

Amendment No.

CHAMBER ACTION

Senate

House

.

1 Representative Rehwinkel Vasilinda offered the following:

2
3 **Amendment to Amendment (525388) (with title amendment)**

4 Between lines 4 and 5, insert:

5 Section 2. (1) The Legislature finds that there is a need
6 for a funding mechanism to support and finance a comprehensive
7 energy policy, especially as it relates to sustainable and
8 renewable energy, energy conservation, and energy efficiencies.
9 With such a stable funding mechanism, this state will realize
10 important long-term goals, including:

11 (a) Increased independence from foreign oil;

12 (b) Ensuring an adequate and reliable energy supply;

13 (c) The promotion of economic growth and new investment in
14 the creation of high-paying jobs;

15 (d) The mitigation adverse environmental impacts and
16 promotion of stewardship of the environment;

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

17 (e) Leading the nation in energy conservation and energy
18 efficiencies through needed support for implementing and
19 marketing the products of renewable energy research and
20 innovation; and

21 (f) Contributing to a sustainable and renewable energy
22 policy for the state.

23 (2) As used in this section, the term:

24 (a) "Direct-support organization" means an organization
25 that is:

26 1. A Florida corporation, not for profit, incorporated
27 under chapter 617, Florida Statutes, and approved by the
28 Department of State;

29 2. Organized and operated exclusively to obtain funds; to
30 request and receive grants, gifts, and bequests of moneys; to
31 acquire, receive, hold, invest, and administer in its own name
32 securities, funds, or property; and to make expenditures to
33 support the achievement of the goals stated under subsection (1)
34 and to increase public awareness of and support for the
35 Sustainable and Renewable Energy Trust Fund; and

36 3. Determined by the office to be operating in a manner
37 consistent with the goals stated under subsection (1).

38 (b) "Electric utility" means any municipal electric
39 utility, investor-owned electric utility, or rural electric
40 cooperative that owns, maintains, or operates an electric
41 generation, transmission, or distribution system within the
42 state.

43 (c) "Energy conservation" and "energy efficiencies" means
44 any activity that facilitates and promotes the use of cost-

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

45 effective energy conservation, energy-demand management, and
46 renewable energy technologies.

47 (d) "Office" means the Florida Energy Office.

48 (e) "Renewable energy" means solar photovoltaic energy,
49 solar thermal energy, geothermal energy, ocean thermal energy,
50 wave or tidal energy, wind, fuel cells, landfill gas, hydrogen
51 production and hydrogen conversion technologies, low-emission
52 advanced biomass conversion technologies, alternative fuels used
53 for electricity generation, including ethanol, biodiesel, or
54 other fuel produced in this state and derived from agricultural
55 produce, algae, food waste, or waste vegetable oil, usable
56 electricity from combined heat and power systems that have waste
57 heat recovery systems, thermal storage systems, and other energy
58 resources and emerging technologies that have significant
59 potential for commercialization and that do not involve the
60 combustion of coal, petroleum or petroleum products, or nuclear
61 fission.

62 (3) Beginning January 1, 2011, each electric utility shall
63 collect from each residential, commercial, and industrial
64 electric utility customer a monthly charge of 25 cents as a
65 systems benefits charge. The electric utilities shall deposit
66 the collected funds into the Sustainable and Renewable Energy
67 Policy Trust Fund.

68 (4) (a) The Florida Energy Office shall establish a direct-
69 support organization to provide assistance, funding, and support
70 for the office in carrying out its mission. This section governs
71 the creation, use, powers, and duties of the direct-support
72 organization.

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

73 (b) The direct-support organization shall be governed by a
74 board of directors. The board of directors shall consist of nine
75 members, as follows:

76 1. The chair of the Florida Public Service Commission, or
77 his or her designee.

78 2. The Secretary of Environmental Protection, or his or
79 her designee.

80 3. Two members appointed by the Governor, both of whom are
81 residential electric utility customers and one of whom has
82 experience relating to low-income housing concerns.

