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Governor Crist Takes On Climate Change

Governor Crist signed three executive orders¹ on Friday, July 13, 2007 ("Executive Orders") which direct state agencies and departments to take immediate action to achieve lower greenhouse gas emissions. Governor Crist has announced he is committed to making Florida a leader in creative methods of combating climate change including directives for power generation, building construction as well as a complete examination of state operations. Executive Order 07-128 also calls for the development of a comprehensive Energy and Climate Change Action Plan to achieve or surpass the newly adopted greenhouse gas goals. These Executive Orders affect both the public sector (state agencies and departments under the control of the Governor) and private sector (including electric utilities, owners of automobiles, and the construction industry, among others). Please find below a bullet point summary of the highlights for each executive order.

Executive Order Number 07-126: Leadership by **Example: Immediate Actions to Reduce Greenhouse** Gas Emissions from Florida State Government

- Sets forth goals for greenhouse gas emissions reduction for state agencies:
 - 10% reduction from current emission levels by 2012
 - 25% reduction from current emission levels by 2017
 - 40% reduction from current emission levels by 2025
- Creates a scorecard system to monitor the financial savings and emissions reductions achieved by each state agency.
- Requires each state agency to conduct an assessment of energy used by agency facilities to be used as a baseline.

- All new state buildings must be built in accordance with the U.S. Green Building Council's Leadership in Energy and Environmental Design for New Construction (LEED-NC) standards.
- Leadership in Energy and Environmental Design for Existing Buildings (LEED-EB) standards must be implemented for all existing state buildings.
- Development of a "Florida Climate Friendly Preferred Products List" which will identify specific products and vendors that have clear energy efficiency or other environmental benefits over competing products.
- Precludes state agencies from entering into new lease agreements for office space not in compliance with Energy Star building standards or from contracting for hotel meeting space unless the facility has received the Department of Environmental Protection ("DEP") "Green Lodging" certification (unless no viable alternatives exists).
- Requires energy consumption and greenhouse gas emissions to be performance criteria for evaluating projects outsourced by the Council for Efficient Government.

Executive Order Number 07-127: Immediate Actions to Reduce Greenhouse Gas Emissions within Florida

- Sets forth goals for greenhouse gas emissions reduction for State of Florida:
 - by 2017, reduce emission levels to 2000 levels
 - by 2025, reduce emission levels to 1990 levels
 - by 2050, reduce emission levels by 80% of 1990 levels
- Orders DEP to develop rules to adopt maximum allowable emissions level of greenhouse gases for electric utilities in Florida. The minimum standard is to

Executive Order Number 07-126, Executive Order Number 07-127 and Executive Order Number 07-128

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reduce the emissions in the utility sector to the same levels set forth in the goals for the State of Florida.

- Orders DEP to develop rules to adopt the California motor vehicle emission standards, upon approval of waiver by the US Environmental Protection Agency.
- Orders DEP to develop rules for a statewide diesel engine idle reduction standards.
- Orders the Florida Building Commission to revise the Florida Energy Code for Building Construction to increase the energy performance of new construction in Florida by at least 15% from the 2007 Energy Code.
- Orders the Public Service Commission ("PSC") to initiate rulemaking to require that utilities produce at least 20% of their electricity from renewable sources, with focus on solar and wind energy.
- Orders PSC to initiate rulemaking to reduce the cost of connecting solar and other renewable energy technologies to Florida's power grid by adopting a particular standard for the uniform statewide interconnection standard for all utilities.
- Orders PSC to initiate rulemaking to authorize uniform method to allow customers who generate electricity from on-site renewable technologies of up to 1 MW to offset their consumption by allowing their electric meters to turn backwards when they generate electricity.

Executive Order Number 07-128: Florida Governor's Action Team on Energy and Climate Change

 Creates the Florida Governor's Action Team on Energy and Climate Change to develop a comprehensive Energy and Climate Change Action Plan that achieves the statewide emissions reduction goals.

- By November 1, 2007, Action Team is to develop policies, recommendations, and legislative initiatives to reduce greenhouse gas emissions and increase amount of renewable transportation fuel. Action Team also must address market-based regulatory mechanisms (like cap and trade programs) to reduce greenhouse gases.
- By October 1, 2008, the Action Team is to develop policies, recommendations, and legislative initiatives to address longer-term issues, including policies to reduce emissions from new growth and strategic investments to spur economic development around climate-friendly industries.

Carlton Fields' lawyers can assist you with participating effectively in the rulemaking processes set in motion by these Executive Orders, as well as with assessing their applicability to your business. Carlton Fields' lawyers are on the cutting edge of the developing bio-fuels industry and sustainable development in Florida and can assist you navigating the implications of these Executive Orders on your business.



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