CHAMBER ACTION

The Utilities & Telecommunications Committee recommends the following:

3 4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

1

2

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to energy diversity and efficiency; providing a short title; providing purpose; providing definitions; providing requirements for the authorization, certification, and siting of nuclear power plants; providing for a Nuclear Power Plant Siting Board; enumerating the related powers and duties of the Department of Environmental Protection, including rulemaking authority; requiring certain application, certification, and licensure of nuclear power plants; specifying applicability to certain nuclear power plants; providing for distribution of certain applications and schedules; directing the Division of Administrative Hearings to appoint an administrative judge to conduct certain hearings; providing for the determination of application and amendment completeness; requiring a review of land use and zoning consistency; requiring affected agencies to submit certain reports; providing requirements

Page 1 of 50

24 and procedures with respect thereto; requiring public 25 notice of department recommendation and petition for certification hearings; providing for land use and 26 27 certification hearings; providing requirements and procedures with respect thereto; authorizing the board to 28 29 have final disposition on certification applications; providing that this act supersedes certain laws and 30 regulations; providing for effect of certification; requiring certain public notice; providing responsibility 32 for certain costs; providing for revocation or suspension 33 of certification; providing for appeal and review of 35 proceedings under the act; providing for compliance enforcement; requiring the department to make certain 36 information relating to power plant siting available to 38 the public; providing requirements and procedures for modification of certification; providing for supplemental 39 applications for sites certified for ultimate site 40 capacity; requiring certain fees; providing for deposit 42 into the Florida Permit Fee Trust Fund and subsequent distribution; requiring the Public Service Commission to 43 hold hearings on determination of need; providing 45 requirements and procedures with respect thereto; creating s. 366.93, F.S.; providing definitions; requiring the 46 Public Service Commission to implement rules related to 47 nuclear power plant cost recovery; requiring a report; 48 providing an effective date.

31

34

37

41

44

49

50

WHEREAS, the extraordinary and unprecedented global increases in the cost of fuel oil and natural gas, coupled with the state's rapidly growing population and increasing demands for electric energy, have brought into sharp focus the need to enhance fuel diversity, and

WHEREAS, the world growth in demand for fuel oil and natural gas may continue to have further impact on the cost and supply of these resources, and

WHEREAS, the impact of Hurricane Katrina on supplies of natural gas and fuel oil further substantiates the need to alter the balance of fuel diversity in connection with the generation of electricity in the state, and

WHEREAS, the federal Energy Policy Act of 2005 encourages the siting and operation of new nuclear generation by providing tax and other incentives to reduce the costs of such plants, and

WHEREAS, significant federally funded benefits and incentives available under the federal Energy Policy Act of 2005 are available to only the first 6,000 megawatts of new advanced nuclear reactor generating capacity licensed in the United States, and

WHEREAS, operation of new nuclear power generation within the state, particularly if such generation is eligible for the tax and other incentives available under the federal Energy Policy Act of 2005, will benefit the state's electric customers, and

WHEREAS, existing provisions of the Florida Electrical Power Plant Siting Act are inadequate to address the unique issues of siting nuclear power generation within the state and Page $3\ \text{of}\ 50$

securing benefits under the federal Energy Policy Act of 2005, NOW, THEREFORE,

81 82

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

83 84

85

86

87

88

89

90

91

92

93

94

95

96 97

98

99

100

101102

103

104

105106

Section 1. Short title.--This act may be cited as the "Florida Energy Diversity and Efficiency Act."

Section 2. Purpose. -- The Legislature finds that the state, its residents, and its economy benefit from diverse sources of fuel for the generation of electricity. Diversity of fuel sources contributes to lower cost electricity and improved reliability of electric supply, as the state will not be dependent upon a particular source of fuel. Nuclear power plants are important sources of electric generation that contribute to the diversity of fuel sources within the state. The state has five operating nuclear power plants that have operated reliably for the benefit of the state, and contributed a stable supply of electricity, with minimal impacts on the state's environment. The citizens of the state and electric power consumers have benefited from the operation of existing nuclear power plants within the state through low-cost and reliable energy production, electric grid reliability, and economic and environmental benefits. The Legislature further finds and declares it is in the public interest and critical to the health, prosperity, and general welfare of the state and its citizens to promote the expansion of nuclear generation by the siting of new nuclear power plants within the state so as to continue these benefits and further ensure the state's access to

Page 4 of 50

107	safe, reliable, efficient, and affordable electric service,
108	thereby enhancing the state's economic future while protecting
109	the environment. Recent events have shown the state's
110	vulnerability to disruptions and price volatility in its
111	electric supplies from the importation of natural gas and fuel
112	oil from domestic and foreign sources. The federal Energy Policy
113	Act of 2005 contains important provisions to promote the
114	construction and operation of new nuclear power plants in the
115	United States, including financial incentives for qualifying
116	advanced nuclear power plants and incentives that are limited to
117	the first 6,000 megawatts of advanced nuclear power plant
118	generating capacity licensed in the United States. The state
119	would benefit from timely siting of a qualifying advanced
120	nuclear power plant as a source of low-cost electricity. In
121	consideration of the present and predicted growth in electric
122	power needs in this state, and the potential for additional
123	reliable sources of electricity from nuclear power plants, the
124	Legislature finds that there is a need to develop a procedure
125	for the selection and utilization of sites for electrical
126	generating facilities utilizing nuclear energy and for the
127	identification of a state position with respect to each proposed
128	site and nuclear power plant. The Legislature recognizes that
129	the selection of sites for new or expanded nuclear-powered
130	electrical generating plants, including any associated linear
131	facilities, will have a significant impact upon the welfare of
132	the population, the location and growth of industry, and the use
133	of the natural resources of the state. The Legislature finds
134	that the efficiency of the permit application and review process

Page 5 of 50

135	at both the state and local level would be improved with the
136	implementation of a process in which a permit application for
137	nuclear power plants would be centrally coordinated and all
138	permit decisions could be reviewed on the basis of adopted
139	standards and recommendations of the deciding agencies. A
140	centrally coordinated permitting process would also enhance the
141	state's ability to become the location of a qualifying advanced
142	nuclear power plant. Nuclear power plants may also be the
143	location of or otherwise promote other public benefits for water
144	supply projects, industrial development, or other activities.
145	Legislation that addresses issues unique to the siting of
146	nuclear power plants is required to encourage electric utilities
147	to site and operate new nuclear power plant facilities within
148	the state and to take advantage of provisions of the federal
149	Energy Policy Act of 2005 that operate to reduce the overall
150	costs of such plants. The state shall promote and approve new
151	nuclear-powered electrical generating facilities that will
152	reasonably balance the increasing demands for reliable, cost-
153	effective electric power and decisions about electrical power
154	plant location, construction, and operation with the broad
155	interests of the public.
156	Section 3. DefinitionsAs used in this act:
157	(1) "Act" means the Florida Energy Diversity and
158	Efficiency Act.
159	(2) "Agency," as the context requires, means an official,
160	officer, commission, authority, council, committee, department,
161	division, bureau, board, section, or other unit or entity of
162	government, including a regional or local governmental entity.