83 4. Two members appointed by the President of the Senate,
84 both of whom are members of the Senate and one of whom is a
85 member of the minority party.

86 5. Two members appointed by the Speaker of the House of
87 Representatives, both of whom are members of the House of
88 Representatives and one of whom is a member of the minority
89 party.

90 6. One member appointed by the Chief Financial Officer who
91 has experience related to renewable energy business or
92 commercial investments.

93 (b) The term of office of the board members shall be 3
94 years, except those members of the Senate and the House of
95 Representatives, who shall serve 2-year terms concurrent with
96 the 2-year elected terms of House members. The terms of the
97 initial appointees, except those members of the Senate and the
98 House of Representatives, shall be for 1 year, 2 years, or 3
99 years in order to achieve staggered terms. A member may be
100 reappointed when his or her term expires. The head of the office

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

101 or his or her designee shall serve as an ex officio member of
102 the board of directors.

103 (c) Members must be residents of this state. A majority of
104 the members must be actively involved with sustainable and
105 renewable energy systems and highly knowledgeable about the
106 office, its research, and its mission. A member may be removed
107 by the Governor, the President of the Senate, the Speaker of the
108 House of Representatives, or the Chief Financial Officer for
109 cause and with the approval of a majority of the members of the
110 board of directors. A vacancy shall be filled in the same manner
111 as the initial appointment.

112 (d) The direct-support organization shall operate under a
113 written contract with the office. The written contract must
114 provide for:

115 1. Certification by the office that the direct-support
116 organization is complying with the terms of the contract and is
117 doing so consistent with the goals and purposes of the
118 department and in the best interests of the state. This
119 certification must be made annually and reported in the official
120 minutes of a meeting of the direct-support organization.

121 2. The reversion of moneys and property held by the
122 direct-support organization:

123 a. To the office, if the direct-support organization is no
124 longer approved to operate for the office or if the direct
125 support organization ceases to exist; or

126 b. To the state, if the office ceases to exist.

127 3. The disclosure of the material provisions of the
128 contract and the distinction between the office and the direct-
872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

129 support organization to donors of gifts, contributions, or
130 bequests, including such disclosure on all promotional and
131 fundraising publications.

132 (e)1. The office may permit the use of its property,
133 facilities, and personal services by the direct-support
134 organization, subject to this section.

135 2. The office may prescribe by contract any condition with
136 which the direct-support organization must comply in order to
137 use property, facilities, or personal services of the office.

138 3. The office may not permit the use of its property,
139 facilities, or personal services by any direct-support
140 organization organized under this section which does not provide
141 equal employment opportunities to all persons regardless of
142 race, color, national origin, gender, age, or religion.

143 (f) Any transaction or agreement between the direct-
144 support organization created by this section and another direct-
145 support organization or other entity must be approved by the
146 Governor.

147 (g) All moneys received by the direct-support organization
148 from federal and state grants, private contributions, and the
149 Sustainable and Renewable Energy Policy Trust Fund shall be
150 deposited into an account of the direct-support organization.
151 The direct-support organization shall use the collected charges
152 to support funding for sustainable and renewable energy
153 projects, including, but not limited to, grants to provide
154 funding in the following order of priority:

155 1. Any backlog of approved rebate applications for the
156 Solar Energy Systems Incentive Program.

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

157 2. The implementation of innovation to market projects,
158 with specific attention directed toward the number of in-state
159 jobs created.

160 3. Energy conservation and energy efficiency projects,
161 with specific attention directed to projects for low-income
162 housing, including rental units, rental homes, condominiums, and
163 single-family homes.

164 (h)1. The fiscal year of the direct-support organization
165 shall begin on July 1 of each year and end on June 30 of the
166 following year.

167 2. The direct-support organization shall submit to the
168 office its federal Internal Revenue Service Application for
169 Recognition of Exemption form and its federal Internal Revenue
170 Service Return of Organization Exempt from Income Tax form.

171 (i) The direct-support organization shall provide for an
172 annual financial audit in accordance with s. 215.981, Florida
173 Statutes.

