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August 26, 2010

100385 - EU

**By Hand Delivery**

Ms. Ann Cole, Director  
Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: New Docket  
Petition for Determination of Need for Expansion of an Existing Renewable Energy  
Electrical Power Plant in Palm Beach County by Solid Waste Authority of Palm Beach  
County

RECEIVED - FPSC  
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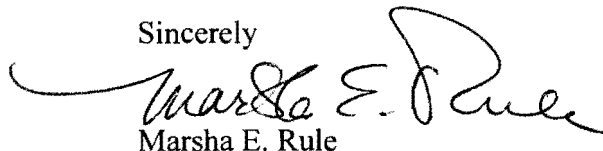
Dear Ms. Cole:

Enclosed for filing in on behalf of the Solid Waste Authority of Palm Beach County please find an original and 15 copies of a Petition for Modification to Determination of Need.

Please assign a docket number to this Petition and acknowledge receipt of the enclosed documents by stamping the extra copy of this letter "filed" and returning the copy to me.

Thank you for your assistance with this filing and please do not hesitate to contact me if you have any questions.

Sincerely

  
Marsha E. Rule

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FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for Determination of Need for )  
Expansion of an Existing Renewable Energy )  
Electrical Power Plant in Palm Beach County )  
By Solid Waste Authority of Palm Beach )  
County )  
\_\_\_\_\_ )

Docket No. 100385 - EU  
Filed: August 26, 2010

**PETITION FOR MODIFICATION TO DETERMINATION OF NEED  
BY  
SOLID WASTE AUTHORITY OF PALM BEACH COUNTY, FLORIDA**

The Solid Waste Authority of Palm Beach County (“SWA” or “Petitioner”), by and through its undersigned attorney, and in accordance with the provisions of Rule 25-22.080, Florida Administrative Code and Section 403.519, Florida Statutes, hereby petitions this Commission to modify or supplement its previously-issued determination of need for 75 MW of generating capacity at SWA’s facility in Palm Beach County. SWA requests that the Commission make an affirmative determination of need for an additional 110 MW of renewable-energy-fueled electrical generating capacity at SWA’s Palm Beach County municipal solid waste process and disposal site, thereby increasing the “need” from the currently-approved 75 MW to a total allowed site aggregate electric generating capacity of 185 MW.

**INTRODUCTION**

1. The name of the Petitioner is the Solid Waste Authority of Palm Beach County.

The address and contact information relating to the Petitioner is:

Solid Waste Authority  
7501 North Jog Road  
West Palm Beach, FL 33412  
Attn: Executive Director  
Phone (561) 640-4000  
Fax (561) 640-3400

2. Copies of all correspondence, pleadings, and other documents filed in this proceeding should be provided to:

Richard A. Zambo  
Richard A. Zambo, P.A.  
2336 S.E. Ocean Blvd., #309  
Stuart, FL 34996  
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3. Accompanying this Petition and more fully describing SWA's circumstances and supporting its request are the Testimony of Mr. Marc Bruner and the Testimony and Exhibits of Mr. Dan Pellowitz and Mr. Frank Seidman, along with other pertinent documents attached as Appendices A and B.

4. The SWA is a dependent special district created by the Florida Legislature under the Palm Beach County Solid Waste Act, Chapter 2001-331, Laws of Florida (the "Special Act"), as a political subdivision of Palm Beach County, Florida. A copy of the Special Act is attached as Appendix A to this Petition. The Special Act, which is remedial and must be liberally construed,<sup>1</sup> specifically authorizes the SWA to construct and operate resource recovery waste-to-energy ("WTE") facilities to generate electrical power to supplement the electricity

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<sup>1</sup> See Section 5 of the Special Act, which states that it "shall be construed as a remedial act and shall be liberally construed to promote the purpose for which it is intended."

supply of the State through the combustion of municipal solid waste (“MSW”) from the geographical area of Palm Beach County, Florida, and to sell the resulting output to any governmental agency, individual, public or private corporation, municipality, or other person. SWA is, and has been continuously, engaged in such activities at its site in Palm Beach County, Florida, since 1989 and is an “electric utility” as defined in Section 403.503(15), F.S. of the Florida Electrical Power Plant Siting Act (the “PPSA”).

5. The SWA’s MSW handling and disposal operations rely in part on a nominal 62 MW renewable energy electric generating WTE facility consisting of MSW-fired steam boilers and steam turbine-generator set (the “Existing Facility”). The Commission determined a need for the Existing Facility at a maximum of 75 MW pursuant to Section 403.519, F.S., in Order No. 15280, issued on October 21, 1985.<sup>2</sup> A copy of Order No. 15280 is attached as Appendix B to this Petition. Thereafter, in July, 1986 the Department of Environmental Regulation<sup>3</sup> issued its site certification pursuant to Section 403.511, F.S., authorizing the SWA to construct and operate the Existing Facility. The facility began commercial operation in 1989. Pursuant to its existing site certification, SWA is a “licensee” as defined in Section 403.503(18), F.S. and therefore is authorized under Section 403.511(2)(a), F.S., to construct and operate its Existing Facility “subject only to the conditions of certification set forth in such certification....”

6. The Existing Facility produces in the range of 400,000 net megawatt hours (“MWH”) of renewable electric energy annually that is committed for sale to Florida Power and Light (FPL) pursuant to contracts for firm energy and capacity expiring in early 2032. SWA

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<sup>2</sup> Order No. 15280, *Notice of Proposed Agency Action Order Granting Determination of Need*, issued on October 21, 1985 in Docket No. 850435-EU (In re: Petition of Palm Beach Solid Waste Authority for a determination of need for a solid waste-fired small power producing electric plant). *See also* Order No. 15349, issued on November 12, 1985, which consummated and finalized Order No. 15280.

<sup>3</sup> The agency is now known as the Department of Environmental Protection (“DEP”).

plans to add approximately 100 gross MW to its current WTE electrical generating capability through additional MSW incineration, steam generation and renewable energy electric generation facilities; and, up to 23 gross MW of electrical generating capacity to be fueled by landfill gas (together, the “Expanded Facility”). The additions would increase the site’s total combined electric generating capacity to an aggregate gross maximum of 185 MW, including the existing capacity.

