By the Committees on Communications and Public Utilities; Environmental Preservation and Conservation; and Senator Saunders

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A bill to be entitled 1 2 An act relating to energy conservation; amending s. 3 74.051, F.S.; requiring a court to conduct a hearing and 4 issue a final judgment on a petition for a taking within 5 specified times after a utility's request for such 6 hearing; creating s. 112.219, F.S.; defining terms for 7 purposes of the state employee telecommuting program; 8 requiring each state employing entity to complete a 9 telecommuting plan by a specified date which includes a 10 listing of the job classifications and positions that the 11 state entity considers appropriate for telecommuting; 12 providing requirements for the telecommuting plan; requiring each state employing entity to post the 13 14 telecommuting plan on its website; amending s. 163.04, 15 F.S.; revising provisions prohibiting restrictions on the use of energy devices based on renewable resources; 16 17 amending s. 163.3177, F.S.; revising requirements for the future land use element of a local comprehensive plan to 18 19 include energy-efficient land use patterns; requiring that the traffic-circulation element of incorporate 20 2.1 transportation strategies to reduce greenhouse gas 22 emissions; requiring each unit of local government within 23 an urbanized area to amend the transportation element to 24 incorporate transportation strategies addressing reduction 2.5 in greenhouse gas emissions; amending s. 186.007, F.S.; 26 authorizing the Executive Office of the Governor to 27 include in the state comprehensive plan goals, objectives, 28 and policies related energy and global climate change; 29 amending s. 187.201, F.S.; adopting provisions of the

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State Comprehensive Plan concerning the development, siting, and use of low-carbon-emitting electric power plants; creating s. 193.804, F.S.; prohibiting the property appraiser from increasing the taxable value of homestead property when the taxpayer adds any solar energy device to the property; authorizing the property appraiser to refer the matter to the Department of Environmental Protection if the property appraiser questions whether a taxpayer is entitled, in whole or in part, to a solar energy device exemption; requiring the Department of Environmental Protection to adopt rules; amending s. 196.012, F.S.; deleting the definition of the term "renewable energy source device" or "device"; amending s. 206.43, F.S.; requiring each terminal supplier, importer, exporter, blender, and wholesaler to include the number of gallons of gasoline fuel which meet and fail to meet certain requirements in their monthly reports to the Department of Revenue; amending s. 212.08, F.S.; providing that the sale or use of wind energy or wind turbines is exempt from sales or use taxes as equipment, machinery, and other materials used for renewable energy technologies; requiring that the Florida Energy and Climate Commission rather than the Department of Environmental Protection implement certain responsibilities concerning eligibility and application for the tax exemption; requiring the commission to adopt, by rule, an application form, including the required content and documentation to support the application, for the taxpayer to use in claiming the tax exemption;

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amending s. 220.192, F.S.; defining terms relating to a tax credit; providing that 75 percent of all capital, operation, and maintenance costs, and research and development costs incurred between specified dates, up to a specified limit, may be credited against taxes owed in connection with an investment in the production of wind energy; allowing the tax credit to be transferred for a specified period; providing procedures and requirements; authorizing the Department of Revenue to adopt rules; amending s. 220.193, F.S.; defining the terms "sale" or "sold" and "taxpayer"; providing legislative intent concerning retroactive application of certain renewable energy production tax credits; providing for the pass through of a renewable energy production tax credit under certain conditions; providing for retroactive application; amending s. 253.02, F.S.; authorizing the Secretary of Environmental Protection to grant easements across lands owned by the Board of Trustees of the Internal Improvement Trust Fund under certain conditions; amending s. 253.034, F.S.; granting a utility the use of nonsovereignty stateowned lands upon a showing of competent substantial evidence that the use is reasonable; establishing criteria relating to the title, distribution, and cost of such lands; amending s. 255.249, F.S.; requiring state agencies to annually provide telecommuting plans to the Department of Management Services; amending s. 255.251, F.S.; creating the "Florida Energy Conservation and Sustainable Buildings Act"; amending s. 255.252, F.S.; providing findings and legislative intent; providing that it is the

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policy of the state that buildings constructed and financed by the state, or existing buildings renovated by the state, be designed and constructed with a goal of meeting or exceeding the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, or the Florida Green Building Coalition standards; requiring each state agency to identify and compile a list of energyconservation projects that it determines are suitable for a quaranteed energy performance savings contract; amending s. 255.253, F.S.; defining terms relating to energy conservation for buildings; amending s. 255.254, F.S.; prohibiting a state agency from leasing or constructing a facility without having secured from the Department of Management Services an evaluation of life-cycle costs for the building; requiring certain leased buildings to have an energy performance analysis conducted; requiring the owner of any building leased by the state from the private sector to submit provisions for monthly energy use data to the department; amending s. 255.255, F.S.; requiring the department to use sustainable building ratings for conducting a life-cycle cost analysis; amending s. 255.257, F.S.; requiring that energy consumption and cost be reported to the department annually in a format prescribed by the department; providing duties of energymanagement coordinators; requiring that the department of Management Services develop a state energy-management plan; requiring that state agencies adopt certain rating

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systems; prohibiting state agencies from entering into leasing agreements for office space not meeting certain building standards; providing an exception; requiring that state agencies develop energy-conservation measures and quidelines for new and existing office space in which state agencies occupy greater than a specified amount of square footage; providing requirements for such measures; creating s. 286.275, F.S.; requiring the Department of Management Services to develop the Florida Climate Friendly Preferred Products List; requiring state agencies to consult the list and purchase products from the list under certain circumstances; requiring state agencies to contract for meeting and conference space with facilities having the "Green Lodging" designation; authorizing the Department of Environmental Protection to adopt rules; requiring the department to establish voluntary technical assistance programs for various businesses; requiring state agencies to maintain vehicles according to minimum standards and follow certain procedures when procuring new vehicles; requiring state agencies to use ethanol and biodiesel-blended fuels when available; amending s. 287.063, F.S.; prohibiting the payment term for equipment from exceeding the useful life of the equipment unless the contract provides for the replacement or the extension of the useful life of the equipment during the term of the deferred payment contract; amending s. 287.064, F.S.; authorizing an extension of the master equipment financing agreement for energy conservation equipment; requiring the guaranteed energy, water, and wastewater performance

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savings contractor to provide for the replacement or the extension of the useful life of the equipment during the term of the contract; amending s. 287.16, F.S.; requiring the Department of Management Services to conduct an analysis of the Department of Transportation's ethanol and biodiesel use and encourage other state agencies to analyze transportation fuel usage and report such information to the Department of Management Services; amending s. 288.1089, F.S.; defining the term "alternative and renewable energy"; detailing the conditions for an alternative and renewable energy project to be eligible for an innovation incentive award; amending s. 337.401, F.S.; requiring the Department of Environmental Protection to adopt rules relating to the placement of and access to aerial and underground electric transmission lines having certain specifications; defining the term "base-load generating facilities"; amending s. 339.175, F.S.; requiring each metropolitan planning organization to develop a long-range transportation plan that, among other considerations, provides for sustainable growth and reduces greenhouse gas emissions; amending s. 366.82, F.S.; requiring the Public Service Commission to adopt rules requiring utilities to offset 20 percent of their annual load-growth through energy efficiency and conservation measures; requiring the commission to create an in-state market for tradable credits enabling those utilities that exceed the conservation standard to sell credits to those that cannot meet the standard for a given year; requiring that the commission conduct a periodic

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review; requiring the commission to require municipal and cooperative utilities that are exempt from the Energy Efficiency and Conservation Act to submit an annual report identifying energy efficiency and conservation goals and the actions taken to meet those goals; requiring that the Florida Energy and Climate Commission be a party in the proceedings to adopt goals and file with the Public Service Commission comments on the proposed goals; requiring the Public Service Commission to use certain methodologies in the evaluation of demand-side management programs; requiring the commission to establish a renewable energy portfolio standard for utilities; requiring certain utilities to submit an annual report identifying the percentage of their electrical power generated or purchased from renewable resources; authorizing the commission to adopt rules; amending s. 366.8255, F.S.; redefining the term "environmental compliance costs" to include costs or expenses prudently incurred for scientific research and geological assessments of carbon capture and storage for the purpose of reducing an electric utility's greenhouse gas emissions; amending s. 366.93, F.S.; revising the definitions of "cost" and "preconstruction"; requiring the Public Service Commission to establish rules relating to cost recovery for the construction of new, expanded, or relocated electrical transmission lines and facilities for a nuclear power plant; amending s. 377.601, F.S.; revising legislative intent with respect to the need to implement alternative energy technologies; creating s. 377.6015,

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204 F.S.; creating the Florida Energy and Climate Commission; 205 providing for appointment and qualifications of members; 206 providing for meetings, duties, and authority of the 207 commission; amending s. 377.602, F.S.; providing a definition; amending s. 377.605, F.S.; transferring duties 208 209 on energy data collection from the Department of 210 Environmental Protection to the Florida Energy and Climate 211 Commission; amending ss. 377.604, 377.605, and 377.606, 212 F.S.; making conforming changes; amending s. 377.703, 213 F.S.; providing for additional duties of the Florida 214 Energy and Climate Commission; conforming cross-215 references; amending s. 377.803, F.S.; providing 216 definitions; providing the statutory reference to the 217 definition of the term "biomass"; amending s. 377.804, 218 F.S.; providing for administration of the Renewable Energy 219 and Energy-Efficient Technologies Grant Program by the 220 Florida Energy and Climate Commission rather than the 221 Department of Environmental Protection; providing for the 222 program to include matching grants for technologies that 223 increase the energy efficiency of vehicles and commercial 224 buildings; providing application requirements; repealing 225 s. 377.804(6), F.S., relating to bioenergy projects; 226 amending s. 377.806, F.S.; providing for administration of 227 the Solar Energy System Incentives Program by the Florida 228 Energy and Climate Commission rather than the Department 229 of Environmental Protection; requiring compliance with the 230 Florida Building Code rather than local codes in order to 231 be eligible for a rebate under the program; creating s. 232 377.808, F.S.; creating the Florida Green Government

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Grants Act; providing a short title; requiring the Florida Energy and Climate Commission within the Executive Office of the Governor to award grants to assist local governments in the development of programs that achieve green standards; requiring the commission to adopt rules; providing requirements for the rules; limiting a certain number of grant applications made by a local government; limiting the number of active projects that may be conducted by a local government; requiring the commission to perform an overview of each grant; repealing s. 377.901, F.S., relating to the Florida Energy Commission; transferring the State Energy Program from the Department of Environmental Protection to the Florida Energy and Climate Commission; creating s. 377.921, F.S., relating to qualified solar energy systems; providing definitions; allowing a public utility to recover certain costs; amending ss. 380.23 and 403.031, F.S.; conforming crossreferences; creating s. 403.44, F.S.; creating the Florida Climate Protection Act; defining terms; requiring the Department of Environmental Protection to establish the methodologies, reporting periods, and reporting systems that must be used when major emitters report to The Climate Registry; authorizing the department to adopt rules for a cap-and-trade regulatory program to reduce greenhouse gas emissions from major emitters; providing for the content of the rule; amending s. 403.503, F.S.; defining the term "alternate corridor" and redefining the term "corridor" for purposes of the Florida Electrical Power Plant Siting Act; amending s. 403.504, F.S.;

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requiring the Department of Environmental Protection to determine whether a proposed alternate corridor is acceptable; amending s. 403.506, F.S.; revising the thresholds and applicability standards of the Florida Electrical Power Plant Siting Act; deleting a provision that exempts from the act a steam generating plant; exempting from the act the associated facilities of an electrical power plant; exempting an electric utility from obtaining certification under the Florida Electrical Power Plant Siting Act before constructing facilities for a power plant using nuclear materials as fuel; providing that a utility may obtain separate licenses, permits, and approvals for such construction under certain circumstances; exempting such provisions from review under ch. 120, F.S.; amending s. 403.5064, F.S.; requiring an applicant to submit a statement to the department if such applicant opts for consideration of alternate corridors; amending s. 403.50665, F.S.; requiring an application to include a statement on the consistency of directly associated facilities constituting a "development"; requiring the Department of Environmental Protection to address at the certification hearing the issue of compliance with land use plans and zoning ordinances for a proposed substation located in or along an alternate corridor; amending s. 403.509, F.S.; requiring the Governor and Cabinet sitting as the siting board to certify the corridor having the least adverse impact; authorizing the board to deny certification or allow a party to amend its proposal; amending s. 403.5115, F.S.;

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requiring the applicant proposing the alternate corridor to publish all notices relating to the application; requiring that such notices comply with certain requirements; requiring that notices be published at least 45 days before the rescheduled certification hearing; amending s. 403.5175, F.S.; conforming a cross-reference; amending s. 403.518, F.S.; authorizing the Department of Environmental Protection to charge an application fee for an alternate corridor; amending s. 403.519, F.S., relating to determinations of need; conforming provisions to changes made by the act; creating s. 403.7055, F.S.; encouraging counties in the state to form regional solutions to the capture and reuse or sale of methane gas from landfills and wastewater treatment facilities; requiring the Department of Environmental Protection to provide guidelines and assistance; amending s. 403.814, F.S., relating to general permits; conforming provisions; amending s. 489.145, F.S.; revising provisions of the Guaranteed Energy Performance Savings Contracting Act; renaming the act as the "Guaranteed Energy, Water, and Wastewater Performance Savings Contracting Act"; requiring that each proposed contract or lease contain certain agreements concerning operational cost-saving measures; redefining terms; defining the term "investment grade energy audit"; requiring that certain baseline information, supporting information, and documentation be included in contracts; requiring the office of the Chief Financial Officer to review contract proposals; providing audit requirements; requiring contract approval by the

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Legislature or Chief Financial Officer; creating s. 526.203, F.S.; providing definitions; requiring that on or after a specified date all gasoline sold in the state contain a specified percent of agriculturally derived denatured ethanol; providing for exemptions; creating s. 526.204, F.S.; providing for the requirements to be suspended during a declared emergency; providing an exemption if a supplier or other distributor is unable to obtain the required fuel at the same or lower price than the price of unblended gasoline; requiring that documentation be provided to the Department of Revenue; creating s. 526.205, F.S.; providing for enforcement of the requirement for gasoline content; providing penalties; providing for the Department of Revenue to grant an extension of time to comply with the requirement; creating s. 526.206, F.S.; authorizing the Department of Revenue and the Department of Agriculture and Consumer Services to adopt rules; requiring the Florida Energy Commission to conduct a study of the lifecycle greenhouse gas emissions associated with all renewable fuels; requiring a report to the Legislature by a specified date; amending s. 553.77, F.S.; authorizing the Florida Building Commission to implement recommendations relating to energy efficiency in residential and commercial buildings; creating s. 553.886, F.S.; requiring that the Florida Building Code facilitate and promote the use of certain renewable energy technologies in buildings; creating s. 553.9061, F.S.; requiring the Florida Building Commission to establish a schedule of increases in the energy performance of

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buildings subject to the Energy Efficiency Code for Building Construction; providing a process for implementing goals to increase energy-efficiency performance in new buildings; providing a schedule for the implementation of such goals; identifying energyefficiency performance options and elements available to meet energy-efficiency performance requirements; providing a schedule for the review and adoption of renewable energy-efficiency goals by the commission; requiring the commission to conduct a study to evaluate the energyefficiency rating of new buildings and appliances; requiring the commission to submit a report to the President of the Senate and the Speaker of the House of Representatives on or before a specified date; requiring the commission to conduct a study to evaluate opportunities to restructure the Florida Energy Code for Building Construction, including the integration of the Thermal Efficiency Code, the Energy Conservation Standards Act, and the Florida Building Energy-Efficiency Rating Act; requiring the commission to submit a report to the President of the Senate and the Speaker of the House of Representatives on or before a specified date; directing the Department of Community Affairs, in conjunction with the Florida Energy Affordability Council, to identify and review issues relating to the Low-Income Home Energy Assistance Program and the Weatherization Assistance Program; requiring the submission of a report to the President of the Senate and the Speaker of the House of Representatives on or before a specified date; providing

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for the expiration of certain study requirements; amending s. 553.957, F.S.; including certain home and commercial appliances in the requirements for testing and certification for meeting certain energy-conservation standards; amending s. 553.975, F.S.; conforming a crossreference; requiring the Public Service Commission to analyze utility revenue decoupling and provide a report and recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives by a specified date; amending s. 718.113, F.S.; authorizing the board of a condominium or a multicondominium to install solar collectors, clotheslines, or other energyefficient devices on association property; creating s. 1004.648, F.S.; establishing the Florida Energy Systems Consortium, consisting of specified state universities; providing membership and duties of the consortium; providing for an oversight board and steering committee; providing reporting requirements for the consortium by a date certain; authorizing the Department of Environmental Protection to require certain agreements to contain a stipulation requiring the return to the state of a portion of the profit resulting from commercialization of an energy-related product or process; requiring the department to conduct a study relating to the state earning a monetary return on energy-related products or processes through the use of negotiated or licensing agreements; requiring the department to submit the study to the Governor and the Legislature; requiring the Department of Environmental Protection, in conjunction

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with the Department of Agriculture and Consumer Services, to conduct an economic impact analysis on the effect of granting financial incentives to energy producers who use woody biomass; requiring the department to submit the results to the Legislature; establishing a statewide solid waste reduction goal by a certain date; requiring the Department of Environmental Protection to develop a recycling program designed to meet that goal; requiring the Department of Environmental Protection to prepare a report relating to the costs and benefits of implementing a cap-and-trade system to trade emission credits; requiring the department to present the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives; describing certain specified issues to be included in the report; providing effective dates.

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

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Section 1. Present subsection (3) of section 74.051, Florida Statutes, is renumbered as subsection (4), and a new subsection (3) is added to that section, to read:

429 74.051 Hearing on order of taking.--

(3) If a defendant requests a hearing and the petitioner is an electric utility that is seeking to appropriate property necessary for an electric generation plant, an associated facility of such plant, an electric substation, or a power line, the court shall conduct the hearing no more than 120 days after the petition is filed. The court shall issue its final judgment

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no more than 30 days after the hearing.

Section 2. Section 112.219, Florida Statutes, is created to read:

- 112.219 Public employee telecommuting programs. --
- (1) As used in this section, the term:
- (a) "Public employing entity" or "entity" means any state government administrative unit listed in chapter 20 or the State Constitution, including water management districts, the Senate, the House of Representatives, the state courts system, the State University System, the Community College System, or any other agency, commission, council, office, board, authority, department, or official of state government.
- (b) "Telecommuting" means a work arrangement whereby selected public employees are allowed to perform the normal duties and responsibilities of their positions through the use of computers or telecommunications while at home or another place apart from the employees' usual place of work.
- (c) "Qualified telecommuting employee" means an employee who is selected for the telecommuting program, based on the requirements of his or her employment position and his or her ability to perform assigned work at an offsite location, and who meets the following criteria:
- 1. The employee has demonstrated an ability to complete his or her assigned work with minimal supervision;
- 2. The job classification, workload characteristics, or position of the employee has been identified by the public employing entity as appropriate for telecommuting; and
- 3. The employee is not under a performance-improvement plan or disciplinary action that indicates a need for close

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supervision of his or her assigned work.

