

By the Committee on Communications, Energy, and Public Utilities; and Senator Simmons

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1 A bill to be entitled  
2 An act relating to the energy grid; creating s.  
3 366.96, F.S.; providing legislative intent; defining  
4 the term "energy grid"; requiring the Public Service  
5 Commission to hold public hearings to determine a  
6 disaster preparation and energy grid improvement plan  
7 for each public utility; specifying the maximum  
8 implementation period for such plans; requiring the  
9 commission to allow such plans to be modified at  
10 certain intervals; specifying considerations for  
11 developing such plans; requiring the commission to  
12 issue orders for the public utilities to implement  
13 their plans; authorizing the commission to grant a  
14 single extension of plan deadlines every 6 years under  
15 certain circumstances; requiring the commission to  
16 submit a report to the Legislature on specified dates;  
17 specifying report requirements; requiring the  
18 commission to adopt certain rules and issue certain  
19 orders; providing an effective date.

20  
21 Be It Enacted by the Legislature of the State of Florida:

22  
23 Section 1. Section 366.96, Florida Statutes, is created to  
24 read:

25 366.96 Public utility disaster hardening.-

26 (1) It is the intent of the Legislature that the  
27 commission, in its storm hardening proceedings, increase its  
28 focus on the resiliency of the energy grid to reduce the  
29 percentage of customers without electricity during and after a

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30 storm or other natural disaster and to reduce the time necessary  
31 for the affected public utility to fully restore electric  
32 service during such outages. Furthermore, it is the intent of  
33 the Legislature that such reductions be accomplished at a cost  
34 that is fair and reasonable for the state's public utility  
35 customers.

36 (2) As used in this section, the term "energy grid" means a  
37 public utility's interconnected generation, transmission, and  
38 distribution infrastructure.

39 (3) The commission shall hold public hearings, including  
40 such customer hearings in each public utility's service  
41 territory as appropriate, to determine a disaster preparation  
42 and energy grid improvement plan for each public utility,  
43 including all necessary improvements and the time within which  
44 the public utility must complete each improvement. The plan  
45 implementation period may be up to 20 years, and the commission  
46 must allow for the plan to be modified at least every 3 years.

47 (4) In developing the disaster preparation and energy grid  
48 improvement plan, the commission must consider all of the  
49 following:

50 (a) The available projections for the number and severity  
51 of storms in the future and for changes in sea level, storm  
52 surge, and flooding;

53 (b) The projected costs and benefits of each plan;

54 (c) Any alternatives to the traditional energy grid which  
55 provide strengthening or resiliency benefits to the energy grid,  
56 including smart grids, distributed generation, and microgrids;  
57 and

58 (d) The individual circumstances and characteristics of

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59 each public utility, including:

60 1. The public utility's energy grid, taking into account  
61 its history of outages, restorations, the time necessary to  
62 complete each restoration, and the factors involved in  
63 restoration and timing of completion;

64 2. The utility's ratepayer base;

65 3. The utility's existing cost recovery structure and  
66 rates;

67 4. Any potential alternatives to the traditional energy  
68 grid;

69 5. Available energy grid improvements for the utility,  
70 including the benefits and costs of such improvements and the  
71 impact of such improvements on rates; and

72 6. A reasonable period for the utility to implement the  
73 plan.

74 (5) Upon completion of the development of a disaster  
75 preparation and energy grid improvement plan for each public  
76 utility, the commission must issue an order requiring the public  
77 utility to implement the plan.

78 (6) During any 6-year period, a public utility may apply to  
79 the commission for a single extension for one or more plan  
80 deadlines specified in the order. The commission may grant the  
81 extension if the public utility provides the commission with  
82 sufficient evidence that an extension is in the best interest of  
83 the utility's ratepayers.

84 (7) (a) On or before February 1, 2019, and for every 3 years  
85 thereafter, the commission shall submit a report to the  
86 President of the Senate and the Speaker of the House of  
87 Representatives which describes, for each public utility, the

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88 commission's determination and order for that public utility  
89 regarding its plan for energy grid improvement, the timetable  
90 for completion of the plan, and the projected costs and benefits  
91 of the plan. In the February 1, 2022, report, and in each report  
92 thereafter, the commission shall report on the performance of  
93 the energy grid improvements for each storm or other natural  
94 disaster that have occurred since the previous report.

95 (b) The commission shall adopt rules and issue orders  
96 necessary to implement this section.

97 Section 2. This act shall take effect upon becoming a law.