HOUSE AMENDMENT

Bill No. HB 549

Amendment No.

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CHAMBER	ACTION

Senate

House

Representative Traviesa offered the following:

Substitute Amendment for Amendment (670507) (with title amendment)

Remove lines 115-208 and insert:

6 Section 2. Subsection (4) is added to section 403.502,
7 Florida Statutes, to read:

403.502 Legislative intent.--The Legislature finds that 8 the present and predicted growth in electric power demands in 9 10 this state requires the development of a procedure for the selection and utilization of sites for electrical generating 11 facilities and the identification of a state position with 12 respect to each proposed site. The Legislature recognizes that 13 the selection of sites and the routing of associated 14 15 transmission lines will have a significant impact upon the welfare of the population, the location and growth of industry, 16 and the use of the natural resources of the state. The 17 752877 4/16/2007 1:36:47 PM

Page 1 of 7

Amendment No.

Legislature finds that the efficiency of the permit application 18 and review process at both the state and local level would be 19 improved with the implementation of a process whereby a permit 20 application would be centrally coordinated and all permit 21 22 decisions could be reviewed on the basis of standards and recommendations of the deciding agencies. It is the policy of 23 this state that, while recognizing the pressing need for 24 25 increased power generation facilities, the state shall ensure through available and reasonable methods that the location and 26 27 operation of electrical power plants will produce minimal 28 adverse effects on human health, the environment, the ecology of 29 the land and its wildlife, and the ecology of state waters and their aquatic life and will not unduly conflict with the goals 30 31 established by the applicable local comprehensive plans. It is the intent to seek courses of action that will fully balance the 32 increasing demands for electrical power plant location and 33 operation with the broad interests of the public. Such action 34 will be based on these premises: 35

36 (4) To assure the citizens of Florida that renewable 37 energy sources and technologies, as well as conservation 38 measures, are utilized to the extent practicable.

39 Section 3. Subsections (3) and (4) of section 403.519,
40 Florida Statutes, are amended to read:

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403.519 Exclusive forum for determination of need.--

42 (3) The commission shall be the sole forum for the
43 determination of this matter, which accordingly shall not be
44 raised in any other forum or in the review of proceedings in
45 such other forum. In making its determination, the commission
752877 4/16/2007 1:36:47 PM

Amendment No.

46 shall take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable 47 cost, the need for fuel diversity and supply reliability, and 48 whether the proposed plant is the most cost-effective 49 alternative available, and whether renewable energy sources and 50 technologies, as well as conservation measures, are utilized to 51 52 the extent practicable. The commission shall also expressly 53 consider the conservation measures taken by or reasonably available to the applicant or its members which might mitigate 54 55 the need for the proposed plant and other matters within its jurisdiction which it deems relevant. The commission's 56 57 determination of need for an electrical power plant shall create a presumption of public need and necessity and shall serve as 58 59 the commission's report required by s. 403.507(4). An order entered pursuant to this section constitutes final agency 60 action. 61

(4) In making its determination on a proposed electrical 62 power plant using nuclear materials or synthesis gas produced by 63 integrated gasification combined cycle power plant as fuel, the 64 commission shall hold a hearing within 90 days after the filing 65 66 of the petition to determine need and shall issue an order granting or denying the petition within 135 days after the date 67 of the filing of the petition. The commission shall be the sole 68 forum for the determination of this matter and the issues 69 addressed in the petition, which accordingly shall not be 70 reviewed in any other forum, or in the review of proceedings in 71 such other forum. In making its determination to either grant or 72 73 deny the petition, the commission shall consider the need for 752877 4/16/2007 1:36:47 PM

Page 3 of 7

HOUSE AMENDMENT

Bill No. HB 549

Amendment No.

