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By the Committee on Regulated Industries; and Senator Collins

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A bill to be entitled An act relating to energy resources; creating s. 163.3210, F.S.; providing legislative intent; defining terms; allowing resiliency facilities in certain land use categories in local government comprehensive plans and specified districts if certain criteria are met; authorizing local governments to adopt ordinances for resiliency facilities if certain requirements are met; prohibiting amendments to a local government's comprehensive plan, land use map, zoning districts, or land development regulations in a manner that would conflict with resiliency facility classification after a specified date; amending s. 286.29, F.S.; revising energy guidelines for public businesses; deleting the requirement that the Department of Management Services develop and maintain the Florida Climate-Friendly Preferred Products List; deleting the requirement that state agencies contract for meeting and conference space only with facilities that have Green Lodging designations; deleting the requirement that state agencies, state universities, community colleges, and local governments that procure new vehicles under a state purchasing plan select certain vehicles under a specified circumstance; requiring the Department of Management Services to develop a Florida Humane Preferred Energy Products List in consultation with the Department of Commerce and the Department of Agriculture and Consumer Services; providing for assessment considerations in developing the list;

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defining the term "forced labor"; requiring state agencies and political subdivisions that procure energy products from state term contracts to consult the list and purchase or procure such products; prohibiting state agencies and political subdivisions from purchasing or procuring products not included in the list; amending s. 337.25, F.S.; prohibiting the Department of Transportation from assigning or transferring its permitting rights across transportation rights-of-way operated by the department to certain third parties under certain circumstances; amending s. 337.403, F.S.; prohibiting authorities from requiring the relocation of utilities on behalf of certain other third-party or governmental agency projects; amending s. 366.032, F.S.; including development districts as a type of political subdivision for purposes of preemption over utility service restrictions; amending s. 366.04, F.S.; requiring the Public Service Commission to approve targeted storm reserve amounts for public utilities; providing requirements for the targeted storm reserve amounts; providing for base rate adjustments; amending s. 366.075, F.S.; authorizing the commission to establish an experimental mechanism to facilitate energy infrastructure investment for renewable natural gas; providing requirements for the experimental mechanism; requiring the commission to adopt rules; providing a timeframe for such rulemaking; amending s. 366.94, F.S.; deleting terminology; conforming

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provisions to changes made by the act; authorizing the commission upon a specified date to approve voluntary public utility programs for electric vehicle charging if certain requirements are met; requiring that all revenues received from such program be credited to the public utility's general body of ratepayers; providing applicability; creating s. 366.99, F.S.; defining terms; authorizing public utilities to submit to the commission a petition for a proposed cost recovery for certain natural gas facilities relocation costs; requiring the commission to conduct annual proceedings to determine each utility's prudently incurred natural gas facilities relocation costs and to allow for the recovery of such costs; providing requirements for the commission's review; providing requirements for the allocation of such recovered costs; requiring the commission to adopt rules; providing a timeframe for such rulemaking; amending s. 377.601, F.S.; revising legislative intent; amending s. 377.6015, F.S.; revising the powers and duties of the department; conforming provisions to changes made by the act; amending s. 377.703, F.S.; revising additional functions of the department relating to energy resources; conforming provisions to changes made by the act; repealing ss. 377.801, 377.802, 377.803, 377.804, 377.808, 377.809, and 377.816, F.S., relating to the Florida Energy and Climate Protection Act, the purpose of the act, and definitions under the act, the Renewable Energy and Energy-Efficient Technologies

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Grants Program, the Florida Green Government Grants Act, the Energy Economic Zone Pilot Program, and the qualified energy conservation bond allocation; prohibiting the approval of new or additional applications, certifications, or allocations under such programs; prohibiting new contracts, agreements, and awards under such programs; rescinding all certifications or allocations issued under such programs; providing an exception; providing application relating to existing contracts or agreements under such programs; amending ss. 288.9606 and 380.0651, F.S.; conforming provisions to changes made by the act; amending s. 403.9405, F.S.; revising the applicability of the Natural Gas Transmission Pipeline Siting Act; amending s. 409.508, F.S.; defining and redefining terms; requiring the Department of Commerce to expand categorical eligibility for the low-income home energy assistance program to include individuals who are enrolled in certain federal disability programs; requiring the department to develop a comprehensive process for automatic payments to be made on behalf of such individuals; providing requirements for such process; making technical changes; amending s. 720.3075, F.S.; prohibiting certain homeowners' association documents from precluding certain types or fuel sources of energy production and the use of certain appliances; defining the term "appliance"; requiring the commission to conduct an assessment of the security

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and resiliency of the state's electric grid and natural gas facilities against physical threats and cyber threats; requiring the commission to consult with the Florida Digital Service; requiring cooperation from all operating facilities in the state relating to such assessment; requiring the commission to submit by a specified date a report of such assessment to the Governor and the Legislature; providing additional content requirements for such report; requiring the commission to study and evaluate the technical and economic feasibility of using advanced nuclear power technologies to meet the electrical power needs of the state; requiring the commission to submit by a specified date a report to the Governor and the Legislature which contains its findings and any additional recommendations for potential legislative or administrative actions; requiring the Department of Transportation, in consultation with the Office of Energy within the Department of Agriculture and Consumer Services, to study and evaluate the potential development of hydrogen fueling infrastructure to support hydrogenpowered vehicles; requiring the department to submit, by a specified date, a report to the Governor and the Legislature that contains its findings and recommendations for specified actions that may accommodate the future development of hydrogen fueling infrastructure; amending s. 220.193, F.S.; conforming a cross-reference; providing an effective date.

