EXHIBIT B

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2. Project Planning

Task	Subtask	Auditor Notes	Findings
What is the current status of the Turkey Point 6 & 7 project? CHART- Key Activities 2009-2010	Update and describe project *planning* made since the last review for the project and its effect on the project schedule and costs.	1. FPL has not yet signed an engineering and procurement contract for Turkey Point Units 6 & 7 but did sign an agreement with Westingbouse Electric Company to reserve manufacturing slots for long lead equipment components. 2. The current reservation agreement expires on December 31, 2009. Unless a definitive engineering and procurement contract is signed before then, FPL is at risk of losing a portion of its $10.8 million reservation fee. 3. The company states that it is continuing to take a cautious approach in deciding whether to sign just an engineering and procurement contract or a combined Engineering, Procurement, and Construction (EPC) contract package. 4. In FPL's opinion, there may be considerable benefits to bidding the construction portion of the project to a qualified constructor, rather than negotiating a package contract. 5. In 2008, FPL decided to delay submission of its COLA to the NRC, from March to June 2009. It filed the COLA as scheduled, with the SCA and Wetlands Permit for PTN 6 & 7. 6. Based on the NRC Requests for Additional Information issued to Progress for the Levy units, FPL added site-specific geotechnical information to the Turkey Point 6 & 7 COLA submission. 7. FPL believes that NRC budget cuts and resource restraints may extend the interval for review and approval of its COLA application. FPL believes	

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		the impact of budgetary cuts may extend the approval and hearing process to approximately 50 months.	
	Obtain and document any external reviews performed relative to *planning* since the last review.	No new external reviews were completed since April 2008 for the PTN 6 & 7 project.	
	Review any detailed internal feasibility studies completed relative to project/*planning* scope changes.	1. FPL is considering different sources for primary, secondary, and back-up supplies. FPL is currently working with county and state environmental agencies to evaluate its options. Possible water resources for the project include the use of groundwater, reclaimed wastewater from Miami-Dade County, deep well, and ocean extraction. 2. FPL anticipates that approximately ten miles of pipeline would be required to bring in reclaimed water from Miami-Dade County. FPL believes a wastewater treatment facility will be required on or near the Turkey Point site to further treat the reclaimed water prior to use at the site. The estimated costs of necessary pipeline and treatment facilities are currently under study by FPL. 3. FPL continues to assess the possibility of excavating tons of fill rock near the Turkey Point site. FPL must raise the containment vessel elevation approximately twenty feet above sea level, requiring millions of tons of fill. FPL anticipates this would save millions of dollars. 4. Transmission corridor and rights-of-way studies for Turkey Point Units 6 & 7 were completed in early 2009. FPL has identified the transmission requirements of the Turkey Point Units 6 & 7 project going forward. The company will locate the new Clear Sky substation on site, and will deliver generation through two different routes extending north and west from the plant.	

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		5. FPL held nine open house public meetings in November and December 2008. These meetings provided public input for selecting the new transmission routes. The selected transmission routes and preferred corridors will be input to FPL's Site Certification Application for the Turkey Point 6 & 7 units.	
What is the current project schedule?	Review and update the status of project planning, engineering, equipment modification, and phasing of work schedules to complete the project, and identify any potential delays to the project.	1. FPL reports that all Turkey Point Units 6 & 7 scheduled milestones to date have been completed on time and within budget. FPL is progressing toward obtaining necessary regulatory approvals at the county, state and local levels. 2. The majority of project activities and expenditures have focused on development of the Combined Operating License Application and the Site Certification Application (SCA) for federal and state requirements. 3. Additional project activities have focused on local issues of water resources, fill rock excavation, and transmission route approvals.	
	Review and update the tracking of the project's schedule and costs.	1. The project's status and budget are primarily tracked and reported by the Controls Group. This group issues weekly and monthly reports and conducts weekly meetings with the project contractors.	
	Document the status of long-lead equipment acquisition timeline and its impact on the project schedule.	1. FPL has entered into a reservation and manufacturing agreement with Westinghouse to provide long lead manufacturing slots for 46 forgings associated with the two AP1000 units to be completed at PTN 6 & 7. 2. Other long lead equipment items will be procured after Engineering and Procurement contract is signed. 3. FPL anticipates that substantial benefits will be	

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		derived from competitively bidding the Construction portion of the project, but it has not ruled out an EPC package with Westinghouse, if negotiations allow.	
What is the current status of required regulatory approvals?	Update the status of any federal and state license approvals for the project.	1. The COLA submittal was completed on June 30, 2009, along with the Site Certification and Environmental Resource Permit for the ACOE.	
	Document future scheduled dates for project regulatory approvals and its impact on the project.	1. FPL has stated that the COLA approval and licensure may take approximately 50 months, based on current NRC funding levels and project schedules. 2. The Site Certification approval from the State of Florida should be approved within 15 months of the June 30, 2009 submittal, or approximately December 2010	
	Obtain and document studies performed relating to the company meeting regulatory environmental challenges to regulatory approval. (i.e. cooling water requirements)	See internal feasibility studies discussed above under What is the current status of the Turkey Point 6 & 7 project?	
What risk assessments have the company completed for the project? Chart – Turkey Point 6 & 7 Information and Communication Controls	Document the ongoing risk analyses being performed on the project and identify any changes to the process.	1. FPL's Project Controls Group provides project management reports containing the project schedule, budget costs, vendor performance and risk concerns. The Controls Group monitors and updates the ongoing project schedule with Primavera software that also allows production of customized management reports. 2. If schedule or budget variances occur, they report potential risk to management. Project Dashboard reports help management to identify and prioritize risk, develop mitigation strategies, and implement resolutions addressing schedule and budget variances. 3. FPL also conducts an annual feasibility study which is presented to executive management. This study reviews costs and affirms economic viability	

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		of the nuclear projects and, in doing so, provides additional oversight and accountability control. 4. Weekly, monthly, and quarterly meetings and reports address project schedule and budget risks and mitigation strategies.	
	Document any project risk challenges and mitigation strategies implemented since the last review.	Primary project risk controls are essentially the same as the last review.	
3.2 Project Management Organization			
What is the current Project Management controls environment for each project? Chart – Turkey Point 6 & 7 Organization	Review and update any changes made to the Project Management Organization since the last review.	1. The Turkey Point 6 & 7 project organization has not changed significantly from last year. 2. Turkey Point 6 & 7 project organization consists of two key groups, Project Development and New Nuclear Projects. 3. The Chief Development Officer is responsible for overall control of the Project Development group. This group has primary responsibility for project management, state regulatory processes, environmental services, transmission planning, and non-NRC licenses and approvals. 4. The Project Director–Development manages the Project Manager/COLA Interface and the Project Director/Communications and Coordination. He also directs supporting activities with external affairs, regulatory affairs, project communications, environmental services, FPL legal, project controls, and procurement. 5. The Vice President, New Nuclear Projects, within Construction and Corporate Services, is responsible for managing the Combined Operating License Application, project engineering, procurement, site preparation, and construction activities. 6. The Project Director and License Director report	

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		directly to the Vice President, New Nuclear Projects. 7. Activities for procurement, quality assurance, legal assistance, and financial analysis provide support to the project and have indirect reporting responsibility to the Vice President New Nuclear Projects.	
	Review and update any changes made to the site Project Management and reporting process since the last review.	1. While the organization has increased slightly in the number of personnel, the organizational structure remains much the same.	
	Review and update any changes made to support organization teams.	1. FPL believes the proper Turkey Point 6 & 7 management structure is in place, with dedicated teams possessing the requisite subject matter expertise. Teams provide information flow in both directions while assisting oversight and accountability.	
What are the current project management oversight and accountability controls for the Turkey Point 6 & 7 project?	Document current processes for senior management oversight responsibilities and reporting.	1. FPL maintains that comprehensive project oversight and accountability is rendered by the current organization, appropriately applying assets to issues and encouraging open, effective communication. 2. The company states that Turkey Point 6 & 7 oversight is synergistic and mutually supportive at all levels, comprised of organizational management and leadership elements, professional disciplines, and subject matter experts. 3. Oversight is provided by: executive management, subordinate managers, subject matter experts (SME) within the project team(s), mutually reinforcing schedules and cost controls, and regular updates on risk, cost, and schedule.	
	Document current processes for project management, oversight, and accountability.	1. FPL's Project Controls Group provides project management reports containing the project schedule, budget costs, vendor performance and	

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		risk concerns. 2. The Controls Group monitors and updates the ongoing project schedule with Primavera software that also allows production of customized management reports.	
	Document current processes for providing informational and status reports on the project.	1. The Controls Group, on-site Project Managers, Technical Representatives, and Quality Assurance personnel monitor vendor performance to ensure activities are completed on time and within budget. 2. ISC Sourcing Specialists and Contract Managers also monitor vendors and assist in assessing contract changes and contractor performance.	
	Document the current process for reporting project status to internal boards and committees.	1. If schedule or budget variances occur, the Controls Group reports potential risk to management. These reports help management identify and prioritize risks, develop mitigation strategies, and implement resolutions addressing schedule and budget variances. 2. Executive level management is kept appraised of project risks through the project dashboard and regular meetings with the project management team. 3. The Chief Nuclear Officer has daily system wide calls regarding the nuclear fleet in which lessons learned and risk mitigation is discussed. 4. The project management team has weekly meetings with the CNO to inform and discuss the project's progress and direction.	
	Document the process for continuing review of project viability and milestone events.	1. FPL project management dashboard reports guide the project through schedule and budget issues, and provide ongoing reporting of the project's status and risks. 2. FPL also conducts an annual feasibility study which is presented to executive management. This	

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		study reviews costs and affirms economic viability of the nuclear projects and, in doing so, provides additional oversight and accountability control. The 2008 and 2009 feasibility studies determined that construction of Turkey Point 6 & 7 is economically viable and offers substantial benefit over alternatives. The studies supported continuation of the project. 3. FPL is an active participant in several nuclear industry associations. The company believes these offer valuable perspectives on the nuclear industry as a whole and on current nuclear projects worldwide. These insights help FPL manage project schedule and costs. Additionally, such affiliations provide FPL with pricing discounts or other alternatives that are not available to non-members. 4. Among the organizations FPL is currently affiliated with include: the NuStart Consortium, LLC, the AP-1000 Owners Group (APOG), the AP-1000 Design Centered Working Group, and the Advanced Nuclear Technology Group (ANT).	
3.3 Project Oversight and Controls			
What are current controls for monitoring the Turkey Point 6 & 7 schedule and costs?	Review and update the company's process for monitoring project schedule and cost updates.	1. FPL states that the system of regular reports and meetings currently in place for Turkey Point 6 & 7 enhances effective information and communication. Reports have differing purposes but, as a group, they are intended to assess progress and ensure key personnel are well informed on key issues. 2. FPL believes the company has an array of reports and meetings capable of monitoring project cost and schedule. 3. These reports help discern and evaluate	

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		performance trends while providing near real time assessments of project schedule, staffing, and costs.	
	Review and update the company's process for trending and managing scope changes.	1. The Controls Group monitors and trends scope changes to manage work and monitor contractor progress. 2. Weekly and monthly reports and meetings help in monitoring scope changes as well.	
	Review and update work planning and scheduling changes made to the project since the last review.	1. Most of the work on the Turkey Point 6 & 7 project to this point has been directed toward completing the COLA and SCA applications . 2. FPL is negotiating the Engineering and Procurement contract with Westinghouse and hopes to complete an agreement in late 2009 or early 2010. 3. FPL will now provide support to the NRC in answering questions related to the COLA and continue the engineering, design, and procurement of the units in preparation for the construction phase in approximately 36-50 months. 4. FPL will continue to monitor the nuclear industry, political climate, and changing markets to assess porential risks and develop comprehensive strategies for completing the project. 5. FPL will continue to assess other needs of the project including site infrastructure, cooling water, transmission, fill rock requirements and regulatory approvals.	
	Review the company's staffing plan and whether it has met staffing requirements for the project schedule.	1. The Turkey Point Project Management team has added a few additional staff personnel to assist in specific areas , but has not begun staffing ramp up for the construction effort as yet. It is too early for FPL to begin staffing for construction of the Turkey Point 6 & 7 Units. 2. In August 2008, FPL contractor management	

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3.4 Auditing and Quality Assurance

What are the current auditing and quality assurance controls for the Turkey Point 6 & 7 project?	Determine whether any changes to Audit/QA structure have been made since the last review.	1. FPL Quality Assurance has an annual plan to guide the planned audits and observations to be made during each year. 2. FPL's Quality Assurance organization is a participant in the Nuclear Procurement Issues Committee (NUPIC) and supports the organization's audits of industry suppliers. 3. The audits and surveys are performed using an industry-wide standardized approach. The results are beneficial to all member utilities, providing oversight of nuclear vendors.	
	Review the current internal audit plan and rationale for audits. Review all completed audits and determine when future are planned for the project.	1. FPL management states that the auditing and quality assurance controls in place during last year's review remain intact. The company states that project controls are continually monitored, reviewed, revised, and strengthened. FPL states that auditing and quality assurance activities remain a vital part of the project controls for Turkey Point 6 & 7. 2. Six external audits concluded during 2008. Two others are ongoing. In the spring of 2008 and again in early 2009, FPL engaged Concentric Energy Advisors, an economic advisory and management consulting firm, to review Turkey Point 6 & 7 project controls. 3. Concentric provided recommendations for improvement but noted that none should raise concerns. The Concentric review concluded that: 1.)Turkey Point 6 & 7 had complied with the FPL system of internal controls, 2) FPL PTN 6&7 established an appropriate organizational structure,3) PTN 6&7 implemented and adhered	

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		to FPL policies and procedures, 4) PTN 6&7 developed project-specific instructions and guidelines, 5) PTN 6&7 project oversight ensures compliance with the system of internal controls, PTN 6&7 sought review by FPL and external experts, and Turkey Point 6 & 7 is well positioned to execute the project. 4. FPL completed two internal audits for Turkey Point 6 & 7 in 2008. The New Nuclear Project Review report was issued in November 2008, with recommendations for improvement. FPL conducted additional training based on the recommendations. No changes to project management structure or controls resulted from the audit recommendations. 5. A second audit, the *New Nuclear Project Review – Phase II*, began in early 2009 and the report was issued in June 2009. Minor discrepancies were noted and corrections made by FPL. No changes to structure or controls resulted from the recommendations. 6. The Project Controls Group conducted an audit on Bechtel practices at Turkey Point 6 & 7	
	Obtain and review any external and nuclear industry (NUPIC) contractor reviews and evaluations completed since the last review.	[redacted]	

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	(1) [redacted]		
	Obtain and review any Quality Assurance contractor evaluations completed since the last review. (2)	1. The Quality Assurance group completes vendor audits for safety-related products and contractor performance evaluations for safety-related contractors. FPL's vendor audits target manufacturing quality and controls.	
	(3) [redacted]	3. Other QA observations and contractor evaluations identified work being completed per specification and without incident. 4. Quality Assurance can undertake audits or surveillances upon management request.	
3.5 Contractor Selection			
What are the current process and controls for soliciting and evaluating contractor bid selection?	Review and document company methods and procedures for issuing a request for proposal.	1. FPL's Integrated Supply Chain personnel provide support to both the Turkey Point 6 & 7 project and the St. Lucie and Turkey Point Uprate projects. Sourcing Specialists provide assistance in contract development, administration, contract	

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		bidding, and bid evaluation.	
	Review and update any changes made to company solicitation policies and procedures since the last review.	1. PTN 6 & 7 solicitation policies are essentially the same as last year. 2. One addition to the Supply Chain Procurement procedures requires contracts over $2 million to be reviewed by senior level Integrated Supply Chain management. 3. FPL Nuclear Division policy NP-301 documents expenditure authorization limits for management approvals within FPL's Nuclear Fleet.	
	Review and document company methods and procedures for selecting project contractors and vendors.	1. Integrated Supply Chain personnel supporting Turkey Point 6 & 7 use Nuclear Administrative Procedure (NAP) 420 to guide contract development and administration efforts. For single and single source justifications Nuclear Policy NP-1100 is used.	
	Determine whether the company uses industry and other cost comparisons to validate contract amounts.		
	Obtain and review contract bid evaluation summaries.	1. Staff obtained contract bid evaluations for competitively bid contracts during 2008 and found that FPL evaluations generally include both a technical and a commercial evaluation for larger competitively bid contracts. 2. Smaller contracts are not as formal in the evaluation, but still examine vendor technical responses and overall vendor qualifications to provide the service or equipment to be procured.	
What is the current process and controls for sole source selection?	Review and document the process for evaluation and justification of sole-source contractors used by the company since the last review.	1. The Commission issued Order No. PSC-08-0749-FOF-EI in November 2008. This requires FPL to improve documentation and support for sole source contracts for future filings in the Nuclear Cost Recovery Clause.	

