Committee on Energy

Wednesday, March 7, 2007
9:00 AM – 3:00 PM
404 HOB

Marco Rubio
Speaker

Bob Allen
Chair

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Speaker Marco Rubio

Committee on Energy

Start Date and Time:	Wednesday, March 07, 2007 09:00 am
End Date and Time:	Wednesday, March 07, 2007 03:00 pm
Location:	404 HOB
Duration:	6.00 hrs

Consideration of the following bill(s):

HB 549 Power Plants by Traviesa

Consideration of recommendations with respect to PCB ENRC 07-01, relating to Energy Efficiency and Alternative Fuel

The committee will break from 12:00 p.m. - 1:00 p.m. for lunch.

Pursuant to rule 7.12, the deadline for amendments to bills on the agenda by non-appointed members shall be 6:00 P.M., Tuesday, March 6, 2007.

By request of Chair Allen, all committee members are asked to have amendments to the bills on the agenda submitted to staff by 6:00 P.M., Tuesday, March 6, 2007.

NOTICE FINALIZED on 03/05/2007 16:13 by LOVE.JOHN

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 549 Power Plants
SPONSOR(S): Traviesa and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1202

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Committee on Energy		Wiggins	Collins
2) Environment & Natural Resources Council			
3) Policy & Budget Council			
4)			
5)			

SUMMARY ANALYSIS

The 2006 Legislature enacted the "Florida Renewable Energy Technologies and Efficiencies Act" to address a variety of energy related concerns. In response to the disruption in energy supply experienced during the 2004 and 2006 hurricane seasons, the Legislature authorized the Public Service Commission (PSC) to consider fuel diversity and fuel reliability as factors when determining the need for new electric generation.[1] The Act also revised statutory provisions governing determination of need and cost recovery for the construction of nuclear power plants.

When the Public Service Commission (PSC) evaluates a public utility's decision regarding the addition of generating capacity, the commission, pursuant to law, utilizes the "bid rule" process as a means to ensure that a public utility's selection of a proposed generation addition is the most cost-effective alternative available. This rule was designed to provide power at the cheapest rate to the consumer. Due to the high cost of constructing nuclear plants, the bid rule in many cases eliminates nuclear power as an option. In 2006, the Legislature adopted CS/CS/CS/SB 888 to provide that the bid rule does not apply to a nuclear power plant, and that an applicant for a determination of need for such a power plant is not required to secure competitive proposals for power supply before applying for a certificate and filing a petition for a determination of need. In addition, CS/CS/CS/SB 888 authorized nuclear plants to recover their pre-operational costs prior to completion of the project.

Integrated gasification combined cycle (IGCC) power plants convert coal into a synthetic gas, which is then burned in a standard combined cycle power plant to create electric power. This bill applies the provisions created in CS/CS/CS/SB 888 for nuclear power plants to IGCC power plants by exempting them from the "bid rule" process and allowing such plants to recover their pre-operational costs prior to completion of the project

According to information provided by Tampa Electric Company, the provisions enacted by CS/CS/CS/SB 888 for nuclear power plants are equally applicable to IGCC power plants:

- IGCC plants are very expensive to construct relative to natural gas combined cycle plants and other alternatives.
- IGCC plants provide fuel diversity and price stability along with reliability which cannot be obtained without the modification of the determination of need statute and the assurance of cost recovery.

The Tampa Electric Company also maintains that there is an urgency to capitalize on the $133.5 million in tax credits that have been awarded by the Federal Internal Revenue Service for a proposed project in Polk County. To be eligible for the tax credits, the IGCC facility must be placed in service within five years of the date of the issuance of the certification which would likely be around November 2013. Otherwise, the tax credits are subject to recapture in accordance with the IRS rules.

This bill does not appear to have a fiscal impact on state and local governments. The bill allows IGCC power plants to recover pre-operational costs incurred prior to the commercial in-service date of the IGCC plant. These costs will be passed onto ratepayers prior to the completion of the project.

[1] s. 403.519 (3), F.S.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government - Within 6 months of this bill becoming law, the Florida Public Service Commission must develop rules to establish alternative cost recovery mechanisms incurred in the sitting, design, licensing, and construction of integrated gasification combined cycle power plants.

B. EFFECT OF PROPOSED CHANGES:

IGCC Power Plant definition and Emission Information

Background Information

IGCC power plants convert coal into a synthetic gas, which is then burned in a standard combined cycle power plant to create electrical power. An IGCC plant can utilize natural gas as an alternative fuel. According to the Environmental Protection Agency's Office of Atmospheric Programs:

> For traditional pollutants such as nitrogen oxides (NOx), sulfur oxide (SO2), particulate matter (PM) and mercury (Hg), IGCC power plants are inherently lower polluting than the current generation of traditional coal-fired power plants. IGCC plants also have multi-media benefits, as it uses less water than pulverized coal (PC) facilities. IGCC power plants also produce a solid waste stream that can be a useful byproduct for producing roofing tiles and as filler for new roadbed construction. IGCC power plants also have the potential to reduce solid waste by using as fuel a combination of coal and renewable biomass products.[2]

Cost Recovery Provisions

Present Situation

According to the Public Service Commission (PSC),[3] "...expenditures for any pre-operational costs to build power plants would accrue in a regulatory account and when the plant was operational, all costs in this account would become part of the total plant cost that could be placed in the rate base. Current PSC practice does allow public utilities to request early cash flows to occur for power plant construction costs upon a showing that the utility would suffer financial hardships without such early recovery of costs."

Section 366.93, F.S., enacted as part of CS/CS/CS/SB 888, requires the PSC to adopt rules within six months for alternative cost recovery for nuclear power plants that allow recovery for the following items if they were prudently incurred:

- Any preconstruction costs
- Any carrying costs for construction cost balances (this would include mainly interest expenses).

The section provides that an investor-owned utility may petition the PSC for early recovery of these costs after the utility receives an affirmative determination of need for its nuclear power plant. The section allows the utility to increase its base rate charges by the projected annual revenue requirements of the nuclear power plant once the plant is operational.

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[2] Emissions Monitoring and Control Technology, S. Khan, EPA's Office of Atmospheric Programs.
[3] Florida Public Service Commission Staff Analysis for HB 549, 2/19/07.

The only mechanism for permitting any disallowance of costs would be based on the PSC finding certain costs were imprudently incurred pursuant to a chapter 120, F.S., proceeding where the standard of proof is a "preponderance of the evidence standard." Section 403.519(4)(e), F.S., also states that imprudence may not be found for any costs due to events outside the utility's control.

Section 366.93(5) and (6), F.S., require that the utility file annual reports to the PSC on the budgeted and actual construction costs and that if a utility elects not to complete a nuclear power plant project, the utility shall be allowed to recover all prudent preconstruction and construction costs.

Section 403.503(13), F.S., which is applicable to any power plant subject to the PPSA, defines construction costs to include not only lines and substations directly interconnected to a power plant, but any transmission upgrades or expansions on the state's transmission system. Thus, any grid-wide upgrades required to reliably handle the electric output of a new nuclear power plant would similarly be subject to early recovery.

Proposed Situation

This bill extends the provisions of s. 366.93, F.S., to future integrated gasification combined cycle (IGCC) power plants. The effect would be to allow utilities to recover costs incurred prior to the commercial in-service date of the IGCC plant if such costs are determined to be prudent.

Need Determination Provisions

Present Situation

Utilities seeking to construct a power plant, such as an IGCC, with a steam generator greater than 75 megawatts must acquire regulatory approval through the Florida Electrical Power Plant Siting Act (PPSA) (ss. 403.501-.518, F.S.) under the coordination of the Florida Department of Environmental Protection. An affirmative determination of need is required from the PSC as a condition to proceed under the PPSA, as provided in s. 403.507(4)(b), F.S.

Under s. 403.519, F.S., the PSC is the sole forum for the determination of need for an electrical power plan subject to the PPSA. Upon request by an applicant, the PSC must begin a proceeding to determine the need for an electrical power plant subject to the PPSA. The PSC's determination of need for an electrical power plant creates a presumption of public need and necessity and serves as its report required under the PPSA.

Section 403.519, F.S., requires the PSC, in considering whether to approve a need petition for a non-nuclear power plant, to take into account several criteria, including:

- the need for electric system reliability and integrity;
- the need for adequate electricity at a reasonable cost;
- the need for diversity and supply reliability;
- whether the proposed plant is the most cost-effective alternative available;
- available conservation measures which mitigate the need for the plant;
- and other matters within the PSC's jurisdiction.

In determining whether the proposed plant is the most cost-effective alternative, the PSC established Rule 25-22.082, F.A.C., Selection of Generating Capacity. This rule requires utilities to request bids for alternatives to its proposed plant in order to meet the identified need for power. The effect of the rule is to provide the PSC with more complete information about potential alternatives to the proposed power plant to use as a consideration in its deliberation of the project's cost-effectiveness.

Due to the high cost of constructing nuclear plants, the bid rule in many cases eliminates nuclear power as an option. In 2006, the Legislature adopted CS/CS/CS/SB 888 to provide that the bid rule does not

apply to a nuclear power plant, and that an applicant for a determination of need for such a power plant is not required to secure competitive proposals for power supply before applying for a certificate and filing a petition for a determination of need.

Under the statutory provisions enacted by the 2006 Legislature (s. 403.519(4), F.S.), in making its determination to either grant or deny a petition, the PSC is required to consider:

- the need for electric system reliability and integrity, including fuel diversity;
- the need for base-load generating capacity; and
- the need for adequate electricity at a reasonable cost.

In making its determination, the PSC must also take into account matters within its jurisdiction, which it deems relevant, including whether the nuclear power plant will:

- provide needed baseload capacity;
- enhance the reliability of electric power within the state and reduce Florida's dependence on fuel oil and natural gas; and
- 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.

The PSC's determination of need for a nuclear plant creates presumption of public need and necessity. Any review of the order is to be accomplished by the Supreme Court as expeditiously as practicable giving precedence over matters not accorded similar precedence by law.

Under s. 403.519(4), F.S., after a petition for determination of need for a nuclear 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, are not subject to challenge unless and only to the extent the PSC finds, based on a preponderance of the evidence adduced at a hearing before the PSC under s. 120.57, F.S., that certain costs were imprudently incurred. Proceeding with the construction of the nuclear power plant following an order by the PSC approving the need for the nuclear power plant shall not constitute or be evidence of imprudence. Imprudence shall not include any cost increases due to events beyond the utility's control. A utility's right to recover costs associated with a nuclear 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 must be recovered pursuant to chapter 366, F.S.

Proposed Situation

The bill exempts IGCC power plants from the bid rule prior to the completion of the project and applies to such plants the same requirements (s. 403.519(4)) applied to nuclear power plants under the 2006 legislation. One effect of these changes will be a reduction in the amount of time necessary to proceed with a hearing.

C. SECTION DIRECTORY:

Section 1. Amends s. 366.93, F.S., to authorize IGCC power plants to recover pre-operational costs of siting, design, licensing, and construction prior to completion of the project.

Section 2. Amends s. 403.519, F.S., to conform the determination of need process for integrated gasification combined cycle plants to those of nuclear power plants and to exempt IGCC plants from the bid rule process.

Section 3. Provides that the bill shall take effect upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill allows IGCC power plants to recover preconstruction costs prior to completion of the project. These costs will be passed onto ratepayers prior to the completion of the project.

D. FISCAL COMMENTS:

This bill does not appear to have a fiscal impact on state or local governments.

III. COMMENTS

B. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   Not applicable because this bill does not appear to: require the counties or cities to spend funds or take any action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenue in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

   None.

C. RULE-MAKING AUTHORITY:

The bill adds integrated gasification combined cycle power plants to the Public Service Commission's current rulemaking authority regarding cost recovery mechanisms.

D. DRAFTING ISSUES OR OTHER COMMENTS:

According to information provided by Tampa Electric Company, the provisions enacted for nuclear power plants in 2006 are equally applicable to IGCC power plants:

- IGCC plants are very expensive to construct relative to natural gas combined cycle plants and other alternatives.

- IGCC plants provide fuel diversity and price stability along with reliability which cannot be obtained without the modification of the determination of need statute and the assurance of cost recovery.

The Tampa Electric Company also maintains that there is an urgency to capitalize on the $133.5 million in tax credits that have been awarded by the Federal Internal Revenue Service for a proposed project in Polk County. To be eligible for the tax credits, the IGCC facility must be placed in service within five years of the date of the issuance of the certification which would likely be around November 2013. Otherwise, the tax credits are subject to recapture in accordance with the IRS rules.

E. STATEMENT OF THE SPONSOR

"No statement submitted."

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

1 A bill to be entitled
2 An act relating to power plants; amending s. 366.93, F.S.;
3 revising definitions related to certain power plants to
4 include integrated gasification combined cycle power
5 plants; requiring the Public Service Commission to
6 implement rules related to integrated gasification
7 combined cycle power plant cost recovery; requiring a
8 report; amending s. 403.519, F.S.; providing requirements
9 and procedures for determination of need for integrated
10 gasification combined cycle power plants; providing an
11 exemption from purchased power supply bid rules under
12 certain circumstances; providing an effective date.
13
14 Be It Enacted by the Legislature of the State of Florida:
15
16 Section 1. Section 366.93, Florida Statutes, is amended to
17 read:
18 366.93 Cost recovery for the siting, design, licensing,
19 and construction of nuclear <u>and integrated gasification combined</u>
20 <u>cycle</u> power plants.--
21 (1) As used in this section, the term:
22 (a) "Cost" includes, but is not limited to, all capital
23 investments, including rate of return, any applicable taxes, and
24 all expenses, including operation and maintenance expenses,
25 related to or resulting from the siting, licensing, design,
26 construction, or operation of the nuclear <u>or integrated</u>
27 <u>gasification combined cycle</u> power plant.

28 (b) "Electric utility" or "utility" has the same meaning
29 as that provided in s. 366.8255(1)(a).
30 (c) "Integrated gasification combined cycle power plant"
31 or "plant" is an electrical power plant as defined in s.
32 403.503(13) that uses synthesis gas produced by integrated
33 gasification technology.
34 (d) ~~(c)~~ "Nuclear power plant" or "plant" is an electrical
35 power plant as defined in s. 403.503(13) ~~(12)~~ that uses nuclear
36 materials for fuel.
37 (e) "Power plant" or "plant" means a nuclear power plant
38 or an integrated gasification combined cycle power plant.
39 (f) ~~(d)~~ "Preconstruction" is that period of time after a
40 site has been selected through and including the date the
41 utility completes site clearing work. Preconstruction costs
42 shall be afforded deferred accounting treatment and shall accrue
43 a carrying charge equal to the utility's allowance for funds
44 during construction (AFUDC) rate until recovered in rates.
45 (2) Within 6 months after the enactment of this act, the
46 commission shall establish, by rule, alternative cost recovery
47 mechanisms for the recovery of costs incurred in the siting,
48 design, licensing, and construction of a nuclear or integrated
49 gasification combined cycle power plant. Such mechanisms shall
50 be designed to promote utility investment in nuclear or
51 integrated gasification combined cycle power plants and allow
52 for the recovery in rates of all prudently incurred costs, and
53 shall include, but are not limited to:
54 (a) Recovery through the capacity cost recovery clause of
55 any preconstruction costs.

