

# Florida Crystals wants utilities and the state to promote renewables

By [David Adams](#), St. Pete Times staff writer

Sunday, September 21, 2008



NY Times

The biomass plant that is part of Florida Crystals' sugar refinery sells excess electricity to utilities all over the state. The company wants to move into biofuel production.

---

OKEELANTA — For the past 11 years, Florida Crystals, the nation's largest sugar producer, has powered its massive refining operation by burning leftover sugarcane.

"We grow our own electricity," said Stephen Clarke, who directs industrial research for Florida Crystals, referring to the sugarcane fiber waste, known as bagasse, that provides half of the annual fuel for the furnaces.

When there is excess electricity, the company sells it to utilities all over the state, providing enough energy to power 60,000 homes and eliminating the need for 1-million barrels of foreign oil per year, the company says.

Now the company wants to play a larger role in the state's renewable energy industry by expanding its electricity generation and ultimately moving into the production of biofuels such as ethanol.

Despite a statewide push for more renewable energy, Florida Crystals says it is running into opposition from utility companies and state regulators.

"We have a market that's not working for renewables," said Gus Cepero, vice president of business development at Florida Crystals.

Unlike other states, Florida has been slow to adopt a renewable portfolio standard, a statewide mandate to encourage production of greener power.

In July 2007 Gov. Charlie Crist signed an executive order requiring the Legislature to come up with a proposal to take the state to 20 percent renewable power by 2020.

The state Public Service Commission, which regulates utilities, issued a preliminary "straw man" proposal last month, pushing the deadline back to 2050. Critics say the proposal would preserve current rules in favor of nonrenewable energy sources, such as natural gas, coal and nuclear.

"The utilities have historically resisted any form of renewables — any alternative represents competition to them," said Cepero, who used to work at Florida Power & Light.

The utilities counter that renewable energy has yet to prove its reliability and cost-effectiveness. Progress Energy supports renewable energy, but only when it is "achievable and affordable," said spokeswoman Cherie Jacobs. "Time lines for requirements have to be in synch with technology."

FPL Group in South Florida is the nation's largest wind energy company, with turbines located in Texas, but it sees less renewable potential in its home state.

"We are strongly committed to renewables and have been buying electricity produced from biomass for years," said Mayco Villafana, a spokesman for FPL. "The issue is that some of these alternative technologies generate electricity at a higher cost than traditional sources. This is the crux of the discussion that is going on right now."

But Florida Crystals complains that current regulations governing access to the grid for different energy sources are too heavily weighted in favor of utilities. As a result, Florida Crystals receives only about 6 cents per kilowatt hour of electricity, compared to the 12 cents the utilities charge customers.

"There are good arguments on both sides," said Jeremy Susac, director of the Florida Energy and Climate Commission, an advisory body created by the Legislature. "I don't think the straw man will be the final rule. I think renewables are good for Florida and we need more of them."

The state is eagerly awaiting the results in November of a study commissioned by the state to evaluate Florida's renewable energy resources.

Florida Crystals now finds itself allied with environmental groups that have in the past accused it of polluting the Everglades.

"It's a great redemption story," said Susan Glickman, southern regional director for the Climate Group, which advocates greater business and government leadership on climate change.

"I find it compelling that a big company like Florida Crystals, with its history with the Everglades, is allied with environmental and conservation groups."

David Adams can be reached at [dadams@sptimes.com](mailto:dadams@sptimes.com).

### **Sugar for fuel**

Last year Florida Crystals won a \$1-million state grant with Florida International University to explore ways to produce ethanol from sugarcane waste by breaking down its tough fiber exterior to get at the sugars contained within. It is also working with the University of Florida on building an ethanol plant using nonfood plants.