Page 6 of 50

(3) "Amendment" means a change in the information provided by the applicant to the application for certification made after the initial application filing.

- (4) "Applicant" means any electric utility as defined under s. 366.8255(1)(a), Florida Statutes, city, town, county, public utility district, electric cooperative, or joint operating agency, or combination thereof, authorized under Florida law to engage in the business of generating, transmitting, or distributing electric energy to retail electric customers in the state.
- (5) "Application" means the documents required by the department to be filed to initiate a certification proceeding and shall include the documents necessary for the department to render a decision on any permit required pursuant to any federally delegated or approved permit program.
- (6) "Associated facility" means any facility that directly supports the construction and operation of the nuclear power plant, including, but not limited to, any substation, transmission line that connects the electrical power plant to an electrical transmission network, and right-of-way to which the applicant intends to connect.
- (7) "Associated transmission line" means any new or upgraded transmission line that is owned by the applicant and connects the electrical power plant to a electrical transmission network or right-of-way to which the applicant intends to connect, including, at the applicant's option, any proposed terminal or intermediate substation, substation expansion connected to the associated transmission line to be certified,

Page 7 of 50

or new transmission line, upgrade, or improvement of an existing transmission line that is owned by the applicant on any portion of the state's electrical transmission system necessary to support the generation injected into the system from the proposed nuclear power plant.

- (8) "Board" means the Governor and Cabinet sitting as the Nuclear Power Plant Siting Board.
- (9) "Certification" means the written order of the board approving an application in whole or with such changes or conditions as the board may deem appropriate.
- addressed all applicable sections of the prescribed application format and that those sections are sufficient in comprehensiveness of data or in quality of information provided to allow the department to determine whether the application provides the reviewing agencies adequate information to prepare the reports required by this act.
- (11) "Corridor" means the proposed area within which an associated linear facility right-of-way is to be located. The width of the corridor proposed for certification as an associated facility, at the option of the applicant, may be the width of the right-of-way or a wider boundary, not to exceed a width of 1 mile, within which the right-of-way will be located. The area within the corridor in which a right-of-way may be located may be further restricted by a condition of certification. After all property interests required for the right-of-way have been acquired by the applicant, the boundaries

of the area certified shall narrow to only that land within the boundaries of the right-of-way.

- (12) "Department" means the Department of Environmental Protection.
- (13) "Designated administrative law judge" means the administrative law judge assigned by the Division of Administrative Hearings pursuant to chapter 120, Florida Statutes, to conduct the hearings required by this act.
- means any environmental regulatory program approved by an agency of the Federal Government so as to authorize the department to administer and issue licenses pursuant to federal law, including, but not limited to, new source review permits, operation permits for major sources of air pollution, and prevention of significant deterioration permits under the Clean Air Act (42 U.S.C. ss. 7401 et seq.), permits under ss. 402 and 404 of the Clean Water Act (33 U.S.C. ss. 1251 et seq.), and permits under the Resource Conservation and Recovery Act (42 U.S.C. ss. 6901 et seq.).
- (15) "License" means a franchise, permit, certification, registration, charter, comprehensive plan amendment, development order, or permit as defined in chapters 163 and 380, Florida Statutes, or similar form of authorization required by law, including permits issued under federally delegated or approved permit programs, but it does not include a license required primarily for revenue purposes when issuance of the license is a ministerial act.

(16) "Local government" means a municipality or county in the jurisdiction of which the nuclear power generating facility is proposed to be located, unless the term is expressly stated to also include the local governments in the jurisdiction of which associated facilities or associated transmission lines are located.

- (17) "Modification" means any change in the certification order after issuance, including a change in the conditions of certification.
- (18) "Nonprocedural requirements of agencies" means any agency's regulatory requirements established by statute, rule, ordinance, or comprehensive plan, excluding any provisions prescribing forms, fees, procedures, or time limits for the review or processing of information submitted to demonstrate compliance with such regulatory requirements.
- (19) "Notice of intent" means that notice which is filed with the department on behalf of an applicant prior to submission of an application pursuant to this act and which notifies the department of an intent to file an application.
- (20) "Nuclear power generating facility" means the nuclear-fueled electrical generating facility within a nuclear power plant but, for purposes of this act, excludes any associated facility or associated transmission line.
- (21) "Nuclear power plant" means, for the purpose of certification, any electrical generating facility using any process involving nuclear materials, fuels, or processes and, at the applicant's election, includes associated facilities and associated transmission lines.

Page 10 of 50

(22) "Preliminary statement of issues" means a listing and explanation of those issues within the agency's jurisdiction which are of major concern to the agency in relation to the proposed nuclear power plant.

- (23) "Public Service Commission" or "commission" means the agency created pursuant to chapter 350, Florida Statutes.
- (24) "Regional planning council" means a regional planning council as defined in s. 186.503(4), Florida Statutes, in the jurisdiction of which the nuclear power generating facility is proposed to be located.
- (25) "Right-of-way" means land necessary for the construction and maintenance of an associated linear facility, such as a railroad line, pipeline, or transmission line, including associated facilities and associated transmission lines. The typical width of the right-of-way shall be identified in the application. The right-of-way shall be located within the certified corridor and shall be identified by the applicant subsequent to certification in documents filed with the department prior to construction.
- (26) "Site" means any proposed location wherein a nuclear power generating facility, or a nuclear power generating facility alteration or addition resulting in an increase in generating capacity, will be located within state jurisdiction.

 The site may include appropriate buffers and may accommodate facilities constructed by the applicant or an agency to further an objective of an adopted water management district water supply plan. For purposes of this act, the term "site" does not

include any associated facilities or associated transmission
lines.

- (27) "Site certification" means the final order issued by the board approving with any conditions or modifications a proposed nuclear power plant.
- (28) "State comprehensive plan" means that plan set forth in chapter 187, Florida Statutes.
- (29) "Water management district" means a water management district, created pursuant to chapter 373, Florida Statutes, in the jurisdiction of which the nuclear power plant is proposed to be located.
- Section 4. <u>Department of Environmental Protection; powers</u> and duties enumerated.--The department shall have the following powers and duties in relation to this act:
- (1) To adopt rules within 6 months of the effective date of this act pursuant to ss. 120.536(1) and 120.54, Florida

 Statutes, to implement the provisions of this act.
- (2) To prescribe the form and content of the public notices and the notice of intent and the form, content, and necessary supporting documentation and studies to be prepared by the applicant for nuclear power plant site certification applications. The department shall utilize any existing site certification application forms and instructions adopted pursuant to the Florida Electrical Power Plant Siting Act, ss. 403.501-403.518, Florida Statutes, until such new forms are adopted by the department.
- (3) To receive applications for nuclear power plant site certifications and to determine the completeness thereof.

Page 12 of 50

(4) To make, or contract for, studies of nuclear power plant site certification applications.