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

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Section 1. Section 163.3210, Florida Statutes, is created to read:

163.3210 Natural gas resiliency and reliability infrastructure.—

- (1) It is the intent of the Legislature to maintain, encourage, and ensure adequate and reliable fuel sources for public utilities. The resiliency and reliability of fuel sources for public utilities is critical to the state's economy; the ability of the state to recover from natural disasters; and to the health, safety, welfare, and quality of life of the residents of the state.
 - (2) As used in this section, the term:
- (a) "Natural gas" means all forms of fuel commonly or commercially known or sold as natural gas, including compressed natural gas and liquefied natural gas.
- (b) "Natural gas reserve" means a facility that is capable of storing and transporting and, when operational, actively stores and transports a supply of natural gas.
- (c) "Public utility" has the same meaning as defined in s. 366.02.
- (d) "Resiliency facility" means a facility owned and operated by a public utility for the purposes of assembling, creating, holding, securing, or deploying natural gas reserves for temporary use during a system outage or natural disaster.
- (3) A resiliency facility is a permitted use in all commercial, industrial, and manufacturing land use categories in

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a local government comprehensive plan and all commercial, industrial, and manufacturing districts. A resiliency facility must comply with the setback and landscape criteria for other similar uses. A local government may adopt an ordinance specifying buffer and landscaping requirements for resiliency facilities, provided that such requirements do not exceed the requirements for similar uses involving the construction of other facilities that are permitted uses in commercial, industrial, and manufacturing land use categories and zoning districts.

(4) After July 1, 2024, a local government may not amend its comprehensive plan, land use map, zoning districts, or land development regulations in a manner that would conflict with a resiliency facility's classification as a permitted and allowable use, including, but not limited to, an amendment that causes a resiliency facility to be a nonconforming use, structure, or development.

Section 2. Section 286.29, Florida Statutes, is amended to read:

286.29 Energy guidelines for Climate-friendly public business.—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:

(1) 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, shall continually assess

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products currently available for purchase under state term contracts to identify specific products and vendors that offer clear energy efficiency or other environmental benefits 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 products if the price is comparable.

- (2) State agencies shall contract for meeting and conference space only 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 head makes a determination that no other viable alternative exists.
- (3) Each state agency shall ensure that all maintained vehicles meet minimum maintenance schedules shown to reduce fuel consumption, which include:
 - (a) Ensuring appropriate tire pressures and tread depth.+
- (b) Replacing fuel filters and emission filters at recommended intervals.÷
 - (c) Using proper motor oils.; and
 - (d) Performing timely motor maintenance.

Each state agency shall measure and report compliance to the Department of Management Services through the Equipment Management Information System database.

(4) When procuring new vehicles, all state agencies, state universities, community colleges, and local governments that purchase vehicles under a state purchasing plan shall first

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233 define the intended purpose for the vehicle and determine which 234 of the following use classes for which the vehicle is being 235 procured: 236 (a) State business travel, designated operator; 237 (b) State business travel, pool operators; 238 (c) Construction, agricultural, or maintenance work; 239 (d) Conveyance of passengers; 240 (e) Conveyance of building or maintenance materials and 241 supplies; 242 (f) Off-road vehicle, motorcycle, or all-terrain vehicle; 243 (g) Emergency response; or (h) Other. 244 245 246 Vehicles described in paragraphs (a) through (h), when being 247 processed for purchase or leasing agreements, must be selected 248 for the greatest fuel efficiency available for a given use class 249 when fuel economy data are available. Exceptions may be made for 250 individual vehicles in paragraph (g) when accompanied, during 251 the procurement process, by documentation indicating that the 252 operator or operators will exclusively be emergency first 253 responders or have special documented need for exceptional 254 vehicle performance characteristics. Any request for an 255 exception must be approved by the purchasing agency head and any 256 exceptional performance characteristics denoted as a part of the 257 procurement process prior to purchase. 258 (2) All state agencies shall use ethanol and biodiesel 259 blended fuels when available. State agencies administering 260 central fueling operations for state-owned vehicles shall procure biofuels for fleet needs to the greatest extent 261

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262 practicable.

(3) (a) The Department of Management Services shall, in consultation with the Department of Commerce and the Department of Agriculture and Consumer Services, develop a Florida Humane Preferred Energy Products List. In developing the list, the department must assess products currently available for purchase under state term contracts that contain or consist of an energy storage device with a capacity of greater than one kilowatt or that contain or consist of an energy generation device with a capacity of greater than 500 kilowatts and identify specific products that appear to be largely made free from forced labor, irrespective of the age of the worker. For purposes of this subsection, the term "forced labor" means any work performed or service rendered that is:

- 1. Obtained by intimidation, fraud, or coercion, including by threat of serious bodily harm to, or physical restraint against, a person, by means of a scheme intended to cause the person to believe that if he or she does not perform such labor or render such service, the person will suffer serious bodily harm or physical restraint, or by means of the abuse or threatened abuse of law or the legal process;
- 2. Imposed on the basis of a characteristic that has been held by the United States Supreme Court or the Florida Supreme Court to be protected against discrimination under the Fourteenth Amendment to the United States Constitution or under s. 2, Art. I of the State Constitution, including race, color, national origin, religion, gender, or physical disability;
 - 3. Not performed or rendered voluntarily by a person; or
 - 4. In violation of the Child Labor Law or otherwise

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performed or rendered through oppressive child labor.

