and use of renewable energy resources, in conformance with the 803 provisions of chapter 187 and s. 377.601, by: 804 1. Establishing goals and strategies for increasing the use 805 of solar energy in this state. 806 2. Aiding and promoting the commercialization of solar 807 energy technology, in cooperation with the Florida Solar Energy 808 Center, Enterprise Florida, Inc., and any other federal, state, 809 or local governmental agency which may seek to promote research, 810 development, and demonstration of solar energy equipment and 811 technology. 812 3. Identifying barriers to greater use of solar energy

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813 systems in this state, and developing specific recommendations 814 for overcoming identified barriers, with findings and 815 recommendations to be submitted annually in the report to the 816 Governor and Legislature required under paragraph (f).

817 4. In cooperation with the Department of Environmental Protection, the Department of Transportation, the Department of 818 Community Affairs, Enterprise Florida, Inc., the Florida Solar 819 820 Energy Center, and the Florida Solar Energy Industries 821 Association, investigating opportunities, pursuant to the National Energy Policy Act of 1992, the Housing and Community 822 823 Development Act of 1992, and any subsequent federal legislation, for solar electric vehicles and other solar energy 824 825 manufacturing, distribution, installation, and financing efforts 826 which will enhance this state's position as the leader in solar energy research, development, and use. 827

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

In the exercise of its responsibilities under this paragraph, the <u>department</u> commission 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>department</u> commission 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>Department of Management Services, in</u>
consultation with the department, commission shall coordinate

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842 the energy conservation programs of all state agencies and 843 review and comment on the energy conservation programs of all 844 state agencies.

845 (j) The department commission shall serve as the state 846 clearinghouse for indexing and gathering all information related 847 to energy programs in state universities, in private 848 universities, in federal, state, and local government agencies, 849 and in private industry and shall prepare and distribute such 850 information in any manner necessary to inform and advise the 851 citizens of the state of such programs and activities. This 852 shall include developing and maintaining a current index and 853 profile of all research activities, which shall be identified by 854 energy area and may include a summary of the project, the amount 855 and sources of funding, anticipated completion dates, or, in case of completed research, conclusions, recommendations, and 856 857 applicability to state government and private sector functions. 858 The department commission shall coordinate, promote, and respond 859 to efforts by all sectors of the economy to seek financial 860 support for energy activities. The department commission shall 861 provide information to consumers regarding the anticipated energy-use and energy-saving characteristics of products and 862 863 services in coordination with any federal, state, or local 864 governmental agencies as may provide such information to 865 consumers.

(k) The <u>department</u> commission shall coordinate energyrelated programs of state government, including, but not limited
to, the programs provided in this section. To this end, the
<u>department</u> commission shall:

870

1. Provide assistance to other state agencies, counties,

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871 municipalities, and regional planning agencies to further and 872 promote their energy planning activities.

873 2. Require, in cooperation with the Department of 874 Management Services, all state agencies to operate state-owned 875 and state-leased buildings in accordance with energy 876 conservation standards as adopted by the Department of 877 Management Services. Every 3 months, the Department of Management Services shall furnish the department commission data 878 879 on agencies' energy consumption and emissions of greenhouse 880 gases in a format prescribed by the department commission.

881 3. Promote the development and use of renewable energy 882 resources, energy efficiency technologies, and conservation 883 measures.

884 4. Promote the recovery of energy from wastes, including, but not limited to, the use of waste heat, the use of 885 886 agricultural products as a source of energy, and recycling of 887 manufactured products. Such promotion shall be conducted in 888 conjunction with, and after consultation with, the Department of 889 Environmental Protection and the Florida Public Service 890 Commission where electrical generation or natural gas is involved, and any other relevant federal, state, or local 891 governmental agency having responsibility for resource recovery 892 893 programs.