- (d) "Telecommuting schedule" means the work schedule of a qualified telecommuting employee indicating the days each week, or weeks each month, that the employee will be telecommuting and those days or weeks that the employee will be at the onsite work location. The schedule must be composed in such a way that the employee's work location for any given day is readily ascertainable. Occasional variations from the schedule are acceptable based on the needs of the entity and the ability of the employee to accomplish assigned state business.
- (e) "Telecommuting site" means the location of the qualified telecommuting employee during the hours his or her telecommuting schedule indicates he or she is telecommuting.
- (f) "Onsite work location" means the office or location that a public employing entity normally provides for its qualified telecommuting employee.
 - (2) Each public employing entity shall:
- (a) Establish and coordinate the public employee telecommuting program and administer this section for its own employees.
- (b) Appoint an organization-wide telecommuting coordinator to promote telecommuting and provide technical assistance within the entity.
- (c) Identify employees who are participating in the telecommuting program and their job classifications through its respective personnel or payroll information management system.
- (3) By September 30, 2009, each employing public entity shall complete a telecommuting plan that includes a current listing of the job classifications and positions that the entity

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considers appropriate for telecommuting. The proposed telecommuting plan must give equal consideration to civil service and exempt positions in the selection of employees to participate in the telecommuting program. The telecommuting plan must also:

- (a) Provide measurable financial benefits associated with reduced requirements for office space, reductions in energy consumption, and reductions in associated emissions of greenhouse gases resulting from telecommuting. Employing public entities operating in office space that is owned or managed by the Department of Management Services shall consult the facilities program in order to ensure its consistency with the strategic leasing plan required under s. 255.249(3)(b).
- (b) Provide that an employee's participation in a telecommuting program will not adversely affect his or her eligibility for advancement or any other employment rights or benefits.
- (c) Provide that participation by an employee in a telecommuting program is voluntary, and that the employee may elect to cease to participate in the telecommuting program at any time.
- (d) Allow for the termination of an employee's participation in the program if the employee's continued participation would not be in the best interests of the public employing entity.
- (e) Provide that an employee may not participate in the program if the employee is under a performance-improvement plan.
- (f) Ensure that employees participating in the program are subject to the same rules regarding attendance, leave, performance reviews, and separation action as are other

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employing entity will impose in order to ensure the appropriate use and maintenance of any equipment or items provided for use at a qualified telecommuting employee's telecommuting site, including the installation and maintenance of any telephone equipment and ongoing communications services at the telecommuting site which must be used only for official purposes.

- (h) Prohibit public maintenance of an employee's personal equipment used in telecommuting, including any liability for personal equipment and costs for personal utility expenses associated with telecommuting.
- (i) Describe the security controls that the entity considers appropriate for use at the telecommuting site.
- (j) Provide that qualified telecommuting employees are covered by workers' compensation under chapter 440 when performing official duties at an alternate worksite, such as the home.
- (k) Prohibit employees engaged in a telecommuting program from conducting face-to-face state business at the telecommuting site.
- (1) Require a written agreement specifying the terms and conditions of telecommuting, including verification by the employee that the telecommuting site provides work space that is free of safety and fire hazards, together with an agreement that holds the state harmless against all claims, excluding workers' compensation claims, resulting from an employee working in the telecommuting site. The agreement must be signed and agreed to by the qualified telecommuting employee and the supervisor.

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(4) The telecommuting plan for each public employing entity, and pertinent supporting documents, shall be posted on the entity's website to allow access by employees and the public.

Section 3. Subsection (2) of section 163.04, Florida Statutes, is amended to read:

163.04 Energy devices based on renewable resources.--

A deed restriction, covenant, declaration, or similar binding agreement may not No deed restrictions, covenants, or similar binding agreements running with the land shall prohibit or have the effect of prohibiting solar collectors, clotheslines, or other energy devices based on renewable resources from being installed on buildings erected on the lots or parcels covered by the deed restriction, covenant, declaration, or binding agreement restrictions, covenants, or binding agreements. A property owner may not be denied permission to install solar collectors or other energy devices based on renewable resources by any entity granted the power or right in any deed restriction, covenant, declaration, or similar binding agreement to approve, forbid, control, or direct alteration of property with respect to residential dwellings and within the boundaries of a condominium unit. not exceeding three stories in height. For purposes of this subsection, Such entity may determine the specific location where solar collectors may be installed on the roof within an orientation to the south or within 45° east or west of due south if provided that such determination does not impair the effective operation of the solar collectors.

Section 4. Paragraphs (a), (b), and (j) of subsection (6) of section 163.3177, Florida Statutes, are amended to read:

163.3177 Required and optional elements of comprehensive

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plan; studies and surveys. --

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- (6) In addition to the requirements of subsections (1)-(5) and (12), the comprehensive plan shall include the following elements:
- A future land use plan element designating proposed (a) future general distribution, location, and extent of the uses of land for residential uses, commercial uses, industry, agriculture, recreation, conservation, education, public buildings and grounds, other public facilities, and other categories of the public and private uses of land. Counties are encouraged to designate rural land stewardship areas, pursuant to the provisions of paragraph (11)(d), as overlays on the future land use map. Each future land use category must be defined in terms of uses included, and must include standards for to be followed in the control and distribution of population densities and building and structure intensities. The proposed distribution, location, and extent of the various categories of land use shall be shown on a land use map or map series which shall be supplemented by goals, policies, and measurable objectives. The future land use plan shall be based upon surveys, studies, and data regarding the area, including the amount of land required to accommodate anticipated growth; the projected population of the area; the character of undeveloped land; the availability of water supplies, public facilities, and services; the need for redevelopment, including the renewal of blighted areas and the elimination of nonconforming uses which are inconsistent with the character of the community; the compatibility of uses on lands adjacent to or closely proximate to military installations; the discouragement of urban sprawl;

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energy-efficient land use patterns; and, in rural communities, the need for job creation, capital investment, and economic development that will strengthen and diversify the community's economy. The future land use plan may designate areas for future planned development use involving combinations of types of uses for which special regulations may be necessary to ensure development in accord with the principles and standards of the comprehensive plan and this act. The future land use plan element shall include criteria to be used to achieve the compatibility of adjacent or closely proximate lands with military installations. In addition, for rural communities, the amount of land designated for future planned industrial use shall be based upon surveys and studies that reflect the need for job creation, capital investment, and the necessity to strengthen and diversify the local economies, and may shall not be limited solely by the projected population of the rural community. The future land use plan of a county may also designate areas for possible future municipal incorporation. The land use maps or map series shall generally identify and depict historic district boundaries and shall designate historically significant properties meriting protection. For coastal counties, the future land use element must include, without limitation, regulatory incentives and criteria that encourage the preservation of recreational and commercial working waterfronts as defined in s. 342.07. The future land use element must clearly identify the land use categories in which public schools are an allowable use. When delineating the land use categories in which public schools are an allowable use, a local government shall include in the categories sufficient land proximate to residential development

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to meet the projected needs for schools in coordination with public school boards and may establish differing criteria for schools of different type or size. Each local government shall include lands contiguous to existing school sites, to the maximum extent possible, within the land use categories in which public schools are an allowable use. The failure by a local government to comply with these school siting requirements will result in the prohibition of the local government's ability to amend the local comprehensive plan, except for plan amendments described in s. 163.3187(1)(b), until the school siting requirements are met. Amendments proposed by a local government for purposes of identifying the land use categories in which public schools are an allowable use are exempt from the limitation on the frequency of plan amendments provided contained in s. 163.3187. The future land use element shall include criteria that encourage the location of schools proximate to urban residential areas to the extent possible and shall require that the local government seek to collocate public facilities, such as parks, libraries, and community centers, with schools to the extent possible and to encourage the use of elementary schools as focal points for neighborhoods. For schools serving predominantly rural counties, defined as a county with a population of 100,000 or fewer, an agricultural land use category is shall be eligible for the location of public school facilities if the local comprehensive plan contains school siting criteria and the location is consistent with such criteria. Local governments required to update or amend their comprehensive plan to include criteria and address compatibility of adjacent or closely proximate lands with existing military installations in their future land use plan

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element shall transmit the update or amendment to the department by June 30, 2006.

- (b) A traffic circulation element consisting of the types, locations, and extent of existing and proposed major thoroughfares and transportation routes, including bicycle and pedestrian ways. Transportation corridors, as defined in s. 334.03, may be designated in the traffic circulation element pursuant to s. 337.273. If the transportation corridors are designated, the local government may adopt a transportation corridor management ordinance. The traffic circulation element shall incorporate transportation strategies to address reduction in greenhouse gas emissions from the transportation sector.
- (j) For each unit of local government within an urbanized area designated for purposes of s. 339.175, a transportation element, which shall be prepared and adopted in lieu of the requirements of paragraph (b) and paragraphs (7)(a), (b), (c), and (d) and which shall address the following issues:
- 1. Traffic circulation, including major thoroughfares and other routes, including bicycle and pedestrian ways.
- 2. All alternative modes of travel, such as public transportation, pedestrian, and bicycle travel.
 - 3. Parking facilities.
- 4. Aviation, rail, seaport facilities, access to those facilities, and intermodal terminals.
- 5. The availability of facilities and services to serve existing land uses and the compatibility between future land use and transportation elements.
- 6. The capability to evacuate the coastal population $\underline{\text{before}}$ $\underline{\text{prior to}}$ an impending natural disaster.

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7. Airports, projected airport and aviation development, and land use compatibility around airports.

- 8. An identification of land use densities, building intensities, and transportation management programs to promote public transportation systems in designated public transportation corridors so as to encourage population densities sufficient to support such systems.
- 9. May include transportation corridors, as defined in s. 334.03, intended for future transportation facilities designated pursuant to s. 337.273. If transportation corridors are designated, the local government may adopt a transportation corridor management ordinance.
- 10. The incorporation of transportation strategies to address reduction in greenhouse gas emissions from the transportation sector.
- Section 5. Subsection (3) of section 186.007, Florida Statutes, is amended to read:
 - 186.007 State comprehensive plan; preparation; revision.--
- (3) In the state comprehensive plan, the Executive Office of the Governor may include goals, objectives, and policies related to the following program areas: economic opportunities; agriculture; employment; public safety; education; energy; global climate change; health concerns; social welfare concerns; housing and community development; natural resources and environmental management; recreational and cultural opportunities; historic preservation; transportation; and governmental direction and support services.
- Section 6. Subsections (10), (11), and (15) of section 187.201, Florida Statutes, are amended to read:

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187.201 State Comprehensive Plan adopted.—The Legislature hereby adopts as the State Comprehensive Plan the following specific goals and policies:

- (10) AIR QUALITY.--
- (a) Goal.--Florida shall comply with all national air quality standards by 1987, and by 1992 meet standards which are more stringent than 1985 state standards.
 - (b) Policies.--
- 1. Improve air quality and maintain the improved level to safeguard human health and prevent damage to the natural environment.
- 2. Ensure that developments and transportation systems are consistent with the maintenance of optimum air quality.
- 3. Reduce sulfur dioxide and nitrogen oxide emissions and mitigate their effects on the natural and human environment.
- 4. Encourage the use of alternative energy resources that do not degrade air quality.
- 5. Ensure, at a minimum, that power plant fuel conversion does not result in higher levels of air pollution.
- 6. Encourage the development of low-carbon-emitting electric power plants.
 - (11) ENERGY.--
- (a) Goal.--Florida shall reduce its energy requirements through enhanced conservation and efficiency measures in all enduse sectors, and shall reduce atmospheric carbon dioxide by while at the same time promoting an increased use of renewable energy resources and low-carbon-emitting electric power plants.
 - (b) Policies.--
 - 1. Continue to reduce per capita energy consumption.

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2. Encourage and provide incentives for consumer and producer energy conservation and establish acceptable energy performance standards for buildings and energy consuming items.

- 3. Improve the efficiency of traffic flow on existing roads.
- 4. Ensure energy efficiency in transportation design and planning and increase the availability of more efficient modes of transportation.
- 5. Reduce the need for new power plants by encouraging enduse efficiency, reducing peak demand, and using cost-effective alternatives.
- 6. Increase the efficient use of energy in design and operation of buildings, public utility systems, and other infrastructure and related equipment.
- 7. Promote the development and application of solar energy technologies and passive solar design techniques.
- 8. Provide information on energy conservation through active media campaigns.
- 9. Promote the use and development of renewable energy resources and low-carbon-emitting electric power plants.
- 10. Develop and maintain energy preparedness plans that will be both practical and effective under circumstances of disrupted energy supplies or unexpected price surges.
 - (15) LAND USE. --
- (a) Goal.—In recognition of the importance of preserving the natural resources and enhancing the quality of life of the state, development shall be directed to those areas which have in place, or have agreements to provide, the land and water resources, fiscal abilities, and service capacity to accommodate

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growth in an environmentally acceptable manner.

(b) Policies.--

- 1. Promote state programs, investments, and development and redevelopment activities which encourage efficient development and occur in areas which will have the capacity to service new population and commerce.
- 2. Develop a system of incentives and disincentives which encourages a separation of urban and rural land uses while protecting water supplies, resource development, and fish and wildlife habitats.
- 3. Enhance the livability and character of urban areas through the encouragement of an attractive and functional mix of living, working, shopping, and recreational activities.
- 4. Develop a system of intergovernmental negotiation for siting locally unpopular public and private land uses which considers the area of population served, the impact on land development patterns or important natural resources, and the cost-effectiveness of service delivery.
- 5. Encourage and assist local governments in establishing comprehensive impact-review procedures to evaluate the effects of significant development activities in their jurisdictions.
- 6. Consider, in land use planning and regulation, the impact of land use on water quality and quantity; the availability of land, water, and other natural resources to meet demands; and the potential for flooding.
- 7. Provide educational programs and research to meet state, regional, and local planning and growth-management needs.
- 8. Provide for the siting of low-carbon-emitting electric power plants, including nuclear power plants, to meet the

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state's determined need for electric power generation.

Section 7. Section 193.804, Florida Statutes, is created to read:

193.804 Assessment of solar energy devices.--

- (1) If a taxpayer adds any solar energy device to his or her homestead, the value of the solar energy device shall not be added to the assessed value of the property for purposes of property taxes. A taxpayer claiming the right to a solar energy device assessment for ad valorem taxes shall so state in a return filed as provided by law giving a brief description of the device. The property appraiser may require the taxpayer to produce such additional evidence as may be necessary to prove the taxpayer's right to have the property subject to a solar energy device assessment.
- (2) If a property appraiser questions whether a taxpayer is entitled, in whole or in part, to a solar energy device assessment under this section, he or she may refer the matter to the Department of Environmental Protection for a recommendation. If the property appraiser refers the matter, he or she shall notify the taxpayer of such action. The Department of Environmental Protection shall immediately consider whether the taxpayer is entitled to the solar energy device assessment and certify its recommendation to the property appraiser.
- (3) The Department of Environmental Protection shall adopt rules to administer the solar energy device assessment provisions of this section.
- Section 8. Subsection (14) of section 196.012, Florida Statutes, is amended to read:
 - 196.012 Definitions. -- For the purpose of this chapter, the

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following terms are defined as follows, except where the context clearly indicates otherwise:

- (14) "Renewable energy source device" or "device" means any of the following equipment which, when installed in connection with a dwelling unit or other structure, collects, transmits, stores, or uses solar energy, wind energy, or energy derived from geothermal deposits:
 - (a) Solar energy collectors.
- (b) Storage tanks and other storage systems, excluding swimming pools used as storage tanks.
 - (c) Rockbeds.
 - (d) Thermostats and other control devices.
 - (e) Heat exchange devices.
 - (f) Pumps and fans.
 - (q) Roof ponds.
 - (h) Freestanding thermal containers.
- (i) Pipes, ducts, refrigerant handling systems, and other equipment used to interconnect such systems; however, conventional backup systems of any type are not included in this definition.
 - (j) Windmills.
 - (k) Wind-driven generators.
- (1) Power conditioning and storage devices that use wind energy to generate electricity or mechanical forms of energy.
- (m) Pipes and other equipment used to transmit hot geothermal water to a dwelling or structure from a geothermal deposit.

"Renewable energy source device" or "device" also means any heat

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

Section 9. Subsection (2) of section 206.43, Florida Statutes, is amended to read:

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

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

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the requirements of s. 526.203.

Section 10. Paragraph (ccc) of subsection (7) of section 212.08, Florida Statutes, is amended to read:

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

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

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fatty acids derived from plant or animal matter for use as a source of energy and meeting the specifications for biodiesel and biodiesel blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Biodiesel may refer to biodiesel blends designated BXX, where XX represents the volume percentage of biodiesel fuel in the blend.

- b. "Ethanol" means <u>an</u> <u>nominally</u> anhydrous denatured alcohol produced by the <u>conversion of carbohydrates</u> <u>fermentation of plant sugars</u> meeting the specifications for fuel ethanol and fuel ethanol blends with petroleum products as adopted by the Department of Agriculture and Consumer Services. Ethanol may refer to fuel ethanol blends designated EXX, where XX represents the volume percentage of fuel ethanol in the blend.
- c. "Hydrogen fuel cells" means equipment using hydrogen or a hydrogen-rich fuel in an electrochemical process to generate energy, electricity, or the transfer of heat.
- d. "Wind energy" or "wind turbines" means rotary mechanical equipment that uses wind to produce at least 10kW of electrical energy.
- 2. The sale or use of the following in the state is exempt from the tax imposed by this chapter:
- a. Hydrogen-powered vehicles, materials incorporated into hydrogen-powered vehicles, and hydrogen-fueling stations, up to a limit of \$2 million in tax each state fiscal year for all taxpayers.
- b. Commercial stationary hydrogen fuel cells, up to a limit of \$1 million in tax each state fiscal year for all taxpayers.
- c. Materials used in the distribution of biodiesel (B10-B100) and ethanol (E10-E100), including fueling infrastructure,

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transportation, and storage, up to a limit of \$1 million in tax each state fiscal year for all taxpayers. Gasoline fueling station pump retrofits for ethanol (E10-E100) distribution qualify for the exemption provided in this sub-subparagraph.

- d. Wind turbines, up to a limit of \$1 million in tax each state fiscal year for all taxpayers.
- 3. The <u>Florida Energy and Climate Commission</u> Department of Environmental Protection shall provide to the department a list of items eligible for the exemption provided in this paragraph.
- 4.a. The exemption provided in this paragraph shall be available to a purchaser only through a refund of previously paid taxes. Only the initial purchase of an eligible item from the manufacturer is subject to refund. A purchaser who has received a refund on an eligible item must notify any subsequent purchaser of the item that the item is no longer eligible for a refund of tax paid. This notification must be provided to the subsequent purchaser on the sales invoice or other proof of purchase.
- b. To be eligible to receive the exemption provided in this paragraph, a purchaser shall file an application with the commission Department of Environmental Protection. The application shall be developed by the commission Department of Environmental Protection, in consultation with the department, and shall require:
 - (I) The name and address of the person claiming the refund.
- (II) A specific description of the purchase for which a refund is sought, including, when applicable, a serial number or other permanent identification number.
- (III) The sales invoice or other proof of purchase showing the amount of sales tax paid, the date of purchase, and the name

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and address of the sales tax dealer from whom the property was purchased.