- (5) To administer the processing of applications for nuclear power plant site certifications and to ensure that the applications are processed as expeditiously as possible.
 - (6) To require such fees as allowed by this act.
 - (7) To conduct studies and prepare a written analysis.
- (8) To prescribe the means for monitoring continued compliance with terms of the certification.
- (9) To notify all affected agencies of the filing of a notice of intent within 15 days after receipt of the notice.
- (10) To issue, with the nuclear power plant certification, any license required pursuant to any federally delegated or approved permit program.
 - Section 5. Applicability and certification .--
- any nuclear power plant as defined in this act and to any expansion in steam-generating capacity of any existing nuclear power plant. No construction of any new nuclear power plant or expansion in steam-generating capacity of any existing nuclear power plant may be undertaken after the effective date of this act without first obtaining certification as provided in this act. Except as otherwise provided in this subsection, this act shall not apply to any such nuclear power plant that is presently operating or that has, upon the effective date of this act, applied for a permit or certification under requirements in force prior to the effective date of such act.

(2) Except as provided in the certification, modification of nuclear fuels, internal-related hardware, or operating conditions not in conflict with certification, which increase the electrical output of a unit to no greater capacity than the maximum operating capacity of the existing electrical generator, shall not constitute an alteration or addition to generating capacity which requires certification pursuant to this act.

- (3) The application for any related department license which is required pursuant to any federally delegated or approved permit program shall be processed within the time periods allowed by this act, in lieu of those specified in s. 120.60, Florida Statutes.
 - Section 6. Distribution of application; schedules.--
- (1) Within 7 days after the filing of an application, the department shall provide to the applicant and the Division of Administrative Hearings the names and addresses of those affected or other agencies entitled to notice and copies of the application and any amendments.
- (2) Within 7 days after the filing of an application, the department shall prepare a schedule of dates for submission of statements of issues, determination of completeness, and submittal of final reports from affected and other agencies, petition for a certification hearing, and other significant dates to be followed during the certification process, including dates for filing notices of appearance to be a party pursuant to section 12(3)(c). The schedule shall establish the date for conduct of any certification hearing as provided for in this act. This schedule shall be timely provided by the department to

Page 14 of 50

the applicant, the administrative law judge, all agencies identified pursuant to subsection (1), and all parties.

- (3) Within 7 days after the department issues the names and addresses of those affected or other agencies entitled to notice and copies of the application and any amendments, the applicant shall distribute copies of the application to all agencies identified by the department. Copies of changes and amendments to the application shall be timely distributed by the applicant to all affected agencies and parties.
- Section 7. Appointment of administrative law judge.--Within 7 days after receipt of an application, the department shall request the Division of Administrative Hearings to designate an administrative law judge to conduct the hearings required by this act. The division director shall designate an administrative law judge within 7 days after receipt of the request from the department.

Section 8. Determination of completeness.--

(1) Within 45 days after the distribution of the application or amendment to a pending application, the department shall file a statement with the Division of Administrative Hearings and with the applicant declaring its position with regard to the completeness of the application or amendment. The department's statement shall be based upon consultation with the affected agencies, which shall submit to the department recommendations on the completeness of the application within 30 days after distribution of the application.

(2) If the department declares the application or amendment incomplete, the applicant may withdraw the application or amendment. If the applicant declines to withdraw the application or amendment, the applicant may, at its option:

- (a) Within 40 days after the department filed its statement of incompleteness or such later date as authorized by department rules, file additional information necessary to make the application or amendment complete. If the applicant makes its application or amendment complete within this time period, the time schedules under this act shall not be tolled by the department's statement of incompleteness.
- (b) Advise the department and the administrative law judge that the information necessary to make the application or amendment complete cannot be supplied within the time period authorized in paragraph (a). The time schedules under this act shall be tolled from the date of the notice of incompleteness until the application or amendment is determined complete.
- (c) Contest the statement of incompleteness by filing a request for a hearing with the administrative law judge within 15 days after the filing of the statement of incompleteness. If a hearing is requested by the applicant, all time schedules under this act shall be tolled as of the department's statement of incompleteness, pending the administrative law judge's decision concerning the dispute. A hearing shall be held no later than 21 days after the filing of the statement by the department, and a final decision shall be rendered by the administrative law judge within 10 days after the hearing.

(3) (a) If the administrative law judge determines, contrary to the department, that an application or amendment is complete, all time schedules under this act shall resume as of the date of the administrative law judge's determination.

- (b) If the administrative law judge agrees that the application is incomplete, all time schedules under this act shall remain tolled until the applicant files additional information and the application or amendment is determined complete by the department or the administrative law judge.
- (4) If, within 30 days after receipt of the additional information submitted pursuant to paragraph (2)(a), paragraph (2)(b), or paragraph (3)(b), based upon the recommendations of the affected agencies, the department determines that the additional information supplied by an applicant does not render the application or amendment complete, the applicant may exercise any of the options specified in subsection (2) as often as may be necessary to resolve the dispute.

Section 9. Land use and zoning consistency .--

- (1) The applicant shall include in the application a statement on the consistency of the site or any directly associated facilities with existing land use plans and zoning ordinances which were in effect on the date the application was filed, and a full description of such consistency.
- (2) Within 80 days after the filing of the application, each local government shall file a determination with the department, applicant, administrative law judge, and all parties on the consistency of the site or any directly associated facilities with existing land use plans and zoning ordinances

Page 17 of 50

which were in effect on the date the application was filed,
based on the information provided in the application. The
applicant shall publish notice of the consistency determination
in accordance with the requirements of section 17(1)(b).

- (3) If any substantially affected person wishes to dispute the local government's determination, he or she shall file a petition with the department within 15 days after the publication of notice of the local government's determination.

 If a hearing is requested, the provisions of s. 403.508(1), Florida Statutes, shall apply.
- (4) The dates in this section may be altered upon agreement between the applicant, the local government, and the department pursuant to s. 403.5095, Florida Statutes.
- (5) If it is determined by the local government that the proposed site or directly associated facility conforms with existing land use plans and zoning ordinances in effect as of the date of the application and no petition has been filed, the responsible zoning or planning authority shall not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.

Section 10. <u>Preliminary statements of issues, reports, and</u> studies.--

(1) Each affected agency identified in paragraph (2)(a) shall submit a preliminary statement of issues to the department and the applicant no later than 45 days after the distribution of the application. The failure to raise an issue in this

Page 18 of 50

statement shall not preclude the issue from being raised in the agency's report.