7. There is a need for the construction and operation of SWA’s Expanded Facility both to serve the SWA’s MSW disposal needs and obligations<sup>4</sup> and to provide needed renewable energy to the State. Both MSW and landfill gas are defined as a renewable energy resource under various provisions of Florida law, as well as under rules of the Commission. Provisions of Florida Law – including the Special Act - and decisions by this Commission, establish that there is a need for the Expanded Facility for the following reasons:

- a. There is a need in Florida to improve electric system reliability and integrity, as well as for adequate electricity at a reasonable cost.
- b. Florida continues to need additional fuel diversity and supply reliability and lessen its dependence on natural gas, fuel oil and other fossil fuels for the production of electricity.
- c. It is critical to utilize efficient and cost-effective demand-side renewable energy systems and conservation systems in order to protect the health, prosperity, and general welfare of the State and its citizens.
- d. It is in the public interest to promote the development of renewable energy resources in this State.
- e. Energy generated by the Expanded Facility will be of benefit to the public when included as part of the total energy supply of the entire electric grid of the State.

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<sup>4</sup> The SWA’s County-wide obligations and responsibilities extend to all “Solid Waste,” which is defined in Section 5 (20) of the Special Act as: “garbage, sewage, sludge, septage, rubbish, refuse, and other discarded solid or liquid materials resulting from domestic, industrial, commercial, agricultural, and governmental operations, but does not include solid or dissolved materials in domestic sewage, storm drainage, or other significant pollutants in water resources, such as silt, dissolved or suspended solids in industrial wastewater effluents, dissolved materials in irrigation return flows, or other common water pollutants.”

- f. Energy generated by the Expanded Facility will displace electricity production by fossil fuels, thereby maintaining the supply of adequate electricity at a reasonable cost while lessening the State's dependence on imported and fossil fuels.
- g. Energy generated by the Expanded Facility will help to diversify the types of fuel used to generate electricity in Florida and lessen Florida's dependence on natural gas and fuel oil for the production of electricity.
- h. Energy generated by the Expanded Facility will help minimize volatility of fuel costs, encourage investment within the State, improve environmental conditions and minimize the costs of power supply to electric utilities and their customers.
- i. The Expanded Facility will prevent the State from unnecessarily consuming additional imported and non-renewable fossil fuels.
- j. The Expanded Facility is a cost-effective conservation measure due to the fact that the energy will be purchased by utilities at no more than avoided cost.
- k. Energy generated by the Expanded Facility will contribute to electric system reliability and integrity.
- l. Energy generated by the Expanded Facility will meet the need for adequate electricity at a reasonable cost.
- m. Energy generated by the Expanded Facility will meet the need for fuel diversity and supply reliability.
- n. The Expanded Facility is the most cost-effective alternative available.
- o. The Expanded Facility will timely provide the SWA with necessary MSW disposal capacity that is environmentally preferred as a matter of Florida policy.
- p. The Expanded Facility is Florida's environmentally preferred means of MSW disposal.
- q. The Expanded Facility will assist the SWA in conserving and extending the lifespan of valuable and scarce landfill capacity.
- r. The Expanded Facility is consistent with, and will allow the SWA to meet, its legal obligations with respect to MSW disposal under applicable law.
- s. If the Expanded Facility is not added at the size and at time proposed, the State will unnecessarily consume additional imported and nonrenewable fossil fuels, SWA will be deprived of the economic benefits of the Expanded Facility and Palm Beach County will consume scarce landfill capacity at a much greater rate.
- t. If the Commission does not determine that there is a need for the electricity to be generated from the Expanded Facility, the SWA may be forced to incinerate increasing amounts of MSW without generating electricity from the process, with the result that the State will experience all of the consequences of such burning without the benefits intended by the Legislature, and the citizens within the area covered by the SWA will be unnecessarily burdened with substantial additional

collection costs that would otherwise be reduced or mitigated by revenues from the sale of electricity at avoided cost.

### **STATEMENT OF SWA'S AFFECTED INTERESTS**

8. The Existing Facility, located at the SWA's Palm Beach County municipal solid waste processing and disposal site, operates pursuant to a 1986 DEP Site Certification under the PPSA. The DEP Site Certification was based, among other things, on the Commission's 1985 determination of need for an MSW electric generating plant. The net electric energy produced by the Existing Facility is committed for sale to FPL pursuant to contracts for firm energy and capacity. The electricity that will be produced by the proposed Expanded Facility has not been committed for sale at this time, but will far exceed the internal needs of the SWA at the site and accordingly will flow via electrical interconnection with FPL's electric system into the peninsular Florida electric system.<sup>5</sup>

9. The SWA is obligated by law to dispose of Palm Beach County's increasing MSW. Expansion of its MSW handling and disposal capability is necessary for the SWA to comply with such obligations and will add a much-needed supply of renewable energy to the State's electrical grid. The action requested of the Commission by the SWA - to modify or supplement Order No. 15280 by increasing the allowable ultimate electric generating capacity at the site to a combined gross maximum of 185 MW - is crucial to the SWA's ability to timely implement the much-need Expanded Facility.

10. The SWA constantly monitors the waste stream for changes (especially those relating to the quantity of MSW being produced in its designated area) and develops plans and

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<sup>5</sup> SWA has initiated discussions with FPL regarding the electrical interconnection of the Expanded Facility in accordance with applicable Federal law. SWA will make a formal interconnection request to FPL subsequent to equipment selection at which time necessary detailed electrical characteristics and data will be available for submittal to FPL.

strategies for fulfilling its waste disposal obligations and responsibilities. The SWA has determined that expansion of the Existing Facility is needed in the 2015 time-frame and, to that end, has been actively working to expand its MSW recovery, recycling, incineration and disposal operations since 2006.

11. The Existing Facility has been operating at its MSW disposal limits for several years. Consequently, after considering all available options the SWA governing Board has authorized, and work is substantially in progress on, the Expanded Facility - a major expansion of disposal, processing and incinerating facilities. The MSW incineration or WTE portion of the Expanded Facility that is planned for commercial operation in 2015 will add up to 100 gross MWs to the total electricity generating capacity at the site. In addition, one or more smaller increments of electrical generating capacity fueled by landfill gas of up to an aggregate total of approximately 23 gross MWs may be added, although the precise timing of landfill gas-fueled addition(s) is not yet known.

12. The Expanded Facility, when fully implemented, will result in an aggregate combined renewable energy electrical generating capacity at the site of up to a maximum of 185 gross MWs. On July 13, 2010, the SWA submitted to DEP its application to modify the Certification by increasing the ultimate site capacity to 185 gross MWs maximum.

13. The Expanded Facility will employ a mass-burn process in which MSW is incinerated in specifically designed boilers to produce high pressure steam suitable for producing electricity via conventional steam turbine generators. The mass-burn process has been in use for decades and represents a proven, mature technology capable of incinerating MSW and producing renewable energy at high reliability over long periods of time. The landfill gas-fueled portion of the Expanded Facility is expected to rely on reciprocating engines, combustion turbines, steam



turbines or a combination thereof, to convert landfill gas fuel into electricity. These technologies are similarly proven, mature and highly reliable.