(1) The <u>department</u> commission 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 ofthis state and the dangers to the health and welfare of

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900 residents of this state caused by severe hurricanes, and the 901 potential for such impacts caused by other natural disasters, 902 the Division of Emergency Management commission shall include in 903 its energy emergency contingency plan and provide to the Florida 904 Building Commission for inclusion in the Florida Energy 905 Efficiency Code for Building Construction specific provisions to 906 facilitate the use of cost-effective solar energy technologies 907 as emergency remedial and preventive measures for providing 908 electric power, street lighting, and water heating service in 909 the event of electric power outages.

910 (3) The <u>Department of Environmental Protection is</u>
911 commission shall be responsible for the administration of the
912 Coastal Energy Impact Program provided for and described in Pub.
913 L. No. 94-370, 16 U.S.C. s. 1456a.

914 Section 17. Paragraph (h) of subsection (5) of section 915 377.711, Florida Statutes, is amended to read:

916 377.711 Florida party to Southern States Energy Compact.-917 The Southern States Energy Compact is enacted into law and 918 entered into by the state as a party, and is of full force and 919 effect between the state and any other states joining therein in 920 accordance with the terms of the compact, which compact is 921 substantially as follows:

922

(5) POWERS.-The board shall have the power to:

923 (h) Recommend such changes in, or amendments or additions 924 to, the laws, codes, rules, regulations, administrative 925 procedures and practices, or ordinances of the party states in 926 any of the fields of its interest and competence as in its 927 judgment may be appropriate. Any such recommendation shall be 928 made, in the case of Florida, through the Department of

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20112106er 929 Agriculture and Consumer Services Commerce. 930 Section 18. Section 377.801, Florida Statutes, is amended 931 to read: 932 377.801 Short title.-Sections 377.801-377.807 377.801-377.806 may be cited as the "Florida Energy and Climate 933 Protection Act." 934 Section 19. Section 377.803, Florida Statutes, is amended 935 936 to read: 937 377.803 Definitions.-As used in ss. 377.801-377.807 938 377.801-377.806, the term: (1) "Act" means the Florida Energy and Climate Protection 939 Act. 940 (2) "Department" "Commission" means the Department of 941 942 Agriculture and Consumer Services Florida Energy and Climate Commission. 943 (3) "Person" means an individual, partnership, joint 944 venture, private or public corporation, association, firm, 945 946 public service company, or any other public or private entity. 947 (4) "Renewable energy" means electrical, mechanical, or 948 thermal energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen, biomass, as 949 950 defined in s. 366.91, solar energy, geothermal energy, wind 951 energy, ocean energy, waste heat, or hydroelectric power. 952 (5) "Renewable energy technology" means any technology that 953 generates or utilizes a renewable energy resource. 954 (6) "Solar energy system" means equipment that provides for 955 the collection and use of incident solar energy for water 956 heating, space heating or cooling, or other applications that 957 would normally require a conventional source of energy such as

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20112106er 958 petroleum products, natural gas, or electricity that performs 959 primarily with solar energy. In other systems in which solar 960 energy is used in a supplemental way, only those components that 961 collect and transfer solar energy shall be included in this 962 definition. (7) "Solar photovoltaic system" means a device that 963 converts incident sunlight into electrical current. 964 (8) "Solar thermal system" means a device that traps heat 965 966 from incident sunlight in order to heat water. 967 Section 20. Subsection (1), paragraph (f) of subsection 968 (2), and subsections (3) through (6) of section 377.804, Florida 969 Statutes, are amended to read: 377.804 Renewable Energy and Energy-Efficient Technologies 970 971 Grants Program.-972 (1) The Renewable Energy and Energy-Efficient Technologies 973 Grants Program is established within the department commission 974 to provide renewable energy matching grants for demonstration, 975 commercialization, research, and development projects relating 976 to renewable energy technologies and innovative technologies 977 that significantly increase energy efficiency for vehicles and 978 commercial buildings. 979 (2) Matching grants for projects described in subsection (1) may be made to any of the following: 980 981 (f) Other qualified persons, as determined by the 982 department commission. 983 (3) The department commission may adopt rules pursuant to 984 ss. 120.536(1) and 120.54 to provide for application requirements, provide for ranking of applications, and 985 986 administer the awarding of grants under this program.