(b) When procuring the types of energy products described in paragraph (a) from state term contracts, state agencies and political subdivisions shall first consult the Florida Humane Preferred Energy Products List and may not purchase or procure products not included in the list.

Section 3. Paragraph (e) is added to subsection (1) of section 337.25, Florida Statutes, to read:

337.25 Acquisition, lease, and disposal of real and personal property.—

(1)

(e) The department may not, without prior approval from the Legislature, assign or transfer its permitting rights across any transportation right-of-way operated by the department to a third party or governmental entity that does not operate the transportation right-of-way.

Section 4. Subsection (1) of section 337.403, Florida Statutes, is amended to read:

337.403 Interference caused by utility; expenses.-

(1) If a utility that is placed upon, under, over, or within the right-of-way limits of any public road or publicly owned rail corridor is found by the authority to be unreasonably interfering in any way with the convenient, safe, or continuous use, or the maintenance, improvement, extension, or expansion, of such public road or publicly owned rail corridor, the utility owner shall, upon 30 days' written notice to the utility or its agent by the authority, initiate the work necessary to alleviate the interference at its own expense except as provided in paragraphs (a)-(j). The authority may not require a utility

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within a public road operated by the authority to be relocated on behalf of any other third-party or governmental agency project related to a separate public or private road or transportation corridor. The work must be completed within such reasonable time as stated in the notice or such time as agreed to by the authority and the utility owner.

- (a) If the relocation of utility facilities, as referred to in s. 111 of the Federal-Aid Highway Act of 1956, Pub. L. No. 84-627, is necessitated by the construction of a project on the federal-aid interstate system, including extensions thereof within urban areas, and the cost of the project is eligible and approved for reimbursement by the Federal Government to the extent of 90 percent or more under the Federal-Aid Highway Act, or any amendment thereof, then in that event the utility owning or operating such facilities shall perform any necessary work upon notice from the department, and the state shall pay the entire expense properly attributable to such work after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility.
- (b) When a joint agreement between the department and the utility is executed for utility work to be accomplished as part of a contract for construction of a transportation facility, the department may participate in those utility work costs that exceed the department's official estimate of the cost of the work by more than 10 percent. The amount of such participation is limited to the difference between the official estimate of all the work in the joint agreement plus 10 percent and the amount awarded for this work in the construction contract for such work. The department may not participate in any utility

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work costs that occur as a result of changes or additions during the course of the contract.

- (c) When an agreement between the department and utility is executed for utility work to be accomplished in advance of a contract for construction of a transportation facility, the department may participate in the cost of clearing and grubbing necessary to perform such work.
- (d) If the utility facility was initially installed to exclusively serve the authority or its tenants, or both, the authority shall bear the costs of the utility work. However, the authority is not responsible for the cost of utility work related to any subsequent additions to that facility for the purpose of serving others. For a county or municipality, if such utility facility was installed in the right-of-way as a means to serve a county or municipal facility on a parcel of property adjacent to the right-of-way and if the intended use of the county or municipal facility is for a use other than transportation purposes, the obligation of the county or municipality to bear the costs of the utility work shall extend only to utility work on the parcel of property on which the facility of the county or municipality originally served by the utility facility is located.
- (e) If, under an agreement between a utility and the authority entered into after July 1, 2009, the utility conveys, subordinates, or relinquishes a compensable property right to the authority for the purpose of accommodating the acquisition or use of the right-of-way by the authority, without the agreement expressly addressing future responsibility for the cost of necessary utility work, the authority shall bear the

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cost of removal or relocation. This paragraph does not impair or restrict, and may not be used to interpret, the terms of any such agreement entered into before July 1, 2009.

- (f) If the utility is an electric facility being relocated underground in order to enhance vehicular, bicycle, and pedestrian safety and in which ownership of the electric facility to be placed underground has been transferred from a private to a public utility within the past 5 years, the department shall incur all costs of the necessary utility work.
- (g) An authority may bear the costs of utility work required to eliminate an unreasonable interference when the utility is not able to establish that it has a compensable property right in the particular property where the utility is located if:
- 1. The utility was physically located on the particular property before the authority acquired rights in the property;
- 2. The utility demonstrates that it has a compensable property right in adjacent properties along the alignment of the utility or, after due diligence, certifies that the utility does not have evidence to prove or disprove that it has a compensable property right in the particular property where the utility is located; and
- 3. The information available to the authority does not establish the relative priorities of the authority's and the utility's interests in the particular property.
- (h) If a municipally owned utility or county-owned utility is located in a rural area of opportunity, as defined in s. 288.0656(2), and the department determines that the utility is unable, and will not be able within the next 10 years, to pay

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for the cost of utility work necessitated by a department project on the State Highway System, the department may pay, in whole or in part, the cost of such utility work performed by the department or its contractor.