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		2. NP-1100 specifies that sole sourcing is for use only on a limited basis and when justified. Written justification is required to substantiate need. 3. If FPL determines it is not in the best interests of the company to solicit competitive bids, it may use single/sole source procurement with appropriate justification. Such justifications are prepared by the department requesting or authorizing the procurement, and must be completed *in advance of the purchase.* 4. NP-1100 also states that for situations in which the OEM is the only available provider, or when procurement from an OEM is deemed to be in the best interest of FPL, a sole source justification is not needed. However, if the OEM is the preferred provider among others available, justification is *required.* 5. FPL states that it has improved its process of single/sole source documentation and approval. The company says that justification documentation facilitates review by independent third parties and *that additional training* on properly justifying was implemented in late 2008. 6. FPL believes justification documents are being written with greater attention to explanation and support of costs and single/sole source selections. The company states it is also attempting to reduce downstream problems by involving reviewers *earlier in the process.*	
	Determine whether the company has revised its sole source procedures and compliance verification efforts.	1. FPL PTN 6&7 management has not found it necessary to change its procedures, but has provided additional single/sole source justification training.	

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		2. FPL has taken actions to improve single/sole source justification, but justifications reviewed could be further improved by providing additional cost/pricing documentation of single/sole versus bidding financial considerations.	
	Obtain and review sole and single-source contracts and justifications since the last review to determine whether proper justification criteria are included.	1. FPSC audit staff found that justification documentation completed for Turkey Point 6 & 7 contained expanded support for single/sole sourcing, that explanations were easily understood by a third party, and that some cost/price analysis was present. 2. FPSC audit staff believes single/sole source justification documentation could be improved by providing additional cost/price detail documentation, such as avoided costs, anticipated savings over alternatives, projected man-hour savings, estimated cost of bid versus sole sourcing, anticipated cost of project delays, and similar data that affirms single/sole sourcing as the most reasonable financial business decision. The added information should provide evidence that it is clearly not in the company's best financial interest to attempt to competitively bid. The company needs to show that it has considered the financial costs of alternative sourcing, and reasonably selected single/sole sourcing as the most financially sound selection.	*FPSC audit staff believes PFL single/sole source justifications can be improved by providing additional cost/price detail documentation, such as avoided costs, anticipated savings over alternatives, projected man-hour savings, estimated cost of bid versus sole sourcing, anticipated cost of project delays, and similar data that affirms single/sole sourcing as the most reasonable financial business decision.*
	Determine how the evaluation of a contractor's qualifications is considered in the contract selection decision.	1. The contractor's qualifications is generally evaluated through the commercial evaluation of company bid responses. 2. Larger more complex contracts require separate evaluations of the technical and commercial bid responses from prospective bidders.	

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	Document what levels of management oversight and approval are required for different contract amounts.	These approval levels apply to all nuclear procurements: 1. Chief Executive Officer, Chief Financial Officer and Chief Operating Officer > $20 million. 2. Chief Nuclear Officer $20 million. 3. Nuclear Chief Operating Officer $10 million 4. Nuclear Vice Presidents $5 million. 5. Senior Managers/Directors and Senior Directors $1 million. 6. Managing Professionals and Lead Professionals $250,000. 7. Senior Professionals (in supervisory position) $10,000.	
How does the company ensure that its contracts are priced appropriately?	Obtain and review company's written justification of contracted amounts.	1. Staff reviewed the PTN 6 & 7 single/sole source justifications and found them to provide additional justification information, but lacking in providing documentation of the financial benefits of using single/sole source versus bidding. 2. Staff believes additional documentation detail regarding cost/pricing information will help justify the financial reasons and benefits for single/sole sourcing versus bidding.	
	Review project contracts greater than $100,000 and document the type of contract, scope of work, contract amount, work completion timeframes, and whether necessary justification is provided.	1. Staff reviewed contracts greater than $250,000 for 2008 and 2009 through March. 2. Staff was able to identify the type of contract, scope of work, contract amount, work completion timeframes, and whether necessary justification is provided. 3. Generally, contracts were well documented, and provided sufficient protection to the company through contract clauses for insurance, limited liabilities, termination for cause, w/o cause, and convenience, and numerous other protective	

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		contract clauses.	
	Document what level of management oversight and approval are required for each contract tier.	1. FPL states that to ensure its contracts are appropriately priced for materials, services, and equipment, the company uses market knowledge, experience, technical resources, and contract strategies to select the most favorable terms. 2. FPL maintains that it negotiates vigorously to ensure bid contracts provide the best overall value. 3. Prior to the issuance of a Request for Proposal FPL establishes evaluation criteria and plans. The company believes this ensures that vendors provide all relevant bid information, and that new factors favoring a specific bidder are not introduced after bids are received. 4. FPL states that it aggressively negotiates with the identified vendors for single and sole source procurements. FPL reports that an evaluation of costs and benefits is conducted to ensure contract prices offer the best value available. 5. FPL states that its focus in single and sole source procurements is value and how the company can be assured that best total value is being obtained despite the fact that bids are not obtained.	
3.6 Contractor Management			
What are the current controls for contractor management?	Update and document a current listing of major contractors and their responsibilities and scope of work for the project.	[redacted]	

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	[redacted]		
	Document current project management responsibilities for contractor oversight and performance on the project.	1. The Project Manager is responsible for the completion of project activities and assuring contractors perform as contractually required. 2. The Technical Representative is responsible for day-to-day administration, coordination, timeliness, quality, and on-site performance of assigned contractors. The Integrated Supply	

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		Chain Contract Manager maintains vendor performance statistics for selected major vendors, and manages non-safety-related contracts. 3. The Project Controls Group conducts weekly and monthly meetings to review contractors' progress and adherence to the project schedule. Weekly contractor update calls are conducted to identify anticipated contractor schedule challenges for the week. Critical path events and scope changes affecting the schedule are also monitored and reported through the Project Controls Group.	
	Document current contractor oversight and performance responsibilities of support services, such as purchasing and procurement, after the contractor completes work on the project.	1. If FPL experiences challenges with a non-safety-related vendor, Integrated Supply Chain personnel work closely with the Risk Department to remedy the challenge. 2. Supply Chain contractor reviews are conducted quarterly for newer vendors and semi-annually for longer-term vendors.	
	Document current QA/Audit responsibilities for contractor oversight and performance while on the project.	1. 1. To ensure safety-related contractors provide quality products, and complete quality work, FPL Quality Assurance completes Vendor Audits, on-site surveillances, and safety-related Contractor Performance Evaluation Reports.	
	Obtain and review company procedures for verifying contractor work performed and amounts payable.	1. These procedures are essentially the same as last year. 2. Technical representatives communicate whether work has been completed and contractor invoices can be paid. 3. The Controls Group provides contractor oversight for schedule and budget items and monitors the issuance and completion of scope changes. 4. Project Accounting issues checks for payment	

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		based upon input and approval from project management.	
What are the current controls for managing contractor costs and performance?	Review and document contract structure and provisions to protect the company from substandard contractor performance.	1. Turkey Point Unit 6 & 7 Controls Group reports project cost and schedule variances to FPL management in weekly and monthly management reports. The Controls Group tracks contractor progress via weekly meetings and reviews, monitoring project scope changes and tracking key performance indicators. 2. The Senior Scheduler oversees contractor schedule status, produces weekly performance indicators, and analyzes project schedule critical path. This information is reported to management in a mix of meetings and reports. 3. FPL requires contractors to provide reports on contractor and subcontractor performance. By requiring vendors to track and report performance indicators, and trend performance, FPL is able to know weekly where contractors are in the work schedule, and can keep close control over additional costs that might arise. 4. On-site Technical Representatives provide oversight of activities to ensure contractors complete work per contract provisions and on schedule. Technical representatives also determine whether deliverables have been completed and whether contractor invoices are payable. 5. If contractor performance is not satisfactory, the technical representative reports this to site management, the Integrated Supply Chain, the Contract Manager, and the Controls Group. In most cases, identification and reporting of potential impacts to the project schedule and costs	

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		occur at the Controls Group level. 6. If contractor performance causes schedule delay, the Contract Manager requests a Recovery Plan from the contractor. This plan outlines the timeline and activities to remedy performance and return to schedule. The contractor's performance is reviewed weekly and monthly against the Recovery Plan.	
	Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.	1. FPL continues to use several methods of incentives to meet or exceed contract provisions: FPL bonus incentives and sharing of saved costs to incent contractors to complete work in a timely manner and share in the reduced cost to complete that work. 2. FPL also shares in vendor overruns to an agreed contract percentage, which reduces the impact of potential unknown cost overruns. 3. FPL also uses time and materials in conditions where scope is not yet known to provide the flexibility of expended work scope if necessary. 4. FPL also uses "Not to Exceed" limits and Lump Sum pricing in situations where it is applied to reduce or eliminate cost creep.	
	Determine whether the company has paid incentives for meeting or exceeding contract provisions and how the company has benefitted from contract incentives.	1. The Bechtel contract has incentive payments and should benefit from the incentives once the COLA is completed.	
	Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.	1. The policy is essentially the same as last year and is directed toward larger vendors that do work with FPL on an ongoing basis throughout the system fleet.	
	Determine how the company has changed its contract structure and provisions since the last review to further prevent contractor overruns and substandard performance.	1. The Controls Group helps protect the project from substandard contractor work, by monitoring project scheduling and cost performance. 2. The Controls Group holds weekly meetings	

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		with contractors to identify potential roadblocks to the schedule, monitors and trends contractor work scope changes, and monitors and reports overall project costs. 3. The Controls Group completes a project dashboard that presents a comprehensive look at the project schedule, budget costs, contractor key reporting indicators, and potential project risks. 4. FPL states that through close monitoring of contractor performance indicators, project scheduling, and project costs, the Controls Group helps manage contractor costs and substandard performance.	
	Determine whether the company includes risk sharing within contracts, and how effective risk sharing has been to help manage contractor costs and overruns on the project.	1. FPL provides contractors bonus incentives that share in cost savings to incent contractors to complete work in a timely manner.	
	Determine how the company evaluates contractor costs before/after the project work is completed.	1. The company tracks all project costs and determines whether the budget is within established parameters. 2. Contractor costs are measured against the agreed contract costs and prescribed contract deliverables.	

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Task	Subtask	Auditor Notes	Findings
2.1 Project Planning			
What is the current status of the uprate project?	Update and describe project *planning* made since the last review for the uprate project and its effect on the project schedule and costs.	1. In 2008 and 2009, the EPU project moved toward submissions of License Amendment Requests (LAR) to the NRC in late 2009 through second quarter 2010. 2. In preparation for the scheduled system outages, considerable attention has turned to preparing detailed engineering modules for construction, and planning of the associated logistics for coordinating the construction effort. 3. In December 2008, EPU project management approved an Engineering, Procurement, and Construction (EPC) contract with Bechtel Corporation. 4. In late 2008, FPL restructured the St. Lucie and Turkey Point Uprate project organization. 5. The Commission-ordered FPL to "increase its documentation and support for single source and sole source contracts for the EPU project and the Turkey Point units 6 & 7 project for future filings in the NCRC". The EPU organization began single/sole source contract training sessions in October and November 2008, and completed the training in March 2009.	*Audit staff believes additional improvement can be made to EPU project single/sole source justifications*
	Obtain and document any external reviews performed relative to *planning* since the last review.	No new external reviews performed relative to EPU project planning other than annual review of project feasibility.	
	Review any detailed internal feasibility studies completed relative to project/*planning* scope changes.	No new internal reviews performed relative to EPU project planning other than annual review of project feasibility.	
What is the current project schedule? CHART- Key Activities 2009-2010 (DR-8.7,8.8,DR-9.1)	Review and update the status of project planning, engineering, equipment modification, and phasing of work schedules to complete the project, and identify any potential delays to the project.	1. As late as May 2009, staffing issues with two vendors continued to appear on the EPU Project Risk Management Report. 2. While the staffing issues alone did not cause the LARs to be delayed, the staffing events impacted the short term schedule. 3. FPL LAR submissions delayed by an NRC de-	

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		linking decision; new dates have expanded timeline into 2nd qtr. 2010 for AST and EPU LAR submissions for the uprates. 4. In December 2008, EPU project management approved an Engineering, Procurement, and Construction (EPC) contract with Bechtel Corporation for the uprate project construction. 5. Procurement contracts for long-lead items such as the moisture separator reheaters, feedwater heaters, main condensers, heat exchangers, and generator step-up transformers were competitively bid and awarded in 2008. 6. Engineering modification packages supporting the planned outages will be completed in 2009, with construction to occur in 2010-2011. 7. Company says it is on target to meet outages for refueling and concurrent uprate work currently scheduled in 2010 for St. Lucie Unit 1 (April), Turkey Point Unit 3 (September), and St. Lucie Unit 2 (November). Refueling and uprate work for Turkey Point Unit 4 is currently on target for 2011 (March). 8. PSL gantry crane upgrades for both Units 1 and 2 are scheduled; Unit 2 gantry crane in 2009 and Unit 1in 2010; similar gantry crane modifications for Turkey Point Units 3 & 4 will be necessary, but costs for upgrading are not yet determined.	
	Review and update the tracking of the project's schedule and costs.	FPL states that to date the planned Extended Power Uprates are on schedule and within budget projections.	
	Document the status of long-lead equip acquisition timeline and its impact on the project schedule.	1. Procurement contracts for long-lead items such as the moisture separator reheaters, feedwater heaters, main condensers, heat exchangers, and generator step-up transformers were competitively bid and awarded in 2008. 2. Turbine rotors are on schedule.	

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What is the current status of required regulatory approvals?	Update the status of any federal and state license approvals for the project.	1. FPL LAR submissions delayed by an NRC de-linking decision; new dates have expanded timeline into 2nd qtr. 2010 for AST and EPU LAR submissions for the uprates.	
	Document future scheduled dates for project regulatory approvals and its impact on the project.	1. FPL will submit four individual and separate license amendment requests to the NRC during 2009-2010. Requests will be submitted for St. Lucie in the fourth quarter 2009 (Unit 1) and the first quarter 2010 (Unit 2). There will be two license amendment requests for Turkey Point, each applicable to both Units 3 & 4. An Alternate Source Term request will be submitted in second quarter 2009, and an EPU request in second quarter 2010.	
	Obtain and document studies performed relating to the company meeting regulatory environmental challenges to regulatory approval. (i.e. cooling water requirements)	1. The Site Certification Application for St. Lucie phase of the EPU project was submitted to FDEP in December 2007. The SCA for the Turkey Point phase was submitted in January 2008; approval orders were received in September 2008 for St. Lucie and October 2008 for Turkey Point; The SCA approval contained conditions of certification, requiring additional work with the South Florida Water Management District, Miami Dade County, and Florida DEP for the Turkey Point Units. Minimal activities of this type are expected for the St. Lucie application. 2. The company awarded competitively bid contracts to Thermal Engineering (TEI) for condenser tubes, moisture separator reheaters, and feedwater heaters. FPL noted that the competitive bid process for this purchase yielded savings for multiple pieces of equipment, spare parts, and installation services. This included turbine cooling heat exchangers to reduce water heat.	

