

**STATE OF FLORIDA
DEPARTMENT
OF
ENVIRONMENTAL PROTECTION**



**Electric Power Plant Site Certification
Project Analysis Report**

**Florida Municipal Power Agency and
Kissimmee Utility Authority
Cane Island Unit 4**

**PA 98-38A2
DEP OGC Case No. 08-0563
DOAH Case No. 08-1629 EPP
November 10, 2008**

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1.0 Summary

1.1 Facilities Overview

1.1.1. Existing Facilities

The Cane Island Power Park (CIPP) is owned and operated by Florida Municipal Power Agency (FMPA) and Kissimmee Utility Authority (KUA), and is located on a 1,027 acre site located in unincorporated area of rural northwest Osceola County, Florida which is 20 miles southwest of Orlando, 5 miles west of Kissimmee, and 1 mile northwest of Intercession City. The site is bounded on the north by the Reedy Creek Improvement District (RCID), the northeast by Ecosystems Mitigation Bank, the east by BK Ranch LC and several individual property owners, the south by a CSX transportation railroad line, and the west by the RCID and Progress Energy Florida. Site access is via Bobroff Blvd off of Old Tampa Highway.



Figure 1. Aerial View (Fig. 3.2-2, SCA)



Figure 2. Location of WCEC (Fig. 2.1-1, SCA)

There are currently three existing units and associated support facilities on the CIPP site, which were certified under the Power Plant Siting Act in 1999. Unit 1 is a nominal 40 MW simple cycle combustion turbine unit; Unit 2 is a nominal 120 MW combined cycle combustion turbine unit; Unit 3 is a nominal 250 MW combined cycle combustion turbine unit. Units 1 and 2 began commercial operation in 1995; and Unit 3 began commercial operation in 2001. Units 1, 2, and 3 fire natural gas as the primary fuel; No. 2 fuel oil is stored onsite as backup fuel. The electricity generated is stepped up in voltage for distribution to the power grid. Conditional use/site development plan approval was previously granted for Units 1, 2 under CU91-90, and Unit 3 under CU92-86. Eight-hundred and sixty acres of the site is in a conservation easement granted to South Florida Water Management District and the Florida Fish and Wildlife Conservation Commission. On June 16, 2008 the Osceola Board of Commissioners approved a request to approve a Conditional Use to allow for the construction of a nominal 300 MW combined cycle combustion turbine unit (Unit 4) at the Cane Island Power Park on approximately 1,027 acres of land within an Agricultural Development and Conservation (AC) Zoning District.

1.1.2 Proposed Project Description

FMPA and KUA are proposing to construct and operate a new nominal 300 MW one-on-one combined cycle combustion turbine unit that will fire natural gas and liquid natural gas (LNG) as the only fuels (Unit 4). The Project installation will be a 1x1 combined cycle unit (Unit 4), which will include a General Electric (GE) 7FA combustion turbine generator (CTG), a duct fired HRSG, and a steam turbine generator (STG), and will be equipped with an evaporative cooler. Unit 4 will have a nominal rating of approximately 300 MW and will fire pipeline grade natural gas, exclusively. New major support facilities include a diesel engine driven fire pump, a safe shutdown generator, and an eight-cell cooling tower.

FMPA and KUA also request that LNG be one of the certified fuels for Units 1-3 and future units at the CIPP. The construction of this new unit necessitates certification under the PPSA, as it meets the parameters outlined in 403.506(1), Florida Statutes (F.S.). On April 1, 2008, FMPA and KUA, submitted an application to the Department of Environmental Protection's Siting Coordination Office for certification of Unit 4 at the existing Cane Island Power Park in Osceola County, Florida. Unit 4 will be interconnected to Progress Energy's transmission system for transmission access by FMPA's members. FMPA is the owner and project manager for Unit 4 permitting, certification, and construction. KUA will operate the unit on behalf of FMPA. Boundaries of the CIPP can be seen in Figure 2 and the proposed certified area (outlined in violet) is shown in Figure 3.

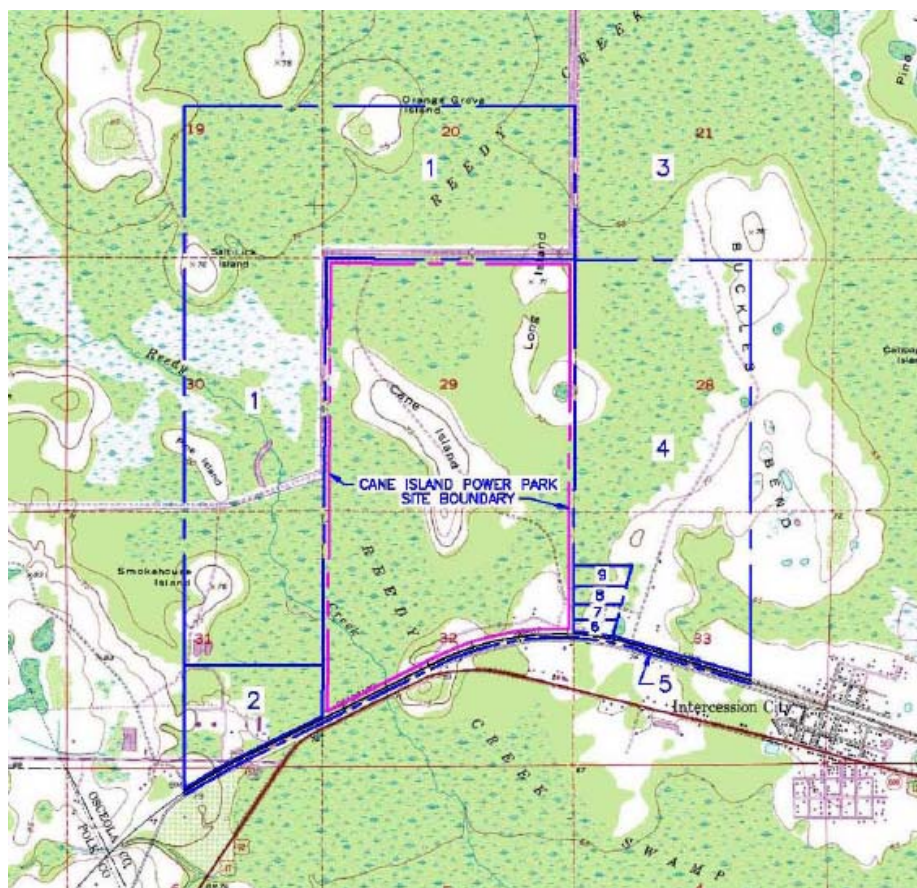


Figure 3. Site Vicinity (Figure 2.1-2 in Unit 4 Application)

Unit 4 will be located within the previously certified CIPP site. The development of the Unit 4 power block area will occupy approximately 9 acres north of the existing Units 1, 2, and 3. New major equipment associated with Unit 4 will include a CTG, HRSG, steam generator, and cooling tower. Unit 4 will be interconnected to the existing CIPP substation, approximately 500 feet from the new unit. Some of the existing transmission poles in the power block area will be relocated to accommodate Unit 4. There will also be wastewater treatment facilities, water storage tanks, and a storm water detention area for Units 3 and 4. Similar facilities associated with the operation of Units 1, 2, and 3 exist onsite. Construction of the project will require impacts to approximately 24.2 acres on the site. Utility corridors comprise the remaining development acreage. No new offsite transmission facilities will be required for Unit 4.

1.1.3 Natural Gas-Fired Combined Cycle Generating Unit

Unit 4 is proposed as a nominal 300 megawatt (MW) one-on-one combined cycle generating unit consisting of an F-class combustion turbine generator (CTG), a heat recovery steam generator (HRSG), a condensing steam turbine generator (STG), and a mechanical draft cooling tower. Duct burners will be installed in the HRSG inlet to provide increased steam turbine generator output for peaking capacity. Unit 4 will have the capability to operate in steam bypass mode. Natural gas will be the only fuel for the combustion turbine and the HRSG duct burners. Unit 4 will be installed with modern pollution control devices and will use reuse water for cooling. Figure 4 and 5 below illustrate the profile of the proposed CT and HRCG, and a simplified diagram of a combined cycle generating unit.

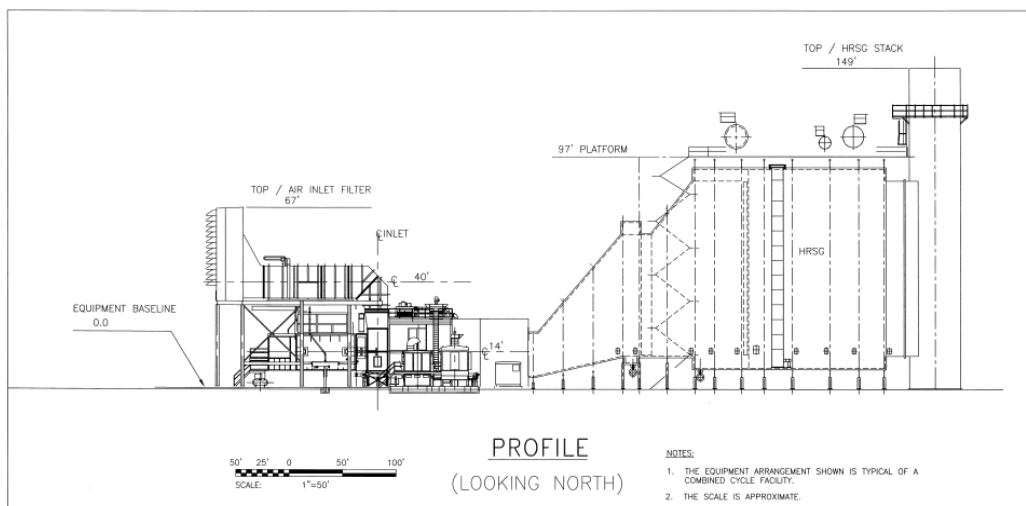


Figure 4. Profile of Combustion Turbine and Hear Recovery Steam Generator (Figure 3.2-1 SCA)

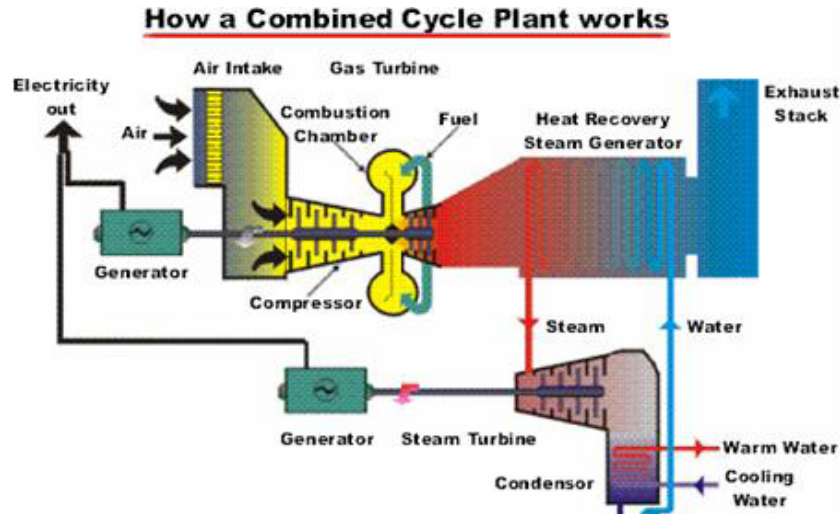


Figure 5. Components of a Combined Cycle Unit

The CTG will be a General Electric PG7241FA enhanced CTG. The CTG will have enclosures for installation outdoors and will include the following major features:

- Dry low NO_x combustion system.
- Direct connected generator with static excitation.
- Acoustic enclosure for turbine.
- Inlet air filter system with silencers and evaporative coolers.
- Lube oil systems.
- Static starting system.
- Fire detection/carbon dioxide fire protection systems.
- Mark VIe control system with remote work station.
- Off-line/on-line water wash system.
- Package electrical and electronics control compartment.

