COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___ (Y/N)
ADOPTED AS AMENDED	___ (Y/N)
ADOPTED W/O OBJECTION	___ (Y/N)
FAILED TO ADOPT	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

Committee/Subcommittee hearing bill: Commerce Committee
Representative McClure offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Subsection (5) of section 366.91, Florida Statutes, is amended to read:

366.91 Renewable energy.—

(5)(a) ~~On or before January 1, 2009,~~ Each public utility shall develop a standardized interconnection agreement and net metering program for customer-owned or leased renewable generation. The commission shall establish requirements relating to the expedited interconnection and net metering of customer-owned or leased renewable generation by public utilities and shall ~~may~~ adopt new rules to administer this section.

(b) Effective January 1, 2024, public utility net metering

programs for customer-owned or leased renewable generation must provide that:

1. Electricity used by the customer in excess of the generation supplied by customer-owned or leased renewable generation is billed by the public utility in accordance with normal billing practices;

2. Excess customer-owned or leased renewable generation delivered to the public utility's electric grid during the customer's regular billing cycle must be credited to the customer's energy consumption for the next month's billing cycle as follows:

a. For energy credits produced from customer-owned or leased renewable generation that is placed in service between January 1, 2024, and December 31, 2025, the customer's energy usage shall be offset by 75 percent of the amount credited;

b. For energy credits produced from customer-owned or leased renewable generation that is placed in service between January 1, 2026, and December 31, 2026, the customer's energy usage shall be offset by 60 percent of the amount credited;

c. For energy credits produced from customer-owned or leased renewable generation that is placed in service between January 1, 2027, and December 31, 2028, the customer's energy usage shall be offset by 50 percent of the amount credited.

(c) A public utility customer who owns or leases renewable generation that is placed in service before January 1, 2029,

pursuant to a standard interconnection agreement offered by a public utility, shall be granted 20 years to continue to use the net metering rate design and rates that applied at the time the renewable generation was placed into service. This paragraph applies to customers who purchase or lease real property upon which customer-owned or leased renewable generation is installed for all or part of that 20-year period.

(d) On or after the effective date of the net metering programs described in paragraph (b), a public utility may petition the commission for approval to impose any combination of fixed charges, which may include base facilities charges, electric grid access fees, and monthly minimum bills, necessary to ensure that the public utility recovers the fixed costs of serving customers that own or lease renewable generation and that the general body of public utility ratepayers do not subsidize customer-owned or leased generation. Within 180 days after a petition is filed by a public utility pursuant to this paragraph, the commission must issue a final order on the petition.

(e) The commission must adopt new rules to become effective January 1, 2029, that establish a new program design for customer-owned or leased renewable generation that is placed in service on or after January 1, 2029. The new program design must comply with the following criteria:

1. Public utility customers owning or leasing renewable

generation must pay the full cost of electric service and may not be subsidized by the public utility's general body of ratepayers.

2. All energy delivered by the public utility must be purchased at the public utility's applicable retail rate and all energy delivered by the customer-owned or leased renewable generation to the public utility must be credited to the customer at the public utility's full avoided costs.

(f)1. If at any time the penetration rate of customer-owned or leased renewable generation in a public utility's service territory is reasonably expected to exceed 6.5 percent within the succeeding 12 months, the commission, upon petition or on its own motion, must initiate rulemaking to adopt a new program design that complies with subparagraphs (e)1.-2. A new program design adopted pursuant to this subparagraph becomes effective 60 days after rule adoption or 60 days after the date the commission determines that the actual penetration rate has reached 6.5 percent, whichever is later, and shall apply to customer-owned or leased renewable generation placed in service after that effective date.

2. For purposes of this paragraph, the penetration rate shall be calculated by dividing the total summer peak demand of the public utility by the aggregate gross power rating (alternating current) of all in-service customer-owned or leased renewable generation in the public utility's service territory.

(f) This subsection establishes the minimum requirements for each public utility net metering program. A public utility may petition the commission at any time for approval to offer a net metering program on terms that are not less favorable to customers who own or lease renewable generation than the terms specified in this subsection or in commission rules adopted pursuant to this subsection.

(g)1. A public utility may recover, through its fuel and purchased power cost recovery charge, its lost revenues resulting from the incremental addition of residential customer-owned or leased solar photovoltaic generation within the public utility's service territory between July 1, 2022 and December 31, 2023, above the level that such generation, for purposes of setting base rates in the public utility's most recent base rate proceeding, was estimated to be installed within the public utility's service territory during the same period.

2. A public utility seeking recovery of lost revenues under this paragraph must file with the commission a petition that:

a. Identifies the total capacity of residential customer-owned or leased solar photovoltaic generation that, for purposes of setting base rates in the public utility's most recent base rate proceeding, was estimated to be installed in the public utility's service territory between July 1, 2022, and December 31, 2023;

b. Identifies the total capacity of residential customer-owned or leased solar photovoltaic generation that was installed in the public utility's service territory between July 1, 2022, and December 31, 2023;

c. Demonstrates the difference in revenues collected by the public utility as a direct result of the incremental difference in the estimated and actual capacity additions identified in sub-subparagraphs a. and b. and identifies the specific amount that the utility seeks to recover;

d. Demonstrates that the relief requested does not cause the public utility to exceed the rate of return on equity authorized by the commission in the public utility's most recent base rate proceeding; and

e. Includes such other reasonably related information as the commission may require by rule.

3. Upon receipt of a petition that meets the requirements of subparagraph 2., the commission must determine the amount, if any, that the utility is entitled to recover under this paragraph.

4. A petition filed under this section may not be filed before December 31, 2023, or after March 31, 2024.

5. The Legislature provides the limited, extraordinary relief set forth in this paragraph to address the potential impact on a public utility of a previously unanticipated surge, unaccounted for in the utility's last rate case, in the

installation of customer-owned or leased renewable generation over the period specified in this section. The Legislature makes no findings as to whether the recovery of lost revenues by a public utility is appropriate for any other purpose.

Section 2. This act shall take effect July 1, 2022.

T I T L E A M E N D M E N T

Remove everything before the enacting clause and insert:
An act relating to net metering; amending s. 366.91, F.S.; providing the terms for public utility net metering programs after a specified date; providing a schedule of reductions to net metering rate designs that apply to customers who install purchased or leased renewable generation after specified dates; authorizing certain customers who own or lease renewable generation to remain under the existing net metering rules that currently apply to those customers for a specified time; authorizing public utilities to petition for approval of certain fixed charges designed to meet specified purposes; providing conditions under which rules must be initiated if the penetration rate of customer-owned or leased renewable generation meet a specified threshold; authorizing public utilities to recover specified lost revenues upon meeting

certain requirements; providing applicability; providing an effective date.