

FECA's Florida Legislative Report

December 3, 2021

The official start of the 2022 Legislative Session will be Tuesday, January 11, 2022. This week is the final committee week ahead of the start of session.

This week, HB 741 and SB 1024, an act relating to net-metering, was filed on behalf of the investor-owned utilities (IOU). The legislation would require the Florida Public Service Commission to revise current net-metering rules to allow IOUs to collect full costs of electric services from customers owning or leasing renewable generation. This would eliminate any subsidization paid by IOU ratepayers who do not utilize customer-owned solar generation. The IOU would pay the customer at full-avoided costs for the generation provided by the customer-owned solar generation. This bill does not apply to electric cooperatives. Electric cooperatives would continue to abide by existing law on net metering which allows co-ops to create and administer their own net metering program without oversight from the PSC (except for some reporting requirements). It is expected that the environmental and solar entities will strongly oppose the legislation.

Below are bills of interest filed thus far. Each week, the report will prioritize in the following manner: new legislation filed, priority, monitor, and tracking. Any new activities will be highlighted in **RED**. If you would like more detailed information or an explanation on any legislation or why it is located in a specific area, please do not hesitate to reach out to Allison or Mike.

NEW LEGISLATION FILED

Net-metering

(SB 1024/ HB 741)

Sponsors: Sen. Bradley/Rep. McClure

Summary:

The bill would require the FPSC to propose a revised net metering rule for public utilities to include the following:

- 1) Net metering rate structures and billing must ensure public utility customers owning or leasing renewable generation pay full cost of electric service and not subsidized by public utility ratepayers.
- 2) New metering must ensure all energy delivered by the public utility is purchased at applicable retail rate and credited to the customer at full-avoided costs.
- 3) Net metering may include fixed charges to help ensure the public utility recovers fixed costs for servicing customers engaging in net metering and the general rate-payers do not subsidize customer-owned or leased generation.

The legislation would allow any current public utility customer with owned or leased renewable generation prior to January 1, 2023, ten years to continue the use of the net metering rate design and rates in their current agreement. This legislation would ONLY apply to public utilities.

Committee Assignments:

SB 1024: Filed

HB 741: Filed

ACTION RECOMMENDED: NEUTRAL

PRIORITY

Energy

(SB 548/ HB 491)

Sponsors: Sen. Polsky/Rep. Skidmore

Summary:

The bill would create a Florida farm renewable energy production credit to encourage agricultural producers to keep their farms operational while encouraging the development and expansion of renewable energy. The credit would be 1 cent for every kwh of electricity produced via a renewable energy source. The bill would also allow the Board of Trustees of the Internal Improvement Trust Fund to lease for compensation the use of manmade stormwater management systems for floating solar energy systems. Also, DACS would be required to establish a program to benchmark the energy efficiency of state-owned buildings. The bill would establish a renewable and energy efficiency portfolio standard requiring IOUs to reduce demand for nonrenewable energy and supply renewable to its customers (the PSC would implement rules for the RPS.) The bill would also create greenhouse gas reduction goals as follows:

1. By 2030, a 50% reduction
2. By 2050, a 90% reduction
3. By 2055, a 100% reduction

The bill would create several energy programs including: 1) the Residential Energy Efficiency Upgrades Program to provide financial assistance to qualified recipients to make energy efficiency improvements in low-income households; 2) the Wastewater Treatment Plant Energy Program to reduce the total energy consumption and cost of wastewater treatment; and 3) the Farm Renewable and Efficiency Demonstrations Program to promote and encourage the use of energy efficiency and renewable energy. In addition to these programs the bill would create a greenhouse gas registry and inventory to provide accurate greenhouse gas emissions data.

Committee Assignments:

SB 548: Regulated Industries; Finance and Tax; Appropriations

HB 491: **Tourism, Infrastructure & Energy; Ways & Means; Appropriations; Commerce**

ACTION RECOMMENDED: OPPOSE

Solar 3rd Party Retail Sales

(SB 182 / HB _____)

Sponsors: Sen. Brandes/Rep.

Summary:

This legislation would allow commercial or industrial businesses to install, maintain and operate a renewable energy source on their structure and sell the electricity generated from the device to a commercial or industrial business that is located immediately adjacent to the structure or parcel. These sales would not be considered retail sales of electricity and therefore not subject to regulation by the FPSC. If the Commission determines that the level of reduction in electricity purchases by customers using renewable energy devices is significant enough to adversely impact the rates of other customers, the Commission may approve an IOU's request to recover its cost of providing capacity, generation, and

distribution caused by customers using renewable energy devices. These costs would only be assessed to the renewable energy users. IOUs would be able to recover the full costs for any back-up generation or transmission services.