The HRSG will be installed outdoors and will convert waste heat from the combustion turbine exhaust to steam for use in driving the STG. The HRSG will be a natural circulation, three-pressure, reheat unit with supplemental duct firing to maximize unit output. Cycle operating pressure will be a nominal 2,100 pounds per square inch, gauge (psig). SCR for NO_x control is included within the HRSG. The HRSG will discharge to a metal exhaust stack. A stack damper will be included to minimize heat loss during shutdowns. Two 100 percent capacity condensate pumps and boiler feedwater pumps will be included. The design includes natural gas and LNG heating, utilizing HRSG intermediate-pressure feedwater as the heating source during normal operation and an electric heater for startup.

The steam turbine will be a tandem-compound, single reheat, condensing turbine operating at 3,600 rpm. The steam turbine will have one high-pressure section with a nominal 2,100 psig throttle pressure, one intermediate-pressure section, and one low-pressure section. Turbine suppliers' standard auxiliary equipment; lubricating oil system; hydraulic oil system; and supervisory, monitoring, and control systems will be utilized. A surface condenser will be provided for condensing steam from the turbine exhaust and will utilize a recirculating cooling tower system for cooling. The condenser will be designed for full steam flow bypass around the

steam turbine. A blanking plate will be provided to allow isolation of the steam turbine from the condenser, to allow operation of the combustion turbine during an extended steam turbine outage. A single synchronous generator will be direct coupled to the steam turbine. Generator suppliers' standard auxiliary equipment; supervisory, monitoring, and control systems; and static excitation system will be utilized. The steam turbine will be provided with enclosures as required for outdoor installation.

A multiple cell, mechanical draft, counterflow cooling tower will be used for plant cooling. The cooling tower will be of fiberglass construction and installed on a reinforced concrete basin that will include a pump intake structure housing two 50 percent capacity circulating water pumps and one 100 percent capacity auxiliary cooling water pump. A circulating water chemical feed system will be included. Makeup water to the cooling tower will be treated sewage plant effluent (reuse water) provided by Toho Water Authority regional pipeline. Ground water will be requested as an emergency source of cooling tower makeup. The cooling tower will be equipped with drift eliminators with a design drift rate of 0.0005 percent. The Unit 4 cooling tower will be approximately 1,500 feet from the nearest CIPP property line. A new (second) reuse supply pipeline from Toho to the CIPP may be required if the existing pipeline is inadequate to supply all units. Detailed design and supply information from Toho will determine the need for this second pipeline.

1.2 Environmental and Social Impacts

The Cane Island site is located on a 1,027 acre site located in an unincorporated area of rural northwest Osceola County, Florida. It is located 20 miles southwest of Orlando, 5 miles west of Kissimmee, and 1 mile northwest of Intercession City. The northeast boundary of Polk County is 2 miles southwest of the site. The western city limit of Kissimmee is 5 miles east of the site. The incorporated town of Campbell is 4.5 miles southeast of the site. The unincorporated town of Intercession City is 1 mile southeast of the site. The unincorporated town of Loughman is 3.5 miles southwest of the site. The closest individual property owners are located immediately adjacent to the site on the western boundary.

The CIPP site is designated as Rural/Agriculture under the existing future land use map of the Osceola County Comprehensive Plan's future land use element. Electric utility facilities are permitted uses as an Institutional use in that future land use designation. The CIPP site is zoned as Agriculture/Conservation under the existing Osceola County zoning ordinances. Electrical power plants are a conditional use in this zoning district. The property was approved for use as an electrical power plant in 1993 by the Osceola Board of Commissioners and KUA was issued a Conditional Use Permit (CU/SDP 92-86) authorizing power plant construction and operation on the property. The Conditional Use permit recognized the site could support up to 1,000 MW of generating capacity, comprised of multiple electrical generating units on the portion of the site to be occupied by Unit 4. Refer to Sections 10.3 and 10.4 related to existing zoning and land use plans. In 1999, the Siting Board determined that the Power Park site was consistent with the existing land use plans and zoning ordinances of Osceola County. The Siting Board found that the use of the 1,027 acre CIPP site for electrical generating facilities was consistent with the County's zoning for the CIPP site and with the Conditional Use permit issued by the County for the CIPP site. On June 23, 2008, Osceola County made a filing with the Division of Administrative hearings, finding that the proposed Unit 4 electrical power plant is consistent and in compliance with local land use plans and zoning ordinances. Furthermore, based upon the

applicant's submittal, the construction of Unit 4 will not create any negative visual impacts or disturb any residential areas.

There are more than 30 recorded scenic, cultural, or natural landmarks within 5 miles of the CIPP. The National Registry of Natural Landmarks does not list any sites for Osceola County. The cultural resources within 5 miles of the CIPP include the FDEP/Disney Conservation Easement north and west of the site, and the playground/park in Intercession City. Another cultural resource is the Fletcher Park Monument on the US 17/92 bridge over Reedy Creek. Two historical bridges, the South Orange Blossom Trail Bridge and the Disney 5000 13 Bridge, are located in the Intercession City area.

The CIPP conservation easement is not a Save Our Rivers (SOR) property. However, approximately 500 to 600 acres south of Highway 92 and approximately 1,000 acres north of the CIPP are SOR properties.

The nearest Federal PSD Class I Area is the Chassahowitzka National Wildlife Refuge located 85 miles to the northwest. Federal Class I Areas are defined by the Clean Air Act and include certain national parks, national wilderness areas, and international parks that were in existence as of August 7, 1977. These areas represent natural conservation of historical landmarks in this country and are protected by more stringent air quality requirements than other regions.

1.2.1 Local Air Quality Impacts

The Department of Environmental Protection's Division of Air Resource Management regulates major air pollution sources in accordance with Florida's Prevention of Significant Deterioration (PSD) program, as defined in Rule 62-212.400, F.A.C. For new major facilities, or for modifications to existing facilities, each registered air pollutant is reviewed for PSD applicability based on emissions thresholds known as Significant Emission Rates (SERs).

Best Available Control Technology (BACT) review is required under FDEP and US Environmental Protection Agency (EPA) regulations pertaining to PSD. BACT is applicable to all pollutants for which PSD review is required and is pollutant specific. It is an emission limitation that is based on the maximum degree of reduction for each regulated pollutant, which is determined to be appropriate after taking into account energy, environmental, economic impacts, and other costs. BACT cannot be any less stringent than the federal New Source Performance Standards (NSPS) applicable to the source under evaluation. For Unit 4, BACT is applicable for emissions of NO_x, CO, PM, PM₁₀, SO₂, and SAM. The emissions of VOC did not exceed the thresholds for PSD review, and therefore, do not warrant a BACT analysis.

Unit 4 minimizes air pollutant emissions by using efficient generating and pollution prevention technologies. This concept has been incorporated with the selection of a combined cycle process utilizing advanced combustion turbines. Combined cycle plants can be expected to achieve fuel conversion rates less than 8,000 British thermal units (Btu)/kilowatt-hours (kWh), as opposed to values closer to 10,000 Btu/kWh range for more conventional generating plants. This is an improvement of over 20 percent. Thus, by maximizing the MW output per unit of fuel consumed, the air pollutant emissions per MW output are minimized. Pollution prevention is incorporated in the design by the use of clean fuels, efficient combustion technology, and post-combustion control. Natural gas will be used at the facility for the Unit 4. Moreover, advanced dry low NO_x combustion technology will minimize NO_x emissions during the combustion

process while ensuring that CO emissions are within accepted limits. SCR will be installed post-combustion to further reduce NO_x emissions.

The Department has reviewed and concurs with the applicant's BACT proposals. Based on the ambient air quality review, the Department concludes that the project will neither cause nor contribute to a violation of ambient air quality standards or increments. Furthermore, there will not be significant impacts on soils, wildlife or vegetation. In summary, the Department has reasonable assurance that the proposed CIPP Unit 4 project will comply with the Department's regulations and on September 5, 2008 issued a final permit under the Rules for the Prevention of Significant Deterioration (see:

http://www.dep.state.fl.us/Air/permitting/construction/cane_island.htm).

1.2.2 Air Quality Impacts (CO₂ Emissions)

In light of the heightened concerns over global warming and Florida's recent commitment to *The Climate Registry*, it is appropriate to consider carbon dioxide (CO₂) emissions from the proposed project. The following summary is intended to put into perspective the projected CO₂ emissions from the Unit 3 project with respect to global CO₂ emissions and CO₂ emissions from other types of electrical generating facilities.

Current and Predicted Levels of Carbon Dioxide Emissions

The primary source of CO₂ emissions is the combustion of fossil fuels such as coal, natural gas, and oil. Florida ranks fifth in the nation for CO₂ emissions from fossil fuel combustion, contributing almost four and one half percent to the nation's total emissions in 2005.¹ Refer to table 1 below for a comparison of 2005 emissions.

Table 1. 2005 Emission Comparison

Emission Origin	2005 Total CO₂ Emissions (million metric tons)
Texas	663.87
California	390.64
Pennsylvania	277.0
Ohio	269.97
Florida	260.74
United States	5,966.04
World ²	28,193.00

Until recently the United States was the largest emitter of carbon dioxide emissions. According to preliminary estimates China has been the top emitter since 2006.³

¹U.S. Environmental Protection Agency, State CO₂ Emissions from Fossil Fuel Combustion 1990-2005. Available at http://epa.gov/climatechange/emissions/state_energyco2inv.html

² U.S. Energy Information Administration. *International Energy Annual 2005* (EIA 2007b)

³ Sci-Tech Today (2006-06-21)

The Energy Information Administration predicts emissions of CO₂ will reach almost 8,000 million metric tons in the U.S. by the year 2030.

Efficiency and Fuel Considerations

Emissions of CO₂ directly relate to the quantity of combusted fossil fuel. The more fuel consumed, the more carbon released into the atmosphere. As technologies improve, electric generating facilities of all types are constructed with greater and greater efficiencies. Higher efficiency units require less fuel for equal amounts of energy production. This translates to fewer overall carbon emissions from the more efficient units.