56 (b) Recovery through an incremental increase in the
57 utility's capacity cost recovery clause rates of the carrying
58 costs on the utility's projected construction cost balance
59 associated with the nuclear or integrated gasification combined
60 cycle power plant. To encourage investment and provide
61 certainty, for nuclear or integrated gasification combined cycle
62 power plant need petitions submitted on or before December 31,
63 2010, associated carrying costs shall be equal to the pretax
64 AFUDC in effect upon this act becoming law. For nuclear or
65 integrated gasification combined cycle power plants for which
66 need petitions are submitted after December 31, 2010, the
67 utility's existing pretax AFUDC rate is presumed to be
68 appropriate unless determined otherwise by the commission in the
69 determination of need for the nuclear or integrated gasification
70 combined cycle power plant.
71 (3) After a petition for determination of need is granted,
72 a utility may petition the commission for cost recovery as
73 permitted by this section and commission rules.
74 (4) When the nuclear or integrated gasification combined
75 cycle power plant is placed in commercial service, the utility
76 shall be allowed to increase its base rate charges by the
77 projected annual revenue requirements of the nuclear or
78 integrated gasification combined cycle power plant based on the
79 jurisdictional annual revenue requirements of the plant for the
80 first 12 months of operation. The rate of return on capital
81 investments shall be calculated using the utility's rate of
82 return last approved by the commission prior to the commercial
83 inservice date of the nuclear or integrated gasification

84 combined cycle power plant. If any existing generating plant is
85 retired as a result of operation of the nuclear or integrated
86 gasification combined cycle power plant, the commission shall
87 allow for the recovery, through an increase in base rate
88 charges, of the net book value of the retired plant over a
89 period not to exceed 5 years.
90 (5) The utility shall report to the commission annually
91 the budgeted and actual costs as compared to the estimated
92 inservice cost of the nuclear or integrated gasification
93 combined cycle power plant provided by the utility pursuant to
94 s. 403.519(4), until the commercial operation of the nuclear or
95 integrated gasification combined cycle power plant. The utility
96 shall provide such information on an annual basis following the
97 final order by the commission approving the determination of
98 need for the nuclear or integrated gasification combined cycle
99 power plant, with the understanding that some costs may be
100 higher than estimated and other costs may be lower.
101 (6) In the event the utility elects not to complete or is
102 precluded from completing construction of the nuclear or
103 integrated gasification combined cycle power plant, the utility
104 shall be allowed to recover all prudent preconstruction and
105 construction costs incurred following the commission's issuance
106 of a final order granting a determination of need for the
107 nuclear or integrated gasification combined cycle power plant.
108 The utility shall recover such costs through the capacity cost
109 recovery clause over a period equal to the period during which
110 the costs were incurred or 5 years, whichever is greater. The
111 unrecovered balance during the recovery period will accrue

112 interest at the utility's weighted average cost of capital as
113 reported in the commission's earnings surveillance reporting
114 requirement for the prior year.
115 Section 2. Subsection (4) of section 403.519, Florida
116 Statutes, is amended to read:
117 403.519 Exclusive forum for determination of need.--
118 (4) In making its determination on a proposed electrical
119 power plant using nuclear materials <u>or synthesis gas produced by</u>
120 <u>integrated gasification combined cycle power plant</u> as fuel, the
121 commission shall hold a hearing within 90 days after the filing
122 of the petition to determine need and shall issue an order
123 granting or denying the petition within 135 days after the date
124 of the filing of the petition. The commission shall be the sole
125 forum for the determination of this matter and the issues
126 addressed in the petition, which accordingly shall not be
127 reviewed in any other forum, or in the review of proceedings in
128 such other forum. In making its determination to either grant or
129 deny the petition, the commission shall consider the need for
130 electric system reliability and integrity, including fuel
131 diversity, the need for base-load generating capacity, and the
132 need for adequate electricity at a reasonable cost.
133 (a) The applicant's petition shall include:
134 1. A description of the need for the generation capacity.
135 2. A description of how the proposed nuclear <u>or integrated</u>
136 <u>gasification combined cycle</u> power plant will enhance the
137 reliability of electric power production within the state by
138 improving the balance of power plant fuel diversity and reducing
139 Florida's dependence on fuel oil and natural gas.

140 3. A description of and a nonbinding estimate of the cost
141 of the nuclear or integrated gasification combined cycle power
142 plant.
143 4. The annualized base revenue requirement for the first
144 12 months of operation of the nuclear or integrated gasification
145 combined cycle power plant.
146 5. Information on whether there were any discussions with
147 any electric utilities regarding ownership of a portion of the
148 nuclear or integrated gasification combined cycle power plant by
149 such electric utilities.
150 (b) In making its determination, the commission shall take
151 into account matters within its jurisdiction, which it deems
152 relevant, including whether the nuclear or integrated
153 gasification combined cycle power plant will:
154 1. Provide needed base-load capacity.
155 2. Enhance the reliability of electric power production
156 within the state by improving the balance of power plant fuel
157 diversity and reducing Florida's dependence on fuel oil and
158 natural gas.
159 3. Provide the most cost-effective source of power, taking
160 into account the need to improve the balance of fuel diversity,
161 reduce Florida's dependence on fuel oil and natural gas, reduce
162 air emission compliance costs, and contribute to the long-term
163 stability and reliability of the electric grid.
164 (c) No provision of rule 25-22.082, Florida Administrative
165 Code, shall be applicable to a nuclear or integrated
166 gasification combined cycle power plant sited under this act,
167 including provisions for cost recovery, and an applicant shall

168 not otherwise be required to secure competitive proposals for
169 power supply prior to making application under this act or
170 receiving a determination of need from the commission.
171 (d) The commission's determination of need for a nuclear
172 or integrated gasification combined cycle power plant shall
173 create a presumption of public need and necessity and shall
174 serve as the commission's report required by s. 403.507(4)(a).
175 An order entered pursuant to this section constitutes final
176 agency action. Any petition for reconsideration of a final order
177 on a petition for need determination shall be filed within 5
178 days after the date of such order. The commission's final order,
179 including any order on reconsideration, shall be reviewable on
180 appeal in the Florida Supreme Court. Inasmuch as delay in the
181 determination of need will delay siting of a nuclear or
182 integrated gasification combined cycle power plant or diminish
183 the opportunity for savings to customers under the federal
184 Energy Policy Act of 2005, the Supreme Court shall proceed to
185 hear and determine the action as expeditiously as practicable
186 and give the action precedence over matters not accorded similar
187 precedence by law.
188 (e) After a petition for determination of need for a
189 nuclear or integrated gasification combined cycle power plant
190 has been granted, the right of a utility to recover any costs
191 incurred prior to commercial operation, including, but not
192 limited to, costs associated with the siting, design, licensing,
193 or construction of the plant, shall not be subject to challenge
194 unless and only to the extent the commission finds, based on a
195 preponderance of the evidence adduced at a hearing before the

196 commission under s. 120.57, that certain costs were imprudently
197 incurred. Proceeding with the construction of the nuclear or
198 integrated gasification combined cycle power plant following an
199 order by the commission approving the need for the nuclear or
200 integrated gasification combined cycle power plant under this
201 act shall not constitute or be evidence of imprudence.
202 Imprudence shall not include any cost increases due to events
203 beyond the utility's control. Further, a utility's right to
204 recover costs associated with a nuclear or integrated
205 gasification combined cycle power plant may not be raised in any
206 other forum or in the review of proceedings in such other forum.
207 Costs incurred prior to commercial operation shall be recovered
208 pursuant to chapter 366.
209 Section 3. This act shall take effect upon becoming a law.

Section-by-Section Summary
Recommendations of Proposed Council Bill ENRC 07-01
Energy Efficiency and Alternative Fuel

Section 1. Amends s. 196.175, F.S. – Solar Property Tax Exemption

The Constitution provides for an ad valorem tax exemption for real property on which a renewable energy source device is installed and operated. In 1980, the Legislature authorized this property tax exemption in statute; however, the exemption period authorized ran from January 1, 1980, through December 31, 1990. Therefore, if an exemption was granted in December 1990, the exemption terminated in December 2000.

The Florida Solar Energy Industries Association reports that property owners who are adding solar energy systems are having their property taxes raised for those improvements, thereby diminishing the savings generated by these systems.

The bill removes the expiration date of the property tax exemption, thereby allowing property owners to once again apply for the exemption. The period for each exemption, however, remains at 10 years. The bill also revises the options for calculating the property assessments for those properties with renewable energy source devices by limiting the exemption to the amount of the original cost of the device, including the installation cost, but not including the cost of replacing previously existing property that had to be removed for the new installation.

Section 2. Amends s. 212.08(7)(ccc), F.S. – Sales Tax Exemption for Renewable Energy

- ✓ Increases the cap on sales tax exemption from $1 million to $2 million for renewable energy.
- ✓ Limits sales tax exemption for renewable energy technologies to only the end user of the equipment.

Section 3. Creates s. 212.086, F.S. – Energy Efficient Motor Vehicle Sales Tax Refund Program

The bill creates the Energy Efficient Motor Vehicle Sales Tax Refund Program under which any new hybrid or qualified alternative fuel motor vehicle is eligible for a sales tax refund for up to $15,000 of the purchase price. The program is repealed on July 1, 2010.

The Revenue Estimating Conference estimates a negative $25.2 million impact on the state for FY 2007-2008.

Section 4. Creates s. 212.099, F.S. - Biofuel Sales Tax Credit Program

Florida consumes more than 10.4 billion gallons of petroleum each year (8.6 billion gallons of gasoline and 1.8 billion gallons of diesel). There is limited production/availability of ethanol and biodiesel in the state. Providing incentives in the form of tax credits to producers and retailers of ethanol and biodiesel will result in these products being more readily available, thus helping to replace the amount of petroleum consumed and dependency on foreign oil. The draft recommendations provide incentives for 200 million gallons of biofuel production and the sale of approximately 1 billion gallons of biofuel blended fuel.

- ✓ Establishes standards for replacing petroleum consumption w/ethanol and biodiesel.
- ✓ Establishes the tax credit for a retail dealer for the sale of biofuels through 2012.
- ✓ Provides a $10 million annual cap on the tax credits.
- ✓ Repeals tax credit program on June 30, 2012.

Section 5. Adds s. 213.053(8)(z), F.S. - Confidentiality and Information Sharing

Provides for confidentiality of information relating to Biofuel Sales Tax Credit and Biofuel Production Credit.

Section 6. Amends s. 220.02(8), F.S. – Legislative Intent

Includes Biofuel Production Tax Credit in legislative intent in reference to credits against either the corporate income tax or the franchise tax.

Section 7. Amends s. 220.13(1)(a), F.S. – Adjusted Federal Income

Requires the taxpayer participating in the biofuel tax credit program to add back to net income that portion of its business deductions claimed on its federal return paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under the Florida Biofuel Production Credit.

Section 8. Amends s. 220.192, F.S. - Renewable Energy Technologies Investment Tax Credit

- ✓ Increases the cap from $6.5 million to $13 million on corporate income tax credits provided under the Renewable Energy Corporate Tax Program.
- ✓ Creates a definition for "corporation" for purposes of allowing a tax credit to be transferred.

Section 9. Creates s. 220.194, F.S. - Florida Biofuel Production Credit

- ✓ Provides a corporate income tax credit to producers of biofuel.
- ✓ Provides a $10 million annual cap on the corporate income tax credit.
- ✓ Applies to tax years beginning on and after January 1, 2008 and continuing until 2012.
- ✓ Provides that this section shall take effect upon becoming a law.

Sections 10-14. Amend ss. 255.251, 255.252, 255.253, 255.254, and 255.255, F.S. - Energy Conservation and Sustainable Buildings

These sections change the Energy Conservation in Buildings Act of 1974 to:

- ✓ Add greater focus on LEEDs standards for state-owned and constructed buildings in the findings and intent section.
- ✓ Require all state agencies to provide the Department of Management Services (DMS) with a list of their existing buildings that are suitable for guaranteed energy performance savings contracts.
- ✓ Require DMS to create a schedule with deadlines for guaranteed energy performance savings contracts to improve existing state agency buildings after receiving the lists of suitable facilities from the state agencies.

Section 15. Amends s. 287.064, F.S. – Consolidated financing of deferred-payment purchases

Changes the maximum financing period of Consolidated Financing of Deferred Payment Purchases under the state's line of credit from 10 to 20 years for guaranteed energy performance savings contracts.

Section 16. Amends s. 377.802, F.S. – Designates October as "Energy Efficiency and Conservation Month"

In order to promote efficiency and conservation of the state's resources, the bill designates the Month of October as "Energy Efficiency and Conservation Month."

Section 17. Amends s. 377.803, F.S. – Definitions under the Renewable Energy Technologies Grant Program

Includes definition of "bioenergy" to mean useful, renewable energy produced from organic matter – the conversion of the complex carbohydrates in organic matter to energy.

Section 18. Amends s. 377.804, F.S. – Renewable Energy Technologies Grants Program

Deletes provisions relating to the bioenergy grant projects under the Renewable Energy Technologies Grants Program. Transfers program to the Farm-to-Fuel Grants Program established in **Section 36**.

Section 19. Amends s. 377.806, F.S. – Solar Energy System Incentives Program

In 2006, the Legislature created a solar energy system rebate program to provide financial incentives for the purchase and installation of solar energy systems. Last year, $2.5 million was appropriated for the rebate program.

- ✓ Limits payment of rebate only to the final purchaser.
- ✓ Limits rebates to one per type of system, per resident, per state fiscal year.

Sections 20-25. Amend ss. 403.50663, 403.50665, 403.508, 403.509, 403.5113, and 403.5115, F.S. - Power Plant Siting Act (PPSA)

- ✓ Revises provisions to provide broader public notice of PPSA applications and meetings.
- ✓ Revises provisions for land use consistency determination petitions.
- ✓ Specifies how to handle property rights of agencies when the department is issuing the final order.
- ✓ Clarifies language regarding post certification activities.

Sections 26-30. Amend ss. 403.5252, 403.527, 403.5271, 403.5317, and 403.5363, F.S. - Transmission Line Siting Act (TLSA)

- ✓ Clarifies language regarding agency completeness statements and the determination of completeness by the Department of Environmental Protection.
- ✓ Makes technical changes regarding hearings and public notice of hearings.
- ✓ Clarifies and revises language regarding alternate corridors completeness determinations.

Section 31. Amends s. 489.145, F.S. - Guaranteed Energy Performance Savings Contracting

This section changes the Guaranteed Energy Performance Savings Contracting Act (GEPSCA) to:

- ✓ Clarify the intent to provide greater flexibility for facility improvements that produce energy cost savings and energy conservation.
- ✓ Provide the CFO more authority to review the financing and guaranteed costs in GEPSCA contracts.
- ✓ Prohibit cost avoidance and payments that are graduated over time as GEPSCA financing methods.
- ✓ Provide the CFO and DMS greater responsibility for the GEPSCA Model Contract so that they have greater flexibility to make revisions.

Section 32. Amends s. 526.302, F.S. - Legislative Findings and Intent

Provides legislative intent in reference to motor fuel competition to facilitate compliance with federal Energy Policy and standards created in the biofuel sales tax credit provisions.

Section 33. Amends s. 526.303, F.S. – Definitions under the Motor Fuel Marketing Practices Act

Revises the definition of "motor fuel" to mean any petroleum product containing less than 10% by volume of ethanol or biodiesel.

Section 34. Amends s. 526.309, F.S. – Motor Fuel Marketing Practices Act

Provides exemption from the Motor Fuel Marketing Practices Act for the sale of ethanol blend, biodiesel, and biodiesel blend.

Section 35. Creates s. 570.956, F.S. – Farm-to-Fuel Advisory Council

Establishes a 13-member Farm-to-Fuel Advisory Council to advise the Commissioner of Agriculture concerning the production of renewable energy.

Section 36. Creates s. 570.957, F.S. – Farm-to-Fuel Grants Program

Transfers administration of the Bioenergy Grant Program to the Department of Agriculture and Consumer Services (similar language was transferred from s. 377.084, F.S., the Renewable Energy Technologies Grant Program).

Section 37. Undesignated section - Mandate that all county, municipal, and school district buildings be constructed to meet LEED standards

This section mandates that all county, municipal, and school district buildings are constructed using the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) standards for building construction. This section also declares that promoting LEEDs standards is an important state interest.

Section 38. Undesignated section – Additional Duties of the Florida Building Commission include:

- ✓ Convening a workgroup to develop a model residential energy efficiency ordinance that provides incentives to meet energy efficiency standards. Requires the commission to report back to the Legislature by July 1, 2008.
- ✓ Reviewing the Florida Energy Code for Building Construction. Requires the commission to revisit the analysis of cost effectiveness that serves as the basis for energy efficiency levels for residential buildings, identify cost effective means to improve energy efficiency in commercial buildings, and compare to the International Conservation Code and the American Society of Heating Air-Conditioning and Refrigeration Engineers Standards and report back to the Legislature with a standard by March 1, 2008 that may be adopted for the construction of all residential, commercial, and government buildings.
- ✓ Developing a public awareness campaign by January 1, 2008, that promotes energy efficiency and the benefits of "building green."

Section 39. Undesignated section - Energy-Efficient Sales Tax Holiday

The bill reauthorizes last year's Energy Efficient Products Sales Tax Holiday and increases the length of the holiday from 7 to 14 days, beginning October 1st and ending October 14th. It removes the restrictions from the commercial sector so that contractors and businesses can take advantage of the sales tax exemptions, as well. Further, this section allows for the exemption to apply to the first $1,500 of the sales price of an Energy Star appliance rather than limiting the exemption to products priced at $1,500 and below. Therefore, if the product is priced at $1,600, only the last $100 is taxable.

The bill appropriates $65,763 of General Revenue to the Department of Revenue to administer the holiday. According to the department, funding is needed for printing and mailing a "Taxpayer Information Publication" to retailers with information regarding the holiday.

Section 40. Undesignated section - State Fleet Biodiesel Usage

Provides standards for State Fleet Biodiesel Usage, subject to availability:
- ✓ Minimum of 5% by July 1, 2007
- ✓ Minimum of 10% by January 1, 2008
- ✓ Minimum of 20% by January 1, 2009

Section 41. Undesignated section – School District Biodiesel Usage

Provides School District Biodiesel Usage of a minimum of 20% by January 1, 2008, subject to availability.

