



the new green

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July 18, 2007

Chairman Mathew M. Carter II
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: July 11, 2008 Post-Workshop Comments of Recycled Energy Development, LLC
on the implementation of Florida's Renewable Portfolio Standard (RPS).

Dear Chairman Carter:

Recycled Energy Development, LLC (RED) appreciates the opportunity to submit comments regarding implementation of Florida's Renewable Portfolio Standard. RED's mission is to profitably reduce greenhouse-gas emissions through the development and ownership of energy recycling facilities. These comments focus on encouraging the Commission to promulgate a definition of eligible resources that can count towards meeting RPS targets to include recycled energy generation.

Tremendous potential exists in Florida to develop recycled energy and combined heat and power. By capturing waste energy, Florida manufacturers can increase their productivity, cut greenhouse-gas emissions, and create jobs. Recycled energy can generate vast amounts of low-cost power without burning fossil fuels or emitting greenhouse-gases, resulting in an increase in energy efficiency that's good for business, consumers, and the environment. Recycled Energy Development, which has raised \$1.5 billion in equity for such projects, would invest a great deal in Florida if the Commission promulgated a progressive definition of eligible resources to include recycled energy.

Recycled energy is a clean source of energy generation – capturing a waste product to generate heat and power – that does not require the burning of additional fossil fuels or the emission of any additional pollution or greenhouse gases. All forms of clean energy should be eligible to meet RPS targets, and recycled energy is as clean as any other traditional renewable source. Put another way, the definition of eligible renewable sources that meet Florida's RPS target should include all clean sources of energy generation, including recycled energy.

The RPS enabling legislation also sets progressive goals to improve environmental conditions and make Florida a leader in new and innovative technologies. The Commission could address this goal by promulgating rules to encourage the development of recycled energy technologies. One approach would be a Clean Energy Standard Offer Program (CESOP), which is being developed by the Tennessee Valley Authority and Ontario Power Administration. A Florida CESOP would have the

Commission calculate the true cost of delivering electricity from the best new, electric-only power plant that meets current environmental standards and then offer long-term contracts to any clean energy plant that provide power for just 85 percent of that cost. Qualifying clean energy plants must be non-carbon-emitting facilities, such as those employing renewable energy, or achieve at least 60-percent annual fossil efficiency. If the Commission implements this regulatory approach to provide clean energy at a discount, all stakeholders benefit, including the distribution utilities, manufacturers, and retail customers.

RED respectfully requests the Commission incorporate these comments in adopting a definition for eligible resources that can count towards meeting RPS targets. The Commission is working under an extremely tight timetable, and we thank you for the opportunity to comment.

Sincerely,

s/ Melissa M. Mullarkey
Research Analyst

Cc: Commissioner Nancy Argenziano
Commissioner Lisa Polak Edgar
Commissioner Katrina J. McMurrin
Commissioner Nathan A. Skop