Carbon emissions are also dependent upon the types of fuels combusted. To produce the same amount of energy, more CO₂ is released when burning coal, than when burning fuel oil or natural gas. “Coal combustion emits almost twice as much CO₂ per unit of energy as does the combustion of natural gas, whereas the amount from crude oil combustion falls between coal and natural gas.” Carbon emission factors for different fuel types are shown in Figure X below as the amount of CO₂ emitted per heat energy unit (lb/MMBtu). There are no CO₂ emissions associated with the use of nuclear fuels.

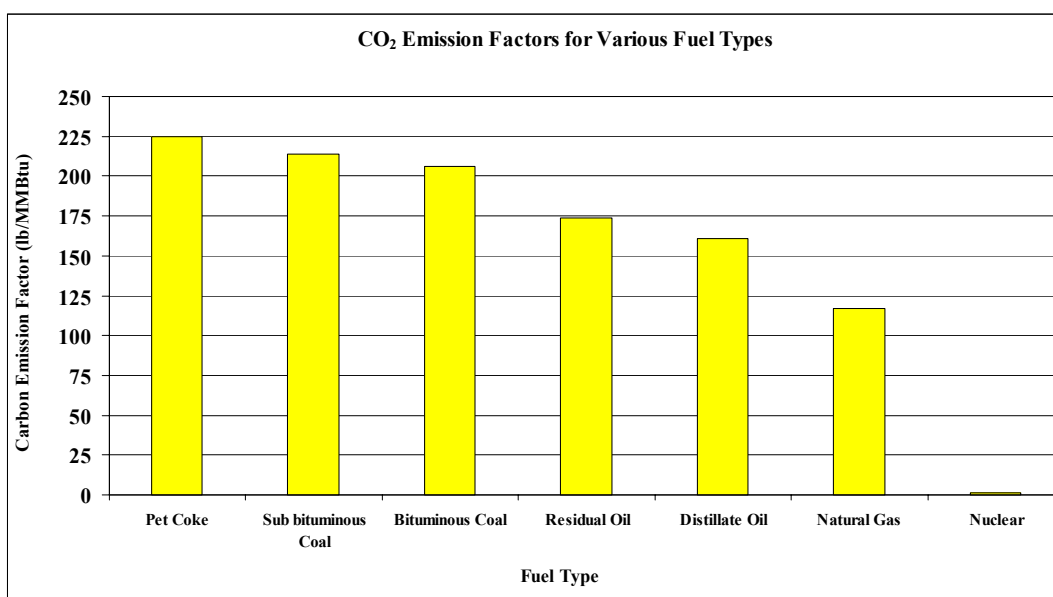


Figure 6. Carbon Dioxide Emission Factors (Energy Information Administration)

Carbon Dioxide Emissions Impacts from Cane Island Unit 4

Based upon applicant submittals, the addition of the Cane Island Unit 4 generating unit will cause a direct increase of 640,000 tons per year in CO₂ emissions, utilizing 2012 as the baseline year. However, as can be seen in table 10.8-4 below (from Site Certification Application, page 10-31:

http://www.dep.state.fl.us/siting/Highlights/Applications/PPSA/Cane%20Island_Unit%204/Application/Section%2010.pdf)

an overall decrease in CO₂ emissions of 262,000 tons per year will result. This decrease is due largely to Cane Island Unit 4 displacing electricity which is currently generated from higher CO₂ generating units, via purchase power transactions (shown as “Net Market Transactions”). In

summary, the addition of Cane Island Unit 4 appears to be consistent with the intent of the Governor's Executive Order 07-127.

Table 10.8-4 Projected Impact of Cane Island 4 on ARP CO ₂ Emissions in 2012	
Energy Source	CO ₂ Increase/ (Decrease) (000 Short Tons) ⁽¹⁾
Cane Island 4	640
Stanton Energy Center Coal	(58)
Stanton CC A ⁽²⁾	(26)
Treasure Coast Energy Center	(10)
Cane Island Plant (excludes Unit 4)	(95)
Hansel Plant	(3)
Indian River CT A-D	(2)
Tom G. Smith Plant	(2)
Stock Island Plant	6
Net Market Transactions	(688)
Other Purchases ⁽³⁾	(23)
Net Increase/(Decrease)	(262)
⁽¹⁾ Represents the projected increase or decrease in CO ₂ emissions for each energy source resulting from the operation of Cane Island 4. ⁽²⁾ Includes the portion of Stanton A that is purchased power. ⁽³⁾ Other purchases include purchases from FPL and Southern.	

1.2.3 Water Usage

The Licensee is proposing to use water from several sources. Reclaimed water (treated sewage effluent) will be used as the primary source for cooling tower makeup water. The Licensee has an Agreement with the Tohopekaliga Utility Authority (TWA) for the delivery, use, and return of reclaimed water. Potable, service, and fire protection water for Unit 4 will be supplied from existing and proposed on-site Upper Floridan aquifer wells. Primary emergency backup supply for the cooling tower makeup water will be supplied from existing and proposed on-site Upper Floridan aquifer wells. Secondary emergency backup supply for the cooling tower makeup water and for service and fire protection water may be obtained from the TWA through an existing Agreement.

1.2.4 Wastewater Disposal

Domestic/sanitary wastewater is generated by showers, lavatories, sinks, toilets, urinals, and drinking fountains. It is estimated that there will be two new permanent Unit 4 employees at the site who will generate approximately 80 gallons per day of sanitary wastewater. Sanitary wastes will be routed to an existing septic tank/tile field system on the Cane Island Power Park site.

1.2.5 Solid and Hazardous Waste Disposal

Unit 4 will not generate any solid waste, such as combustion ash or flue gas desulfurization scrubber waste, from the electric generation process. The firing of natural gas does not create significant combustion byproducts. Cane Island Power Park operations will not require any onsite landfills or solid waste disposal areas. The existing commercial trash services will be contracted to haul off typical solid wastes that result from plant operations, such as increased office debris.

Waste oil is the major potentially hazardous substance generated by plant operation. Two processes generate waste oil: combustion turbine cleaning and oil/water separator operation. The internal components of the combustion turbines are periodically cleaned using a solvent solution. This wash water may contain oily residues and metal particles. The wash water is collected in an underground combustion turbine drain tank and hauled offsite as needed by a licensed contractor for ultimate disposal. Oily wastewaters that are generated will be conveyed to the oil/water separator. Waste oil collected in the oil/water separators will be hauled offsite as needed by a licensed contractor for ultimate disposal. Small quantities of other hazardous wastes, such as paints and cleaners, are used in maintenance and will be segregated from the plant drainage system and disposed offsite to a licensed contractor. Spent SCR modules will be removed from the Cane Island Power Park by a licensed contractor.

1.2.6 Transportation Impacts

The Cane Island Power Park is located within rural northwest Osceola County, Florida. The site is located 1 mile northwest of Intercession City, north of Old Tampa Highway. The southern border is determined by a CSX Transportation railroad line that parallels Osceola Polk Line Road. The site is surrounded on all sides by a significant buffer of trees (Reedy Creek Swamp), with the western boundary border also bordering Davenport Creek Swamp. Interstate 4 is anticipated to be the predominant route that temporary construction workers from outside Osceola County will use to commute to the site. To get to the site from Interstate 4, workers will exit the interstate onto Osceola Polk Line Road and travel onto South Orange Blossom Trail/US Highway 17-92 and will then turn north onto Old Tampa Highway, where the site access road, Bobroff Blvd, is reached. No new or upgraded public roadways or other transportation facilities will be needed for Unit 4, given Cane Island Power Park's established infrastructure and minimal need for heavy, long-term traffic. The unit will utilize existing power transmission facilities and will not create significant disruptions to the transportation network offsite.

2.0 SITE CERTIFICATION PROCESS

2.1 PSC Agency Report - Determination of Need

Based upon the PSC's Final Order, issued on August 8, 2008, Cane Island Unit 4 is the most cost-effective alternative available, as this criterion is used in Section 403.519, F.S. Cane Island Unit 4 provides the most cost-effective solution to satisfy FMPA's forecast capacity requirements. Although FMPA, an association of municipal utilities, is not subject to the Commission's "Bid Rule," the agency issued a competitive RFP for purchase power options, as well as separate RFPs for renewable and solar energy resources. Based on the results of production cost modeling of multiple economic scenarios, FMPA identified a new nominal 300 MW combined cycle generating facility as the most cost-effective alternative to meet the ARP's {All-Requirements Power Supply Project} capacity needs. FMPA's evaluation included several

sensitivity analyses utilizing different fuel costs and potential CO₂ regulatory costs based on estimates developed by the U.S. Department of Energy's Energy Information Agency and the U.S. Environmental Protection Agency. Results of the analysis showed that building Cane Island Unit 4 would produce savings through 2027 of \$21.6 million to \$81.5 million. All of the analyses demonstrate that the proposed Cane Island Unit 4 with an in-service date of 2011 is FMPA's most cost-effective alternative to meet the ARP's need for additional capacity.

In its Final Order, the Commission stated "...The Commission should grant the petition for determination of need for Cane Island Unit 4 because it is the most cost-effective option available to meet FMPA's needs beginning in 2011. There are no cost-effective conservation or demand-side measures available to offset the need. Cane Island Unit 4 will provide adequate electricity at a reasonable cost and it will contribute to the reliability and integrity of FMPA's system. In addition, FMPA and the ARP members have utilized renewable energy sources and technologies as well as conservation measures to the extent reasonably available."

According to 403.519(3) "The commission shall be the sole forum for the determination of this matter, which accordingly shall not be raised in any other forum or in the review of proceedings in such other forum. In making its determination, the commission shall take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable cost, the need for fuel diversity and supply reliability, whether the proposed plant is the most cost-effective alternative available, and whether renewable energy sources and technologies, as well as conservation measures, are utilized to the extent reasonably available. The commission shall also expressly consider the conservation measures taken by or reasonably available to the applicant or its members which might mitigate the need for the proposed plant and other matters within its jurisdiction which it deems relevant. The commission's determination of need for an electrical power plant shall create a presumption of public need and necessity and shall serve as the commission's report required by s. 403.507(4). An order entered pursuant to this section constitutes final agency action."

The PSC's report is attached as Appendix II-1.

2.2 Osceola County Agency Report

In its June 16, 2008 Land use approval, the Osceola Board of County Commissioners approved the Conditional Use based upon six special conditions. Accordingly, the Department accepts the attached Planning Commission Staff Report including its seven Special Conditions (attached as Appendix II-2).

2.3 Department of Community Affairs Agency Report

In a letter dated October 22, 2008 (attached as Appendix II-3) the Department of Community Affairs (DCA) provided their agency report, identifying one issue of concern. The issue addresses the availability of the reuse water from Tohopekaliga Water Authority (TWA) for the life of the project. According to the South Florida Water Management District (SFWMD), the life of the project is 40 years and the reuse water contract with TWA is for only 30 years. To address this issue, DCA supports the SFWMD's "Impact Assessment Report" recommendation that the Conditions of Certification require the contract to be extended for another ten years to cover the 40-year life of the facility. As the SFWMD suggests, the applicant may also submit a written plan reflecting an alternative water supply source.