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(4) Factors the department commission shall consider in 988 awarding grants include, but are not limited to:

989 (a) The availability of matching funds or other in-kind 990 contributions applied to the total project from an applicant. 991 The department commission shall give greater preference to 992 projects that provide such matching funds or other in-kind 993 contributions.

994 (b) The degree to which the project stimulates in-state 995 capital investment and economic development in metropolitan and 996 rural areas, including the creation of jobs and the future 997 development of a commercial market for renewable energy 998 technologies.

999 (c) The extent to which the proposed project has been 1000 demonstrated to be technically feasible based on pilot project 1001 demonstrations, laboratory testing, scientific modeling, or 1002 engineering or chemical theory that supports the proposal.

1003 (d) The degree to which the project incorporates an 1004 innovative new technology or an innovative application of an 1005 existing technology.

(e) The degree to which a project generates thermal, 1006 1007 mechanical, or electrical energy by means of a renewable energy 1008 resource that has substantial long-term production potential.

1009 (f) The degree to which a project demonstrates efficient 1010 use of energy and material resources.

1011 (g) The degree to which the project fosters overall understanding and appreciation of renewable energy technologies. 1012

(h) The ability to administer a complete project.

1014 (i) Project duration and timeline for expenditures.

1015 (j) The geographic area in which the project is to be

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(k) The degree of public visibility and interaction.

conducted in relation to other projects.

1018 (5) The <u>department</u> commission shall solicit the expertise 1019 of state agencies, Enterprise Florida, Inc., and state

1019 of state agencies, Enterprise Florida, Inc., and state 1020 universities, and may solicit the expertise of other public and 1021 private entities it deems appropriate, in evaluating project 1022 proposals. State agencies shall cooperate with the <u>department</u> 1023 <u>commission</u> and provide such assistance as requested.

(6) The commission shall coordinate and 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. Factors for consideration in awarding grants <u>relating to bioenergy projects</u> 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.

1034 (b) The project produces bioenergy from Florida-grown crops1035 or biomass.

1036 (c) The project demonstrates efficient use of energy and 1037 material resources.

1038 (d) The project fosters overall understanding and1039 appreciation of bioenergy technologies.

1040 (e) Matching funds and in-kind contributions from an 1041 applicant are available.

1042 (f) The project duration and the timeline for expenditures
1043 are acceptable.

(g) The project has a reasonable assurance of enhancing the

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20112106er 1045 value of agricultural products or will expand agribusiness in 1046 the state. 1047 (h) Preliminary market and feasibility research has been conducted by the applicant or others and shows there is a 1048 1049 reasonable assurance of a potential market. 1050 Section 21. Subsections (1), (6), and (7) of section 1051 377.806, Florida Statutes, are amended to read: 1052 377.806 Solar Energy System Incentives Program.-1053 (1) PURPOSE.-The Solar Energy System Incentives Program is 1054 established within the Department of Agriculture and Consumer 1055 Services commission to provide financial incentives for the 1056 purchase and installation of solar energy systems. Any resident 1057 of the state who purchases and installs a new solar energy 1058 system of 2 kilowatts or larger for a solar photovoltaic system, 1059 a solar energy system that provides at least 50 percent of a building's hot water consumption for a solar thermal system, or 1060

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.

