



FLORIDA DEPARTMENT OF Environmental Protection

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Governor

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May 30, 2024

Neoto McCullough
Appraisal Supervisor
Escambia County
221 Palafox Place, Suite 300
Pensacola, Florida 32502
NMcCullough@escpa.org

Re: FPL Gulf Clean Energy Center – Pollution Control Equipment

Mr. McCullough:

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 FPL Gulf Clean Energy Center located in Escambia 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 (Identification and Cost Analysis of Pollution Control Facilities and Determination of Salvage Value at Gulf Clean Energy Center, March 15, 2023) submitted by FPL on July 24, 2023, are eligible for assessment as pollution control devices pursuant to §193.621(3), F.S., with the following exceptions and clarifications:

- Air Emissions Pollution Control Facilities, Stack (listed under section 3.1.1): 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,

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or eddy effects. Therefore, the County may want to consider a partial assessment at salvage value, up to 60%, for the exhaust stacks. Monitors and analyzers on the stack are fully eligible for assessment as pollution control devices.

- Air Emissions Pollution Control Facilities, Water System (listed under section 3.1.2): If the demineralized water system is also used to supply water to electrical generation processes, then only the portion used for “NOx water injection” shall be eligible for assessment as pollution control.
- Noise Abatement Facility (listed under section 3.3): Noise abatement equipment is not eligible for assessment as pollution control equipment.
- Industrial Wastewater Treatment System (listed under section 3.4.1): The wastewater treatment system includes pumps, piping and valves, wastewater treatment equipment, tanks, instrumentation and controls, and associated buildings and structures. For any associated buildings and structures to be eligible for assessment as pollution control, they must be installed primarily to house pollution control equipment.
- Thermal Pollution Control Facility, Cooling Towers (listed under section 3.6.1): 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, only equipment demonstrated to be specifically part of the drift elimination system within the cooling towers should be assessed as pollution control.
- Pollution Control Auxiliaries (listed under section 3.7): Only buildings and enclosures which primarily house other eligible pollution control equipment shall be assessed at salvage value.

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