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What risk assessments have the company completed for the project? CHART – St. Lucie and Turkey Point Uprates Risk Management Meetings and Reports (DR-2.1)	Document the ongoing risk analyses being performed on the project and identify any changes to the process.	1. FPL uses meetings, reports, and mitigation strategies to identify, assess, quantify and mitigate EPU risk. 2. FPL internal instruction EPPI-340, *EPU Project Risk Management Program*, provides organizational guidance and expectations for risk management. It assigns responsibilities and provides instructions for identifying, reviewing, assessing, tracking, mitigating, and closing risk. EPPI-340 was revised in November 2008. 3. Through the feasibility study, done in conjunction with the annual Nuclear Cost Recovery Filing, FPL analyzes the continued feasibility of the project. 4. FPL evaluates EPU project risk using a variety of regularly scheduled meetings and reports 5. Uprate project KPIs discussed each week include: Cost, Schedule, Engineering Deliverables, Project Management, Long Lead Materials, Installation Planning and Station Integration. 6. Charts use a simple green-white-yellow-red scheme depicting whether each KPI variable is ahead, meeting or behind schedule. Appendices for each KPI provide more detail. 7. Biweekly update and risk meeting takes place with the Chief Nuclear Officer, project Vice Presidents, Project Directors and managers. 8. Since April 2008, FPL has identified sixty items or events in the EPU Project Risk Management report.	
	Document any project risk challenges and mitigation strategies implemented since the last review.	1. Since April 2008, FPL has identified sixty items or events in the EPU Project Risk Management report. Five items at St. Lucie and three at Turkey Point are relatively new and await further assessment. Twenty-seven items were mitigated successfully and closed. Twenty-five other items remain open and ongoing, twelve at St. Lucie and 13 at Turkey Point. Four open items have a high expected probability of occurrence (one at St. Lucie, three at Turkey Point), 16 items a medium	

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		probability (ten at St. Lucie, six at Turkey Point), and five ranked as low probability (one at St. Lucie, four at Turkey Point). 2. The St. Lucie and Turkey Point sites each have a "high-significant" concern, that vendor staffing may be insufficient. FPL instructed vendors to provide a recovery plan. Mitigation actions are being implemented and FPL is monitoring the effectiveness of the vendors' actions.	
2.2 Project Management Organization			
What is the current Project Management organization for the uprate project? CHART – ST. Lucie and Turkey Point Uprates Organization	Review and update any changes made to the Project Management Organization since the last review.	1. In late 2008, FPL reorganized the EPU project and believes this reorganization marks a clear transition from the design and licensing phase of the project to the construction phase. 2. Still reports to the Vice President, Nuclear Power Uprate. The new structure incorporates several direct reports to the Vice President, Nuclear Power Uprate, including the Vice President, Implementation of EPU/Projects. This Vice President is responsible for providing oversight of the EPC contractor and project construction activities necessary to complete the uprates. 3. Other direct reports to the Vice President Nuclear Power Uprate include Nuclear Fuels and the Directors of EPU Projects, Licensing and Regulatory Interface, and EPU Modification Engineering. The Manager, Nuclear Sourcing EPU Projects has a dashed line reporting relationship with the Vice President, Nuclear Power Uprate.	
	Review and update any changes made to the site Project Management and reporting process since the last review.	1. A Project Director at each plant site reports directly to the VP Implementation. 2. Each site Director has responsibility for the uprates at their assigned plant site and coordinates EPC construction activities. 3. FPL believes that Directors at each site will lead to greater company oversight, more efficient internal coordination, and better application of resources during the construction phase.	

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	Review and update any changes made to uprate project support organization teams.	1. EPU support organizations are the same and have essentially the same organizations as last year, although some additional personnel have been added to support organizations. 2. The NBO group has added on-site personnel at each site to support tracking oversight of EPU project costs.	
What are the current project management oversight and accountability controls for the uprate project?	Document current processes for senior management oversight responsibilities and reporting.	1. FPL has an established set of weekly, monthly and quarterly reports that provide oversight of the project at all levels of management. 2. FPL maintains that comprehensive project oversight and accountability is rendered by the current organization, appropriately applying assets to issues and encouraging open, effective communication.	
	Document current processes for uprate project management, oversight, and accountability.	1. FPL management believes that systems and controls currently in place provide the requisite oversight, including elements to oversee project planning, management, and execution. 2. FPL states that a comprehensive Project Management Plan is in place, providing adequate project information and guidance. 3. Each EPU site has its own specific EPU Project Plan for reference, offering a management framework to help complete the Uprate projects.	
	Document current processes for providing informational and status reports on the project.	1. The company states that its EPU oversight combines a variety of organizational management and leadership elements, professional disciplines, and subject matter experts to provide project oversight and accountability. 2. Those elements include: executive management, subordinate managers, expertise within the project team(s), mutually reinforcing schedules and cost controls, subject matter experts from the Nuclear Business Operations (NBO), EPU-specific procedural guidelines and references, and regular updates on risks, cost, and schedule. 3. FPL conducts an annual project economic feasibility study. 4. This study is presented to executive management	

CHART- St. Lucie and Turkey Point Uprates Information and

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Communication Controls		who use it to review costs and evaluate economic viability of the project, as well as provide another means of oversight and accountability control.	
	Document the current process for reporting project status to internal boards and committees.	1. FPL states that regularly scheduled meetings are held for the Uprate projects, each designed to further effective project management. The intent of each meeting is to succinctly communicate performance and gauge progress as measured against quality, schedule, and cost milestones or projections. 2. Each meeting also provides a forum for the exchange of ideas regarding issues common to multiple sites.	
	Document the process for continuing review of project viability and milestone events.	1. FPL conducts an annual project economic feasibility study. 2. This study is presented to executive management who use it to review costs and evaluate economic viability of the project, as well as provide another means of oversight and accountability control. 3. EPU Controls Group maintains project schedule through Primavera and NBO tracks project costs.	

2.3 Project Oversight and Controls

What are current controls for monitoring the uprate schedule and costs?	Review and update the company's process for monitoring project schedule and cost updates.	1. FPL believes the company has an array of reports and meetings capable of monitoring project cost and schedule. 2. These reports help discern and evaluate performance trends while providing near real time assessments of project schedule, staffing, and costs.	
	Review and update the company's process for trending and managing scope changes.	1. One of the most important and integral controls for monitoring the Uprate schedule and cost is the many meetings and management reports. 2. Meetings occur regularly – from morning phone conferences between key management personnel to a system of weekly, biweekly, and monthly meetings and reports. 3. The Controls Group has responsibility to monitor project schedule and costs, providing regular status reports to EPU management. 4. The Controls Group also provides weekly and	

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		monthly management reports to executive management. 5. Primavera scheduling software is used to monitor and track the project schedule. Primavera is also utilized to produce project schedule summaries and risk management reports.	
	Review and update work planning and scheduling changes made to the project since the last review.	1. The Nuclear Business Operations group specialists have been recently integrated at each site. On-site representatives provide independent cost review, prepare monthly cost reports, and monitor the accounting code structure in a real-time, ongoing manner, for management.	
	Review and update the status of company budget development, evaluation, and revisions made to the project since the last review.	1. Each weekly EPU indicators meeting features a discussion of the Key Performance Indicators (KPI) for each unit. Information is captured on a weekly basis and trended across the two preceding weeks so that trends might be identified. 2. Uprate project KPIs discussed each week include: cost, schedule, engineering deliverables, project management, long lead materials, installation planning, and station integration. 3. The color coded KPI report is a summary of the results for the Risk Management Report, a Cost Report and Summary, a Variance Report, Cost Profile Projections for 2009, Cost Profiles by Category for 2009, an Invoice Report, Deviation Log, a comparison of planned and actual EPU LAR work hours for vendors and a Major Long Lead Equipment Milestones report. 3. The biweekly update and risk meeting takes place with the Chief Nuclear Officer, project Vice Presidents, Project Directors and managers. Central to each meeting is a project progress update, assessment of identified risks, and discussion of mitigation strategies for those risks. 4. Since April 2008, FPL has identified sixty items or events in the EPU Project Risk Management report. Five items at St. Lucie and three at Turkey Point are relatively new and await further	

		assessment. Twenty-seven items were mitigated successfully and closed. Twenty-five other items remain open and ongoing, twelve at St. Lucie and 13 at Turkey Point. Four open items have a high expected probability of occurrence (one at St. Lucie, three at Turkey Point), 16 items are medium probability (ten at St. Lucie, six at Turkey Point), and five ranked as low probability (one at St. Lucie, four at Turkey Point). Of the four high-probability items mentioned above, two are critical and two are significant.	
	Review the company's staffing plan and whether it has met staffing requirements for the uprate project schedule.	1. The St. Lucie and Turkey Point sites each have a "high-significant" concern, that vendor staffing may be insufficient. FPL instructed vendors to provide a recovery plan. Mitigation actions are being implemented and FPL is monitoring the effectiveness of the vendors' actions.	
2.4 Auditing and Quality Assurance			
What are the current auditing and quality assurance controls for the uprate project?	Determine whether any changes to Audit/QA structure have been made since the last review.	1. The EPU organization quality assurance oversight is assigned to the Quality Assurance Supervisor, the QA group is dedicated to EPU and has a dashed line relationship with the Vice President, Nuclear Power Uprate. 2 The Quality Assurance Task Plan calls for surveillance of major equipment suppliers at least three times each year and holds them to the same standards used for other operating nuclear plant activities. 3. FPL's Quality Assurance organization is a participant in the Nuclear Procurement Issues Committee (NUPIC) and supports the organization's audits of industry suppliers. 4. QA audits and surveys are performed using an industry-wide standardized approach. The results are beneficial to all member utilities, providing oversight of nuclear vendors. 5. Quality Assurance also provides oversight of Bechtel supplier inspections and of contractor activities at each uprate site.	

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	Review the current internal audit plan and rationale for audits. Review all completed audits and determine when future are planned for the uprate project.	1. During first quarter 2008, FPL conducted an internal audit reviewing the appropriateness of charges made against the uprate (*Extended Power Uprate (EPU) Review*). Some discrepancies were noted and corrected but, overall, FPL found that charges were appropriately made against the FPL uprates. 2. In the first quarter of 2009, FPL conducted a follow-on review (*Extended Power Uprate (EPU) Review – Phase II*). Completed in June 2009, this second phase again found minor discrepancies which FPL corrected. 3. In 2008 and again in early 2009, FPL engaged Concentric Energy Advisors to review EPU internal controls, management processes, and procedures. Concentric provided recommendations for improvement at the conclusion of the review but pointed out that none raised concerns about the effectiveness of EPU management, processes, procedures, or internal controls. The review indicated that, in general, the Uprate project complied with the FPL system of internal controls. 4. An FPL internal audit was also completed in response to an FPL employee complaint regarding hiring of temporary labor. The matter was investigated and a report with findings was issued in December 2008. Remediation actions addressed the employee's specific concern. [redacted] recommendations were included in the remediation plan. There has been no known recurrence; 5. In 2009, FPL audits of contractor time sheets determined that falsification had occurred. One contractor was dismissed and FPL is attempting monetary recovery. 6. As a result of the EPU management reorganization, an internal review was also conducted to verify contractor experience and skills. This internal review resulted in the dismissal of two contractors. The hiring manager of the three	

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		individuals discussed above was also dismissed.	
	Obtain and review any external and nuclear industry (NUPIC) contractor reviews and evaluations completed since the last review.	No new NUPIC reviews were completed related to the EPU during 2008.	
	Obtain and review any Quality Assurance contractor evaluations completed since the last review.	No additional QA evaluations have been identified for 2008.	
2.5 Contractor Selection			
What are the current process and controls for soliciting and evaluating contractor bid selection?	Review and document company methods and procedures for issuing a request for proposal.	1. Company methods for issuing RFPs are essentially the same as last year (2008). 2. FPL's Integrated Supply Chain personnel provide support to both the Turkey Point 6 & 7 project and the St. Lucie and Turkey Point Uprate projects. Sourcing Specialists provide assistance in contract development, administration, contract bidding, and bid evaluation. 3. Integrated Supply Chain personnel supporting Turkey Point 6 & 7 use Nuclear Administrative Procedure (NAP) 420 to guide contract development and administration efforts. For single and single source justifications Nuclear Policy NP-1100 is used. 4. Contract bid selection procedures governing the Uprate projects are found in FPL's General Operating Procedure 705 and in Nuclear Policy NP-1100 Procurement Control. In addition to General Operating Procedures and Nuclear Policy procedures, the Uprate projects have implemented Extended Power Project Instructions (EPPI). 5. Both nuclear projects use Sourcing Specialists as an independent agent to assist FPL nuclear departments in contract development by: identifying potential bidders, developing the Request For Proposal, coordinating all communications and confidentiality agreements with bidders, and ensuring proper approval authorizations are obtained.	
	Review and update any changes made to company solicitation policies and procedures since the last review.	1. EPU procurement is completed essentially the same as last year (2008), with the exception of	

		additional training for single/sole source justification being completed in March 2009.	
	Review and document company methods and procedures for selecting uprate project contractors and vendors.	1. FPL methods and procedures for selecting uprate project contractors and vendors is essentially the same as last year, but EPU management has competitively bid more equipment during the later part of 2008. 2. FPL maintains an approved vendor listing that provides a source for securing potential qualified bidders. 3. The Integrated Supply Chain assists in the development, issuance, evaluation and selection of EPU contract suppliers.	
	Determine whether the company uses industry and other cost comparisons to validate contract amounts.	1. FPL uses recent proposals, market knowledge, historical experience, and other nuclear procurements as a basis for comparing contract prices. 2. Competitively bid contracts provide a basis from which FPL leverages additional scope work from contractors at the competitively bid price to reduce the need for additional bidding and secure competitive prices for similar work. 3. FPL states that the policy of leveraging additional work at competitively bid contract rates keeps the costs low and reduces the number of contractors managed.	
	Obtain and review contract bid evaluation summaries.	1. In 2008, FPL competitively bid the EPC contract for the Uprate projects. The scope of work for these contracts represents is the largest procured in 2008, and includes the provision of project and corporate technical services and resources to plan, engineer, and implement the project modifications for the EPU project through 2012. 2. FPL developed the EPC Request for Proposal and invited six major vendors to provide bids in May 2008. 3. Two firms declined to participate. 4. Four firms submitted bids that were evaluated separately and independently by four subject matter expert team members using a matrix of pre-	

		determined technical criteria. These bids were rated by each evaluator. 5. A preliminary commercial assessment of each vendor was considered to ensure all vendors met FPL's commercial criteria. 6. During July 2008, the four remaining vendors were given a risk template to provide FPL an assessment of the primary risk assumptions that each vendor believed would impact their implementation of the project and a rating of the highest risk to the lowest. 7. In August 2008, FPL met separately with vendors to discuss their responses to the risk template and to answer vendor questions. 8. After these meetings, another round of independent evaluations of original bid information and additional information from the risk template were completed by the four subject matter experts. 9. At the same time, the ISC team completed a final commercial evaluation of the vendors, suggested changes to contract terms and conditions, cost associated with each vendor's proposal, and the financial capabilities of each vendor. 10. The combined commercial and technical evaluation scores were totaled into a vendor overall score. 11. Using the overall vendor scores, considering the vendor's changes to contract terms and conditions, the vendor's reliance on other contractors, and historical performance issues with vendors on previous work, FPL eliminated two of the four vendors. 12. FPL continued on with two of the highest scoring vendors, and in September, FPL asked the two remaining vendors to supply additional qualifying information, and to provide their best and final offer for the projects. 13. According to FPL, one vendor proved to have the most favorable overall proposal in terms of cost, contract terms and conditions, and ability to meet	