1064 (6) REBATE AVAILABILITY.-The department commission shall 1065 determine and publish on a regular basis the amount of rebate 1066 funds remaining in each fiscal year. The total dollar amount of 1067 all rebates issued is subject to the total amount of 1068 appropriations in any fiscal year for this program. If funds are 1069 insufficient during the current fiscal year, any requests for rebates received during that fiscal year may be processed during 1070 1071 the following fiscal year. Requests for rebates received in a 1072 fiscal year that are processed during the following fiscal year 1073 shall be given priority over requests for rebates received

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1074 during the following fiscal year. 1075 (7) RULES.-The department commission shall adopt rules 1076 pursuant to ss. 120.536(1) and 120.54 to develop rebate 1077 applications and administer the issuance of rebates. 1078 Section 22. Section 377.807, Florida Statutes, is amended to read: 1079 1080 377.807 Energy-efficient appliance rebate program.-1081 (1) The department may Florida Energy and Climate 1082 Commission is authorized to develop and administer a consumer 1083 rebate program for residential energy-efficient appliances, 1084 consistent with 42 U.S.C. s. 15821 and any federal agency guidance or regulations issued in furtherance of federal law. 1085 1086 (2) The department commission may adopt rules pursuant to 1087 ss. 120.536(1) and 120.54 designating eligible appliances, 1088 rebate amounts, and the administration of the issuance of 1089 rebates. The rules shall be consistent with 42 U.S.C. s. 15821 1090 and any subsequent implementing federal regulations or guidance. 1091 (3) The department may commission is authorized to enter 1092 into contracts or memoranda of agreement with other agencies of 1093 the state, public-private partnerships, or other arrangements 1094 such that the most efficient means of administering consumer 1095 rebates can be achieved. 1096 Section 23. Subsections (2) through (5) of section 377.808, 1097 Florida Statutes, are amended to read: 1098 377.808 Florida Green Government Grants Act.-(2) The department Florida Energy and Climate Commission 1099 1100 shall use funds specifically appropriated to award grants under 1101 this section to assist local governments, including 1102 municipalities, counties, and school districts, in the

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20112106er 1103 development and implementation of programs that achieve green 1104 standards. Green standards shall be determined by the <u>department</u> 1105 commission and shall provide for cost-efficient solutions, 1106 reducing greenhouse gas emissions, improving quality of life, 1107 and strengthening the state's economy.

(3) The department commission shall adopt rules pursuant to 1108 1109 chapter 120 to administer the grants provided for in this 1110 section. In accordance with the rules adopted by the department 1111 commission under this section, the department commission may 1112 provide grants from funds specifically appropriated for this purpose to local governments for the costs of achieving green 1113 1114 standards, including necessary administrative expenses. The 1115 rules of the department commission shall:

(a) Designate one or more suitable green government standards frameworks from which local governments may develop a greening government initiative and from which projects may be eligible for funding pursuant to this section.

(b) Require that projects that plan, design, construct, upgrade, or replace facilities reduce greenhouse gas emissions and be cost-effective, environmentally sound, permittable, and implementable.

1124 (c) Require local governments to match state funds with 1125 direct project cost sharing or in-kind services.

(d) 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.

(e) Require grant applications to be submitted on appropriate forms developed and adopted by the <u>department</u>

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20112106er 1132 commission with appropriate supporting documentation and require 1133 records to be maintained. 1134 (f) Establish a system to determine the relative priority of grant applications. The system shall consider greenhouse gas 1135 reductions, energy savings and efficiencies, and proven 1136 1137 technologies. 1138 (g) Establish requirements for competitive procurement of 1139 engineering and construction services, materials, and equipment. (h) Provide for termination of grants when program 1140 1141 requirements are not met. (4) Each local government is limited to not more than two 1142 grant applications during each application period announced by 1143 1144 the department commission. However, a local government may not have more than three active projects expending grant funds 1145 1146 during any state fiscal year. 1147 (5) The department commission shall perform an adequate overview of each grant, which may include technical review, site 1148 1149 inspections, disbursement approvals, and auditing to 1150 successfully implement this section. 1151 Section 24. Subsection (1) of section 377.809, Florida Statutes, is amended to read: 1152 1153 377.809 Energy Economic Zone Pilot Program.-1154 (1) The Department of Community Affairs, in consultation 1155 with the Department of Transportation, shall implement an Energy 1156 Economic Zone Pilot Program for the purpose of developing a model to help communities cultivate green economic development, 1157 encourage renewable electric energy generation, manufacture 1158 1159 products that contribute to energy conservation and green jobs, 1160 and further implement chapter 2008-191, Laws of Florida,