- (i) If the relocation of utility facilities is necessitated by the construction of a commuter rail service project or an intercity passenger rail service project and the cost of the project is eligible and approved for reimbursement by the Federal Government, then in that event the utility owning or operating such facilities located by permit on a departmentowned rail corridor shall perform any necessary utility relocation work upon notice from the department, and the department shall pay the expense properly attributable to such utility relocation work in the same proportion as federal funds are expended on the commuter rail service project or an intercity passenger rail service project after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility. In no event shall the state be required to use state dollars for such utility relocation work. This paragraph does not apply to any phase of the Central Florida Commuter Rail project, known as SunRail.
- (j) If a utility is lawfully located within an existing and valid utility easement granted by recorded plat, regardless of whether such land was subsequently acquired by the authority by dedication, transfer of fee, or otherwise, the authority must bear the cost of the utility work required to eliminate an unreasonable interference. The authority shall pay the entire expense properly attributable to such work after deducting any increase in the value of a new facility and any salvage value

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derived from an old facility.

Section 5. Subsections (1), (2), and (5) of section 366.032, Florida Statutes, are amended to read:

366.032 Preemption over utility service restrictions.-

- (1) A municipality, county, special district, <u>development</u> <u>district</u>, or other political subdivision of the state may not enact or enforce a resolution, ordinance, rule, code, or policy or take any action that restricts or prohibits or has the effect of restricting or prohibiting the types or fuel sources of energy production which may be used, delivered, converted, or supplied by the following entities to serve customers that such entities are authorized to serve:
- (a) A public utility or an electric utility as defined in this chapter;
- (b) An entity formed under s. 163.01 that generates, sells, or transmits electrical energy;
 - (c) A natural gas utility as defined in s. 366.04(3)(c);
- (d) A natural gas transmission company as defined in s. 368.103; or
- (e) A Category I liquefied petroleum gas dealer or Category II liquefied petroleum gas dispenser or Category III liquefied petroleum gas cylinder exchange operator as defined in s. 527.01.
- (2) Except to the extent necessary to enforce the Florida Building Code adopted pursuant to s. 553.73 or the Florida Fire Prevention Code adopted pursuant to s. 633.202, a municipality, county, special district, development district, or other political subdivision of the state may not enact or enforce a resolution, an ordinance, a rule, a code, or a policy or take

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any action that restricts or prohibits or has the effect of restricting or prohibiting the use of an appliance, including a stove or grill, which uses the types or fuel sources of energy production which may be used, delivered, converted, or supplied by the entities listed in subsection (1). As used in this subsection, the term "appliance" means a device or apparatus manufactured and designed to use energy and for which the Florida Building Code or the Florida Fire Prevention Code provides specific requirements.

(5) Any municipality, county, special district, <u>development</u> <u>district</u>, or political subdivision charter, resolution, ordinance, rule, code, policy, or action that is preempted by this act that existed before or on July 1, 2021, is void.

Section 6. Subsection (10) is added to section 366.04, Florida Statutes, to read:

366.04 Jurisdiction of commission.

- amount to be effective January 1, 2025, for each public utility. The targeted storm reserve amount must be set at a level equal to 80 percent of the approved incremental storm costs incurred for the public utility's highest cost storm impacting its service area over the 5 calendar years before January 2025. The approved incremental storm costs that form the basis for the targeted storm reserve amount must be based on the filings of the public utility with the commission and orders issued by the commission.
- (a) 1. The initial targeted storm reserve amount established by the commission:
 - a. Is subject to adjustment on an annual basis for

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successive rolling 5-year periods;

- b. Must be funded by an increase in base rates effective January 1, 2025; and
- c. Must be designed to allow the utility to recover the costs to fund the targeted reserve level over a 4-year period.
- 2. All base rate adjustments and accompanying tariffs must be:
- <u>a. Implemented by administrative approval of the commission</u>
 and employ the most recent authorized base rate structure for
 the public utility;
- b. Filed by October 15 together with the current storm reserve and supporting documentation and the highest cost storm over the prior 5 years as reflected by commission order; and
- c. Administratively approved by each November 15 to take effect on January 1 of the following calendar year.
- (b) Suspension of base rate increases and implementation of base rate adjustments under this subsection based on use and depletion of the storm reserve and the determination of the annual storm reserve amount must be administratively determined and approved by the commission consistent with calendar deadlines under paragraph (a).
- (c) The adjustments to base rates must be designed to fund the public utility storm reserves; the cost recovery of such base rates must be without regard to any impact on a public utility's previous, current, or projected earnings; and the revenues from such base rates may not be considered in the calculation of a public utility's earnings in earnings surveillance reports filed with the commission.
 - Section 7. Section 366.075, Florida Statutes, is amended to

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read:

366.075 Experimental and transitional rates; experimental mechanisms.—

- (1) The commission is authorized to approve rates on an experimental or transitional basis for any public utility to encourage energy conservation or to encourage efficiency. The application of such rates may be for limited geographic areas and for a limited period.
- (2) The commission is authorized to approve the geographic area used in testing experimental rates and shall specify in the order setting those rates the area affected. The commission may extend the period designated for the test if it determines that further testing is necessary to fully evaluate the effectiveness of such experimental rates.
- (3) The commission is authorized to establish an experimental mechanism to facilitate energy infrastructure investment consistent with the structure set forth in s.