Committee Assignments:

SB 182: Regulated Industries; Commerce and Tourism; Rules

HB_:

ACTION RECOMMENDED: OPPOSE

State Renewable Energy Goals

(SB 366 / HB 81)

Sponsors: Sen. Berman/Rep. Eskamani

Summary:

This legislation modifies the definition of “renewable energy” to exclude energy produced using high quality synthetic gas produced from waste petroleum coke with CO2 capture and sequestration. In addition, the legislation would prohibit the drilling or exploration of, or production or transportation of, oil, gas, or other petroleum products on the land and waters of the state. The Office of Energy would be directed to develop a plan to have 100% of the state’s energy generated from renewable resources by 2050. The legislation would create the Renewable Energy Workforce Development Advisory Committee consisting of 13 members

appointed by the Commissioner of Agriculture. The committee would make recommendations to promote employment growth and access to jobs in the energy efficiency and renewable energy industry. A report of the committee’s findings would be presented to the President of the Senate and the Speaker of the House by January 1, 2022 and each January 1 thereafter.

Committee Assignments:

SB 366: Environment and Natural Resources, Regulated Industries, Rules

HB 81: Tourism, Infrastructure & Energy Subcommittee; Agriculture & Natural Resources

Appropriations Subcommittee; Commerce Committee

ACTION RECOMMENDED: OPPOSE

MONITOR

Critical Infrastructure

(SB 828 / HB __)

Sponsors: Sen. Hutson /Rep.

Summary:

This legislation would create the “Critical Infrastructure Standards and Procedures Act.” Beginning in July, 2024, all asset owners (which MAY include electric cooperatives) must ensure that the operation and maintenance of their critical infrastructure meets the ISA / IEC 62443 series of standards that are referenced in the NIST Cybersecurity Framework. In addition, starting July, 2026, asset owners must ensure that any components purchased for upgrades to or construction of critical infrastructure meet the standards in the NIST Cybersecurity Framework. Any civil action lawsuits would be based on good faith efforts to comply with the Act.

* Under the current language of the bill, it is unclear whether or not electric cooperatives would be considered asset owners subject to the requirements of the Act.

Committee Assignments:

SB 828: **Government Oversight and Accountability; Military and Veteran Affairs, Space and**

Domestic Security; Rules

HB ____:

ACTION RECOMMENDED: NEUTRAL

Procedures for Petitions for Utility Rate Relief

(SB 350/ HB 269)

Sponsors: Sen. Bean/Rep. Byrd

Summary:

This legislation would increase the maximum annual sales, from 500 to 1000 gigawatt hours, for natural gas utilities or IOUs to be eligible to request certain procedures for rate relief from the PSC.

Committee Assignments:

SB 350: Regulated Industries; Appropriations Subcommittee on Agriculture, Environment and General Government; Appropriations

HB 269: Tourism, Infrastructure & Energy Subcommittee; State Administration & Technology Subcommittee; Commerce Committee

ACTION RECOMMENDED: NEUTRAL

Insurance Coverage for At-home COVID-19 Test Kits

(SB 328 / HB 129)

Sponsors: Sen. Rodriguez/Rep. Zika

Summary:

Committee Assignments:

This legislation would require a health insurer or health maintenance organization to cover at-home COVID-19 tests, purchased with or without a prescription, to be used at home or elsewhere.

SB 328: Banking and Insurance; Appropriations Subcommittee on Agriculture, Environment and General Government; Appropriations

HB 129: Finance and Facilities Subcommittee; Insurance & Banking Subcommittee; Appropriations; Health and Human Services

ACTION RECOMMENDED: NEUTRAL

TRACKING

Infrastructure Project Funding

(SB ____/HB 621)

Sponsors: Sen. ____ / Rep. Fine

Summary:

This legislation would prohibit the appropriation of state monies for infrastructure projects if a grantee uses any revenues collected for utility services to finance the grantee's general governmental fund or to lend money to finance the grantee's general government functions. The definition for grantee and government-owned utility includes "rural electric cooperative" which we believe is an overreach and should be removed.