In its report, DCA further indicated that it does not require the applicant to seek additional variances, exceptions, or other forms of relief. The Department recommends the approval of the application and encourages that the Conditions of Certification by the SFWMD are included as part of the final order.

2.4 Department of Transportation Agency Report

In a letter dated October 13, 2008 the Florida Department of Transportation (DOT) recommended approval of the proposed West County Energy Center power plant expansion. This recommendation was made contingent upon the conditions of Section VI being addressed. The DOT provided a list of those Conditions within the subject letter (attached as Appendix II-4).

2.5 South Florida Water Management District Agency Report

In a letter dated October 13, 2008 the South Florida Water Management District (SFWMD) issued its final agency report on the subject project, as required by Section 403.526, F.S.

The report (attached as Appendix II-5) was officially approved by the SFWMD's Governing Board for transmittal to the Florida Department of Environmental Protection (FDEP) at their meeting on Thursday, October 9, 2008.

The SFWMD is recommending approval of the proposed project, subject to compliance with the SFWMD's Recommended Certification Conditions which were attached as pages 5 through 28 of the Impact Assessment Report.

2.6 Department of State – Division of Historical Resources

In an e-mail dated October 21, 2008 the DHR raised no comments or concerns. Furthermore, DHR recommended approval of the application, as there are no historic properties in the area of potential affect for the proposed plant expansion.

2.7 East Central Florida Regional Planning Council Agency Report

In a letter dated October 13, 2008 the East Central Florida Regional Planning Council (ECFRPC) indicated that they had not identified any “nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the proposed electrical power plant to be certified.” Additionally, the Council recommended approval of the application. The Council’s report is attached as Appendix II-6.

2.8 Florida Fish and Wildlife Conservation Commission

On October 23, 2008 the Department received an email from the Florida Fish and Wildlife Conservation Commission (FWC). As indicated in its email, the FWC has no objections to the approval of the project. Furthermore, FWC seeks no further requirements beyond those within the existing Conditions of Certification.

2.9 Department of Environmental Protection Agency Report

According to an e-mail received on October 10th, the Department of Environmental Protection’s Central District Office recommended approval of the Cane Island expansion. However, the District Office makes a post-certification requirement that KUA shall submit a long-form permit application to the FDEP Central District, Drinking Water Program, for construction of the water

main extension to the Miscellaneous Services Building & Power Distribution Center associated with Unit 4 to supply eye wash stations.

2.10 Public Comments

Based upon a review of the file, no comments were received from members of the public following the April 1, 2008 application filing.

3.0 CONCLUSIONS AND RECOMMENDATIONS

3.1 Construction Impacts

Construction of the proposed facilities would have the following impacts:

- 1) Proposed site modifications will consist of construction and operation of Unit 4, a 300 MW (nominal) combined cycle combustion turbine generating unit. The development of the Unit 4 power block area will occupy approximately 9 acres north of the existing Units 1, 2, and 3. Unit 4 will be interconnected to the existing Cane Island Power Park substation, approximately 500 feet from the new unit.
- 2) Operation of Unit 4 should have positive incremental socioeconomic impacts in Osceola County through employment and associated tax revenues. During the peak period of Unit 4 construction, approximately 313 jobs will be created by the construction project. The net direct employment effect from Unit 4 will be the creation of approximately two additional full-time operations positions. Unit 4 is not anticipated to adversely impact the local or regional services or infrastructure.
- 3) During the anticipated peak month of worker construction (month 15), it is anticipated that 7,076 round trips will be made to the site. This is equal to approximately 337 trips per day, on average, assuming 21 work days in the peak month. The additional trips to the site will present a small and temporary increase in the traffic flow near the site. Deliveries will be dispersed throughout the day, while worker trips will be linked to the morning and evening commute.

3.2 Operational Impacts

- 1) Completion of the Cane Island Unit 4 addition will increase the use of the facility.
- 2) Although this project will generate CO₂ emissions, the addition of the unit to FMPA's fleet will have the effect of offsetting higher CO₂ emitting units, causing an overall net decrease of CO₂.
- 3) Unit 4 will use a mechanical draft cooling tower as the major equipment heat dissipation/cooling method. Cooling tower makeup water is taken from, and blowdown is returned to, the Toho reuse water pipeline adjacent to the site. There will be no discharge of effluent from the site into surface waters; no impacts to aquatic life are expected.

3.3 Agency Conclusions

The following table includes the recommendations of approval or denial from each of the affected agencies.

Table 2. Agency Recommendations

AGENCY	APPROVAL	DENIAL
PUBLIC SERVICE COMMISSION	√	
OSCEOLA COUNTY	√	
DEPARTMENT OF COMMUNITY AFFAIRS	√	
DEPARTMENT OF TRANSPORTATION	√	
SOUTH FLORIDA WATER MANAGEMENT DISTRICT	√	
DEPARTMENT OF STATE DIV OF HISTORICAL RESOURCES	√	
EAST CENTRAL FLORIDA REGIONAL PLANNING COUNCIL	√	
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION	√	
DEPARTMENT OF ENVIRONMENTAL PROTECTION	√	

3.4 Overall Recommendation

The Department's recommendation is, at least in part, based upon recommendations included in the agencies' reports required by 403.507(2)(a), F.S. Neither the failure of any agency to submit a report nor the inadequacy of a report, are grounds to deny or condition certification {403.507(6), F.S.}

The Department has reviewed the recommendations of all parties and recommends approval of Cane Island Power Park Unit 4 if FMPA/KUA agrees to abide by the conditions of certification, attached and incorporated herein as Appendix I.

DONE AND ISSUED this _10th_ day of November 2008, at Tallahassee



Michael P. Halpin, P.E.
Siting Program Manager

Appendix I: Proposed Conditions of Certification

Appendix II-1: Public Service Commission Determination of Need

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine need for Cane
Island Power Park Unit 4 electrical power plant
in Osceola County, by Florida Municipal
Power Agency.

DOCKET NO. 080253-EM
ORDER NO. PSC-08-0506-FOF-EM
ISSUED: August 8, 2008

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

APPEARANCES:

GARY V. PERKO, ESQUIRE, Hopping, Green & Sams, P.A., 123 South
Calhoun Street, P. O. Box 6526, Tallahassee, Florida 32314; FREDERICK M.
BRYANT and JODY L. FINKLEA, ESQUIRES, Florida Municipal Power
Agency, P.O. Box 3209, Tallahassee, Florida 32315-3209
On behalf of Florida Municipal Power Agency (FMPA).

KATHERINE E. FLEMING and ERIK SAYLER, ESQUIRES, Florida Public
Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-
0850
On behalf of the Florida Public Service Commission (Staff).

FINAL ORDER GRANTING PETITION FOR DETERMINATION OF NEED
FOR PROPOSED ELECTRICAL POWER PLANT

BY THE COMMISSION:

Background

On May 7, 2008, Florida Municipal Power Agency (FMPA) filed a petition for a determination of need for a proposed electrical power plant in Osceola County pursuant to Section 403.519, Florida Statutes (F.S.), and Rule 25-22.080, Florida Administrative Code (F.A.C.). FMPA's proposal consists of constructing one new unit, to be known as Cane Island Unit 4, which will be a high-efficiency, 1x1 F class, natural gas-fueled combined cycle unit, consisting of a combustion turbine and a heat recovery steam generator that will drive a steam turbine generator. The new unit will be capable of generating nominally 300 megawatts (MW). The projected in-service date for Cane Island Unit 4 is May 1, 2011.

This matter was scheduled for a formal administrative hearing on August 4-5, 2008. No persons intervened in this docket, and no public testimony was presented at the hearing on August 4. At the hearing, after taking all evidence, we considered the proposed stipulations regarding the appropriate resolution of all issues identified for this proceeding. We approved the stipulated positions by a bench decision, thereby resolving all issues in this docket and granting FMPA's petition for determination of need. This Order reflects our decision and serves as our report under the Power Plant Siting Act, as required by Section 403.507(4)(a), F.S.

Standard of Review

Section 403.519, F.S., sets forth those matters that we must consider in a proceeding to determine the need for an electrical power plant:

In making its determination, the commission shall take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable cost, and whether the proposed plant is the most cost-effective alternative available. The commission shall also expressly consider the conservation measures taken by or reasonably available to the applicant or its members which might mitigate the need for the proposed plant and other matters within its jurisdiction which it deems relevant.

Findings

As discussed above, we were presented a series of stipulations which serve to address each of the issues that had been identified for hearing. We have reviewed the proposed stipulations, and find that they are appropriate based on the record development of this docket, and that they provide a reasonable resolution of the outstanding issues regarding FMPA's petition. We, therefore, approve the stipulations set forth below.

Need for Electric System Reliability and Integrity

There is a need for Cane Island Unit 4, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519, F.S. FMPA needs Cane Island Unit 4 to meet the growing capacity requirements of the All-Requirements Power Supply Project (ARP). For planning purposes, FMPA has established a 15 percent minimum planned reserve margin criterion for the winter period and an 18 percent planned reserve margin criterion for the summer period. Because FMPA's forecast annual peak demands are projected to occur in the summer of each year, capacity additions necessary to maintain forecast capacity requirements are driven by projected summer peak demands. As shown in the following table, FMPA's summer reserve margins are forecast to fall slightly below the 18 percent level in the summer of 2010. By the following summer of 2011, FMPA's reserve margin is projected to decrease to -1.3 percent, or 286 MW below the required capacity. With the -1.3 percent reserve margin, FMPA is projected to be unable to meet peak loads in the summer of 2011. By the summer of 2012, 363 MW is needed to maintain an 18 percent reserve margin. By providing approximately 300 MW

of capacity, Cane Island Unit 4 will help to meet the ARP's growing needs and contribute to the reliability and integrity of the FMPA/ARP electric system.

Projected Reliability Levels With and Without Cane Island 4 in 2011 Summer – Base Case Load Forecast			
Year	Reserve Margin Without Cane Island 4 in 2011 (%)	Reserve Margin Reflecting Expansion Plan With Cane Island 4 in 2011 (%)	Generating Unit Additions (Summer MW)
2008	25.0%	25.0%	Cane Island 4 (300 MW) 7FA CT (149 MW) 7FA CT (149 MW)
2009	24.7%	24.7%	
2010	17.7%	17.7%	
2011	-1.3%	18.9%	
2012	-5.9%	23.7%	
2013	-10.6%	26.9%	
2014	-12.6%	24.1%	
2015	-14.5%	21.3%	
2016	-16.4%	20.3%	

Need for Adequate Electricity at a Reasonable Cost

There is a need for Cane Island Unit 4, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, F.S. FMPA evaluated several supply-side technologies, either as alternatives to Cane Island Unit 4 or as capacity resource options for installation following the proposed unit. As part of that analysis, FMPA evaluated renewable technologies, conventional technologies, and emerging technologies. As FMPA's most cost-effective means of meeting the ARP's growing needs, Cane Island Unit 4 will help FMPA and the ARP members provide adequate electricity at a reasonable cost. Cane Island Unit 4 is highly efficient and takes advantage of existing electric, natural gas, and other infrastructure to lower the cost of installation.