- (2)(a) The following agencies shall prepare reports as provided below and shall submit them to the department and the applicant within 60 days after the application is determined complete:
- 1. The Department of Community Affairs shall prepare a report containing recommendations which address the impact upon the public of the proposed nuclear power plant, based on the degree to which the nuclear power plant is consistent with the applicable portions of the state comprehensive plan and other such matters within its jurisdiction.
- 2. The Public Service Commission shall prepare a report as to the present and future need for the electrical generating capacity to be supplied by the proposed nuclear power plant. The report shall include the commission's determination pursuant to section 25(4) and may include the commission's comments with respect to any other matters within its jurisdiction.
- 3. The water management district shall prepare a report as to matters within its regulatory jurisdiction.
- 4. Each local government in whose jurisdiction the proposed nuclear power plant, including associated facilities and associated transmission lines, is to be located shall prepare a report as to the consistency of the proposed nuclear power plant with all applicable local ordinances, regulations, standards, or criteria that apply to the proposed nuclear power plant, including adopted local comprehensive plans, land development regulations, and any applicable local environmental

Page 19 of 50

521

522523

524

525

526

527

528

529

530

531

532

533

534

535

536

537

538

539

540

541542

543

544

545

546

547

548

regulations adopted pursuant to s. 403.182, Florida Statutes, or by other means. Each local government in which the nuclear power generating facility is to be located shall also report on whether the proposed site for a nuclear power generating facility is located in a future land use category and a zoning district, as adopted by the local government and which were in effect on the date upon which the application was filed, which permits the location of a nuclear power generating facility. If the proposed site for a nuclear power generating facility is not located in a future land use category or zoning district which allows such use, then the local government shall identify the future land use category or zoning district which would be required to allow the proposed nuclear power generating facility on the proposed site. If the proposed site for a nuclear power generating facility is not located in a future land use category or zoning district which allows such use, the local government shall identify in its report any reasonable and available methods which the local government believes are necessary to make the proposed use of the site for a nuclear power generating facility consistent with the local comprehensive plan future land use category, in compliance with the local zoning code or compatible with the existing land uses surrounding the proposed nuclear power generating facility site.

- 5. The Fish and Wildlife Conservation Commission shall prepare a report as to matters within its jurisdiction.
- 6. The regional planning council shall prepare a report containing recommendations that address the impact upon the public of the proposed nuclear power plant, as identified under

Page 20 of 50

the applicable provisions of the strategic regional policy plan adopted pursuant to chapter 186, Florida Statutes.

- 7. The Department of Health shall prepare a report as to matters within its jurisdiction.
- 8. The Department of Transportation shall prepare a report as to the impact of the proposed nuclear power plant and associated linear facilities on roads, railroads, airports, aeronautics, seaports, and other matters within its jurisdiction.
- 9. Any other agency, if requested by the department and upon approval of the assigned administrative law judge, shall also perform studies or prepare reports as to matters within that agency's jurisdiction which may be directly affected by the proposed nuclear power plant.
- (b) Each report described in this subsection shall contain all information on variances, exemptions, exceptions, or other relief which may be required and any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes the proposed condition. No condition of certification may be imposed upon a nuclear power plant project that is not directly required to ensure compliance with a specific statute, rule, or ordinance of an agency or the criteria set forth in this act.
- (c) The agencies shall initiate the activities required by this section no later than 30 days after the complete application is distributed.

Page 21 of 50

(3) The department shall prepare a written analysis, which shall be filed with the designated administrative law judge and served on all parties no later than 85 days after the application is found complete, but no later than 60 days prior to the scheduled date for the certification hearing if a petition for hearing were filed, and which shall include:

- (a) A statement indicating whether the proposed nuclear power plant and proposed ultimate site capacity will be in compliance with the rules of the department and in compliance with a specific statute, rule, or ordinance of an agency identified in that agency's report.
- (b) Copies of the studies and reports required by this act.
- (c) The comments received by the department from any other agency or person.
- (d) The recommendation of the department as to the disposition of the application, variances, exemptions, exceptions, or other relief identified by any party, and of any proposed conditions of certification which the department believes should be imposed, including any conditions proposed by an agency which the department believes should be imposed in any final certification.
- (e) The recommendation of the department regarding the issuance of any license required pursuant to a federally delegated or approved permit program.
- (4) Except when good cause is shown, the failure of any agency to submit a preliminary statement of issues or a report, or to submit its preliminary statement of issues or report

Page 22 of 50

within the allowed time, shall not be grounds for the alteration of any time limitation in this act. Neither the failure to submit a preliminary statement of issues or a report nor the inadequacy of the preliminary statement of issues or report shall be grounds to deny or condition certification.

Section 11. <u>Notice of department recommendation, petition</u> for certification hearing.--

- (1) The department and the applicant shall publish a public notice as provided for in this section, announcing the issuance of the department's recommendation on the application for site certification. The notice shall be published in the newspaper or newspapers in the jurisdictions where the proposed nuclear power plant and any associated facility are proposed to be located. The notice shall inform the public of the issuance of the department's report, the conclusion reached in that report, and the locations where the department's report and the application are available for public inspection.
- (2) Within 14 days after its receipt of the department's recommendation or within 14 days after the newspaper notice of the department's recommendation, whichever occurs first, any party or any person whose substantial interests may be affected by the proposed nuclear power plant may file with the department a petition for a site certification hearing. The petition shall identify the person filing the petition, identify the substantial interests alleged to be affected, and identify with specificity those issues which the person alleges require the conduct of a certification hearing on the proposed nuclear power plant.

(3) Failure to timely file a petition for a certification hearing shall result in the department's recommendation becoming final and no longer subject to challenge or reversal in any proceeding, including proceedings before the board. Only those conditions contained in the department's recommendation may be imposed upon the proposed nuclear power plant.

Section 12 Land use and certification hearings, parties

Section 12. <u>Land use and certification hearings, parties,</u> participants.--

- (1)(a) If a petition for a hearing on land use has been filed pursuant to section 9(3), the designated administrative law judge shall conduct a land use hearing in the county of the proposed site or directly associated facility, as applicable, as expeditiously as possible, but not later than 30 days after the department's receipt of the petition. The place of such hearing shall be as close as possible to the proposed site or directly associated facility. If a petition is filed, the hearing shall be held regardless of the status of the completeness of the application. However, incompleteness of information necessary for a local government to evaluate an application may be claimed by the local government as cause for a statement of inconsistency with existing land use plans and zoning ordinances under the Florida Electrical Power Plant Siting Act.
- (b) Notice of the land use hearing shall be published in accordance with the requirements of section 17.
- (c) The sole issue for determination at the land use hearing shall be whether or not the proposed site is consistent and in compliance with existing land use plans and zoning ordinances. If the administrative law judge concludes that the

Page 24 of 50

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

- (d) The designated administrative law judge's recommended order shall be issued within 30 days after completion of the hearing and shall be reviewed by the board within 60 days after receipt of the recommended order by the board.
- (e) If it is determined by the board that the proposed site does conform with existing land use plans and zoning ordinances in effect as of the date of the application, or as otherwise provided by this act the responsible zoning or planning authority shall not thereafter change such land use plans or zoning ordinances so as to foreclose construction and operation of the proposed power plant on the proposed site or directly associated facilities unless certification is subsequently denied or withdrawn.
- (f) If it is determined by the board that the proposed site does not conform with existing land use plans and zoning ordinances, the board may, if it determines after notice and hearing and upon consideration of the recommended order on land use and zoning issues that it is in the public interest to authorize the use of the land as a site for an electrical power plant, authorize an amendment to, or a rezoning, variance, or other approval of, the adopted land use plan and zoning

Page 25 of 50

689

690

691

692

693

694

695

696

697

698

699

700

701

702

703

704

705

706

707

708

709 710

711

712

713

714

715

716

ordinances required to render the proposed site consistent with local land use plans and zoning ordinances. The board's action shall not be controlled by any other procedural requirements of law. In the event a variance or other approval is denied by the board, it shall be the responsibility of the applicant to make the necessary application to the applicable local government for any approvals determined by the board as required to make the proposed site consistent and in compliance with local land use plans and zoning ordinances. No further action may be taken on the complete application until the proposed site conforms to the adopted land use plan or zoning ordinances or the board grants relief as provided under this act.

