

FECA's Florida Legislative Report

May 1, 2015

Technically today is May Day but in Tallahassee the “May Day” distress signal was sounded on Tuesday when the House called it quits and a lot of bills died. The Senate has not been in since Wednesday, and we are not sure if they are done yet, but I think they are through with our issues so this probably is our final report for the regular session. We do not expect to have any issues in the call for the special session but we are not taking anything for granted. The good news is we have a utility exemption in the Drones bill and the PSC reform bill passed without harming the co-ops. The bad news is we have to start all over again in 5 or 6 months and probably will have to pass legislation to address EPA's 111(d) rule.

Bills That Passed and are headed to the Governor

PSC Ethics Reform and IOU Billing Cycles/Deposits - HB 7109 by Rep. La Rosa (R) (SB 288 by Sen. Latvala (R)) would subject more PSC proceedings to the prohibition against ex parte communications. The bill also would impose other PSC reforms such as requiring PSC Commissioners to undergo ethics training, requiring anyone who lobbies the PSC Nominating Council to register as a lobbyist, and establishes term-limits for Commissioners. Further, the bill would require IOUs to notify their customers if more than one rate is available within their customer class and would prohibit deposits that exceed the average of the total charges for two months of usage. In addition, the bill would prohibit IOUs from extending billing cycles on accounts that are served on tiered rates.

Drones - SB 766 by Sen. Hukill (R) (HB 649 by Rep. Metz (R)) would place certain restrictions on the uses of drones. The bill contains language that would exempt electric, gas and water utilities that use drones for purposes such as O&M of facilities, assessing vegetation in ROWs, construction, and environmental monitoring.

Value Adjustment Boards - HB 489 by Rep. Sullivan (R) (SB 260 by Sen. Bradley (R)) would require the clerk of the value adjustment board (VAB), not just the property appraiser, to have available and distribute certain DOR forms relating to

the VAB petition. Owners of multiple items of tangible personal property would be allowed to file a single joint petition if the property appraiser determines such items are substantially similar. The property appraiser would be required to include the property record card in an evidence list for a VAB hearing under certain circumstances.

Siting Facilities - SB 1216 by Sen. Simpson (R) (HB 933 by Rep. La Rosa (R)) would require electric utilities to notify the affected county, rather than the regional planning council as currently required, of plans to site substations, transmission lines, and power plants.

BILLS THAT DIED

Renewable Energy Third-Party Sales - SB 1118 by Sen. Brandes (R) and HB 1077 by Rep. Ahern would have allowed third parties (“parties”) to install renewable generators and to sell the power to others that are located within the same parcel or on an immediately adjacent parcel.

Electric Rate Study - SB 1062 by Sen. Stargel (R) and HB 777 by Lake Ray (R) would have required a study that compares electric utility rates and assess each utility’s expenses for each rate class.

Facilities in Rights-of-way and Platted Utility Easements - SB 896 by Sen. Brandes (R) and HB 391 by Rep. Ingram (R) would have required others to pay to relocate our facilities when they are located in a platted utility easement (addresses the LCEC case).

Gainesville Regional Utilities Commission - HB 1325 by Rep. Perry (R) is a local bill that would have added Article VII to the charter of the City of Gainesville creating a regional independent utilities commission called the Gainesville Regional Utilities Commission (GRUC).

Secondary Metal Recyclers - SB 618 by Sen. Grimsley (R) and HB 813 by Rep. Combee (R) would have improved the regulation of metal recyclers and reduce copper theft.

Contaminated Sites - SB 1302 by Sen. Evers (R) and HB 841 by Rep. Drake (R) would have required DEP to include protocols for the use of long-term natural attenuation where site conditions warrant.

Affordable Housing - SB 1520 by Sen. Soto (D) and HB 1043 by Rep. Eagle (R) would have amended the Housing Authorities Law to allow a housing authority to install renewable energy devices/systems in low income housing projects solely to “reduce utility costs” to its tenants.

Water Bills - HB 7003 by Rep. Caldwell (R), SBs 584/586 and 918 by Sen. Dean (R), HB 1291 by Rep. Boyd (R), SB 714 by Sen. Grimsley (R) and HB 653 by Rep. Pigman (R) are bills that would have increased springs protection, and would have implemented the recently passed constitutional amendment relating to water and land conservation and surface water classifications.

Memorial to Congress Regarding EPA Regulations - SM 1228 by Sen. Evers (R) and HM 949 by Rep. Rodrigues (R) was a memorial to Congress to direct the EPA to revise the proposed regulations that address carbon dioxide emissions from existing fossil fuel fired electric generating plants.

Airport Zoning – SB 1554 by Sen. Brandes (R) would have added “power generation equipment” as a defined structure and would require a permit from the Dept. of Transportation if such equipment exceeds federal obstruction standards in order to prevent airport hazards.

Regulation of Oil and Gas Resources - SB 1468 by Sen. Richter (R) and HB 1205 by Rep. Rodrigues (R) would define “high-pressure well stimulation” (fracking) and would give DEP regulatory authority.

Public Records Exemption for High-pressure Well Stimulations (Fracking) - SB 1582 by Sen. Richter (R) and HB 1209 by Rep. Rodrigues (R) would have allowed trade secrets relating to fracking held by DEP through the national chemical disclosure registry to be exempt from public records laws if requested by the driller.