Section 42. Except as otherwise provided, the act shall take effect July 1, 2007.

1 A bill to be entitled
2 An act relating to energy efficiency and alternative fuel;
3 providing an effective date.
4
5 Be It Enacted by the Legislature of the State of Florida:
6 Section 1. Section 196.175, Florida Statutes, is amended to
7 read:
8 196.175 Renewable energy source exemption.--
9 (1) Improved real property upon which a renewable energy
10 source device is installed and operated shall be entitled to an
11 exemption in the amount of the original cost of the device,
12 including the installation cost thereof, but excluding the cost
13 of replacing previously existing property removed or improved in
14 the course of such installation. ~~not greater than the lesser of:~~
15 ~~(a) The assessed value of such real property less any other~~
16 ~~exemptions applicable under this chapter;~~
17 ~~(b) The original cost of the device, including the~~
18 ~~installation cost thereof, but excluding the cost of replacing~~
19 ~~previously existing property removed or improved in the course of~~
20 ~~such installation; or~~
21 ~~(c) Eight percent of the assessed value of such property~~
22 ~~immediately following installation.~~
23 (2) The exempt amount authorized under subsection (1) shall
24 apply in full if the device was installed and operative
25 throughout the 12-month period preceding January 1 of the year of
26 application for this exemption. If the device was operative for a
27 portion of that period, the exempt amount authorized under this
28 section shall be reduced proportionally.

29 (3) It shall be the responsibility of the applicant for an
30 exemption pursuant to this section to demonstrate affirmatively
31 to the satisfaction of the property appraiser that he or she
32 meets the requirements for exemption under this section and that
33 the original cost ~~pursuant to paragraph (1)(b)~~ and the period for
34 which the device was operative, as indicated on the exemption
35 application, are correct.
36 (4) No exemption authorized pursuant to this section shall
37 be granted for a period of more than 10 years. ~~No exemption shall~~
38 ~~be granted with respect to renewable energy source devices~~
39 ~~installed before January 1, 1980, or after December 31, 1990.~~
40 Section 2. Paragraph (ccc) of subsection (7) of section
41 212.08, Florida Statutes, is amended to read:
42 212.08 Sales, rental, use, consumption, distribution, and
43 storage tax; specified exemptions.--The sale at retail, the
44 rental, the use, the consumption, the distribution, and the
45 storage to be used or consumed in this state of the following are
46 hereby specifically exempt from the tax imposed by this chapter.
47 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to any
48 entity by this chapter do not inure to any transaction that is
49 otherwise taxable under this chapter when payment is made by a
50 representative or employee of the entity by any means, including,
51 but not limited to, cash, check, or credit card, even when that
52 representative or employee is subsequently reimbursed by the
53 entity. In addition, exemptions provided to any entity by this
54 subsection do not inure to any transaction that is otherwise
55 taxable under this chapter unless the entity has obtained a sales
56 tax exemption certificate from the department or the entity
57 obtains or provides other documentation as required by the

58 department. Eligible purchases or leases made with such a
59 certificate must be in strict compliance with this subsection and
60 departmental rules, and any person who makes an exempt purchase
61 with a certificate that is not in strict compliance with this
62 subsection and the rules is liable for and shall pay the tax. The
63 department may adopt rules to administer this subsection.
64 (ccc) Equipment, machinery, and other materials for
65 renewable energy technologies.--
66 1. As used in this paragraph, the term:
67 a. "Biodiesel" means the mono-alkyl esters of long-chain
68 fatty acids derived from plant or animal matter for use as a
69 source of energy and meeting the specifications for biodiesel and
70 biodiesel blends with petroleum products as adopted by the
71 Department of Agriculture and Consumer Services. Biodiesel may
72 refer to biodiesel blends designated BXX, where XX represents the
73 volume percentage of biodiesel fuel in the blend.
74 b. "Ethanol" means nominally anhydrous denatured alcohol
75 produced by the fermentation of plant sugars meeting the
76 specifications for fuel ethanol and fuel ethanol blends with
77 petroleum products as adopted by the Department of Agriculture
78 and Consumer Services. Ethanol may refer to fuel ethanol blends
79 designated EXX, where XX represents the volume percentage of fuel
80 ethanol in the blend.
81 c. "Hydrogen fuel cells" means equipment using hydrogen or
82 a hydrogen-rich fuel in an electrochemical process to generate
83 energy, electricity, or the transfer of heat.
84 2. The sale or use of the following in the state is exempt
85 from the tax imposed by this chapter:

86 a. Hydrogen-powered vehicles, materials incorporated into
87 hydrogen-powered vehicles, and hydrogen-fueling stations, up to a
88 limit of $2 million in tax each state fiscal year for all
89 taxpayers.
90 b. Commercial stationary hydrogen fuel cells, up to a limit
91 of $1 million in tax each state fiscal year for all taxpayers.
92 c. Materials used in the distribution of biodiesel (B10-
93 B100) and ethanol (E10-100), including fueling infrastructure,
94 transportation, and storage, up to a limit of $2 ~~$1~~ million in
95 tax each state fiscal year for all taxpayers. Gasoline fueling
96 station pump retrofits for ethanol (E10-E100) distribution
97 qualify for the exemption provided in this sub-subparagraph.
98 3. The Department of Environmental Protection shall provide
99 to the department a list of items eligible for the exemption
100 provided in this paragraph.
101 4. The exemption provided in this paragraph shall be
102 available only to the end user of the equipment, machinery, and
103 other materials.
104 5.~~4.~~a. The exemption provided in this paragraph shall be
105 available to a purchaser only through a refund of previously paid
106 taxes.
107 b. To be eligible to receive the exemption provided in this
108 paragraph, a purchaser shall file an application with the
109 Department of Environmental Protection. The application shall be
110 developed by the Department of Environmental Protection, in
111 consultation with the department, and shall require:
112 (I) The name and address of the person claiming the refund.

113 (II) A specific description of the purchase for which a
114 refund is sought, including, when applicable, a serial number or
115 other permanent identification number.
116 (III) The sales invoice or other proof of purchase showing
117 the amount of sales tax paid, the date of purchase, and the name
118 and address of the sales tax dealer from whom the property was
119 purchased.
120 (IV) A sworn statement that the information provided is
121 accurate and that the requirements of this paragraph have been
122 met.
123 c. Within 30 days after receipt of an application, the
124 Department of Environmental Protection shall review the
125 application and shall notify the applicant of any deficiencies.
126 Upon receipt of a completed application, the Department of
127 Environmental Protection shall evaluate the application for
128 exemption and issue a written certification that the applicant is
129 eligible for a refund or issue a written denial of such
130 certification within 60 days after receipt of the application.
131 The Department of Environmental Protection shall provide the
132 department with a copy of each certification issued upon approval
133 of an application.
134 d. Each certified applicant shall be responsible for
135 forwarding a certified copy of the application and copies of all
136 required documentation to the department within 6 months after
137 certification by the Department of Environmental Protection.
138 e. The provisions of s. 212.095 do not apply to any refund
139 application made pursuant to this paragraph. A refund approved
140 pursuant to this paragraph shall be made within 30 days after
141 formal approval by the department.

142 f. The department may adopt all rules pursuant to ss.
143 120.536(1) and 120.54 to administer this paragraph, including
144 rules establishing forms and procedures for claiming this
145 exemption.
146 g. The Department of Environmental Protection shall be
147 responsible for ensuring that the total amounts of the exemptions
148 authorized do not exceed the limits as specified in subparagraph
149 2.
150 6.~~5.~~ The Department of Environmental Protection shall
151 determine and publish on a regular basis the amount of sales tax
152 funds remaining in each fiscal year.
153 7.~~6.~~ This paragraph expires July 1, 2010.
154 Section 3. Section 212.086, Florida Statutes, is created to
155 read:
156 212.086 Energy Efficient Motor Vehicle Sales Tax Refund
157 Program.--
158 (1) The Energy Efficient Motor Vehicle Sales Tax Refund
159 Program is established to provide financial incentives for the
160 purchase of alternative motor vehicles as specified by this
161 section.
162 (2) Any person who purchases an alternative motor vehicle
163 from a sales tax dealer in the state is eligible for a refund of
164 the sales tax paid under this chapter. The sales tax that is
165 eligible for refund shall be computed on the sales price of the
166 alternative motor vehicle up to a maximum sales price of $15,000.
167 (3) In order to qualify for the sales tax refund under this
168 section, the alternative motor vehicle must be certified as a new
169 qualified hybrid motor vehicle, new qualified alternative fuel
170 motor vehicle, new qualified fuel cell motor vehicle, or new

171 advanced lean-burn technology motor vehicle by the Internal
172 Revenue Service for the income tax credit for alternative motor
173 vehicles under s. 30B of the Internal Revenue Code of 1986, as
174 amended.
175 (4) Notwithstanding ss. 212.095 and 215.26, an application
176 for refund must be filed with the department within 90 days after
177 purchase of the alternative motor vehicle and must contain the
178 following:
179 (a) The name and address of the person claiming the refund.
180 (b) A specific description of the alternative motor vehicle
181 for which a refund is sought, including the vehicle
182 identification number.
183 (c) The sales invoice or other proof of purchase showing
184 the amount of sales tax paid, the date of purchase, and the name
185 and address of the sales tax dealer from whom the alternative
186 motor vehicle was purchased.
187 (d) A sworn statement that the information provided is
188 accurate and that the requirements of this section have been met.
189 (5) The total dollar amount of all refunds issued by the
190 department is limited to the total amount of appropriations in
191 any fiscal year for this program. The department may approve
192 refunds up to the amount appropriated for this refund program
193 based on the date of filing an application for refund pursuant to
194 subsection (4). If the funds are insufficient during the current
195 fiscal year, any requests for refund received during that fiscal
196 year may be processed during the following fiscal year, subject
197 to the appropriation, and have priority over new applications for
198 refund filed in the following fiscal year. The provisions of s.

199 213.255 do not apply to requests for refund which are held for
200 payment in the following fiscal year.
201 (6) The department shall adopt rules pursuant to ss.
202 120.536(1) and 120.54 to administer this section, including rules
203 establishing forms and procedures for claiming this refund.
204 (7) A taxpayer who receives a refund pursuant to s.
205 212.08(7)(ccc) may not be allowed a refund provided in this
206 section.
207 (8) This section is repealed July 1, 2010.
208 Section 4. Section 212.099, Florida Statutes, is created to
209 read:
210 212.099 Biofuel Sales Tax Credit Program.--
211 (1) The purpose of this section is to encourage the sale of
212 biofuels in Florida and replace petroleum consumption in the
213 state as follows:
214 (a) 3% from January 1, 2008 through December 31, 2008;
215 (b) 5% from January 1, 2009 through December 31, 2009;
216 (c) 7% from January 1, 2010 through December 31, 2010;
217 (d) 10% from January 1, 2011 through December 31, 2011.
218 (2) Definitions.—As used in this section:
219 (a) "Fuel dispenser" means a pump, meter, or similar device
220 used to measure and deliver motor fuel or diesel fuel on a retail
221 basis.
222 (b) "Retail dealer" means any person who is engaged in the
223 business of selling fuel at retail at posted retail prices.
224 (c) "Biodiesel" means any product made from non-petroleum-
225 based lipids, which is suitable for blending with diesel fuels
226 and meeting the specifications for biodiesel as adopted by the
227 Department of Agriculture and Consumer Services.

228 (d) "Biofuel" means E85 fuel ethanol, E10 motor fuel,
229 biodiesel and biodiesel blended fuel.
230 (e) "E85 fuel ethanol" means ethanol blended with gasoline
231 and formulated with a nominal percentage of eighty-five percent
232 ethanol by volume, and meeting the applicable fuel quality
233 specifications as adopted by the Department of Agriculture and
234 Consumer Services.
235 (f) "E10 motor fuel" means a motor fuel blend consisting of
236 nominal percentages of ninety percent gasoline by volume and ten
237 percent ethanol by volume, and meeting the fuel quality
238 specifications for gasoline as adopted by the Department of
239 Agriculture and Consumer Services.
240 (g) "Biodiesel blended fuel" means a fuel mixture containing
241 ten percent or more biodiesel with the balance comprised of
242 diesel fuel, and meeting the specifications for biodiesel blends
243 as adopted by the Department of Agriculture and Consumer
244 Services.
245 (h) "Ethanol or fuel ethanol" means an anhydrous denatured
246 alcohol produced by the conversion of carbohydrates, and meeting
247 the specifications for fuel ethanol as adopted by the Department
248 of Agriculture and Consumer Services.
249 (i) "Retail motor fuel site" means a geographic location in
250 this state where a retail dealer sells or offers for sale motor
251 fuel or diesel fuel to the general public.
252 (3)(a) A retail dealer who sells biofuel through fuel
253 dispensers at retail motor fuel sites is entitled to a tax credit
254 under this section.
255 (b) The credit shall be computed as follows:

256 1. A credit of $.01 for each gallon of E10 motor fuel sold
257 through a fuel dispenser.
258 2. A credit of $.03 for each gallon of E85 fuel ethanol
259 sold through a fuel dispenser;
260 3. A credit of $.01 for each gallon of biodiesel blended
261 fuel sold through a fuel dispenser;
262 4. A credit of $.03 for each gallon of biodiesel sold
263 through a fuel dispenser.
264 (c) The credit may be claimed for biofuel sold on or after
265 January 1, 2008. Beginning in 2009 and continuing until 2012,
266 each applicant claiming a credit under this section must first
267 apply to the Department of Agriculture and Consumer Services by
268 February 1 of each year for an allocation of the available credit
269 for the preceding calendar year. The Department of Agriculture
270 and Consumer Services, in consultation with the department, shall
271 develop an application form. The application form shall, at a
272 minimum, require a sworn affidavit from each retail dealer
273 certifying the following information:
274 1. The name and principal address of the retail dealer;
275 2. The address of the retail dealer's retail motor fuel
276 sites from which it sold biofuels during the preceding calendar
277 year;
278 3. The total gallons of E10 ethanol sold through fuel
279 dispensers;
280 4. The total gallons of E85 ethanol sold through fuel
281 dispensers;
282 5. The total gallons of biodiesel blended fuel sold through
283 fuel dispensers;

284 6. The total gallons of biodiesel sold through fuel
285 dispensers.
286 7. Any other information deemed necessary by the Department
287 of Agriculture and Consumer Services to adequately ensure that
288 the tax credit allowed under this section shall be made only to
289 qualified Florida retail dealers.
290 (d) The Department of Agriculture and Consumer Services
291 shall determine the amount of credit allowed under this section,
292 and certify the names and final credit amounts to the department.
293 Upon receipt of the certified information by the department, the
294 qualified retail dealers shall be allowed a credit against the
295 tax remitted under this chapter. The Department of Agriculture
296 and Consumer Services shall provide assistance when requested by
297 the department on any audits or examinations performed pursuant
298 to this section. The Department of Agriculture and Consumer
299 Services is authorized to adopt rules governing the manner and
300 form of applications for credit for the determination of this
301 credit.
302 (4) If the amount of credits applied for each year exceeds
303 $10 million, the Department of Agriculture and Consumer Services
304 shall award to each applicant a prorated amount based on each
305 applicant's gallonage of qualified biofuel sold and dispensed
306 that is eligible for the tax credit under this section.
307 (5) Any unused tax credit granted pursuant to this section
308 may be carried forward for a period not to exceed 5 years.
309 (6) It is the responsibility of each retail dealer to
310 affirmatively demonstrate to the satisfaction of the Department
311 of Agriculture and Consumer Services and the department that it
312 meets the requirements of this section. The department may adopt

313 rules and may establish guidelines as to the requisites for an
314 affirmative showing of qualification for the credit under this
315 section.
316 (7) This section is repealed on June 30, 2012.
317 Section 5. Paragraph (z) is added to subsection (8) of
318 section 213.053, Florida Statutes, to read:
319 213.053 Confidentiality and information sharing.--
320 (8) Notwithstanding any other provision of this section,
321 the department may provide:
322 (z) Information relative to ss. 212.099 and 220.194 to the
323 Department of Agriculture and Consumer Services for use in the
324 conduct of its official business.
325 Section 6. Subsection (8) of section 220.02, Florida
326 Statutes, is amended to read:
327 220.02 Legislative intent.--
328 (8) It is the intent of the Legislature that credits
329 against either the corporate income tax or the franchise tax be
330 applied in the following order: those enumerated in s. 631.828,
331 those enumerated in s. 220.191, those enumerated in s. 220.181,
332 those enumerated in s. 220.183, those enumerated in s. 220.182,
333 those enumerated in s. 220.1895, those enumerated in s. 221.02,
334 those enumerated in s. 220.184, those enumerated in s. 220.186,
335 those enumerated in s. 220.1845, those enumerated in s. 220.19,
336 those enumerated in s. 220.185, those enumerated in s. 220.187,
337 those enumerated in s. 220.192, ~~and~~ those enumerated in s.
338 220.193, and those enumerated in s. 220.194.
339 Section 7. Paragraph (a) of subsection (1) of section
340 220.13, Florida Statutes, is amended to read:
341 220.13 "Adjusted federal income" defined.--

