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Letters to the Editor  
*Sun-Sentinel*  
200 E Las Olas Blvd  
Fort Lauderdale FL 33301

Dear Sir:

This morning's editorial (*Approve Enron power plant*, Friday, April 6th) omits several critical points in the big picture Pompano's City commissioners are asked to consider.

Merchant power plants, and especially peaker plants, are the nose of the unattended camel poking into our tent.

**1. *Global Warming***

Recent *Sun-Sentinel* editorials (*Sense of urgency needed (global warming)*, January 30, 2001; *The president's broken promise (carbon dioxide emissions)*, March 16, 2001), quite rightly decry George Bush's egregious failure to implement measures to combat global warming by reducing carbon dioxide emissions.

However the peaker plants supported by today's editorial are a far cry from the best applications to deal with global warming. The least-cost way of combating global warming is to make our energy systems more efficient. Less fuel in, equals less emissions out and more people served. According to the Congressional Reporting Service, peak demand facilities run at under 20% capacity. Gas turbines perform best and have maximum efficiency at maximum capacity, efficiency suffers at part load. The simple-cycle turbines proposed for these plants have the poorest maximum efficiency of all, and are the worst gas turbine application to combat global warming.

The best global warming strategy is energy efficiency, and the key components are super-efficient energy technologies combined with dedicated efforts to reduce peak demand for electricity. Peaker plants simply feed our energy habit, obscuring the real need for each and every one of us to commit to energy efficiency.

**2. *Energy Security***

That diesel fuel backup systems are required for the proposed peaking plants is a clear indication that Enron does not have confidence in the natural gas supply and/or its

economics. Nationally, demand for natural gas has been so competitive that in just two years, prices have risen from \$2.25 per thousand cubic feet (mcf) to \$9.80 mcf.

In addition to soaring prices, supply is also an issue. Enron proposes to import gas from Trinidad or Venezuela. Efforts are also underway to gain approval to build a gas supply pipeline in the ocean from the Bahamas to Fort Lauderdale. Neither scenario bodes well for non-diesel operation of the power plant.

If a reliable long-term supply of gas can be secured it also makes sense for the plant to be optimally efficient. The more efficient a power plant, the less fuel it needs to deliver power. We should not be using inefficient turbines and wasting natural gas resources. Instead, we should be planning to use these precious resources in the newest, most efficient technologies and sustainable energy systems. Of the most promising, laying the groundwork for a fuel cell/hydrogen, electricity/transportation infrastructure should be high on our agenda and is entirely within the realm of reality.

### ***3. Loopholes in State regulation***

Merchant power plant operators have recognized that current Florida law offers them unique opportunities to build power plants that do not fall under the purview of the Public Service Commission. While these particular plants must meet environmental regulations under the separate purview of the Department of Environmental Protection, they do not have to pass the state's Power Plant Siting Act or the PSC's test for need determination because they do not produce power from steam.

These simple-cycle power plants are therefore being built on a speculative basis with local communities being required to act as the *de facto* public service commission and having responsibility for determining the plant's need, in lieu of the PSC. Merchant power plant operators are counting on local communities, in their naivete, simply buying into the sales pitch. Realistically, the proposed plants for Pompano and Deerfield may not be so speculative. It has been suggested that the power from these peaker plants will be sold to FPL, replacing the emissions from FPL's Port Everglades plant. Shouldn't the potential sale of this power be considered part of the ratebase, requiring a need determination as an extension of FPL's resource mix?

This is among the many questions the Legislature should be asking in response to the Energy 2020 Study Commission's hurried and woefully inadequate report on wholesale restructuring. A cogent report on both retail and wholesale restructuring, and their implications for the state's long-term planning needs, is required before the Legislature can close the loopholes the merchant plants are seeking to exploit, to our long-term detriment.

Florida's Public Service Commission has determined the entire state needs 10,000 megawatts of additional generating capacity by the year 2010, yet currently, to my knowledge, there are applications across the state for 41 merchant power plants—enough to provide at least double that capacity.

What do the merchant power plant owners plan to do with all this excess capacity? At what price to Floridians?