 366.96(7) and (8), the intent of s. 366.91(1), and the definition of the term "renewable natural gas" in s.

 366.91(2)(f). The commission shall have discretion to determine whether to use an annual proceeding to conduct such experimental mechanism. The commission shall adopt rules to implement and administer this subsection and shall propose a rule for adoption as soon as practicable after the effective date of this act, but not later than October 31, 2024.

Section 8. Section 366.94, Florida Statutes, is amended to read:

366.94 Electric vehicle charging stations.-

(1) The provision of electric vehicle charging to the

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public by a nonutility is not the retail sale of electricity for the purposes of this chapter. The rates, terms, and conditions of electric vehicle charging services by a nonutility are not subject to regulation under this chapter. This section does not affect the ability of individuals, businesses, or governmental entities to acquire, install, or use an electric vehicle charger for their own vehicles.

- (2) The Department of Agriculture and Consumer Services shall adopt rules to provide definitions, methods of sale, labeling requirements, and price-posting requirements for electric vehicle charging stations to allow for consistency for consumers and the industry.
- (3) (a) It is unlawful for a person to stop, stand, or park a vehicle that is not capable of using an electrical recharging station within any parking space specifically designated for charging an electric vehicle.
- (b) If a law enforcement officer finds a motor vehicle in violation of this subsection, the officer or specialist shall charge the operator or other person in charge of the vehicle in violation with a noncriminal traffic infraction, punishable as provided in s. 316.008(4) or s. 318.18.
- (4) The commission may approve voluntary public utility programs to become effective on or after January 1, 2025, for residential, customer-specific electric vehicle charging if the commission determines that the rates and rate structure of the program will not adversely impact the public utility's general body of ratepayers. All revenues received from the program must be credited to the public utility's retail ratepayers. This provision does not preclude cost recovery for electric vehicle

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581 <u>charging programs approved by the commission before January 1,</u>
582 2024.

Section 9. Section 366.99, Florida Statutes, is created to read:

- 366.99 Natural gas facilities relocation costs.-
- (1) As used in this section, the term:
- (a) "Authority" has the same meaning as in s. 337.401(1)(a).
- (b) "Facilities relocation" means the physical moving, modification, or reconstruction of public utility facilities to accommodate the requirements imposed by an authority.
- (c) "Natural gas facilities" or "facilities" means gas mains, laterals, and service lines used to distribute natural gas to customers. The term includes all ancillary equipment needed for safe operations, including, but not limited to, regulating stations, meters, other measuring devices, regulators, and pressure monitoring equipment.
- (d) "Natural gas facilities relocation costs" means the costs to relocate or reconstruct facilities as required by a mandate, a statute, a law, an ordinance, or an agreement between the utility and an authority, including, but not limited to, costs associated with reviewing plans provided by an authority. The term does not include any costs recovered through the public utility's base rates.
- (e) "Public utility" or "utility" has the same meaning as in s. 366.02, except that the term does not include an electric utility.
- (2) A utility may submit to the commission, pursuant to commission rule, a petition describing the utility's projected

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natural gas facilities relocation costs for the next calendar year, actual natural gas facilities relocation costs for the prior calendar year, and proposed cost-recovery factors designed to recover such costs. A utility's decision to proceed with implementing a plan before filing such a petition does not constitute imprudence.

- (3) The commission shall conduct an annual proceeding to determine each utility's prudently incurred natural gas facilities relocation costs and to allow each utility to recover such costs through a charge separate and apart from base rates, to be referred to as the natural gas facilities relocation cost recovery clause. The commission's review in the proceeding is limited to determining the prudence of the utility's actual incurred natural gas facilities relocation costs and the reasonableness of the utility's projected natural gas facilities relocation costs for the following calendar year; and providing for a true-up of the costs with the projections on which past factors were set. The commission shall require that any refund or collection made as a part of the true-up process includes interest.
- (4) All costs approved for recovery through the natural gas facilities relocation cost recovery clause must be allocated to customer classes pursuant to the rate design most recently approved by the commission.
- (5) If a capital expenditure is recoverable as a natural gas facilities relocation cost, the public utility may recover the annual depreciation on the cost, calculated at the public utility's current approved depreciation rates, and a return on the undepreciated balance of the costs at the public utility's

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weighted average cost of capital using the last approved return on equity.

(6) The commission shall adopt rules to implement and administer this section and shall propose a rule for adoption as soon as practicable after July 1, 2024.

Section 10. Section 377.601, Florida Statutes, is amended to read:

377.601 Legislative intent.-

(1) The purpose of the state's energy policy is to ensure an adequate and reliable supply of energy for the state in a manner that promotes the health and welfare of the public and economic growth. The Legislature intends that governance of the state's energy policy be efficiently directed toward achieving this purpose The Legislature finds that the state'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 a source of new jobs and employment opportunities for many Floridians. The Legislature further finds that the state 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 its resources, the Legislature believes that a single government entity with a specific focus on energy and climate change is both desirable and advantageous. Further,

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the Legislature finds that energy infrastructure provides the foundation for secure and reliable access to the energy supplies and services on which Florida depends. Therefore, there is significant value to Florida consumers that comes from investment in Florida's energy infrastructure that increases system reliability, enhances energy independence and diversification, stabilizes energy costs, and reduces greenhouse gas emissions.