342 (1) The term "adjusted federal income" means an amount
343 equal to the taxpayer's taxable income as defined in subsection
344 (2), or such taxable income of more than one taxpayer as provided
345 in s. 220.131, for the taxable year, adjusted as follows:
346 (a) Additions.--There shall be added to such taxable
347 income:
348 1. The amount of any tax upon or measured by income,
349 excluding taxes based on gross receipts or revenues, paid or
350 accrued as a liability to the District of Columbia or any state
351 of the United States which is deductible from gross income in the
352 computation of taxable income for the taxable year.
353 2. The amount of interest which is excluded from taxable
354 income under s. 103(a) of the Internal Revenue Code or any other
355 federal law, less the associated expenses disallowed in the
356 computation of taxable income under s. 265 of the Internal
357 Revenue Code or any other law, excluding 60 percent of any
358 amounts included in alternative minimum taxable income, as
359 defined in s. 55(b)(2) of the Internal Revenue Code, if the
360 taxpayer pays tax under s. 220.11(3).
361 3. In the case of a regulated investment company or real
362 estate investment trust, an amount equal to the excess of the net
363 long-term capital gain for the taxable year over the amount of
364 the capital gain dividends attributable to the taxable year.
365 4. That portion of the wages or salaries paid or incurred
366 for the taxable year which is equal to the amount of the credit
367 allowable for the taxable year under s. 220.181. This
368 subparagraph shall expire on the date specified in s. 290.016 for
369 the expiration of the Florida Enterprise Zone Act.
370 5. That portion of the ad valorem school taxes paid or

371 incurred for the taxable year which is equal to the amount of the
372 credit allowable for the taxable year under s. 220.182. This
373 subparagraph shall expire on the date specified in s. 290.016 for
374 the expiration of the Florida Enterprise Zone Act.
375 6. The amount of emergency excise tax paid or accrued as a
376 liability to this state under chapter 221 which tax is deductible
377 from gross income in the computation of taxable income for the
378 taxable year.
379 7. That portion of assessments to fund a guaranty
380 association incurred for the taxable year which is equal to the
381 amount of the credit allowable for the taxable year.
382 8. In the case of a nonprofit corporation which holds a
383 pari-mutuel permit and which is exempt from federal income tax as
384 a farmers' cooperative, an amount equal to the excess of the
385 gross income attributable to the pari-mutuel operations over the
386 attributable expenses for the taxable year.
387 9. The amount taken as a credit for the taxable year under
388 s. 220.1895.
389 10. Up to nine percent of the eligible basis of any
390 designated project which is equal to the credit allowable for the
391 taxable year under s. 220.185.
392 11. The amount taken as a credit for the taxable year under
393 s. 220.187.
394 12. A taxpayer claiming the credit under s. 220.194 shall
395 be required to add back to net income that portion of its
396 business deductions claimed on its federal return paid or
397 incurred for the taxable year which is equal to the amount of the
398 credit allowable for the taxable year under s. 220.194.
399 13.~~12.~~ The amount taken as a credit for the taxable year

400 under s. 220.192.
401 14.~~13.~~ The amount taken as a credit for the taxable year
402 under s. 220.193.
403 Section 8. Paragraph (b) of subsection (1) of section
404 220.192, Florida Statutes, is amended, paragraph (e) is added to
405 subsection (1), and subsection (8) is added to that section, to
406 read:
407 220.192 Renewable energy technologies investment tax
408 credit.--
409 (1) DEFINITIONS.--For purposes of this section, the term:
410 (b) "Eligible costs" means:
411 1. Seventy-five percent of all capital costs, operation and
412 maintenance costs, and research and development costs incurred
413 between July 1, 2006, and June 30, 2010, up to a limit of $3
414 million per state fiscal year for all taxpayers, in connection
415 with an investment in hydrogen-powered vehicles and hydrogen
416 vehicle fueling stations in the state, including, but not limited
417 to, the costs of constructing, installing, and equipping such
418 technologies in the state.
419 2. Seventy-five percent of all capital costs, operation and
420 maintenance costs, and research and development costs incurred
421 between July 1, 2006, and June 30, 2010, up to a limit of $1.5
422 million per state fiscal year for all taxpayers, and limited to a
423 maximum of $12,000 per fuel cell, in connection with an
424 investment in commercial stationary hydrogen fuel cells in the
425 state, including, but not limited to, the costs of constructing,
426 installing, and equipping such technologies in the state.
427 3. Seventy-five percent of all capital costs, operation and
428 maintenance costs, and research and development costs incurred

429 between July 1, 2006, and June 30, 2010, up to a limit of $13
430 ~~$6.5~~ million per state fiscal year for all taxpayers, in
431 connection with an investment in the production, storage, and
432 distribution of biodiesel (B10-B100) and ethanol (E10-E100) in
433 the state, including the costs of constructing, installing, and
434 equipping such technologies in the state. Gasoline fueling
435 station pump retrofits for ethanol (E10-E100) distribution
436 qualify as an eligible cost under this subparagraph.
437 (e) "Corporation" means all general partnerships, limited
438 partnerships, limited liability companies, unincorporated
439 businesses, and all other business entities in which a taxpayer
440 owns an interest and which are taxed as partnerships or are
441 disregarded as separate entities from the taxpayer for tax
442 purposes. Tax credits derived by such entities treated as
443 corporations pursuant to this provision that are not transferred
444 by such entities to other taxpayers pursuant to clause (9) herein
445 below shall be passed through to the taxpayers designated as
446 partners, members or owners, respectively, in any manner agreed
447 to by such persons, whether or not such persons are allocated or
448 allowed any portion of the federal energy tax credit with respect
449 to the eligible costs.
450 (8) TRANSFERABILITY OF CREDIT.--
451 (a) Transferors, Transferees. --Any corporation and any
452 subsequent transferee allowed the tax credit may transfer the tax
453 credit, in whole or in part, to any taxpayer by written
454 agreement, without the requirement of transferring any ownership
455 interest in the property generating the tax credit or any
456 interest in the entity which owns the property. Transferees are

457 entitled to apply the credits against the tax with the same
458 effect as if the transferee had incurred the eligible costs.
459 (b) Notice, Transfer Statement and Certificate. To perfect
460 the transfer, the transferor shall provide a written transfer
461 statement providing notice to the Department of Revenue of the
462 assignor's intent to transfer the tax credits to the assignee,
463 the date the transfer is effective, the assignee's name, address,
464 federal taxpayer identification number and tax period and the
465 amount of tax credits to be transferred. The Department of
466 Revenue shall promulgate the form of transfer statement to be
467 filed by the transferor of the tax credit. The Department of
468 Revenue shall issue, upon receipt of a transfer statement
469 conforming to the requirements of this section, a certificate to
470 the assignee reflecting the tax credit amounts transferred, a
471 copy of which shall be attached to each tax return by an assignee
472 in which such tax credits are used.
473 Section 9. Effective upon becoming a law, section 220.194,
474 Florida Statutes, is created to read:
475 220.194 Florida biofuel production credit.--
476 (1) The purpose of this section is to encourage the
477 development and expansion of facilities that produce biofuels in
478 Florida.
479 (2) As used in this section, the term:
480 (a) "Biodiesel" means any product made from non-petroleum-
481 based lipids, which is suitable for blending with diesel fuels
482 and meets the specifications for biodiesel as adopted by the
483 Department of Agriculture and Consumer Services.
484 (b) "Biofuel" means ethanol or biodiesel.
485 (c) "Department" shall mean the Department of Revenue.

486 (d) "Ethanol or fuel ethanol" means an anhydrous denatured
487 alcohol produced by the conversion of carbohydrates and meeting
488 the specifications for fuel ethanol adopted by the Department of
489 Agriculture and Consumer Services.
490 (e) "Florida biofuel production" shall mean production in
491 the state of ethanol from sources other than corn, and production
492 of biodiesel from waste materials.
493 (3) In order to be eligible for the corporate income tax
494 credit provided herein, a producer must have registered and have
495 met the requirements contained in Chapter 206, Florida Statutes.
496 (4) A corporate income tax credit against the tax imposed
497 by this section shall be allowed to a producer based on Florida
498 biofuel production.
499 (a) The credit against corporate income tax shall be $0.05
500 for each gallon of unblended Florida biofuel production
501 (exclusive of denaturant) during a given tax year and sold to an
502 unrelated blender of biofuel.
503 (b) The credit may be claimed for production on or after
504 January 1, 2008. Beginning in 2009 and continuing until 2012,
505 each taxpayer claiming a credit under this section must first
506 apply to the department by February 1 of each year for an
507 allocation of available credit. The department, in consultation
508 with the Department of Agriculture and Consumer Services, shall
509 develop an application form. The application form shall, at a
510 minimum, require a sworn affidavit from each taxpayer certifying
511 the production that forms the basis of the application and
512 certifying that all information contained in the application is
513 true and correct.
514 (c) The Department of Agriculture and Consumer Services

515 shall determine whether or not such production is eligible for
516 the corporate income tax credit under this section and certify
517 that amount to the department. A producer must attach the
518 certification of the Department of Agriculture and Consumer
519 Services to the application for corporate income tax credit filed
520 with the department. The Department of Agriculture and Consumer
521 Services shall provide assistance when requested by the
522 department on any audits or examinations performed pursuant to
523 this section. The Department of Agriculture and Consumer
524 Services is authorized to adopt the necessary rules, forms,
525 guidelines, standards, and application materials necessary for a
526 determination of this credit.
527 (d) If the amount of corporate income tax credits applied
528 for each year exceeds $10 million, the department shall award to
529 each applicant a prorated amount based on each applicant's
530 production and production of all applicants.
531 (e) If the corporate income tax credit granted pursuant to
532 this section is not fully used in one year because of
533 insufficient tax liability on the part of the taxpayer, the
534 unused amount may be carried forward for a period not to exceed 5
535 years. The carryover credit may be used in a subsequent year when
536 the tax imposed by this chapter for such year exceeds the credit
537 for such year, after applying the other credits and unused credit
538 carryovers in the order provided in s. 220.02(8).
539 (f) A taxpayer that files a consolidated return in this
540 state as a member of an affiliated group under s. 220.131(1) may
541 be allowed the corporate income tax credit on a consolidated
542 return basis up to the amount of Florida corporate income tax
543 imposed upon the consolidated group.

544 (g)1. Corporate income tax credits granted under this
545 section to a producer eligible under this section may be
546 transferred after a merger or acquisition to the surviving or
547 acquiring entity and used in the same manner with the same
548 limitations.
549 2. A producer may transfer any unused corporate income tax
550 credit in whole or in units of no less than 25 percent. The
551 entity acquiring such credit may use it in the same manner and
552 with the same limitations under this section. Such transferred
553 credits may not be transferred again although they may succeed to
554 a surviving or acquiring entity subject to the same conditions
555 and limitations as described in this section.
556 3. In the event the credit provided for under this section
557 is reduced as a result of an examination or audit by the
558 department, such tax deficiency shall be recovered from the first
559 entity or the surviving or acquiring entity to have claimed such
560 credit up to the amount of credit taken. Any subsequent
561 deficiencies shall be assessed against any entity acquiring and
562 claiming such credit, or in the case of multiple succeeding
563 entities in the order of credit succession.
564 (h) Notwithstanding any other provision of this section,
565 credits for Florida biofuel production may be earned between
566 January 1, 2008 and December 31, 2011. The combined total amount
567 of tax credits which may be granted for all producers under this
568 section is limited to $10 million per state fiscal year.
569 (i) A producer claiming a credit under this section shall
570 be required to add back to net income that portion of its
571 business deductions claimed on its federal return paid or
572 incurred for the taxable year which is equal to the amount of the

573 credit allowable for the taxable year under this section.
574 (5) The department may adopt rules to implement and
575 administer this section, including rules prescribing forms, the
576 documentation needed to substantiate a claim for the tax credit,
577 and the specific procedures and guidelines for claiming the
578 credit.
579 (6) This section shall apply to tax years beginning on and
580 after January 1, 2008.
581 Section 10. Section 255.251, Florida Statutes, is amended
582 to read:
583 255.251 Energy Conservation and Sustainable ~~in~~ Buildings
584 Act; short title.--This act shall be cited as the "Florida Energy
585 Conservation in Buildings Act of 1974."
586 Section 11. Section 255.252, Florida Statutes, is amended,
587 and subsection (5) is added to that section, to read:
588 255.252 Findings and intent.--
589 (1) Operating and maintenance expenditures associated with
590 energy equipment and with energy consumed in state-financed and
591 leased buildings represent a significant cost over the life of a
592 building. Energy conserved by appropriate building design not
593 only reduces the demand for energy but also reduces costs for
594 building operation. ~~For example, commercial buildings are~~
595 ~~estimated to use from 20 to 80 percent more energy than would be~~
596 ~~required if energy-conserving designs were used.~~ The size,
597 design, orientation, and operability of windows, the ratio of
598 ventilating air to air heated or cooled, the level of lighting
599 consonant with space-use requirements, the handling of occupancy
600 loads, and the ability to zone off areas not requiring equivalent

601 levels of heating or cooling are but a few of the considerations
602 necessary to conserving energy.
603 (2) Significant efforts are needed to build energy
604 efficient state-owned buildings, which meet environmental
605 standards. ~~underway by the General Services Administration, the~~
606 ~~National Institute of Standards and Technology, and others to~~
607 ~~detail the considerations and practices for energy conservation~~
608 ~~in buildings.~~ Most important is that energy-efficient designs
609 provide energy savings over the life of the building structure.
610 ~~Conversely, energy-inefficient designs cause excess and wasteful~~
611 ~~energy use and high costs over that life.~~ With buildings lasting
612 many decades and with energy costs escalating rapidly, it is
613 essential that the costs of operation and maintenance for energy-
614 using equipment and sustainable materials be included in all
615 design proposals for state-owned buildings.
616 (3) In order that such energy-efficiency and sustainable
617 materials considerations become a function of building design,
618 and also a model for future application in the private sector, it
619 shall be the policy of the state that buildings constructed and
620 financed by the state be designed and constructed to follow the
621 U.S. Green Building Council (USGBC) Leadership in Energy and
622 Environmental Design (LEED) process to obtain certification. ~~in a~~
623 ~~manner which will minimize the consumption of energy used in the~~
624 ~~operation and maintenance of such buildings.~~ It is further the
625 policy of the state, when economically feasible, to retrofit
626 existing state-owned buildings in a manner which will minimize
627 the consumption of energy used in the operation and maintenance
628 of such buildings.