#### ***4. Planning and Need Determination***

On the positive side, these merchant power plants have opened the door for a new concept that offers the promise of sustainability—local need determination. To be sure, “a region that expects to add 2.3 million people during the next 20 years should be preparing now for the additional energy needs such growth will create.” But these merchant power plants are being foisted on us by business enterprises whose motives are not always for the betterment of the community. It is they who have determined what our “needs” are. Perhaps we do indeed need more generating capacity, but prudence and good planning should take place first with a need determination assessment by the communities of our region, not our suppliers alone.

In addition, the 28-acre site proposed for this power plant sits on a 106-acre tract of land which has been under careful development into a prime industrial property. It has the potential to attract a high-tech industry, perhaps even an energy park where renewable technologies are manufactured. The site could employ up to 300 people with careful nurturing. The proposed power plant will employ 12 people, and its site has the potential to be expanded to 56 acres with no regulatory process to inhibit it. This could destroy any opportunity for further development of the surrounding 50 acres. Do we need the power plant? Do we need high-tech industries? Do we need high-tech energy industries?

We, the communities, should be deciding what it is we need, and then determining who, what, and how our energy future will be built. And we have plenty of expertise right here in South Florida to do this assessment. Enron could well be just the supplier we want and need, but let us determine that first. We aren't ready to give the go ahead yet, and there's no need to panic although we should certainly move ahead smartly with our planning.

Such an assessment should take into consideration our ability to integrate new alternative fuel technologies into our supply-side mix, with demand-side efficiency programs and education a primary goal, so that we can plan and build a truly sustainable energy future. This is too important a decision to accept a 30-year sunk investment in infrastructure at this time. This infrastructure will make new energy systems such as distributed fuel cells difficult to implement, and will require expensive decommissioning and cleanup when the peaker plants become obsolete because of newer technologies.

Such a poorly planned move as giving carte blanche to our suppliers without determining what it is we really want our energy future to look like will seriously affect our ability to transition to a sustainable energy future.

Pompano's City commissioners should not approve the site's rezoning, “for the good of Pompano Beach, and all of South Florida.” We South Floridians must do our homework before we rush into something that cannot be undone without great cost to us, to the environment, and to our energy future.

Respectfully, Robert Farmer, Energy Planning Engineer

cc: Robert Gremillion, Publisher *Sun-Sentinel*  
Earl Maucker, Editor *Sun-Sentinel*  
Kingsley Guy, Editorial Page Editor *Sun-Sentinel*

Pompano Beach City Commission: Mayor Bill Griffin, Vice Mayor Herb Skolnick; Commissioners Kay McGinn, Bob Shelley, Ed Phillips

## **BIOGRAPHY**

Robert Farmer graduated as a power systems Planning Engineer with Bristol-Siddeley Engines in the U.K., and has over 30 years North American experience in management, marketing, engineering sales and service with major manufacturers in the engine power industry.

A permanent resident of South Florida since 1984, Mr. Farmer was a member of the **Energy Advisory Committee of the Governor's Commission for a Sustainable South Florida**. He is a Regional Member, and Market Development Chair of the **Gold Coast Clean Cities Coalition** (GCCCC, a USDOE program) and a member of the **Southeast Air Coalition for Outreach** (SEACO, a Florida Department of Environmental Protection initiative).

He is a member of the international **Association of Energy Engineers®** (AEE) and since 1992 has served on the Board of the Southeast Florida Society of Energy Professionals, the local AEE chapter. He is a member of the **Sound Science Initiative of the Union of Concerned Scientists**, and a member of the **United States Association for Energy Economics** (USAEE).

He is also a member of the Board of Directors of the Tallahassee-based **Legal Environmental Assistance Foundation, Inc. (LEAF)**, and of **Third Planet**, a Fort Lauderdale-based public charity.

Robert Farmer is an energy planning engineer and a market development specialist working on the solutions to energy-related sustainability issues. He is a Managing Partner of Concept Communiqués, Inc., a marketing communications and public relations company formed in 1989 based in Fort Lauderdale.

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See also author's article at:

[www.conceptcommuniques.com/energy1.html](http://www.conceptcommuniques.com/energy1.html)

click on Articles button, then February 2001: "An open market for merchant plants—betting Florida's energy future on the wrong horse."