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		the project's technical needs. FPL began negotiations with this vendor and completed the contract in November 2008. 14. FPL management and Bechtel Power Corporation signed the EPC contracts for the St. Lucie and Turkey Point Uprate projects in November 2008.	
What is the current process and controls for single/sole source selection?	Review and document the process for evaluation and justification of sole-source contractors used by the company since the last review.	1. The Commission issued Order No. PSC-08-0749-FOF-EI in November 2008. This requires FPL to improve documentation and support for sole source contracts for future filings in the Nuclear Cost Recovery Clause. 2. The processes and controls governing selection are contained in NP-1100, Nuclear Policy Procurement Control. 3. NP-1100 specifies that sole sourcing is for use only on a limited basis and when justified. Written justification is required to substantiate need. 4. NP-1100 also states that for situations in which the OEM is the only available provider, or when procurement from an OEM is deemed to be in the best interest of FPL, a sole source justification is not needed. However, if the OEM is the preferred provider among others available, justification is required. 5. EPU managers and personnel use NP-1100, as mentioned above. EPU personnel also use the EPU Project Requisition and Purchase Order Process (EPPI-220) as an additional guideline. 6. FPL states that it has improved the process to insure justification documents are in compliance with Nuclear Policy NP-1100 instructions and to facilitate review by independent third parties. The company has implemented additional training and states that FPL improved controls by focusing responsibility for justification adequacy under one position. 7. FPSC audit staff found that the EPU organization began additional training in November and December 2008, and completed the training	

		program in March 2009.	
	Determine whether the company has revised its sole source procedures and compliance verification efforts.	1. FPSC audit staff found that EPU management had revised its procedure, EPU Project Requisition and Purchase Order Process (EPPI-220), effective April 1, 2009, to reflect improved changes to single/sole source documentation. 2. This revision included additional self-instruction, sections on cost and pricing reasonableness, and more comprehensive examples of justification documentation.	
	Obtain and review sole and single-source contracts and justifications since the last review to determine whether proper justification criteria are included.	1. Because FPL did not complete EPU single/sole source justification training until March 2009, most contracts executed after November 2008 did not have the level of detail the Commission ordered.	*FPSC audit staff would expect to see that EPU single/sole source justifications, after March 2009, would have more detailed justifications, in compliance with the Commission ordered changes.*
	Determine how the evaluation of a contractor's qualifications is considered in the contract selection decision.	1. A technical evaluation is conducted to compare bid responses with technical requirements of the RFP and ensure all requirements are addressed by the vendor's response. A commercial evaluation confirms the financial stability of all bidders. If necessary, the Sourcing Specialist coordinates written requests for additional technical or commercial information from bidders.	
	Document what levels of management oversight and approval are required for different contract amounts.	1. Chief Executive Officer, Chief Financial Officer and Chief Operating Officer > $20 million. 2. Chief Nuclear Officer $20 million. 3. Nuclear Chief Operating Officer $10 million 4. Nuclear Vice Presidents $5 million. 5. Senior Managers/Directors and Senior Directors $1 million. 6. Managing Professionals and Lead Professionals $250,000. 7. Senior Professionals (in supervisory position) $10,000.	
How does the company ensure that its contracts are priced appropriately?	Obtain and review company's written calculations and justification of contracted amounts.	1. FPL states that to ensure its contracts are appropriately priced for materials, services, and equipment, the company uses market knowledge, experience, technical resources, and contract	

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		strategies to select the most favorable terms. 2. For competitively bid contracts, FPL believes that because of its purchasing volume, relative marketplace position, and vendor competition, it has historically been able to achieve favorable pricing and terms. FPL maintains that it negotiates vigorously to ensure bid contracts provide the best overall value. 3. Prior to the issuance of a Request for Proposal FPL establishes evaluation criteria and plans. The company believes this ensures that vendors provide all relevant bid information, and that new factors favoring a specific bidder are not introduced after bids are received. Bid factors are weighted on a case-by-case basis and separate technical and commercial evaluations are performed. 4. The FPL business unit requesting the procurement performs a technical evaluation to ensure bid requirements are met. The Integrated Supply Chain performs a commercial evaluation to review the company's financial stability. 5. An evaluation team, comprised of subject matter experts and representatives from the requesting business unit, considers the results of both evaluations and makes a joint procurement decision. 6. FPL states that it aggressively negotiates with the identified vendors for single and sole source procurements. FPL reports that an evaluation of costs and benefits is conducted to ensure contract prices offer the best value available. 7. FPL states that its focus in single and sole source procurements is value and how the company can be assured that best total value is being obtained despite the fact that bids are not obtained. 8. FPL states that existing contracts are also subject to additional negotiations, whether bid, single, or sole sourced. FPL reports that these periodic and ongoing negotiations help to stabilize or reduce ongoing contract costs associated with increased rate adjustments.	

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	Review project contracts greater than $100,000 and document the type of contract, scope of work, contract amount, work completion timeframes, and whether necessary justification is provided.	1. Staff reviewed all contracts and purchase orders for contracts over $250,000 and purchase orders for some work less than $250,000. Staff sound that documentation was sufficient to identify the scope of work, date work begins and ends, price, and deliverables. 2. Staff reviewed single/sole source justifications and found that justifications need continued monitoring for improved justification documentation. 3. Due to additional training not being completed until March 2009, justifications were not improved from last year. Additional documentation of justifications is needed along with justification of cost/pricing that shows advantages of single/sole source procurement over bidding. 4. The following reasons are documented in company policies and procedures as examples of reasonable justification for a single/sole source procurement: 1) a proven supplier with a record of success achieved an advantage over other similar vendors such that no other supplier could possibly provide the work as cheaply, 2) the unique ability to meet short schedule requirements, not the result of starting the procurement process late, but instead stemming from short-term commercial opportunity, or newly imposed factors such as legal or regulatory requirements, or 3) for items underway, if buying from a non-OEM vendor would void valuable warranty provisions.	
	Document what level of management oversight and approval are required for each contract tier.	1. Chief Executive Officer, Chief Financial Officer and Chief Operating Officer > $20 million. 2. Chief Nuclear Officer $20 million. 3. Nuclear Chief Operating Officer $10 million 4. Nuclear Vice Presidents $5 million. 5. Senior Managers/Directors and Senior Directors $1 million. 6. Managing Professionals and Lead Professionals $250,000. 7. Senior Professionals (in supervisory position)	

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		$10,000.	
What are the current controls for contractor management?	Update and document a current listing of major contract and their responsibilities and scope of work for the upr project.	[redacted]	
	Document current project management responsibilities for contractor oversight and performance on the uprate project.	1. The Project Manager is responsible for the completion of project activities and assuring contractors perform as contractually required. 2. The Technical Representative is responsible for day-to-day administration, coordination, timeliness,	

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		quality, and on-site performance of assigned contractors. The Integrated Supply Chain Contract Manager maintains vendor performance statistics for selected major vendors, and manages non-safety-related contracts. 3. Project Controls Group conducts weekly and monthly meetings to review contractors' progress and adherence to the project schedule. Weekly contractor update calls are conducted to identify anticipated contractor schedule challenges for the week. Critical path events and scope changes affecting the schedule are also monitored and reported through the Project Controls Group.	
	Document current contractor oversight and performance responsibilities of support services, such as purchasing and procurement, after the contractor completes work on the uprate.	1. While FPL EPU contractor management controls are currently in place, the Engineering Procurement and Construction (EPC) vendor (Bechtel) will interface with both Juno EPU Management and EPU site management to provide contractor oversight during the remainder of the project. 2. If FPL experiences challenges with a non-safety-related vendor, Integrated Supply Chain personnel work closely with the Risk Department to remedy the challenge. 3. Supply Chain contractor reviews are conducted quarterly for newer vendors and semi-annually for longer-term vendors.	
	Document current QA/Audit responsibilities for contractor oversight and performance while on the uprate project.	1. To ensure safety-related contractors provide quality products, and complete quality work, FPL Quality Assurance completes Vendor Audits, on-site surveillances, and safety-related Contractor Performance Evaluation Reports. 2. With the completion of the EPC contract, in December 2008, Bechtel and FPL will jointly provide the EPU Quality Assurance function for the St. Lucie and Turkey Point Uprates. Essentially, Bechtel will perform the lower tier quality control work and FPL will perform the top tier quality assurance work. Bechtel will assume the on site contractor Quality Assurance role and FPL will closely monitor Bechtel Quality Assurance	

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		performance. 3. Bechtel will coordinate the work of contractors toward the completion of the construction and testing portion of the EPU projects. Bechtel will also provide improved procedures, performance indicators, and monitoring, for on site contractors.	
	Obtain and review company procedures for verifying contractor work performed and amounts payable.	1. These procedures are essentially the same as last year except that the NBO has been added to on-site oversight of contractor and project costs; this group reports directly to the controllers office, and indirectly to EPU management.	
What are the current controls for managing contractor costs and performance?	Review and document contract structure and provisions to protect the company from substandard contractor performance.	1. The company states that the EPU Site Project Manager, and the EPC team, help protect the project from substandard contractor work by monitoring contractor performance, scheduling delays, and cost performance. FPL's EPU Site Project Manager will coordinate all contractor work completed on the Uprate project with the EPC team. 2. The Site Project Manager reports potential project risks, delays, or work stoppage issues, upward to the EPU Site Director. If project scheduling or budgeting are seriously jeopardized by contractor non-performance, the EPU Site Director may request the removal of non-performing contractors and secure other contractors to perform the scope of work. 3. Based on the scope of work and seriousness of contractor non-performance, FPL senior management may become involved with the non-performing contractor's company, or may choose to replace the contractor.	
	Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.	1. FPL continues to use several methods of incentives to meet or exceed contract provisions: FPL bonus incentives and sharing of saved costs to incent contractors to complete work in a timely manner and share in the reduced cost to complete that work. 2. FPL also shares in vendor overruns to an agreed contract percentage, which reduces the impact of potential unknown cost overruns.	

		3. FPL also uses time and materials in conditions where scope is not yet known to provide the flexibility of expended work scope if necessary. 4. FPL also uses "Not to Exceed" limits and Lump Sum pricing in situations where it is applied to reduce or eliminate cost creep.	
	Determine whether the company has paid incentives for meeting or exceeding contract provisions and how the company has benefitted from contract incentives.	1. The company has paid some contract incentives to contractors and continues to monitor changes in contract scope to adjust incentives accordingly. 2. Contract incentives have been targeted by contractors and are generally reached through timely work completion.	
	Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.	1. Company policy for vendor performance evaluations is essentially the same as last year and evaluations are conducted regularly while the contractor is on site.	
	Determine how the company has changed its contract structure and provisions since the last review to further prevent contractor overruns and substandard performance.	1. The EPU Controls Group also helps protect the projects from substandard contractor work, by monitoring project scheduling and cost performance. 2. The Controls Group holds weekly meetings with contractors to identify potential roadblocks to the schedule, monitors and trends contractor work scope changes, and monitors and reports overall project costs. 3. The EPU Controls Group completes a monthly project report that presents a comprehensive look at the project schedule, budget costs, contractor key reporting indicators, and potential project risks. 4. FPL states that through close monitoring of contractor performance indicators, project scheduling, and project costs, the Controls Group helps manage contractor costs and substandard performance.	
	Determine whether the company includes risk sharing within contracts, and how effective risk sharing has been to help manage contractor costs and overruns on the uprate project.	1. FPL provides contractors bonus incentives that share in cost savings to incent contractors to complete work in a timely manner.	

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Bureau of Performance Analysis Work Plan For FPL Nuclear Uprate and New Construction St. Lucie 1&2 and Turkey Point 3&4 Uprate Projects.			
	Determine how the company evaluates contractor costs before/after the project work is completed.	1. The company tracks all project costs and determines whether the budget is within established parameters. 2. Contractor costs are measured against the agreed contract costs and prescribed contract deliverables.	

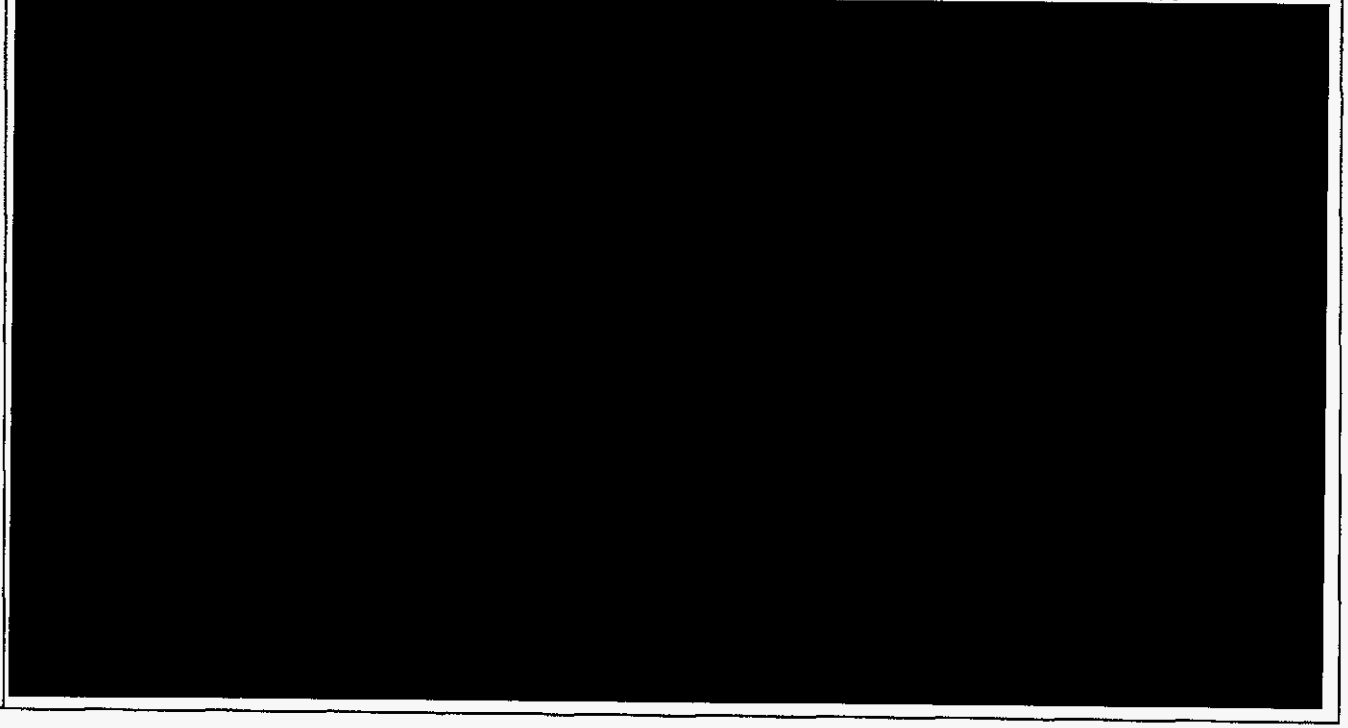
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COPY OF DOCUMENT
LOG SUMMARIES