629 (4) In addition to designing and constructing new buildings
630 to be energy-efficient, it shall be the policy of the state to
631 operate, maintain, and renovate existing state-owned facilities,
632 or provide for their renovation, in a manner which will minimize
633 energy consumption and maximize their sustainability as well as
634 ensure that facilities leased by the state are operated so as to
635 minimize energy use. Agencies are encouraged to consider shared
636 savings financing of such energy projects, using contracts which
637 split the resulting savings for a specified period of time
638 between the agency and the private firm or cogeneration contracts
639 which otherwise permit the state to lower its energy costs. Such
640 energy contracts may be funded from the operating budget.
641 (5) All state agencies must identify and compile a list of
642 all state-owned buildings within its inventory that would be
643 suitable for a guaranteed energy performance savings contract
644 pursuant to s. 489.145. Such list shall be submitted to the
645 Department of Management Services by December 31, 2007, and shall
646 include all facilities over five thousand square feet in area,
647 and which the agency is responsible for the expenses of utilities
648 and other operating expenses as they relate to energy use. In
649 consultation with each department secretary or director, by March
650 1, 2008, the Department of Management Services shall evaluate
651 each agency's facilities suitable for energy conservation
652 projects, and shall develop an energy efficiency project schedule
653 based on factors such as project magnitude, efficiency and
654 effectiveness of energy conservation measures to be implemented,
655 and other factors which may prove to be advantageous to pursue.
656 Such schedule shall provide the deadline for guaranteed energy

657 performance savings contract improvements to be made to the
658 state-owned buildings.
659 Section 12. Subsection (6) is added to section 255.253,
660 Florida Statutes, to read:
661 255.253 Definitions; ss. 255.251-255.258.--
662 (6) "Sustainable Building" means a building that is healthy
663 and comfortable for its occupants and is economical to operate,
664 conserving resources (including energy, water, raw materials and
665 land) and minimizes the generation of toxic materials and waste
666 in its design, construction, landscaping, and operation.
667 Section 13. Section 255.254, Florida Statutes, is amended
668 to read:
669 255.254 No facility constructed or leased without life-
670 cycle costs.--
671 (1) No state agency shall ~~lease,~~ construct, or have
672 constructed, within limits prescribed herein, a facility without
673 having secured from the department an ~~proper~~ evaluation of life-
674 cycle costs based on LEED standards.~~, as computed by an architect~~
675 ~~or engineer.~~ Furthermore, construction shall proceed only upon
676 disclosing, for the facility chosen, the life-cycle costs as
677 determined in s. 255.255, its LEED Green Building Rating and the
678 capitalization of the initial construction costs of the building.
679 The life-cycle costs shall be a primary consideration in the
680 selection of a building design in addition to its LEED Green
681 Building Rating. ~~Such analysis shall be required only for~~
682 ~~construction of buildings with an area of 5,000 square feet or~~
683 ~~greater.~~ For leased buildings 5,000 square feet or greater ~~areas~~
684 ~~of 20,000 square feet or greater~~ within a given building
685 boundary, an energy performance analysis ~~a life-cycle analysis~~

686 shall be performed, and a lease shall only be made where there is
687 a showing that the energy ~~life-cycle~~ costs incurrent by the state
688 are minimal compared to available like facilities.
689 (2) On and after January 1, 1979, no state agency shall
690 initiate construction or have construction initiated, prior to
691 approval thereof by the department, on a facility or self-
692 contained unit of any facility, the design and construction of
693 which incorporates or contemplates the use of an energy system
694 other than a solar energy system when the life-cycle costs
695 analysis prepared by the department has determined that a solar
696 energy system is the most cost-efficient energy system for the
697 facility or unit.
698 (3) After September 30, 1985, when any state agency must
699 replace or supplement major items of energy-consuming equipment
700 in existing state-owned ~~or leased~~ facilities or any self-
701 contained unit of any facility with other major items of energy-
702 consuming equipment, the selection of such items shall be made on
703 the basis of a life-cycle cost analysis of alternatives in
704 accordance with rules promulgated by the department under s.
705 255.255.
706 Section 14. Subsection (1) of section 255.255, Florida
707 Statutes, is amended to read:
708 255.255 Life-cycle costs.--
709 (1) The department shall promulgate rules and procedures,
710 including energy conservation performance guidelines based on
711 LEED standards, for conducting a life-cycle cost analysis of
712 alternative architectural and engineering designs and alternative
713 major items of energy-consuming equipment to be retrofitted in
714 existing state-owned or leased facilities and for developing

715 energy performance indices to evaluate the efficiency of energy
716 utilization for competing designs in the construction of state-
717 financed and leased facilities.
718 Section 15. Subsection (10) of section 287.064, Florida
719 Statutes, is amended to read:
720 287.064 Consolidated financing of deferred-payment
721 purchases.--
722 (10) Costs incurred pursuant to a guaranteed energy
723 performance savings contract, including the cost of energy
724 conservation measures, each as defined in s. 489.145, may be
725 financed pursuant to a master equipment financing agreement;
726 however, the costs of training, operation, and maintenance may
727 not be financed. The period of time for repayment of the funds
728 drawn pursuant to the master equipment financing agreement under
729 this subsection may exceed 5 years but may not exceed 20 ~~10~~
730 years.
731 Section 16. Section 377.802, Florida Statutes, is amended
732 to read:
733 377.802 Purposes P~~urpose~~.--
734 (1) This act is intended to provide matching grants to
735 stimulate capital investment in the state and to enhance the
736 market for and promote the statewide utilization of renewable
737 energy technologies. The targeted grants program is designed to
738 advance the already growing establishment of renewable energy
739 technologies in the state and encourage the use of other
740 incentives such as tax exemptions and regulatory certainty to
741 attract additional renewable energy technology producers,
742 developers, and users to the state.

743 (2) This act is ~~also~~ intended to provide incentives for the
744 purchase of energy-efficient appliances and rebates for solar
745 energy equipment installations for residential and commercial
746 buildings. In order to promote energy efficiency and
747 conservation of the state's resources, the month of October shall
748 annually be designated "Energy Efficiency and Conservation
749 Month."
750 Section 17. Section 377.803, Florida Statutes, is amended
751 to read:
752 377.803 Definitions.--As used in ss. 377.801-377.806, the
753 term:
754 (1) "Act" means the Florida Renewable Energy Technologies
755 and Energy Efficiency Act.
756 (2) "Approved metering equipment" means a device capable of
757 measuring the energy output of a solar thermal system that has
758 been approved by the commission.
759 (3) "Bioenergy" means useful, renewable energy produced
760 from organic matter - the conversion of the complex carbohydrates
761 in organic matter to energy. Organic matter may either be used
762 directly as a fuel, processed into liquids and gasses, or be a
763 residual of processing and conversion.
764 (4) ~~(3)~~ "Commission" means the Florida Public Service
765 Commission.
766 (5) ~~(4)~~ "Department" means the Department of Environmental
767 Protection.
768 (6) ~~(5)~~ "Person" means an individual, partnership, joint
769 venture, private or public corporation, association, firm, public
770 service company, or any other public or private entity.

771 (7) ~~(6)~~ "Renewable energy" means electrical, mechanical, or
772 thermal energy produced from a method that uses one or more of
773 the following fuels or energy sources: hydrogen, biomass, solar
774 energy, geothermal energy, wind energy, ocean energy, waste heat,
775 or hydroelectric power.
776 (8) ~~(7)~~ "Renewable energy technology" means any technology
777 that generates or utilizes a renewable energy resource.
778 (9) ~~(8)~~ "Solar energy system" means equipment that provides
779 for the collection and use of incident solar energy for water
780 heating, space heating or cooling, or other applications that
781 would normally require a conventional source of energy such as
782 petroleum products, natural gas, or electricity that performs
783 primarily with solar energy. In other systems in which solar
784 energy is used in a supplemental way, only those components that
785 collect and transfer solar energy shall be included in this
786 definition.
787 (10) ~~(9)~~ "Solar photovoltaic system" means a device that
788 converts incident sunlight into electrical current.
789 (11) ~~(10)~~ "Solar thermal system" means a device that traps
790 heat from incident sunlight in order to heat water
791 Section 18. Section 377.804, Florida Statutes, is amended
792 to read:
793 377.804 Renewable Energy Technologies Grants Program.--
794 (1) The Renewable Energy Technologies Grants Program is
795 established within the department to provide renewable energy
796 matching grants for demonstration, commercialization, research,
797 and development projects relating to renewable energy
798 technologies.

799 (2) Matching grants for renewable energy technology
800 demonstration, commercialization, research, and development
801 projects may be made to any of the following:
802 (a) Municipalities and county governments.
803 (b) Established for-profit companies licensed to do
804 business in the state.
805 (c) Universities and colleges in the state.
806 (d) Utilities located and operating within the state.
807 (e) Not-for-profit organizations.
808 (f) Other qualified persons, as determined by the
809 department.
810 (3) The department may adopt rules pursuant to ss.
811 120.536(1) and 120.54 to provide for application requirements,
812 provide for ranking of applications, and administer the awarding
813 of grants under this program.
814 (4) Factors the department shall consider in awarding
815 grants include, but are not limited to:
816 (a) The availability of matching funds or other in-kind
817 contributions applied to the total project from an applicant. The
818 department shall give greater preference to projects that provide
819 such matching funds or other in-kind contributions.
820 (b) The degree to which the project stimulates in-state
821 capital investment and economic development in metropolitan and
822 rural areas, including the creation of jobs and the future
823 development of a commercial market for renewable energy
824 technologies.
825 (c) The extent to which the proposed project has been
826 demonstrated to be technically feasible based on pilot project

827 demonstrations, laboratory testing, scientific modeling, or
828 engineering or chemical theory that supports the proposal.
829 (d) The degree to which the project incorporates an
830 innovative new technology or an innovative application of an
831 existing technology.
832 (e) The degree to which a project generates thermal,
833 mechanical, or electrical energy by means of a renewable energy
834 resource that has substantial long-term production potential.
835 (f) The degree to which a project demonstrates efficient
836 use of energy and material resources.
837 (g) The degree to which the project fosters overall
838 understanding and appreciation of renewable energy technologies.
839 (h) The ability to administer a complete project.
840 (i) Project duration and timeline for expenditures.
841 (j) The geographic area in which the project is to be
842 conducted in relation to other projects.
843 (k) The degree of public visibility and interaction.
844 (5) The department shall solicit the expertise of other
845 state agencies in evaluating project proposals. State agencies
846 shall cooperate with the Department of Environmental Protection
847 and provide such assistance as requested.
848 ~~(6) The department shall coordinate and actively consult~~
849 ~~with the Department of Agriculture and Consumer Services during~~
850 ~~the review and approval process of grants relating to bioenergy~~
851 ~~projects for renewable energy technology, and the departments~~
852 ~~shall jointly determine the grant awards to these bioenergy~~
853 ~~projects. No grant funding shall be awarded to any bioenergy~~
854 ~~project without such joint approval. Factors for consideration in~~

855 ~~awarding grants may include, but are not limited to, the degree~~
856 ~~to which:~~
857 ~~(a) The project stimulates in-state capital investment and~~
858 ~~economic development in metropolitan and rural areas, including~~
859 ~~the creation of jobs and the future development of a commercial~~
860 ~~market for bioenergy.~~
861 ~~(b) The project produces bioenergy from Florida-grown crops~~
862 ~~or biomass.~~
863 ~~(c) The project demonstrates efficient use of energy and~~
864 ~~material resources.~~
865 ~~(d) The project fosters overall understanding and~~
866 ~~appreciation of bioenergy technologies.~~
867 ~~(e) Matching funds and in-kind contributions from an~~
868 ~~applicant are available.~~
869 ~~(f) The project duration and the timeline for expenditures~~
870 ~~are acceptable.~~
871 ~~(g) The project has a reasonable assurance of enhancing the~~
872 ~~value of agricultural products or will expand agribusiness in the~~
873 ~~state.~~
874 ~~(h) Preliminary market and feasibility research has been~~
875 ~~conducted by the applicant or others and shows there is a~~
876 ~~reasonable assurance of a potential market.~~
877 Section 19. Section 377.806, Florida Statutes, is amended
878 to read:
879 377.806 Solar Energy System Incentives Program.--
880 (1) PURPOSE.--The Solar Energy System Incentives Program is
881 established within the department to provide financial incentives
882 for the purchase and installation of solar energy systems.
883 <u>(2) ELIGIBILITY.--</u>

884 (a) Any resident of the state who purchases and installs a
885 new solar energy system of 2 kilowatts or larger for a solar
886 photovoltaic system, a solar energy system that provides at least
887 50 percent of a building's hot water consumption for a solar
888 thermal system, or a solar thermal pool heater, from July 1,
889 2006, through June 30, 2010, is eligible for a rebate on a
890 portion of the purchase price of that solar energy system.
891 (b) Payment of a rebate may only be made to the final
892 purchaser of an eligible system.
893 (3) ~~(2)~~ SOLAR PHOTOVOLTAIC SYSTEM INCENTIVE.--
894 (a) System ~~Eligibility~~ requirements.--A solar photovoltaic
895 system qualifies for a rebate if:
896 1. The system is installed by a state-licensed master
897 electrician, electrical contractor, or solar contractor.
898 2. The system complies with state interconnection standards
899 as provided by the commission.
900 3. The system complies with all applicable building codes
901 as defined by the local jurisdictional authority.
902 (b) Rebate amounts.--The rebate amount shall be set at $4
903 per watt based on the total wattage rating of the system. The
904 maximum allowable rebate per solar photovoltaic system
905 installation shall be as follows:
906 1. Twenty thousand dollars for a residence.
907 2. One hundred thousand dollars for a place of business, a
908 publicly owned or operated facility, or a facility owned or
909 operated by a private, not-for-profit organization, including
910 condominiums or apartment buildings.
911 (4) ~~(3)~~ SOLAR THERMAL SYSTEM INCENTIVE.--

912 (a) Eligibility requirements.--A solar thermal system
913 qualifies for a rebate if:
914 1. The system is installed by a state-licensed solar or
915 plumbing contractor.
916 2. The system complies with all applicable building codes
917 as defined by the local jurisdictional authority.
918 (b) Rebate amounts.--Authorized rebates for installation of
919 solar thermal systems shall be as follows:
920 1. Five hundred dollars for a residence.
921 2. Fifteen dollars per 1,000 Btu up to a maximum of $5,000
922 for a place of business, a publicly owned or operated facility,
923 or a facility owned or operated by a private, not-for-profit
924 organization, including condominiums or apartment buildings. Btu
925 must be verified by approved metering equipment.
926 (5) ~~(4)~~ SOLAR THERMAL POOL HEATER INCENTIVE.--
927 (a) Eligibility requirements.--A solar thermal pool heater
928 qualifies for a rebate if the system is installed by a state-
929 licensed solar or plumbing contractor and the system complies
930 with all applicable building codes as defined by the local
931 jurisdictional authority.
932 (b) Rebate amount.--Authorized rebates for installation of
933 solar thermal pool heaters shall be $100 per installation.
934 (6) ~~(5)~~ APPLICATION.--Application for a rebate must be made
935 within 90 days after the purchase of the solar energy equipment.
936 (7) LIMITS.--Rebates are limited to one per type of system
937 described in s. 377.806(2)(a) per resident, per state fiscal
938 year.
939 (8) ~~(6)~~ REBATE AVAILABILITY.--The department shall determine
940 and publish on a regular basis the amount of rebate funds

941 remaining in each fiscal year. The total dollar amount of all
942 rebates issued by the department is subject to the total amount
943 of appropriations in any fiscal year for this program. If funds
944 are insufficient during the current fiscal year, any requests for
945 rebates received during that fiscal year may be processed during
946 the following fiscal year. Requests for rebates received in a
947 fiscal year that are processed during the following fiscal year
948 shall be given priority over requests for rebates received during
949 the following fiscal year.
950 (9) ~~(7)~~ RULES.--The department shall adopt rules pursuant to
951 ss. 120.536(1) and 120.54 to develop rebate applications and
952 administer the issuance of rebates.
953 Section 20. Section 403.50663, Florida Statutes, is amended
954 to read:
955 403.50663 Informational public meetings.--
956 (1) A local government within whose jurisdiction the power
957 plant is proposed to be sited may hold one informational public
958 meeting in addition to the hearings specifically authorized by
959 this act on any matter associated with the electrical power plant
960 proceeding. Such informational public meetings shall be held by
961 the local government or by the regional planning council if the
962 local government does not hold such meeting within 70 days after
963 the filing of the application. The purpose of an informational
964 public meeting is for the local government or regional planning
965 council to further inform the public about the proposed
966 electrical power plant or associated facilities, obtain comments
967 from the public, and formulate its recommendation with respect to
968 the proposed electrical power plant.

969 (2) Informational public meetings shall be held solely at
970 the option of each local government or regional planning council
971 if a public meeting is not held by the local government. It is
972 the legislative intent that local governments or regional
973 planning councils attempt to hold such public meetings. Parties
974 to the proceedings under this act shall be encouraged to attend;
975 however, no party other than the applicant and the department
976 shall be required to attend such informational public meetings.
977 (3) A local government or regional planning council that
978 intends to conduct an informational public meeting must provide
979 notice of the meeting to all parties not less than 15 ~~5~~ days
980 prior to the meeting, and to the general public, in accordance
981 with the provisions of s. 403.5115(5).
982 (4) The failure to hold an informational public meeting or
983 the procedure used for the informational public meeting is not
984 grounds for the alteration of any time limitation in this act
985 under s. 403.5095 or grounds to deny or condition certification.
986 Section 21. Section 403.50665, Florida Statutes, is amended
987 to read:
988 403.50665 Land use consistency.--
989 (1) The applicant shall include in the application a
990 statement on the consistency of the site or any directly
991 associated facilities with existing land use plans and zoning
992 ordinances that were in effect on the date the application was
993 filed and a full description of such consistency.
994 (2) Within 45 days after the filing of the application,
995 each local government shall file a determination with the
996 department, the applicant, the administrative law judge, and all
997 parties on the consistency of the site or any directly associated

998 facilities with existing land use plans and zoning ordinances
999 that were in effect on the date the application was filed, based
1000 on the information provided in the application. The local
1001 government may issue its determination up to 35 days later if the
1002 local government has requested additional information on land use
1003 and zoning consistency as part of the local government's
1004 statement on completeness of the application submitted pursuant
1005 to s. 403.5066(1)(a). Incompleteness of information necessary
1006 for a local government to evaluate an application may be claimed
1007 by the local government as cause for a statement of inconsistency
1008 with existing land use plans and zoning ordinances. Notice of
1009 the consistency determination shall be published in accordance
1010 with the requirements of s. 403.5115.
1011 (3) If the local government issues a determination that the
1012 proposed electrical power plant is not consistent or in
1013 compliance with local land use plans and zoning ordinances, the
1014 applicant may apply to the local government for the necessary
1015 local approval to address the inconsistencies in the local
1016 government's determination. If the applicant makes such an
1017 application to the local government, the time schedules under
1018 this act shall be tolled until the local government issues its
1019 revised determination on land use and zoning or the applicant
1020 otherwise withdraws its application to the local government. If
1021 the applicant applies to the local government for necessary local
1022 land use or zoning approval, the local government shall issue a
1023 revised determination within 30 days following the conclusion of
1024 that local proceeding, and the time schedules and notice
1025 requirements under this act shall apply to such revised
1026 determination.