- (2) For the purposes of subsection (1), the state's energy policy must be guided by the following goals:
 - (a) Ensuring a cost-effective and affordable energy supply.
 - (b) Ensuring adequate supply and capacity.
- (c) Ensuring a secure, resilient, and reliable energy supply, with an emphasis on a diverse supply of domestic energy resources.
 - (d) Protecting public safety.
 - (e) Ensuring consumer choice.
- (f) Protecting the state's natural resources, including its coastlines, tributaries, and waterways.
 - (g) Supporting economic growth.
- (3) (2) In furtherance of the goals in subsection (2), it is the policy of the state of Florida to:
- (a) Develop and Promote the cost-effective development and effective use of a diverse supply of domestic energy resources in this the state and, discourage all forms of energy waste, and recognize and address the potential of global climate change wherever possible.
- (b) Promote the cost-effective development and maintenance of energy infrastructure that is resilient to natural and

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manmade threats to the security and reliability of the state's energy supply Play a leading role in developing and instituting energy management programs aimed at promoting energy conservation, energy security, and the reduction of greenhouse gas emissions.

- (c) Reduce reliance on foreign energy resources.
- $\underline{\text{(d)}}$ (c) Include energy considerations in all state, regional, and local planning.
- $\underline{\text{(e)}}$ Utilize and manage effectively energy resources used within state agencies.
- $\underline{\text{(f)}}$ (e) Encourage local governments to include energy considerations in all planning and to support their work in promoting energy management programs.
- $\underline{\text{(g)}}$ (f) Include the full participation of citizens in the development and implementation of energy programs.
- (h) (g) Consider in its decisions the energy needs of each economic sector, including residential, industrial, commercial, agricultural, and governmental uses, and reduce those needs whenever possible.
- <u>(i) (h)</u> Promote energy education and the public dissemination of information on energy and its <u>impacts in relation to the goals in subsection (2) environmental, economic, and social impact.</u>
- <u>(j) (i)</u> Encourage the research, development, demonstration, and application of <u>domestic energy resources</u>, <u>including the use of alternative energy resources</u>, <u>particularly</u> renewable energy resources.
- $\underline{\text{(k)}}$ Consider, in its decisionmaking, the $\underline{\text{impacts of}}$ energy-related activities on the goals in subsection (2) $\underline{\text{social}}$,

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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.

 $\underline{\text{(1)}}_{\text{(k)}}$ Develop and maintain energy emergency preparedness plans to minimize the effects of an energy shortage within $\underline{\text{this}}$ state $\underline{\text{Florida}}$.

Section 11. Subsection (2) of section 377.6015, Florida Statutes, is amended to read:

377.6015 Department of Agriculture and Consumer Services; powers and duties.—

- (2) The department shall:
- (a) Administer the Florida Renewable Energy and Energy-Efficient Technologies Grants Program pursuant to s. 377.804 to assure a robust grant portfolio.
- (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.
- $\underline{\text{(b)}}$ (d) Administer the information gathering and reporting functions pursuant to ss. 377.601-377.608.
- (e) Administer the provisions of the Florida Energy and Climate Protection Act pursuant to ss. 377.801-377.804.
- (c) (f) Advocate for energy and climate change issues consistent with the goals in s. 377.601(2) and provide educational outreach and technical assistance in cooperation with the state's academic institutions.
 - (d) (g) Be a party in the proceedings to adopt goals and

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submit comments to the Public Service Commission pursuant to s. 366.82.

(e) (h) Adopt rules pursuant to chapter 120 in order to implement all powers and duties described in this section.

Section 12. Subsection (1) and paragraphs (e), (f), and (m) of subsection (2) of section 377.703, Florida Statutes, are amended to read:

- 377.703 Additional functions of the Department of Agriculture and Consumer Services.—
- (1) LEGISLATIVE INTENT.—Recognizing that energy supply 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 $\underline{s.\ 377.601}\ \underline{s.\ 377.601(2)}$, 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) DUTIES.—The department shall perform the following functions, unless as otherwise provided, consistent with the development of a state energy policy:
- (e) The 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

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is responsible 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 domestic energy resources, including renewable energy sources, are being utilized in this 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 impacts in relation to the goals in s. 377.601(2) 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 <u>impacts in relation to the goals in s. 377.601(2)</u> effects on the state's environment and social services resulting from energy resource development activities or from energy supply constraints, or both.
- (f) The department shall submit an annual report to the Governor and the Legislature reflecting its activities and making recommendations for policies for improvement of the state's response to energy supply and demand and its effect on the health, safety, and welfare of the residents of this state. The report must include a report from the Florida Public Service

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Commission on electricity and natural gas and information on energy conservation programs conducted and underway in the past year and include recommendations for energy efficiency and conservation programs for the state, including:

- 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 efficiency and conservation.
- 3. Development and conduct of educational and training programs relating to energy efficiency and conservation.
- 4. An analysis of the ways in which state agencies are seeking to implement $\underline{s. 377.601} \ \underline{s. 377.601(2)}$, the state energy policy, and recommendations for better fulfilling this policy.
- (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 severe hurricanes, and the potential for such impacts caused by other natural disasters, the Division of Emergency Management shall include in its energy emergency contingency plan and provide to the Florida Building Commission for inclusion in the Florida Energy Efficiency Code for Building Construction 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.
- Section 13. <u>Sections 377.801, 377.802, 377.803, 377.804,</u>

 <u>377.808, 377.809, and 377.816, Florida Statutes, are repealed.</u>

 Section 14. (1) For programs established pursuant to s.