174 Section 3. Subsection (3) of section 366.91, Florida
175 Statutes, is amended to read:

176 366.91 Renewable energy.—

177 (3) On or before January 1, 2006, each public utility must
178 continuously offer a purchase contract to producers of renewable
179 energy. The commission shall establish requirements relating to
180 the purchase of capacity and energy by public utilities from
181 renewable energy producers and may adopt rules to administer
182 this section. The contract shall contain payment provisions for
183 energy and capacity which are based upon the utility's
184 equivalent cost-recovery rate for projects constructed pursuant

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

185 to s. 366.92(4) full avoided costs, as defined in s. 366.051;
186 however, capacity payments are not required if, due to the
187 operational characteristics of the renewable energy generator or
188 the anticipated peak and off-peak availability and capacity
189 factor of the utility's avoided unit, the producer is unlikely
190 to provide any capacity value to the utility or the electric
191 grid during the contract term. Each contract must provide a
192 contract term of at least 10 years. Prudent and reasonable costs
193 associated with a renewable energy contract shall be recovered
194 from the ratepayers of the contracting utility, without
195 differentiation among customer classes, through the appropriate
196 cost-recovery clause mechanism administered by the commission.

197 Section 4. Subsection (1) and paragraph (b) of subsection
198 (2) of section 377.806, Florida Statutes, are amended to read:

199 377.806 Solar Energy System Incentives Program.—

200 (1) PURPOSE.—The Solar Energy System Incentives Program is
201 established within the commission to provide financial
202 incentives for the purchase and installation of solar energy
203 systems. Any resident of the state who purchases and installs a
204 new solar energy system of 2 kilowatts or larger for a solar
205 photovoltaic system, a solar energy system that provides at
206 least 50 percent of a building's hot water consumption for a
207 solar thermal system, or a solar thermal pool heater, from July
208 1, 2006, through June 30, 2015 ~~2010~~, is eligible for a rebate on
209 a portion of the purchase price of that solar energy system.

210 (2) SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.—

211 (b) Rebate amounts.—The rebate amount shall be set at
212 \$2.50 ~~\$4~~ per watt for the first year, \$2 per watt for the second

872821

Approved For Filing: 4/30/2010 6:26:33 PM

Amendment No.

213 and third years, and \$1.50 per watt for each subsequent year,
214 based on the total wattage rating of the system. The maximum
215 allowable rebate per solar photovoltaic system installation
216 shall be as follows:

- 217 1. Twenty thousand dollars for a residence.
218 2. One hundred thousand dollars for a place of business, a
219 publicly owned or operated facility, or a facility owned or
220 operated by a private, not-for-profit organization, including
221 condominiums or apartment buildings.
222
223
224

225 -----
226 **T I T L E A M E N D M E N T**

227 Remove line 24 and insert:
228 home rule authority; providing legislative findings; providing
229 definitions; requiring each electric utility in the state to
230 collect from each residential, commercial, and industrial
231 customer a designated monthly systems charge; requiring the
232 electric utilities to deposit collected funds into the
233 Sustainable and Renewable Energy Policy Trust Fund; creating a
234 direct-support organization for the Florida Energy Office;
235 providing for a board of directors of the direct-support
236 organization; providing for appointment of members and terms of
237 office; requiring a contract between the office and the direct-
238 support organization; providing for the use of the deposited
239 funds; requiring an annual audit; amending s. 366.91, F.S.;
240 requiring that a purchase contract offered to producers of
872821

Amendment No.

241 renewable energy contain payment provisions for energy and
242 capacity based upon a public utility's equivalent cost-recovery
243 rate for certain clean energy projects rather than the utility's
244 full avoided costs; amending s. 377.806, F.S.; revising the
245 expiration date for the Solar Energy System Incentives Program;
246 extending the period of time for which residents of the state
247 are eligible to receive rebates for specified solar energy
248 systems; revising the rebate amount for eligible solar energy
249 systems; providing a schedule for rebate amounts based on the
250 total wattage of the system; amending s. 366.92, F.S.;