Bureau of Performance Analysis
Document Summary and Control Log
Contracts

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** i:\ DR-1 (Contracts) Sum.Log
Auditor(s): L. Fisher, D. Rich, G. Cryan	

Document #: DR-1.14 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.14 (1pg.)	**Document Title and Purpose of Review:** Provide a current status and description of any changes in the purchase and provision of long-lead and other equipment that may impact the St. Lucie and Turkey Point uprate projects.
	Summary of Contents: There have been no changes in the purchase and provision of long-lead equipment for the PSL and PTN uprate projects, including the bundling of similar equipment to get the best cost through quantity ordering; Progress is being made in the Siemens contract for turbines, rotors and generators; two of the rotors have been forged in 2008 and outage schedules for the rewind of the generator stators and rotors are in place; feedwater heaters, condenders, moisture seperator reheaters, for PSL and PTN and turbine cooling water heat exchangers for PSL were competitively bid and awarded to TEI, Inc.; the status of the purchase of long-lead and other equipment will be described in detail in the testimony that will be described in detail in the testimony filed in March;
	Conclusions: No changes in the purchase and provision of long-lead equipment for the PSL and PTN uprate projects; Progress is being made in the Siemens contract for turbines, rotors and generators; two of the rotors were forged in 2008; outage schedules for the rewind of the generator stators and rotors are in place; feedwater heaters, condensers, moisture seperator reheaters, for PSL and PTN and turbine cooling water heat exchangers for PSL were competitively bid and awarded to TEI, Inc; status of long-lead equipment to be included in testimony in March
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Determine if all long-lead items have been ordered for the project, and determine when any remaining will be ordered and expected amounts; 2. ask about timing of Siemens contract for turbines, rotors and generators, when negotiations should be complete, contract signed, and estimated amounts; 3. confirm rotors forged in 2008 were for contracted amount, when they will be delivered, and whether there were any cost differences in contract amount; 4. review contract bid process for feedwater heaters, condensers, moisture seperator reheaters, for PSL and PTN and turbine cooling water heat exchangers for PSL competitively bid and awarded to TEI, Inc.; review bid specs, bid responses, summary sheet, and winning bid for TEI, Inc. 5. Review the TEI, Inc. contract, incentives, terms, etc. to determine costs and whether all review criteria are present; 6. Determine whether FPL nuclear contract procurement procedures and authorization levels were followed.
Document #: D-1.15 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide a description and status of any service and/or materials contracts or contract addenda for the St. Lucie and Turkey Point uprates executed during 2008, and/or planned for 2009.
	Summary of Contents: DOCUMENTS ARE AVAILABLE TO VIEW IN FPL JUNO OFFICES
	Conclusions:
	Data Request(s) Generated:

	No. _____ Description: No. _____ Description:
	Follow-up Required: Request in Tallahassee offices if needed
Document #: DR-1.16 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Provide all contracts in excess of $100,000 executed for the St. Lucie and Turkey Point uprates since April 2008, and provide a summary describing the scope of work, term of contract, total contract dollars, pricing/costing methodology (T&M, fixed price, fixed w/incentives, etc.) dollars spent to date, contract amendments, and if applicable, copies of single or sole source justification.
	Summary of Contents: DOCUMENTS ARE AVAILABLE TO VIEW IN FPL JUNO OFFICES
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Request in Tallahassee offices if needed
Document #: DR-1.18 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** **CONFIDENTIAL** **1. RFP BSD051908.pdf (25 pgs.)** **2. RFP BSD051908 Arc Survey Bid.pdf (19 pgs.)** **3. Avirom Bid.pdf (14 pgs.)** **4. Bowyer Singleton Bid.pdf (20 pgs.)** **5. Calvin Giordano Bid.pdf (52 pgs.)** **6. PowerComm Bid.pdf (1 pg.)** **7. Sexton Bid.pdf (1 pg.)**	**Document Title and Purpose of Review:** Provide all RFPs issued and bid evaluation summary sheets (both financial and technical) supporting any St. Lucie and Turkey Point contracts in excess of $100,000 bid during 2008 and 2009.
	Summary of Contents: DOCUMENTS ARE AVAILABLE TO VIEW IN FPL JUNO OFFICES 

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Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required: [redacted]

Document #: DR-1.19
Date Requested: 01-15-2009
Date Received: 02-11-2009
Comments: (i.e., Confidential)

(1) NP-301: Authorization Limits (2 Pages)

(2) NP-500: Relationships with Contractors and Vendors (2 Pages)

(3) NP-1100: Procurement Control (5 pages)

(4) NP-1101: Confidentiality of Procurement or Proprietary Documents (1 Page)

(5) NAP-420: Contract Development and Administration (24 Pages)

(6) NPDI-201: Contract Formation Process for Nuclear Projects RFP Phase (5 Pages)

Document Title and Purpose of Review:
Provide a copy of the company's current Contractor Selection and Management Policies and Procedures applicable to the St. Lucie and Turkey Point uprate projects.

Summary of Contents: Below listed documents were provided in electronic form through e-mail.

(1) **NP-301: Authorization Limits (Revision 19, 04/25/2008).** This Policy provides guidelines regarding responsibilities and authorities for various levels of management within the Nuclear Fleet for authorization of expenditures. The delegation of fiduciary responsibility and the authority necessary to make business decisions carries with them the burden of accountability for results remaining within budget limits. *Revision includes authorization amounts for Chief Nuclear Officer ($20M), Nuclear Chief Operating Officer ($10M), Nuclear Vice Presidents ($5M), Senioe Managers/Directors and Senior Directors ($1M), Managing Professionals and Lead Professionals ($250K), and Senior Professionals in supervisory positions ($10k).*

(2) **NP-500: Relationships with Contractors and Vendors (Revision 2, 02/25/2002).** This policy provides guidelines regarding relationships with contractors/vendors. Acceptance of reasonable meal invitations or tickets to sporting events, the primary function of which is discussion of business matters, is permitted; acceptance of other gratuities of nominal value (approx. $100 value) is permitted; *Revision notes no trips can be undertaken without specific approval of the employee's immediate supervisor, cognizant VP and Chief Nuclear Officer. Additionally, invitations from large vendors and architect engineering firms to symposiums and conferences must be sent to the Chief Nuclear Officer for determination regarding attendance.*

(3) **NP-1100: Procurement Control (Revision 16, 05/15/2008).** Competitive Bidding is the company's standard approach for the procurement of materials and services with an estimated value of $25,000 or greater. This Policy documents the procurement control processes and the requirements and documentation of deviating from the competitive bidding process (sole or single source). *Revision 16 notes that procurement of materials and services for the Nuclear Division must be in strict compliance the Quality Assurance Program, and applicable policies and procedures. Conflicts in governing documents shall be brought to the attention of the Nuclear Supply Chain management as appropriate. Additionally, the use of a confirming purchase order is used when time constraints preclude the use of a writtenpurchase order due to an emergency or where time is of the essence. In allcases, a verbal authorization for a contractor or vendor to proceed with supplying materials or services must be authorized by one of the following: Sr. Director Nuclear Supply Chain, a VP, the Nuclear Chief Operating Officer or the Chief Nuclear Officer. Verbal authorizations*

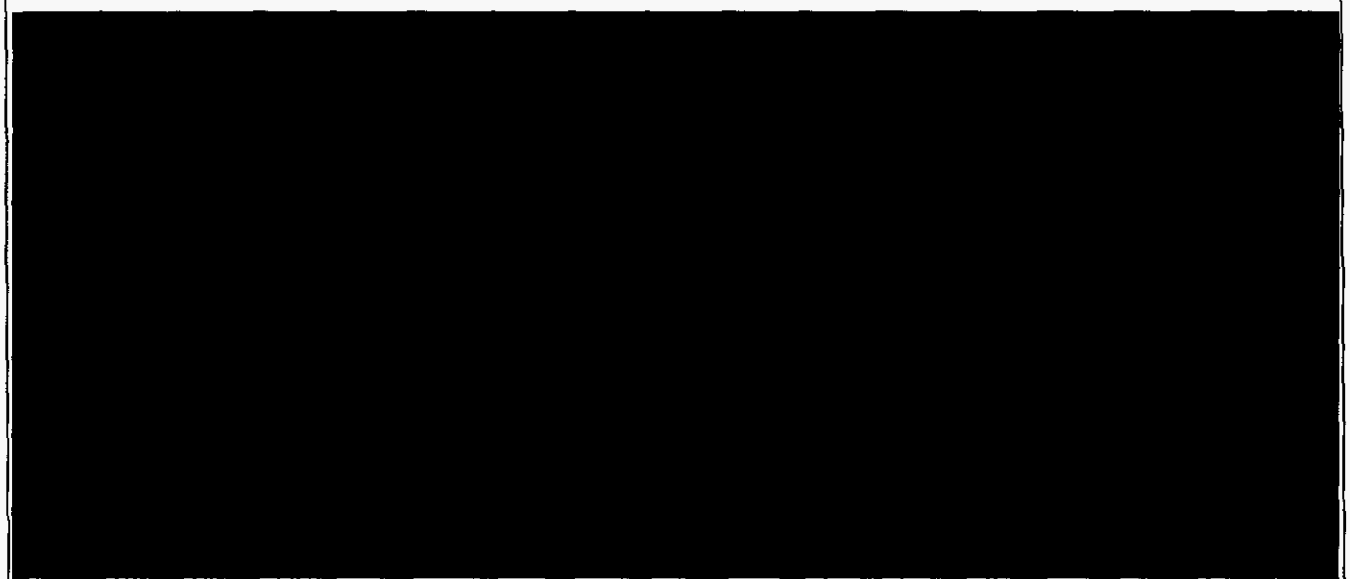
(7) NPDI-202: Contract Formation Process for Nuclear Projects Bid Evaluation Phase (4 Pages) Attachment 1: Commercial Bid Evaluation Form (1 Page) (8) NPDI-203: Contract Formation Process for Nuclear Projects Negotiation Phase (3 Pages) (9) NPDI-204: Contract Formation Process for Nuclear Projects Contract Award Phase (8 Pages) (10) NPDI-205: Contract Formation Process for Nuclear Projects Contract Administration Phase (8 Pages) (11) NPDI-206: Contract Formation Process for Nuclear Projects Contract Closeout Phase (3 Pages)	*by nuclear personnel should be communicated to the Senior Director, Nuclear Supply Chain as soon as possible to support compliance.* (4) **NP-1101: Confidentiality of Procurement or Proprietary Documents (Revision 5, 09-18-2001).** This policy establishes that all procurement documents between FPL and a contractor/vendor are confidential and proprietary information that is to be released on a need-to-know basis only. *Revision5 provided a signature approval for the Chief Nuclear Officer.* (5) **NAP-420: Contract Development and Administration (Revision 1, 11/17/2008).** This procedure establishes the requirements and guidance for the development, administration and closeout of contracts in support of the FPL nuclear facilities. The procedure provides methodology and guidance for organizations responsible for the development and administration of contracts in support of the nuclear division, along with establishing the requirements and responsibilities of FPL departments requiring contracted services from outside organizations. (6) **NPDI-201: Contract Formation Process for Nuclear Projects RFP Phase (Revision 1, 08/01/2006).** This procedure provides a general guideline for the development of a Request for Proposal and delineates a division of responsibilities. A Request for Proposal (RFP) is Typically the first major step in initiating a new contract, and is the means to solicit bids from potential suppliers or contractors. *Revision to procedure is not identified, not sure what the revision is?* (7) **NPDI-202: NPDI-202: Contract Formation Process for Nuclear Projects Bid Evaluation Phase (Revision 1, 08/01/2006).** This procedure describes the process and instructions for timely and equitable evaluation of bids from suppliers in support of a nuclear project. **Attachment 1: Commercial Bid Evaluation Form (Rev.0, No Date)**. This is a blank form used to document the process as described in NPDI-202. (8) **NPDI-203: Contract Formation Process for Nuclear Projects Negotiation Phase (Revision 1, 08/01/2006).** This procedure describes the process and instructions for negotiation of an agreement with the selected supplier in support of a nuclear project. (9) **NPDI-204: Contract Formation Process for Nuclear Projects Contract Award Phase (Rev. 0, 08/01/2006).** This procedure describes the process and instructions for award of an agreement with the selected vendor for Nuclear Projects and the Combined Operating License (COL) Project. The purpose is to ensure the Division policies and practices are systematically followed to effect a timely award of an agreement. (10) **NPDI-205: Contract Formation Process for Nuclear Projects Contract Administration Phase (Rev. 0, 08/01/2006).** This procedure describes the process and instructions for administration of an agreement with the selected vendor for Nuclear Projects and the Combined Operating License (COL) Contracts. The purpose is to ensure the Division policies and practices are followed to effect appropriate administration of an agreement. (11) **NPDI-206: Contract Formation Process for Nuclear Projects Contract Closeout Phase (Revision 1, 08/01/2006).** This procedure describes the process and instructions for closeout of an agreement with the selected supplier.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:

	Follow-up Required: 1. Determine whether NPDI 201- 206 are new procedures for the COLA project, and what if any revisions are made to each? 2. What is the revision to NAP-420.
Document #: DR-1.20 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** EPPI-440: EPU Field Activity Monitoring Plans (22 Pages including below attachments) Attachments: (1) Risk Analysis (1 Page) (2) EXAMPLE – Risk Analysis Results (1 Page) (3) FAMP Template and Guidance (13 Pages) (4) Example of Monitoring Plan (2 Pages)	**Document Title and Purpose of Review:** Provide an updated copy of the company's oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects.
	Summary of Contents: Below listed document was provided in electronic form through e-mail. **EPPI-440: EPU Field Activity Monitoring Plans (No Revisions, 05/07/2008).** This document provides guidance for the development and implementation of EPU Field Activity Monitoring Plans (FAMP). The FAMP is the formal plan to identify WHAT activities will be monitored, WHO will do the monitoring, WHEN the monitoring will be done, and HOW the monitoring will be documented. The plan is made at the start of the project, and used thereafter to drive the full completion of monitoring activities. **Attachments:** (1) **Risk Analysis (Rev 00).** This attachment provides an Activity Risk Level of Low, Medium, or High along with examples of qualifying events for each level of risk. Areas of concern covered are **System/Equipment Risk Analysis**, and **Industrial Safety Risk Assessment.** (2) **EXAMPLE – Risk Analysis Results (Rev 00).** This document provides an example of the application of standards described in **Attachment 1**. (3) **FAMP Template and Guidance (Rev 00).** This Template and Guideline provides details and examples as to how the FAMP is to be completed to satisfy the requirements of the above (EPPI-440). The template directs the Monitoring Plan to focus on the four project phases; Organization & Training, Work Package & Preparation, Field Implementation, and Post Job Performance Review. (4) **Example of Monitoring Plan (Rev 00).** Provides an example of the EPU Field Activity Monitoring Plan as described above (EPPI-440).
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: **#3 FAMP Template and Guidance** lists five attachments that are to be included in the plan, but are not included with the Template. Need to determine if these are separately generated as the time progresses, or if it should have been included. Possibly need to request in future DR. Attachments include: 1. Risk Assessment for XXX Activities 2. Monitoring Plan for XXX Activities 3. Training Matrix 4. Project Organizational Chart 5. Project Daily Log
Document #: DR-1.21 **Date Requested: 01-15-2009**	**Document Title and Purpose of Review:** a) Please provide a summary of any disciplinary actions taken, pending, or planned by FPL, on any contractors working for the St.