If any party or person whose substantial interests are affected files a petition for a certification hearing within 14 days after publication of notice of the department's notice of its recommendation on the application for site certification, a certification hearing shall be held by the designated administrative law judge no later than 260 days from the date the application is filed with the department. However, an affirmative determination of need by the Public Service Commission pursuant to this act shall be a condition precedent to the conduct of the certification hearing. If a timely petition for a certification hearing is filed, the certification hearing shall be held at a location in proximity to the proposed site. The certification hearing shall also constitute the sole hearing allowed by chapter 120, Florida Statutes, to determine the substantial interest of a party regarding any required agency license or any related permit required pursuant to any

Page 26 of 50

717 federally delegated or approved permit program. At the conclusion of the certification hearing, the designated 718 administrative law judge shall, after consideration of all 719 720 evidence of record, submit to the board a recommended order no 721 later than 60 days after the date of the filing of the hearing 722 transcript. In the event the administrative law judge fails to 723 issue a recommended order within 60 days after the date of the 724 filing of the hearing transcript, the administrative law judge shall submit a report to the board with a copy to all parties 725 726 within 60 days after the date of the filing of the hearing 727 transcript to advise the board of the reason for the delay in the issuance of the recommended order and of the date by which 728 729 the recommended order will be issued.

- (3) (a) Parties to the proceeding shall include:
- 1. The applicant.

730

731

732

733

734

735

736

737

738

739

740

741

742

743

- 2. The Public Service Commission.
- 3. The Department of Community Affairs.
- 4. The Fish and Wildlife Conservation Commission.
- 5. The Department of Transportation.
- 6. The water management district.
- 7. The department.
 - 8. The regional planning council.
 - 9. The local government.
 - (b) Any party listed in paragraph (a) other than the department or the applicant may waive its right to participate in these proceedings. If such listed party fails to file a notice of its intent to be a party on or before the 90th day

Page 27 of 50

prior to the scheduled date for the certification hearing, such party shall be deemed to have waived its right to be a party.

- (c) Upon the filing of a notice of intent to be a party with the administrative law judge and no more than 21 days after the date of publication of notice of filing of the application for site certification, the following shall also be parties to the proceeding:
- 1. Any agency not listed in paragraph (a) as to matters within its jurisdiction.
- 2. Any domestic nonprofit corporation or association formed, in whole or in part, to promote conservation or natural beauty; protect the environment, personal health, or other biological values; preserve historical sites; promote consumer interests; represent labor, commercial, or industrial groups; or promote comprehensive planning or orderly development of the area in which the proposed nuclear power plant is to be located.
- (d) Notwithstanding paragraph (e), failure of an agency to file a notice of intent to be a party within the time provided in this section shall constitute a waiver of the right of the agency to participate as a party in the proceeding.
- (e) Other parties may include any person, including those persons enumerated in paragraph (c) who have failed to timely file a notice of intent to be a party, whose substantial interests are affected and being determined by the proceeding, and who timely file a motion to intervene pursuant to chapter 120, Florida Statutes, and applicable rules. Late intervention pursuant to this paragraph may be granted by the designated administrative law judge upon a showing of good cause that

Page 28 of 50

excuses such late intervention and upon such conditions as he or she may prescribe any time prior to 30 days before the commencement of the certification hearing.

- (f) Any agency, including those whose properties or works are affected, shall be made a party upon the request of the department or the applicant.
- (4) When appropriate, any person may be given an opportunity to present oral or written communications to the designated administrative law judge. If the designated administrative law judge proposes to consider such communications, then all parties shall be given an opportunity to cross-examine, challenge, or rebut such communications.
- (5) The designated administrative law judge shall have all powers and duties granted to administrative law judges by chapter 120, Florida Statutes, this act, and the rules of the department and the Administration Commission, including the authority to resolve disputes over the completeness and sufficiency of an application for certification.

Section 13. Final disposition of application .--

(1) Within 60 days after the date of the issuance of the department's recommendation if no hearing is held, or within 60 days after the date of the receipt of the designated administrative law judge's recommended order following a certification hearing, the board shall act upon the application by written order, approving certification or denying the issuance of a certificate, in accordance with the criteria set forth in this act, and stating the reasons for issuance or denial. If no hearing has been held, the board shall enter a

Page 29 of 50

final order approving the proposed nuclear power plant subject only to the conditions of certification contained in the department's recommendation.

- (2) Following the holding of a certification hearing, in determining whether an application should be approved in whole, approved with modifications or conditions, or denied, the board shall consider whether, and the extent to which, the location, construction, and operation of the proposed nuclear power plant will:
- (a) Meet the electrical energy needs of the state in an orderly and timely fashion, as determined by the Public Service Commission.
 - (b) Comply with nonprocedural requirements of agencies.
- (c) Be consistent with applicable local government comprehensive plans and in compliance with applicable zoning ordinances.
- (d) Effect a reasonable balance between the need for the nuclear power plant as a means of providing abundant low-cost electrical energy and the impact upon the public and the environment resulting from the location, construction, and operation of the proposed nuclear power plant.
- (3) Following the conduct of a certification hearing, if the certificate is denied, the board shall set forth in writing the actions the applicant would have to take to secure the board's approval of the application.
- (4) The issues that may be raised in any hearing before the board shall be limited to those matters raised in the certification hearing before the administrative law judge or

Page 30 of 50

raised in the recommended order. Only parties may appear before the board and shall be subject to the provisions of s. 120.66, Florida Statutes.

- (5) In regard to the properties and works of any agency which is a party to the certification hearing, the board shall have the authority to decide issues relating to the use, the connection thereto, or the crossing thereof, for the nuclear power plant and site and to direct any such agency to execute, within 30 days after the entry of certification, the necessary license or easement for such use, connection, or crossing, subject only to the conditions set forth in such certification.
- Section 14. Alteration of time limits.--Any time
 limitation in this act may be altered by the designated
 administrative law judge upon stipulation between the department
 and the applicant, unless objected to by any party within 5 days
 after notice or for good cause shown by any party.
- Section 15. <u>Superseded laws, regulations, and</u> <u>certification power.--</u>
- (1) If any provision of this act is in conflict with any other provision, limitation, or restriction under any law, rule, regulation, or ordinance of this state or any political subdivision, municipality, or agency, this act shall govern and control, and such law, rule, regulation, or ordinance shall be deemed superseded for the purposes of this act.
- (2) The state hereby preempts the siting, regulation, and certification of nuclear power plant sites and nuclear power plants as defined in this act.