14. The WTE component of the Expanded Facility will be capable of disposing of approximately 3,000 tons of MSW per day, and in the process is projected to produce – at a minimum - 575,000 net MWH annually for delivery to the peninsular Florida electric grid. The Expanded Facility will comply with all applicable permitting, land use and environmental requirements during construction, startup and operation and will be crucial to the SWA in meeting its MSW handling and disposal obligations.

#### **DISPUTED ISSUES OF MATERIAL FACT**

15. SWA is not aware of any disputed issues of material fact affecting this Petition. Consistent with the Special Act and applicable provisions of Chapters 163, 366 and 403 of Florida Statutes, SWA’s petition demonstrates and its testimony substantiates the need for the Expanded Facility and for the electricity it will generate.

#### **ULTIMATE FACTS ALLEGED**

16. Since 1975, the SWA has been the sole governmental entity authorized to engage in managing, processing and disposing of MSW in Palm Beach County, Florida. Pursuant to Section 12(2) of the Special Act, SWA is the only entity authorized to “operate, maintain, construct, expand, or modify any resource recovery or waste management facility” in Palm Beach County.

17. SWA is authorized to, among other things, finance, build, own and operate facilities to generate electricity and to sell the electricity to any person. It has been authorized to engage in the business of generating electric energy at its site in Palm Beach County, Florida,

since 1986, and has been engaged in the business of generating electric energy at its site in Palm Beach County, Florida, and selling such electric energy and other byproducts of its resource recovery operations since 1989.

18. There is a need in Florida to improve electric system reliability and integrity, a need for adequate electricity at a reasonable cost and a need for fuel diversity and supply reliability. Similarly, there is a need to lessen Florida's dependence on natural gas, fuel oil and other fossil fuels for the production of electricity.

19. The Expanded Facility is needed to maintain SWA's ability to dispose of MSW in a reliable and environmentally sound manner consistent with applicable Florida law and policy, and will substantially increase the amount of renewable energy generated at the site that will be delivered to the peninsular Florida electric system. Currently, peninsular Florida utilities rely on natural gas for nearly 50% of all electrical generation and therefore needs additional renewable energy to reduce reliance on non-renewable fossil fuels and displace electricity production by fossil fuels.

20. The Expanded Facility is needed to advance and comply with Florida's policy of promoting renewable energy, reducing reliance on fossil fuels in the generation of electricity, maintaining electric system reliability and integrity and providing adequate electricity at a reasonable cost while taking into account the need for fuel diversity and supply reliability.

21. The Expanded Facility is the most cost effective option for providing for the reliable and environmentally preferred disposal of MSW by the SWA while providing fuel-diverse and environmentally beneficial renewable energy.

22. There is no reasonably available conservation, recycling or other non-generating alternative that would mitigate the need for the SWA's Expanded Facility for MSW disposal.

23. Delaying the Expanded Facility would have many significant adverse impacts on the SWA's ability to dispose of MSW, to comply with its legal obligations to dispose of MSW, to add a much-needed source of renewable energy to Florida's electric utility fuel mix, and would, among other things, deprive the local economy of hundreds of millions of dollars of investment in plant and equipment and the hiring of hundreds of worker to construct and operate the Expanded Facility.

### **SUMMARY OF SWA's POSITION**

24. The SWA is entitled to the relief sought by this Petition for at least the following specific reasons:

- a. There is a need in Florida to improve electric system reliability and integrity, as well as for adequate electricity at a reasonable cost.
- b. Florida continues to need additional fuel diversity and supply reliability and lessen its dependence on natural gas, fuel oil and other fossil fuels for the production of electricity.
- c. It is critical to utilize efficient and cost-effective demand-side renewable energy systems and conservation systems in order to protect the health, prosperity, and general welfare of the State and its citizens.
- d. It is in the public interest to promote the development of renewable energy resources in this State.
- e. Energy generated by the Expanded Facility will be of benefit to the public when included as part of the total energy supply of the entire electric grid of the State.
- f. Energy generated by the Expanded Facility will displace electricity production by fossil fuels, thereby maintaining the supply of adequate electricity at a reasonable cost while lessening the State's dependence on imported and fossil fuels.
- g. Energy generated by the Expanded Facility will help to diversify the types of fuel used to generate electricity in Florida and lessen Florida's dependence on natural gas and fuel oil for the production of electricity.
- h. Energy generated by the Expanded Facility will help minimize volatility of fuel costs; encourage investment within the State, improve environmental conditions and minimize the costs of power supply to electric utilities and their customers.

- i. The Expanded Facility will prevent the State from unnecessarily consuming additional imported and non-renewable fossil fuels.
- j. The Expanded Facility is a cost-effective conservation measure due to the fact that the energy will be purchased by utilities at no more than avoided cost.
- k. Energy generated by the Expanded Facility will contribute to electric system reliability and integrity.
- l. Energy generated by the Expanded Facility will meet the need for adequate electricity at a reasonable cost.
- m. Energy generated by the Expanded Facility will meet the need for fuel diversity and supply reliability.
- n. The Expanded Facility is the most cost-effective alternative available.
- o. The Expanded Facility will timely provide the SWA with necessary MSW disposal capacity that is environmentally preferred as a matter of Florida policy.
- p. The Expanded Facility is Florida's environmentally preferred means of MSW disposal.
- q. The Expanded Facility will assist the SWA in conserving and extending the lifespan of valuable and scarce landfill capacity.
- r. The Expanded Facility is consistent with, and will allow the SWA to meet, its legal obligations with respect to MSW disposal under applicable law.
- s. If the Expanded Facility is not added at the size and at time proposed, the State will unnecessarily consume additional imported and nonrenewable fossil fuels, SWA will be deprived of the economic benefits of the Expanded Facility and Palm Beach County will consume scarce landfill capacity at a much greater rate.
- t. If the Commission does not determine that there is a need for the electricity to be generated from the Expanded Facility, the SWA may be forced to incinerate increasing amounts of MSW without generating electricity from the process, with the result that the State will experience all of the consequences of such burning without the benefits intended by the Legislature, and the citizens within the area covered by the SWA will be unnecessarily burdened with substantial additional collection costs that would otherwise be reduced or mitigated by revenues from the sale of electricity at avoided cost.

**FLORIDA LAW AND POLICY SUPPORT ISSUANCE OF A  
DETERMINATION OF NEED FOR THE EXPANDED FACILITY**

25. In Order No. 15280, this Commission granted SWA's petition for determination of need for the Existing Facility for up to 75 MW of generating capacity. That Order was incorporated into and became part of the SWA's Site Certification for the Existing Facility.