Date Received: **Comments: (i.e., Confidential)** 1. DR-21(2 pgs.)	Lucie and Turkey Point uprate projects. b) Please describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken by the company, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the St. Lucie and Turkey Point projects.
	Summary of Contents: a. There have been a total of three disciplinary actions involving staff augmentation contractors. All of these actions were taken in January 2009. b. 1. As a result of conducting an audit of contractor time charging, one contractor (individual supporting the EPU) was terminated for falsification of time reporting. The project is currently working on recovery of the over charged time. 2. As a result of new management structure put into place the beginning of 2009, a review of contractor experience and skillsresulted in the release of two individual contractors due to limited experience and unacceptable work product. 3. The hiring manager of the three individuals in items 1 and 2 has also been released from the project. (This was a rsult of the reorganization, but would have been a disciplinary action if the reorg. Had not eliminated the position.
	Conclusions: 1. An audit of contractor charging and a recent reorganization in the uprate organization identified three disciplinary actions necessary in staff augmentation contractors. 2. It is unclear what work the augmentation staff was performing for the uprate, how long the situation existed, and the amount of dollars involved in these three incidents.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Determine the extent of the three situations that were identified, how long the situations existed, the impact to project work, the dollars involved, and the actions the company took to assure these situations do not recur.
Document #: DR-1.22 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.22 (1 pg.) 2. EPPI-440 (22 pgs.)	**Document Title and Purpose of Review:** Describe any changes in management controls made to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects.
	Summary of Contents: In addition to placing Senior Director level project management for the EPU at each site to improve oversight and management of contractor work, as the project moves into the implementation phase, EPPI 440 was prepard to provide guidance in the development and implementation of Field Activity Monitoring Plans. The Quality Assurance program functions started with QA representatives reviewing design specifications and traveling to manufacturers to perform inspections of vendor quality programs and manufacturing processes.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Determine the benefits of moving Senior Director level personnel to the sites and how it has improved the company's capability to bring projects in on time and budget. 2. Determine whether the FAMPs have been completed for each site and whether they are kept on-site. Review and request a copy.

Document #: DR-1.25 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** DR-1.25 (1 pg.)	**Document Title and Purpose of Review:** Please provide current copies of all contractor evaluations and quality assurance evaluations completed for the St. Lucie and Turkey Point uprate projects since April 2008. **Summary of Contents:** Please see response to IC DRI-24 for contractor evaluations and quality assurance evaluations completed in 2008 and planned for 2009 for the uprate projects. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** Determine how many audits were performed in 2008 and will be planned for 2009 for the uprates, what the scope entails, and when the audits will be conducted. (compare this with what we were told last year)
Document #: DR-1.26 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** DR-1.26 (1 pg.)	**Document Title and Purpose of Review:** List and describe any Quality Assurance actions taken, pending, or planned by FPL, on contractors for the St. Lucie and Turkey Point projects, including the events the action was taken for, the date the action was taken by the company, a description of the disciplinary actions taken by the company, timetable for any fixes allowed, and whether the contractor was removed or allowed to continue work on the project. **Summary of Contents:** There have been findings at manufacturing facilities which are documented in response to IC DR-1.24. There has been no physical contractor work performed for the uprate projects at PSL or PTN other than field inspections. There have been no uprate project modifications, removals, or replacement activities to assess in 2008 at PSL or PTN. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** 1. Review the findings in DR-1.24 and build any questions for clarification.
Document #: DR-1.42 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** *****CONFIDENTIAL***** (1) Written Response to Request (2) Westinghouse Letter: Q1 2009 Summary of FPL New Plant Long Lead Material (LLM) Information. (3) Reservation Agreement between	**Document Title and Purpose of Review:** Provide a current status and description of any changes in the purchase and provision of long-lead and other equipment that may impact the new Turkey Point nuclear units project. **Summary of Contents:** (1) FPL States it entered into a "Reservation Agreement" with Westinghouse to secure the manufacturing capability for ultra heavy forgings for two AP-1000 units. FPL chose to defer certain long lead procurement items in the fourth quarter of 2008, based on then current market conditions. Currently, negotiations are underway with Westinghouse/Shaw on the scope, schedule, cost and terms of an Engineering and Procurement contract that would result in a schedule of procurement activities to be undertaken on behalf of the project. Completion of negotiations is necessary to identify any changes in long lead procurement, followed by analysis of any impacts. [redacted]

Westinghouse Electric Company and Florida Power & Light	[redacted]
	Conclusions: 1. FPL has entered into a "Reservation Agreement" with Westinghouse to secure the manufacturing capability for ultra heavy forgings for two AP-1000 units. 2. FPL chose to defer certain long lead procurement items in the fourth quarter of 2008, based on then current market conditions. 3. Currently, negotiations are underway with Westinghouse/Shaw on the scope, schedule, cost and terms of an Engineering and Procurement contract 4. Completion of negotiations is necessary to identify any changes in long lead procurement, followed by analysis of any impacts.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.43 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. DR-1.43 pdf. (2 pgs.) 2. DR43 2/9/09.pdf (1 pg.)	**Document Title and Purpose of Review:** Please provide a description and status of any service and/or materials contracts or contract addenda for the new Turkey Point nuclear units project executed in 2008, and/or planned for 2009.
	Summary of Contents: 1. DR-1.43 pdf. 2. DR43 2/9/09.pdf
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.44	**Document Title and Purpose of Review:** Provide all contracts in excess of $100,000 executed for the new Turkey Point nuclear units project since April 2008, and provide a

Date Requested: 01-15-2009 **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. DR-1.44.pdf 2. DR44 2/17/09.pdf	summary describing the scope of work, term of contract, total contract dollars, pricing/costing methodology (T&M, fixed price, fixed w/incentives, etc.) dollars spent to date, contract amendments, and if applicable, copies of single or sole source justification. **Summary of Contents:** 1. DR-1.44.pdf 2. DR44 2/17/09.pdf Is a summary of contracts in excess of $100,000 for Turkey Point 6&7; **DOCUMENTS ARE AVAILABLE TO VIEW IN FPL JUNO OFFICES** **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-1.46 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. DR-1.46.pdf 2. Supplemental response provided 3/16/09: a. PO# 109843 Siemens b. PO# 105353 Release 4 c. PO # 116796 Cameron Technologies d. PO# 116107 Cameron Technologies 3. Supplemental information on PO 4500472314 FPL Request for Proposal (RFP) JMR110708, bid evaluation, provided 3/18/09 via fax 4. Supplemental information on PO 4500425707, RFP JMR040308, bid evaluation, provided 3/18/09 via fax	**Document Title and Purpose of Review:** Provide all RFPs issued and bid evaluation summary sheets (both financial and technical) supporting any new Turkey Point nuclear units project contracts in excess of $100,000 bid during 2008 and 2009. **Summary of Contents:** 1. DR-1.46.pdf refers to attached documents that were not provided. **DOCUMENTS ARE AVAILABLE TO VIEW IN FPL JUNO OFFICES** Supplemental information was provided by FPL on 3/16/09 showing the unredacted T-8A schedule for the following contracts:  of B&V, HDR, M&E, and Parsons; comments are made regarding each company's submittal, quality of response, experience with FPL, experience of staff, and whether all deliverables are contained in the bid; an evaluation of manhours and a technical scoring

	[redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.47 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** Provide a copy of the company's current Contractor Selection and Management Policies and Procedures applicable to the new Turkey Point nuclear units project.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.48 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.48.pdf (2 pgs) 2. Env Rules for Contractors 12/11/08.pdf (3 pgs.)	**Document Title and Purpose of Review:** Provide an updated copy of the company's oversight and management plan for contractors working on the new Turkey Point nuclear units project.
	Summary of Contents: 1. DR-1.48.pdf (2 pgs) 2. Env Rules for Contractors 12/11/08.pdf (3 pgs.)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.49 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** a) Please provide a summary of any disciplinary actions taken, pending, or planned by FPL, on any contractors working for the new Turkey Point nuclear units project. b) Please describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken by the company, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the new Turkey Point nuclear units project.

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DR- 1.49

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	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1 [redacted]
Document #: DR-1.50 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** Describe any changes in management controls made to improve the oversight and management of contractor work at the new Turkey Point nuclear units project.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.53 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. 12130 Westinghouse VA08111.pdf (86 pgs.) 2. 2008 Bechtel Audit.pdf (174 pgs.) 3. Bepmd0801.pdf (19 pgs.) 4. Bepmd0802.pdf (8 pgs.) 5. Bepmd0803.pdf (16 pgs.) 6. Bepmd0804.pdf (8 pgs.) 7. Bepmd0805.pdf (8 pgs.)	**Document Title and Purpose of Review:** Please provide current copies of all contractor evaluations and quality assurance evaluations completed for the new Turkey Point nuclear units project since April 2008.
	Summary of Contents: [redacted]

8. Qr-08-001.pdf (3 pgs.) 9. Qr-08-002.pdf (3 pgs.) 10. Qr-08-004.pdf (2 pgs.)	[redacted] 4. Bepmd0802.pdf (8 pgs.) 5. Bepmd0803.pdf (16 pgs.) 6. Bepmd0804.pdf (8 pgs.) 7. Bepmd0805.pdf (8 pgs.) 8. Qr-08-001.pdf (3 pgs.) 9. Qr-08-002.pdf (3 pgs.) 10. Qr-08-004.pdf (2 pgs.)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Determine whether there is a Qr-08-003.pdf that was not passed along.
Document #: DR-1.54 **Date Requested: 01-15-2009** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** List and describe any Quality Assurance actions taken, pending, or planned by FPL, on contractors for the new Turkey Point nuclear units project, including the events the action was taken for, the date the action was taken by the company, a description of the disciplinary actions taken by the company, timetable for any fixes allowed, and whether the contractor was removed or allowed to continue work on the project.
	Summary of Contents: No stop work activities were conducted; QA oversight has resulted in Findings as shown in DR-52; These Findings were corrected as a normal business function, with none of the findings classified as a significant condition adverse to quality.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Bureau of Performance Analysis
Document Summary and Control Log
Internal Controls

Company: Florida Power & Light Company **Area:** 2009 Review of Nuclear Controls for Cost Recovery **Auditor(s):** L. Fisher, D. Rich	**Workload Control #:** PA-09-01-005 **File Name:** DR-1 (Int Cont & Gen'l) Sum Log.doc

Document #: DR-1.1 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide a summary of the work accomplished on the St. Lucie and Turkey Point uprate projects from April 2008 to date and planned activities for 2009. **Summary of Contents:** Will be provided in March testimony **Conclusions:** FPL wants us to wait until March testimony to get an update of the project. **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** Get written uprate status from FPL prior to March testimony
Document #: DR-1.2 **Date Requested: 1/15/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)** 1. 20090130 St. Lucie 1&2 EPU Licensing/ Engr. Sched. (3) 2. 20090130 Turkey Point 3&4 EPU Licensing/Engr. Sched. (2) 3. RD-1-2.pdf (2)	**Document Title and Purpose of Review:** Please provide a description of pending NRC and other regulatory applications, approvals and certifications required for the St. Lucie and Turkey Point uprate projects and provide a current timeline for completing each. **Summary of Contents:** 1. St. Lucie 1&2 EPU scheduled start/finish dates for licensing activities during January –September 2009 w/ persons considered owner and responsible for completion. 2. Turkey Point 3&4 EPU scheduled start/finish dates for licensing activities during September 2008-Nov. 2009 w/ persons considered owner and responsible for completion. 3. License Amendment Requests (LAR) are scheduled for submission to the NRC in 3Q & 4Q 2009. St. Lucie will have one LAR for each unit, Turkey Point will submit one for both units. Target dates for submission to the NRC (see file entitled: **DR1-2.pdf**): o St. Lucie 1 – September 1, 2009 o St. Lucie 2 – October 1, 2009 o Turkey Point 3 & 4 – December 1, 2009 Visual representation of schedule for St. Lucie, see CD file: **20090130PSL_ENG.Long_Path.pdf** Visual representation of schedule for Turkey Point, see CD file: **20090130PTN_ENG.Long_Path.pdf** **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description:

	Follow-up Required: 1.) Yes. The 2008 report states (Section 2.1, pg 8of the review) that "*...FPL estimates that the License Amendment Requests for St Lucie Units 1 & 2 and Turkey Point Units 3 & 4 will be submitted to the NRC in September 2009.*" **What has caused the delay in the LAR for Turkey Point Units 3 & 4? 2.)** Have company discuss the schedule, critical dates for activities, and potential impacts to schedule for any delays.
Document #: DR-1.3 **Date Requested: 1/15/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)** **CONFIDENTIAL** 1. DR-1-3.pdf (2) 2. EPU Risk Capture Tool 1/15/08 (3) 3. EPU Risk Capture Tool 1/17/08 (4) 4. EPU Risk Capture Tool 2/9/08 (4) 5. EPU Risk Capture Tool 2/26/08 (3) 6. EPU Risk Capture Tool 3/3/08 (3) 7. EPU Risk Capture Tool 3/26/08 (1) 8. Risk Matrix 04/09/08 (3) 9. Risk Matrix 04/22/08 (7) 10. Risk Matrix 04/29/08 (5) 11. Risk Matrix 05/08/08 (5) 12. Risk Matrix 05/16/08 (7) 13. Risk Matrix 05/30/08 (6) 14. Risk Matrix 09/30/08 (5) 15. Risk Matrix 10/07/08 (7) 16. Risk Matrix 10/15/08 (12)	**Document Title and Purpose of Review:** Please provide documentation for all risk assessment and mitigation reviews conducted since April 2008 to ensure the St. Lucie and Turkey Point uprate projects are on time and within budget. **Summary of Contents:** 1. DR-1-3.pdf (2) lists documents provided to response 2. EPU Risk Capture Tool 1/15/08 (3) addresses EPU Project Risk Management at PSL and PTN in early '08; shows project risks by number, priority, probability, impact level, cost exposure, economic costs, risk owner, risk description, root cause, mitigation, mitigation manager, mitigation cost, actions, and status; PSL has one High priority risk and PTN has three. 3. EPU Risk Capture Tool 1/17/08 (4) addresses EPU Project Risk Management at PSL and PTN in early '08; shows project risks, etc. and provides summary of risk items including long lead items and an escalated detailed system evaluation so changes in modification scope are known sooner. 4. EPU Risk Capture Tool 2/9/08 (3) addresses EPU Project Risk Management at PSL and PTN in early '08; shows project risks by number, priority, probability, impact level, cost exposure, economic costs, risk owner, risk description, etc.; PSL has two High priority risks and PTN has three. 5. EPU Risk Capture Tool 2/26/08 (3) brings crane refurbishment and upgrade into consideration at PSL; the same items as in 2/9/08 report are considered at PTN; PSL has two High priority risks and PTN has three. 6. EPU Risk Capture Tool 3/3/08 (3) same risks as are provided in the 2/26 report are considered; PSL has two High priority risks and PTN has three. 7. EPU Risk Capture Tool 3/26/08 (1) shows only two Medium priority items for PSL and one for PTN; Staffing is a consideration at both projects and could create delays if not corrected; consideration is also given for vendor capabilities and potential project delays if vendors do not have appropriate capabilities to meet the project schedule; 8. Risk Matrix 04/09/08 (3) is for EPU Project Risk Management; Pre-February to April issues w/same risks reviewed as are provided in the 2/26 report; PSL has two high priority risks (detailed system evaluation and crane upgrade/refurbishment) and PTN has three high priority risks (detailed system evaluation, potential erosion/corrosion issues due to uprated flow, and potential MVAR and grid stability costs. PSL has two High priority risks and PTN has three. 9. Risk Matrix 04/22/08 (7) shows the EPU Project Risk Management report for Point Beach, St. Lucie and Turkey Point; Includes similar issues as reported previously for PSL and PTN w/ PSL having two high priority risks and PTN having three; two new need areas to be reviewed were documented and the dollars associated with risk exposure is provided. 10. Risk Matrix 04/29/08 (5) shows the EPU Project Risk Management report for PSL and PTN; Includes similar issues as reported previously w/ PSL having the same two high priority risks and PTN having three; new need areas to be reviewed were documented and the dollars associated with risk exposure is provided.