1027 (4) If any substantially affected person wishes to dispute
1028 the local government's determination, he or she shall file a
1029 petition with the designated administrative law judge ~~department~~
1030 within 21 days after the publication of notice of the local
1031 government's determination. If a hearing is requested, the
1032 provisions of s. 403.508(1) shall apply.
1033 (5) The dates in this section may be altered upon agreement
1034 between the applicant, the local government, and the department
1035 pursuant to s. 403.5095.
1036 (6) If it is determined by the local government that the
1037 proposed site or directly associated facility does conform with
1038 existing land use plans and zoning ordinances in effect as of the
1039 date of the application and no petition has been filed, the
1040 responsible zoning or planning authority shall not thereafter
1041 change such land use plans or zoning ordinances so as to
1042 foreclose construction and operation of the proposed site or
1043 directly associated facilities unless certification is
1044 subsequently denied or withdrawn.
1045 Section 22. Section 403.508, Florida Statutes, is amended
1046 to read:
1047 403.508 Land use and certification hearings, parties,
1048 participants.--
1049 (1)(a) Within 5 days of the filing of ~~If~~ a petition for a
1050 hearing on land use ~~has been filed~~ pursuant to s. 403.50665, the
1051 designated administrative law judge shall schedule ~~conduct~~ a land
1052 use hearing to be conducted in the county of the proposed site or
1053 directly associated facility, as applicable, as expeditiously as
1054 possible, but not later than 30 days after the department's
1055 receipt of the petition. The place of such hearing shall be as

1056 close as possible to the proposed site or directly associated
1057 facility. If a petition is filed, the hearing shall be held
1058 regardless of the status of the completeness of the application.
1059 ~~However, incompleteness of information necessary for a local~~
1060 ~~government to evaluate an application may be claimed by the local~~
1061 ~~government as cause for a statement of inconsistency with~~
1062 ~~existing land use plans and zoning ordinances under s. 403.50665.~~
1063 (b) Notice of the land use hearing shall be published in
1064 accordance with the requirements of s. 403.5115.
1065 (c) The sole issue for determination at the land use
1066 hearing shall be whether or not the proposed site is consistent
1067 and in compliance with existing land use plans and zoning
1068 ordinances. If the administrative law judge concludes that the
1069 proposed site is not consistent or in compliance with existing
1070 land use plans and zoning ordinances, the administrative law
1071 judge shall receive at the hearing evidence on, and address in
1072 the recommended order any changes to or approvals or variances
1073 under, the applicable land use plans or zoning ordinances which
1074 will render the proposed site consistent and in compliance with
1075 the local land use plans and zoning ordinances.
1076 (d) The designated administrative law judge's recommended
1077 order shall be issued within 30 days after completion of the
1078 hearing and shall be reviewed by the board within 60 days after
1079 receipt of the recommended order by the board.
1080 (e) If it is determined by the board that the proposed site
1081 does conform with existing land use plans and zoning ordinances
1082 in effect as of the date of the application, or as otherwise
1083 provided by this act, the responsible zoning or planning
1084 authority shall not thereafter change such land use plans or

1085 zoning ordinances so as to foreclose construction and operation
1086 of the proposed electrical power plant on the proposed site or
1087 directly associated facilities unless certification is
1088 subsequently denied or withdrawn.
1089 (f) If it is determined by the board that the proposed site
1090 does not conform with existing land use plans and zoning
1091 ordinances, the board may, if it determines after notice and
1092 hearing and upon consideration of the recommended order on land
1093 use and zoning issues that it is in the public interest to
1094 authorize the use of the land as a site for an electrical power
1095 plant, authorize a variance or other necessary approval to the
1096 adopted land use plan and zoning ordinances required to render
1097 the proposed site consistent with local land use plans and zoning
1098 ordinances. The board's action shall not be controlled by any
1099 other procedural requirements of law. In the event a variance or
1100 other approval is denied by the board, it shall be the
1101 responsibility of the applicant to make the necessary application
1102 for any approvals determined by the board as required to make the
1103 proposed site consistent and in compliance with local land use
1104 plans and zoning ordinances. No further action may be taken on
1105 the complete application until the proposed site conforms to the
1106 adopted land use plan or zoning ordinances or the board grants
1107 relief as provided under this act.
1108 (2)(a) A certification hearing shall be held by the
1109 designated administrative law judge no later than 265 days after
1110 the application is filed with the department. The certification
1111 hearing shall be held at a location in proximity to the proposed
1112 site. ~~At the conclusion of the certification hearing, the~~
1113 ~~designated administrative law judge shall, after consideration of~~

1114 ~~all evidence of record, submit to the board a recommended order~~
1115 ~~no later than 45 days after the filing of the hearing transcript.~~
1116 (b) Notice of the certification hearing and notice of the
1117 deadline for filing of notice of intent to be a party shall be
1118 made in accordance with the requirements of s. 403.5115.
1119 (3)(a) Parties to the proceeding shall include:
1120 1. The applicant.
1121 2. The Public Service Commission.
1122 3. The Department of Community Affairs.
1123 4. The Fish and Wildlife Conservation Commission.
1124 5. The water management district.
1125 6. The department.
1126 7. The regional planning council.
1127 8. The local government.
1128 9. The Department of Transportation.
1129 (b) Any party listed in paragraph (a) other than the
1130 department or the applicant may waive its right to participate in
1131 these proceedings. If such listed party fails to file a notice of
1132 its intent to be a party on or before the 90th day prior to the
1133 certification hearing, such party shall be deemed to have waived
1134 its right to be a party.
1135 (c) Notwithstanding the provisions of chapter 120, upon the
1136 filing with the administrative law judge of a notice of intent to
1137 be a party no later than 75 days after the application is filed,
1138 the following shall also be parties to the proceeding:
1139 1. Any agency not listed in paragraph (a) as to matters
1140 within its jurisdiction.
1141 2. Any domestic nonprofit corporation or association
1142 formed, in whole or in part, to promote conservation or natural

1143 beauty; to protect the environment, personal health, or other
1144 biological values; to preserve historical sites; to promote
1145 consumer interests; to represent labor, commercial, or industrial
1146 groups; or to promote comprehensive planning or orderly
1147 development of the area in which the proposed electrical power
1148 plant is to be located.
1149 (d) Notwithstanding paragraph (e), failure of an agency
1150 described in subparagraph (c)1. to file a notice of intent to be
1151 a party within the time provided herein shall constitute a waiver
1152 of the right of that agency to participate as a party in the
1153 proceeding.
1154 (e) Other parties may include any person, including those
1155 persons enumerated in paragraph (c) who have failed to timely
1156 file a notice of intent to be a party, whose substantial
1157 interests are affected and being determined by the proceeding and
1158 who timely file a motion to intervene pursuant to chapter 120 and
1159 applicable rules. Intervention pursuant to this paragraph may be
1160 granted at the discretion of the designated administrative law
1161 judge and upon such conditions as he or she may prescribe any
1162 time prior to 30 days before the commencement of the
1163 certification hearing.
1164 (f) Any agency, including those whose properties or works
1165 are being affected pursuant to s. 403.509(4), shall be made a
1166 party upon the request of the department or the applicant.
1167 (4)(a) The order of presentation at the certification
1168 hearing, unless otherwise changed by the administrative law judge
1169 to ensure the orderly presentation of witnesses and evidence,
1170 shall be:
1171 1. The applicant.

1172 2. The department.
1173 3. State agencies.
1174 4. Regional agencies, including regional planning councils
1175 and water management districts.
1176 5. Local governments.
1177 6. Other parties.
1178 (b) When appropriate, any person may be given an
1179 opportunity to present oral or written communications to the
1180 designated administrative law judge. If the designated
1181 administrative law judge proposes to consider such
1182 communications, then all parties shall be given an opportunity to
1183 cross-examine or challenge or rebut such communications.
1184 (5) At the conclusion of the certification hearing, the
1185 designated administrative law judge shall, after consideration of
1186 all evidence of record, submit to the board a recommended order
1187 no later than 45 days after the filing of the hearing transcript.
1188 (6)(a) No earlier than 29 days prior to the conduct of the
1189 certification hearing, the department or the applicant may
1190 request that the administrative law judge cancel the
1191 certification hearing and relinquish jurisdiction to the
1192 department if all parties to the proceeding stipulate that there
1193 are no disputed issues of fact or law to be raised at the
1194 certification hearing, and if sufficient time remains for the
1195 applicant and the department to publish public notices of the
1196 cancellation of the hearing at least 3 days prior to the
1197 scheduled date of the hearing.
1198 (b) The administrative law judge shall issue an order
1199 granting or denying the request within 5 days after receipt of
1200 the request.

1201 (c) If the administrative law judge grants the request, the
1202 department and the applicant shall publish notices of the
1203 cancellation of the certification hearing, in accordance with s.
1204 403.5115.
1205 (d)1. If the administrative law judge grants the request,
1206 the department shall prepare and issue a final order in
1207 accordance with s. 403.509(1)(a).
1208 2. Parties may submit proposed recommended orders to the
1209 department no later than 10 days after the administrative law
1210 judge issues an order relinquishing jurisdiction.
1211 (7) The applicant shall pay those expenses and costs
1212 associated with the conduct of the hearings and the recording and
1213 transcription of the proceedings.
1214 (8) In issuing permits under the federally approved new
1215 source review or prevention of significant deterioration permit
1216 program, the department shall observe the procedures specified
1217 under the federally approved state implementation plan, including
1218 public notice, public comment, public hearing, and notice of
1219 applications and amendments to federal, state, and local
1220 agencies, to assure that all such permits issued in coordination
1221 with the certification of a power plant under this act are
1222 federally enforceable and are issued after opportunity for
1223 informed public participation regarding the terms and conditions
1224 thereof. When possible, any hearing on a federally approved or
1225 delegated program permit such as new source review, prevention of
1226 significant deterioration permit, or NPDES permit shall be
1227 conducted in conjunction with the certification hearing held
1228 under this act. It is the intent of the Legislature that the
1229 review, processing, and issuance of such federally delegated or

1230 approved permits be closely coordinated with the certification
1231 process established under this part. In the event of a conflict
1232 between the certification process and federally required
1233 procedures, the applicable federal requirements shall control.
1234 Section 23. Section 403.509, Florida Statutes, is amended
1235 to read:
1236 403.509 Final disposition of application.--
1237 (1)(a) If the administrative law judge has granted a
1238 request to cancel the certification hearing and has relinquished
1239 jurisdiction to the department under the provisions of s.
1240 403.508(6), within 40 days thereafter, the secretary of the
1241 department shall act upon the application by written order in
1242 accordance with the terms of this act and the stipulation of the
1243 parties in requesting cancellation of the certification hearing.
1244 (b) If the administrative law judge has not granted a
1245 request to cancel the certification hearing under the provisions
1246 of s. 403.508(6), within 60 days after receipt of the designated
1247 administrative law judge's recommended order, the board shall act
1248 upon the application by written order, approving or denying
1249 certification, in accordance with the terms of this act, and
1250 stating the reasons for issuance or denial. If certification is
1251 denied, the board shall set forth in writing the action the
1252 applicant would have to take to secure the board's approval of
1253 the application.
1254 (2) The issues that may be raised in any hearing before the
1255 board shall be limited to those matters raised in the
1256 certification proceeding before the administrative law judge or
1257 raised in the recommended order. All parties, or their

1258 representatives, or persons who appear before the board shall be
1259 subject to the provisions of s. 120.66.
1260 (3) In determining whether an application should be
1261 approved in whole, approved with modifications or conditions, or
1262 denied, the board, or secretary when applicable, shall consider
1263 whether, and the extent to which, the location of the electrical
1264 power plant and directly associated facilities and their
1265 construction and operation will:
1266 (a) Provide reasonable assurance that operational
1267 safeguards are technically sufficient for the public welfare and
1268 protection.
1269 (b) Comply with applicable nonprocedural requirements of
1270 agencies.
1271 (c) Be consistent with applicable local government
1272 comprehensive plans and land development regulations.
1273 (d) Meet the electrical energy needs of the state in an
1274 orderly and timely fashion.
1275 (e) Effect a reasonable balance between the need for the
1276 facility as established pursuant to s. 403.519 and the impacts
1277 upon air and water quality, fish and wildlife, water resources,
1278 and other natural resources of the state resulting from the
1279 construction and operation of the facility.
1280 (f) Minimize, through the use of reasonable and available
1281 methods, the adverse effects on human health, the environment,
1282 and the ecology of the land and its wildlife and the ecology of
1283 state waters and their aquatic life.
1284 (g) Serve and protect the broad interests of the public.
1285 (4) The department's action on a federally required new
1286 source review or prevention of significant deterioration permit

1287 shall differ from the actions taken by the siting board regarding
1288 the certification if the federally approved state implementation
1289 plan requires such a different action to be taken by the
1290 department. Nothing in this part shall be construed to displace
1291 the department's authority as the final permitting entity under
1292 the federally approved permit program. Nothing in this part shall
1293 be construed to authorize the issuance of a new source review or
1294 prevention of significant deterioration permit which does not
1295 conform to the requirements of the federally approved state
1296 implementation plan.
1297 (5) For certifications which are issued by the board, in ~~In~~
1298 regard to the properties and works of any agency which is a party
1299 to the certification hearing, the board shall have the authority
1300 to decide issues relating to the use, the connection thereto, or
1301 the crossing thereof, for the electrical power plant and directly
1302 associated facilities and to direct any such agency to execute,
1303 within 30 days after the entry of certification, the necessary
1304 license or easement for such use, connection, or crossing,
1305 subject only to the conditions set forth in such certification.
1306 For certifications which are issued by the department, in regard
1307 to the properties and works of any agency which is a party to
1308 proceeding, any stipulation filed pursuant to s. 403.508(6)(a)
1309 must include a stipulation regarding any issues relating to the
1310 use, the connection thereto, or the crossing thereof, for the
1311 electrical power plant and directly associated facilities. Any
1312 agency stipulating to the use, connection to, or crossing of its
1313 property must agree to execute, within 30 days after the entry of
1314 certification, the necessary license or easement for such use,

1315 connection, or crossing, subject only to the conditions set forth
1316 in such certification.
1317 (6) The issuance or denial of the certification by the
1318 board or secretary of the department shall be the final
1319 administrative action required as to that application.
1320 Section 24. Section 403.5113, Florida Statutes, is amended
1321 to read:
1322 403.5113 Postcertification amendments and review.--
1323 (1) Postcertification amendments. --
1324 (a) If, subsequent to certification by the board, a
1325 licensee proposes any material change to the application and
1326 revisions or amendments thereto, as certified, the licensee shall
1327 submit a written request for amendment and a description of the
1328 proposed change to the application to the department. Within 30
1329 days after the receipt of the request for the amendment, the
1330 department shall determine whether the proposed change to the
1331 application requires a modification of the conditions of
1332 certification.
1333 (b) ~~(2)~~ If the department concludes that the change would
1334 not require a modification of the conditions of certification,
1335 the department shall provide written notification of the
1336 determination on ~~approval of~~ the proposed amendment to the
1337 licensee, all agencies, and all other parties.
1338 (c) ~~(3)~~ If the department concludes that the change would
1339 require a modification of the conditions of certification, the
1340 department shall provide written notification to the licensee
1341 that the proposed change to the application requires a request
1342 for modification pursuant to s. 403.516.

