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A Dance of Environment and Economics in the Everglades



Alex Quesada for The New York Times

The biomass power plant that is part of the Florida Crystals sugar refinery could play a pivotal role in a plan to revive water flow in the Everglades.

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By DAMIEN CAVE

WEST PALM BEACH, Fla. — When Florida officials announced a plan last month to save the Everglades by buying United States Sugar and its 187,000 acres, they knew that the success of their plan could be defined by Alfonso Fanjul and his brother J. Pepe Fanjul.

The Fanjuls' family-run sugar company, Florida Crystals, owns what the state wants: about 35,000 acres needed to recreate the River of Grass's historic water flow from Lake Okeechobee south to the Everglades.

State officials have said they hope to trade some of United States Sugar's assets for the Fanjuls' property, and in their first interview since the deal

was announced, the Fanjuls said they were “on board” — but with a few caveats.

Their mill and biomass power plant in Okeelanta, which is in the path of the flow way in some draft plans, cannot be moved, they said. And wouldn't it be best, they hinted, to let Florida Crystals use much of the state's new land for sugar, to preserve jobs and produce fuel for their clean-energy projects?

“We really want to be as green as we possibly can be,” said Alfonso Fanjul, the company's chief executive. But, J. Pepe Fanjul added, “You have to have a balance between the environment and economic development. Something has to be done for the humans, too.”

Some advocates for the Everglades question the Fanjuls' motives, in part because of their well-publicized donations to both political parties and their efforts to protect a federal price-support program for sugar.

But other environmentalists said the family had often been unfairly singled out. They point out that United States Sugar, not Florida Crystals, has historically been the state's largest sugar producer and the worst steward of the land, according to lawsuits filed against the industry.

Since the 1990s, Florida Crystals has also invested heavily in cleaner farming methods and alternative energy. The result is a steady decline in pollutants that Florida Crystals and other local farmers dump in waterways, according to state figures, though phosphorous levels are still above the 10 parts per billion that the Everglades' fragile ecosystem requires.

The Fanjuls' company also now runs North America's largest biomass power plant, producing up to 140 megawatts of electricity. And last year, the University of Florida chose Florida Crystals for a \$20 million pilot project to turn cellulose into liquid ethanol.

Ben Legendre, director of the Sugar Institute at Louisiana State University, said, “Florida Crystals is a leader in the industry with new technology.”

David Guest, a lawyer for Earthjustice who has tangled frequently with the sugar industry in court, agreed. “The environmental community tends to see sugar as one unitary thing, and it isn’t really,” Mr. Guest said.

The Fanjuls said their efforts reflected demand for greener products.

“I don’t think we were the only ones who changed,” said J. Pepe Fanjul, the company’s president. “People’s consciousness of the environment in every country in the world, let alone the United States, has changed and developed. We’re all changing as time goes by.”

Since the United States Sugar deal was announced June 24 with a November deadline for closing, the Fanjuls have expanded efforts to show that their environmental and economic efforts are aligned.

Company executives have met at least twice with state officials since June. A few weeks ago, the Fanjuls also hired John Wark, a public relations consultant whose clients have included the Everglades Foundation and the Environmental Defense Fund. At Mr. Wark’s suggestion, reporters from several news organizations have recently been invited to visit the company’s facilities at Okeelanta.

The complex — with a refinery next door to the biomass power plant — still feels mostly sugar-centric. Mountains of raw sugar the size of blizzard snowbanks are churned through the refinery year-round with the help of about 800 unionized workers.

The power plant’s primary job is to keep the refinery running. This is a common scenario for sugar mills, with the difference being that Florida Crystals added new technology in 1995, which increases steam pressure to produce additional energy. It took nearly three years to get the system running.

“U.S. Sugar could have done the same thing when they built their new mill,” said Gaston Cantens, a vice president for communications at Florida Crystals, standing over the turbines. “They didn’t.”

Yet there are also signs here that Florida Crystals remains a company in transition, unsure of how green to go. At the distribution center, organic sugar is prominently displayed though Mr. Cantens acknowledged that it was produced on only 5,000 of the company’s 155,000 acres in Palm Beach County. (“We’re expanding it,” he said.)

Some environmentalists are skeptical. “The company has always operated on the principle that its bottom line is most important,” said Alan Farago, executive director of the Everglades Defense Council.

Indeed, Alfonso Fanjul cited the business-minded book “Green to Gold,” by Daniel C. Esty and Andrew S. Winston, as an inspiration, not Marjory Stoneman Douglas’s “The Everglades: Rivers of Grass.” And in a day’s worth of tours and briefings, it became clear that the Fanjuls were at least as interested in getting additional land for profits and jobs as for clean energy.

In emphasizing the economy, they have allies. The most vocal critics of the state’s plan have been United States Sugar workers like K. S. Jones, one of about 1,900 employees who will be unemployed if the state puts United States Sugar out of business in six years, as the current plan proposes.

Last week, in a meeting at United States Sugar’s headquarters in Clewiston, Mr. Jones spoke first. He told state officials that if a similar agro-economy does not replace United States Sugar, the area will be filled with ghost towns. “Any dollar lost hurts a small, rural county,” he said.

One fresh idea, discussed in Clewiston and supported by Florida Crystals, is an “inland intermodal center” that would hold containers for the area’s ports. It could add 32,000 jobs by 2015, according to a state-sponsored study.

But for now, one question looms: How much land should go to the Everglades? Thomas Van Lent, a senior scientist at the Everglades Foundation, has estimated that about 130,000 acres would be needed to supply the Everglades and water treatment areas. If that is accurate, and if all of the unused acquisition went to the Fanjuls in a trade or sale, Florida Crystals could add 57,000 acres to the 155,000 it already owns in Florida.

Mindful of the continuing negotiations, the South Florida Water Management District has repeatedly declined to offer figures of its own. State officials have also not said whether they would seek to shut down Okeelanta in a land swap.

“We cannot respond to conjecture or assumptions at this point about a potential acquisition still under negotiation,” Carole Wehle, the district’s executive director, said in an e-mail message.

Mr. Van Lent said the state was probably still studying the financial picture.

“This opportunity came out of the blue,” he said, “and I don’t think anyone has gone through and crunched the numbers on what the lowest cost is, whether it’s trading land with the Fanjuls or building on the current U.S. Sugar footprint.”

On Tuesday, a federal judge ruled that Florida and the federal Environmental Protection Agency had failed to enforce the Clean Water Act by extending Everglades clean-up deadlines to 2016 from 2006 through a law the sugar industry had lobbied for.

But whenever the state figures out what it wants, the Fanjuls said they would be ready to dig into the details and try to help.

“We want to be an active participant playing a role in how it should be done,” said Alfonso Fanjul.

“Our biggest concern,” he added, “is that they do things properly, in an orderly way.”