



Florida Department of Environmental Protection

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

July 31, 2007

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

Ms. Pam Oliver
Executive Director, Administration
Alachua County
12 Southeast First Street
P.O. Box 23817
Gainesville, Florida 32602-3817

Re: Progress Energy Florida U of F Cogen Plant

Dear Ms. Oliver:

I have reviewed the material attached to your letter of July 18, 2007 concerning the above facility's pollution control devices.

In your letter you stated that it has been your understanding that only those devices that control or mitigate air or water pollution are eligible for assessment as pollution control devices pursuant to F.S. 193.621. You asked for my advice as to the proper interpretation of the statute and relevant rules.

In accordance with §193.621, Florida Statutes, if it becomes necessary for a manufacturing or industrial plant or installation "to install or construct a facility in order to eliminate or reduce industrial air or water pollution, those facilities shall be deemed to have value for purposes of assessment for ad valorem property taxes".

I agree with your understanding of the statute, and in my opinion, the equipment listed in the "noise" category is not eligible for assessment as pollution control devices.

Additionally, in reviewing the U of F Cogen Plant information, I noted that certification from a Professional Engineer is not included. It is possible that this information was submitted to you, and is missing from the information I received. However, I would like to remind you that, in accordance with DEP Rule chapter 62-8, Florida Administrative Code, a current evaluation of their equipment by a registered Professional Engineer in the State of Florida must also be submitted.

Additionally, the Air category lists exhaust stacks as pollution control equipment. As a matter of practice, we recommend that only 60% of the value of stacks be used since a "good engineering practice" stack height is 1.5 times higher than adjacent facilities.

If you have any questions on this determination, please contact me at (850) 245-8002.

Sincerely,


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



ALACHUA COUNTY

PROPERTY APPRAISER

KNOWLEDGE • COMMITMENT • TEAMWORK • CUSTOMER FOCUS

Office of Ed Crapo, CFA, ASA, AAS

July 18, 2007

DEPARTMENT OF
ENVIRONMENTAL PROTECTION

JUL 20 2007

SITING COORDINATION

Mr. Hamilton S. Oven, PE
State of Florida
Department of Environmental Protection
Twin Towers Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Dear Mr. Oven:

Enclosed is the 2007 Return of Pollution Control Devices from Progress Energy Florida for their U of F Cogeneration Plant in Gainesville.

We are requesting your review of this return because a substantial amount of cost has been added in a category labeled "noise" on the listing of equipment that was attached to the return.

We have understood that only the devices that control or mitigate air or water pollution are eligible for assessment as pollution control devices pursuant to F.S. 193.621.

It is our desire to properly and fairly assess this property. We do not want to improperly assess the equipment listed in the "noise" category if it is eligible for assessment as pollution control devices.

With this in mind, we request that you please review the enclosed Return of Pollution Control Devices and the document attached thereto and advise us of your opinion as to the categories of pollution control equipment eligible for assessment as pollution control devices.

Please contact me at (353) 374-5230 (or by email) at poliver@acpafl.org if you require any additional information regarding this matter.

We appreciate your assistance.

Sincerely,

Pam Oliver
Executive Director of Administration

DR-492
R. 8/83
(Replica)

**RETURN OF POLLUTION CONTROL DEVICES
FOR AD VALOREM TAX PURPOSES
FLORIDA STATUTES CHAPTER 193.621**

To the Property Appraiser
Alachua

Honorable Ed Crapo
County, Florida,

April 30, 2007

Return is hereby made for the assessment of the following described property under Florida Statutes as pollution control devices.

Description of Property

Property located within the City of Gainesville Tangible Personal Property Account 00000-220-217

Description of Facility

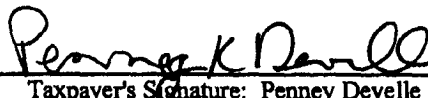
Devices and equipment installed on our University of Florida CoGen Plant to minimize or prevent pollution.

Total Original Cost \$7,914,576 (see attached list)

Name and address of owner:

Progress Energy Florida f/k/a Florida Power Corporation
Tax Services Department, CX1G
P.O. Box 14042
St. Petersburg, FL 33733

The undersigned taxpayer hereby agrees to furnish such other reasonable information as the Appraiser may request in regard to the assessment requested herein.



Taxpayer's Signature: Penney Develle
Manager, Corporate Tax

This form must be filed with the County Property Appraiser before April 1st.

ORIGINAL TO BE RETAINED BY PROPERTY APPRAISER
COPY TO BE GIVEN TO TAXPAYER

Progress Energy Florida, Inc
2007 Tangible Personal Property Tax Return
Pollution Control Property
Peaking Units

County	Facility	Type	Description / Category	Cost
Alachua	Univ of FLA Cogen Unit	Air	Continuous Emissions Monitoring System	22,284
			Demineralizer Water System - Water Injection for NOx Control	341,761
	Univ of FLA Cogen Unit Total			364,045
	Univ of FLA Common	Air	Continuous Emissions Monitoring System	454,868
			Demineralizer Water System - Water Injection for NOx Control	1,801,963
			Exhaust Stacks	234,088
			Water Injection System for NOx Control	306,398
		Noise	Combustion Turbine Silencer	203,571
			Noise/Acoustical Enclosure	4,077,042
		Water	Cathodic Protection	10,207
			Spill Containment - Fuel Oil Unloading	66,366
			Spill Prevention Containment Structures and Equipment	93,201
	Univ of FLA Common Total		Waste Water Collection & Treatment System	303,028
Alachua Total				7,914,576