26. In granting the SWA's petition for determination of need for the Existing Facility the Commission noted in Order No. 15280 the federal and state policy of encouraging cogeneration and small power production, and WTE facilities in particular:

Congress and the Legislature of Florida have determined that cogeneration and small power production should be encouraged on the premise that they constitute alternate sources of power that either displace the production of fossil fuel electricity or use fossil fuels more efficiently. Moreover, the proliferation of cogeneration and small power production facilities may defer the need for construction of additional generating facilities by electric utilities. Therefore, in the present context, we find that the Authority's proposed small power production facility will increase electrical system reliability and integrity. The facility will also maintain the supply of adequate electricity at a reasonable cost while lessening our dependence on fossil fuel. When viewed as an alternative to construction of additional generating facilities by electric utilities, and considering the permissible level of payments to small power producers outlined in Rules 25-17.80 through 25-17.87, Florida Administrative Code, the proposed facility is the most cost-effective alternative available. Construction of the plant is a conservation measure which we have encouraged primarily because it might mitigate the need for additional construction by electric utilities. Finally, in 1984, the Florida Legislature enacted legislation designed to assist local governments in financing projects such as proposed by the Authority, and in so doing declared it to be the policy of this State that "the combustion of refuse by solid waste facilities to supplement the electricity supply not only represents effective conservation efforts but also represents an environmentally preferred alternative to conventional solid waste disposal in this State." Therefore, the Legislature directs the Florida Public Service Commission to establish a funding program to encourage the development by local governments of solid waste facilities that use solid waste as a primary source of fuel for the production of electricity." See section 377.709(1), Florida Statutes. Therefore, the relief sought in this petition, an affirmative determination of need, will be and the same is hereby granted. (emphasis supplied)

27. As recognized in the Commission's Order, in Section 377.709(1), F.S., the Florida Legislature specifically declared a need for the State to promote renewable energy through the construction and operation of MSW-fired generation:

LEGISLATIVE INTENT.--The Legislature declares that it is critical to encourage energy conservation in order to protect the health, prosperity, and general welfare of this state and its citizens. The Legislature also declares that the disposal of solid refuse is an important governmental obligation and that, if the disposal is not accomplished in a proper manner, such refuse poses a definite threat to the public health and welfare. The Legislature further declares that the combustion of refuse by solid waste facilities to supplement the electricity supply not only represents an effective conservation effort but also represents an environmentally preferred alternative to conventional solid waste disposal in this state. . . . (emphasis supplied)

28. In a much broader and more general application of the principles articulated above, in its Order No. 22341 issued December 26, 1989,<sup>6</sup> the Commission again emphasized the unique role played by WTE facilities and recognized “that QFs which are solid waste facilities may be in a different category than other QFs by virtue of §377.709, Florida Statutes” such that “it may be appropriate to 'automatically' approve the need for a solid waste facility. . . .”<sup>7</sup>

29. The Commission’s policy pronouncements regarding treatment of QFs – and especially QFs relying on renewable energy such as MSW to produce electricity – have been affirmed by the Florida Legislature and incorporated at various times into Florida statutes. For example, Section 366.81, F.S., which along with Section 403.519, F.S., is part of the Florida Energy Efficiency and Conservation Act (“FEECA”), sets forth the Legislature’s intent that the Commission actively encourage use of renewable energy sources:

The Legislature finds and declares that it is critical to utilize the most efficient and cost-effective demand-side renewable energy systems and conservation systems in order to protect the health, prosperity, and general welfare of the state and its citizens. Reduction in, and control of, the growth rates of electric

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<sup>6</sup>Order No. 22341, issued on December 26, 1989 in Docket No. 890004-EU (In Re: Hearings on Load Forecast, Generation Expansion Plans, and Cogeneration Prices for Peninsular Florida’s Electric Utilities).

<sup>7</sup> The Commission’s sound logic is even more compelling in this case, in light of the broad powers and discretion granted to the SWA by and through the Special Act.

consumption and of weather-sensitive peak demand are of particular importance. The Legislature further finds that the Florida Public Service Commission is the appropriate agency to adopt goals and approve plans related to the promotion of demand-side renewable energy systems and the conservation of electric energy and natural gas usage. The Legislature directs the commission to develop and adopt overall goals and authorizes the commission to require each utility to develop plans and implement programs for increasing energy efficiency and conservation and demand-side renewable energy systems within its service area, subject to the approval of the commission. Since solutions to our energy problems are complex, the Legislature intends that the use of solar energy, renewable energy sources, highly efficient systems, cogeneration, and load-control systems be encouraged. . . . (emphasis supplied)

30. Furthermore, Section 366.91(1), F.S., contains the Legislature's determination that it is in the public interest to promote the development of renewable energy resources, which have the potential to help diversify fuel types for electric production:

The Legislature finds that it is in the public interest to promote the development of renewable energy resources in this state. Renewable energy resources have the potential to help diversify fuel types to meet Florida's growing dependency on natural gas for electric production, minimize the volatility of fuel costs, encourage investment within the state, improve environmental conditions, and make Florida a leader in new and innovative technologies. (emphasis supplied)

31. Section 366.91(2), F.S., makes clear that municipal solid waste is a renewable energy resource, by defining "renewable energy" as including biomass and defining "biomass" as including municipal solid waste and landfill gas. Subsections 366.91(3) and (4), F.S., further support renewable energy by requiring each public utility and each municipal electric utility and rural electric cooperative (meeting a minimum sales volume) to continuously offer purchase contracts to producers of renewable energy.

32. Section 366.92(1), F.S., contains the Legislature's statement of intent to promote the development of renewable energy, diversify the types of fuel used to generate electricity in

Florida and lessen Florida's dependence on natural gas and fuel oil for the production of electricity:

It is the intent of the Legislature to promote the development of renewable energy; protect the economic viability of Florida's existing renewable energy facilities; diversify the types of fuel used to generate electricity in Florida; lessen Florida's dependence on natural gas and fuel oil for the production of electricity; minimize the volatility of fuel costs; encourage investment within the state; improve environmental conditions; and, at the same time, minimize the costs of power supply to electric utilities and their customers. (emphasis supplied)

33. The Florida Legislature recently re-emphasized and acknowledged the benefits of renewable energy production from MSW in 2008 when it established that solid waste used for the production of electric energy will be counted toward the newly-adopted 75% statewide recycling goal.<sup>8</sup>

34. Finally, in response to recent Legislative directives, the Commission adopted rules relating to renewable energy under which investor-owned utilities are obligated and required to purchase energy or capacity or both from renewable generating facilities. In that regard, those rules, among other things, provide as follows:

25-17.230 The Utility's Obligation to Purchase and Sell --

(1) Each investor-owned utility shall purchase electricity produced and sold by renewable generating facilities at rates that have been agreed upon by the utility and renewable generating facility or at the utility's published tariff. Each investor-owned utility shall file a tariff or tariffs and a standard offer contract or contracts for the purchase of energy or capacity, or both, from renewable generating facilities that reflects the provisions set forth in these rules. (emphasis supplied)

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<sup>8</sup>See Section 403.7032(2), F.S., which sets a state goal of reducing by 75% the amount of recyclable materials disposed of without recycling, and which specifies that "any solid waste used for the production of renewable energy shall count toward the long-term recycling goal as set forth in this section."