17. Risk Matrix 10/29/08 (9) 18. Risk Matrix 11/06/08 (8) 19. Risk Matrix 11/17/08 (14) 20. Risk Matrix 11/26/08 (9) 21. Risk Matrix 12/01/08 (8) 22. Risk Matrix 12/11/08 (11) 23. Risk Matrix 12/18/08 (8)	11. Risk Matrix 05/08/08 (5) shows the EPU Project Risk Management report for PSL and PTN; Includes similar issues as reported previously w/ PSL having the same two high priority risks and PTN having three; Although License Amendment Request issues are rated as medium priority any delay would be critical to the project schedule; PSL has the same two high priority risks and PTN has three; staffing levels and site certification are a medium priority risk, but are considered risks that could affect the project. 12. Risk Matrix 05/16/08 (7) shows Pt. Beach, PSL and PTN EPU Project Risk Management report [redacted] two for PSL and three for PTN; project staffing and LAR reviews are medium risks with significant and critical impacts. 13. Risk Matrix 05/30/08 (6) shows the EPU Project Risk Management report for PSL and PTN; for PSL the same two high priority items are listed, however, the evaluation shows that there is an increase in scope for plant modifications and an increase in some cost estimates; 14. Risk Matrix 09/30/08 (5) Crane refurbishment/upgrade and rewind at PB and PSL overlap are high priority. Note 8/12/08 issue about potential skilled labor shortage (#1 concern of all prospective EPCs) 15. Risk Matrix 10/07/08 (7) Crane refurbishment and the rewind at Point Beach and PSL remain issues that cause potential delay in the schedule for PSL; VP Nuclear Power Uprate met with NRR management 7/21/08 re: License Amendment Request; the need for skilled labor to complete EPU remains a Medium risk that has a potential for significant impact to the schedule and costs; questions still remain about Westinghouse's staffing levels to support project; For PTN the erosion/corrosion issue remains a high risk, but the Technical Challenge review with Westinghouse is expected to provide report in September '08; new system to be rolled out in Summer '09 (NAMS) per Fleet Change Management, may cause delays with review and approval of work planning; 16. Risk Matrix 10/15/08 (12) Point Beach, PSL and PTN reports are provided w/PSL having Crane refurb and the Point Beach PSL rewind overlap as being high priority issues; LAR is Medium risk priority w/ critical potential impact; new item of potential Legacy Analysis or License basis issues may arise during re-analysis of EPU LAR and impact schedule; PTN still shows high risk concern regarding potential for excessive erosion/corrosion due to uprated flow conditions; the implementation and execution schedule for PTN may cost more than Proforma and require significant cost increase; a first outage review is scheduled for September '09 and should be compared to budgeted amounts to give some idea as to potential impacts; 10/10/08 New need for review is that an error in the Containment Integrity Design Basis Analysis may significantly reduce the containment pressure margin for EPU uprate conditions; 10//14/08 identified potential Legacy Analysis or License basis issues may arise during re-analysis of EPU LAR and impact schedule. 17. Risk Matrix 10/29/08 (9); shows the EPU Project Risk Management report for PSL and PTN; for PSL the crane refurbishment upgrade dropped from list of risk events and risk associated with the rewind event lowered to Medium. High risk is [redacted] PTN still shows high risk concern regarding potential for excessive erosion/corrosion due to uprated flow conditions. New High-Critical risk is an error discovered in the containment integrity design. The non-conservative estimate is that this may significantly reduce the containment pressure margin for EPU conditions. Must develop a mitigation plan – due 11/11/08. 18. Risk Matrix 11/06/08 (8); is the EPU Project Risk Management report for PSL and PTN; [redacted] PTN still shows high risk concern regarding potential for excessive erosion/corrosion due to uprated flow conditions and High-Critical for the error discovered in the containment integrity design. Mitigation plan due 11/11/08. 19. Risk Matrix 11/17/08 (14); Point Beach, PSL and PTN reports are provided. For PSL High risk continues for Westinghouse vendor staffing level that may be insufficient to support the project. LAR request reviews could be delayed due to errors and

omissions (Medium-Critical). VP met with NRC Mgmt on 7/21/08 (no details). Depending on extend of possible delays, cots and timeline could be skewed. PTN still shows high risk concern regarding potential for excessive erosion/corrosion due to uprated flow conditions and High-Critical for the error discovered in the containment integrity design. Mitigation plan overdue (S: 11/11/08).

20. Risk Matrix 11/26/08 (9); is the EPU Project Risk Management report for PSL and PTN; for [redacted] Reassessed to High and combined potential LAR schedule delays with this risk item on 10/19/08; to develop a mitigation plan by 11/14/08 (already overdue..?). PTN still shows High-Critical risk for potential of excessive erosion/corrosion due to uprated flow conditions and High-Critical for the error discovered in the containment integrity design. [redacted]

21. Risk Matrix 12/01/08 (8); is the EPU Project Risk Management report for PSL and PTN; for PSL. [redacted] For Turkey Point, two High-Critical risks remain -- (1) the potential of excessive erosion/corrosion due to uprated flow conditions and (2) for the error discovered in the containment integrity design. One High-Significant risk related to [redacted]

22. Risk Matrix 12/11/08 (11); Point Beach, PSL and PTN reports are provided. For PSL the High-Significant risk carries over from previous report. [redacted] Extension apparently granted; due date is now listed as 12/12//08. For Turkey Point, two High-Critical risks remain -- (1) the potential of excessive erosion/corrosion due to uprated flow conditions and (2) for the error discovered in the containment integrity design. [redacted] Extension apparently granted; due date is now listed as 12/12//08

23. Risk Matrix 12/18/08 (8); is the EPU Project Risk Management report for PSL and PTN; for PSL. [redacted] Draft mitigation plan to J. Hoffman for review & approval. For PTN, there are two High-Critical risks -- (1) the potential of excessive erosion/corrosion due to uprated flow conditions and (2) for the error discovered in the containment integrity design. [redacted]

Conclusions:

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required: 1.) Determine whether the report for 3/26/08 is complete, or some parts of the report have not been provided 2.) Discuss the transition to Nuclear Asset Management System and any impacts on the project 3.) [redacted] 4.) Discuss current status of long-lead items and potential impacts on STL1&2 and PTN3&4 uprates 5.) Discuss potential shortages of skilled labor for construction and potential impact on uprate projects 6.) Discuss the crane refurb./upgrade and potential impact on projects 7.) Discuss the rewind overlap for PB and PSL and potential impact on project schedule and costs 8.) [redacted] 9. Discuss the potential for excessive corrosion/erosion at PTN 9.) [redacted]

	[redacted] 11.) Discuss the increase in costs for schedule versus Proforma and cycle review due April '09 12.)
Document #: DR-1.4 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.4 (2 Pgs.)	**Document Title and Purpose of Review:** a) Please describe any changes made to company planning due to potential project risks, and the impact of those changes on the project's schedule and costs. b) Please describe all risk mitigation strategies developed or considered and indicate which strategies the company is deploying.
	Summary of Contents: DR-1.4 (2 Pgs.) a. States that FPL made one noteworthy change to company planning due to potential project risks. Shaw Stone & Webster and Westinghouse Engineering Corporation are performing the Nuclear Steam Supply System (NSSS) safety analyses for the NRC LAR. Because of the LAR work FPL originally anticipated Shaw would be responsible for modification engineering, and FPL would be responsible for procurement of long-lead materials and craft resources for installation. Due to potential risks presented by managing multiple vendors, the approach was evaluated and FPL determined that the modification engineering should be coupled with the installation (construction). FPL will continue with procurement of long-lead materials. However, procurement identified during the planning and implementation would be the responsibility of the modification engineering and construction vendor. FPL decided to use a single vendor for the EPC, to provide an umbrella over the project that it believes will reduce the identified risk of the interface challenge between modification engineering with one company and installation with another. Therefore, FPL competitively bid the Engineering Procurement and Construction to multiple vendors from the nuclear industry, capable of performing this scope of work. FPL states the project schedule and cost remain in tact as planned, and the EPC vendor began mobilizing personnel in December 2008 and has met the proposed staffing ramp to date. b. FPL states that there are some potential risks with using one vendor for the EPC scope, including management and oversight of a very large contract, providing equitable contract incentives and providing resource adequacy. The EPC contract includes incentives for performance in the modification portion and the implementation portion. FPL established target pricing at various completion percentages of the modification engineering design packages. At 30 % of modification package completion the cost to complete the package is agreed upon and becomes the target price and a few percent either side of the target date is considered satisfactory performance. If the vendor's actual price for the modification is below the target price and percentage, the difference between the target price and actual price is shared by FPL and the EPC. If the vendor's actual price for the modification is above the target price and percentage the overage is shared by the vendor and FPL. Another strategy FPL used for managing this large single contract was making a change to the EPU organization, by placing senior FPL Director level project management at each site and dividing the licensing and modification engineering into two Director level managed organizations.
	Conclusions: 1. FPL has decided to have an EPC complete the procurement and construction for the uprates and bid the contract out to several vendors. 2. FPL has also changed its uprate management organization to place two director level managers at each site to provide and dividing the licensing and modification engineering into two organizations. 3. FPL has used performance incentives to incent the EPC to complete the project on time and on budget.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Discuss the differences between how FPL had previously been organized and the benefits of the new organization 2. Discuss the incentives used to incent the EPC and the relationship between the new Director level responsibilities and those of the EPC, and how they work together. 3. Determine what reporting responsibilities and controls will be used to track and report progress. 4. Discuss who the EPC will report to and how often. 5. Review the EPC contract RFP, Bid documents and responses, bid evaluations and summary, bid award, and costs associated with the contract.
Document #: DR-1.5 **Date Requested:** **Date Received:**	**Document Title and Purpose of Review:** a) Please provide a detailed description of any currently identified problems or challenges to the St. Lucie and Turkey Point uprate projects that have arisen, and the potential impact to the project schedule and cost estimates. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor issues, site logistics, and regulatory issues. b) Please describe all mitigation strategies developed or considered for each problem or

Comments: (i.e., Confidential) CONFIDENTIAL	challenge, and indicate which strategies the company is deploying.
	Summary of Contents: PSL & PTN Risk Matrix January 29, 2009 Part 1; PSL & PTN Risk Matrix January 29, 2009 Part 2; Risk Matrix list High, Medium and Low risk areas for each project with summary of mitigation actions and dates for completing actions.
	Conclusions: FPL completes monthly risk assessments of issues pertaining to the Uprate projects and establishes risk levels and activities to mitigate project risks.
	Data Request(s) Generated: No. ____ Description: No. ____ Description:
	Follow-up Required:
Document #: DR-1.6 **Date Requested: 1/15/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)** **Inventory:** 1. EPPI-100 R1.pdf (9) 2. EPPI-110 Expectations and Business Conduct.pdf (32) 3. EPPI-130 R1 project Staffing.doc (7) 4. EPPI-140 R7 Roles & Responsibilities.pdf (27) 5. EPPI-160 R1 Formal Correspondence.pdf (14) 6. EPPI-230 R1 Project Invoices.pdf (19) 7. EPPI-240 R2 Contract Compliance.pdf (25) 8. EPPI-250 R1 Prep of Installation Svcs Specs.pdf (17) 9. EPPI-300 R1 Deviation and Scope Change Control Process.pdf (18) 10. EPPI-310 R3 Project Instructions – develmnt, mtnce, and schedule	**Document Title and Purpose of Review:** 6. a) Please provide copies of all Project Management policies and procedures revised during 2008. b) Please identify all newly created policies, procedures, and controls, and describe any planned future policies, procedures, and control changes related to completing the St. Lucie and Turkey Point uprates.
	Summary of Contents:
	Conclusions: 1. EPPI-100 R1.pdf (9) not printed yet 2. EPPI-110 Expectations and Business Conduct.pdf (32) provides management's philosophy and expectations for the conduct of business associated with the Extended Power Uprate Project; *Revision 9 is not marked and cannot be identified.* 3. EPPI-130 R1 project Staffing.doc (7) is to identify the process and expectations to support staffing associated with the Extended Power Uprate Project. It defines the process to select and secure the most qualified individuals to staff the EPU Project. A staffing ramp has been developed as a guiding staffing plan. All recruiting efforts will be compliant with NP-407. *Revision 1 modified step 5.3 to remove any commercial language and to reflect the use of Guidant is for FPL purposes (not FPLE) (pg. 7 of 7).* 4. EPPI-140 R7 Roles & Responsibilities.pdf (27) defines the organizational structure as well as the general roles and responsibilities of the management and other key staff positions for the EPU Project. *Summary of Revisions (pgs. 26-27 of 27) shows Revision 7 revised 4 and 6 to indicate the Nuclear Analyst at each site report to the respective Site Project Controls Supervisor.* 5. EPPI-160 R1 Formal Correspondence.pdf (14) provides guidance for the process of receiving, controlling, distributing, and approving formal correspondence associated with the EPU Project. *Summary of Changes on pg. 14 of 14 notes that Revision 1 corrects a typo in line 14 of Attachment 2A=approved Without Comment; Changed to FPL Group logo, since it applies to Point Beach as well as the Florida Units.* 6. EPPI-230 R1 Project Invoices.pdf (19) provides guidance for documenting, tracking and processing invoices for materials and/or services purchased by the EPU Project. *Revision 1 is not marked and cannot be identified.* 7. EPPI-240 R2 Contract Compliance.pdf (25) provides guidance and expectations associated with the EPU Site Technical Representative Binder (STRB), the Contract Deliverable Matrix (CDM) and the Contracts Compliance Log (CCL). The process

update.pdf (47)

11. EPPI-340 R1 Project Risk Mgmt Prgm.pdf (11)

12. EPPI-370 EPU-FPL Accrual process.pdf. (12)

13. EPPI-410 R1 Project and task plans.pdf (14)

14. EPPI-520 R1 EPU Project Personnel trng, rqmnts.pdf (15)

15. EPPI-530 R1 Mtnce of Qual matrix and Training records retention.pdf (8)

16. EPPI-560 R1 EPU Project Qual. Guidelines .pdf (67)

17. EPPI-610 R1 EPU License Amendment Writers guide.pdf (35)

18. EPPI-Index (1).pdf (1)

shall be employed for any PO/Contract in excess of $100k. *Revision 1 was a major rewrite to clarify requirements and expectations. Revision 2 revised step 6.2 and removed the responsibility from the Nuclear Analyst for the record retention responsibility and changed the logo and other minor editorial changes.*

8. EPPI-250 R1 Prep of Installation Svcs Specs.pdf (17) provides guidelines fro the preparation of installation services specifications for work that is expected to exceed $250,000. *Revision 1 contains minor editorial changes, changed step 1.0 to clarify that the instruction is only required for work expected to exceed 250k, and added a note just prior to step 4.1 to clarify that the instruction is only required for work expected to exceed $250k.*

9. EPPI-300 R1 Deviation and Scope Change Control Process.pdf (18) provides guidance for the documentation, tracking, evaluating and processing of the EPU Project deviations and scope changes. *Revision 1 is not marked and cannot be identified.*

10. EPPI-310 R3 Project Instructions – develmnt, mtnce, and schedule update.pdf (47) the instruction is intended as a reference for using and maintaining the Primavera and other project controls databases for the extended EPU Project, and will assist users in conducting business in a standardized manner which in turn will promote continuity, coordination, schedule stability and overall project performance. *Change History (pg. 47 of 47) shows revisions 00-03. Revision 03 notes that numerous changes to the body of EPPI-310 were incorporated, and all attachments in section 8.3 were removed except EPU Scheduling Best Practices which was also modified.*

Data Request(s) Generated:
No. ____ Description:
No. ____ Description:

Follow-up Required: 1. Clarify what revisions were made to the procedures where they were not readily identifiable. 2. Review EPPI 310 to understand scheduling format and EPU scheduling best practices. 3.

