

27 partnership, association, or other legal entity and their
28 lessees, trustees, or receivers supplying electricity or gas
29 (natural, manufactured, or similar gaseous substance) to or for
30 the public within this state; but the term "public utility" does
31 not include either a cooperative now or hereafter organized and
32 existing under the Rural Electric Cooperative Law of the state;
33 a municipality or any agency thereof; an entity that exclusively
34 produces or sells renewable energy, as defined in s. 366.91(2),
35 to users of that renewable energy, except a renewable energy
36 producer or seller who receives advanced cost recovery pursuant
37 to s. 366.93; any dependent or independent special natural gas
38 district; any natural gas transmission pipeline company making
39 only sales or transportation delivery of natural gas at
40 wholesale and to direct industrial consumers; any entity selling
41 or arranging for sales of natural gas which neither owns nor
42 operates natural gas transmission or distribution facilities
43 within the state; or a person supplying liquefied petroleum gas,
44 in either liquid or gaseous form, irrespective of the method of
45 distribution or delivery, or owning or operating facilities
46 beyond the outlet of a meter through which natural gas is
47 supplied for compression and delivery into motor vehicle fuel
48 tanks or other transportation containers, unless such person
49 also supplies electricity or manufactured or natural gas.

50 Section 2. Subsections (1), (2), and (3) of section
51 366.91, Florida Statutes, are amended, and subsections (9) and
52 (10) are added to that section, to read:

53 366.91 Renewable energy.—

54 (1) The Legislature finds that it is in the public
55 interest to promote the development of renewable energy
56 resources in this state and protect the economic viability of
57 the state's renewable energy facilities. Renewable energy
58 resources have the potential to help diversify fuel types to
59 meet Florida's growing dependency on natural gas for electric
60 production, minimize the volatility of fuel costs, encourage
61 investment within the state, improve environmental conditions,
62 and make Florida a leader in new and innovative technologies.
63 The Legislature further recognizes the need to promote the
64 creation of permanent jobs in Florida; lessen Florida's
65 dependence on natural gas and fuel oil for the production of
66 electricity; minimize the costs of power supply to electric
67 utilities and their customers; and encourage the creation of
68 microgrids to reduce strain on existing utility grids, reduce
69 the need for centralized large-scale power plants, and increase
70 efficiency by lowering the amount of electricity lost during
71 long-distance transmission and distribution. Further, it is the
72 intent of the Legislature to allow citizens to live without
73 being connected to the electric grid and make their own
74 decisions to generate and use electricity and to promote the
75 brand "Sunshine State" by providing an environment that allows
76 private enterprise to create permanent jobs in the renewable
77 energy sector.

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

79 (a) "Biomass" means a power source that is comprised of,
 80 but not limited to, combustible residues or gases from forest
 81 products manufacturing, waste, byproducts, or products from
 82 agricultural and orchard crops, waste or coproducts from
 83 livestock and poultry operations, waste or byproducts from food
 84 processing, urban wood waste, municipal solid waste, municipal
 85 liquid waste treatment operations, and landfill gas.

86 (b) "Customer-owned renewable generation" means an
 87 electric generating system located on a customer's premises that
 88 is primarily intended to offset part or all of the customer's
 89 electricity requirements with renewable energy.

90 (c) "Microgrid" means a small-scale power grid that can
 91 operate independently or in conjunction with the area's main
 92 electric grid.

93 (d)~~(e)~~ "Net metering" means a metering and billing
 94 methodology whereby customer-owned renewable generation is
 95 allowed to offset the customer's electricity consumption on
 96 site.

97 (e)~~(d)~~ "Renewable energy" includes ~~means~~ electrical,
 98 mechanical, or thermal energy produced from a method that uses
 99 one or more of the following fuels or energy sources: hydrogen
 100 produced from sources other than fossil fuels, biomass, solar
 101 energy, geothermal energy, wind energy, tidal energy, wave ~~ocean~~
 102 energy, and hydroelectric power. The term includes the
 103 alternative energy resource, waste heat, from sulfuric acid
 104 manufacturing operations and electrical energy produced using

HB 1227

2015

105 pipeline-quality synthetic gas produced from waste petroleum
106 coke with carbon capture and sequestration.

107 (f) "Virtual net metering" means a type of net metering
108 that applies to multi-tenant or multi-metered properties
109 connected at the same service delivery point. This type of
110 metering applies to residential properties, whether rental or
111 condominiums, commercial properties, and industrial properties.
112 For purposes of this paragraph, "multi-metered" means having two
113 or more utility meters and "service delivery point" means the
114 interface point where electric service is delivered by the
115 renewable energy producer to the user or users.