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20112106er 1161 relative to discouraging sprawl and developing energy-efficient 1162 land use patterns and greenhouse gas reduction strategies. The 1163 Office of Tourism, Trade, and Economic Development and the 1164 Department of Agriculture and Consumer Services Florida Energy 1165 and Climate Commission shall provide technical assistance to the 1166 departments in developing and administering the program. 1167 Section 25. Subsections (3) and (6) of section 403.44, 1168 Florida Statutes, are amended to read: 1169 403.44 Florida Climate Protection Act.-1170 (3) The department may adopt rules for a cap-and-trade regulatory program to reduce greenhouse gas emissions from major 1171 1172 emitters. When developing the rules, the department shall 1173 consult with the Department of Agriculture and Consumer Services Florida Energy and Climate Commission and the Florida Public 1174 1175 Service Commission and may consult with the Governor's Action 1176 Team for Energy and Climate Change. The department shall not 1177 adopt rules until after January 1, 2010. The rules shall not become effective until ratified by the Legislature. 1178 1179 (6) Recognizing that the international, national, and 1180

1180 neighboring state policies and the science of climate change 1181 will evolve, prior to submitting the proposed rules to the 1182 Legislature for consideration, the department shall submit the 1183 proposed rules to the <u>Department of Agriculture and Consumer</u> 1184 <u>Services Florida Energy and Climate Commission</u>, which shall 1185 review the proposed rules and submit a report to the Governor, 1186 the President of the Senate, the Speaker of the House of 1187 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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1190	meeting statewide targets.
1191	(b) The administrative burden to the state of implementing,
1192	monitoring, and enforcing the program.
1193	(c) The administrative burden on entities covered under the
1194	cap.
1195	(d) The impacts on electricity prices for consumers.
1196	(e) The specific benefits to the state's economy for early
1197	adoption of a cap-and-trade system for greenhouse gases in the
1198	context of federal climate change legislation and the
1199	development of new international compacts.
1200	(f) The specific benefits to the state's economy associated
1201	with the creation and sale of emissions offsets from economic
1202	sectors outside of the emissions cap.
1203	(g) The potential effects on leakage if economic activity
1204	relocates out of the state.
1205	(h) The effectiveness of the combination of measures in
1206	meeting identified targets.
1207	(i) The economic implications for near-term periods of
1208	short-term and long-term targets specified in the overall
1209	policy.
1210	(j) The overall costs and benefits of a cap-and-trade
1211	system to the economy of the state.
1212	(k) The impacts on low-income consumers that result from
1213	energy price increases.
1214	(l) The consistency of the program with other state and
1215	possible federal efforts.
1216	(m) The evaluation of the conditions under which the state
1217	should consider linking its trading system to the systems of
1218	other states or other countries and how that might be affected
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1219 by the potential inclusion in the rule of a safety valve.

(n) 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.

(o) The conditions and options for eliminating the Floridaprogram if a federal program were to supplant it.

(p) The need for a regular reevaluation 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.

1229 (q) The desirability of and possibilities of broadening the 1230 scope of the state's cap-and-trade system at a later date to 1231 include more emitting activities as well as sinks in Florida, 1232 the conditions that would need to be met to do so, and how the 1233 program would encourage these conditions to be met, including 1234 developing monitoring and measuring techniques for land use emissions and sinks, regulating sources upstream, and other 1235 1236 considerations.

