FPSC-COMMISSION CLERK

ECONOMIC DEVELOPMENT - TOURISM & SPORTS MARKETING - SMALL BUSINES

August 11, 2011

State of Florida Public Service Commission Attention: Ms. Ann Cole Commission Clerk Office of Commission Clerk 2540 Shumard Oak Boulevard Tallahassee, Florida, 32399-0850

Docket No. 110090-EQ – Petition for approval of negotiated power purchase agreement with U.S. EcoGen Polk, LLC by Progress Energy Florida, Inc.

Dear Mr. Chairman and fellow Commsioners:

The Central Florida Development Council (CFDC) is a Public/Private Partnership between the Polk County Board of County Commissioners and all of the major Chambers of Commerce in Polk County and is the lead economic development agency in our County. The CFDC is very pleased to learn that the Power Purchase Agreement between Progress Energy Florida, Inc. and U.S. EcoGen Polk, LLC, with plans to build a 60 MW biomass electrical generating facility in Fort Meade in Polk County, Florida, is currently under review by your commission.

As Director of the Central Florida Development Council, I would like to express strong support from our organization for U.S. EcoGen's Fort Meade project. This project represents a number of very important economic impacts for this community including:

- Approximately 350 construction jobs lasting up to two years, most of which would come from our local work force, beginning immediately after construction finance in mid-2012. This will provide badly needed jobs in Polk County which has an unemployment rate of 11% which is above the national and state average.
- Once the plant enters into operations in early 2014, it is forecast to provide approximately 35 full-time plant positions for a minimum of 30 years. The average compensation for these jobs is in the range of \$50,000 annually, which exceeds the local area wage by 125%. In addition, the pant will generate 50-60 full and part-time positions for a minimum of 30 years in biomass fuel production and transportation. The average compensation for these positions is in the range of \$40,000 annually which is 115% above the local average wage.

2701 Lake Myrtle Park Road Aubumdale, Ft. 33823 (p) 863-551-4760 (f) 863-551-4739 www.r.thc.org

- A recent study conducted by CFDC concluded that the full positive economic impact of this project on Polk County and surrounding regions is likely to be in the range of \$11 million annually over the full term of the Power Purchase Agreement. This project is estimated to double the ad valorem tax base for the City of Fort Meade, allowing the city to create new jobs and improve aging city services.
- As you are aware biomass is renewable power resource that will reduce dependence on imported energy and hydro-carbon based fuels such as natural gas and coal that may contribute to global climate change.
- It is notable that U.S. EcoGen Polk, LLC's plans for producing power will require much less water than conventional forms of power generation, and its plans for biomass fuel production will have significantly lower water demand than most competing uses of the land resources.
- Plans are underway between U.S. EcoGen and Polk State College to create a career based educational training program, allowing people from the county to develop the skills required to work at the plant and enter into a career path with U.S. EcoGen with a long-term future.

We certainly hope that the U.S. EcoGen Polk County Generating Facility can move forward with the greatest speed. If you have any questions, please feel free to call me at (863) 551-4710 or contact me by email at JimBell@cfdc.org.

Sincerely,

Jim Bell

Executive Director