(2) Each investor-owned utility's tariff or standard offer contract shall specify the metering requirements for billing purposes in accordance with subsections 25-17.082(2) and (3), F.A.C.

(3) Each investor-owned utility shall interconnect with any renewable generating facility in accordance with Rule 25-17.087, F.A.C.

(4) Each investor-owned utility shall sell energy to renewable generating facilities in accordance with Rule 25-17.084, F.A.C.

(5) Each investor-owned utility shall provide, upon request by a renewable generating facility, transmission service to wheel as-available energy or firm energy and capacity produced by the renewable generating facility from the renewable generating facility to another electric utility in accordance with Rule 25-17.0889, F.A.C.

35. A determination of need for SWA's Expanded Facility is consistent with Florida law and policy, which very clearly and specifically recognizes the many benefits of renewable energy resources and encourages the production of electric energy from MSW. Florida's Legislature has spoken very specifically in declaring a need for the State to promote renewable energy through the construction and operation of MSW-fired generation in Sections 377.709(1), 366.91(1), and 366.92(1), F.S.

36. In summary, the Legislature, through the Special Act, appears to have predetermined the need for the Expanded Facility by imposing extensive responsibilities upon the Authority, while providing a corresponding grant of expansive powers and discretion to the Authority in meeting those responsibilities.<sup>9</sup> Moreover, a determination of need for Expanded

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<sup>9</sup> Unlike the competitive natural gas-fired merchant generating plant that precipitated the Supreme Court's decision in *Tampa Electric Co. v. Garcia*, 767 So.2d 428 (Fla. 2000), as explained above, the SWA has specific statutory authority to build and operate facilities to generate electricity from MSW and – because such electricity is a byproduct of the SWA's resource recovery and waste management program – to sell such electricity to any person.

(Cont.)

Facility is consistent with Florida law and policy, which very clearly and specifically recognizes the many benefits of renewable energy resources and encourages the production of electric energy from MSW.

### **THE EXPANDED FACILITY**

37. As previously noted, the Expanded Facility will employ a mass-burn combustion process in which MSW is incinerated in specifically designed boilers to produce high pressure steam suitable for producing electricity via conventional steam turbine generators. The mass-burn process has been in use for decades and represents a proven, mature technology capable of incinerating MSW and producing renewable energy at high reliability over long periods of time.

38. Although design details have not been finalized, the MSW-fueled WTE component of the Expanded Facility, which will provide the vast majority of the increased electric generating capability at the site, is currently expected to be configured using three incinerator/steam boiler “trains” with one steam turbine-generator set with the following characteristics:

- a. Steam turbine will be of the conventional condensing type
- b. Steam condenser will be of the “dry” air-cooled type
- c. Electric generator will be synchronous, non-salient pole revolving field
- d. Electric generator output voltage will be 13.8 kV
- e. Step up transformer from 13.8 kV to 138 kV for electrical grid compatibility
- f. Boiler operating conditions will be in the range of 900 psig and 860°F

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(Footnote Cont.)

Additionally, as the Supreme Court noted in *Tampa Electric*, “regulation of the generation and sale of power in Florida resides in the legislative branch of government.” 767 So.2d at 434. The Legislature authorized the SWA to build facilities to generate electricity from MSW and to sell that electricity. It later codified and re-enacted these powers in 2001, well after the PPSA was enacted. Not only would this Legislative authorization be meaningless if the SWA could not apply for and receive site certification for such facilities, but the Legislature’s explicit grant of such authority in the Special Act may in fact pre-empt or severely limit the Commission’s discretion in this proceeding.

- g. Primary fuel to be consumed will be MSW<sup>10</sup>
- h. Gross electrical generating capacity will be in the range of 100 MWs
- i. Net electrical generating capacity will be in the range of 90 MWs
- j. Integrated Expanded Facility cost will be in the range of \$750 million

This technology, including the individual components comprising the MSW portion of the integrated Expanded Facility, is proven, mature and highly reliable.

39. The landfill gas-fueled portion of the Expanded Facility is expected to rely on reciprocating engines, combustion turbines, steam turbines or a combination thereof to convert landfill gas fuel into electricity. These technologies are similarly proven, mature and highly reliable. However, because the SWA at this point is devoting attention to the design details of the much more important MSW fuel generating plant, the design details of the landfill gas-fuel electric generation equipments are not yet available.

**THE EXPANDED FACILITY WILL DELIVER  
ENERGY TO AND WILL BE OF BENEFIT TO THE  
PENINSULAR FLORIDA ELECTRIC SYSTEM**

40. SWA will deliver the electricity generated by the Expanded Facility to the peninsular Florida electric grid with which it will be electrically interconnected. The peninsular Florida electric system serves all of Florida east of the Apalachicola River.

41. It is projected that by 2019, the net summer peak demand within the area served by the peninsular Florida electric system by the grid will increase to 47,988 MW and the Net Energy for Load (NEL) will grow to 257,592 GWH.

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<sup>10</sup> Relatively small amounts of natural gas will be used at startup and may be used periodically for flame stabilization.

42. The utilities in the peninsular Florida electric system presently meet generation resource needs through a mix of conventional and nuclear generating units, purchased power and demand side management. By 2019 it is expected that approximately 83% of the electric energy consumed within the system will be generated using fossil fuels and, of that amount, approximately 53% will be generated using natural gas. In comparison, less than 2% is expected to be produced using renewable energy resources.

43. Beginning in the early 1990s, there has been a steady increase in the amount of natural gas used for electric generation within the peninsular Florida system. Increasing natural gas reliance by the further addition of natural gas-fired generation State will create an increasingly and undesirable unbalanced fuel mix.

**THE COMMISSION SHOULD DETERMINE THAT  
NEEDS EXISTS FOR THE EXPANDED FACILITY  
AND FOR THE ELECTRICITY IT WILL PRODUCE**

44. With the exception of limited amounts of natural gas used for startup and flame stabilization purposes, the Expanded Facility's fuel will be MSW or landfill gas, both of which are renewable energy resources, the use of which is encouraged under Florida law. These renewable fuels are indigenous Florida energy resources that are readily available and produced by the large and growing population in the geographic area served by the SWA.