1237 Section 26. Section 526.207, Florida Statutes, is amended 1238 to read:

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526.207 Studies and reports.-

1240 (1) The Department of Agriculture and Consumer Services 1241 Florida Energy and Climate Commission shall conduct a study to 1242 evaluate and recommend the life-cycle greenhouse gas emissions 1243 associated with all renewable fuels, including, but not limited 1244 to, biodiesel, renewable diesel, biobutanol, and ethanol derived 1245 from any source. In addition, the department commission shall 1246 evaluate and recommend a requirement that all renewable fuels 1247 introduced into commerce in the state, as a result of the

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1248 renewable fuel standard, shall reduce the life-cycle greenhouse 1249 gas emissions by an average percentage. The <u>department</u> 1250 commission may also evaluate and recommend any benefits 1251 associated with the creation, banking, transfer, and sale of 1252 credits among fuel refiners, blenders, and importers.

(2) The <u>Department of Agriculture and Consumer Services</u>
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.

1258 Section 27. Section 570.074, Florida Statutes, is amended 1259 to read:

1260 570.074 Department of Agriculture and Consumer Services; 1261 energy and water policy coordination.-The commissioner may 1262 create an Office of Energy and Water Coordination under the 1263 supervision of a senior manager exempt under s. 110.205 in the 1264 Senior Management Service. The commissioner may designate the 1265 bureaus and positions in the various organizational divisions of 1266 the department that report to this office relating to any matter 1267 over which the department has jurisdiction in matters relating 1268 to energy and water policy affecting agriculture, application of 1269 such policies, and coordination of such matters with state and 1270 federal agencies.

1271 Section 28. Subsection (3) of section 570.954, Florida 1272 Statutes, is amended to read:

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570.954 Farm-to-fuel initiative.-

1274 (3) The department shall coordinate with and solicit the
 1275 expertise of the state energy office within the Department of
 1276 Environmental Protection when developing and implementing this

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20112106er 1277 initiative. 1278 Section 29. Subsections (5), (11), (12), and (13) of 1279 section 1004.648, Florida Statutes, are amended to read: 1280 1004.648 Florida Energy Systems Consortium.-(5) The director, whose office is shall be located at the 1281 University of Florida, shall report to the Department of 1282 1283 Agriculture and Consumer Services Florida Energy and Climate 1284 Commission created pursuant to s. 377.6015. 1285 (11) The oversight board, in consultation with the 1286 Department of Agriculture and Consumer Services Florida Energy 1287 and Climate Commission, shall ensure that the consortium: 1288 (a) Maintains accurate records of any funds received by the 1289 consortium. 1290 (b) Meets financial and technical performance expectations, 1291 which may include external technical reviews as required. 1292 (12) The steering committee shall consist of the university 1293 representatives included in the Centers of Excellence proposals 1294 for the Florida Energy Systems Consortium and the Center of 1295 Excellence in Ocean Energy Technology-Phase II which were 1296 reviewed during the 2007-2008 fiscal year by the Florida 1297 Technology, Research, and Scholarship Board created in s. 1298 1004.226(4); a university representative appointed by the President of Florida International University; and a 1299 1300 representative of the Department of Agriculture and Consumer 1301 Services Florida Energy and Climate Commission. The steering 1302 committee is shall be responsible for establishing and ensuring 1303 the success of the consortium's mission under subsection (9). 1304 (13) By November 1 of each year, the consortium shall 1305 submit an annual report to the Governor, the President of the

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Senate, the Speaker of the House of Representatives, and the <u>Department of Agriculture and Consumer Services</u> Florida Energy and <u>Climate Commission</u> regarding its activities, including, but not limited to, education and research related to, and the development and deployment of, alternative energy technologies. Section 30. Sections 1 and 2 of chapter 2010-282, Laws of

1311Section 30. Sections 1 and 2 of chapter 2010-282, Laws of1312Florida, are amended to read:

Section 1. (1) As provided in this section and section 2, a 1313 1314 portion of the total amount appropriated in this act shall be 1315 used utilized by the Department of Agriculture and Consumer 1316 Services Florida Energy and Climate Commission to pay rebates to 1317 eligible applicants who submit an application pursuant to the Florida ENERGY STAR Residential HVAC Rebate Program administered 1318 by the department commission, as approved by the United States 1319 1320 Department of Energy. An applicant is eligible for a rebate 1321 under this section if:

(a) A complete application is submitted to the <u>department</u>
commission on or before November 30, 2010.