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842 377.804, s. 377.808, s. 377.809, or s. 377.816, Florida 843 Statutes, there may not be:

- (a) New or additional applications, certifications, or allocations approved.
 - (b) New letters of certification issued.
 - (c) New contracts or agreements executed.
 - (d) New awards made.
- (2) All certifications or allocations issued under such programs are rescinded except for the certifications of, or allocations to, those certified applicants or projects that continue to meet the applicable criteria in effect before July 1, 2024. Any existing contract or agreement authorized under any of these programs shall continue in full force and effect in accordance with the statutory requirements in effect when the contract or agreement was executed or last modified. However, further modifications, extensions, or waivers may not be made or granted relating to such contracts or agreements, except computations by the Department of Revenue of the income generated by or arising out of the qualifying project.

Section 15. Subsection (7) of section 288.9606, Florida Statutes, is amended to read:

288.9606 Issue of revenue bonds.-

- (7) Notwithstanding any provision of this section, the corporation in its corporate capacity may, without authorization from a public agency under s. 163.01(7), issue revenue bonds or other evidence of indebtedness under this section to:
- (a) Finance the undertaking of any project within $\underline{\text{this}}$ the state that promotes renewable energy as defined in s. 366.91 $\underline{\text{or}}$ s. 377.803;

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(b) Finance the undertaking of any project within the state that is a project contemplated or allowed under s. 406 of the American Recovery and Reinvestment Act of 2009; or

- (c) If permitted by federal law, finance qualifying improvement projects within the state under s. 163.08; or-
- (d) Finance the costs of acquisition or construction of a transportation facility by a private entity or consortium of private entities under a public-private partnership agreement authorized by s. 334.30.

Section 16. Paragraph (w) of subsection (2) of section 380.0651, Florida Statutes, is amended to read:

380.0651 Statewide guidelines, standards, and exemptions.-

- (2) STATUTORY EXEMPTIONS.—The following developments are exempt from s. 380.06:
- (w) Any development in an energy economic zone designated pursuant to s. 377.809 upon approval by its local governing body.

If a use is exempt from review pursuant to paragraphs (a)-(u), but will be part of a larger project that is subject to review pursuant to s. 380.06(12), the impact of the exempt use must be included in the review of the larger project, unless such exempt use involves a development that includes a landowner, tenant, or user that has entered into a funding agreement with the state land planning agency under the Innovation Incentive Program and the agreement contemplates a state award of at least \$50 million.

Section 17. Subsection (2) of section 403.9405, Florida Statutes, is amended to read:

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403.9405 Applicability; certification; exemption; notice of intent.—

- (2) No construction of A natural gas transmission pipeline may not be constructed be undertaken after October 1, 1992, without first obtaining certification under ss. 403.9401-403.9425, but these sections do not apply to:
- (a) Natural gas transmission pipelines which are less than $\underline{100}$ $\underline{15}$ miles in length or which do not cross a county line, unless the applicant has elected to apply for certification under ss. 403.9401-403.9425.
- (b) Natural gas transmission pipelines for which a certificate of public convenience and necessity has been issued under s. 7(c) of the Natural Gas Act, 15 U.S.C. s. 717f, or a natural gas transmission pipeline certified as an associated facility to an electrical power plant pursuant to the Florida Electrical Power Plant Siting Act, ss. 403.501-403.518, unless the applicant elects to apply for certification of that pipeline under ss. 403.9401-403.9425.
- (c) Natural gas transmission pipelines that are owned or operated by a municipality or any agency thereof, by any person primarily for the local distribution of natural gas, or by a special district created by special act to distribute natural gas, unless the applicant elects to apply for certification of that pipeline under ss. 403.9401-403.9425.

Section 18. Section 409.508, Florida Statutes, is amended to read:

- 409.508 Low-income home energy assistance program.-
- (1) As used in this section, the term:
- (a) "Department" means the Department of Commerce.

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(b) "Eligible household" means a household eligible for funds from the program Low-income Home Energy Assistance Act of 1981, 42 U.S.C. ss. 8621 et seq.

- (c) (b) "Home energy" means a source of heating or cooling in residential dwellings.
- (d) "Program" means the federal low-income home energy assistance program established pursuant to 42 U.S.C. ss. 8621 et seq.
- (e) (e) "Utility" means any person, corporation, partnership, municipality, cooperative, association, or other legal entity and its lessees, trustees, or receivers now or hereafter owning, operating, managing, or controlling any plant or other facility supplying electricity or natural gas to or for the public within this state, directly or indirectly, for compensation.
- (2) The department of Economic Opportunity is designated as the state agency to administer the program Low-income Home Energy Assistance Act of 1981, 42 U.S.C. ss. 8621 et seq. The department may of Economic Opportunity is authorized to provide home energy assistance benefits to eligible households which may be in the form of cash, vouchers, certificates, or direct payments to electric or natural gas utilities or other energy suppliers and operators of low-rent, subsidized housing in behalf of eligible households. Priority must shall be given to eligible households having at least one elderly or handicapped individual and to eligible households with the lowest incomes.
- (3) (a) The department shall expand categorical eligibility for the program to include households with residents of this state who are enrolled in any of the following federal