Need for Fuel Diversity and Supply Reliability

There is a need for Cane Island Unit 4, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519, F.S. FMPA's capacity resources consist of a diversified mix of generation ownership and purchase power, including fossil-fuel (natural gas, oil and coal), nuclear, and renewable resources. FMPA issued a Request for

Proposals (RFP) for purchase power, but received no purchase power proposals in response. Building additional coal or nuclear generation by 2012 is not feasible due to construction and permitting lead times required for these types of generation alternatives. There are several new natural gas storage and pipeline projects that should increase the supply of natural gas to the Southeast region. Moreover, the Cane Island Site is served by two independent suppliers of natural gas: Florida Gas Transmission Company (FGT) and Gulfstream Natural Gas System, LLC. For these reasons, Cane Island Unit 4 should have a reliable fuel supply.

No Mitigating Conservation Measures

There are no conservation measures taken by or reasonably available to FMPA which might mitigate the need for the proposed Cane Island Unit 4. As a wholesale supplier of electric energy to the ARP, FMPA is not directly responsible for conservation and demand-side management (DSM) programs. However, ARP members offer a variety of conservation and DSM programs to their consumers. The impact of these existing conservation and DSM programs are reflected in the ARP's load forecast. In July 2007, FMPA issued an RFP for DSM activities. Discussions are proceeding with the two vendors for the potential implementation of load control measures designed to reduce peak load demand. Subsequent to the filing of the Cane Island 4 Need for Power Application, FMPA has entered into a contract with an energy service company (ESCO) to design, develop, and implement energy efficiency projects for commercial and industrial customers. Additionally, FMPA is developing a program to assist ARP Members in implementing energy conservation measures. Under this program, FMPA could collect funds through its rates that would be allocated among the ARP Members for conservation programs.

Most Cost-Effective Alternative Available

Cane Island Unit 4 is the most cost-effective alternative available, as this criterion is used in Section 403.519, F.S. Cane Island Unit 4 provides the most cost-effective solution to satisfy FMPA's forecast capacity requirements. Although FMPA, an association of municipal utilities, is not subject to the Commission's "Bid Rule," the agency issued a competitive RFP for purchase power options, as well as separate RFPs for renewable and solar energy resources. Based on the results of production cost modeling of multiple economic scenarios, FMPA identified a new nominal 300 MW combined cycle generating facility as the most cost-effective alternative to meet the ARP's capacity needs. FMPA's evaluation included several sensitivity analyses utilizing different fuel costs and potential CO2 regulatory costs based on estimates developed by the U.S. Department of Energy's Energy Information Agency and the U.S. Environmental Protection Agency. Results of the analysis showed that building Cane Island Unit 4 would produce savings through 2027 of \$21.6 million to \$81.5 million. All of the analyses demonstrate that the proposed Cane Island Unit 4 with an in-service date of 2011 is FMPA's most cost-effective alternative to meet the ARP's need for additional capacity.

Renewable Energy Sources and Technologies Utilized to the Extent Reasonably Available

FMPPA has utilized renewable energy sources and technologies, as well as conservation measures, to the extent reasonably available. FMPPA's generating mix already includes reasonably available renewable resources. In addition, FMPPA issued RFPs for renewable and solar energy resources. Based on FMPPA's evaluation, none of the RFP responses were cost-effective compared to the self-build alternative. However, the ARP is continuing to investigate a new solar initiative which would include initial installation of 10 MW of solar photovoltaic (PV) capacity with potential to ultimately increase the PV capacity to 100 MW. FMPPA also is in discussions with a vendor regarding a potential purchase of renewable energy from a new biomass facility. However, FMPPA's ultimate decision whether or not to utilize the additional biomass resource at the attendant higher cost will depend on the ability to reach acceptable contractual terms, as well as the resolution of numerous regulatory issues. Although FMPPA has not made a final decision on the potential solar and biomass purchases, they have been included in two of the alternative resource plans examined in the economic analyses. Those analyses demonstrate that Cane Island Unit 4 would still be the most cost-effective alternative for meeting the ARP's capacity needs even if FMPPA were to enter into the biomass and solar purchases. As compared to the reference case, the modeling scenarios with the solar and biomass alternatives would increase total system costs by approximately \$285.9 million. FMPPA will report on the status of the potential solar and biomass projects in its annual ten year site plan.

The ARP Members offer a variety of conservation and DSM programs to their consumers. Additionally, as a result of the DSM RFP and other efforts, FMPPA continues to explore potential conservation measures and, subsequent to the filing of the Cane Island 4 Need for Power Application, has signed an agreement with the vendor who proposed to provide ESCO services. Potential demand and energy savings associated with these projects would not affect the need for Cane Island Unit 4, but could affect the timing of future capacity addition. Even though a contract for a demand response program resulting from the RFP has not been finalized, the economic evaluations included the demand response program from the proposal with the largest capacity reduction proposed. Cane Island Unit 4 remained the most cost-effective alternative available to provide the additional capacity necessary for FMPPA's system including the DSM proposal.

Conclusion

Based on the resolution of the foregoing issues, The Commission should grant the petition for determination of need for Cane Island Unit 4 because it is the most cost-effective option available to meet FMPPA's needs beginning in 2011. There are no cost-effective conservation or demand-side measures available to offset the need. Cane Island Unit 4 will provide adequate electricity at a reasonable cost and it will contribute to the reliability and integrity of FMPPA's system. In addition, FMPPA and the ARP members have utilized renewable energy sources and technologies as well as conservation measures to the extent reasonably available.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Municipal Power Agency's petition for determination of need for its proposed Cane Island Unit 4 is granted. It is further

ORDERED that this docket shall be closed if no appeal is filed within the time permitted for filing an appeal of this Order.

By ORDER of the Florida Public Service Commission this 8th day of August, 2008.

/s/ Ann Cole

ANN COLE

Commission Clerk

This is an electronic transmission. A copy of the original signature is available from the Commission's website, www.floridapsc.com, or by faxing a request to the Office of Commission Clerk at 1-850-413-7118.

(S E A L)

KEF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within five (5) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or
- 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Appendix II-2: Amended Order for Public Service Commission Need Determination

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine need for Cane
Island Power Park Unit 4 electrical power plant
in Osceola County, by Florida Municipal
Power Agency.

DOCKET NO. 080253-EM
ORDER NO. PSC-08-0506A-FOF-EM
ISSUED: August 18, 2008

AMENDATORY ORDER

BY THE COMMISSION:

On August 8, 2008, the Florida Public Service Commission issued Order No. PSC-08-0506-FOF-EM. Due to a scrivener's error, the Order inadvertently reflected that all Commissioners participated in the disposition of this matter; however, only Chairman Matthew M. Carter II, Commissioner Lisa Polak Edgar, and Commissioner Nancy Argenziano were assigned as the deciding panel. Accordingly, the Order shall be amended to accurately reflect the Commissioners that participated in the disposition of this matter.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Order No. PSC-08-0506-FOF-EM is hereby amended as set forth herein. It is further

ORDERED that Order No. PSC-08-0506-FOF-EM is reaffirmed in all other respects.

By ORDER of the Florida Public Service Commission this 18th day of August, 2008.

/s/ Ann Cole

ANN COLE

Commission Clerk

This is an electronic transmission. A copy of the original signature is available from the Commission's website, www.floridapsc.com, or by faxing a request to the Office of Commission Clerk at 1-850-413-7118.

(S E A L)

KEF

Appendix II-3: Department of Community Affairs Agency Report



STATE OF FLORIDA

DEPARTMENT OF COMMUNITY AFFAIRS

"Dedicated to making Florida a better place to call home"

CHARLIE CRIST
Governor

THOMAS G. PELHAM
Secretary

October 22, 2008

Mr. Mike Halpin, Program Administrator
Siting Coordination Office
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399

Re: Final Agency Report: Cane Island Power Park Unit 4

Dear Mr. Halpin:

This letter serves as the Agency Report submitted by the Department of Community Affairs as required by the Power Plant Siting Act (PPSA), Chapter 403.501-.518, Florida Statutes, (F.S.) in response to the application filed by Florida Municipal Power Agency (FMPA) and Kissimmee Utility Authority (KUA) for certification of Unit 4 at the existing Cane Island Power Park (CIPP) site. The CIPP site is located at 6075 Old Tampa Highway near Intercession City, Osceola County, Florida. It is proposed that Unit 4 be added to the existing certified CIPP site and be scheduled for commercial operation in May 2011.

Department staff has reviewed the completed site certification application and has identified an issue of concern. The issue addresses the availability of the reuse water from Tohopekalgia Water Authority (TWA) for the life of the project. According to the South Florida Water Management District (SFWMD) the life of the project is 40 years and the reuse water contract with TWA is for only 30 years. To address this issue, the Department supports the SFWMD's "Impact Assessment Report" recommendation that the Conditions of Certification require the contract to be extended for another ten years to cover the 40-year life of the facility. As the SFWMD suggests, the applicant may also submit a written plan reflecting an alternative water supply source.

Concerning our previous request for water supply planning coordination between Osceola County, the TWA, and the SFWMD, we are satisfied that this has occurred. The Department has received written communication from Mr. Forgey, Principal Planner, Osceola County, indicating that they have communicated with these entities and that the Ten-year Water Supply Facilities Work Plan, as required by Chapter 163.3177(6)(c), F.S., will consider the water consumption needs of this facility.

2555 SHUMARD OAK BOULEVARD TALLAHASSEE, FL 32399-2100

Phone: 850-488-8466 Fax: 850-921-0781 Website: www.dca.state.fl.us

COMMUNITY PLANNING

Phone: 850-488-2356 Fax: 850-488-3309

AREAS OF CRITICAL STATE CONCERN FIELD OFFICE

Phone: 305-289-2402 Fax: 305-289-2442

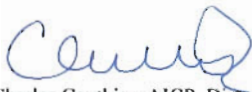
HOUSING AND COMMUNITY DEVELOPMENT

Phone: 850-488-7956 Fax: 850-922-5623

The Department does not require the applicant to seek any additional variations, exceptions, forms of relief or to satisfy other conditions of certification. The Department recommends the approval of this application and encourages that the recommendation for the Conditions of Certification by the SFWMD is included as part of the final order.

If you have any questions regarding this report, please contact Dr. Barbara Lenczewski at (850) 922-1786, or you may contact her by email at: barbara.lenczewski@deca.state.fl.us.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Charles Gauthier', is positioned above the printed name.