1343 (2) ~~(4)~~ Postcertification submittals filed by the licensee
1344 with one or more agencies are for the purpose of monitoring for
1345 compliance with the issued certification and must be reviewed by
1346 the agencies on an expedited and priority basis because each
1347 facility certified under this act is a critical infrastructure
1348 facility. In no event shall a postcertification review be
1349 completed in more than 90 days after complete information is
1350 submitted to the reviewing agencies.
1351 Section 25. Subsection (4) of section 403.5115, Florida
1352 Statutes, is amended, and subsection (5) is added to that
1353 section, to read:
1354 403.5115 Public notice.--
1355 (4) The department shall arrange for publication of the
1356 following notices in the manner specified by chapter 120 and
1357 provide copies of those notices to any persons who have requested
1358 to be placed on the departmental mailing list for this purpose
1359 for each case for which an application has been received by the
1360 department:
1361 (a) Notice of the filing of the notice of intent within 15
1362 days after receipt of the notice.
1363 (b) Notice of the filing of the application, no later than
1364 21 days after the application filing.
1365 (c) Notice of the land use determination made pursuant to
1366 s. 403.50665(1) within 21 days after the determination is filed.
1367 (d) Notice of the land use hearing before the
1368 administrative law judge, if applicable, no later than 15 days
1369 before the hearing.
1370 (e) Notice of the land use hearing before the board, if
1371 applicable.

1372 (f) Notice of the certification hearing at least 45 days
1373 before the date set for the certification hearing.
1374 (g) Notice of the cancellation of the certification
1375 hearing, if applicable, no later than 3 days prior to the date of
1376 the originally scheduled certification hearing.
1377 (h) Notice of the hearing before the board, if applicable.
1378 (i) Notice of stipulations, proposed agency action, or
1379 petitions for modification.
1380 (5) A local government or regional planning council that
1381 proposes to conduct an informational public meeting pursuant to
1382 s. 403.50663 must publish notice of the meeting in a newspaper of
1383 general circulation within the county or counties in which the
1384 proposed electrical power plant will be located no later than 7
1385 days prior to the meeting. A newspaper of general circulation
1386 shall be the newspaper which has the largest daily circulation in
1387 that county and has its principal office in that county. If the
1388 newspaper with the largest daily circulation has its principal
1389 office outside the county, the notices shall appear in both the
1390 newspaper having the largest circulation in that county and in a
1391 newspaper authorized to publish legal notices in that county.
1392 Section 26. Subsection (1) of section 403.5252, Florida
1393 Statutes, is amended to read:
1394 403.5252 Determination of completeness.--
1395 (1)(a) Within 30 days after the filing ~~distribution~~ of an
1396 application, the affected agencies shall file a statement with
1397 the department containing the recommendations of each agency
1398 concerning the completeness of the application for certification.
1399 (b) Within 37 ~~7~~ days after the filing ~~receipt~~ of the
1400 application ~~completeness statements of each agency~~, the

1401 department shall file a statement with the Division of
1402 Administrative Hearings, with the applicant, and with all parties
1403 declaring its position with regard to the completeness of the
1404 application. The statement of the department shall be based upon
1405 its consultation with the affected agencies.
1406 Section 27. Subsection (6) of section 403.527, Florida
1407 Statutes, is amended to read:
1408 403.527 Certification hearing, parties, participants.--
1409 (6)(a) No later than 29 ~~25~~ days before the certification
1410 hearing, the department or the applicant may request that the
1411 administrative law judge cancel the certification hearing and
1412 relinquish jurisdiction to the department if all parties to the
1413 proceeding stipulate that there are no disputed issues of
1414 material fact or law to be raised at the certification hearing.
1415 (b) The administrative law judge shall issue an order
1416 granting or denying the request within 5 days.
1417 (c) If the administrative law judge grants the request, the
1418 department and the applicant shall publish notices of the
1419 cancellation of the certification hearing in accordance with s.
1420 403.5363.
1421 (d)1. If the administrative law judge grants the request,
1422 the department shall prepare and issue a final order in
1423 accordance with s. 403.529(1)(a).
1424 2. Parties may submit proposed final orders to the
1425 department no later than 10 days after the administrative law
1426 judge issues an order relinquishing jurisdiction.
1427 Section 28. Subsection (1) of section 403.5271, Florida
1428 Statutes, is amended to read:
1429 403.5271 Alternate corridors.--

1430 (1) No later than 45 days before the originally scheduled
1431 certification hearing, any party may propose alternate
1432 transmission line corridor routes for consideration under the
1433 provisions of this act.
1434 (a) A notice of a proposed alternate corridor must be filed
1435 with the administrative law judge, all parties, and any local
1436 governments in whose jurisdiction the alternate corridor is
1437 proposed. The filing must include the most recent United States
1438 Geological Survey 1:24,000 quadrangle maps specifically
1439 delineating the corridor boundaries, a description of the
1440 proposed corridor, and a statement of the reasons the proposed
1441 alternate corridor should be certified.
1442 (b)1. Within 7 days after receipt of the notice, the
1443 applicant and the department shall file with the administrative
1444 law judge and all parties a notice of acceptance or rejection of
1445 a proposed alternate corridor for consideration. If the alternate
1446 corridor is rejected by the applicant or the department, the
1447 certification hearing and the public hearings shall be held as
1448 scheduled. If both the applicant and the department accept a
1449 proposed alternate corridor for consideration, the certification
1450 hearing and the public hearings shall be rescheduled, if
1451 necessary.
1452 2. If rescheduled, the certification hearing shall be held
1453 no more than 90 days after the previously scheduled certification
1454 hearing, unless the data submitted under paragraph (d) is
1455 determined to be incomplete, in which case the rescheduled
1456 certification hearing shall be held no more than 105 days after
1457 the previously scheduled certification hearing. If additional
1458 time is needed due to the alternate corridor crossing a local

1459 government jurisdiction that was not previously affected, the
1460 remainder of the schedule listed below shall be appropriately
1461 adjusted by the administrative law judge to allow that local
1462 government to prepare a report pursuant to s. 403.526(2)(a)5.
1463 (c) Notice of the filing of the alternate corridor, of the
1464 revised time schedules, of the deadline for newly affected
1465 persons and agencies to file notice of intent to become a party,
1466 of the rescheduled hearing date, and of the proceedings shall be
1467 published in accordance with s. 403.5363.
1468 (d) Within 21 days after acceptance of an alternate
1469 corridor by the department and the applicant, the party proposing
1470 an alternate corridor shall have the burden of providing all data
1471 to the agencies listed in s. 403.526(2) and newly affected
1472 agencies necessary for the preparation of a supplementary report
1473 on the proposed alternate corridor.
1474 (e)1. Reviewing agencies shall advise the department of any
1475 issues concerning completeness no later than 15 days after the
1476 submittal of the data required by paragraph (d). Within 22 days
1477 after receipt of the data, the department shall issue a
1478 determination of completeness.
1479 2. If the department determines that the data required by
1480 paragraph (d) is not complete, the party proposing the alternate
1481 corridor must file such additional data to correct the
1482 incompleteness. This additional data must be submitted within 14
1483 days after the determination by the department.
1484 3. <u>Reviewing agencies may advise the department of any</u>
1485 <u>issues concerning completeness of the additional data within 10</u>
1486 <u>days after the filing by the applicant.</u> If the department,
1487 within 14 days after receiving the additional data, determines

1488 that the data remains incomplete, the incompleteness of the data
1489 is deemed a withdrawal of the proposed alternate corridor. The
1490 department may make its determination based on recommendations
1491 made by other affected agencies.
1492 (f) The agencies listed in s. 403.526(2) and any newly
1493 affected agencies shall file supplementary reports with the
1494 applicant and the department which address the proposed alternate
1495 corridors no later than 24 days after the data submitted pursuant
1496 to paragraph (d) or paragraph (e) is determined to be complete.
1497 (g) The agency reports on alternate corridors must include
1498 all information required by s. 403.526(2).
1499 (h) When an agency whose agency head is a collegial body,
1500 such as a commission, board, or council, is required to submit a
1501 report pursuant to this section and is required by its own
1502 internal procedures to have the report reviewed by its agency
1503 head prior to finalization, the agency may submit to the
1504 department a draft version of the report by the deadline
1505 indicated in paragraph (f), and shall submit a final version of
1506 the report after review by the agency head no later than 7 days
1507 after the deadline indicated in paragraph (f).
1508 (i) The department shall file with the administrative law
1509 judge, the applicant, and all parties a project analysis
1510 consistent with s. 403.526(3) no more than 16 days after
1511 submittal of agency reports on the proposed alternate corridor.
1512 Section 29. Subsection (1) of section 403.5317, Florida
1513 Statutes, is amended to read:
1514 403.5317 Postcertification activities.--
1515 (1)(a) If, subsequent to certification, a licensee proposes
1516 any material change to the application or prior amendments, the

1517 licensee shall submit to the department a written request for
1518 amendment and description of the proposed change to the
1519 application. The department shall, within 30 days after the
1520 receipt of the request for the amendment, determine whether the
1521 proposed change to the application requires a modification of the
1522 conditions of certification.
1523 (b) If the department concludes that the change would not
1524 require a modification of the conditions of certification, the
1525 department shall notify, in writing, the licensee, all agencies,
1526 and all parties of the determination on ~~approval~~ of the
1527 amendment.
1528 (c) If the department concludes that the change would
1529 require a modification of the conditions of certification, the
1530 department shall notify the licensee that the proposed change to
1531 the application requires a request for modification under s.
1532 403.5315.
1533 Section 30. Subsection (3) of section 403.5363, Florida
1534 Statutes, is amended to read:
1535 403.5363 Public notices; requirements.--
1536 (3) The department shall arrange for the publication of the
1537 following notices in the manner specified by chapter 120:
1538 (a) The notice of the filing of an application and the date
1539 by which a person intending to become a party must file a
1540 petition to intervene or a notice of intent to be a party. The
1541 notice must be published no later than 21 days after the
1542 application has been filed.
1543 (b) The notice of any administrative hearing for
1544 certification, if applicable. The notice must be published not
1545 less than 65 days before the date set for a hearing, except that

1546 notice for a rescheduled certification hearing after acceptance
1547 of an alternative corridor must be published not less than 50
1548 days before the date set for the hearing.
1549 (c) The notice of the cancellation of a certification
1550 hearing, if applicable. The notice must be published not later
1551 than 3 ~~7~~ days before the date of the originally scheduled
1552 certification hearing.
1553 (d) The notice of the hearing before the siting board, if
1554 applicable.
1555 (e) The notice of stipulations, proposed agency action, or
1556 a petition for modification.
1557 Section 31. Section 489.145, Florida Statutes, is amended
1558 to read:
1559 489.145 Guaranteed energy performance savings contracting.--
1560 (1) SHORT TITLE.--This section may be cited as the
1561 "Guaranteed Energy Performance Savings Contracting Act."
1562 (2) LEGISLATIVE FINDINGS.--The Legislature finds that
1563 investment in energy conservation measures in agency facilities
1564 can reduce the amount of energy consumed and produce immediate
1565 and long-term savings. It is the policy of this state to
1566 encourage agencies to invest in energy conservation measures that
1567 reduce energy consumption, or produce a cost savings for the
1568 agency, and improve the quality of indoor air in public
1569 facilities and to operate, maintain, and, when economically
1570 feasible, build or renovate existing agency facilities in such a
1571 manner as to minimize energy consumption and maximize energy
1572 savings. It is further the policy of this state to encourage
1573 agencies to reinvest any energy savings resulting from energy
1574 conservation measures in additional energy conservation efforts.

1575 (3) DEFINITIONS.--As used in this section, the term:
1576 (a) "Agency" means the state, a municipality, or a
1577 political subdivision.
1578 (b) "Energy conservation measure" means ~~a training program,~~
1579 facility alteration, or equipment purchase to be used in new
1580 construction, including an addition to an existing facility,
1581 which reduces energy or energy related operating costs and
1582 includes, but is not limited to:
1583 1. Insulation of the facility structure and systems within
1584 the facility.
1585 2. Storm windows and doors, caulking or weatherstripping,
1586 multiglazed windows and doors, heat-absorbing, or heat-
1587 reflective, glazed and coated window and door systems, additional
1588 glazing, reductions in glass area, and other window and door
1589 system modifications that reduce energy consumption.
1590 3. Automatic energy control systems.
1591 4. Heating, ventilating, or air-conditioning system
1592 modifications or replacements.
1593 5. Replacement or modifications of lighting fixtures to
1594 increase the energy efficiency of the lighting system, which, at
1595 a minimum, must conform to the applicable state or local building
1596 code.
1597 6. Energy recovery systems.
1598 7. Cogeneration systems that produce steam or forms of
1599 energy such as heat, as well as electricity, for use primarily
1600 within a facility or complex of facilities.
1601 8. Energy conservation measures that significantly reduce
1602 Btu/KWH consumed and provide long-term operating cost reductions.
1603 ~~or significantly reduce Btu consumed.~~

1604 9. Renewable energy systems, such as solar, biomass, or
1605 wind systems.
1606 10. Devices that reduce water consumption or sewer charges.
1607 11. Storage systems, such as fuel cells and thermal
1608 storage.
1609 12. Generating technologies, such as microturbines.
1610 13. Any other repair, replacement, or upgrade of existing
1611 equipment.
1612 (c) "Energy cost savings" means a measured reduction in the
1613 cost of fuel, energy consumption, and stipulated operation and
1614 maintenance created from the implementation of one or more energy
1615 conservation measures when compared with an established baseline
1616 for the previous cost of fuel, energy consumption, and stipulated
1617 operation and maintenance.
1618 (d) "Guaranteed energy performance savings contract" means
1619 a contract for the evaluation, recommendation, and implementation
1620 of energy conservation measures <u>or energy related operational</u>
1621 <u>saving measures</u>, which, at a minimum, shall include:
1622 1. The design and installation of equipment to implement
1623 one or more of such measures and, if applicable, operation and
1624 maintenance of such measures.
1625 2. The amount of any actual annual savings that meet or
1626 exceed total annual contract payments made by the agency for the
1627 contract <u>but shall not include cost avoidance</u>.
1628 3. The finance charges incurred by the agency over the life
1629 of the contract.
1630 (e) "Guaranteed energy performance savings contractor"
1631 means a person or business that is licensed under chapter 471,
1632 chapter 481, or this chapter, and is experienced in the analysis,

1633 design, implementation, or installation of energy conservation
1634 measures through energy performance contracts.
1635 (4) PROCEDURES.--
1636 (a) An agency may enter into a guaranteed energy
1637 performance savings contract with a guaranteed energy performance
1638 savings contractor to significantly reduce energy consumption or
1639 energy related operating costs of an agency facility through one
1640 or more energy conservation measures.
1641 (b) Before design and installation of energy conservation
1642 measures, the agency must obtain from a guaranteed energy
1643 performance savings contractor a report that summarizes the costs
1644 associated with the energy conservation measures or energy
1645 related operational cost saving measures and provides an estimate
1646 of the amount of the ~~energy~~ cost savings. The agency and the
1647 guaranteed energy performance savings contractor may enter into a
1648 separate agreement to pay for costs associated with the
1649 preparation and delivery of the report; however, payment to the
1650 contractor shall be contingent upon the report's projection of
1651 energy or operational cost savings being equal to or greater than
1652 the total projected costs of the design and installation of the
1653 report's energy conservation measures.
1654 (c) The agency may enter into a guaranteed energy
1655 performance savings contract with a guaranteed energy performance
1656 savings contractor if the agency finds that the amount the agency
1657 would spend on the energy conservation or energy related cost
1658 saving measures will not likely exceed the amount of the energy
1659 or energy related cost savings for up to 20 years from the date
1660 of installation, based on the life cycle cost calculations
1661 provided in s. 255.255, if the recommendations in the report were

1662 followed and if the qualified provider or providers give a
1663 written guarantee that the energy or energy related cost savings
1664 will meet or exceed the costs of the system. The contract may
1665 provide for installment payments for a period not to exceed 20
1666 years.
1667 (d) A guaranteed energy performance savings contractor must
1668 be selected in compliance with s. 287.055; except that if fewer
1669 than three firms are qualified to perform the required services,
1670 the requirement for agency selection of three firms, as provided
1671 in s. 287.055(4)(b), and the bid requirements of s. 287.057 do
1672 not apply.
1673 (e) Before entering into a guaranteed energy performance
1674 savings contract, an agency must provide published notice of the
1675 meeting in which it proposes to award the contract, the names of
1676 the parties to the proposed contract, and the contract's purpose.
1677 (f) A guaranteed energy performance savings contract may
1678 provide for financing, including tax exempt financing, by a third
1679 party. The contract for third party financing may be separate
1680 from the energy performance contract. A separate contract for
1681 third party financing must include a provision that the third
1682 party financier must not be granted rights or privileges that
1683 exceed the rights and privileges available to the guaranteed
1684 energy performance savings contractor. Financing for guaranteed
1685 energy performance savings contracts may be provided under the
1686 authority of s. 287.064. The Office of the Chief Financial
1687 Officer will review proposals to ensure the most effective
1688 financing is being used.
1689 (g) In determining the amount the agency will finance to
1690 acquire the energy conservation measures, the agency may reduce

1691 such amount by the application of any grant moneys, rebates, or
1692 capital funding available to the agency for the purpose of buying
1693 down the cost of the guaranteed energy performance savings
1694 contract. However, in calculating the life cycle cost as required
1695 in paragraph (c), the agency shall not apply any grants, rebates,
1696 or capital funding.
1697 (5) CONTRACT PROVISIONS.--
1698 (a) A guaranteed energy performance savings contract must
1699 include a written guarantee that may include, but is not limited
1700 to the form of, a letter of credit, insurance policy, or
1701 corporate guarantee by the guaranteed energy performance savings
1702 contractor that annual energy cost savings will meet or exceed
1703 the amortized cost of energy conservation measures.
1704 (b) The guaranteed energy performance savings contract must
1705 provide that all payments, except obligations on termination of
1706 the contract before its expiration, may be made over time, but
1707 not to exceed 20 years from the date of complete installation and
1708 acceptance by the agency, and that the annual savings are
1709 guaranteed to the extent necessary to make annual payments to
1710 satisfy the guaranteed energy performance savings contract.
1711 (c) The guaranteed energy performance savings contract must
1712 require that the guaranteed energy performance savings contractor
1713 to whom the contract is awarded provide a 100-percent public
1714 construction bond to the agency for its faithful performance, as
1715 required by s. 255.05.
1716 (d) The guaranteed energy performance savings contract may
1717 contain a provision allocating to the parties to the contract any
1718 annual energy cost savings that exceed the amount of the energy
1719 cost savings guaranteed in the contract.