45. Peninsular Florida's electric utilities are currently dependent upon natural gas to generate substantial portions of the electricity they deliver to their customers. As discussed above, however, the Florida Legislature has made it clear that there is a need to decrease Florida's dependence on natural gas, fuel oil and other fossil fuels for the production of electricity. Further, as set forth above, the Legislature and this Commission have consistently found that Florida's reliance on imported fossil fuels for electrical generation creates unmet

needs for electric system reliability and integrity, adequate electricity at a reasonable cost, fuel diversity, and supply reliability. The SWA's Expanded Facility will help meet this demonstrated need with a proven, substantial and very reliable supply of renewable energy produced from MSW, or a combination of MSW and landfill gas, thereby displacing significant amounts of electricity that would otherwise be generated by utility generating plants operating on natural gas or other fossil fuels.

46. As previously stated, the electricity produced by the Expanded Facility will far exceed the internal needs of the SWA at the site and accordingly will flow via electrical interconnection into the peninsular Florida electric system. The SWA has not contractually committed for the sale of the renewable electricity to be produced by the Expanded Facility, but prior to the 2015 anticipated in-service date of the Expanded Facility, the SWA may enter into negotiations with a Florida utility for sale of the renewable energy produced, may elect to sell as-available energy to a Florida utility pursuant to Commission rules and utility published standard offer contracts for as-available energy (sometimes referred to as a COG-1 tariff/contract), or may otherwise elect to use or dispose of some or all of the renewable energy within Florida in accordance with applicable law.

47. The Expanded Facility will therefore be a cost-effective source of renewable energy; that is, it will meet the objective of deferring the need for utility power plant fuel expenditures, and it will economically reduce Florida's dependence on oil, natural gas and expensive, nonrenewable fossil fuels, regardless of whether or not the SWA has formally contracted for the sale of such electricity. Its flow into the peninsular Florida electrical system will assure, among other things, that electric generation by fossil fuels will be displaced on a KWH by KWH basis, that the environment will be improved, and that the need for utility

investment in new plant will be reduced. The Expanded Facility will contribute to electric system reliability and integrity, will meet the need for adequate electricity at a reasonable cost, as well as the need for fuel diversity and supply reliability.

48. As a producer of renewable energy, the SWA's Expanded Facility will be of public benefit as part of peninsular Florida's total energy supply. Florida has a clear need and preference for the renewable energy that will be produced by the Expanded Facility, as specifically articulated by the Florida Legislature in numerous statutory provisions.

49. Not only will the Expanded Facility provide a much-needed and additional source of renewable energy, it is also critical and necessary to the SWA in meeting its MSW handling and disposal obligations. After fully considering other alternatives/options and technologies, the SWA determined that the Expanded Facility represents the most reliable, cost-effective, and environmentally sound alternative available to meet its obligations to implement and operate a viable resource recovery and waste management program in the County, for the following reasons:

- a. In theory, recycling was determined to be a viable alternative, but recycling alone cannot meet the SWA's need to reduce the large volume of MSW the SWA must process. Composting the mixed MSW stream was determined to be a technology that, while useful, is not commercially demonstrated at a scale size sufficient to meet the County's MSW disposal needs. Composting yard wastes was determined to be viable but like recycling, composting alone cannot meet the County's volume reduction needs.
- b. Landfill disposal, which is viewed as a much less desirable alternative under both the Palm Beach County and the State Comprehensive Plans, was determined to be technologically viable but would provide no benefit in terms of volume reduction. Moreover, landfill disposal does not meet the County's goal of minimizing dependency on scarce landfill space and was not found to be a cost-effective alternative.
- c. Incineration without energy recovery was determined to be technologically viable but the economics in comparison to incineration with energy recovery were unfavorable. Moreover, ignoring or wasting the available thermal energy was not acceptable from an environmental responsibility or energy efficiency perspective,

and would result in all of the consequences of incineration without the benefits intended by the Legislature and the citizens within the SWA's area will be unnecessarily burdened with substantial additional collection costs that would otherwise be reduced or mitigated by revenues from the sale of electricity at avoided cost.

- d. Waste export has not been demonstrated to be available to Palm Beach County over the long term and at a cost and reliability equal to the Expanded Facility. The risks, costs and negative environmental impacts of long-distance hauling of MSW rendered this option impractical.
- e. Without the Expanded Facility, the SWA and Palm Beach County will consume landfill capacity at a rate many times greater than with such facility. This is particularly important since SWA does not have another possible landfill site available at this time.

50. The analysis, logic and policy employed by the Commission in its 1985 Order granting the SWA's petition for determination of need for the Existing Facility are equally applicable in the instant case to the Expanded Facility. Importantly, as earlier noted above, in the course of considering matters before it in the "annual planning hearings" the Commission correctly recognized that MSW waste-to-energy facilities are unique, such that ". . . QFs which are solid waste facilities may be in a different category than other QFs by virtue of §377.709, Florida Statutes" and thus "it may be appropriate to 'automatically' approve the need for a solid waste facility. . ." <sup>11</sup>

51. Not only "may" automatic approval of need for WTE facilities be appropriate in most cases, given the Legislature's policies as set forth above, but approval may in fact be required under the additional unique facts and circumstances presented here:

- SWA is specifically authorized by law to build and operate facilities to generate electricity from MSW;
- Because electricity is a byproduct of the SWA's resource recovery and waste management program, SWA is authorized to sell such electricity to any person;

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<sup>11</sup>Order No. 22341, issued on December 26, 1989 in Docket No. 890004-EU (In Re: Hearings on Load Forecast, Generation Expansion Plans, and Cogeneration Prices for Peninsular Florida's Electric Utilities).

- SWA already holds a site certification and determination of need for its existing WTE facility;
- SWA currently operates a WTE facility that generates electricity and SWA sells such electricity and other byproducts of its resource recovery operations;
- Based on information and belief, the SWA is the *only* solid waste authority created by a special act of the Legislature;
- Based on information and belief, the SWA is the *only* special district specifically authorized by the Legislature to produce power in the process of recycling and resource recovery and to sell the resulting energy to any person;
- The Legislature specifically directed that the Special Act is remedial and must be liberally construed to promote the purpose for which it is intended; and
- By virtue of the Special Act, the Legislature has effectively directed a finding of need for any WTE facility the SWA requires in order to meet its MSW disposal obligations.

52. In recent years as more specifically noted above, a number of statutory provisions<sup>12</sup> have been adopted that are clearly and unambiguously intended to encourage, promote and increase electricity production from Florida renewable energy resources. The Expanded Facility represents such a renewable energy resource and the production of electricity from MSW will advance the Legislative objectives and help realize the many benefits of renewable energy to the citizens of the State as set forth in the statutes.