116 ~~(3) On or before January 1, 2006,~~ Each public utility must
117 continuously offer a purchase contract to producers of renewable
118 energy. The commission shall establish requirements relating to
119 the purchase of capacity and energy by public utilities from
120 renewable energy producers and may adopt rules to administer
121 this section. The contract shall contain payment provisions for
122 energy at the same rate at which the public utility sells energy
123 to ratepayers ~~and capacity which are based upon the utility's~~
124 ~~full avoided costs, as defined in s. 366.051; however, capacity~~
125 ~~payments are not required if, due to the operational~~
126 ~~characteristics of the renewable energy generator or the~~
127 ~~anticipated peak and off-peak availability and capacity factor~~
128 ~~of the utility's avoided unit, the producer is unlikely to~~
129 ~~provide any capacity value to the utility or the electric grid~~
130 ~~during the contract term. Each contract must provide a contract~~

131 term of at least 10 years. Prudent and reasonable costs
132 associated with a renewable energy contract shall be recovered
133 from the ratepayers of the contracting utility, without
134 differentiation among customer classes, through the appropriate
135 cost-recovery clause mechanism administered by the commission.

136 (9) Each public utility shall, by individual allocation
137 agreement, allow virtual net metering if requested by a
138 producer, distributor, generator, or seller of renewable energy
139 located at a residential, commercial, or industrial multi-tenant
140 and multi-metered property. Each agreement shall specify the
141 allocation of the total amount of energy produced by the
142 renewable energy source to the individual utility accounts. The
143 electricity produced at such properties shall feed directly onto
144 the electric grid with no limit as to the amount of energy that
145 may be produced and credited. The public utility shall allocate
146 the credits for total kilowatt hours produced to the property
147 owners' and tenants' individual utility accounts based on the
148 prearranged allocation agreement.

149 (10) A person or entity that produces or generates
150 renewable energy for use on a property or group of properties
151 within a microgrid may choose not to have an additional
152 connection to an electric utility. The commission, a regional
153 entity, or a local government may not require a person or entity
154 to be connected to an electric utility and may not penalize a
155 person or entity that is not connected to the electric grid.

156 Section 3. Paragraph (b) of subsection (2) of section

157 366.92, Florida Statutes, is amended to read:

158 366.92 Florida renewable energy policy.—

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

160 (b) "Renewable energy" means renewable energy as defined
 161 in s. 366.91(2)(e) ~~366.91(2)(d)~~.

162 Section 4. Subsection (7) of section 373.236, Florida
 163 Statutes, is amended to read:

164 373.236 Duration of permits; compliance reports.—

165 (7) A permit approved for a renewable energy generating
 166 facility or the cultivation of agricultural products on lands
 167 consisting of 1,000 acres or more for use in the production of
 168 renewable energy, as defined in s. 366.91(2)(e) ~~366.91(2)(d)~~,
 169 shall be granted for a term of at least 25 years at the
 170 applicant's request based on the anticipated life of the
 171 facility if there is sufficient data to provide reasonable
 172 assurance that the conditions for permit issuance will be met
 173 for the duration of the permit; otherwise, a permit may be
 174 issued for a shorter duration that reflects the longest period
 175 for which such reasonable assurances are provided. Such a permit
 176 is subject to compliance reports under subsection (4).

177 Section 5. Paragraph (f) of subsection (3) and paragraph
 178 (b) of subsection (19) of section 403.973, Florida Statutes, are
 179 amended to read:

180 403.973 Expedited permitting; amendments to comprehensive
 181 plans.—

182 (3)

183 (f) Projects resulting in the production of biofuels
 184 cultivated on lands that are 1,000 acres or more or in the
 185 construction of a biofuel or biodiesel processing facility or a
 186 facility generating renewable energy, as defined in s.
 187 366.91(2)(e) ~~366.91(2)(d)~~, are eligible for the expedited
 188 permitting process.

189 (19) The following projects are ineligible for review
 190 under this part:

191 (b) A project, the primary purpose of which is to:

192 1. Effect the final disposal of solid waste, biomedical
 193 waste, or hazardous waste in this state.

194 2. Produce electrical power, unless the production of
 195 electricity is incidental and not the primary function of the
 196 project or the electrical power is derived from a fuel source
 197 for renewable energy as defined in s. 366.91(2)(e) ~~366.91(2)(d)~~.

198 3. Extract natural resources.

199 4. Produce oil.

200 5. Construct, maintain, or operate an oil, petroleum, or
 201 sewage pipeline.

202 Section 6. This act shall take effect July 1, 2015.