- (IV) A sworn statement that the information provided is accurate and that the requirements of this paragraph have been $\operatorname{met.}$
- c. Within 30 days after receipt of an application, the commission Department of Environmental Protection shall review the application and shall notify the applicant of any deficiencies. Upon receipt of a completed application, the commission Department of Environmental Protection shall evaluate the application for exemption and issue a written certification that the applicant is eligible for a refund or issue a written denial of such certification within 60 days after receipt of the application. The commission Department of Environmental Protection shall provide the department with a copy of each certification issued upon approval of an application.
- d. Each certified applicant shall be responsible for forwarding a certified copy of the application and copies of all required documentation to the department within 6 months after certification by the <u>commission</u> Department of Environmental Protection.
- e. The provisions of s. 212.095 do not apply to any refund application made pursuant to this paragraph. A refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department.
- f. The commission may adopt the form for the application for a certificate, requirements for the content and format of information submitted to the commission in support of the application, other procedural requirements, and criteria by which

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the application will be determined by rule. The department may adopt all other rules pursuant to ss. 120.536(1) and 120.54 to administer this paragraph, including rules establishing additional forms and procedures for claiming this exemption.

- g. The <u>commission</u> Department of Environmental Protection shall be responsible for ensuring that the total amounts of the exemptions authorized do not exceed the limits as specified in subparagraph 2.
- 5. The <u>commission</u> Department of Environmental Protection shall determine and publish on a regular basis the amount of sales tax funds remaining in each fiscal year.
- 6. This paragraph expires July 1, 2010, except as it relates to wind turbines. The provisions of this paragraph relating to wind turbines expire July 1, 2012.

Section 11. Subsection (1) of section 220.192, Florida Statutes, is amended, present subsection (6) of that section is renumbered as subsection (7) and amended, present subsection (7) of that section is renumbered as subsection (8), and a new subsection (6) is added to that section, to read:

220.192 Renewable energy technologies investment tax

- (1) DEFINITIONS. -- For purposes of this section, the term:
- (a) "Biodiesel" means biodiesel as defined in s.
 212.08(7)(ccc).
- (b) "Corporation" includes a general partnership, limited partnership, limited liability company, unincorporated business, or other business entity, including entities taxed as partnerships for federal income tax purposes.
 - (c) (b) "Eligible costs" means:

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1. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$3 million per state fiscal year for all taxpayers, in connection with an investment in hydrogen-powered vehicles and hydrogen vehicle fueling stations in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.

- 2. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$1.5 million per state fiscal year for all taxpayers, and limited to a maximum of \$12,000 per fuel cell, in connection with an investment in commercial stationary hydrogen fuel cells in the state, including, but not limited to, the costs of constructing, installing, and equipping such technologies in the state.
- 3. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of $\frac{$14}{$6.5}$ million per state fiscal year for all taxpayers, in connection with an investment in the production, storage, and distribution of biodiesel (B10-B100) and ethanol (E10-E100) in the state, including the costs of constructing, installing, and equipping such technologies in the state. Gasoline fueling station pump retrofits for ethanol (E10-E100) distribution qualify as an eligible cost under this subparagraph.
- 4. Seventy-five percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2008, and June 30, 2012, up to a limit of \$9

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1074 <u>million per state fiscal year for all taxpayers, in connection</u> 1075 with an investment in the production of wind energy.

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

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attached to each tax return for which the transferee seeks to apply such tax credits.

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

Section 12. Paragraphs (f) and (g) are added to subsection (2) and paragraphs (f) and (g) of subsection (3) of section 220.193, Florida Statutes, are amended, and paragraphs (j) and

- (k) are added to subsection (3) of that subsection, to read:
 - 220.193 Florida renewable energy production credit.--
 - (2) As used in this section, the term:
- (f) "Sale" or "sold" includes the use of electricity by the producer of such electricity which decreases the amount of electricity that the producer would otherwise have to purchase.

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g "Taxpayer" includes a general partnership, limited partnership, limited liability company, trust, or other artificial entity in which a corporation, as defined in s.

220.03(1)(e), owns an interest and is taxed as a partnership or is disregarded as a separate entity from the corporation under chapter 220.

- (3) An annual credit against the tax imposed by this section shall be allowed to a taxpayer, based on the taxpayer's production and sale of electricity from a new or expanded Florida renewable energy facility. For a new facility, the credit shall be based on the taxpayer's sale of the facility's entire electrical production. For an expanded facility, the credit shall be based on the increases in the facility's electrical production that are achieved after May 1, 2006.
- (f)1. Tax credits that may be available under this section to an entity eligible under this section may be transferred after a merger or acquisition to the surviving or acquiring entity and used in the same manner with the same limitations.
- 2. The entity or its surviving or acquiring entity as described in subparagraph 1. may transfer any unused credit in whole or in units of no less than 25 percent of the remaining credit. The entity acquiring such credit may use it in the same manner and with the same limitations under this section. Such transferred credits may not be transferred again although they may succeed to a surviving or acquiring entity subject to the same conditions and limitations as described in this section.
- 3. In the event the credit provided for under this section is reduced as a result of an examination or audit by the department, such tax deficiency shall be recovered from the first

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entity or the surviving or acquiring entity to have claimed such credit up to the amount of credit taken. Any subsequent deficiencies shall be assessed against any entity acquiring and claiming such credit, or in the case of multiple succeeding entities in the order of credit succession.

- 4. It is the intent of the Legislature that this paragraph is remedial in nature and applies retroactively to the effective date of the law establishing the credit.
- (g) Notwithstanding any other provision of this section, credits for the production and sale of electricity from a new or expanded Florida renewable energy facility may be earned between January 1, 2007 and June 30, 2010. The combined total amount of tax credits which may be granted for all taxpayers under this section is limited to \$5 million per state fiscal year. It is the intent of the Legislature that this paragraph is remedial in nature and applies retroactively to the effective date of the law establishing the credit.
- disregarded entity under this chapter produces and sells electricity from a new or expanded renewable energy facility, the tax credit earned by such entity shall pass through in the same manner as items of income and expense pass through for federal income tax purposes. It is the intent of the Legislature that this paragraph is remedial in nature and applies retroactively to the effective date of the law establishing the credit.
- (k) A taxpayer's use of the tax credit granted pursuant to this section does not reduce the amount of any credit available to such taxpayer under s. 220.186. It is the intent of the Legislature that this paragraph is remedial in nature and applies

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1190 retroactively to the effective date of the law establishing the credit.

Section 13. Subsection (2) of section 253.02, Florida Statutes, is amended to read:

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

Section 14. Subsection (14) is added to section 253.034, 1212 Florida Statutes, to read:

- 253.034 State-owned lands; uses.--
- 1214 (14) (a) If a public utility, regional transmission

 1215 organization, or natural gas company presents competent and

 1216 substantial evidence that its use of nonsovereignty state-owned

 1217 lands is reasonable based upon a consideration of economic and

 1218 environmental factors, including an assessment of practicable

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alternative alignments and assurance that the lands will remain in their predominantly natural condition, the public utility, regional transmission organization, or natural gas company may be granted fee simple title, easements, or other interests in nonsovereignty state-owned lands title to which is vested in the board of trustees, a water management district, or any other agency in the state for:

- 1. Electric transmission and distribution lines;
- 2. Natural gas pipelines; or
- 3. Other linear facilities for which the Public Service Commission has determined a need exists or the Federal Energy Regulatory Commission has issued a Certificate of Public Convenience and Necessity.
- (b) In exchange for less than a fee simple interest acquired pursuant to this subsection, the grantee shall pay an amount equal to the fair market value of the interest acquired. In addition, for the initial grant of such interests only, the grantee shall also vest in the grantor a fee simple interest to other available land that is 1.5 times the size of the land acquired by the grantee. The grantor shall approve the property to be acquired on its behalf based on the geographic location in relation to the land relinquished by the grantor agency and a determination that the economic, ecological, and recreational value is at least equivalent to that of the property transferred to the public utility, regional transmission organization, or natural gas company.
- (c) In exchange for a fee simple interest acquired pursuant to this subsection, the grantee shall pay an amount equal to the fair market value of the interest acquired. In addition, for the

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initial grant of such interests only, the grantee shall also vest in the grantor a fee simple title to other available land that is two times the size of the land acquired by the grantee. The grantor shall approve the land to be acquired on its behalf based on the geographic location in relation to the land relinquished by the grantor agency and a determination that the economic and ecological or recreational value is at least equivalent to that of the property transferred to the public utility, regional transmission organization, or natural gas company.

(d) As an alternative to the consideration provided for in paragraphs (b) and (c), the grantee may, subject to the grantor's approval, pay the fair market value of the state-owned land plus one-half of the cost differential between the cost of constructing the facility on state-owned land and the cost of avoiding state-owned lands, up to a maximum of twice the fair market value of the land acquired by the grantee. The grantor may use these moneys to acquire fee simple or less than fee simple interest in other available land.

Section 15. Paragraph (d) of subsection (3) of section 255.249, Florida Statutes, is amended to read:

255.249 Department of Management Services; responsibility; department rules.--

(3)

(d) By June 30 of each year, each state agency shall annually provide to the department all information regarding agency programs affecting the need for or use of space by that agency, reviews of lease-expiration schedules for each geographic area, active and planned full-time equivalent data, business case analyses related to consolidation plans by an agency,

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telecommuting plans, and current occupancy and relocation costs, inclusive of furnishings, fixtures and equipment, data, and communications.

Section 16. Section 255.251, Florida Statutes, is amended to read:

255.251 Energy Conservation <u>and Sustainable</u> <u>in</u> Buildings Act; short title.--<u>Sections 255.251-255.258 may This act shall</u> be cited as the "Florida Energy Conservation <u>and Sustainable in</u> Buildings Act of 1974."

Section 17. Section 255.252, Florida Statutes, is amended to read:

255.252 Findings and intent.--

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

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Institute of Standards and Technology, and others to detail the considerations and practices for energy conservation in buildings. Most important is that energy-efficient designs provide energy savings over the life of the building structure. Conversely, energy-inefficient designs cause excess and wasteful energy use and high costs over that life. With buildings lasting many decades and with energy costs escalating rapidly, it is essential that the costs of operation and maintenance for energy-using equipment and sustainable materials be included in all design proposals for state-owned state buildings.

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

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

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

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

Section 18. Section 255.253, Florida Statutes, is amended to read:

255.253 Definitions; ss. 255.251-255.258.--

- (1) "Department" means the Department of Management Services.
 - (2) "Facility" means a building or other structure.
- (3) "Energy performance index or indices" (EPI) means a number describing the energy requirements at the building boundary of a facility, per square foot of floor space or per cubic foot of occupied volume, as appropriate under defined internal and external ambient conditions over an entire seasonal cycle. As experience develops on the energy performance achieved with state building, the indices (EPI) will serve as a measure of building performance with respect to energy consumption.
- (4) "Life-cycle costs" means the cost of owning, operating, and maintaining the facility over the life of the structure. This may be expressed as an annual cost for each year of the facility's use.
 - (5) "Shared savings financing" means the financing of

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energy conservation measures and maintenance services through a private firm which may own any purchased equipment for the duration of a contract, which may shall not exceed 10 years unless so authorized by the department. The Such contract shall specify that the private firm will be recompensed either out of a negotiated portion of the savings resulting from the conservation measures and maintenance services provided by the private firm or, in the case of a cogeneration project, through the payment of a rate for energy lower than would otherwise have been paid for the same energy from current sources.

- (6) "Sustainable building" means a building that is healthy and comfortable for its occupants and is economical to operate while conserving resources, including energy, water, raw materials, and land, and minimizing the generation and use of toxic materials and waste in its design, construction, landscaping, and operation.
- (7) "Sustainable building rating" means a rating
 established by the United States Green Building Council (USGBC)
 Leadership in Energy and Environmental Design (LEED) rating
 system, the Green Building Initiative's Green Globes rating
 system, or the Florida Green Building Coalition standards.

Section 19. Subsection (1) of section 255.254, Florida Statutes, is amended to read:

- 255.254 No facility constructed or leased without life-cycle costs.--
- (1) A No state agency may not shall lease, construct, or have constructed, within limits prescribed herein, a facility without having secured from the department an a proper evaluation of life-cycle costs based on sustainable building ratings, as

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1422 computed by an architect or engineer. Furthermore, construction 1423 shall proceed only upon disclosing to the department, for the 1424 facility chosen, the life-cycle costs as determined in s. 255.255, its sustainable building rating goal, and the 1425 capitalization of the initial construction costs of the building. 1426 The life-cycle costs and the sustainable building rating goal 1427 shall be a primary considerations consideration in the selection 1428 1429 of a building design. Such analysis shall be required only for 1430 construction of buildings with an area of 5,000 square feet or 1431 greater. For leased buildings 5,000 square feet areas of 20,000 1432 square feet or greater within a given building boundary, an 1433 energy performance a life-cycle analysis consisting of a 1434 projection of the annual energy consumption costs in dollars per square foot of major energy-consuming equipment and systems based 1435 1436 on actual expenses, from the last 3 years, and projected forward 1437 for the term of the proposed lease shall be performed. The, and a lease shall only be made only where there is a showing that the 1438 energy life-cycle costs incurred by the state are minimal 1439 1440 compared to available like facilities. Any building leased by the state from a private-sector entity shall include, as a part of 1441 1442 the lease, provisions for monthly energy-use data to be collected 1443 and submitted monthly to the department by the owner of the 1444 building.

Section 20. Subsection (1) of section 255.255, Florida Statutes, is amended to read:

255.255 Life-cycle costs.--

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(1) The department shall <u>adopt</u> promulgate rules and procedures, including energy conservation performance guidelines, <u>based on sustainable building ratings</u>, for conducting a life-

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cycle cost analysis of alternative architectural and engineering designs and alternative major items of energy-consuming equipment to be retrofitted in existing state-owned or leased facilities and for developing energy performance indices to evaluate the efficiency of energy utilization for competing designs in the construction of state-financed and leased facilities.

Section 21. Section 255.257, Florida Statutes, is amended to read:

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

- (1) ENERGY CONSUMPTION AND COST DATA.—Each state agency shall collect data on energy consumption and cost. The data gathered shall be on state—owned facilities and metered state—leased facilities of 5,000 net square feet or more. These data will be used in the computation of the effectiveness of the state energy management plan and the effectiveness of the energy management program of each of the state agencies. Collected data shall be reported annually to the department in a format prescribed by the department.
- (2) ENERGY MANAGEMENT COORDINATORS.--Each state agency, the Florida Public Service Commission, the Department of Military Affairs, and the judicial branch shall appoint a coordinator whose responsibility shall be to advise the head of the state agency on matters relating to energy consumption in facilities under the control of that head or in space occupied by the various units comprising that state agency, in vehicles operated by that state agency, and in other energy-consuming activities of the state agency. The coordinator shall implement the energy management program agreed upon by the state agency concerned and

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assist the department in the development of the State Energy Management Plan.

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

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

- (4) All state agencies shall adopt the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, or the Florida Green Building Coalition standards.
- (5) A state agency may not enter into new leasing agreements for office space that does not meet Energy Star building standards unless the appropriate state government entity executive determines that no other viable or cost-effective alternative exists.

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(6) All state agencies shall develop energy-conservation measures and guidelines for new and existing office space where state agencies occupy more than 5,000 square feet. These conservation measures shall focus on programs that may reduce energy consumption and, when established, will provide a net reduction in occupancy costs.

Section 22. Section 286.275, Florida Statutes, is created to read:

- 286.275 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 government entities, as defined in this section, 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 products that are currently available for purchase under state term contracts and identify specific products and vendors that provide 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) Effective July 1, 2008, 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

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practices in water, energy, and waste-efficiency standards,
unless the responsible state agency's chief executive officer
makes a determination that no other viable alternative exists.

The Department of Environmental Protection is authorized to adopt
rules to implement the "Green Lodging" program.

- establish voluntary technical assistance programs in accordance with s. 403.074. Such programs may include the Clean Marinas, Clean Boatyards, Clean Retailers, Clean Boaters, and Green Yards Programs. The programs may include certifications, designations, or other forms of recognition. The department may implement some or all of these programs through rulemaking; however, the rules may not impose requirements on a person who does not wish to participate in a program. Each state agency shall patronize businesses that have received such certifications or designations to the greatest extent practicable.
- vehicles meet minimum maintenance schedules shown to reduce fuel consumption, which include ensuring appropriate tire pressures and tread depth, replacing fuel filters and emission filters at recommended intervals, using proper motor oils, and performing timely motor maintenance. Each state agency shall measure and report compliance to the Department of Management Services through the Equipment Management Information System database.
- (5) When procuring a vehicle, state agencies shall first define the intended purpose of the vehicle and determine for which of the following use classes the vehicle is being procured:
 - (a) State business travel, designated operator;
 - (b) State business travel, pool operators;

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(c) Construction, agricultural or maintenance work;

- (d) Conveyance of passengers;
- 1569 (e) Conveyance of building or maintenance materials and supplies;
 - (f) Off-road vehicles, motorcycles, and all-terrain
 vehicles;
 - (g) Emergency response; or
- (h) Other.

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Vehicles in paragraphs (a) through (h), when being processed for purchase or leasing agreements, must be selected for the greatest fuel efficiency available for a given use class when fuel-economy data are available. Exceptions may be made for certain individual vehicles in subparagraph 7., when accompanied, during the procurement process, by documentation indicating that the operator or operators will exclusively be emergency first responders or have special documented need for exceptional vehicle performance characteristics. Any request for an exception must be approved by the purchasing agency's chief executive officer and any exceptional performance characteristics denoted as a part of the procurement process prior to purchase.

(6) All state agencies shall use ethanol and biodieselblended fuels, when available. State agencies administering central fueling operations for state-owned vehicles shall procure biofuels for fleet needs to the greatest extent practicable.

Section 23. Paragraph (b) of subsection (2) and subsection (5) of section 287.063, Florida Statutes, are amended to read:
287.063 Deferred-payment commodity contracts; preaudit

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

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3.4. No contract shall be approved which extends payment beyond 5 years, unless it can be satisfactorily demonstrated and documented to the Chief Financial Officer that failure to make such deferred-payment purchase would adversely affect an agency in the performance of its duties. The payment term may not exceed the useful life of the equipment unless the contract provides for the replacement or the extension of the useful life of the equipment during the term of the loan.

(5) For purposes of this section, the annualized amount of any such deferred payment commodity contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, which that the Chief Financial Officer has determined is appropriate or that the Legislature has designated for payment of the obligation incurred under this section.

Section 24. Subsections (10) and (11) of section 287.064, Florida Statutes, are amended to read:

287.064 Consolidated financing of deferred-payment purchases.--

- (10) (a) A master equipment financing agreement may finance the cost of energy, water, or wastewater efficiency and conservation measures, as defined in s. 489.145, excluding the costs of training, operation, and maintenance, for a term of repayment that may exceed 5 years but not more than 20 years.
- (b) The guaranteed energy, water, and wastewater savings contractor shall provide for the replacement or the extension of the useful life of the equipment during the term of the contract.

