

By Senator DiCeglie

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1 A bill to be entitled
2 An act relating to renewable energy cost recovery;
3 amending s. 366.91, F.S.; revising the types of
4 contracts which are eligible for cost recovery by a
5 public utility under certain circumstances;
6 authorizing a public utility to recover prudently
7 incurred renewable natural gas and hydrogen fuel
8 infrastructure project costs through the appropriate
9 Public Service Commission cost-recovery mechanism;
10 providing that such costs prudently incurred are not
11 subject to further actions except under certain
12 circumstances; specifying eligible renewable natural
13 gas and hydrogen fuel infrastructure projects;
14 providing an effective date.

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

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18 Section 1. Subsection (9) of section 366.91, Florida
19 Statutes, is amended, and subsection (10) is added to that
20 section, to read:

21 366.91 Renewable energy.—

22 (9) ~~The commission may approve cost recovery by a gas~~
23 ~~public utility for~~ Contracts for the purchase of renewable
24 natural gas and hydrogen in which the pricing provisions exceed
25 the current market price of natural gas are eligible for cost
26 recovery, but only if ~~which are otherwise deemed reasonable and~~
27 ~~prudent by~~ the commission finds that the contract meets the
28 overall goals of subsection (1) by promoting the development or
29 use of renewable energy resources in this state and providing

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30 fuel diversification.

31 (10) A public utility may recover, through the appropriate
32 cost-recovery mechanism administered by the commission,
33 prudently incurred costs for renewable natural gas and hydrogen
34 fuel infrastructure projects. If the commission determines that
35 such costs were prudently incurred, those costs are not subject
36 to disallowance or further prudence review except for fraud,
37 perjury, or intentional withholding of key information by the
38 public utility. For purposes of this subsection for utility cost
39 recovery only, renewable natural gas may include a mixture of
40 natural gas and renewable natural gas. Eligible renewable
41 natural gas and hydrogen fuel infrastructure projects include,
42 but are not limited to, capital investment in projects necessary
43 to prepare or produce renewable natural gas and hydrogen fuel
44 for pipeline distribution and usage; capital investment in
45 facilities, including pipelines, necessary to inject and deliver
46 renewable natural gas and hydrogen fuel throughout this state;
47 renewable natural gas and hydrogen fuel storage facilities;
48 operation and maintenance expenses associated with any such
49 renewable natural gas and hydrogen fuel infrastructure projects;
50 and an appropriate return on investment consistent with that
51 allowed for other utility plants used to provide service to
52 customers.

53 Section 2. This act shall take effect July 1, 2023.