



FLORIDA DEPARTMENT OF Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

May 21, 2024

Mickey Bandi, CFA
Property Appraiser
Okeechobee County
409 NW 2nd Ave Suite B
Okeechobee, Florida 34972
M.Bandi@OkeechobeePA.com

Re: FPL Okeechobee Clean Energy Center – Pollution Control Equipment

Mr. Bandi:

On June 12, 2023, the Siting Coordination Office (SCO) received a request from your office concerning the eligibility (pursuant to §193.621, F.S., and Chapter 62-8, F.A.C.) of submittals of pollution control devices associated with the operation of Okeechobee Clean Energy Center located in Okeechobee County.

In accordance with §193.621, Florida Statutes (F.S.), if it becomes necessary for the owner or operator of a manufacturing or industrial plant or installation “to install or construct a facility in order to eliminate or reduce industrial air or water pollution, those facilities shall be deemed to have value, for purposes of assessment for ad valorem property taxes, no greater than their market value as salvage.” Only those facilities specifically installed to eliminate or reduce air or water pollution are eligible for this type of assessment. The term “pollution control facilities”, as defined in Rule 62-8.020(3), F.A.C., includes devices, fixtures, or machinery which are used to mitigate pollutants or contaminants which are liquid, solid, or gas from being released to the ambient air and water. Additionally, if a property appraiser is in doubt as to whether a taxpayer is entitled to an assessment under this section, the matter may be referred to the Department of Environmental Protection (Department) for a recommendation.

In my opinion, the items on the equipment list (Appendix A to Form DR-492) submitted by FPL are eligible for assessment as pollution control devices pursuant to §193.621(3), F.S., with the following exceptions and clarifications:

- Air Emission Control Systems, Water Treatment: Only the portions of the listed Water Treatment assets associated with the NOx water injection should be considered eligible for assessment as pollution control devices.
- Air Emission Control Systems, Industrial Gas Turbine, Combustor Caps: Combustor caps are used to direct gases, including cooling air, to downstream components of the combustors, and they are optimized to achieve efficient

combustion and low NOx emissions. I recommend partial assessment at salvage value, perhaps 50%.

- Air Emission Control Systems, Industrial Gas Turbine, Transition Nozzles: Transition nozzles are used to direct gases, including cooling air, to turbine guide vanes, and they are optimized for low NOx emissions by cooling combustion gases. I recommend partial assessment at salvage value, perhaps 50%.
- Air Emission Control Systems, HRSG Enclosure, Stack: The primary purpose of exhaust stacks is not pollution control. However, federal regulations include requirements that apply “good engineering practices” to stack heights to ensure that the emissions from a stack do not result in excessive concentrations of any air pollutant as a result of atmospheric downwash, wakes, or eddy effects. Therefore, the County may want to consider a partial assessment at salvage value, up to 60%, for the exhaust stacks.
- Noise Abatement Equipment: Noise abatement is not eligible for assessment as pollution control equipment.
- Cooling Towers: A cooling tower’s primary purpose is not that of pollution control. However, cooling towers may be equipped with drift eliminators to minimize losses (water/particulate matter) due to drift. Therefore, equipment demonstrated to be specifically part of the drift elimination system within the cooling towers should be assessed as pollution control.
- Industrial Wastewater Treatment Systems, Water Wash System Equipment: Only the portions of this system related to secondary containment, conveyance, and treatment of the used wash water should be considered eligible for assessment as pollution control devices.
- Safe Shutdown System: The fire protection system assets are not considered eligible for assessment as pollution control devices, except for portions dedicated to containment of ejected fire retardant/extinguishing media.

Additionally, the Department does not have sufficient information to provide a recommendation on the asset labeled Accident Prevention and Mitigation, Safe Shutdown System, Stator.

This information is provided in accordance with §193.621, F.S. The County is not obligated to rely on the Department’s recommendation in its assessment of pollution control devices. If you have any questions regarding this recommendation, please contact Nate Senn at (850) 717-9111.

Sincerely,



Cindy Mulkey
Deputy Director,
Division of Water Resource Management