



Florida Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

July 27, 2009

Ms. Katherine Rebel, CFE
Director, Tangible Personal Property
Volusia County
123 West Indiana Avenue, Room 102
Deland, FL 32720-4270
Re: PEF Debary and Turner Plants
Pollution Control Devices

Dear Ms. Rebel:

I have reviewed the material attached to your fax of July 24, 2009 concerning pollution control devices at the Progress Energy Florida (PEF) Debary and Turner Plants.

In accordance with §193.621, Florida Statutes, if it becomes necessary for 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”. Note that only those facilities installed to eliminate or reduce air or water pollution are eligible for this type of assessment.

In my opinion, most of the equipment listed on the submitted form is indeed “primarily for the purpose of pollution control” and is eligible for assessment as a pollution control device pursuant to §193.621, Florida Statutes. However, items that I do not consider as consistent with the aforementioned Statute include all items listed as Type Noise, the Debary Unit P7-1 Common Cooling Tower System, and all items listed as Exhaust Stacks.

It is my opinion that:

- Equipment listed in the “noise” category does not qualify as air or water pollution.
- Cooling towers are primarily for the purpose of removing heat from the condensers, and actually generate air pollution.
- The primary purpose of exhaust stacks is not pollution control. However, because federal regulations include requirements that apply “good engineering practices” to stack heights, as a matter of practice we recommend that up to 60% of the value of exhaust stacks be assessed at the “salvage value”.

Additionally, in reviewing the PEF plant information, I noted that certification from a Professional Engineer is not included. I would like to remind you that, in accordance with DEP Rule chapter 62-8, Florida Administrative Code, a current evaluation of PEF's equipment by a registered Professional Engineer in the State of Florida should also be submitted. My advice is to obtain the Florida certification for the evaluation and, upon receipt, approve accordingly.

If you have any questions on this determination, please contact Cindy Mulkey at (850) 245-2175.

Sincerely,

A handwritten signature in blue ink that reads "Michael P. Halpin, P.E." The signature is written in a cursive style.

Michael P. Halpin, P.E.
Administrator, Siting Office