

## **Opinion Editorial**

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### **A Renewable Energy Bill That Even The Tea Party Can't Like**

By Michael Dobson

On March 28, 2011, the Florida legislature came a step closer to passing a renewable energy bill that rips apart all that the Tea Party stands for. The bill would forever assign renewable energy development and deployment solely to Florida's regulated electric monopolies under the guise of supporting a green future.

The bill allows FP&L and the rest of Florida's largest utilities to single-handedly control all aspects of renewable energy in this state; effectively deciding what gets built, when, and by whom. Instead of opening up markets, it closes them, squelching competition. This bill isn't about the government working for the people to create more jobs and prosperity. And, it does not allow free markets to do what it does best.

Instead of allowing the industry to create jobs, SPB 7082 eliminates jobs by denying independent renewable energy developers access to the electric grids. Many of these companies are homegrown businesses that have been serving Floridians for 30 years or more. Then, there are the independent larger biomass, wind and seasoned utility scale solar developers hoping for a competitive renewable energy market in Florida.

Leaving renewable energy development solely in the hands of monopolies is a colossal mistake. Additionally, SPB 7082 systematizes rate increases under a renewable energy cost recovery formula. It gives utilities the ability to raise rates every year at the flip of a switch--to the tune of hundreds of millions! My grandma is rolling around in her grave!

The bill also does a variety of other mind boggling things that shows the legislature's real intent. It eliminates the Florida Energy Office and Climate Change Commission to form a nebulous governmental entity that operates as a power unto itself, with very few requirements for transparency or public disclosure. It eliminates any reference to pursuing a Renewable Energy Portfolio Standards policy.

It allows investor owned utilities to get an unprecedented rate increase siphoned directly from ratepayers without the need for regulatory review, public input or approval. It flies in the face of everything this conservative writer knows and

understands about free markets and open competition. It is the worst of government during the worst of times. It is government picking winners and losers. It is government choosing regulated monopolies over free and open competition.

This is down-right weird given that our legislative leaders are self identified fiscal conservatives and free marketeers. While they have committed to reducing regulations, somehow they argue that reducing regulations which allows for a free market and competitive renewable energy industry is "DEREGULATION". Nowhere else does the Florida legislature say that. It even has a "deregulation" bill that will be the center piece of this sessions accomplishments, worthy of bragging rights. They further argue that creating a Renewable Energy Portfolio Standard is a government mandate, while stipulating that monopoly control over what is currently a free market is not. The suggestion is that codifying future rate increases and appropriating all money to the utilities is somehow not a mandate either. I hate to be the bearer of the truth but, the emperor has no clothes and is surely naked.

As someone who always saw renewable energy policy as being at its best when we get government out of the way, this direction is dismaying. The tea party warned against this type of government, and they were right. Last year, this same bill was presented and eventually died (or pulled back). The reason? It was an election year. This time around, the bill's supporters feel they could get it passed and YOU (the voter) will not remember in November 2012. It was a calculated decision to put it off for that very reason. It could have been passed last year, but the political consequences were not worth the risk.

The supporters are wrong. The tea party of Florida will not forget how this bill goes against everything we believe in. Government should not be in the business of setting up monopolies and discouraging open markets. Government should not use its awesome power to tax citizens and then earmark the money for private interests.

What has become clear is that because Floridians have voted in poll after poll that they, like many other Americans, want more renewable energy, it seems Florida policymakers have essentially said:

"If that's what you want, we'll give it to you. But, by the way, it can only be produced by a regulated monopoly. They'll be the only ones to make money from it because that's the way it's always been."

This is the status-quo, and its backed up by a government for and by large corporations. In other states, independent renewable energy developers are building biomass plants, solar arrays and renewable projects using wind mills. In this state, political leaders (with a straight face) have said, independent developers are not capable of doing that. In other states, investment dollars are



being spent and venture capital dollars are sowing the fertile renewable energy fields, spurring innovative start-ups and entrepreneurial activity. In Florida, what we are saying is stay away, don't try to do business here and if you try, you will spend a lot of money, go broke and die young only to get nowhere.

The legislature needs to go back to the drawing board and adopt policies that build new industries (like renewable energy) through open and competitive markets. Our governor said, he would create jobs and open up markets. Is this what he meant? It's surely not open and free markets, and its surely not getting government out of the way!

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