 Costs incurred pursuant to a guaranteed energy performance

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savings contract, including the cost of energy conservation measures, each as defined in s. 489.145, may be financed pursuant to a master equipment financing agreement; however, the costs of training, operation, and maintenance may not be financed. The period of time for repayment of the funds drawn pursuant to the master equipment financing agreement under this subsection may exceed 5 years but may not exceed 10 years.

payment commodity contracts under this section by a state agency, the annualized amount of any such contract must be supported from available recurring funds appropriated to the agency in an appropriation category, other than the expense appropriation category as defined in chapter 216, which that the Chief Financial Officer has determined is appropriate or which that the Legislature has designated for payment of the obligation incurred under this section.

Section 25. Subsection (12) is added to section 287.16, Florida Statutes, to read:

- 287.16 Powers and duties of department.--The Department of Management Services shall have the following powers, duties, and responsibilities:
- (12) To conduct, in coordination with the Department of Transportation, an analysis of ethanol and biodiesel use by the Department of Transportation through its central fueling facilities. The Department of Management Services shall encourage other state government entities to analyze transportation fuel usage, including the different types and percentages of fuels consumed, and report such information to the department.

Section 26. Present paragraphs (a) through (n) of

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subsection (2) of section 288.1089, Florida Statutes, are redesignated as paragraphs (b) through (o), respectively, and a new paragraph (a) is added to that subsection, subsection (3) of that section is amended, and paragraph (d) is added to subsection (4) of that section, to read:

288.1089 Innovation Incentive Program. --

- (2) As used in this section, the term:
- (a) "Alternative and renewable energy" means electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: ethanol, cellulosic ethanol, biobutanol, biodiesel, biomass, biogas, hydrogen fuel cells, ocean energy, hydrogen, solar, hydro, wind, or geothermal.
- (3) To be eligible for consideration for an innovation incentive award, an innovation business, or research and development entity, or alternative and renewable energy project must submit a written application to Enterprise Florida, Inc., before making a decision to locate new operations in this state or expand an existing operation in this state. The application must include, but not be limited to:
- (a) The applicant's federal employer identification number, unemployment account number, and state sales tax registration number. If such numbers are not available at the time of application, they must be submitted to the office in writing prior to the disbursement of any payments under this section.
- (b) The location in this state at which the project is located or is to be located.
- (c) A description of the type of business activity, product, or research and development undertaken by the applicant,

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including six-digit North American Industry Classification System codes for all activities included in the project.

- (d) The applicant's projected investment in the project.
- (e) The total investment, from all sources, in the project.
- (f) The number of net new full-time equivalent jobs in this state the applicant anticipates having created as of December 31 of each year in the project and the average annual wage of such jobs.
- (g) The total number of full-time equivalent employees currently employed by the applicant in this state, if applicable.
 - (h) The anticipated commencement date of the project.
- (i) A detailed explanation of why the innovation incentive is needed to induce the applicant to expand or locate in the state and whether an award would cause the applicant to locate or expand in this state.
- (j) If applicable, an estimate of the proportion of the revenues resulting from the project that will be generated outside this state.
- (4) To qualify for review by the office, the applicant must, at a minimum, establish the following to the satisfaction of Enterprise Florida, Inc., and the office:
- (d) For an alternative and renewable energy project in this state, the project must:
- 1. Demonstrate a plan for significant collaboration with an institution of higher education;
- 2. Provide the state, at a minimum, a break-even return on investment within a 20-year period;
- 3. Include matching funds provided by the applicant or other available sources. This requirement may be waived if the

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1741 office and the department determine that the merits of the individual project or the specific circumstances warrant such action;

- 4. Be located in this state;
- 5. Provide jobs that pay an estimated annual average wage that equals at least 130 percent of the average private-sector wage. The average wage requirement may be waived if the office and the commission determine that the merits of the individual project or the specific circumstances warrant such action; and
 - 6. Meet one of the following criteria:
- a. Result in the creation of at least 35 direct, new jobs at the business.
- b. Have an activity or product that uses feedstock or other raw materials grown or produced in this state.
- c. Have a cumulative investment of at least \$50 million within a 5-year period.
- d. Address the technical feasibility of the technology, and the extent to which the proposed project has been demonstrated to be technically feasible based on pilot project demonstrations, laboratory testing, scientific modeling, or engineering or chemical theory that supports the proposal.
- e. Include innovative technology and the degree to which the project or business incorporates an innovative new technology or an innovative application of an existing technology.
- f. Include production potential and the degree to which a project or business generates thermal, mechanical, or electrical energy by means of a renewable energy resource that has substantial long-term production potential. The project must, to the extent possible, quantify annual production potential in

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- g. Include and address energy efficiency and the degree to which a project demonstrates efficient use of energy, water, and material resources.
- $\underline{\text{h. Include project management}}$ to administer a complete the business project.
- Section 27. Subsection (1) of section 337.401, Florida Statutes, is amended to read:
- 337.401 Use of right-of-way for utilities subject to regulation; permit; fees.--
- The department and local governmental entities, referred to in ss. 337.401-337.404 as the "authority," that have jurisdiction and control of public roads or publicly owned rail corridors are authorized to prescribe and enforce reasonable rules or regulations with reference to the placing and maintaining along, across, or on any road or publicly owned rail corridors under their respective jurisdictions any electric transmission, telephone, telegraph, or other communications services lines; pole lines; poles; railways; ditches; sewers; water, heat, or gas mains; pipelines; fences; gasoline tanks and pumps; or other structures hereinafter referred to in this section as the "utility." For aerial and underground electric utility transmission lines designed to operate at 69 kV or more which are needed to accommodate the additional electrical transfer capacity on the transmission grid resulting from new base-load generating facilities, where there is no other practicable alternative available for placement of the electric utility transmission lines on the department's rights-of-way, the department's rules shall provide for placement of and access to

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1799 such transmission lines within the right-of-way of any 1800 department-controlled public roads, including longitudinally 1801 within limited access facilities to the greatest extent allowed 1802 by federal law if compliance with the standards established by such rules is achieved. Such rules may include, but need not be 1803 1804 limited to, presentation of competent and substantial evidence 1805 that the use of the right-of-way is reasonable based upon a 1806 consideration of economic and environmental factors, including, 1807 without limitation, other utility corridors and easements and 1808 minimum clear zones and other safety standards if such improvements do not interfere with operational requirements of 1809 1810 the transportation facility or planned or potential future 1811 expansion of such transportation facility. If the department 1812 approves longitudinal placement of electric utility transmission 1813 lines in limited access facilities, compensation for the use of 1814 the right-of-way is required. Such consideration or compensation 1815 paid by the electric utility in connection with the department's 1816 issuance of a permit does not create any property right in the 1817 department's property regardless of the amount of consideration paid or the improvements constructed on the property by the 1818 utility. Upon notice by the department that the property is 1819 1820 needed for expansion or improvement of the transportation 1821 facility, the electric utility transmission line shall relocate 1822 from the facility at the electric utility's sole expense. Such 1823 relocation shall occur under a schedule mutually agreed upon by 1824 the department and the electric utility, taking into 1825 consideration the maintenance of overall grid reliability and 1826 minimizing the relocation costs to the electric utility's 1827 customers. If the utility fails to meet the agreed upon schedule

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

Section 28. Subsections (1) and (7) of section 339.175, Florida Statutes, are amended to read:

339.175 Metropolitan planning organization. --

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

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

develop a long-range transportation plan that addresses at least a 20-year planning horizon. The plan must include both long-range and short-range strategies and must comply with all other state and federal requirements. The prevailing principles to be considered in the long-range transportation plan are: preserving the existing transportation infrastructure; enhancing Florida's economic competitiveness; and improving travel choices to ensure mobility. The long-range transportation plan must be consistent, to the maximum extent feasible, with future land use elements and the goals, objectives, and policies of the approved local

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government comprehensive plans of the units of local government located within the jurisdiction of the M.P.O. <u>Each M.P.O.</u> is encouraged to consider strategies that integrate transportation and land use planning to provide for sustainable development and reduce greenhouse gas emissions. The approved long-range transportation plan must be considered by local governments in the development of the transportation elements in local government comprehensive plans and any amendments thereto. The long-range transportation plan must, at a minimum:

- (a) Identify transportation facilities, including, but not limited to, major roadways, airports, seaports, spaceports, commuter rail systems, transit systems, and intermodal or multimodal terminals that will function as an integrated metropolitan transportation system. The long-range transportation plan must give emphasis to those transportation facilities that serve national, statewide, or regional functions, and must consider the goals and objectives identified in the Florida Transportation Plan as provided in s. 339.155. If a project is located within the boundaries of more than one M.P.O., the M.P.O.'s must coordinate plans regarding the project in the long-range transportation plan.
- (b) Include a financial plan that demonstrates how the plan can be implemented, indicating resources from public and private sources which are reasonably expected to be available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted long-range transportation plan if reasonable additional resources beyond those identified in the

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financial plan were available. For the purpose of developing the long-range transportation plan, the M.P.O. and the department shall cooperatively develop estimates of funds that will be available to support the plan implementation. Innovative financing techniques may be used to fund needed projects and programs. Such techniques may include the assessment of tolls, the use of value capture financing, or the use of value pricing.

- (c) Assess capital investment and other measures necessary to:
- 1. Ensure the preservation of the existing metropolitan transportation system including requirements for the operation, resurfacing, restoration, and rehabilitation of major roadways and requirements for the operation, maintenance, modernization, and rehabilitation of public transportation facilities; and
- 2. Make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods.
- (d) Indicate, as appropriate, proposed transportation enhancement activities, including, but not limited to, pedestrian and bicycle facilities, scenic easements, landscaping, historic preservation, mitigation of water pollution due to highway runoff, and control of outdoor advertising.
- (e) In addition to the requirements of paragraphs (a)-(d), in metropolitan areas that are classified as nonattainment areas for ozone or carbon monoxide, the M.P.O. must coordinate the development of the long-range transportation plan with the State Implementation Plan developed pursuant to the requirements of the federal Clean Air Act.

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

Section 29. Section 366.82, Florida Statutes, is amended to read:

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

- "utility" means any person or entity of whatever form which provides electricity or natural gas at retail to the public, specifically including municipalities or instrumentalities thereof and cooperatives organized under the Rural Electric Cooperative Law and specifically excluding any municipality or instrumentality thereof, any cooperative organized under the Rural Electric Cooperative Law, or any other person or entity providing natural gas at retail to the public whose annual sales volume is less than 100 million therms or any municipality or instrumentality thereof and any cooperative organized under the Rural Electric Cooperative Law providing electricity at retail to the public whose annual sales as of July 1, 1993, to end-use customers is less than 2,000 gigawatt hours.
- (2) The commission shall adopt appropriate goals for increasing the efficiency of energy consumption and increasing the development of cogeneration, specifically including goals

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designed to increase the conservation of expensive resources, such as petroleum fuels, to reduce and control the growth rates of electric consumption, and to reduce the growth rates of weather-sensitive peak demand. The Executive Office of the Governor shall be a party in the proceedings to adopt goals. The commission may change the goals for reasonable cause. The time period to review the goals, however, must shall not exceed 5 years. After the programs and plans to meet those goals are completed, the commission shall determine what further goals, programs, or plans are warranted and, if so, shall adopt them.

- (3) The commission shall publish a notice of proposed rulemaking no later than July 1, 2009, requiring electric utilities to offset 20 percent of their annual load-growth through energy efficiency and conservation measures thereby constituting an energy-efficiency portfolio standard. The commission may allow efficiency investments across generation, transmission, and distribution as well as efficiencies within the user base. As part of the implementation rules, the commission shall create an in-state market for tradable credits enabling those electric utilities that exceed the standard to sell credits to those that cannot meet the standard for a given year. This efficiency standard is separate from and exclusive of the renewable portfolio standard that requires electricity providers to obtain a minimum percentage of their power from renewable energy resources. Every 3 years the commission shall review and reevaluate this efficacy of efficiency standard on a regional and statewide approach.
- (4) (3) Following adoption of goals pursuant to subsection (2), the commission shall require each utility to develop plans

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and programs to meet the overall goals within its service area. If any plan or program includes loans, collection of loans, or similar banking functions by a utility and the plan is approved by the commission, the utility shall perform such functions, notwithstanding any other provision of the law. The commission may pledge up to \$5 million of the Florida Public Service Regulatory Trust Fund to quarantee such loans. However, no utility shall be required to loan its funds for the purpose of purchasing or otherwise acquiring conservation measures or devices, but nothing herein shall prohibit or impair the administration or implementation of a utility plan as submitted by a utility and approved by the commission under this subsection. If the commission disapproves a plan, it shall specify the reasons for disapproval, and the utility whose plan is disapproved shall resubmit its modified plan within 30 days. Prior approval by the commission shall be required to modify or discontinue a plan, or part thereof, which has been approved. If any utility has not implemented its programs and is not substantially in compliance with the provisions of its approved plan at any time, the commission shall adopt programs required for that utility to achieve the overall goals. Utility programs may include variations in rate design, load control, cogeneration, residential energy conservation subsidy, or any other measure within the jurisdiction of the commission which the commission finds likely to be effective; this provision shall not be construed to preclude these measures in any plan or program.

(5) (4) The commission shall require periodic reports from each utility and shall provide the Legislature and the Governor with an annual report by March 1 of the goals it has adopted and

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its progress toward meeting those goals. The commission shall also consider the performance of each utility pursuant to ss. 366.80-366.85 and 403.519 when establishing rates for those utilities over which the commission has ratesetting authority.

- (6) The commission shall require municipal and cooperative utilities that are exempt from the Florida Energy Efficiency and Conservation Act to submit an annual report to the commission identifying energy efficiency and conservation goals and the actions taken to meet those goals.
- (7) The commission shall require each utility to offer, or to contract to offer, energy audits to its residential customers. This requirement need not be uniform, but may be based on such factors as level of usage, geographic location, or any other reasonable criterion, so long as all eligible customers are notified. The commission may extend this requirement to some or all commercial customers. The commission shall set the charge for audits by rule, not to exceed the actual cost, and may describe by rule the general form and content of an audit. In the event one utility contracts with another utility to perform audits for it, the utility for which the audits are performed shall pay the contracting utility the reasonable cost of performing the audits. Each utility over which the commission has ratesetting authority shall estimate its costs and revenues for audits, conservation programs, and implementation of its plan for the immediately following 6-month period. Reasonable and prudent unreimbursed costs projected to be incurred, or any portion of such costs, may be added to the rates which would otherwise be charged by a utility upon approval by the commission, provided that the commission shall not allow the recovery of the cost of any

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company image-enhancing advertising or of any advertising not directly related to an approved conservation program. Following each 6-month period, each utility shall report the actual results for that period to the commission, and the difference, if any, between actual and projected results shall be taken into account in succeeding periods. The state plan as submitted for consideration under the National Energy Conservation Policy Act shall not be in conflict with any state law or regulation.

- (8)(6)(a) Notwithstanding the provisions of s. 377.703, the commission shall be the responsible state agency for performing, coordinating, implementing, or administering the functions of the state plan submitted for consideration under the National Energy Conservation Policy Act and any acts amendatory thereof or supplemental thereto and for performing, coordinating, implementing, or administering the functions of any future federal program delegated to the state which relates to consumption, utilization, or conservation of electricity or natural gas; and the commission shall have exclusive responsibility for preparing all reports, information, analyses, recommendations, and materials related to consumption, utilization, or conservation of electrical energy which are required or authorized by s. 377.703.
- (b) The Florida Energy and Climate Commission, as created in s. 377.6015, Executive Office of the Governor shall be a party in the proceedings to adopt goals and shall file with the commission comments on the proposed goals including, but not limited to:
- 1. An evaluation of utility load forecasts, including an assessment of alternative supply and demand side resource

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2089 options.

2. An analysis of various policy options which can be implemented to achieve a least-cost strategy.

- (9)(7) The commission shall establish all minimum requirements for energy auditors used by each utility. The commission is authorized to contract with any public agency or other person to provide any training, testing, evaluation, or other step necessary to fulfill the provisions of this subsection.
- management programs, the commission shall use methodologies that recognize the noneconomic benefits associated with reduced energy demand from energy efficiency and conservation programs and that recognize the benefits associated with not constructing new generation capacity.
- or purchase a specified percentage of their electrical power from renewable energy resources of which not less than 3 percent must be solar and located within the state. Municipal and cooperative utilities that are exempt from the Florida Energy Efficiency and Conservation Act shall submit an annual report to the commission identifying the respective percentage of their electrical power that is generated or purchased from such renewable energy resources. The commission may adopt rules to administer this subsection.
- Section 30. Paragraph (d) of subsection (1) of section 366.8255, Florida Statutes, is amended to read:
 - 366.8255 Environmental cost recovery.--

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2118 (1) As used in this section, the term:

- (d) "Environmental compliance costs" includes all costs or expenses incurred by an electric utility in complying with environmental laws or regulations, including, but not limited to:
- 1. Inservice capital investments, including the electric utility's last authorized rate of return on equity thereon;
 - 2. Operation and maintenance expenses;
 - 3. Fuel procurement costs;
 - 4. Purchased power costs;
 - 5. Emission allowance costs;
 - 6. Direct taxes on environmental equipment; and
- 7. Costs or expenses prudently incurred by an electric utility pursuant to an agreement entered into on or after the effective date of this act and prior to October 1, 2002, between the electric utility and the Florida Department of Environmental Protection or the United States Environmental Protection Agency for the exclusive purpose of ensuring compliance with ozone ambient air quality standards by an electrical generating facility owned by the electric utility;
- 8. Costs or expenses prudently incurred for scientific research and geological assessments of carbon capture and storage for the purpose of reducing an electric utility's greenhouse gas emissions as defined in s. 403.44 when such costs or expenses are incurred in joint research projects with this state's government agencies and universities; and
- 9. Costs or expenses prudently incurred for the quantification, reporting, and verification of greenhouse gas emissions by third parties as required for participation in emission registries.

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Section 31. Section 366.93, Florida Statutes, is amended to read:

- 366.93 Cost recovery for the siting, design, licensing, and construction of nuclear and integrated gasification combined cycle power plants.--
 - (1) As used in this section, the term:
- (a) "Cost" includes, but is not limited to, all capital investments, including rate of return, any applicable taxes, and all expenses, including operation and maintenance expenses, related to or resulting from the siting, licensing, design, construction, or operation of the nuclear power plant and any new, enlarged, or relocated electrical transmission lines or facilities of any size which are necessary to serve the nuclear or integrated gasification combined cycle power plant.
- (b) "Electric utility" or "utility" has the same meaning as that provided in s. 366.8255(1)(a).
- (c) "Integrated gasification combined cycle power plant" or "plant" is an electrical power plant as defined in $\underline{s. 403.503(14)}$ which $\underline{s. 403.503(13)}$ that uses synthesis gas produced by integrated gasification technology.
- (c) (d) "Nuclear power plant" or "plant" means is an electrical power plant, as defined in $\underline{s.403.503(14)}$, which $\underline{s.403.503(13)}$ that uses nuclear materials for fuel.
- (d) (e) "Power plant" or "plant" means a nuclear power plant or an integrated gasification combined cycle power plant.
- (e) (f) "Preconstruction" is that period of time after a site, including any related electrical transmission lines or facilities, has been selected through and including the date the utility completes site-clearing site clearing work.