53. For nearly four decades, the Commission has consistently recognized the need to displace electrical generation using oil and other non-renewable fuels with electrical generation from renewable fuels and renewable energy resources, such as MSW. For example, in its 1977 Report to the Department of Environmental Regulation regarding the need for Miami-Dade County's Resource Recovery Facility, the Commission made the following findings regarding the impact of adding generation based on renewable fuels:

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<sup>12</sup> See, e.g., Sections 366.051, 366.91 and 366.92, F.S.



Assuming a net output of 400 million kilowatt-hours and (sic) FP&L system residual oil heat rate of 9,600 BTU per kilowatt-hour, approximately 625,000 barrels of residual oil will be conserved. This 625,000 barrels represents only 1.9% of FP&L's 1976 consumption of residual oil. Needless to say, this small percentage will not materially reduce FPL's or the state's residual oil consumption, but it is a step in the right direction.<sup>13</sup>

54. This decision was followed by the Commission's findings in its 1985 Order Granting Determination of Need for SWA's Existing Facility, as cited above, stating that "The facility will also maintain the supply of adequate electricity at a reasonable cost while lessening our dependence on fossil fuel." Electricity produced by the MSW incineration portion of the Expanded Facility alone will displace the equivalent of approximately 4,000,000 metric cubic feet of natural gas, 886,000 barrels of oil or 249,000 tons of coal.<sup>14</sup>

55. In its 1993 Order Granting Petition for Determination of Need for Miami-Dade County's proposed expansion of its then-existing waste-to-energy electrical generating facility, the Commission, noting that there was no contract to sell firm capacity to a utility, found that – like SWA's Expanded Facility – the facility proposed by Dade County would both displace fossil fuel and reduce MSW through combustion:

Energy generated by Dade County's expanded facility will meet two needs: displace fossil fuels and reduce the amount of garbage through combustion of solid waste. The new boiler is expected to provide an additional 140 gigawatt-hours (gWh) per year assuming an 80% capacity factor. Since the facility is located in Florida Power and Light Company's service territory, Dade County will likely sell the energy to FPL. Since there is no contract to sell firm capacity, the Dade County facility will likely sell energy on an as-available basis to FPL; this energy will displace fossil fuels in Florida. We find that the state has a need for the additional energy

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<sup>13</sup> Application for Site Certification Metropolitan Dade County Resource Recovery Facility, Preliminary and Final Report of the Florida Public Service Commission, October 6, 1977.

<sup>14</sup> See Table 3 of Exhibit FS-1 to the Direct Testimony of Frank Seidman for derivation of these equivalents.

to be generated from Dade County's expanded solid waste facility.<sup>15</sup>

The Commission has also recognized the benefits of reducing Florida's consumption of imported oil as a basis for granting a determination of need in a number of other cases.<sup>16</sup>

56. Section 366.81, F.S., which along with Section 403.519, F.S., forms a part of FEECA, sets forth the Legislature's intent to encourage the use of renewable energy sources in meeting the State's energy needs. me Similarly, Section 366.91(1), F.S., contains the Legislature's specific determination that it is in the public interest to promote the development of renewable energy resources, which have the potential to help diversify fuel types for electric production.<sup>17</sup> Section 366.92(1), F.S., sets forth the Legislature's statement of intent to promote the development of renewable energy, diversify the types of fuel used to generate electricity in Florida and lessen Florida's dependence on natural gas and fuel oil for the production of electricity. In light of such energy policies and those more recently articulated by the Florida Legislature,<sup>18</sup> the Commission should once again recognize the same benefits of reducing Florida's consumption of all non-renewable fuels - including coal, natural gas and oil.

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<sup>15</sup>Order No. PSC-93-1715-FOF-EQ, issued on November 30, 1993 in Docket No. 930196-EQ, (In re: Petition to Determine Need for Proposed Capital Expansion Project of the Dade County Resources Recovery Facility, an Existing Solid Waste Facility, by Metropolitan Dade County).

<sup>16</sup> See, e.g., Order No. 10108, issued on June 26, 1981 in Docket No. 810045-EU (In Re: JEA/FPL's Application of Need for St. John's River Power Park Units 1 and 2 and Related Facilities, Docket No. 810045-EU); Order No. 10320, issued on October 2, 1981, in Docket No. 810180-EU (In Re: Petition of Orlando Utilities Commission for Determination of Need for Stanton Unit 1); and Order No. 9749, issued on January 16, 1981 in Docket No. 800595-EU (In Re: Application for Certification of Tampa Electric Company's Proposed 417 Megawatt Net Coal-Fired Big Bend Unit No. 4).

<sup>17</sup>Section 366.91(2), F.S., makes clear that municipal solid waste is a renewable energy resource, by defining "renewable energy" as including biomass and defining "biomass" as including municipal solid waste and landfill gas.

<sup>18</sup> See, for example, Sections 366.91 and 366.92, F.S.

**THE EXPANDED FACILITY IS THE MOST  
COST-EFFECTIVE ALTERNATIVE AVAILABLE**

57. As discussed above, the SWA considered alternatives to the Expanded Facility as a means of MSW management and disposal, but ultimately determined that the Expanded Facility is its most cost-effective alternative for MSW disposal in Palm Beach County. Additionally, from the perspective of FPL and the State as a whole, by its inherent nature as a renewable-fueled electric generating plant, the Expanded Facility is an effective energy conservation measure that will conserve expensive, imported (into Florida) primary fuels.

58. Moreover, the Expanded Facility is specifically consistent with the goals and purposes articulated by the Florida Legislature in FEECA, in that it will provide a renewable-fueled energy resource and conserve expensive resources, particularly petroleum fuels. The Expanded Facility promotes and satisfies both goals and purposes because it is fueled by renewable fuels of Florida origin and by virtue of such renewable fuels, the electricity generated by the Expanded Facility will displace nonrenewable fuels (coal, oil, and gas), virtually all of which are imported into Florida from other states or countries.

59. Because, as noted previously, the Expanded Facility will annually save the equivalent of approximately 4,000,000 mcf of natural gas, 886,000 barrels of oil or 249,000 tons of coal that would otherwise be used to generate electricity, and will provide a proven and reliable supply of renewable energy, it constitutes a valuable energy conservation measure that advances the legislative goals articulated in FEECA. The Expanded Facility will be fueled by Florida indigenous renewable energy resources of exactly the type that the Legislature has encouraged. The electricity produced and sold by the Expanded Facility is expected to be sold at avoided cost and therefore provide a cost-effective source of renewable energy to the State's electric utility system.