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disability programs:

- 1. Social Security Disability Insurance program.
- 2. Social Security Insurance program.
- 3. United States Department of Veterans Affairs disability benefits.
 - 4. Supplemental Nutritional Assistance Program.
 - 5. Temporary Assistance for Needy Families.
- (b) The department shall develop a comprehensive process for automatic program payments on behalf of such individuals to be made directly to the household's home energy supplier. The process must include all of the following:
- 1. Detailed requirements for any necessary statutory or regulatory change, application process change, or other requirement necessary to allow the department to identify individuals who qualify under this subsection for automatic program payments without requiring the individual to submit additional program applications.
- 2. A data sharing process detailing the steps the department will take to identify and share a list of categorically eligible residents with home energy suppliers. A home energy supplier that agrees to receive direct program payments must apply the benefits as prescribed to the resident accounts identified by the department and document such payments in its annual program performance measures report.
- (4) Agreements may be established between electric or natural gas utility companies, other energy suppliers, the department, and the Department of Revenue to provide, and the Department of Economic Opportunity for the purpose of providing payments to energy suppliers in the form of a credit against

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sales and use taxes due or direct payments to energy suppliers for services rendered to low-income, eligible households.

- (5)(4) The department of Economic Opportunity shall adopt rules to carry out the provisions of this section act.
- Section 19. Subsection (3) of section 720.3075, Florida Statutes, is amended to read:
 - 720.3075 Prohibited clauses in association documents.-
- (3) Homeowners' association documents, including declarations of covenants, articles of incorporation, or bylaws, may not preclude:
- (a) The display of up to two portable, removable flags as described in s. 720.304(2)(a) by property owners. However, all flags must be displayed in a respectful manner consistent with the requirements for the United States flag under 36 U.S.C. chapter 10.
- (b) Types or fuel sources of energy production which may be used, delivered, converted, or supplied by the following entities to serve customers within the association that such entities are authorized to serve:
- 1. A public utility or an electric utility as defined in this chapter;
- 2. An entity formed under s. 163.01 that generates, sells, or transmits electrical energy;
 - 3. A natural gas utility as defined in s. 366.04(3)(c);
- 1011 <u>4. A natural gas transmission company as defined in s.</u>
 1012 368.103; or
- 5. A category I liquefied petroleum gas dealer, a category
 III liquefied petroleum gas dispenser, or a category III
 liquefied petroleum gas cylinder exchange operator as defined in

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1016 s. 527.01.

 (c) The use of an appliance, including a stove or grill, which uses the types or fuel sources of energy production which may be used, delivered, converted, or supplied by the entities listed in paragraph (b). As used in this paragraph, the term "appliance" means a device or apparatus manufactured and designed to use energy and for which the Florida Building Code or the Florida Fire Prevention Code provides specific requirements.

Section 20. (1) The Public Service Commission shall conduct an assessment of the security and resiliency of the state's electric grid and natural gas facilities against both physical threats and cyber threats. The commission shall consult with the Florida Digital Service in assessing cyber threats. All electric utilities, natural gas utilities, and natural gas pipelines operating in this state, regardless of ownership structure, shall cooperate with the commission to provide access to all information necessary to conduct the assessment.

(2) By January 1, 2025, the commission shall submit a report of its assessment to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must also contain any recommendations for potential legislative or administrative actions that may enhance the physical security or cyber security of the state's electric grid or natural gas facilities.

Section 21. (1) Recognizing the evolution and advances that have occurred and continue to occur in nuclear power technologies, the Public Service Commission shall study and evaluate the technical and economic feasibility of using

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advanced nuclear power technologies, including small modular reactors, to meet the electrical power needs of the state, and research means to encourage and foster the installation and use of such technologies at military installations in this state.

(2) By January 1, 2025, the commission shall prepare and submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, containing its findings and any recommendations for potential legislative or administrative actions that may enhance the use of advanced nuclear technologies in a manner consistent with the energy policy goals in s. 377.601(2), Florida Statutes.

Section 22. (1) Recognizing the continued development of technologies that support the use of hydrogen as a transportation fuel and the potential for such use to help meet the state's energy policy goals in s. 377.601(2), Florida

Statutes, the Department of Transportation, in consultation with the Office of Energy within the Department of Agriculture and Consumer Services, shall study and evaluate the potential development of hydrogen fueling infrastructure, including fueling stations, to support hydrogen-powered vehicles that use the state highway system.

(2) By January 1, 2025, the department shall prepare and submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, containing its findings and any recommendations for potential legislative or administrative actions that may accommodate the future development of hydrogen fueling infrastructure in a manner consistent with the energy policy goals in s. 377.601(2), Florida Statutes.

580-02630-24 20241624c1 1074 Section 23. Paragraph (d) of subsection (2) of section 1075 220.193, Florida Statutes, is amended to read: 1076 220.193 Florida renewable energy production credit.-1077 (2) As used in this section, the term: 1078 (d) "Florida renewable energy facility" means a facility in 1079 the state that produces electricity for sale from renewable 1080 energy, as defined in s. 377.803. 1081 Section 24. This act shall take effect July 1, 2024.