Page 31 of 50

(3) The board may adopt reasonable procedural rules pursuant to ss. 120.536(1) and 120.54 to carry out its duties under this act and to give effect to the legislative intent that this act is to provide an efficient, simplified, centrally coordinated, one-stop licensing process.

Section 16. Effect of certification .--

- (1) Subject to the conditions set forth in the certification, any certification signed by the Governor shall constitute the sole license of the state and any agency as to the approval of the site and the construction and operation of the proposed nuclear power plant, except for the issuance of department licenses required under any federally delegated or approved permit program and except as otherwise provided in subsection (4).
- (2) (a) The certification shall authorize the applicant named in the certification to construct and operate the proposed nuclear power plant, subject only to the conditions of certification set forth in the certification, and except for the issuance of department licenses or permits required under any federally delegated or approved permit program.
- (b) Except as provided in subsection (4), the certification may include conditions that constitute variances, exemptions, or exceptions from nonprocedural requirements of the department or any agency which were expressly considered during the proceeding, including, but not limited to, any site specific criteria, standards, or limitations under local land use or zoning approvals which affect the proposed power plant or its site unless waived by the agency as provided below and which

Page 32 of 50

883

884

885

886

887

888

889

890

891

892

893

894

895

896

897

898

899

900

901

902

903

904

905

906

907

908

909

910

otherwise would be applicable to the construction and operation of the proposed nuclear power plant. No variance, exemption, exception, or other relief shall be granted from a state statute or rule for the protection of endangered or threatened species, aquatic preserves, and Outstanding National Resource Waters and Outstanding Florida Waters, or for the disposal of hazardous waste, except to the extent authorized by the applicable statute or rule, or upon a finding by the board that certifying the nuclear power plant at the site proposed by the applicant overrides the public interest protected by the statute or rule from which relief is sought. Each party shall notify the applicant and other parties no more than 60 days after the application is determined sufficient of any nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the board to certify any nuclear power plant proposed for certification. Failure of such notification by an agency shall be treated as a waiver from nonprocedural requirements of the department or any other agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program. To the extent any condition of certification imposed pursuant to this act is inconsistent with or otherwise in conflict with any requirement of federal law, regulation, or license regulating construction and operation of a nuclear power

certification shall be automatically modified to conform to such Page 33 of 50

plant certified under this act, then such condition of

federal requirement or be superseded by such federal
requirement. The state shall not enforce compliance with any
such federal requirement under this act, except to the extent
the state is authorized to enforce such condition under federal
law.

- (3) The certification and any order on land use and zoning issued under this act shall be in lieu of any license, permit, certificate, or similar document required by any agency pursuant to, but not limited to, chapter 125, chapter 161, chapter 163, chapter 166, chapter 186, chapter 253, chapter 298, chapter 370, chapter 373, chapter 376, chapter 380, chapter 381, chapter 387, chapter 403, except for permits issued pursuant to s. 403.0885, Florida Statutes, and except as provided in s. 403.509(3) and (6), Florida Statutes, chapter 404, Florida Statutes, the Florida Transportation Code, or 33 U.S.C. s. 1341.
- (4) This act shall not affect the right of any local government to charge appropriate fees or require that construction be in compliance with applicable building construction codes, provided that in the event of a conflict between requirements of local building construction codes and federal requirements, such federal requirements shall supersede local building construction codes.
- (5) (a) A nuclear power plant certified pursuant to this act shall comply with rules adopted by the department subsequent to the issuance of the certification which prescribe new or stricter criteria, to the extent that the rules are applicable to nuclear power plants. Except when express variances, exceptions, exemptions, or other relief have been granted,

Page 34 of 50

subsequently adopted rules which prescribe new or stricter
criteria shall operate as automatic modifications to
certifications. A holder of a certification issued under this
act may apply to the board for relief from such rules to the
extent relief is available to other electrical power plants in
the state. Any such relief shall be granted in the same manner
as provided for the granting of relief at the time of the
original certification, as provided for in this act.

- (b) Upon written notification to the department, any holder of a certification issued pursuant to this act may choose to operate the certified nuclear power plant in compliance with any rule subsequently adopted by the department which prescribes criteria more lenient than the criteria required by the terms and conditions in the certification which are not site-specific.
- (c) No term or condition of certification shall be interpreted to preclude the postcertification exercise by any party of whatever procedural rights it may have under chapter 120, Florida Statutes, including those related to rulemaking proceedings.

Section 17. Notice; costs of proceeding. --

- (1) The following notices are to be published by the applicant:
- (a) A notice of filing of the application, which shall be published as specified in subsection (2) within 15 days after the application has been determined complete. Such notice shall give notice of the provisions of section 16(1) and (2).
- (b) Notice of the land use determination made pursuant to section 9(1) within 15 days after the determination is filed.

Page 35 of 50

(c) Notice of the land use hearing, which shall be published as specified in subsection (2), no later than 15 days before the hearing.

- (d) Notice of issuance of the department's agency report and recommendation, which shall be published as specified in subsection (2) no later than 10 days after the report and recommendation are issued by the department.
- (e) If a certification hearing is to be conducted, then notice published as specified in subsection (2).
- (f) Notice of modification when required by the department, based on whether the requested modification of certification will significantly increase impacts to the environment or the public. Such notice shall be published as specified under subsection (2):
- 1. Within 21 days after receipt of a request for modification, except that the newspaper notice shall be of a size as directed by the department commensurate with the scope of the modification.
- 2. If a hearing is to be conducted in response to the request for modification, then notice shall be provided as specified in paragraph (e).
- (g) Notice of a supplemental application, which shall be published as follows:
- 1. Notice of receipt of the supplemental application shall be published as specified in paragraph (a).
- 2. Notice of the certification hearing shall be published as specified in paragraph (f).

Page 36 of 50

Notices provided by the applicant shall be published in newspapers of general circulation within the county or counties in which the proposed nuclear power plant will be located. The newspaper notices shall be at least one-half page in size in a standard size newspaper or a full page in a tabloid size newspaper and published in a section of the newspaper other than the legal notices section. These notices shall include a map generally depicting the project and all associated facilities corridors, including associated transmission lines, if any. A newspaper of general circulation shall be the newspaper which has the largest daily circulation in that county and has its principal office in that county. If the newspaper with the largest daily circulation has its principal office outside the county, the notices shall appear in both the newspaper having the largest circulation in that county and in a newspaper authorized to publish legal notices in that county.