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Preconstruction costs shall be afforded deferred accounting treatment and shall accrue a carrying charge equal to the utility's allowance for funds during construction (AFUDC) rate until recovered in rates.

- (2) Within 6 months after the enactment of this act, the commission shall establish, by rule, alternative cost recovery mechanisms for the recovery of costs incurred in the siting, design, licensing, and construction of a nuclear power plant, including new, expanded, or relocated electrical transmission lines and facilities that are necessary to serve the nuclear or integrated gasification combined cycle power plant. Such mechanisms shall be designed to promote utility investment in nuclear or integrated gasification combined cycle power plants and allow for the recovery in rates of all prudently incurred costs, and shall include, but need are not be limited to:
- (a) Recovery through the capacity cost recovery clause of any preconstruction costs.
- (b) Recovery through an incremental increase in the utility's capacity cost recovery clause rates of the carrying costs on the utility's projected construction cost balance associated with the nuclear or integrated gasification combined cycle power plant. To encourage investment and provide certainty, for nuclear or integrated gasification combined cycle power plant need petitions submitted on or before December 31, 2010, associated carrying costs shall be equal to the pretax AFUDC in effect upon this act becoming law. For nuclear or integrated gasification combined cycle power plants for which need petitions are submitted after December 31, 2010, the utility's existing pretax AFUDC rate is presumed to be appropriate unless determined

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otherwise by the commission in the determination of need for the nuclear or integrated gasification combined cycle power plant.

- (3) After a petition for determination of need is granted, a utility may petition the commission for cost recovery as permitted by this section and commission rules.
- When the nuclear or integrated gasification combined cycle power plant is placed in commercial service, the utility shall be allowed to increase its base rate charges by the projected annual revenue requirements of the nuclear or integrated gasification combined cycle power plant based on the jurisdictional annual revenue requirements of the plant for the first 12 months of operation. The rate of return on capital investments shall be calculated using the utility's rate of return last approved by the commission prior to the commercial inservice date of the nuclear or integrated gasification combined cycle power plant. If any existing generating plant is retired as a result of operation of the nuclear or integrated gasification combined cycle power plant, the commission shall allow for the recovery, through an increase in base rate charges, of the net book value of the retired plant over a period not to exceed 5 years.
- (5) The utility shall report to the commission annually the budgeted and actual costs as compared to the estimated inservice cost of the nuclear or integrated gasification combined cycle power plant provided by the utility pursuant to s. 403.519(4), until the commercial operation of the nuclear or integrated gasification combined cycle power plant. The utility shall provide such information on an annual basis following the final order by the commission approving the determination of need for

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the nuclear or integrated gasification combined cycle power plant, with the understanding that some costs may be higher than estimated and other costs may be lower.

- If In the event the utility elects not to complete or is precluded from completing construction of the nuclear power plant, including any new, expanded, or relocated electrical transmission lines or facilities or integrated gasification combined cycle power plant, the utility shall be allowed to recover all prudent preconstruction and construction costs incurred following the commission's issuance of a final order granting a determination of need for the nuclear power plant and electrical transmission lines and facilities or integrated gasification combined cycle power plant. The utility shall recover such costs through the capacity cost recovery clause over a period equal to the period during which the costs were incurred or 5 years, whichever is greater. The unrecovered balance during the recovery period will accrue interest at the utility's weighted average cost of capital as reported in the commission's earnings surveillance reporting requirement for the prior year.
- Section 32. Section 377.601, Florida Statutes, is amended to read:
 - 377.601 Legislative intent.--
- (1) The Legislature finds that this 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 the source of new jobs and employment opportunities for many Floridians. The Legislature further finds that this state is

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positioned at the front line against potential impacts of global climate change. Human and economic costs of those impacts can be averted and, where necessary, adapted to by a concerted effort to make this state's communities more resilient and less vulnerable to these impacts. In focusing the government's policy and efforts to protect this state, its residents, and resources, the Legislature believes that a single government entity that has energy and climate change as its specific focus is both desirable and advantageous. the ability to deal effectively with present shortages of resources used in the production of energy is aggravated and intensified because of inadequate or nonexistent information and that intelligent response to these problems and to the development of a state energy policy demands accurate and relevant information concerning energy supply, distribution, and use. The Legislature finds and declares that a procedure for the collection and analysis of data on the energy flow in this state is essential to the development and maintenance of an energy profile defining the characteristics and magnitudes of present and future energy demands and availability so that the state may rationally deal with present energy problems and anticipate future energy problems.

- (2) The Legislature further recognizes that every state official dealing with energy problems should have current and reliable information on the types and quantity of energy resources produced, imported, converted, distributed, exported, stored, held in reserve, or consumed within the state.
- (3) It is the intent of the Legislature in the passage of this act to provide the necessary mechanisms for the effective development of information necessary to rectify the present lack

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of information which is seriously handicapping the state's ability to deal effectively with the energy problem. To this end, the provisions of ss. 377.601-377.608 should be given the broadest possible interpretation consistent with the stated legislative desire to procure vital information.

- (2) (4) It is the policy of the State of Florida to:
- (a) Recognize and address the potential impacts of global climate change wherever possible. Develop and promote the effective use of energy in the state and discourage all forms of energy waste.
- (b) 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) Include energy considerations in all <u>state</u>, <u>regional</u>, and local planning.
- (d) Utilize and manage effectively energy resources used within state agencies.
- (e) Encourage local governments to include energy considerations in all planning and to support their work in promoting energy management programs.
- (f) Include the full participation of citizens in the development and implementation of energy programs.
- (g) Consider in its decisions the energy needs of each economic sector, including residential, industrial, commercial, agricultural, and governmental uses, and to reduce those needs whenever possible.
- (h) Promote energy education and the public dissemination of information on energy and its environmental, economic, and

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2321 social impact.

- (i) Encourage the research, development, demonstration, and application of alternative energy resources, particularly renewable energy resources.
- (j) Consider, in its decisionmaking, the social, economic, security, 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.
- (k) Develop and maintain energy emergency preparedness plans to minimize the effects of an energy shortage within Florida.
- Section 33. Section 377.6015, Florida Statutes, is created to read:
 - 377.6015 Florida Energy and Climate Commission. --
- (1) The Florida Energy and Climate Commission is created and shall be located within the Executive Office of the Governor.

 The commission shall be comprised of seven members, and shall be appointed by the Governor pursuant to paragraphs (a) and (b).
- (a) The Governor shall select from three persons nominated by the Florida Public Service Commission Nominating Council, created in s. 350.031, for each seat on the commission; however, in order to expedite the seating of the commission upon implementation of this act, the Governor shall select seven persons, including the chair, from a list of 21 persons provided by the council.
- 1. The council shall submit the recommendations to the Governor by September 1 of those years in which the terms are to begin the following October, or within 60 days after a vacancy

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occurs for any reason other than the expiration of the term.

- 2. The Governor shall fill a vacancy occurring on the commission by appointment of one of the applicants nominated by the council only after a background investigation of such applicant has been conducted by the Department of Law Enforcement.
- 3. Members shall be appointed to 3-year terms; however, in order to establish staggered terms, for the initial appointments, the Governor shall appoint four members to 3-year terms, two members to 2-year terms, and one member to a 1-year term.
- 4. The Governor shall select the chair of the commission from among the members appointed.
- 5. Vacancies on the commission shall be filled for the unexpired portion of the time in the same manner as original appointments to the commission.
- 6. If the Governor has not made an appointment within 30 consecutive calendar days after the receipt of the recommendation, the council shall initiate, in accordance with this section, the nominating process within 30 days.
- 7. Each appointment to the commission shall be subject to confirmation by the Senate during the next regular session after the vacancy occurs. If the Senate refuses to confirm or fails to consider the Governor's appointment, the council shall initiate, in accordance with this section, the nominating process within 30 days.
- 8. When the Governor makes an appointment and that appointment has not been confirmed by the Senate before the appointing Governor's term ends, a successor Governor may, within 30 days after taking office, recall the appointment and, prior to

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the first day of the next regular session, make a replacement appointment from the list provided to the previous Governor by the council. Such an appointment is subject to confirmation by the Senate at the next regular session following the creation of the vacancy to which the appointments are being made. If the replacement appointment is not timely made, or if the appointment is not confirmed by the Senate for any reason, the council, by majority vote, shall appoint, within 30 days after the Legislature adjourns sine die, one person from the applicants previously nominated to the Governor to fill the vacancy, and this appointee is subject to confirmation by the Senate during the next regular session following the appointment.

- (b) Members must meet the following qualifications and restrictions:
- 1. A member must be an expert in one or more of the following fields: energy, natural resource conservation, economics, engineering, finance, law, transportation and land use, consumer protection, state energy policy, or another field substantially related to the duties and functions of the commission. The commission shall fairly represent the fields specified in this subparagraph.
- 2. Each member shall, at the time of appointment and at each commission meeting during his or her term of office, disclose:
- a. Whether he or she has any financial interest, other than ownership of shares in a mutual fund, in any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the

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- b. Whether he or she is employed by or is engaged in any business activity with any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the commission.
- (c) The chair may designate ex officio, nonvoting members to provide information and advice to the commission. The following shall serve as ex officio, nonvoting members and may provide information and advice at the request of the chair:
- 1. The chair of the Florida Public Service Commission, or designee;
 - 2. The Public Counsel, or designee;
- 3. A representative of the Department of Agriculture and Consumer Services;
 - 4. A representative of the Department of Community Affairs;
- 5. A representative of Department of Environmental Protection;
 - 6. A representative of Department of Transportation;
- 7. A representative of the Department of Financial Services; and
- 8. The presidents or their designee, of the University of Florida, Florida State University, the University of South Florida, the University of Central Florida, and Florida Atlantic University.
- (2) Members shall serve without compensation, but are entitled to reimbursement for per diem and travel expenses as provided in s. 112.061.
 - (3) Meetings of the commission may be held in various

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2437 <u>locations around the state and at the call of the chair; however,</u>
2438 the commission must meet at least six times each year.

- (4) (a) The commission may employ staff and counsel as needed in the performance of its duties. The commission may prosecute and defend legal actions in its own name.
- (b) The commission may form advisory groups consisting of members of the public to provide information on specific issues.
 - (5) The commission shall:
- (a) Administer the Florida Renewable Energy and Biofuels

 Grant Programs authorized under ss. 377.804 and 570.957 to ensure
 a robust grant portfolio;
- (b) Develop policy recommendations for requiring grantees to provide royalty-sharing or licensing agreements with state government for commercialized products developed under a state grant;
- (c) Administer the information gathering and reporting functions pursuant to ss. 377.601-377.608;
- (d) Administer the petroleum planning and emergency contingency planning pursuant to ss. 377.703-377.704;
- (e) Represent Florida in the Southern States Energy Compact pursuant to ss. 377.71-377.712;
- (f) Complete the annual assessment of the efficacy of Florida's Energy and Climate Change Action Plan, upon completion by the Governor's Action Team, pursuant to the Governor's Executive Order 2007-128, and provide specific recommendations to the Governor and the Legislature each year to improve results.
- (g) Administer the provisions of the Florida Renewable

 Energy Technologies and Energy Efficiency Act as provided in ss.

 377.801-377.808.

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(h) Advocate for energy and climate change issues and provide educational outreach and technical assistance in cooperation with Florida's academic institutions.

- (i) Oversee the Florida Energy Systems Consortium created in s. 1004.648.
- (j) Adopt rules pursuant to chapter 120 in order to implement all powers and duties described in this chapter.

Section 34. Subsection (2) of section 377.602, Florida Statutes, is amended to read:

377.602 Definitions.--As used in ss. 377.601-377.608:

(2) "Commission" means the Florida Energy and Climate

Commission "Department" means the Department of Environmental

Protection.

Section 35. Section 377.603, Florida Statutes, is amended to read:

- 377.603 Energy data collection; powers and duties of the Florida Energy and Climate Commission Department of Environmental Protection.--
- (1) The <u>commission may department shall</u> collect data on the extraction, production, importation, exportation, refinement, transportation, transmission, conversion, storage, sale, or reserves of energy resources in this state in an efficient and expeditious manner.
- (2) The <u>commission may department shall</u> prepare periodic reports of energy data it collects.
- (3) The department shall prescribe and furnish forms for the collection of information as required by ss. 377.601-377.608 and shall consult with other state entities to assure that such data collected will meet their data requirements.

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(3)(4) The <u>commission</u> department may adopt and promulgate such rules and regulations as are necessary to carry out the provisions of ss. 377.601-377.608. Such rules shall be pursuant to chapter 120.

(4) (5) The <u>commission</u> department shall maintain internal validation procedures to assure the accuracy of information received.

Section 36. Section 377.604, Florida Statutes, is amended to read:

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

- (1) The identity of the person or persons making the report.
- (2) The quantity of energy resources extracted, produced, imported, exported, refined, transported, transmitted, converted, stored, or sold except at retail.
- (3) The quantity of energy resources known to be held in reserve in the state.
- (4) The identity of each refinery from which petroleum products have normally been obtained and the type and quantity of products secured from that refinery for sale or resale in this state.

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(5) Any other information which the <u>commission</u> department deems proper pursuant to the intent of ss. 377.601-377.608.

Section 37. Section 377.605, Florida Statutes, is amended to read:

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

Section 38. Section 377.606, Florida Statutes, is amended to read:

377.606 Records of the commission department; limits of confidentiality. -- The information or records of individual persons, as defined herein, obtained by the commission department as a result of a report, investigation, or verification required by the commission department, shall be open to the public, except such information the disclosure of which would be likely to cause substantial harm to the competitive position of the person providing such information and which is requested to be held confidential by the person providing such information. Such proprietary information is confidential and exempt from the provisions of s. 119.07(1). Information reported by entities other than the commission department in documents or reports open to public inspection shall under no circumstances be classified as confidential by the commission department. Divulgence of proprietary information as is requested to be held confidential, except upon order of a court of competent jurisdiction or except to an officer of the state entitled to receive the same in his or

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her official capacity, shall be a misdemeanor of the second degree, punishable as provided in ss. 775.082 and 775.083.

Nothing herein shall be construed to prohibit the publication or divulgence by other means of data so classified as to prevent identification of particular accounts or reports made to the department in compliance with s. 377.603 or to prohibit the disclosure of such information to properly qualified legislative committees. The commission department shall establish a system that which permits reasonable access to information developed.

Section 39. Section 377.703, Florida Statutes, is amended to read:

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

(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 $\underline{s.\ 377.601}\ \underline{s.\ 377.601(4)}$, 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.

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(2) DEFINITIONS.--

- (a) "Coordinate," "coordination," or "coordinating" means the examination and evaluation of state plans and programs and the providing of recommendations to the Cabinet, Legislature, and appropriate state agency on any measures deemed necessary to ensure that such plans and programs are consistent with state energy policy.
- (b) "Energy conservation" means increased efficiency in the utilization of energy.
- (c) "Energy emergency" means an actual or impending shortage or curtailment of usable, necessary energy resources, such that the maintenance of necessary services, the protection of public health, safety, and welfare, or the maintenance of basic sound economy is imperiled in any geographical section of the state or throughout the entire state.
- (d) "Energy source" means electricity, fossil fuels, solar power, wind power, hydroelectric power, nuclear power, or any other resource which has the capacity to do work.
- (e) "Facilities" means any building or structure not otherwise exempted by the provisions of this act.
- (f) "Fuel" means petroleum, crude oil, petroleum product, coal, natural gas, or any other substance used primarily for its energy content.
- (g) "Local government" means any county, municipality, regional planning agency, or other special district or local governmental entity the policies or programs of which may affect the supply or demand, or both, for energy in the state.
- (h) "Promotion" or "promote" means to encourage, aid, assist, provide technical and financial assistance, or otherwise

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seek to plan, develop, and expand.

- (i) "Regional planning agency" means those agencies designated as regional planning agencies by the Department of Community Affairs.
- (j) "Renewable energy resource" means any method, process, or substance the use of which does not diminish its availability or abundance, including, but not limited to, biomass conversion, geothermal energy, solar energy, wind energy, wood fuels derived from waste, ocean thermal gradient power, hydroelectric power, and fuels derived from agricultural products.
- (3) FLORIDA ENERGY AND CLIMATE COMMISSION DEPARTMENT OF ENVIRONMENTAL PROTECTION; DUTIES.—The commission Department of Environmental Protection shall, in addition to assuming the duties and responsibilities provided by ss. 20.255 and 377.701, perform the following functions consistent with the development of a state energy policy:
- (a) The <u>commission</u> department shall assume the responsibility for development of an energy emergency contingency plan to respond to serious shortages of primary and secondary energy sources. Upon a finding by the Governor, implementation of any emergency program shall be upon order of the Governor that a particular kind or type of fuel is, or that the occurrence of an event <u>that</u> which is reasonably expected within 30 days will make the fuel, in short supply. The <u>commission</u> department shall then respond by instituting the appropriate measures of the contingency plan to meet the given emergency or energy shortage. The Governor may utilize the provisions of s. 252.36(5) to carry out any emergency actions required by a serious shortage of energy sources.

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(b) The <u>commission</u> department shall constitute the responsible state agency for performing or coordinating the functions of any federal energy programs delegated to the state, including energy supply, demand, conservation, or allocation.

- (c) The <u>commission</u> department shall analyze present and proposed federal energy programs and make recommendations regarding those programs to the Governor.
- (d) The <u>commission</u> <u>department</u> shall coordinate efforts to seek federal support or other support for state energy activities, including energy conservation, research, or development, and shall be the state agency responsible for the coordination of multiagency energy conservation programs and plans.
- (e) The <u>commission</u> department shall analyze energy data collected and prepare long-range forecasts of energy supply and demand in coordination with the Florida Public Service Commission, which shall have responsibility for electricity and natural gas forecasts. To this end, the forecasts shall contain:
- 1. An analysis of the relationship of state economic growth and development to energy supply and demand, including the constraints to economic growth resulting from energy supply constraints.
- 2. Plans for the development of renewable energy resources and reduction in dependence on depletable energy resources, particularly oil and natural gas, and an analysis of the extent to which renewable energy sources are being utilized in the state.
- 3. Consideration of alternative scenarios of statewide energy supply and demand for 5, 10, and 20 years, to identify

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strategies for long-range action, including identification of potential social, economic, and environmental effects.