60. The Expanded Facility will provide many benefits consistent with Florida renewable energy policy, Florida MSW disposal policy and the interests of citizens statewide.

The Expanded Facility will:

- a. Provide a renewable electricity generation resource located in Florida and fired by Florida indigenous renewable fuels - MSW and landfill gas.
- b. Reduce Florida's dependency on natural gas as an electricity generating fuel.
- c. Reduce volatility of fuel costs by displacing utility electricity generation fueled by oil and gas – both of which have experienced substantial pricing volatility in recent years.
- d. Encourage significant new capital investment of over \$700 million and create significant additional employment (approximately 70 new permanent jobs in addition to approximately 400 construction jobs during the three year construction) in Florida.
- e. Improve environmental conditions by replacing or displacing electricity generated by fossil fuels; and, by substantially reducing the volume of waste to be disposed at the SWA's landfills by approximately 90%.
- f. Assist Florida in being a leader in MSW and landfill gas electricity generation, and
- g. Avoid the waste of a valuable resource and opportunity to lessen Florida's dependence on fossil fuels that otherwise would result if the SWA were forced to incinerate MSW without generating electricity.

**DELAYS IN CONSTRUCTION OR OPERATION OF THE EXPANDED FACILITY WILL ADVERSELY AFFECT THE STATE'S RENEWABLE ENERGY SUPPLY AND SWA'S ABILITY TO DISPOSE OF MSW**

61. Delaying the construction and operation of the expanded MSW-fueled facility will have adverse effects on the State to the extent that it results in Florida utilities burning more non-renewable fossil fuel than necessary, and in greater use of non-renewable primary energy sources, all or virtually all of which must be imported into Florida from other states or other countries. Delay will also have adverse effects on SWA, which will be prevented from installing and operating much-needed MSW disposal and energy recovery capability from MSW and

depriving the SWA and the residents of Palm Beach County of the economic benefits of the Expanded Facility.<sup>19</sup>

62. A number of substantial adverse consequences will result if the Expanded Facility is not constructed and operated or if it is delayed including, but not limited to, the following:

- a. The State and its electric consumers will be denied an especially desirable renewable electricity generation facility in that the facility's MSW and landfill gas fuels are rare Florida indigenous renewable energy resources that will displace fossil and/or imported fuels.
- b. The State and its electric consumers will lose the benefits of up to 100 gross MWs of MSW-fueled electric generating capacity and potentially up to 23 gross MWs of landfill gas-fueled electric generating capacity.
- c. Peninsular Florida's electric utilities will be deprived of benefits of the net electric energy produced by the Expanded Facility that will be delivered to the peninsular Florida electrical system and that will be available for sale to one or more Florida electric utilities.
- d. The State and its electric consumers will forego the benefits of reducing Florida's dependence on oil and natural gas as electric generating fuels.
- e. The State and its electric consumers will not benefit from a substantial amount of cost-effective capacity and/or energy to Florida's electric utility system without risk to or financial contribution from the electric consumers.
- f. The State and its electric consumers will not enjoy the benefits of reduced volatility of fuel costs by displacing utility generation by imported fuels.
- g. The State and its electric consumers will be denied the benefits of fuel diversity resulting from addition of a significant amount of renewable energy to the electric utility industry fuel-mix and the benefits of fuel diversity.
- h. The State and its citizens will lose the benefits of a new capital investment of some \$700 million in the Expanded Facility and the associated encouragement of other such investment in the State.
- i. The State and its citizens will lose approximately 400 new, temporary construction jobs over the expected three-year construction cycle of the Expanded Facility and the creation of approximately 70 new, permanent jobs associated with the commercial operation of the Expanded Facility.
- j. The State and its citizens will be denied the improvement in environmental conditions in Florida by replacing and displacing electricity generated by fossil fuels; and, by recovering energy from waste, and by reducing the volume of

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<sup>19</sup> See milestone dates provided on Page 15 of the Direct Testimony of Marc C. Bruner.

MSW treated at the Expanded Facility and ultimately disposed at landfills by approximately 90%.

- k. The SWA and citizens of Palm Beach County will be forced to site, finance and implement less reliable, less desirable and less environmentally friendly means of MSW management and disposal in contravention of the State solid waste disposal policy and the specific responsibilities of the SWA.
- l. The State and its citizens will be forced to accept the negative consequences of disposing of MSW via landfill where it will consume valuable real estate, will decompose to release methane gas – a significant green house gas – and potentially result in other negative impacts.
- m. The SWA may be forced to incinerate increasing amounts of MSW without generating electricity from the process, with the result that the State will experience all of the consequences of such burning without the benefits intended by the Legislature, and the citizens within the area covered by the SWA will be unnecessarily burdened with substantial additional collection costs that would otherwise be reduced or mitigated by revenues from the sale of electricity at avoided cost.

### CONCLUSION

63. The Expanded Facility is essential for the SWA to carry out its obligations to dispose of MSW in a reliable, proven and environmentally preferred manner consistent with the requirements of applicable law and the best interests of its customers.

64. Delaying the Expanded Facility would have many significant adverse impacts on the SWA's ability to dispose of MSW, to comply with its legal obligations to dispose of MSW, to add a much-needed source of renewable energy to Florida's electric utility fuel mix, and would, among other things, deprive the local economy of hundreds of millions of dollars of investment in plant and equipment and the hiring of hundreds of worker to construct and operate the Expanded Facility.

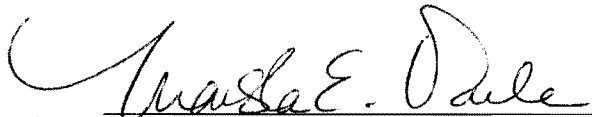
65. As a renewable energy resource, the Expanded Plant will contribute significantly to system reliability, increasing fuel diversity and progressing toward the expansion of environmentally friendly generation for the benefit of electric consumers throughout Florida.

66. The Expanded Facility will promote fuel diversity and system reliability and integrity on for peninsular Florida, will have a positive impact on the Southeast Florida load and generation imbalance, will contribute to providing adequate power at a reasonable cost, and is the most cost-effective means of adding needed renewable energy to the State's electrical system.

**RELIEF REQUESTED**

WHEREFORE, for the reasons set forth above, and as more fully described in the testimony and exhibits accompanying this Petition, the Solid Waste Authority of Palm Beach County respectfully requests that the Commission grant an affirmative modification to a previously issued determination of need for 75 MW by increasing the amount of electric generating capacity "needed" at the SWA site in the amount of 110 MW, to a combined total of 185 MW; and, to grant such additional relief as may be appropriate and consistent with this Petition.

Respectfully submitted on this 26<sup>th</sup> day of August, 2010.



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