	Amendment No.
74	electric system reliability and integrity, including fuel
75	diversity, the need for base-load generating capacity, and the
76	need for adequate electricity at a reasonable cost, and whether
77	renewable energy sources and technologies, as well as
78	conservation measures, are utilized to the extent practicable.
79	(a) The applicant's petition shall include:
80	1. A description of the need for the generation capacity.
81	2. A description of how the proposed nuclear or integrated
82	gasification combined cycle power plant will enhance the
83	reliability of electric power production within the state by
84	improving the balance of power plant fuel diversity and reducing
85	Florida's dependence on fuel oil and natural gas.
86	3. A description of and a nonbinding estimate of the cost
87	of the nuclear or integrated gasification combined cycle power
88	plant.
89	4. The annualized base revenue requirement for the first
90	12 months of operation of the nuclear or integrated gasification
91	combined cycle power plant.
92	5. Information on whether there were any discussions with
93	any electric utilities regarding ownership of a portion of the
94	nuclear or integrated gasification combined cycle power plant by
95	such electric utilities.
96	(b) In making its determination, the commission shall take
97	into account matters within its jurisdiction, which it deems
98	relevant, including whether the nuclear or integrated
99	gasification combined cycle power plant will:
100	1. Provide needed base-load capacity.
Į	752877

Amendment No.

101 2. Enhance the reliability of electric power production 102 within the state by improving the balance of power plant fuel 103 diversity and reducing Florida's dependence on fuel oil and 104 natural gas.

3. Provide the most cost-effective source of power, taking into account the need to improve the balance of fuel diversity, reduce Florida's dependence on fuel oil and natural gas, reduce air emission compliance costs, and contribute to the long-term stability and reliability of the electric grid.

(c) No provision of rule 25-22.082, Florida Administrative Code, shall be applicable to a nuclear <u>or integrated</u> <u>gasification combined cycle</u> power plant sited under this act, including provisions for cost recovery, and an applicant shall not otherwise be required to secure competitive proposals for power supply prior to making application under this act or receiving a determination of need from the commission.

(d) The commission's determination of need for a nuclear 117 or integrated gasification combined cycle power plant shall 118 create a presumption of public need and necessity and shall 119 serve as the commission's report required by s. 403.507(4)(a). 120 121 An order entered pursuant to this section constitutes final agency action. Any petition for reconsideration of a final order 122 on a petition for need determination shall be filed within 5 123 days after the date of such order. The commission's final order, 124 125 including any order on reconsideration, shall be reviewable on 126 appeal in the Florida Supreme Court. Inasmuch as delay in the 127 determination of need will delay siting of a nuclear or 128 integrated gasification combined cycle power plant or diminish 752877

Amendment No.

129 the opportunity for savings to customers under the federal 130 Energy Policy Act of 2005, the Supreme Court shall proceed to 131 hear and determine the action as expeditiously as practicable 132 and give the action precedence over matters not accorded similar 133 precedence by law.

(e) After a petition for determination of need for a 134 135 nuclear or integrated gasification combined cycle power plant has been granted, the right of a utility to recover any costs 136 incurred prior to commercial operation, including, but not 137 138 limited to, costs associated with the siting, design, licensing, or construction of the plant, shall not be subject to challenge 139 140 unless and only to the extent the commission finds, based on a preponderance of the evidence adduced at a hearing before the 141 commission under s. 120.57, that certain costs were imprudently 142 incurred. Proceeding with the construction of the nuclear or 143 integrated gasification combined cycle power plant following an 144 145 order by the commission approving the need for the nuclear or integrated gasification combined cycle power plant under this 146 act shall not constitute or be evidence of imprudence. 147 Imprudence shall not include any cost increases due to events 148 149 beyond the utility's control. Further, a utility's right to recover costs associated with a nuclear or integrated 150 gasification combined cycle power plant may not be raised in any 151 other forum or in the review of proceedings in such other forum. 152 Costs incurred prior to commercial operation shall be recovered 153 154 pursuant to chapter 366.

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Amendment No.

157	======== T I T L E A M E N D M E N T =======
158	Remove lines 8-12 and insert:
159	report; amending s. 403.502, F.S.; providing legislative
160	intent for the consideration of renewable energy sources
161	and technologies and conservation measures in actions
162	related to electrical power plant and transmission line
163	siting; amending s. 403.519, F.S.; providing requirements
164	and procedures for determination of need for integrated
165	gasification combined cycle power plants; requiring
166	consideration of renewable energy sources and technologies
167	and conservation measures in power plant siting
168	determinations; providing an exemption from purchased
169	power supply bid rules under certain circumstances;
170	providing an effective date.