- 4. An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels, and an analysis of anticipated effects on the state's environment and social services resulting from energy resource development activities or from energy supply constraints, or both.
- requested by the Governor or the Legislature, reflecting its activities and making recommendations of policies for improvement of the state's response to energy supply and demand and its effect on the health, safety, and welfare of the people of Florida. The report shall include a report from the Florida Public Service Commission on electricity and natural gas and information on energy conservation programs conducted and under way in the past year and shall include recommendations for energy conservation programs for the state, including, but not limited to, the following factors:
- 1. Formulation of specific recommendations for improvement in the efficiency of energy utilization in governmental, residential, commercial, industrial, and transportation sectors.
- 2. Collection and dissemination of information relating to energy conservation.
- 3. Development and conduct of educational and training programs relating to energy conservation.
- 4. An analysis of the ways in which state agencies are seeking to implement $\underline{s. 377.601} \ \underline{s. 377.601(4)}$, the state energy policy, and recommendations for better fulfilling this policy.

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(g) The $\underline{\text{commission}}$ $\underline{\text{department}}$ has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this act.

- (h) The commission shall promote the development and use of renewable energy resources, in conformance with the provisions of chapter 187 and s. 377.601, by:
- 1. Establishing goals and strategies for increasing the use of solar energy in this state.
- 2. Aiding and promoting the commercialization of solar energy technology, in cooperation with the Florida Solar Energy Center, Enterprise Florida, Inc., and any other federal, state, or local governmental agency which may seek to promote research, development, and demonstration of solar energy equipment and technology.
- 3. Identifying barriers to greater use of solar energy systems in this state, and developing specific recommendations for overcoming identified barriers, with findings and recommendations to be submitted annually in the report to the Legislature required under paragraph (f).
- 4. In cooperation with the Department of Environmental Protection, the Department of Transportation, the Department of Community Affairs, Enterprise Florida, Inc., the Florida Solar Energy Center, and the Florida Solar Energy Industries Association, investigating opportunities, pursuant to the National Energy Policy Act of 1992, and the Housing and Community Development Act of 1992, and any subsequent federal legislation, for solar electric vehicles and other solar energy manufacturing, distribution, installation, and financing efforts that which will enhance this state's position as the leader in solar energy

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research, development, and use.

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

- In the exercise of its responsibilities under this paragraph, the commission department shall seek the assistance of the solar energy industry in this state and other interested parties and is authorized to enter into contracts, retain professional consulting services, and expend funds appropriated by the Legislature for such purposes.
- (i) The <u>commission</u> <u>department</u> shall promote energy conservation in all energy use sectors throughout the state and shall constitute the state agency primarily responsible for this function. To this end, the <u>commission</u> <u>department</u> shall coordinate the energy conservation programs of all state agencies and review and comment on the energy conservation programs of all state agencies.
- (j) The <u>commission</u> department shall serve as the state clearinghouse for indexing and gathering all information related to energy programs in state universities, in private universities, in federal, state, and local government agencies, and in private industry and shall prepare and distribute such information in any manner necessary to inform and advise the citizens of the state of such programs and activities. This shall include developing and maintaining a current index and profile of all research activities, which shall be identified by energy area and may include a summary of the project, the amount and sources of funding, anticipated completion dates, or, in case of completed research, conclusions, recommendations, and

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

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

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agricultural products as a source of energy, and recycling of manufactured products. Such promotion shall be conducted in conjunction with, and after consultation with, the Department of Environmental Protection, the Florida Public Service Commission where electrical generation or natural gas is involved, and any other relevant federal, state, or local governmental agency having responsibility for resource recovery programs.

- (1) The <u>commission</u> department shall develop, coordinate, and promote a comprehensive research plan for state programs. Such plan shall be consistent with state energy policy and shall be updated on a biennial basis.
- (m) In recognition of the devastation to the economy of this state and the dangers to the health and welfare of residents of this state caused by severe hurricanes Hurricane Andrew, and the potential for such impacts caused by other natural disasters, the commission department shall include in its energy emergency contingency plan and provide to the Florida Building Commission Department of Community Affairs for inclusion in the Florida Energy Efficiency Code for Building Construction state-model-energy-efficiency-building-code 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.
- (4) <u>COASTAL ENERGY IMPACT PROGRAM.--</u>The <u>commission</u>

 department shall be responsible for the administration of the

 Coastal Energy Impact Program provided for and described in Pub.

 L. No. 94-370, 16 U.S.C. s. 1456a.
 - Section 40. Section 377.803, Florida Statutes, is amended

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2814 to read:

377.803 Definitions.--As used in <u>ss. 377.801-377.808</u> ss. 377.801-377.806, the term:

- (1) "Act" means the Florida Renewable Energy Technologies and Energy Efficiency Act.
- (2) "Approved metering equipment" means a device capable of measuring the energy output of a solar thermal system that has been approved by the commission.
- (2)(3) "Commission" means the <u>Florida Energy and Climate</u> Commission Florida Public Service Commission.
- (4) "Department" means the Department of Environmental Protection.
- (3)(5) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, or any other public or private entity.
- (4) (6) "Renewable energy" means electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen, biomass <u>as</u> <u>defined in s. 366.91</u>, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power.
- $\underline{(5)}$ "Renewable energy technology" means any technology that generates or utilizes a renewable energy resource.
- (6)(8) "Solar energy system" means equipment that provides for the collection and use of incident solar energy for water heating, space heating or cooling, or other applications that would normally require a conventional source of energy such as petroleum products, natural gas, or electricity that performs primarily with solar energy. In other systems in which solar energy is used in a supplemental way, only those components that

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collect and transfer solar energy shall be included in this definition.

- (7) "Solar photovoltaic system" means a device that converts incident sunlight into electrical current.
- (8) (10) "Solar thermal system" means a device that traps heat from incident sunlight in order to heat water.
- Section 41. Section 377.804, Florida Statutes, is amended to read:
- 377.804 Renewable Energy <u>and Energy-Efficient</u> Technologies Grants Program.--
- (1) The Renewable Energy and Energy-Efficient Technologies Grants Program is established within the commission department to provide renewable energy matching grants for demonstration, commercialization, research, and development projects relating to renewable energy technologies and innovative technologies that significantly increase energy efficiency for vehicles and commercial buildings.
- (2) Matching grants for renewable energy technology demonstration, commercialization, research, and development projects may be made to any of the following:
 - (a) Municipalities and county governments.
- (b) Established for-profit companies licensed to do business in the state.
 - (c) Universities and colleges in the state.
 - (d) Utilities located and operating within the state.
 - (e) Not-for-profit organizations.
- (f) Other qualified persons, as determined by the commission department.
 - (3) The commission department may adopt rules pursuant to

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ss. 120.536(1) and 120.54 to provide for application requirements, provide for ranking of applications, and administer the awarding of grants under this program, and develop policy requiring grantees to provide royalty-sharing or licensing agreements with the state for commercialized products developed under a state grant. All grants may be reviewed by a peer-review process of experts. Up to 5 percent of the amount of all grants may be used to pay review expenses, if necessary.

- (4) Factors the <u>commission</u> department shall consider in awarding grants include, but are not limited to:
- (a) The availability of matching funds or other in-kind contributions applied to the total project from an applicant. The commission department shall give greater preference to projects that provide such matching funds or other in-kind contributions.
- (b) The degree to which the project stimulates in-state capital investment and economic development in metropolitan and rural areas, including the creation of jobs and the future development of a commercial market for renewable energy technologies.
- (c) The extent to which the proposed project has been demonstrated to be technically feasible based on pilot project demonstrations, laboratory testing, scientific modeling, or engineering or chemical theory that supports the proposal.
- (d) The degree to which the project incorporates an innovative new technology or an innovative application of an existing technology.
- (e) The degree to which a project generates thermal, mechanical, or electrical energy by means of a renewable energy resource that has substantial long-term production potential.

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

- (g) The degree to which the project fosters overall understanding and appreciation of renewable energy technologies.
 - (h) The ability to administer a complete project.
 - (i) Project duration and timeline for expenditures.
- (j) The geographic area in which the project is to be conducted in relation to other projects.
 - (k) The degree of public visibility and interaction.
- (5) The <u>commission</u> department shall solicit the expertise of other state agencies in evaluating project proposals. State agencies shall cooperate with the <u>commission</u> Department of Environmental Protection and provide such assistance as requested.
- (6) Each application must be accompanied by an affidavit from the applicant attesting to the veracity of the statements contained in the application.
- Section 42. <u>Subsection (6) of section 377.804, Florida</u>

 <u>Statutes, as revived by section 52 of chapter 2007-73, Laws of Florida, is repealed.</u>
- Section 43. Section 377.806, Florida Statutes, is amended to read:
 - 377.806 Solar Energy System Incentives Program. --
- (1) PURPOSE.--The Solar Energy System Incentives Program is established within the <u>commission</u> department to provide financial incentives for the purchase and installation of solar energy systems. Any resident of the state who purchases and installs a new solar energy system of 2 kilowatts or larger for a solar photovoltaic system, a solar energy system that provides at least

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50 percent of a building's hot water consumption for a solar thermal system, or a solar thermal pool heater, from July 1, 2006, through June 30, 2010, is eligible for a rebate on a portion of the purchase price of that solar energy system.

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

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2. The system complies with all applicable building codes as defined by the $\frac{\text{Florida Building Code}}{\text{authority}}$.

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

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processed during the following fiscal year. Requests for rebates received in a fiscal year that are processed during the following fiscal year shall be given priority over requests for rebates received during the following fiscal year.

(7) RULES.--The <u>commission</u> <u>department</u> shall adopt rules pursuant to ss. 120.536(1) and 120.54 to develop rebate applications and administer the issuance of rebates.

Section 44. Section 377.808, Florida Statutes, is created to read:

- 377.808 Florida Green Government Grants Act.--
- (1) This section may be cited as the "Florida Green Government Grants Act."
- Executive Office of the Governor shall use funds specifically appropriated to award grants under this section to assist local governments, including municipalities, counties, and school districts, in the development of programs that achieve green standards. Those standards shall be determined by the commission and must provide for cost-efficient solutions, reducing greenhouse gas emissions, improving quality of life, and strengthening this state's economy.
- (3) (a) The commission shall adopt rules pursuant to chapter 120 to administer the grants provided for in this section. In accordance with the rules adopted by the commission under this section, the commission may provide grants from funds specifically appropriated for this purpose to local governments for the costs of achieving green standards, including necessary administrative expenses.
 - (b) The rules of the commission must:

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1. Designate one or more suitable green government standards framework from which local governments may develop a greening government initiative, and from which projects may be eligible for funding pursuant to this statute.

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

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

- (d) The commission shall perform adequate overview of each grant, which may include technical review, site inspections, disbursement approvals, and auditing to successfully implement this section.
- Section 45. Section 377.901, Florida Statutes, is repealed.

 Section 46. The State Energy Program, as authorized and governed by ss. 20.18, 288.041, 377.601-377.608, 377.701, and 377.703, Florida Statutes, is transferred by a type two transfer, as defined in s. 20.06(2), Florida Statutes, from the Department of Environmental Protection to the Florida Energy and Climate Commission.
- Section 47. Section 377.921, Florida Statutes, is created to read:
 - 377.921 Qualified solar energy system program.--
- systems provide fuel savings and can help protect against future electricity and natural gas shortages, reduce the state's dependence on foreign sources of energy, and improve environmental conditions. The Legislature further finds that the deployment of qualified solar energy systems advances Florida's goals of promoting energy efficiency and the development of renewable energy resources. Therefore, the Legislature finds that it is in the public interest to encourage public utilities to develop and implement programs that promote the deployment and use of qualified solar energy systems.
 - (2) As used in this section:
 - (a) "Qualified solar energy system" means a solar thermal

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water heating system installed at a customer's premises by a public utility. Once installed, ownership of the qualified system may be retained by the public utility or granted to the customer.

- (b) "Public utility" or "utility" means a utility as defined in s. 366.02(1).
- (c) "Eligible program" means a program developed by a public utility and approved by the commission pursuant to subsection (5) under which the utility facilitates the installation of solar thermal water heating systems at a utility customer's premises.
- (d) "Program fuel cost savings" means the total fuel cost savings that a utility is projected to achieve from all solar thermal water heating systems installed at a customer's premises over the life of the qualified solar energy system.
- (e) "Program costs" means all costs incurred in implementing an eligible program, including, but not limited to:
- 1. In-service capital investments, including the utility's last authorized rate of return thereon; and
- 2. Operating and maintenance expense, including, but not limited to, labor, overhead, materials, advertising, marketing, customer incentives, or rebates.
- (3) Notwithstanding any provision in chapter 366 or rule to the contrary, a public utility shall be allowed to recover through the energy conservation cost-recovery clause, either as period expenses or by capitalizing and amortizing, all prudent and reasonable program costs incurred in implementing an eligible program. With respect to any solar hot water heating system, the amortization period shall be 5 years.
 - (4) Notwithstanding any provision in chapter 366 or rule to

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the contrary, and in addition to recovery under subsection (3), a utility shall be allowed to recover through the fuel cost-recovery clause beginning in the year each solar thermal water heating system begins operation 50 percent of any such program fuel cost savings for a period not to exceed 5 years from the installation date. The remaining 50 percent of fuel saving shall be returned to the utility's customers through the fuel cost-recovery clause.

- (5) Notwithstanding any provision in chapter 366 or rule to the contrary, the commission shall enter an order approving a public utility's qualified solar energy system program if the utility demonstrates in a petition that:
- (a) The qualified solar energy systems to be installed as part of the program at minimum meet applicable Florida Solar Energy Center certification requirements.
- (b) The qualified solar energy systems are constructed and installed in conformity with the manufacturer's specifications and all applicable codes and standards.
- (6) Within 60 days after receiving a petition to approve a qualified solar energy system program, the commission shall approve the petition or inform the utility of any deficiencies therein. If the commission informs the utility of deficiencies, the utility may correct those deficiencies and refile its petition to approve the qualified solar energy system program.
- (7) In order to encourage public utilities to promote the deployment and use of qualified solar energy systems, the public utility shall own the renewable attributes or benefits associated with the energy output of a qualified solar energy system installed pursuant to an eligible program, including any

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renewable energy credit or other instrument issued as a result of the utility's eligible program.

(8) This section expires June 30, 2011, unless reenacted by the Legislature on or before that date. Utilities may not enroll new customers in the qualified solar energy program after June 30, 2011, unless this section is reenacted.

Section 48. Paragraph (c) of subsection (3) of section 380.23, Florida Statutes, is amended to read:

380.23 Federal consistency.--

- (3) Consistency review shall be limited to review of the following activities, uses, and projects to ensure that such activities, uses, and projects are conducted in accordance with the state's coastal management program:
- (c) Federally licensed or permitted activities affecting land or water uses when such activities are in or seaward of the jurisdiction of local governments required to develop a coastal zone protection element as provided in s. 380.24 and when such activities involve:
- 1. Permits and licenses required under the Rivers and Harbors Act of 1899, 33 U.S.C. ss. 401 et seq., as amended.
- 2. Permits and licenses required under the Marine Protection, Research and Sanctuaries Act of 1972, 33 U.S.C. ss. 1401-1445 and 16 U.S.C. ss. 1431-1445, as amended.
- 3. Permits and licenses required under the Federal Water Pollution Control Act of 1972, 33 U.S.C. ss. 1251 et seq., as amended, unless such permitting activities have been delegated to the state pursuant to said act.
- 4. Permits and licenses relating to the transportation of hazardous substance materials or transportation and dumping which

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are issued pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. ss. 1501 et seq., as amended, or 33 U.S.C. s. 1321, as amended.

- 5. Permits and licenses required under 15 U.S.C. ss. 717-717w, 3301-3432, 42 U.S.C. ss. 7101-7352, and 43 U.S.C. ss. 1331-1356 for construction and operation of interstate gas pipelines and storage facilities.
- 6. Permits and licenses required for the siting and construction of any new electrical power plants as defined in \underline{s} . $\underline{403.503(14)}$ \underline{s} . $\underline{403.503(13)}$, as amended, and the licensing and relicensing of hydroelectric power plants under the Federal Power Act, 16 U.S.C. ss. 791a et seq., as amended.
- 7. Permits and licenses required under the Mining Law of 1872, 30 U.S.C. ss. 21 et seq., as amended; the Mineral Lands Leasing Act, 30 U.S.C. ss. 181 et seq., as amended; the Mineral Leasing Act for Acquired Lands, 30 U.S.C. ss. 351 et seq., as amended; the Federal Land Policy and Management Act, 43 U.S.C. ss. 1701 et seq., as amended; the Mining in the Parks Act, 16 U.S.C. ss. 1901 et seq., as amended; and the OCS Lands Act, 43 U.S.C. ss. 1331 et seq., as amended, for drilling, mining, pipelines, geological and geophysical activities, or rights-ofway on public lands and permits and licenses required under the Indian Mineral Development Act, 25 U.S.C. ss. 2101 et seq., as amended.
- 8. Permits and licenses for areas leased under the OCS Lands Act, 43 U.S.C. ss. 1331 et seq., as amended, including leases and approvals of exploration, development, and production plans.
 - 9. Permits and licenses required under the Deepwater Port

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3191 Act of 1974, 33 U.S.C. ss. 1501 et seq., as amended.

- 10. Permits required for the taking of marine mammals under the Marine Mammal Protection Act of 1972, as amended, 16 U.S.C. s. 1374.
- Section 49. Subsection (20) of section 403.031, Florida Statutes, is amended to read:
- 403.031 Definitions.--In construing this chapter, or rules and regulations adopted pursuant hereto, the following words, phrases, or terms, unless the context otherwise indicates, have the following meanings:
- (20) "Electrical power plant" means, for purposes of this part of this chapter, any electrical generating facility that uses any process or fuel and that is owned or operated by an electric utility, as defined in $\underline{s.\ 403.503(14)}\ \underline{s.\ 403.503(13)}$, and includes any associated facility that directly supports the operation of the electrical power plant.
- Section 50. Section 403.44, Florida Statutes, is created to read:
 - 403.44 Florida Climate Protection Act.--
- (1) The Legislature finds it is in the best interest of this state to document, to the greatest extent practicable, greenhouse gas (GHG) emissions and to pursue a market-based emissions-abatement program, such as cap-and-trade, to address GHG emissions reductions.
 - (2) As used in this section, the term:
- (a) "Allowance" means a credit issued by the department through allotments or auction which represents an authorization to emit specific amounts of greenhouse gases, as further defined in department rule.

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(b) "Cap-and-trade" or "emissions trading" means an administrative approach used to control pollution by providing a limit on total allowable emissions, providing for allowances to emit pollutants, and providing for the transfer of the allowances among pollutant sources as a means of compliance with emission limits.

