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LEGISLATIVE ACTION

Senate

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House

The Committee on Rules (Bradley) recommended the following:

1 **Senate Substitute for Amendment (384970) (with title**
2 **amendment)**

3
4 Delete lines 44 - 126

5 and insert:

6 Section 2. Subsections (1) and (5) of section 366.91,
7 Florida Statutes, are amended to read:

8 366.91 Renewable energy.—

9 (1) The Legislature finds that:

10 (a) It is in the public interest to continue ~~promote~~ the
11 development of renewable energy resources in this state in a



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12 manner that is fair and equitable to all public utility
13 customers. Renewable energy resources have the potential to help
14 diversify fuel types to meet Florida's growing dependency on
15 natural gas for electric production, minimize the volatility of
16 fuel costs, encourage investment within the state, improve
17 environmental conditions, and make Florida a leader in new and
18 innovative technologies. The development and maturation of the
19 solar energy industry, the substantial decline in the cost of
20 solar panels, and the increase in customer-owned or -leased
21 renewable generation support the redesign of net metering by the
22 commission.

23 (b) Customer-owned or -leased renewable generation is not
24 available to many public utility customers who lack the
25 financial resources to purchase or lease rooftop solar panels or
26 who reside in multitenant buildings. The substantial growth of
27 customer-owned or -leased renewable generation has resulted in
28 increased cross-subsidization of the full cost of electric
29 service onto the public utility's general body of ratepayers.
30 Therefore, the redesigned net metering rate structures required
31 in subsection (5) (d) must ensure that public utility customers
32 who own or lease renewable generation pay the full cost of
33 electric service and are not cross-subsidized by the public
34 utility's general body of ratepayers.

35 (5) (a) ~~On or before January 1, 2009,~~ Each public utility
36 shall develop a standard ~~standardized~~ interconnection agreement
37 and net metering program for customer-owned or -leased renewable
38 generation. The commission shall establish requirements relating
39 to the expedited interconnection and net metering of customer-
40 owned or -leased renewable generation by public utilities and



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41 shall ~~may~~ adopt new rules to administer this section.

42 (b) Effective January 1, 2024, public utility net metering
43 programs for customer-owned or -leased renewable generation must
44 provide that:

45 1. Electricity used by the customer in excess of the
46 generation supplied by customer-owned or -leased renewable
47 generation is billed by the public utility in accordance with
48 normal billing practices; and

49 2. Excess customer-owned or -leased renewable generation
50 delivered to the public utility's electric grid during the
51 customer's regular billing cycle is credited to the customer's
52 energy consumption for the next month's billing cycle as
53 follows:

54 a. For energy credits produced from customer-owned or -
55 leased renewable generation for which a standard interconnection
56 agreement is executed by both parties during calendar years 2024
57 and 2025, the customer's energy usage is offset by 75 percent of
58 the amount credited.

59 b. For energy credits produced from customer-owned or -
60 leased renewable generation for which a standard interconnection
61 agreement is executed by both parties during calendar years 2026
62 and 2027, the customer's energy usage is offset by 50 percent of
63 the amount credited.

64 (c) A public utility customer who owns or leases renewable
65 generation for which a standard interconnection agreement is
66 executed by both parties before December 31, 2023, is granted 20
67 years to continue to use the net metering rate design and rates
68 that applied at the time the standard interconnection agreement
69 was executed by both parties. This paragraph applies to



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70 customers who purchase or lease real property upon which
71 customer-owned or -leased renewable generation is installed for
72 all or part of that 20-year period.

73 (d) The commission shall adopt subsequent rules to become
74 effective January 1, 2028, which establish a new program design
75 for customer-owned or -leased renewable generation for which a
76 standard interconnection agreement was executed by both parties
77 on or after January 1, 2028. The new program design must comply
78 with the following criteria:

79 1. Each public utility customer who owns or leases
80 renewable generation must pay the full cost of electric service
81 and may not be subsidized by the public utility's general body
82 of ratepayers after December 31, 2027.

83 2. All energy delivered by the public utility must be
84 purchased at the public utility's applicable retail rate, and
85 all energy delivered by the customer-owned or -leased renewable
86 generation to the public utility must be credited to the
87 customer at the public utility's full avoided costs.

88 3. The commission shall establish revised guidelines for
89 net metering credits, netting intervals, fees, and charges as
90 described herein, so as to ensure that the renewable generation
91 subsidy is zero by January 1, 2028.

92 (e) After the effective date of the subsequent net metering
93 rules described in paragraph (d), a public utility may petition
94 the commission for approval to impose fixed charges, including
95 base facilities charges, electric grid access fees, or monthly
96 minimum bills, to help ensure that the public utility recovers
97 the fixed costs of serving customers who engage in net metering
98 and that the general body of public utility ratepayers does not



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99 subsidize customer-owned or -leased renewable generation.

100 (f)1. If at any time the statewide penetration rate of
101 customer-owned or -leased renewable generation exceeds 6.5
102 percent, the commission, upon petition or on its own motion,
103 must initiate rulemaking to adopt a new program design that
104 complies with subparagraphs (d)1. and 2. A new program design
105 adopted pursuant to this subparagraph becomes effective 60 days
106 after rule adoption and shall apply to customer-owned or -leased
107 renewable generation for which a standard interconnection
108 agreement was executed by both parties after that effective
109 date.

110 2. For purposes of this paragraph, the penetration rate
111 must be calculated by dividing the aggregate gross power rating
112 (alternating current) of all in-service customer-owned or -
113 leased renewable generation in all investor-owned electric
114 utilities' service territories by the total summer peak demand
115 of all investor-owned electric utilities.

116 (g) This subsection establishes the minimum requirements
117 for each public utility net metering program. A public utility
118 may petition the commission at any time for approval to offer a
119 net metering program on terms that are more favorable to
120 customers who own or lease renewable generation than the terms
121 specified in this subsection or in commission rules adopted
122 pursuant to this subsection.

123 (h) The commission shall require a public utility
124 requesting a change in base rates under s. 366.06 to report to
125 the commission the impact of net metering on the public
126 utility's revenues and cost of service.

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128 ===== T I T L E A M E N D M E N T =====

129 And the title is amended as follows:

130 Delete lines 9 - 15

131 and insert:

132 classes of ratepayers; providing the terms for public
133 utility net metering programs after a specified date;
134 authorizing certain customers who own or lease
135 renewable generation to remain under the net metering
136 rules that initially applied to those customers for a
137 specified time; providing applicability; requiring the
138 Public Service Commission to adopt rules that meet
139 certain requirements by a specified date; authorizing
140 public utilities to petition the commission, after a
141 specified date, for approval of certain charges;
142 providing conditions under which rulemaking must be
143 initiated if the penetration rate of customer-owned or
144 -leased renewable generation meets a specified
145 threshold; authorizing public utilities to petition
146 the commission to offer certain alternative net
147 metering programs; requiring certain