Charles Gauthier, AICP, Director
Division of Community Planning

CG/sf

cc: Mr. Phil Laurien, Executive Director, East Central Florida Regional Planning Council
Mr. Max Forgey, Principal Planner, Osceola County Planning and Zoning Office
Mr. Peter Brown, Policy Analyst, St. Johns River Water Management District

Appendix II-4: Osceola County Agency Report



**GROWTH
MANAGEMENT**

Don Fisher
*Deputy Administrator,
Community Development*

Dave Tomek
Planning & Zoning Director

Wayne Bennett
Deputy Planning Director

Joe Johnston
Development Supervisor

Marlene Caruso
Recording Secretary

Linda Thomas
Sr. Development Technician

Rita Kessler
Sr. Development Technician

Linda Martin
Senior Clerk

Shawn Fletcher
Development Technician

Jacquie Sheets
Development Technician

Susana Hernandez
Development Technician

**Osceola
County**

1 Courthouse Square, Suite 1400
Kissimmee, FL 34741-5488
Phone: (407) 343-3100
Fax: (407) 343-2277

June 23, 2008

Larry Mattern
1701 West Carroll Street
Kissimmee, FL 34741

REF: CU08-00023 – Larry Mattern – Allow for the construction of a nominal 300 MW combined cycle combustion turbine unit (Unit 4) at the Cane Island Power Park– 1,027 acres

Dear Mr. Mattern:

Your referenced request for approval of a Conditional Use (CU) was granted by the Osceola County Board of County Commissioners at their meeting of June 16, 2008.

SPECIAL CONDITIONS:

1. KUA shall not to exceed the sound level of 55 dBA at the property line in the residential areas. (This was special condition 15 from previously approved CU92-86).
2. The special conditions of this request will supercede the conditions in CU92-86.
3. Within 30 days of commencement of operation of the combustion turbine power plant Unit 4, the applicant shall monitor the noise impacts from the facility at the boundaries of the KUA site to ensure that the noise impact generated by the facility complies with the maximum allowed 55 dBA. The applicant shall forward the results of the monitoring and modeling to the County Zoning Division. If the noise impacts exceed the maximum allowed 55 dBA, the applicant shall immediately take corrective action to bring operation of the facility into compliance with the respective sound level.
4. If Osceola County can negotiate the establishment of a site for a future park with the South Florida Water Management District, KUA will not object.
5. KUA agrees to comply with any future changes which relate to the magnetic field which would cause the regulatory agencies to change the regulations.
6. The applicant shall specify the timing of construction and truck routes as part of the EIP approval.
7. The applicant has elected to defer capacity reservation for a 300 MW combined cycle combustion turbine unit. Therefore, the applicant will provide a Final Concurrency Application, including a letter of service intent and adequate capacity at the appropriate level of service, or lack thereof, to serve the proposed development, from the utility provider for water and sewer at the time of the Engineering Improvement Plan Submittal. Prior to receiving Engineering Improvement Plan (Final Development Order) approval for this project, a positive concurrency evaluation is required.

Applicant has voluntarily agreed to submit a quarterly noise monitoring report to the Growth Management Department to ensure compliance.

Once approved, adherence, to all applicable local, county and state ordinances and regulations is required.

Larry Mattern
Page Two – CU08-00023
June 19, 2008

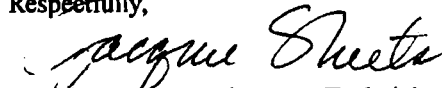
You must obtain any required permits from the Building Department prior to construction. Unless conditions listed above have been complied with, permits will not be issued. Engineered site plans must be submitted within two years of this approval or the approval will become void.

NOTE: All written commitments made in the application and subsequent submissions of information made during the application review process, which are on file with the Planning Office, shall be considered to be binding upon the applicant, provided such commitments are not at variance with the Comprehensive Plan, LDC or other development regulations in effect at the time of development.

The official Board action is reflected in the minutes subsequently reviewed and adopted by the Board. Any conflicts between the restatement of the Board's action contained herein and the approved minutes of the Board shall be reconciled by utilizing the Board approved minutes.

If I can be of assistance, please contact me at 407-343-3063.

Respectfully,



Jacquie Sheets/Development Technician

c: Stanley Armbruster, P.E., Black & Veatch Corp.
Kissimmee Utility Authority



Osceola County Planning Commission Staff Report

June 05, 2008

Growth Management

CASE NUMBER

CU08-00023

Applicant

LARRY MATTERN

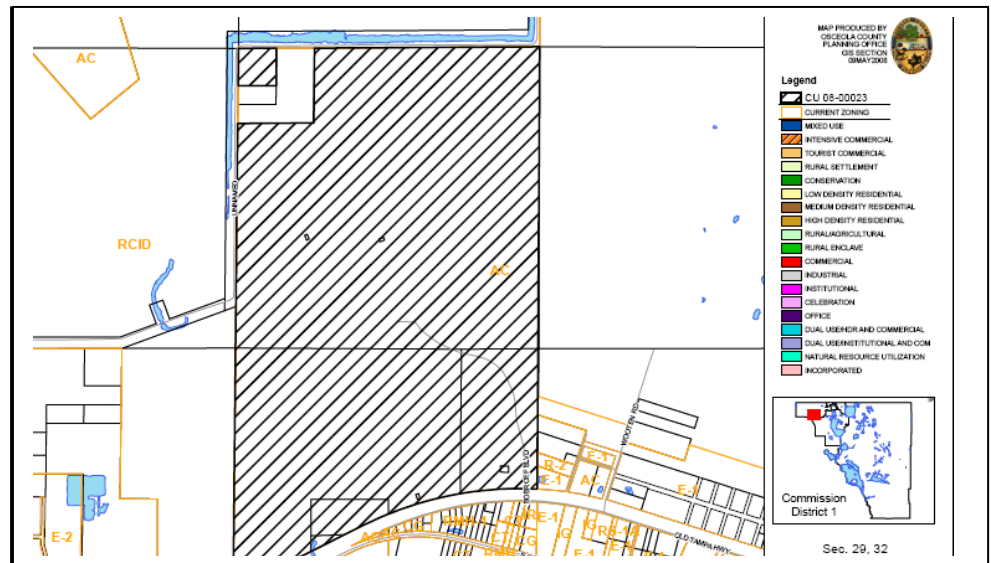
Location

North of US Highway
17-92, south of W. Irlo
Bronson Memorial
Highway and west of
Poinciana Boulevard.

Commission District

District 1 - Paul Owen

Project Coordinator



CU08-00023

Project Description

Request to approve a Conditional Use to allow for the construction of a nominal 300 MW combined cycle combustion turbine unit (Unit 4) at the Cane Island Power Park on approximately 1,027 acres of land within an Agricultural Development and Conservation (AC) Zoning District.

Public Comment

Notice of public hearing was mailed to property owners within 300 feet of the subject property. No oral or written comments have been received at the time of this report's distribution. Additional public comments may be available at the public hearing.

Review Staff Evaluation & Findings

"Once approved, adherence to all applicable Local, County and State Ordinances and Regulations is required."

Staff Reviewers	Recommendations
911 ADDRESSING:	Approval

BACKGROUND INFO:

The applicant for this request is Florida Municipal Power Agency and Kissimmee Utility Authority. The site is located on the north side of Old Tampa Highway, west of Poinciana Blvd., and south of Irlo Bronson Memorial Highway. The site is adjacent to Rural/Agricultural future land use and AC (Agricultural Development and Conservation) zoning designation to the north, east and west. To the south, across Old Tampa Highway is Low Density Residential future land use and RMH-1 (Residential Manufactured Housing) zoning.

The Kissimmee Utility Authority and the Florida Municipal Power Agency request conditional use approval for the construction of a new nominal 300 MW combined cycle combustion unit (Unit 4) at the Cane Island Power Park. The tallest structure will be the new Unit 4 exhaust stack. The height of the stack will be approximately 160 feet. The site has three existing units that were certified under the Power Plant Siting Act, Site Certification Order, PA98-38. Conditional Use approval was previously granted for Units 1, 2 (CU91-90) and unit 3 under CU92-86 for a total of 410 MW.

The Cane Island Power Plant site encompasses 1,027 acres. Of those 1,027 acres, 860 acres are in a conservation easement granted to the South Florida Water Management District and the Florida Fish and Wildlife Conservation Commission. Unit 4 will result in the permanent use of 9 acres in the power block area. This area has already been impacted and cleared.

This project has no impact to public schools. Likewise, the applicant is required to obtain or modify a SFWMD permit. The maximum predicted sound level at the property boundary for the entire facility is expected to be 45 dBA, which meets the County Code maximum of 50 dBA. The highest property boundary sound levels are predicted to occur along the west property line among areas where forested wetlands preclude the possibility of development. Unit 4 is expected to be in compliance with Special Condition 15 of CU92-86 which allows a maximum sound level of 55 dBA at the property boundaries. A condition of approval is included to ensure this level is not exceeded.

Water use for the cooling tower associated with the 300MW generator is to be provided primarily through reclaimed water provided by Toho Water Authority. The expected total water demand for the entire facility is 4.0 mgd, which is to be provided through reclaimed water. In the event Toho is unable to provide reclaimed water, there are four new emergency wells along with the four existing wells that will provide 2.786 mgd. The onsite wells have been modeled to illustrate minimal impact on the water core of influence for the area. In conclusion, the water usage has been addressed by the Toho Water Authority and there will be no significant impact to the aquifer recharge area or neighboring wells.

Staff recommends approval of this Conditional Use application as technological improvements have aided in providing for a more compatible site. The project causes minimum impact to the surrounding area and is consistent with the already approved uses and the Land Development Code.

ENGINEERING:	Approval
ENVIRONMENTAL:	Approval
GIS:	Approval
PARKS & RECREATION:	Approval
PLANNING:	Approval, subject to Special Conditions: 1. KUA shall not to exceed the sound level of 55 dBA at the property line in the residential areas. (this was Special Condition #15 from previously approved CU92-86) 2. The special conditions of this request will supercede the conditions in CU92-86. 3. Within 30 days of commencement of operation of the combustion turbine power plant Unit 4, the applicant shall monitor the noise impacts from the facility at the boundaries of the KUA site to ensure that the noise impact generated by the facility complies with the maximum allowed 55 dBA. The applicant shall forward the results of the monitoring and modeling to the County Zoning Division. If the noise impacts exceed the maximum allowed 55 dBA, the applicant shall immediately take corrective action to bring operation of the facility into compliance with the respective sound level. 4. If Osceola County can negotiate the establishment of a site for a future park with the South Florida Water Management District, KUA will not object. 5. KUA agrees to comply with any future changes which relate to the magnetic field which would cause the regulatory agencies to change the regulations. 6. The applicant shall specify the timing of construction and truck routes as part of the EIP approval.
PUBLIC SAFETY:	Approval
SCHOOL DISTRICT:	Approval
SOUTH FLORIDA WATER MANAGEMENT:	Approval

TRANSPORTATION:	Special Condition: 1. The applicant has elected to defer capacity reservation for a 300 MW combined cycle combustion turbine unit. Therefore, the applicant will provide a Final Concurrency Application, including a letter of service intent and adequate capacity at the appropriate level of service, or lack thereof, to serve the proposed development, from the utility provider for water and sewer at the time of the Engineering Improvement Plan Submittal. Prior to receiving Engineering Improvement Plan (Final Development Order) approval for this project, a positive concurrency evaluation is required.
ZONING:	Approval.