- (c) "Greenhouse gas" means carbon dioxide, methane, nitrogen oxide, and fluorinated gases such as hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
- (d) "Leakage" means the offset of emission abatement that is achieved in one location subject to emission control regulation by increased emissions in unregulated locations.
- (e) "Major emitter" means an electric utility regulated under this chapter.
- (3) A major emitter must use The Climate Registry for purposes of emission registration and reporting.
- (4) The Department of Environmental Protection shall establish the methodologies, reporting periods, and reporting systems that must be used when major emitters report to The Climate Registry. The department may require the use of qualityassured data from continuous emissions-monitoring systems.
- regulatory program to reduce greenhouse gas emissions from major emitters. When developing the rules, the department shall consult with the Governor's Action Team on Energy and Climate Change, the Public Service Commission, and the Florida Energy Commission. The rules shall not become effective until ratified by the Legislature.
 - (6) The rules of the cap-and-trade regulatory program shall

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3249 include, but are not limited to:

- (a) A statewide limit or cap on the amount of GHG emissions emitted by major emitters.
- (b) Methods, requirements, and conditions for allocating the cap among major emitters.
- (c) Methods, requirements, and conditions for emissions allowances and the process for issuing emissions allowances.
- (d) The relationship between allowances and the specific amounts of greenhouse gases they represent.
- (e) A process for the trade of allowances between major emitters, including a registry, tracking, or accounting system for such trades.
- (f) Cost-containment mechanisms in order to reduce price and cost risks associated with the electric generation market in this state.
- (g) A process to allow the department to exercise its authority to discourage leakage of GHG emissions to neighboring states attributable to the implementation of this program.
- (h) Provisions for a trial period on the trading of allowances before full implementation of a trading system.
- (i) Other requirements necessary or desirable to implement this section.

Section 51. Present subsections (3) through (30) of section 403.503, Florida Statutes, are redesignated as subsections (4) through (31), respectively, a new subsection (3) is added to that section, and present subsection (10) of that section is amended, to read:

403.503 Definitions relating to Florida Electrical Power Plant Siting Act.--As used in this act:

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(3) "Alternate corridor" means an area that is proposed by the applicant or a third party within which all or part of an associated electrical transmission line right-of-way is to be located and that is different from the preferred transmission line corridor proposed by the applicant. The width of the alternate corridor proposed for certification for an associated electrical transmission line may be the width of the proposed right-of-way or a wider boundary not to exceed a width of 1 mile. The area within the alternate corridor may be further restricted as a condition of certification. The alternate corridor may include alternate electrical substation sites if the applicant has proposed an electrical substation as part of the portion of the proposed electrical transmission line.

(11) (10) "Corridor" means the proposed area within which an associated linear facility right-of-way is to be located. The width of the corridor proposed for certification as an associated facility, at the option of the applicant, may be the width of the right-of-way or a wider boundary, not to exceed a width of 1 mile. The area within the corridor in which a 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 licensee, the boundaries of the area certified shall narrow to only that land within the boundaries of the right-of-way. The corridors proposed for certification shall be those addressed in the application, in amendments to the application filed under s. 403.5064, and in notices of acceptance of proposed alternate corridors filed by an applicant and the department pursuant to s. 403.5271, as incorporated by reference in s. 403.5064(1)(b), for which the

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required information for the preparation of agency supplemental reports was filed.

Section 52. Present subsections (9) through (12) of section 403.504, Florida Statutes, are redesignated as subsections (10) through (13), respectively, and a new subsection (9) is added to that section, to read:

- 403.504 Department of Environmental Protection; powers and duties enumerated.—The department shall have the following powers and duties in relation to this act:
- (9) To determine whether an alternate corridor proposed for consideration under s. 403.5064(4) is acceptable.

Section 53. Subsection (1) of section 403.506, Florida Statutes, is amended, and subsection (3) is added to that section, to read:

403.506 Applicability, thresholds, and certification .--

electrical power plant as defined herein, except that the provisions of this act shall not apply to any electrical power plant or steam generating plant of less than 75 megawatts in gross capacity including its associated facilities or to any substation to be constructed as part of an associated transmission line unless the applicant has elected to apply for certification of such electrical power plant or substation under this act. The provisions of this act shall not apply to any unit capacity expansions expansion of 75 35 megawatts or less, in the aggregate, of an existing exothermic reaction cogeneration electrical generating facility unit that was exempt from this act when it was originally built; however, this exemption shall not apply if the unit uses oil or natural gas for purposes other than

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unit startup. No construction of any new electrical power plant or expansion in steam generating capacity as measured by an increase in the maximum electrical generator rating of any existing electrical power plant may be undertaken after October 1, 1973, without first obtaining certification in the manner as herein provided, except that this act shall not apply to any such electrical power plant which is presently operating or under construction or which has, upon the effective date of chapter 73-33, Laws of Florida, applied for a permit or certification under requirements in force prior to the effective date of such act.

(3) An electric utility may obtain separate licenses, permits, and approvals for the construction of facilities necessary to construct an electrical power plant without first obtaining certification under this act if the utility intends to locate, license, and construct a proposed or expanded electrical power plant that uses nuclear materials as fuel. Such facilities may include, but are not limited to, access and onsite roads, rail lines, electrical transmission facilities to support construction, and facilities necessary for waterborne delivery of construction materials and project components. This exemption applies to such facilities regardless of whether the facilities are used for operation of the power plant. The applicant shall file with the department a statement that declares that the construction of such facilities is necessary for the timely construction of the proposed electrical power plant and identifies those facilities that the applicant intends to seek licenses for and construct prior to or separate from certification of the project. The facilities may be located within or off of the site for the proposed electrical power

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plant. The filing of an application under this act does not affect other applications for separate licenses which are pending at the time of filing the application. Furthermore, the filing of an application does not prevent an electric utility from seeking separate licenses for facilities that are necessary to construct the electrical power plant. Licenses, permits, or approvals issued by any state, regional, or local agency for such facilities shall be incorporated by the department into a final certification upon completion of construction. Any facilities necessary for construction of the electrical power plant shall become part of the certified electrical power plant upon completion of the electrical power plant's construction. The exemption in this subsection does not require or authorize agency rulemaking, and any action taken under this subsection is not subject to chapter 120. This subsection shall be given retroactive effect and applies to applications filed after May 1, 2008.

Section 54. Subsections (1) and (4) of section 403.5064, Florida Statutes, are amended to read:

403.5064 Application; schedules.--

- (1) The formal date of filing of a certification application and commencement of the certification review process shall be when the applicant submits:
- (a) Copies of the certification application in a quantity and format as prescribed by rule to the department and other agencies identified in s. 403.507(2) (a).
- (b) A statement affirming that the applicant is opting to allow consideration of alternate corridors for an associated transmission line corridor. If alternate corridors are allowed,

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at the applicant's option, the portion of the application addressing associated transmission line corridors shall be processed pursuant to the schedule set forth in ss. 403.521-403.526 and 403.5271, including the opportunity for the filing and review of alternate corridors, if a party proposes alternate transmission line corridor routes for consideration no later than 115 days before the certification hearing that is scheduled for the power plant, including any associated transmission line corridors, in accordance with s. 403.508(2).

- $\underline{\text{(c)}}$ (b) The application fee specified under s. 403.518 to the department.
- (4)Within 7 days after the filing of an application, the department shall prepare a proposed schedule of dates for determination of completeness, submission of statements of issues, submittal of final reports, and other significant dates to be followed during the certification process, including dates for filing notices of appearance to be a party pursuant to s. 403.508(3). If the application includes one or more associated transmission line corridors, at the request of the applicant filed concurrently with the application, the department shall use the application processing schedule set forth in ss. 403.521-403.526 and 403.5271 for the associated transmission line corridors, including the opportunity for the filing and review of alternate corridors, if a party proposes alternate transmission line corridor routes for consideration no later than 115 days before the scheduled certification hearing. Notwithstanding an applicant's option for the transmission line corridor portion of its application to be processed under the proposed schedule, only one certification hearing shall be held for the entire power

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plant in accordance with s. 403.508(2). The proposed This schedule shall be timely provided by the department to the applicant, the administrative law judge, all agencies identified pursuant to subsection (2), and all parties. Within 7 days after the filing of the proposed schedule, the administrative law judge shall issue an order establishing a schedule for the matters addressed in the department's proposed schedule and other appropriate matters, if any.

Section 55. Subsections (1) and (3) of section 403.50665, Florida Statutes, are amended, and subsection (7) is added to that section, to read:

403.50665 Land use consistency.--

- (1) The applicant shall include in the application a statement on the consistency of the site, or any directly associated facilities that constitute a "development," as defined by s. 380.04, with existing land use plans and zoning ordinances that were in effect on the date the application was filed and a full description of such consistency.
- (3) If the local government issues a determination that the proposed electrical power plant and any directly associated facility is not consistent or in compliance with local land use plans and zoning ordinances, the applicant may apply to the local government for the necessary local approval to address the inconsistencies in the local government's determination. If the applicant makes such an application to the local government, the time schedules under this act shall be tolled until the local government issues its revised determination on land use and zoning or the applicant otherwise withdraws its application to the local government. If the applicant applies to the local

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government for necessary local land use or zoning approval, the local government shall issue a revised determination within 30 days following the conclusion of that local proceeding, and the time schedules and notice requirements under this act shall apply to such revised determination.

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

Section 56. Paragraph (d) of subsection (3) of section 403.509, Florida Statutes, is amended, present subsections (4) through (6) of that section, are redesignated as subsections (5) through (7), respectively, and a new subsection (4) is added to that section, to read:

403.509 Final disposition of application .--

- (3) In determining whether an application should be approved in whole, approved with modifications or conditions, or denied, the board, or secretary when applicable, shall consider whether, and the extent to which, the location of the electrical power plant and directly associated facilities and their construction and operation will:
 - (d) Meet the electrical energy needs of the state in an

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3481 orderly, reliable, and timely fashion.

(4) (a) Any transmission line corridor certified by the board, or secretary if applicable, shall meet the criteria of this section. When more than one transmission line corridor is proposed for certification under s. 403.503(10) and meets the criteria of this section, the board, or secretary if applicable, shall certify the transmission line corridor that has the least adverse impact regarding the criteria in subsection (3), including costs.

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

Section 57. Subsection (5) is added to section 403.5115, Florida Statutes, to read:

403.5115 Public notice.--

(5) A proponent of an alternate corridor shall publish public notices concerning the filing of a proposal for an

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

Section 58. Subsection (1) of section 403.5175, Florida Statutes, is amended to read:

403.5175 Existing electrical power plant site certification.--

(1) An electric utility that owns or operates an existing electrical power plant as defined in <u>s. 403.503(14)</u> s.

403.503(13) may apply for certification of an existing power plant and its site in order to obtain all agency licenses necessary to ensure compliance with federal or state environmental laws and regulation using the centrally coordinated, one-stop licensing process established by this part. An application for site certification under this section must be in the form prescribed by department rule. Applications must be reviewed and processed using the same procedural steps and notices as for an application for a new facility, except that a determination of need by the Public Service Commission is not required.

Section 59. Subsection (6) is added to section 403.518, Florida Statutes, to read:

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

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

Section 60. Subsection (4) of section 403.519, Florida Statutes, is amended to read:

403.519 Exclusive forum for determination of need .--

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

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

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

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within the state by improving the balance of power plant fuel diversity and reducing Florida's dependence on fuel oil and natural gas.

- 3. Provide the most cost-effective source of power, taking into account the need to improve the balance of fuel diversity, reduce Florida's dependence on fuel oil and natural gas, reduce air emission compliance costs, and contribute to the long-term stability and reliability of the electric grid.
- (c) No provision of rule 25-22.082, Florida Administrative Code, shall be applicable to a nuclear or integrated gasification combined cycle power plant sited under this act, including provisions for cost recovery, and an applicant shall not otherwise be required to secure competitive proposals for power supply prior to making application under this act or receiving a determination of need from the commission.
- (d) The commission's determination of need for a nuclear or integrated gasification combined cycle power plant shall create a presumption of public need and necessity and shall serve as the commission's report required by s. 403.507(4)(a). An order entered pursuant to this section constitutes final agency action. Any petition for reconsideration of a final order on a petition for need determination shall be filed within 5 days after the date of such order. The commission's final order, including any order on reconsideration, shall be reviewable on appeal in the Florida Supreme Court. Inasmuch as delay in the determination of need will delay siting of a nuclear or integrated gasification combined cycle power plant or diminish the opportunity for savings to customers under the federal Energy Policy Act of 2005, the Supreme Court shall proceed to hear and determine the action

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

(e) After a petition for determination of need for a nuclear or integrated gasification combined cycle power plant has been granted, the right of a utility to recover any costs incurred prior to commercial operation, including, but not limited to, costs associated with the siting, design, licensing, or construction of the plant and new, expanded, or relocated electrical transmission lines or facilities of any size that are necessary to serve the nuclear power plant, shall not be subject to challenge unless and only to the extent the commission finds, based on a preponderance of the evidence adduced at a hearing before the commission under s. 120.57, that certain costs were imprudently incurred. Proceeding with the construction of the nuclear or integrated gasification combined cycle power plant following an order by the commission approving the need for the nuclear or integrated gasification combined cycle power plant under this act shall not constitute or be evidence of imprudence. Imprudence shall not include any cost increases due to events beyond the utility's control. Further, a utility's right to recover costs associated with a nuclear or integrated gasification combined cycle power plant may not be raised in any other forum or in the review of proceedings in such other forum. Costs incurred prior to commercial operation shall be recovered pursuant to chapter 366.

Section 61. Section 403.7055, Florida Statutes, is created to read:

403.7055 Methane capture.--

(1) Each county is encouraged to form multicounty regional

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solutions to the capture and reuse or sale of methane gas from landfills and wastewater treatment facilities.

- (2) The department shall provide planning guidelines and technical assistance to each county to develop and implement such multicounty efforts.
- Section 62. Paragraph (i) of subsection (6) of section 403.814, Florida Statutes, is amended to read:
 - 403.814 General permits; delegation. --
- (6) Construction and maintenance of electric transmission or distribution lines in wetlands by electric utilities, as defined in s. 366.02, shall be authorized by general permit provided the following provisions are implemented:
- appurtenances certified pursuant to part II of this chapter.

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

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

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3684 IV of chapter 373 or part VIII of this chapter.

Section 63. Section 489.145, Florida Statutes, is amended to read:

489.145 Guaranteed energy performance savings contracting.--

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

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

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

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3742 11. <u>Energy</u> storage systems, such as fuel cells and thermal storage.

- 12. Energy generating technologies, such as microturbines.
- 13. Any other repair, replacement, or upgrade of existing equipment.
- (c) "Energy, water, and wastewater cost savings" means a measured reduction in the cost of fuel, energy, or water consumption or wastewater production, and stipulated operation and maintenance created from the implementation of one or more energy, water, or wastewater efficiency or conservation measures when compared with an established baseline for the previous cost of fuel, energy, or water consumption or wastewater production, and stipulated operation and maintenance.
- (d) "Guaranteed energy, water, and wastewater performance savings contract" means a contract for the evaluation, recommendation, and implementation of energy, water, and wastewater efficiency or conservation measures, which, at a minimum, shall include:
- 1. The design and installation of equipment to implement one or more of such measures and, if applicable, operation and maintenance of such measures.
- 2. The amount of any actual annual savings that meet or exceed total annual contract payments made by the agency for the contract.
- 3. The finance charges incurred by the agency over the life of the contract.
- (e) "Guaranteed energy performance savings contractor" means a person or business that is licensed under chapter 471, chapter 481, or this chapter, and is experienced in the analysis,

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design, implementation, or installation of energy conservation measures through energy performance contracts.

- (f) "Investment grade energy audit" means a detailed energy, water, and wastewater audit, along with an accompanying analysis of proposed energy, water, and wastewater conservation measures, and their costs, savings, and benefits prior to entry into an energy savings contract.
 - (4) PROCEDURES. --
- (a) An agency may enter into a guaranteed energy performance savings contract with a guaranteed energy performance savings contractor to significantly reduce energy, water, or wastewater consumption or production of energy-related operating costs of an agency facility through one or more energy, water, or wastewater efficiency or conservation measures.
- (b) Before design and installation of energy conservation measures, the agency must obtain from a guaranteed energy performance savings contractor an investment grade audit a report that summarizes the costs associated with the energy conservation measures or energy-related operational cost-saving measures and provides an estimate of the amount of the energy cost savings. The agency and the guaranteed energy performance savings contractor may enter into a separate agreement to pay for costs associated with the preparation and delivery of the report; however, payment to the contractor shall be contingent upon the report's projection of energy or operational cost savings being equal to or greater than the total projected costs of the design and installation of the report's energy conservation measures.
- (c) The agency may enter into a guaranteed energy performance savings contract with a guaranteed energy performance

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savings contractor if the agency finds that the amount the agency would spend on the energy conservation or energy-related costsavings measures will not likely exceed the amount of the energy or energy-related cost savings for up to 20 years from the date of installation, based on the life cycle cost calculations provided in s. 255.255, if the recommendations in the report were followed and if the qualified provider or providers give a written guarantee that the energy or energy-related cost savings will meet or exceed the costs of the system. However, actual computed cost savings must meet or exceed the estimated cost savings provided in program approval. Baseline adjustments used in calculations must be specified in the contract. The contract may provide for installment payments for a period not to exceed 20 years.

- (d) A guaranteed energy performance savings contractor must be selected in compliance with s. 287.055; except that if fewer than three firms are qualified to perform the required services, the requirement for agency selection of three firms, as provided in s. 287.055(4)(b), and the bid requirements of s. 287.057 do not apply.
- (e) Before entering into a guaranteed energy performance savings contract, an agency must provide published notice of the meeting in which it proposes to award the contract, the names of the parties to the proposed contract, and the contract's purpose.
- (f) A guaranteed energy performance savings contract may provide for financing, including tax-exempt financing, by a third party. The contract for third party financing may be separate from the guaranteed energy performance contract. A separate contract for third party financing must include a provision that

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the third party financier must not be granted rights or privileges that exceed the rights and privileges available to the guaranteed energy performance savings contractor.

- (g) Financing for guaranteed energy performance savings contracts may be provided under the authority of s. 287.064.
- (h) The office of the Chief Financial Officer shall review proposals from state agencies to ensure that the most effective financing is being used.
- (i) Annually, the agency that has entered into the contract shall provide the Department of Management Services and the Chief Financial Officer the measurement and verification report required by the contract to validate that energy savings have occurred.
- (j) (g) In determining the amount the agency will finance to acquire the energy conservation measures, the agency may reduce such amount by the application of any grant moneys, rebates, or capital funding available to the agency for the purpose of buying down the cost of the guaranteed energy performance savings contract. However, in calculating the life cycle cost as required in paragraph (c), the agency shall not apply any grants, rebates, or capital funding.
 - (5) CONTRACT PROVISIONS.--
- (a) A guaranteed energy performance savings contract must include a written guarantee that may include, but is not limited to the form of, a letter of credit, insurance policy, or corporate guarantee by the guaranteed energy performance savings contractor that annual associated energy cost savings will meet or exceed the amortized cost of energy conservation measures.
 - (b) The guaranteed energy performance savings contract must

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provide that all payments, except obligations on termination of the contract before its expiration, may be made over time, but not to exceed 20 years from the date of complete installation and acceptance by the agency, and that the annual savings are guaranteed to the extent necessary to make annual payments to satisfy the guaranteed energy performance savings contract.