1720 (e) The guaranteed energy performance savings contract
1721 shall require the guaranteed energy performance savings
1722 contractor to provide to the agency an annual reconciliation of
1723 the guaranteed energy or energy related cost savings. If the
1724 reconciliation reveals a shortfall in annual energy or energy
1725 related cost savings, the guaranteed energy performance savings
1726 contractor is liable for such shortfall. If the reconciliation
1727 reveals an excess in annual ~~energy~~ cost savings, the excess
1728 savings may be allocated under paragraph (d) but may not be used
1729 to cover potential energy cost savings shortages in subsequent
1730 contract years.
1731 (f) The guaranteed energy performance savings contract must
1732 provide for payments of not less than one-twentieth of the price
1733 to be paid within 2 years from the date of the complete
1734 installation and acceptance by the agency using straight-line
1735 amortization for the term of the loan, and the remaining costs to
1736 be paid at least quarterly, not to exceed a 20-year term, based
1737 on life cycle cost calculations.
1738 (g) The guaranteed energy performance savings contract may
1739 extend beyond the fiscal year in which it becomes effective;
1740 however, the term of any contract expires at the end of each
1741 fiscal year and may be automatically renewed annually for up to
1742 20 years, subject to the agency making sufficient annual
1743 appropriations based upon continued realized energy savings.
1744 (h) The guaranteed energy performance savings contract must
1745 stipulate that it does not constitute a debt, liability, or
1746 obligation of the state.
1747 (6) PROGRAM ADMINISTRATION AND CONTRACT REVIEW.--The
1748 Department of Management Services, with the assistance of the

1749 Office of the Chief Financial Officer, may, within available
1750 resources, provide technical assistance to state agencies
1751 contracting for energy conservation measures and engage in other
1752 activities considered appropriate by the department for promoting
1753 and facilitating guaranteed energy performance contracting by
1754 state agencies. The Office of the Chief Financial Officer, with
1755 the assistance of the Department of Management Services, will
1756 ~~may, within available resources,~~ develop model contractual and
1757 related documents for use by state agencies. Prior to entering
1758 into a guaranteed energy performance savings contract, any
1759 contract or lease for third-party financing, or any combination
1760 of such contracts, a state agency shall submit such proposed
1761 contract or lease to the Office of the Chief Financial Officer
1762 for review and approval that includes the following.
1763 (a) Supporting information required by s. 216.023(4)(a)9.,
1764 F.S.
1765 (b) Documentation supporting recurring funds requirements
1766 in ss. 287.063(5) and 287.064(11), F.S.
1767 (c) Approval by agency head or designee.
1768 Section 32. Section 526.302, Florida Statutes, is amended
1769 to read:
1770 526.302 Legislative findings and intent.--The Legislature
1771 finds that fair and healthy competition in the marketing of motor
1772 fuel provides maximum benefits to consumers in this state, and
1773 that certain marketing practices which impair such competition
1774 are contrary to the public interest. Predatory practices and,
1775 under certain conditions, discriminatory practices, are unfair
1776 trade practices and restraints which adversely affect motor fuel
1777 competition. It is the intent of the Legislature to encourage

1778 competition and promote the general welfare of citizens of this
1779 state by prohibiting such unfair practices. The Legislature also
1780 intends to facilitate compliance with the Renewable Fuels
1781 Standard in the federal Energy Policy Act of 2005 and the
1782 Renewable Fuel Standards established in s. 212.099.
1783 Section 33. Subsection (5) of section 526.303, Florida
1784 Statutes, is amended to read:
1785 526.303 Definitions.--As used in this act:
1786 (5) "Motor fuel" means any petroleum product containing
1787 less than 10 percent by volume of ethanol or biodiesel, including
1788 any special fuel, which is used for the propulsion of motor
1789 vehicles.
1790 Section 34. Section 526.309, Florida Statutes, is amended
1791 to read:
1792 526.309 Exempt sales.--The Motor Fuel Marketing Practice
1793 Act ~~provisions of this act~~ shall not apply to:
1794 (1) The following retail sales by a refiner:
1795 (a) ~~(1)~~ A bona fide clearance sale for the purpose of
1796 discontinuing trade in such motor fuel.
1797 (b) ~~(2)~~ A final business liquidation sale.
1798 (c) ~~(3)~~ A sale of the refiner's motor fuel by a fiduciary or
1799 other officer under the order or direction of any court.
1800 (d) ~~(4)~~ Sales made during a grand opening to introduce a new
1801 or remodeled business not to exceed 3 days, which grand opening
1802 shall be held within 60 days from the date the new or remodeled
1803 business begins operations.
1804 (2) Sales of a blend of ethanol and gasoline in which the
1805 percentage of ethanol by volume is 10 percent or more and which
1806 is designated as EXX, substituting a number that represents the

1807 percentage of ethanol in the blend for the XX so that, for
1808 example, a blend having a volume of 10 percent ethanol is
1809 designated as E10.
1810 (3) Sales of biodiesel.
1811 (4) Sales of a blend of biodiesel and gasoline in which the
1812 percentage of biodiesel by volume is 10 percent or more and which
1813 is designated as BXX, substituting a number that represents the
1814 percentage of biodiesel in the blend for the XX so that, for
1815 example, a blend having a volume of 10 percent biodiesel is
1816 designated as B10.
1817 Section 35. Section 570.956, Florida Statutes, is created
1818 to read:
1819 570.956 Farm-to-Fuel Advisory Council.--
1820 (1) The Farm-to-Fuel Advisory Council is created within the
1821 department to provide advice and counsel to the commissioner
1822 concerning the production of renewable energy in this state. The
1823 advisory council consists of 13 members who shall be appointed by
1824 the commissioner for 4-year terms or until a successor is duly
1825 qualified and appointed. Members shall include:
1826 (a) One citizen-at-large member who shall represent the
1827 views of the public toward renewable energy.
1828 (b) Six members each of whom is a producer or grower
1829 actively engaged in the agricultural area of one of the following
1830 industries:
1831 1. Sugarcane.
1832 2. Citrus.
1833 3. Field crops.
1834 4. Dairy.
1835 5. Livestock or poultry.

1836 6. Forestry.
1837 (c) One member who represents the petroleum industry or who
1838 is actively engaged in the trade of petroleum products.
1839 (d) One member who represents public utilities or the
1840 electric power industry.
1841 (e) Two members who represent colleges and universities in
1842 this state and who are engaged in research involving alternative
1843 fuels or renewable energy.
1844 (f) One member who represents the environmental community
1845 or an environmental organization.
1846 (g) The Governor shall appoint one member.
1847 (2) The council is an advisory committee the operation of
1848 which is governed by s. 570.0705.
1849 Section 36. Section 570.957, Florida Statutes, is created
1850 to read:
1851 570.957 Farm to Fuel Grants Program.--
1852 (1) Definitions.--As used in this section, the term:
1853 (a) "Bioenergy" means useful, renewable energy produced
1854 from organic matter - the conversion of the complex carbohydrates
1855 in organic matter to energy. Organic matter may either be used
1856 directly as a fuel, processed into liquids and gasses, or be a
1857 residual of processing and conversion.
1858 (b) "Department" means the Department of Agriculture and
1859 Consumer Services.
1860 (c) "Person" means an individual, partnership, joint
1861 venture, private or public corporation, association, firm, public
1862 service company, or any other public or private entity.
1863 (d) "Renewable energy" means electrical, mechanical, or
1864 thermal energy produced from a method that uses one or more of

1865 the following fuels or energy sources: hydrogen, biomass, solar
1866 energy, geothermal energy, wind energy, ocean energy, waste heat,
1867 or hydroelectric power.
1868 (2) The Farm to Fuel Grants Program is established within
1869 the Department of Agriculture and Consumer Services to provide
1870 renewable energy matching grants for demonstration,
1871 commercialization, research, and development projects relating to
1872 bioenergy projects.
1873 (a) Matching grants for bioenergy demonstration,
1874 commercialization, research, and development projects may be made
1875 to any of the following:
1876 1. Municipalities and county governments.
1877 2. Established for-profit companies licensed to do business
1878 in the state.
1879 3. Universities and colleges in the state.
1880 4. Utilities located and operating within the state.
1881 5. Not-for-profit organizations.
1882 6. Other qualified persons, as determined by the Department
1883 of Agriculture and Consumer Services.
1884 (b) The Department of Agriculture and Consumer Services may
1885 adopt rules pursuant to ss. 120.536(1) and 120.54 to provide for
1886 allocation of grant funds by project type, application
1887 requirements, ranking of applications, and awarding of grants
1888 under this program.
1889 (c) Factors for consideration in awarding grants may
1890 include, but are not limited to, the degree to which:
1891 1. The project produces bioenergy from Florida-grown crops
1892 or biomass.

1893 2. The project demonstrates efficient use of energy and
1894 material resources.
1895 3. Matching funds and in-kind contributions from an
1896 applicant are available.
1897 4. The project has a reasonable assurance of enhancing the
1898 value of agricultural products or will expand agribusiness in the
1899 state.
1900 5. Preliminary market and feasibility research has been
1901 conducted by the applicant or others and shows there is a
1902 reasonable assurance of a potential market.
1903 6. The project stimulates in-state capital investment and
1904 economic development in metropolitan and rural areas, including
1905 the creation of jobs and the future development of a commercial
1906 market for bioenergy.
1907 7. In evaluating and awarding grants under this section,
1908 the Department of Agriculture and Consumer Services shall consult
1909 with and solicit input from the Department of Environmental
1910 Protection.
1911 a. In determining the technical feasibility of grant
1912 applications, the Department of Agriculture and Consumer services
1913 shall coordinate and actively consult with the Institute of Food
1914 and Agricultural Sciences.
1915 b. In determining the economic feasibility of bioenergy
1916 grant applications, the Department of Agriculture and Consumer
1917 Services shall consult with the Office of Tourism, Trade, and
1918 Economic Development.
1919 Section 37. (1) All county, municipal, and school district
1920 buildings shall be constructed using the United States Green
1921 Building Council Leadership in Energy and Environmental Design

1922 (LEED) national standards for construction. This section shall
1923 apply to all county, municipal, and school district buildings
1924 whose architectural plans are started after July 1, 2007.
1925 (2) The Legislature declares that there is an important
1926 state interest in promoting the Leadership in Energy and
1927 Environmental Design standards. Government leadership in
1928 promoting these standards is vital to demonstrate the state's
1929 commitment to energy conservation, saving tax payers money, and
1930 raising public awareness of energy rating systems.
1931 Section 38. (1) The Florida Building Commission shall
1932 convene a workgroup comprised of representatives from the Florida
1933 Energy Commission, the Department of Community Affairs, the
1934 Building Officials Association of Florida, the Florida Energy
1935 Office, the Florida Home Builders Association, the Association of
1936 Counties, the League of Cities and other stakeholders, to develop
1937 a model residential energy efficiency ordinance that provides
1938 incentives to meet energy efficiency standards. The commission
1939 must report back to the legislature with a developed ordinance by
1940 July 1, 2008.
1941 (2) The Florida Building Commission shall, in consultation
1942 with the Florida Energy Commission, the Building Officials
1943 Association of Florida, the Florida Energy Office, the Florida
1944 Home Builders Association, the Association of Counties, the
1945 League of Cities, and other stakeholders, review the Florida
1946 Energy Code for Building Construction. Specifically, the
1947 Commission shall revisit the analysis of cost effectiveness that
1948 serves as the basis for energy efficiency levels for residential
1949 buildings, identify cost effective means to improve energy
1950 efficiency in commercial buildings, and compare to the

1951 International Energy Conservation Code and the American Society
1952 of Heating Air-Conditioning and Refrigeration Engineers Standards
1953 90.1 and 90.2. The commission must report back to the
1954 Legislature with a standard by March 1, 2008 that may be adopted
1955 for the construction of all new residential, commercial, and
1956 government buildings.
1957 (3) The Florida Building Commission in consultation with
1958 the Florida Solar Energy Center, the Florida Energy Commission
1959 and the Department of Environmental Protection's Energy Office
1960 shall develop a public awareness campaign that promotes energy
1961 efficiency and the benefits of building green by January 1, 2008.
1962 The campaign shall include enhancement of an existing web site
1963 from which all citizens can obtain information pertaining to
1964 green building practices, calculate anticipated savings from use
1965 of those options, as well as learn about energy efficient
1966 strategies that may be used in their existing home or when
1967 building a home. The campaign shall also include strategies for
1968 utilizing print advertising, press releases and television
1969 advertising to promote voluntary utilization of green building
1970 practices.
1971 Section 39. (1) The tax levied under chapter 212 may not
1972 be collected on the first $1,500 of the selling price of a new
1973 energy-efficient product during the period from 12:01 a.m.,
1974 October 1, through midnight, October 14, 2007. As used in this
1975 section, the term "energy-efficient product" means a dishwasher,
1976 clothes washer, air conditioner, ceiling fan, compact florescent
1977 light bulb, dehumidifier, programmable thermostat, or
1978 refrigerator that has been designated by the United States
1979 Environmental Protection Agency or by the United States

1980 Department of Energy as meeting or exceeding the requirements
1981 under the Energy Star Program of either agency. The Department
1982 of Revenue may adopt rules under ss. 120.536(1) and 120.54 to
1983 administer this section.
1984 (2) For the 2007-2008 fiscal year, the sum of $65,763 is
1985 appropriated from the General Revenue Fund to the Department of
1986 Revenue for the purpose of administering the energy efficient
1987 products sales tax holiday.
1988 Section 40. STATE FLEET BIODIESEL USAGE.--
1989 (1) By July 1, 2007, a minimum of five percent (5%), by
1990 January 1, 2008, a minimum of ten percent (10%), and by January
1991 1, 2009, a minimum of twenty percent (20%), of total diesel fuel
1992 purchases for use by state-owned diesel vehicles and equipment
1993 shall be biodiesel, subject to availability.
1994 (2) The Director of Management Services shall provide for
1995 the proper administration, implementation, and enforcement.
1996 (3) The Director of Management Services shall report to the
1997 Legislature on or before March 1, 2008, and annually thereafter,
1998 the extent of biodiesel use in the state fleet. The report shall
1999 contain the number of gallons purchased since July 1, 2007, the
2000 average price of biodiesel, and a description of fleet
2001 performance.
2002 Section 41. SCHOOL DISTRICT BIODIESEL USAGE.--
2003 (1) By January 1, 2008, a minimum of twenty percent (20%)
2004 of total diesel fuel purchases for use by school districts shall
2005 be biodiesel, subject to availability.
2006 (2) If a school district contracts with another government
2007 entity or private entity to provide transportation services for
2008 any of its pupils, the biodiesel blend fuel requirement

2009 established pursuant to subsection (1) shall be part of that
2010 contract. However, this requirement shall apply only to
2011 contracts entered into on or after July 1, 2007.
2012 (3) School districts that use biodiesel will be reimbursed
2013 for the fuel cost difference, implementation costs, and education
2014 programs.
2015 (4) Incentive programs authorized by the Legislature may be
2016 developed to further encourage biodiesel use by school districts.
2017 Section 42. Except as otherwise provided herein, this act
2018 shall take effect July 1, 2007.