(b) The central air conditioner, air source heat pump, or
geothermal heat pump system replacement for which the applicant
is seeking a rebate was purchased from or contracted for
purchase with a Florida-licensed contractor after August 29,
2010, but before September 15, 2010, and fully installed prior
to submission of the application for a rebate.

(c) The <u>department</u> commission determines that the
application complies with this section and any existing
agreement with the United States Department of Energy governing
the Florida ENERGY STAR Residential HVAC Rebate Program.
(d) The applicant provides the following information to the

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1335 department commission on or before November 30, 2010: 1336 1.a. A copy of the sales receipt indicating a date of 1337 purchase after August 29, 2010, but before September 15, 2010, 1338 with the make and model number identified and circled along with 1339 the name and address of the Florida-licensed contractor who 1340 installed the system; or 1341 b. A copy of the contract for the purchase and installation 1342 of the system indicating a contract date after August 29, 2010, 1343 but before September 15, 2010, and a copy of the sales receipt 1344 indicating a date of purchase after August 29, 2010, but on or 1345 before November 30, 2010, with the make and model number 1346 identified and circled along with the name and address of the

1348 2. A copy of the mechanical building permit issued by the 1349 county or municipality and pulled by the Florida-licensed 1350 contractor who installed the system for the residence.

Florida-licensed contractor who installed the system.

1351 3. A copy of the Air Distribution System Test Report 1352 results from a Florida-certified Class 1 energy gauge rater, a 1353 Florida-licensed mechanical contractor, or a recognized test and 1354 balance agent. The results from the test must indicate the home 1355 has no more than 15 percent leakage to the outside as measured 1356 by 0.10 Qn.out or less.

4. A copy of the summary of the Manual J program completed
for the residence to indicate that the proper methodology for
sizing the new system was completed.

1360 (2) The <u>Department of Agriculture and Consumer Services</u>
 1361 Florida Energy and Climate Commission shall pay a \$1,500 rebate
 1362 to each consumer who submits an application pursuant to the
 1363 Florida ENERGY STAR Residential HVAC Rebate Program if the

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1364 application is approved by the department commission in 1365 accordance with this act. The department commission shall pay 1366 all rebates authorized in this section prior to paying any 1367 rebates authorized in section 2. Section 2. Notwithstanding s. 377.806(6), Florida Statutes, 1368 1369 the Department of Agriculture and Consumer Services Florida Energy and Climate Commission shall utilize up to \$28,902,623, 1370 1371 less any amount in excess of \$2,467,244 used to pay rebates 1372 pursuant to section 1, to pay a percentage of each unpaid and 1373 approved rebate application submitted pursuant to the Solar 1374 Energy System Incentives Program established in s. 377.806, 1375 Florida Statutes. An applicant is eligible for a rebate under 1376 this section if the application submitted complies with s. 1377 377.806, Florida Statutes. The percentage of each approved rebate to be paid shall be derived by dividing the remaining 1378 1379 appropriation by the total dollar value of the backlog of final 1380 approved solar rebates, pursuant to the authorized limits provided in s. 377.806, Florida Statutes. 1381 1382 Section 31. For the 2011-2012 fiscal year only, 1383 notwithstanding s. 216.181(2)(b), Florida Statutes, the 1384 Department of Agriculture may submit an amendment to the Legislative Budget Commission for increased budget authority for 1385 1386 a fixed capital outlay appropriation for federal energy grants. 1387 Any such amendment is subject to the review and notice 1388 procedures provided in s. 216.177, Florida Statutes.

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Section 32. This act shall take effect July 1, 2011.

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