1. STAFF RECOMMENDATIONS:

Approval, subject to Special Conditions.

Appendix II-5: Florida Fish and Wildlife Conservation Commission Recommendation

Halpin, Mike

From: Poole, MaryAnn [MaryAnn.Poole@MyFWC.com]
Sent: Thursday, October 23, 2008 12:03 PM
To: Halpin, Mike; Lau, Steve
Cc: Walsh, Joe; Sanders, Scott; Norton, Emily
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

I had been waiting to get some generic conditions related to gopher tortoises from staff, but just learned that the site is covered by an existing gopher tortoise permit, so I think we can go with what Steve provided:

Approval of the project (b) is fine with me and I have no requirements or conditions (a) or (c) to add.

Steve

Thanks for your patience!

From: Halpin, Mike [mailto:Mike.Halpin@dep.state.fl.us]
Sent: Thursday, October 23, 2008 11:54 AM
To: Poole, MaryAnn; Lau, Steve
Cc: Walsh, Joe
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

Mary Ann –
 Any update (still waiting)?
 Thanks,
 Mike

From: Poole, MaryAnn [mailto:MaryAnn.Poole@MyFWC.com]
Sent: Tuesday, October 21, 2008 3:43 PM
To: Halpin, Mike; Lau, Steve
Cc: Walsh, Joe
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

FYI, I've forwarded to our legal staff some brief language that Steve has proposed for their review before finalizing it.

From: Halpin, Mike [mailto:Mike.Halpin@dep.state.fl.us]
Sent: Tuesday, October 21, 2008 12:25 PM
To: Poole, MaryAnn; Lau, Steve
Cc: Walsh, Joe
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

This (an e-mail) is OK by me, except (as the bottom e-mail says), I will need 3 things from you in that e-mail:

- (a) A notice of any nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the proposed electrical power plant to be certified. Failure of such notification by an agency shall be treated as a waiver from nonprocedural requirements of that agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.
- (b) A recommendation for approval or denial of the application.
- (c) Any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes

the proposed condition.

From: Poole, MaryAnn [mailto:MaryAnn.Poole@MyFWC.com]
Sent: Tuesday, October 21, 2008 12:11 PM
To: Lau, Steve; Halpin, Mike
Cc: Walsh, Joe
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

I believe we will still need to send in a report to that effect, unless Mike says this email will suffice.

From: Lau, Steve
Sent: Tuesday, October 21, 2008 12:10 PM
To: Poole, MaryAnn
Subject: FW: FMPA/KUA Cane Island Unit 4 Agency reports

I thought I replied before on this project. I don't have any issues with project. It is located within the already permitted plant footprint.

Steve

From: Halpin, Mike [mailto:Mike.Halpin@dep.state.fl.us]
Sent: Tuesday, October 21, 2008 12:00 PM
To: Poole, MaryAnn; Lau, Steve
Cc: Walsh, Joe
Subject: Re: FMPA/KUA Cane Island Unit 4 Agency reports

Mary Ann / Steve –
 Unless I have misplaced it, I do not see an agency report from FWC?
 Give me a call if needed.
 Mike
 850/245-8005

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on [this link to the DEP Customer Survey](#). Thank you in advance for completing the survey.

From: Halpin, Mike
Sent: Monday, October 06, 2008 12:40 PM
To: 'Barbara Lenczewski (DCA)'; 'Bart Bibler'; Bradner, James; 'Connie Mitchell'; 'Edward Yaun'; 'Emily Norton'; Ferraro, Chris; 'Forrest Watson'; Harris, Marc; 'James Antista'; 'Jim Golden'; 'Laura Kammerer'; 'Mary Ann Poole'; 'mfre2@osceola.org'; 'Phil Laurien'; Potts, Elsa; SpeasFrost, Shanin; 'Steve Lau'; 'Kimberly Menchion, Asst. Gen. Cnsl.'
Cc: Garfein, Vivian; Sawicki, Sharon; Sturtevant, Toni
Subject: FMPA/KUA Cane Island Unit 4 Agency reports

This is a "heads-up" that according to the schedule (<http://www.doah.state.fl.us/docdoc/2008/001629/08001629M-040408-10355035.PDF>), Agency reports are due next Monday, October 13th. These reports are to be submitted to the Department and the applicant as per Florida Statutes which state: "No later than 100 days after the certification application has been determined complete, the following agencies shall prepare reports as provided below and shall submit them to the department and the applicant, unless a final order denying the determination of need has been issued under s. 403.519."

There are 3 requirements that must be included in the Agency reports as defined by 403.507(3), F.S. and listed below:

10/29/2008

- (a) A notice of any nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the proposed electrical power plant to be certified. Failure of such notification by an agency shall be treated as a waiver from nonprocedural requirements of that agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.
- (b) A recommendation for approval or denial of the application.
- (c) Any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes the proposed condition.

Thanks [much](#),
Mike Halpin
850/245-8005

Appendix II-6: East Central Florida Regional Planning Council Agency Report



East Central Florida Regional Planning Council

631 North Wymore Road, Suite 100 • Maitland, FL 32751
Phone 407.623.1075 • Fax 407.623.1084 • www.ecfrpc.org

Philip Laurien, AICP
Executive Director

October 13, 2008

Mr. Mike Halpin, Program Administrator
Energy and Siting Coordination Office
Florida Department of Environmental Protection
2600 Blair Stone Rd.
Tallahassee, FL 32399

RE: Agency Report, Florida Municipal Power Agency and Kissimmee Utility
Authority Cane Island Power Park Unit 4 Power Plant Siting Application

Dear Ms. Halpin,

The East Central Florida Regional Planning Council has completed the Agency Report for the Cane Island Power Park Unit 4 application pursuant to 403.507(2), F.S. The applicant proposes to expand the existing power plant by developing a new 300MW one-on-one, combined cycle combustion turbine unit firing natural gas as the only fuel. No new associated offsite facilities are required to support Unit 4 or the existing units.

Council staff met with the applicants regarding the proposed power plant siting in January, 2008. Council staff visited the Cane Island Power Park on April 15, 2008 to examine the proposed site and to discuss preliminary recommendations with the applicant. At the meeting staff expressed concerns regarding adverse impacts to sand skink habitat. The sand skink is an endemic species to sandy ridges of Central Florida and is listed as a state threatened species.

Pursuant to ECFRPC Strategic Regional Policy Plan, Policy 4.31: *Planning and development approval shall avoid adverse impacts to listed species. Where suitable habitat on a project site is used by a listed species, a site plan and a management plan to minimize harm to the species and to maintain sufficient habitat to support a viable population of the species on-site should be required as a condition of development approval.*

There was no information provided in the application regarding sand skink habitat, although the species was originally listed in the 2003 Cane Island Annual Mitigation and Monitoring Report, as observed in mixed hardwood swamp and cypress habitat. The sand skink is typically found in open, sandy areas with some detritus groundcover. Council requested additional information regarding sand skink surveying, and between April 21 and May 15, 2008 a survey was conducted in the undisturbed sand pine scrub Unit 4 development areas. **No sand skinks or tracks were observed.**

Executive Committee

Chair

Teresa Jacobs
Commissioner
Orange County

Vice Chair

Malcolm McLouth
Governor's Appointee
Brevard County

Treasurer

Mary Martin
Vice Mayor of Port Orange
Volusia County League of Cities

Secretary

Atlee Mercer
Property Appraiser
Osceola County

Former Chair

Jon B. Rawlson
Governor's Appointee
Orange County

Serving Brevard, Lake, Orange, Osceola, Seminole and Volusia Counties.

Council staff has not identified any “nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the proposed electrical power plant to be certified.”

Therefore, and for the reasons listed above, the Council recommends approval of this application. The Council reserves the right to address any further issues regarding this project as additional information becomes available.

Sincerely,

Phil Laurien
Executive Director

Appendix II-7: Department of Transportation Affairs Agency Report



Florida Department of Transportation

CHARLIE CRIST
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

STEPHANIE C. KOPELOUSOS
SECRETARY

October 13, 2008

Mr. Mike Halpin, Program Administrator
Florida Energy and Siting Coordination Office
Department of Environmental Protection
2600 Blair Stone Road, MS 48
Tallahassee, Florida 32399-2400

Re: Florida Municipal Power Agency and
Kissimmee Utility Authority Cane Island
Power Park Unit 4 Project Power Plant Siting Application
PPSA No. 98-38A2
DOAH Case No. 08-001629EPP
DEP OGC Case No. 08-0563

Dear Mr. Halpin:

Enclosed is the Florida Department of Transportation's Agency Report for the Florida Municipal Power Agency and Kissimmee Utility Authority Cane Island Power Park Unit 4 Project Power Plant Siting Application.

If there are any questions, please call either me at (850) 414-5293 or Connie Mitchell, Siting Coordinator, at (850) 414-4572. Thank you.

Sincerely,

Kimberly Menchion
Assistant General Counsel

cc: Gary Perko, Esq., Hopping Green & Sams, P.A.
Connie Mitchell

**FLORIDA DEPARTMENT OF TRANSPORTATION
CANE ISLAND POWER PARK UNIT 4
OCTOBER 2008**

SECTION I. CORRIDOR LOCATION ISSUES

No outstanding issues.

SECTION II. OUTSTANDING SUFFICIENCY ISSUES

No outstanding issues.

SECTION III. VARIANCES TO STANDARDS

No variances requested.

SECTION IV. SPECIAL USE PERMISSIONS

No special use permissions requested.

SECTION V. RECOMMENDATION FOR CERTIFICATION

The Florida Department of Transportation recommends the certification of the proposed power plant expansion. This recommendation is made contingent upon the conditions of Section VI being addressed/met.

SECTION VI. PROPOSED CONDITIONS OF CERTIFICATION

6.1 REQUEST FOR RESTRICTED AREAS

No requests for restricted areas are necessary.

6.2 POST CERTIFICATION REVIEW ITEMS

Access Management to the State Highway System: Any access to the State Highway System will be subject to the requirements of Rule Chapters 14-96, State Highway System Connection Permits, and 14-97, Access Management Classification System and Standards, Florida Administrative Code.

Overweight or Overdimensional Loads: Operation of overweight or overdimensional loads by the applicant on State transportation facilities during construction and operation of the utility facility will be subject to safety and permitting requirements of Chapter 316, Florida Statutes,

and Rule Chapter 14-26, Safety Regulations and Permit Fees for Overweight and Overdimensional Vehicles, Florida Administrative Code.