- (c) The guaranteed energy performance savings contract must require that the guaranteed energy performance savings contractor to whom the contract is awarded provide a 100-percent public construction bond to the agency for its faithful performance, as required by s. 255.05.
- (d) The guaranteed energy performance savings contract may contain a provision allocating to the parties to the contract any annual energy cost savings that exceed the amount of the energy cost savings guaranteed in the contract.
- shall require the guaranteed energy performance savings contract shall require the guaranteed energy performance savings contractor to provide to the agency an annual reconciliation of the guaranteed energy or energy-related cost savings. If the reconciliation reveals a shortfall in annual energy or energy-related cost savings, the guaranteed energy performance savings contractor is liable for such shortfall. If the reconciliation reveals an excess in annual energy cost savings, the excess savings may be allocated under paragraph (d) but may not be used to cover potential energy cost savings shortages in subsequent contract years.
- (f) The guaranteed energy performance savings contract must provide for payments of not less than one-twentieth of the price to be paid within 2 years from the date of the complete

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installation and acceptance by the agency <u>using straight-line</u> <u>amortization for the term of the loan</u>, and the remaining costs to be paid at least quarterly, not to exceed a 20-year term, based on life cycle cost calculations.

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

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 $\underline{\text{model contractual and related documents}}$ for use by state $\underline{\text{and}}$ $\underline{\text{other}}$ agencies. Prior to entering into a guaranteed energy performance savings contract, any contract or lease for third-party financing, or any combination of such contracts, a state agency shall submit such proposed contract or lease to the Office of the Chief Financial Officer for review and approval. $\underline{\text{A}}$ proposed contract or lease shall include:

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

The office of the Chief Financial Officer may not approve any contract from any state agency submitted under this section which

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3945 does not meet the requirements of this section.

Section 64. Section 526.203, Florida Statutes, is created to read:

526.203 Renewable fuel standard.--

- (1) DEFINITIONS.--As used in this ss. 526.203-526.206, the terms "blender," "exporter," "importer," "terminal supplier," and "wholesaler" shall be defined as provided in s. 206.01.
- (a) "Fuel ethanol-blended gasoline" means a mixture of 90 percent gasoline and 10 percent fuel ethanol or similar alcohol.

 The 10 percent fuel ethanol, or similar alcohol, portion may be derived from any agricultural source.
- (b) "Unblended gasoline" means gasoline that has not been blended with fuel ethanol.
- (2) FUEL STANDARD.--On and after December 31, 2010, all gasoline sold or offered for sale in Florida at retail shall contain, at a minimum 10 percent of a agriculturally derived, denatured ethanol fuel by volume. No terminal supplier, importer, exporter, blender, or wholesaler in this state shall sell or deliver fuel that which does not meet the blending requirements of ss. 526.203-526.206.
- (3) EXEMPTIONS.--The requirements of ss. 526.203-526.206 do not apply to the following:
 - (a) Fuel used in aircraft;
- (b) Fuel sold at marinas and mooring docks for use in boats and similar watercraft;
- (c) Fuel sold at public or private racecourses intended to be used exclusively as a fuel for off-highway motor sports racing events;
 - (d) Fuel sold for use in collector vehicles or vehicles

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3974 <u>eligible to be licensed as collector vehicles, off-road vehicles,</u>
3975 motorcycles, or small engines.

- (e) Fuel unable to comply due to requirements of the United States Environmental Protection Agency;
 - (f) Fuel bulk transferred between terminals;
- (g) Fuel exported from the state in accordance with s. 206.052;
- (h) Fuel qualifying for any exemption in accordance with chapter 206;
- (i) Fuel at an electric power plant that is regulated by the United States Nuclear Regulatory Commission unless such commission has approved the use of fuel meeting the requirements of subsection (2);
 - (j) Fuel for a railroad locomotive; or
- (k) Fuel for equipment, including vehicle or vessel, covered by a warranty that would be voided, if explicitly stated in writing by the vehicle or vessel manufacturer, if it were to be operated using fuel meeting the requirements of subsection (2).
- importer, exporter, blender, and wholesaler shall include in its report to the Department of Revenue the number of gallons of gasoline fuel meeting and not meeting the requirements of ss. 526.203-526.206 which is sold and delivered by the terminal supplier, importer, exporter, blender, or wholesaler in the state, and the destination as to the county in the state to which the gasoline was delivered for resale at retail or use.

Section 65. Section 526.204, Florida Statutes, is created to read:

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526.204 Suspension during declared emergencies; waivers.--

- (1) In order to account for supply disruptions and ensure reliable supplies of motor fuels for Florida, the requirements of ss. 526.203-526.206 shall be suspended when the provisions of s. 252.36(2) in any area of the state are in effect plus an additional 30 days.
- (2) If a terminal supplier, importer, exporter, blender, or wholesaler is unable to obtain fuel ethanol or fuel ethanolblended gasoline at the same or lower price than the price of unblended gasoline, the sale or delivery of unblended gasoline by the terminal supplier, importer, exporter, blender, or wholesaler shall not be deemed a violation of ss. 526.203-526.206. The terminal supplier, importer, exporter, blender, or wholesaler shall, upon request, provide the required documentation regarding the sales transaction and price of fuel ethanol, fuel ethanolblended gasoline, and unblended gasoline to the Department of Revenue.

Section 66. Section 526.205, Florida Statutes, is created to read:

526.205 Enforcement.--

- (1) It is unlawful to sell or distribute, or offer for sale or distribution, any gasoline that fails to meet the requirements of ss. 526.203-526.207.
- (2) Upon determining that a terminal supplier, importer, exporter, blender, or wholesaler is not meeting the requirements of s. 526.203(2), the Department of Revenue shall notify the department.
- (3) Upon notification by the Department of Revenue of a violation of ss. 526.203-526.206, the department shall, subject

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to subsection (1), grant an extension or enter an order imposing one or more of the following penalties:

- (a) Issuance of a warning letter.
- (b) Imposition of an administrative fine of not more than \$1,000 per violation for a first-time offender. For a second-time or repeat offender, or any person who is shown to have willfully and intentionally violated any provision of this chapter, the administrative fine shall not exceed \$5,000 per violation. When imposing any fine under this section, the department shall consider the amount of money the violator benefited from by noncompliance, whether the violation was committed willfully, and the compliance record of the violator.
- (c) Revocation or suspension of any registration issued by the department.
- (4) Any terminal supplier, importer, exporter, blender, or wholesaler may apply to the department by September 30, 2010, for an extension of time to comply with the requirements of ss.

 526.203-526.206. The application for an extension must demonstrate that the applicant has made a good faith effort to comply with the requirements but has been unable to do so for reasons beyond the applicant's control, such as delays in receiving governmental permits. The department shall review each application and make a determination as to whether the failure to comply was beyond the control of the applicant. If the department determines that the applicant made a good faith effort to comply, but was unable to do so for reasons beyond the applicant's control, the department shall grant an extension of time determined necessary for the applicant to comply. If no extension is granted, the department shall proceed with enforcement

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4061 pursuant to subsection (3).

Section 67. Section 526.206, Florida Statutes, is created to read:

526.206 Rules.--

- (1) The Department of Revenue is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of ss. 526.203-526.206.
- (2) The Department of Agriculture and Consumer Services is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of ss. 526.203-526.206.

Section 68. Studies and reports. --

- evaluate and recommend the lifecycle greenhouse gas emissions associated with all renewable fuels, including, but not limited to, biodiesel, renewable diesel, biobutanol, ethanol derived from corn, ethanol derived from sugar, and cellulosic ethanol. In addition, the study shall evaluate and recommend a requirement that all renewable fuels introduced into commerce in the state, as a result of the renewable fuel standard, shall reduce the lifecycle greenhouse gas emissions by an average percentage. The study may also evaluate and recommend any benefits associated with the creation, banking, transfer, and sale of credits among fuel refiners, blenders, and importers.
- (2) The Florida Energy Commission shall submit a report containing specific recommendations to the President of the Senate and the Speaker of the House of Representatives no later than December 31, 2010.
- Section 69. Present subsection (5) of section 553.77, Florida Statutes, is renumbered as subsection (6), and a new

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subsection (5) is added to that section, to read:

- 553.77 Specific powers of the commission.--
- 4092 (5) The commission may implement its recommendations
 4093 delivered pursuant to subsection (2) of section 48 of chapter
 4094 2007-73, Laws of Florida, by amending the Florida Energy
 4095 Efficiency Code for Building Construction as provided in s.
 4096 553.901.
- Section 70. Section 553.886, Florida Statutes, is created 4098 to read:
 - 553.886 Energy-efficiency technologies.—The provisions of the Florida Building Code must facilitate and promote the use of cost-effective energy conservation, energy-demand management, and renewable energy technologies in buildings.
 - Section 71. Section 553.9061, Florida Statutes, is created to read:
 - 553.9061 Scheduled increases in thermal efficiency standards.--
 - increases in the energy-efficiency performance of buildings that are subject to the requirements for energy efficiency as contained in the current edition of the Florida Building Code.

 The Florida Building Commission shall implement the following energy-efficiency goals using the triennial code-adoption process established for updates to the Florida Building Code in s.

 553.73:
 - (a) Include requirements in the 2010 edition of the Florida
 Building Code to increase the energy-efficiency performance of

 new buildings by at least 20 percent as compared to the

 performance achieved as a result of the implementation of the

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energy-efficiency provisions contained in the 2004 edition of the Florida Building Code, as amended on May 22, 2007;

- (b) Include requirements in the 2013 edition of the Florida
 Building Code to increase the energy-efficiency performance of

 new buildings by at least 30 percent as compared to the

 performance achieved as a result of the implementation of the
 energy-efficiency provisions contained in the 2004 edition of the
 Florida Building Code, as amended on May 22, 2007;
- (c) Include requirements in the 2016 edition of the Florida
 Building Code to increase the energy-efficiency performance of

 new buildings by at least 40 percent as compared to the

 performance achieved as a result of the implementation of the

 energy-efficiency provisions contained in the 2004 edition of the

 Florida Building Code, as amended on May 22, 2007; and
- (d) Include requirements in the 2019 edition of the Florida

 Building Code to increase the energy-efficiency performance of

 new buildings by at least 50 percent as compared to the

 performance achieved as a result of the implementation of the

 energy-efficiency provisions contained in the 2004 edition of the

 Florida Building Code, as amended on May 22, 2007.
- (2) The commission shall identify in any code-support and compliance documentation the specific building options and elements available to meet the energy-efficiency performance requirements required under subsection (1). Energy-efficiency performance options and elements include, but are not limited to:
 - (a) Solar water heating;
 - (b) Energy-efficient appliances;
 - (c) Energy-efficient windows, doors, and skylights;
 - (d) Low solar-absorption roofs, also known as "cool roofs";

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(e) Enhanced ceiling and wall insulation;

- (f) Reduced-leak duct systems;
- (g) Programmable thermostats; and
- (h) Energy-efficient lighting systems.

Section 72. (1) The Florida Building Commission shall conduct a study to evaluate the energy-efficiency rating of new buildings and appliances. The study must include a review of the current energy-efficiency ratings and consumer labeling requirements contained in chapter 553, Florida Statutes. The commission shall submit a written report of its study to the President of the Senate and the Speaker of the House of Representatives on or before February 1, 2009. The report must contain the commission's recommendations regarding the strengthening and integration of energy-efficiency ratings and labeling requirements.

Section 73. (1) The Florida Building Commission shall conduct a study to evaluate opportunities to restructure the Florida Energy Efficiency Code for Building Construction to achieve long-range improvements to building energy performance.

During such study, the commission shall address the integration of the Thermal Efficiency Code established in part V of chapter 553, Florida Statutes, the Energy Conservation Standards Act established in part VI of chapter 553, Florida Building Energy-Efficiency Rating Act established in part VIII of chapter 553, Florida Statutes.

(2) The commission shall submit a report containing specific recommendations on the integration of the code and acts identified in subsection (1) to the President of the Senate and

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4177 the Speaker of the House of Representatives on or before February 1, 2009.

- (3) The provisions of this section expire July 1, 2009.

 Section 74. (1) The Department of Community Affairs, in conjunction with the Florida Energy Affordability Coalition, shall identify and review issues relating to the Low-Income Home Energy Assistance Program and the Weatherization Assistance Program, and identify recommendations that:
 - (a) Support customer health, safety, and well-being;
- (b) Maximize available financial and energy-conservation assistance;
- (c) Improve the quality of service to customers seeking assistance; and
- (d) Educate customers to make informed decisions regarding energy use and conservation.
- (2) On or before January 1, 2009, the department shall report its findings and any recommended statutory changes required to implement such findings to the President of the Senate and the Speaker of the House of Representatives.
- (3) The provisions of this section expire July 1, 2009. Section 75. Subsection (1) of section 553.957, Florida Statutes, is amended to read:
 - 553.957 Products covered by this part.--
- (1) The provisions of this part apply to the testing, certification, and enforcement of energy conservation standards for the following types of new commercial and residential products sold in the state:
- (a) Refrigerators, refrigerator-freezers, and freezers which can be operated by alternating current electricity,

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4206 excluding:

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- 1. Any type designed to be used without doors; and
- 4208 2. Any type which does not include a compressor and 4209 condenser unit as an integral part of the cabinet assembly.
 - (b) Lighting equipment.
 - (c) Showerheads.
- 4212 (d) Electric water heaters used to heat potable water in 4213 homes or businesses.
 - (e) Electric motors used to pump water within swimming pools.
 - (f) Water heaters for swimming pools.
 - (g) (d) Any other type of consumer product which the department classifies as a covered product as specified in this part.
 - Section 76. Section 553.975, Florida Statutes, is amended to read:
 - 553.975 Report to the Governor and Legislature.--The Public Service Commission shall submit a biennial report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, concurrent with the report required by s. 366.82(5) s. 366.82(4), beginning in 1990. Such report shall include an evaluation of the effectiveness of these standards on energy conservation in this state.
 - Section 77. The Public Service Commission shall analyze utility revenue decoupling and provide a report and recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2009.
- Section 78. Subsection (6) is added to section 718.113, 4234 Florida Statutes, to read:

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718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters.--

(6) Notwithstanding the provisions of this section or the governing documents of a condominium or a multicondominium association, the board of administration may, without any requirement for approval of the unit owners, install upon or within the common elements or association property solar collectors, clotheslines, or other energy-efficient devices based on renewable resources for the benefit of the unit owners.

Section 79. Section 1004.648, Florida Statutes, is created to read:

1004.648 Florida Energy Systems Consortium.--

There is created the Florida Energy Systems Consortium to promote collaboration between experts in the State University System for the purpose of developing and implementing a comprehensive, long-term, environmentally compatible, sustainable, and efficient energy strategic plan for the state. The consortium shall focus on an overall broad systems approach, from energy resource to consumer, for producing innovative energy systems that will lead to alternative energy strategies, improved energy efficiencies, and expanded economic development for the state. The consortium shall consist of the University of Florida, Florida State University, the University of South Florida, the University of Central Florida, and Florida Atlantic University. The consortium shall be administered at the University of Florida by a director who shall report to the Florida Energy and Climate Commission, created in s. 377.6015. The commission shall have ultimate authority over both the technical performance and financial management of the consortium. In performing its

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activities, the consortium must collaborate with an Oversight

Board consisting of the vice president for research at each of
the five universities. The consortium may also collaborate with
industry and other affected parties.

- (2) Through collaborative research and development across the State University System and industry, the goal of the consortium is to become a world leader in energy research, education, technology, and energy systems analysis. In so doing, the consortium shall:
- (a) Coordinate and initiate increased collaborative interdisciplinary energy research among universities and the energy industry.
 - (b) Create a Florida energy technology industry.
- (c) Provide a state resource for objective energy systems analysis.
- (d) Develop education and outreach programs to prepare a qualified energy workforce and informed public.
- (3) To promote collaboration between researchers within the State University System, with industry, and other external partners, the consortium shall receive input from the Florida Energy and Climate Commission. The University Council, which shall consist of one member from each university designated by the corresponding vice president for research, shall provide guidance on vision and direction to the director. The board, the Florida Energy and Climate Commission, and the council shall constitute the Steering Committee. The Steering Committee is responsible for establishing and assuring the success of the consortium's strategic plan.
 - (4) A major focus of the consortium is to expedite

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commercialization of innovative energy technologies by taking advantage of State University System energy expertise, high technology incubators, industrial parks, and industry-driven research centers to attract companies to establish manufacturing in the state and transition technologies into the state economy.

- (5) The consortium shall solicit and leverage state, federal, and private funds for the purpose of conducting education, research, and development in the area of sustainable energy. The Oversight Board shall ensure that the consortium maintains accurate records of any funds received by the consortium.
- (6) Through research and instructional programs, the faculty associated with the consortium shall coordinate a statewide workforce development initiative focusing on collegelevel degrees, technician training, and public and commercial sectors awareness. The consortium shall develop specific programs targeted at preparing graduates who have a background in energy, continuing education courses for technical and nontechnical professionals, and modules, laboratories, and courses to be shared among the universities. The consortium shall work with the Florida Community College system using the Florida Advanced Technological Education Center (FLATE) for the coordination and design of industry-specific training programs for technicians.
- (7) By November 1 of each year, the consortium shall submit an annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Florida Energy and Climate Commission regarding its activities including, but not limited to, education, research, development, and deployment of alternative energy technologies.

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Section 80. State interest.--

(1) As a condition for the issuance of grants or other monetary awards to private companies for energy-related research or deployment projects, the Department of Environmental Protection may require a negotiated or licensing agreement containing a stipulation requiring the return to the state of an agreed-upon amount or percentage of profit resulting from commercialization of the product or process.

(2) The Department of Environmental Protection shall conduct a study to determine how negotiated or licensing agreements may best be used in these situations in order for the state to earn a monetary return on energy-related products or processes that are ultimately prohibited upon commercialization. The department shall submit its study to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2009.

Section 81. The Department of Environmental Protection, in conjunction with the Department of Agriculture and Consumer

Services, shall conduct an economic impact analysis on the effects of granting financial incentives to energy producers who use woody biomass as fuel. It shall include an analysis of the effects on wood supply and prices and the impacts on current markets and on forest sustainability. The department shall submit the results of the study to the President of the Senate and the Speaker of the House of Representatives.

Section 82. Recycling. --

(1) The Legislature finds that the failure or inability to economically recover material and energy resources from solid waste results in the unnecessary waste and depletion of our

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natural resources. Therefore, the maximum recycling and reuse of such resources must be a high-priority goal of this state.

- (2) The long-term goal for reducing solid waste through the recycling efforts of state and local governmental entities shall, by the year 2020, be a statewide average reduction of 75 percent of the amount of solid waste that was disposed of in 2007, not including any recycling efforts undertaken during that year.
- (3) The Department of Environmental Protection shall, by January 1, 2010, develop a recycling program in conjunction with state and local governments which is designed to meet the reduction goal stated in subsection (2).

Section 83. The Department of Environmental Protection, when submitting proposed rules adopted pursuant to s. 403.44,

Florida Statutes, the Climate Protection Act, for ratification by the Legislature, shall submit a summary report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must describe the costs and benefits of a cap-and-trade system and must include, but need not be limited to:

- (1) The impact of a cap-and-trade system on electricity prices charged to consumers.
- (2) The overall cost of a cap-and-trade system to the economy of this state.
- (3) The effect of a cap-and-trade system on low-income consumers if the system results in an increase of energy prices on low-income consumers.

Section 84. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2008.