Committee Assignments:

SB ____:

HB 621: Filed

ACTION RECOMMENDED: NEUTRAL

Electric Vehicles - Fees

(SB 908/HB __)

Sponsors: Sen. Brandes / Rep.

Summary:

Beginning January 1, 2025, this legislation would create an additional flat fee on the license tax for low-speed, electric and plug-in hybrid electric vehicles depending on their weight level. Monies collected would be deposited to the State Transportation Trust Fund and to the county where the vehicle is registered. The additional flat fee will expire in five years.

Committee Assignments:

SB 908: Transportation; Finance and Tax; Appropriations

HB __:

ACTION RECOMMENDED: NEUTRAL

Electric Vehicles Charging Infrastructure

(SB 918/HB __)

Sponsors: Sen. Brandes / Rep.

Summary:

To improve interstate mobility, this legislation would direct the FDOT to evaluate new infrastructure technologies such as EV charging stations. The Electric Vehicle Infrastructure Grant Program would be established by FDOT to provide financial assistance to encourage the installation of EV charging infrastructure. The program would be funded by revenues collected in the licensure of electric and hybrid vehicles. State agencies, public universities, public transit agencies, ports, airports, and local governments may apply to receive monies to install publicly available EV charging infrastructure on public or private property. The legislation also directs FDOT to work with the Federal Highway Administration to seek programmatic approval for the issuance of FDOT permits and any necessary related approval to accommodate the installation of electric vehicle charging stations in the interstate and non-interstate highway rights-of-way in the state.

Committee Assignments:

SB 918: Transportation; Appropriations Subcommittee on Transportation, Tourism and Economic Development; Appropriations

HB __:

ACTION RECOMMENDED: NEUTRAL

Electric Vehicle Transportation Electrification Plan

(SB 920 / HB 737)

Sponsors: Sen. Perry /Rep.

Summary:

This legislation would require the Florida Public Service Commission to adopt rules for an electric vehicle transportation electrification plan used to facilitate the deployment of EV charging infrastructure in a competitively neutral manner, applicable only to IOUs.

Committee Assignments:

SB 920: Regulated Industries; Transportation; Rules

HB 737: Filed

ACTION RECOMMENDED: NEUTRAL

Supermajority Vote for Legislative Preemption

(SJR 152 / HB _____)

Sponsors: Sen. Farmer/Rep.

Summary:

This joint resolution would propose a constitutional amendment requiring a supermajority vote of each house of the legislature for a general law to preempt an issue to the state.

Committee Assignments:

SB 152: Community Affairs, Judiciary, Rules

HB _____:

ACTION RECOMMENDED: OPPOSE

Requiring Broader Public Support for Constitutional Amendments or Revisions

(SJR / HJR 177)

Sponsors: Sen. /Rep. Roth

Summary:

This joint resolution would propose a constitutional amendment to increase the percentage of elector votes required to approve an amendment to the State Constitution from 60 percent to 66.67 percent. The repeal of an amendment or revision need only be approved by the same percentage of elector votes as required at the time of passage of amendment or revision. **Committee**

Assignments:

SJR:

HJR 177: Public Integrity & Elections; Judiciary

ACTION RECOMMENDED: NEUTRAL

Preemption of Tree Pruning, Trimming, and Removal

(SB 316 / HB 6025)

Sponsors: Sen. Stewart/Rep. Eskamani

Summary:

This legislation would REPEAL legislation passed in 2019 stating a local government ordinance may not require permits, fees and other notices for pruning, trimming, or removing trees on residential property under certain conditions. The 2019 bill also removed requirement for local government approval to perform certain right-of-way tree maintenance by electric utilities.

Committee Assignments:

SB 316: Community Affairs; Judiciary; Rules

HB 6025: Local Administration & Veterans Affairs Subcommittee; Commerce; State Affairs

ACTION RECOMMENDED: NEUTRAL

Legislation by Initiative

(SJR 586 / HJR 377)

Sponsors: Sen. Torres/Rep. Geller

Summary:

This joint resolution would propose a constitutional amendment to allow the proposal and

approval of laws by initiative without legislative or gubernatorial approval. If any initiative proposed on the ballot were to pass, the language could not be modified until after one year of enactment and would take a four-fifths vote of the membership of each house of the legislature.

Committee Assignments:

SJR 586: Ethics & Elections; Judiciary; Rules

HJR 377: **Public Integrity & Elections; Rules; Judiciary**

ACTION RECOMMENDED: OPPOSE