Use of State of Florida Right of Way or Transportation Facilities: All usage and crossing of State of Florida right of way or transportation facilities will be subject to Rule Chapter 14-46, Utilities Installation or Adjustment, Florida Administrative Code; Florida Department of Transportation's Utility Accommodation Manual (Document 710-020-001); Design Standards for Design, Construction, Maintenance and Utility Operation on the State Highway System; Standard Specifications for Road and Bridge Construction; and pertinent sections of the Florida Department of Transportation's Project Development and Environmental Manual. Interstate 4, State Road 417, and State Road 429 have been identified as Florida Intrastate Highway System (FIHS) and Strategic Intermodal System's (SIS) facilities. The placement of the transmission line and pipeline should take into consideration the planned widening of these facilities. The cost of relocating or reconstructing the transmission line and pipeline will be borne by the applicant to the extent required by Section 337.403, Florida Statutes, and Rule Chapter 14-46, Florida Administrative Code.

Standards: The Manual on Uniform Traffic Control Devices; Florida Department of Transportation's Design Standards for Design, Construction, Maintenance and Utility Operation on the State Highway System; Florida Department of Transportation's Standard Specifications for Road and Bridge Construction; Florida Department of Transportation's Utility Accommodation Manual; and pertinent sections of the Department of Transportation's Project Development and Environmental Manual will be adhered to in all circumstances involving the State Highway System and other transportation facilities.

Drainage: Any drainage onto State of Florida right of way and transportation facilities will be subject to the requirements of Rule Chapter 14-86, Drainage Connections, Florida Administrative Code, including the attainment of any permit required thereby.

Use of Air Space: Any newly proposed structure or alteration of an existing structure will be subject to the requirements of Chapter 333, F.S., and Rule 14-60.009, Airspace Protection, F.A.C. Additionally, notification to the Federal Aviation Administration (FAA) is required prior to beginning construction, if the structure exceeds notification requirements of 14 CFR Part 77, Objects Affecting Navigable Airspace, Subpart B, Notice of Construction or Alteration. Notification will be provided to FAA Southern Region Headquarters using FAA Form 7460-1, Notice of Proposed Construction or Alteration in accordance with instructions therein. A subsequent Determination by the FAA stating that the structure exceeds any federal obstruction standard of 14 CFR Part 77, Subpart C for any structure that is located within a 10-nautical-mile radius of the geographical center of a public-use airport or military airfield in Florida will be required to submit information for an Airspace Obstruction Permit from the Florida Department of Transportation or variance from local government depending on the entity with jurisdictional authority over the site of the proposed structure. The FAA Determination regarding the structure serves only as a review of its impact on federal airspace and is not an authorization to proceed with any construction. However, FAA recommendations for marking and/or lighting of the proposed structure are made mandatory by Florida law. For a site under Florida Department of Transportation jurisdiction, application will be made by submitting Florida Department

Transportation Form 725-040-11, Airspace Obstruction Permit Application, in accordance with the instructions therein.

Level of Service on State Roadway Facilities: All traffic impacts to State roadway facilities on the FIHS or the SIS, or funded by Section 339.2819, Florida Statutes, will be subject to the requirements of the level of service standards adopted by local governments pursuant to Rule Chapter 14-94, Statewide Minimum Level of Service Standards, Florida Administrative Code, in accordance with Section 163.3180(10), Florida Statutes. All traffic impacts to State roadway facilities not on the FIHS, the SIS, or funded by Section 339.2819, Florida Statutes, will be subject to adequate level of service standards established by the local governments.

SECTION VII BEST MANAGEMENT PRACTICES

Traffic control during facility construction and maintenance will be subject to the standards contained in the Manual on Uniform Traffic Control Devices; Rule Chapter 14-94, Statewide Minimum Level of Service Standards, Florida Administrative Code; Florida Department of Transportation's Design Standards for Design, Construction, Maintenance and Utility Operation on the State Highway; Florida Department of Transportation's Standard Specifications for Road and Bridge Construction; and Florida Department of Transportation's Utility Accommodation Manual, whichever is more stringent.

It is recommended that the applicant encourage transportation demand management techniques by doing the following:

Placing a bulletin board on site for car pooling advertisements.

Requiring that heavy construction vehicles remain onsite for the duration of construction to the extent practicable.

If the applicant uses contractors for the delivery of any overweight or overdimensional loads to the site during construction, the applicant should ensure that its contractors adhere to the necessary standards and receive the necessary permits required under Chapter 316, Florida Statutes, and Rule Chapter 14-26, Safety Regulations and Permit Fees for Overweight and Overdimensional Vehicles, Florida Administrative Code.

Appendix II-8: South Florida Water Management District Agency Report



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

LAN 04-06

October 13, 2008

Mr. Michael P. Halpin, P.E.
Administrator, Siting Coordination Office
Department of Environmental Protection, MS 48
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Mike
Dear Mr. Halpin:

**Subject: FMPA/KUA Cane Island Power Park Unit 4
Power Plant Site Certification Application, PA 98-38A2
Agency Report**

Enclosed is the South Florida Water Management District's (SFWMD's) agency report on the above subject project, as required by Section 403.526, F.S., and Chapter 62-17.091, F.A.C. The report was officially approved by the SFWMD's Governing Board for transmittal to the Florida Department of Environmental Protection (FDEP) at their meeting on Thursday, October 9, 2008.

The SFWMD is recommending approval of the proposed project, subject to compliance with the SFWMD's Recommended Certification Conditions. If the applicant submits additional information required by any of the Recommended Certification Conditions prior to the time the FDEP must issue its Combined Agency Report or the Certification hearing is held on this project, and staff is able to make a determination of consistency with the appropriate SFWMD rules and criteria, the SFWMD will provide the FDEP with a revised report and set of Recommended Certification Conditions which reflect the results of the SFWMD's review of the additional information.

If you have any questions concerning the above, please do not hesitate to contact me at (561) 682-6862.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim", is written over a horizontal line.

James J. Golden, AICP
Lead Planner
Environmental Resource Regulation Department

/jjg

Enclosure

c: See attached list

Appendix II-9: Department of State Agency Recommendation

Halpin, Mike

From: Kammerer, Laura [LKammerer@dos.state.fl.us]
Sent: Monday, October 20, 2008 6:13 PM
To: Halpin, Mike
Subject: RE: FMPA/KUA Cane Island Unit 4 Agency reports

Mike,

No further comments from the Department of State on this application. Recommend approval of the application as it pertains to Florida's cultural resource concerns.

Sincerely,
 Laura Kammerer

PS: I was out of the office Oct 6-15th. Sorry for the late response.

Laura A. Kammerer
 Historic Preservationist Supervisor
 Compliance & Review Section
 Division of Historical Resources
 R.A. Gray Building - Room 423
 500 South Bronough Street
 Tallahassee, FL 32399-0250
 (850)245-6333
 Fax (850)245-6438

Please take a few minutes to provide feedback on the quality of service you received from our staff. The Florida Department of State values your feedback as a customer. Kurt Browning, Florida's Secretary of State, is committed to continuously assessing and improving the level and quality of services provided to you. Simply click on the link to the "DOS Customer Satisfaction Survey." Thank you in advance for your participation. [DOS Customer Satisfaction Survey](#)

From: Halpin, Mike [mailto:Mike.Halpin@dep.state.fl.us]
Sent: Monday, October 06, 2008 12:40 PM
To: Barbara Lenczewski (DCA); Bart Bibler; Bradner, James; Connie Mitchell; Edward Yaun; Emily Norton; Ferraro, Chris; Forrest Watson; Harris, Marc; James Antista; Jim Golden; Kammerer, Laura; Mary Ann Poole; mfre2@osceola.org; Phil Laurien; Potts, Elsa; SpeasFrost, Shanin; Steve Lau; Kimberly Menchion, Asst. Gen. Cnsl.
Cc: Garfein, Vivian; Sawicki, Sharon; Sturtevant, Toni
Subject: FMPA/KUA Cane Island Unit 4 Agency reports

This is a "heads-up" that according to the schedule (<http://www.doah.state.fl.us/docdoc/2008/001629/08001629M-040408-10355035.PDF>), Agency reports are due next Monday, October 13th.

These reports are to be submitted to the Department and the applicant as per Florida Statutes which state: "No later than 100 days after the certification application has been determined complete, the following agencies shall prepare reports as provided below and shall submit them to the department and the applicant, unless a final order denying the determination of need has been issued under s. 403.519."

There are 3 requirements that must be included in the Agency reports as defined by 403.507(3), F.S. and listed below:

(a) A notice of any nonprocedural requirements not specifically listed in the application from which a variance, exemption, exception, or other relief is necessary in order for the proposed electrical power plant to be certified. Failure of such notification by an agency shall be treated as a waiver from nonprocedural requirements of that agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.

(b) A recommendation for approval or denial of the application.

(c) Any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes the proposed condition.

Thanks **much**,

Mike Halpin

850/245-8005

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on [this link to the DEP Customer Survey](#). Thank you in advance for completing the survey.

**Appendix II-10: Department of Environmental Protection – Central District
Recommendation**

Halpin, Mike

From: Bradner, James
Sent: Friday, October 10, 2008 11:47 AM
To: Halpin, Mike
Cc: Burns, Richard; Ferraro, Chris; Herbster, Dave; Lubozynski, Tom; Lott, Richard
Subject: Agency Report - FMPA/KUA Cane Island Unit 4

Good morning, Mike:

The FDEP Central District recommends issuance of the site certification for the FMPA/KUA Cane Island Unit 4, with the following condition of certification:

Following certification, KUA shall submit a long-form permit application to the FDEP Central District, Drinking Water Program, for construction of the water main extension to the Miscellaneous Services Building & Power Distribution Center associated with Unit 4 to supply eye wash stations.

Please call me or reply to this message if you have questions or need further information.

Thanks,

Jim

James N. Bradner, P.E.
 Air Program Manager
 FDEP Central District
 407-893-3332

From: Halpin, Mike
Sent: Monday, October 06, 2008 12:40 PM
To: 'Barbara Lenczewski (DCA)'; 'Bart Bibler'; Bradner, James; 'Connie Mitchell'; 'Edward Yaun'; 'Emily Norton'; Ferraro, Chris; 'Forrest Watson'; Harris, Marc; 'James Antista'; 'Jim Golden'; 'Laura Kammerer'; 'Mary Ann Poole'; 'mfre2@osceola.org'; 'Phil Laurien'; Potts, Elsa; SpeasFrost, Shanin; 'Steve Lau'; 'Kimberly Menchion, Asst. Gen. Cnsl.'
Cc: Garfein, Vivian; Sawicki, Sharon; Sturtevant, Toni
Subject: FMPA/KUA Cane Island Unit 4 Agency reports

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agency. However, no variance shall be granted from standards or regulations of the department applicable under any federally delegated or approved permit program, except as expressly allowed in such program.

(b) A recommendation for approval or denial of the application.

(c) Any proposed conditions of certification on matters within the jurisdiction of such agency. For each condition proposed by an agency in its report, the agency shall list the specific statute, rule, or ordinance which authorizes the proposed condition.

Thanks [much](#),
Mike Halpin
850/245-8005