- (3) All notices published by the applicant shall be paid for by the applicant and shall be in addition to the application fee.
 - (4) The department shall:

994

995

996997

998

999

1000

1001

1002

1003

1004

1005

1006

1007

1008

1009

1010

1011

1012

1013

1014

1015

10161017

1018

1019

1020

(a) Publish in the manner specified in chapter 120, Florida Statutes, notices of the filing of the application or supplemental application; the land use determination and land use hearing, if one is to be held; the department's report and recommendation; the certification hearing, if one is to be held; the hearing before the board; and stipulations, proposed agency action, or petitions for modification.

Page 37 of 50

(b) Provide copies of those notices to any persons who have requested to be placed on the departmental mailing list for the purposes provided in paragraph (a).

- (5) The applicant shall pay those expenses and costs associated with the conduct of the hearings and the recording and transcription of the proceedings.
- Section 18. <u>Revocation or suspension of</u> certification.--Any certification may be revoked or suspended:
- (1) For any material false statement in the application or in the supplemental or additional statements of fact or studies required of the applicant when a true answer would have warranted the board's refusal to recommend a certification in the first instance.
- (2) For failure to comply with the terms or conditions of the certification.
- (3) For violation of the provisions of this act or rules or orders issued under this act.

Section 19. Review.--Proceedings under this act shall be subject to judicial review in the Florida Supreme Court.

Separate appeals of the certification order issued by the board and of any department permit issued pursuant to a federally delegated or approved permit program shall be consolidated for purposes of judicial review. Review on appeal shall be based solely on the record before the board and briefs to the court and shall be limited to determining whether the certification order conforms to the constitution and laws of this state and the United States and is within the authority of the board under this act. The Supreme Court shall proceed to hear and determine

Page 38 of 50

the action as expeditiously as practicable and give the action
precedence over other matters not accorded similar precedence by
law.

- Section 20. Enforcement of compliance.--Failure to obtain a certification or to comply with the conditions of certification or this act shall constitute a violation of chapter 403, Florida Statutes.
- Section 21. Availability of information.--The department shall make available for public inspection and copying during regular office hours, at the expense of any person requesting copies, any information filed or submitted to the department pursuant to this act.
 - Section 22. Modification of certification .--
- (1) A certification may be modified after issuance in any one of the following ways:
- (a) The board may delegate to the department the authority to modify specific conditions in the certification.
- (b) The department may modify the terms and conditions of the certification if no party to the certification hearing objects in writing to such modification within 45 days after notice by mail to such party's last address of record and if no other person whose substantial interests will be affected by the modification objects in writing within 30 days after issuance of public notice. If objections are raised, the applicant may file a petition for modification pursuant to paragraph (c).
- (c) Any petition for modification shall be filed with the department and the Division of Administrative Hearings. A

Page 39 of 50

1076 petition for modification may be filed by the applicant or the
1077 department setting forth:

1. The proposed modification.

- 2. The factual reasons asserted for the modification.
- 3. The anticipated effects of the proposed modification on the applicant, the public, and the environment.
- (2) Petitions filed pursuant to this section shall be disposed of in the same manner as an application, but with time periods established by the administrative law judge commensurate with the significance of the modification requested.
- (3) Any agreement or modification under this section must be in accordance with the terms of this act. No modification to a certification shall be granted that constitutes a variance from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.
- Section 23. <u>Supplemental applications for sites certified</u> for ultimate site capacity.--
- (1) (a) The department shall adopt rules governing the processing of supplemental applications for certification of the construction and operation of nuclear power plants to be located at sites which have been previously certified for an ultimate site capacity pursuant to this act. Supplemental applications shall be limited to nuclear power plants using the fuel type previously certified for that site. The rules adopted pursuant to this section shall include provisions for:
- 1102 <u>1. Prompt appointment of a designated administrative law</u>
 1103 judge.

Page 40 of 50

1104 2. The contents of the supplemental application.

- 3. Resolution of disputes as to the completeness and sufficiency of supplemental applications by the designated administrative law judge.
- 4. Public notice of the filing of the supplemental applications.
- 5. Time limits for prompt processing of supplemental applications.
- 6. Final disposition by the board within 215 days after the filing of a complete supplemental application.
- (b) The time limits shall not exceed any time limitation governing the review of initial applications for site certification pursuant to this act, it being the legislative intent to provide shorter time limitations for the processing of supplemental applications for nuclear power plants to be constructed and operated at sites which have been previously certified for an ultimate site capacity.
- (c) Any time limitation in this section or in rules adopted pursuant to this section may be altered by the designated administrative law judge upon stipulation between the department and the applicant, unless objected to by any party within 5 days after notice or for good cause shown by any party. The parties to the proceeding shall adhere to the provisions of chapter 120, Florida Statutes, and this act in considering and processing such supplemental applications.
- (2) Supplemental applications shall be reviewed as provided in this act, except that the time limits provided in this section shall apply to such supplemental applications.

Page 41 of 50

(3) The land use and zoning consistency determination provisions of the Florida Electrical Power Plant Siting Act shall not be applicable to the processing of supplemental applications pursuant to this section so long as:

- (a) The previously certified ultimate site capacity is not exceeded.
- (b) The lands required for the construction or operation of the electrical power plant which is the subject of the supplemental application are within the boundaries of the previously certified site.
- (4) For the purposes of this act, the term "ultimate site capacity" means the maximum generating capacity for a site as certified by the board.
- Section 24. Fees; disposition.--The department shall charge the applicant the following fees, as appropriate, which shall be paid into the Florida Permit Fee Trust Fund:
- (1) An application fee, which shall not exceed \$200,000. The fee shall be fixed by rule on a sliding scale related to the size, type, ultimate site capacity, increase in generating capacity proposed by the application, or the number and size of local governments in whose jurisdiction the nuclear power plant is located.
- (a) Sixty percent of the fee shall go to the department to cover any costs associated with reviewing and acting upon the application, to cover any field services associated with monitoring construction and operation of the facility, and to cover the costs of the public notices published by the department.

Page 42 of 50

(b) Twenty percent of the fee or \$25,000, whichever is greater, shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services.

1160

1161

1162

1163

1164

1165

1166

1167

1168

1169

1170

1171

1172

1173

1174

11751176

1177

1178

1179

1180

1181

1182

1183

1184

1185

1186

1187

- Upon written request with proper itemized accounting within 90 days after final agency action by the board or withdrawal of the application, the department shall reimburse the Department of Community Affairs, the Fish and Wildlife Conservation Commission, any water management district created pursuant to chapter 373, Florida Statutes, the regional planning council, and the local government in the jurisdiction of which the proposed nuclear power plant is to be located, and any other agency from which the department requests special studies pursuant to this act. Such reimbursement shall be authorized for the preparation of any studies required of the agencies by this act, for agency travel and per diem to attend any hearing held pursuant to this act, and for local governments to participate in the proceedings. In the event the amount available for allocation is insufficient to provide for complete reimbursement to the agencies, reimbursement shall be on a prorated basis.
- (d) If any sums are remaining, the department shall retain them for its use in the same manner as is otherwise authorized by this act; provided, however, that if the certification application is withdrawn, the remaining sums shall be refunded to the applicant within 90 days after withdrawal.
- (2) A certification modification fee, which shall not exceed \$30,000. The fee shall be submitted to the department with a formal petition for modification to the department. This

Page 43 of 50

manner as the application fee in subsection (1), except that the Division of Administrative Hearings shall not receive a portion of the fee unless the petition for certification modification is referred to the Division of Administrative Hearings for hearing. If the petition is so referred, only \$10,000 of the fee shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services. The fee for a modification by agreement shall be \$10,000, to be paid upon the filing of the request for modification. Any sums remaining after payment of authorized costs shall be refunded to the applicant within 90 days after issuance or denial of the modification or withdrawal of the request for modification.