Texting While Driving – SB 246 by Sen. Sachs (D), SB 192 by Sen. Altman (R) and HB 1313 by Rep. Slosberg (D) would have made it a violation of the Texting While Driving Law a primary offense instead of a secondary offense. SB 492 by

Sen. Thompson (D) and HB 17 by Rep. Slosberg (D) would prohibit the use of cell phones and other electronic communication devices (even if the driver is using hands free technology) in all school zones and like areas.

Utility Workers - SB 908 by Sen. Altman (R) and HB 231 by Rep. Passidomo would have protected “vulnerable users” of public rights-of-ways, including persons working on utility facilities along roadways.

Utility Rates for Large Child Care Homes - SB 7006 by Sen. Legg (R) and HB 7017 (formerly EDC 15-01) by Rep. O’Toole (R) would have added “large family day care homes” to the law that dictates utilities must bill “family day care homes” on a residential rate, even though these homes clearly have a commercial activity.

Value Adjustment Boards – HB 695 by Rep. Avila (R), SB 972 by Sen. Flores (R) would have reformed Value Adjustment Boards (VAB).

Transportation – SB 1186 by Sen. Brandes (R) would have created the Northwest Florida Regional Transportation Finance Authority.

Economic Development - SB 1556 by Sen. Montford (D) and HB 903 by Rep. Porter (R) would have allowed certain new and existing businesses that receive a tax credit under the Rural Job Tax Credit Program to become eligible for a tax refund of up to 50% of the amount of sales tax paid for electricity by the business.

Assault or Battery on Utility Workers - SB 660 by Sen. Soto (D) would have made assaults against utility workers and firefighters subject to the same increased criminal penalties that apply to assaults on law enforcement personnel.

Constitutional Amendment to Exempt Renewable Energy Devices from Ad Valorem and Tangible Personal Property Taxes - SJR 400 and SB 402 by Sen. Brandes (R).

Renewable Exemption from Ad Valorem Taxes and Renewable Energy Source Device Exemption - HB 867 and HJR 865 by Rep. Rodrigues (R).

PSC Reform - SB 170 by Sen. Legg (R) and HB 199 by Rep. Sprowls (R) would have required each PSC Commissioner to be appointed to a specific district and to reside in that district.

FMPA PSC Regulation - HB 773 by Rep. Mayfield (D) would have amended the definition of "public utility" to include certain entities created under the Florida Interlocal Cooperation Act of 1969, which is the Act that created FMPA.

Cost Recovery for Nuclear/IGCC Power Plants - HB 67 by Rep. Murphy (D), HB 4001 by Rep. Rehwinkle-Vasilinda (D), and HB 473 by Rep. Ahern (R) would have repealed the pre-completion cost recovery clause that is available to IOUs to finance construction of nuclear and IGCC power plants and HB 353 by Rep. Burgess (R) would limit the recovery to one plant at a time.

Indian River Co./City of Vero Beach - SB 442 by Sen. Altman (R) and HB 337 by Rep. Mayfield (R) would have allowed a county to provide services and facilities to customers in unincorporated areas currently served by a municipality after a franchise or other consent agreement expires.

Drone Surveillance - HB 979 by Rep. Smith would have created the Florida Drone Privacy Act, which would require the Dept. of Law Enforcement (FDLE) to adopt guidelines for the use of drones by state or local law enforcement agencies.

Renewable Energy – HB 1227 by Rep. Rehwinkel-Vasilinda (D) would have exempted entities that exclusively produce or sell renewable energy from the definition of a "public utility" under Chapter 366. The bill would revise the legislative intent of the renewable energy law and would find that renewable energy should be promoted.

Rebates for Solar Installations - SB 868 by Sen. Soto (D) and HB 1089 by Rep. Torres (D) and SB 992 by Sen. Bullard would have revived the defunct Solar Energy System Incentives Program for purchases of solar photovoltaic, solar hot water heaters, and solar pool heating systems between July 1, 2015 and June 30, 2020.

Federal Funding of Nuclear Plants - HB 1267 by Rep. Rehwinkle-Vasilinda (D) was a House Memorial urging Congress to stop funding the federal loan guarantee program for new nuclear plants and to rescind any remaining funds in the program.

Electromagnetic Pulse/Geomagnetic Storms - HB 1251 by Rep. Rehwinkle-Vasilinda (D) was a Memorial that would urge Congress to direct the U.S. Dept. of Homeland Security to prepare for EMPs and geomagnetic storms.

Safe Work Environment – SB 892 by Sen. Bullard (D) and HB 297 by Rep. Campbell (D) would have created the Safe Work Environment Act to provide legal relief for employees who have been harmed by being deliberately subjected to abusive work environments.

Ratification of State Implementation Plan - HB 849 by Rep. Wood (R) and SB 1076 by Sen. Gibson (D) would have required legislative ratification for a state implementation plan (SIP) pursuant to EPA's proposed 111(d) rule on existing power plants. HB 849 passed out of its first committee. However, the sponsors have determined that this legislation may be premature and for the time being will not continue to push the bill.

Labor Regulations - SB 890 by Sen. Bullard would have created the Florida Overtime Act of 2015.

PSC Ethics Reform/Banning Cost Recovery for Fracking - HB 399 by Rep. Dudley (D) would have subjected more PSC proceedings to the prohibition against ex parte communications and would prohibit IOUs from recovering costs associated with the exploration for oil or natural gas.