(3) A supplemental application fee, not to exceed \$75,000, to cover all reasonable expenses and costs of the review, processing, and proceedings of a supplemental application. This fee shall be established, disbursed, and processed in the same manner as the certification application fee in subsection (1) except that only \$20,000 of the fee shall be transferred to the Administrative Trust Fund of the Division of Administrative Hearings of the Department of Management Services.

Section 25. Exclusive forum for determination of need.--

(1) On request by an applicant, the Public Service

Commission shall begin a proceeding to determine the need for a nuclear power plant subject to this act. The applicant shall publish a notice of the proceeding in a newspaper of general circulation in each county in which the proposed nuclear power

Page 44 of 50

plant will be located. The notice shall be at least one-quarter

of a page and published at least 21 days prior to the scheduled

date for the proceeding.

- (2) (a) The commission shall hold a hearing within 90 days after the filing of the petition and shall issue an order granting or denying the petition to determine need within 135 days after the date of the filing of the petition. The commission shall be the sole forum for the determination of this matter and the issues addressed in the petition, which accordingly shall not be reviewed in any other forum. In making its determination to either grant or deny a petition for determination of need, the commission shall consider the need for electric system reliability and integrity, including fuel diversity, the need for base-load generating capacity, and the need for adequate electricity at a reasonable cost.
 - (b) The applicant's petition shall include:
 - 1. A description of the need for the generation capacity.
- 2. A description of how the proposed nuclear power plant will enhance the reliability of electric power production within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.
- 3. A description of and a nonbinding estimate for the cost of the nuclear power plant.
- 4. The annualized base revenue requirement for the first 12 months of operation of the nuclear power plant.
- 1241 <u>(c) In making its determination, the commission shall take</u>
 1242 <u>into account matters within its jurisdiction, which it deems</u>
 1243 <u>relevant, including whether the nuclear power plant will:</u>

Page 45 of 50

1244 1. Provide needed base-load capacity.

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

Page 46 of 50

2006 HB 1471 CS

federal Energy Policy Act of 2005, the Supreme Court shall proceed to hear and determine the action as expeditiously as practicable and give the action precedence over matters not accorded similar precedence by law.

1272

1273

1274

1275

1276

1277

1278

1279

1280

1281

1282

1283

1284

1285

1286

1287 1288

1289

1290

1291

1292

1293

1294

1295

1296

1297

1298

- (5) After a petition for determination of need has been granted, the right of a utility to recover any costs incurred prior to commercial operation, including, but not limited to, costs associated with the siting, design, licensing, or construction of the plant, shall not be subject to challenge unless and only to the extent the commission finds, based on a preponderance of the evidence adduced at a hearing before the commission under s. 120.57, Florida Statutes, that certain costs were imprudently incurred. Proceeding with the construction of the nuclear power plant following an order by the commission approving the need for the nuclear power plant under this act shall not constitute or be evidence of imprudence. Evidence of imprudence shall not include any cost increases due to events beyond the utility's control. Further, a utility's right to recover costs associated with a nuclear power plant may not be raised in any other forum or in the review of proceedings in such other forum. Costs incurred prior to commercial operation shall be recovered pursuant to chapter 366, Florida Statutes. Section 26. Section 366.93, Florida Statutes, is created
- to read:
- 366.93 Cost recovery for the siting, design, licensing, and construction of nuclear power plants. --
 - (1) As used in this section, the term:

Page 47 of 50

(a) "Cost" includes, but is not limited to, all capital investments, including rate of return, any applicable taxes, and all expenses, including operation and maintenance expenses, related to or resulting from the siting, licensing, design, construction, or operation of the nuclear power plant.

- (b) "Electric utility" or "utility" has the same meaning as that provided in s. 366.8255(1)(a).
- (c) "Nuclear power plant" or "plant" has the same meaning as that provided in the Florida Energy Diversity and Efficiency Act.
- (d) "Preconstruction" is that period of time after a site has been selected, including the date the utility begins site clearing work. Preconstruction costs shall be afforded deferred accounting treatment and shall accrue a carrying charge equal to the utility's allowance for funds used during construction (AFUDC) rate until recovered in rates.
- (2) Within 6 months after the effective date of this act, the commission shall establish, by rule, alternative cost recovery mechanisms for the recovery of costs incurred in the siting, design, licensing, and construction of nuclear power plants. Such mechanisms shall be designed to promote utility investment in nuclear plants and allow for the recovery in rates all prudently incurred costs, and shall include, but are not limited to:
- (a) Recovery through the capacity cost recovery clause of any preconstruction costs.
- 1325 (b) Recovery through an incremental increase in the

 1326 utility's capacity cost recovery clause rates of the carrying

Page 48 of 50

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

- (3) After a petition for determination of need is granted, a utility may petition the commission for cost recovery as permitted by this section and commission rules.
- (4) When the nuclear power plant is placed in commercial service, the utility shall be allowed to increase its base rate charges by the projected annual revenue requirements of the nuclear power plant based on the jurisdictional annual revenue requirements of the plant for the first 12 months of operation. The rate of return on capital investments shall be calculated using the utility's rate of return last approved by the commission prior to the commercial inservice date of the nuclear power plant. If any existing generating plant is retired as a result of operation of the nuclear power plant, the commission shall allow for the recovery, through an increase in base rate charges, of the net book value of the retired plant over a period not to exceed 5 years.
- (5) The utility shall report to the commission annually the budgeted and actual costs as compared to the estimated

Page 49 of 50

inservice cost of the nuclear power plant provided by the utility pursuant to section 25(2)(b) until the commercial operation of the nuclear power plant. The utility shall provide such information on an annual basis following the final order by the commission approving the determination of need for the nuclear power plant, with the understanding that some costs may be higher than estimated and other costs may be lower.

(6) In the event the utility elects not to complete or is precluded from completing construction of the nuclear power plant, the utility shall be allowed to recover all prudent preconstruction and construction costs incurred following the commission's issuance of a final order granting a determination of need for the nuclear power plant. The utility shall recover such costs through the capacity cost recovery clause over a period equal to the period during which the costs were incurred or 5 years, whichever is greater. The unrecovered balance during the recovery period will accrue interest at the utility's weighted average cost of capital as reported in the commission's earnings surveillance reporting requirement for the prior year.

Section 27. This act shall take effect upon becoming law.