Document #: DR-1.7
Date Requested: 1/15/09
Date Received: 2/9/09
Comments: (i.e., Confidential)

Document Title and Purpose of Review: Provide a current organizational chart of project management and work units responsible for completing the St. Lucie and Turkey Point nuclear uprate projects.

Summary of Contents: Organizational charts for EPU organization; The EPU organization changed significantly in late 2008, reflecting preparation of the transition to a pre-construction mode;Current organizations for project management / work units for SL 1-2, and TP 3-4 uprates:

Organization Chart Index

Figure 1 Project Senior Management
Figure 2 EPU Project Director
Figure 3 EPU LAR Director
Figure 4A EPU Modification Director
Figure 4B Non-EPU Modification Director
Figure 5A PBN Director of Projects
Figure 5B PSL Director of Projects
Figure 5C PTN Director of Projects
Figure 5D SBK & DAEC Projects
Figure 6A PBN Mod Engineering
Figure 6B PSL Mod Engineering
Figure 6C PTN Mod Engineering

	Figure 7 Project Controls Overview Figure 7A PDA Project Controls Figure 7B PBN Project Controls Figure 7C PSL Project Controls Figure 7D PTN Project Controls Figure 7E SBK Project Controls Figure 7F JW Project Controls Figure 8 EPU ISC Figure 9A PBN Construction Figure 9B PSL Construction Figure 9C PTN Construction
	Conclusions: more detailed than 2008
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes: (1). Explain changes in current structures from 2008 (e.g. personnel, lines of control or communication, authority), (2) Are there any changes to individual or unit collective responsibilities? (3) Are there any changes to reports? (4) Are there any changes to reporting procedures or schedules?
Document #: DR-1.8 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please describe any changes occurring in the organization and management of the St. Lucie and Turkey Point uprate projects and explain both the company's reasoning for making the organizational changes and the expected benefits.
	Summary of Contents: a. Organizational structure of the project modified in late 2008; one adjustment was to place senior Director level manager at each site; VP Nuclear Projects and the Director, EPU Projects reports to VP Nuclear Power Uprates (Kundalkar); project enters modification implementation phase caused the project to be re-structured; Senior Director at each site provides senior management involvement in daily activities; should ensure project coordination with plant staff goes smoothly and early resolution of issues that may have schedule and cost implications;Engineering responsibilities split into two Director level positions, one for licensing and one for modifications; LARs are being managed by the Director Licensing and Regulatory Interface; Modifications for bothe sites are managed by the Director EPU Modification Engineering; Also a VP Implementation reporting directly to Kundalkar.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Further investigate the organization and benefits for changes.
Document #: DR-1.9 **Date Requested: 1/15/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Provide a copy of the company's staffing plan for the St. Lucie and Turkey Point uprates and a summary of project staff changes made during 2008 and planned for 2009.
	Summary of Contents: Summary sheet (DR1-9.pdf) saying to see the attachment (EPU Ramp Revisions 12-23-08.pdf). The attachment is a graphic representation of staffing.
	Conclusions: At 12/23/08 FPL was still ramping up both projects; better than last visit, but seemed to be somewhat behind on

Inventory:

DR1-9.pdf (2)

EPU Ramp Revision 12-23-08.pdf (7)

ramp-up.

Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required: Yes; have there been any revisions to the EPU Ramp Revision since the 12-23-08 report.

Document #: DR-1.10
Date Requested:
Date Received:
Comments: (i.e., Confidential)

CONFIDENTIAL

1. 4/1/08 Exec. Presentation FPL (28)
2. EPU Bi-Weekly 11/24/08 (21)
3. EPU Bi-Weekly 12/08/08 (19)
4. EPU Bi-Weekly 11/10/08 (45)
5. Executive Meeting 5/15/08 (25)
6. Executive Meeting 6/25/08 (29)
7. Executive Meeting 7/31/08 (35)
8. Executive Meeting 10/1/08 (23)
9. Executive Meeting 11/13/08 (23)
10. EPU Project Steering Committee Meeting (18)
11. EPU Technical Meeting 4/14/08 (26)
12. EPU Technical Meeting 7/15/08 (20)
13. EPU Technical Meeting 12/12/08 (16)
14. Steering Committee 5/14/08 (15)
15. Steering Committee 6/16/08 (18)

Document Title and Purpose of Review: Please provide copies of all periodic or ad hoc St. Lucie and Turkey Point uprate project management status updates provided to executive or project management during the period April 2008 to date including but not limited to briefings, minutes, findings, handouts, and Power Point slides.

Summary of Contents:

1. 4/1/08 Exec. Presentation FPL (28); EPU Executive Steering Cmte Meeting (PSL & PTN). The agenda is divided into:

Plans & Targets	LAR Submittal Quality Strategy
Costs & Budget Summary	Fuels Update
Regulatory Update	Project Risks & Contingency
Project Highlights	Staffing Update
Vendor Strategy	Highlights of Next Steps
Dormant Material Expense (DME) Strategy	

2. EPU Bi-Weekly 11/24/08 (21);

Action Items	Status of Contracts
Regulatory Filings	Cost Tracking
Risk Exposure & Mitigation	Staffing

3. EPU Bi-Weekly 12/08/08 (19);

Regulatory Filings	Status of Contracts
Pre-Outage Milestones	Cost Tracking
Risk Exposure & Mitigation	Staffing

4. EPU Bi-Weekly 11/10/08 (45);

Regulatory Filings	Status of Contract
PSL Outage Status	Cost Tracking
Outage Preparations	Staffing
Risk Exposure & Mitigation	Routine Meetings
Long Lead Procurement	

5. Executive Steering Committee Meeting 5/15/08 (25);

Plans & Targets	Risk Exposures & Mitigation
Costs & Budget Summary	Implementation Strategy

Regulatory	Staffing
Project Highlights	Key Performance Indicators
Engineer Evaluations	Highlights of Next Steps
Vendor Strategy	

6. Executive Steering Committee Meeting 6/25/08 (29);

Plans & Targets	Vendor Strategy
Costs & Budget Summary	Risk Exposure & Mitigation
Regulatory	Staffing
Project Highlights	Key Performance Indicators
Engineer Evaluations	Highlights of Next Steps

7. Executive Steering Committee Meeting 7/31/08 (35);

Plans & Targets	Project Highlights
Costs & Budget Summary	Next Steps
Regulatory	Risk Exposures & Mitigation
Engineer Evaluations	Staffing
Grid Study	Key Performance Indicators
Vendor Strategy	

8. Executive Steering Committee Meeting 10/1/08 (23);

Plans & Targets	Next Steps
Costs & Budget Summary	Risk Exposures & Mitigation
Regulatory	Key Performance Indicators
Project Highlights	

9. Executive Steering Committee Meeting 11/13/08 (23);

Plans & Targets	Next Steps
Costs & Budget Summary	Risk Exposures & Mitigation
Regulatory	Key Performance Indicators
Project Highlights	

10. EPU Technical Steering Committee Steering Committee Meeting, 12/12/08; (18);

Plans & Targets	Project Highlights
Key Performance Indicators	Next Steps
Regulatory	Risk Exposure & Mitigation

11. EPU Technical Steering Committee Meeting 4/14/08 (26);

Project Overview	Project Cash Flow
Technical Strategies	Focus Areas

Project Risks & Mitigation	Highlights of Next Steps
Staffing Update	

12. EPU Technical Steering Committee Meeting 7/15/08 (20);

Project Overview	Staffing Update
Benchmark Visits	Highlights of Next Steps
Risk Exposures & Mitigation	

13. EPU Technical Steering Committee Meeting 12/12/08 (16);

Plans & Targets	Project Highlights
Key Performance Indicators	Next Steps
Regulatory	Risk Exposure & Mitigation

14. Steering Committee 5/14/08 (15);

Project Overview	Staffing Update
Technical Strategies	Highlights of Next Steps
Project Risks & Mitigation	

15. Steering Committee 6/16/08 (18);

Project Overview	Staffing Update
Audits Planned or in Progress	Highlights of Next Steps
Project Risks & Mitigation	

Conclusions:

Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required: 1. Please provide the most current executive steering and technical steering committee reports. 2. How are these reports used? 3. To whom are they presented? 4. When budget changes are noted, who approves those? 5. What caused the $1M rise in forecasted budget for engineering between the 04/01/08 meeting and the 05/16/08 meeting? 6. Explain the $19M rise in budget forecast for materials noted in the report of 10/01/08.

Document #: DR-1.11
Date Requested:
Date Received:
Comments: (i.e., Confidential)

1. DR-1.11(1 pg.)

Document Title and Purpose of Review: Please identify any new St. Lucie and Turkey Point project management controls placed since April 2008 or planned for 2009.

Summary of Contents:
1. DR-1.11(1 pg.) Project Management controls have been institutionalized with Extended Power Project Instructions (EPPIs) included in DR-1.6.

2. Improved performance indicators and monitoring are planned to be implemented in 2009; performance indicators are being

	developed the first quarter of 2009.
	Conclusions: 1. Project management procedures act as controls for the EPU project in conjunction with other FPL nuclear procedures. 2. FPL is in the process of developing improved performance indicators and monitoring in first quarter 2009.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Determine what caused FPL to develop improved performance indicators and monitoring. 2. Determine the scope of the improved indicators. 3. Determine how they will be tracked.
Document #: DR-1.12 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. 20090206 PSL Eng. Full Sched.pdf 2. 20090206 PSL Mod. Full Sched.pdf 3. 20090206 PTN Eng. Full Sched.pdf 4. 20090206 PTN Mod. Full Sched.pdf 5. PSL Summary Cashflow EPU Total 090205XLS.pdf 6. Turkey Point Actuals Cost 01 Jan 09.xls.pdf	**Document Title and Purpose of Review:** Please provide the most current schedule and cost estimates for completing the St. Lucie and Turkey Point uprate projects. **Summary of Contents:** 1. 20090206 PSL Eng. Full Sched.pdf (202 pgs) shows the January 5, 2009 EPU licensing/engineering schedule for PSL 1&2 for years 2009-2011; shows the percentage each activity is complete, start/finish dates, and quarter for projected completion on timeline; schedule shows component activity breakdown for both unit 1 and 2 and scheduled dates for each activity to be completed. 2. 20090206 PSL Mod. Full Sched.pdf (230 pgs.) shows the Spring 2009 activity on PSL unit 2 outage, the Spring 2010 activity for the PSL unit 1 outage, activities for the Fall 2010 PSL unit 2 outage, and PSL unit 1 Fall 2011 outage. For Spring 2009-Unit 2, the main generator exciter is the work project to be completed during the outage (9/4/09). For PSL-2 Spring 2009, the items being replaced or refurbished include: ISO Phase bus duct cooling (229), ON LINE 2009 TG Gantry Crane (229), and ON LINE 2010 TG Gantry Crane (230). For PSL-1 Spring 2010, the feedwater replacement heater #5(1), circulating water pump refurbishment (4), condenser air removal mod/refurbishment (5), TCW heat exchangers (9), ISO Phase bus duct cooling (12), cond. Pmp 6.9kv swgr cubicle addition (16), CTs and bushings (19), Main Generator Stator (23), Main Generator H2 Coolers (26), Main Generator H2 Seal Oil Pressure Increase (30), Main Generator Rotor (33), Main Generator Exciter (37) are scheduled to be changed. For PSL-2 Fall 2010, the items being replaced or refurbished include: the feedwater replacement heater #5(41), circulating water pump refurbishment (45), TCW heat exchangers (45), 2B Main Transformer Replacement SL-2-19 (48), Cond.pmp. 6.9 6.9kv swgr cubicle addition (52), Low Pressure Turbine Rotor (55), Moisture Seperator Reheater (MSR) Replacement (48). For PSL-1 Fall 2011, the items to be replaced or refurbished are: Main Feedwater Pump replacement(62), Feedwater Regulating Valves upgrade (65), Heater Drain Tank Level/Recirc Controls (69), Heater Drain Control valves (73), Feedwater Digital Mods. (76), Main Steam Atmospheric Dump Valves (80), Main Steam Isolation Valve upgrade(85), Main Steam Safety Valve Tailpipe (88), Control Room Habitability (91), Heater Drain Pumps (94), Measurement Uncertainty Recapture (MUR)-LEFM (97), Condensate Pump Repower (100), Plant Instrumentation (103), Balance of Plant (BOP) Setpoints and Scaling (106), Spare Main Transformer Relocate to 1B and upgrade coolers SL1-24 (109), Main Power Transformer Upgrade Coolers (113), Main Transformer Upgrade Coolers (117), Electrical Bus Margin Upgrades (120), High Pressure Turbine Upgrade (123), Low Pressure Turbine Rotor (126), Moisture Seperator Reheater (MSR) Replacement (129), DEH Computer Replacement (133), and DEH Pump Replacement (136). For PSL-2 Spring 2012, the main items being replaced are: Main Feedwater Pump Replacement (139), Feedwater Regulating Valves upgrade (142), Heater Drain Tank Level/Recirculating Controls (145), Heater Drain Control Valves (148), Feedwater Digital Mods. (151), Main Steam Atmospheric Dump Valves (155), Control Room Habitability (158), Control Room AC Margin Improvement (161), Condensor Air Removal Mod/Refurb (165), Measurement Uncertainty Recapture (MUR)-LEFM (172), Condensate Pump

	Replacement (174), Condensate Pump Repower (178), Plant Instrumentation (181), Balance of Plant (BOP) Setpoints and Scaling (185), 2A Main Transformer Replacement SL2-20 (187), ISO Phase Bus Duct Cooling (191), Electrical Bus Margin Upgrades (194), HP Turbine Upgrade (197), CTs and Bushings (200), Main Generator Stator (204), Main Generator H2 Coolers (207), Main Generator H2 Seal Oil Pressure Increase (211), Main Generator Rotor (214), DEH Computer Replacement (217), DEH Pump Replacement (220), Main Generator Exciter (223), ON LINE 2009 TG Gantry Crane (226), ON LINE 2010 TG Gantry Crane 3. 20090206 PTN Eng. Full Sched.pdf (154) shows shows the January 5, 2009 EPU licensing/engineering schedule for PTN 3&4 for years 2009-2011; shows the percentage each activity is complete, start/finish dates, and quarter for projected completion on timeline; schedule shows component activity breakdown for both unit 3and 4 and scheduled dates for each activity to be completed. Includes Project Milestones for PTN common to both units(1), Planning and Scheduling Common to both units (4), Project Management Phase II Common to both units (7), Contract Administration common to both units (7), Reactor Heat Balance common to both units (8), Design Parameters and Best Est. Flows (8), Best Est. Performance Parameters (10), IMP Database and Phase II Scoping (11), Phase II Scoping Other Suppliers and Evaluations (15), BOP PEPSE Heat Balance (15), DNC generate input analysis forsafety analysis (16), and a number of other conditional situations and resolutions. 4. 20090206 PTN Mod. Full Sched.pdf (316) shows the February 6, 2009 Turkey Point Unit 3Spring 2009 outage and items to be replaced or refurbished including: Turbine Testing Pressure Taps (1), Turkey Point Unit 3 Outage Fall 2010 items to be replaced or refurbished including: ISO Bus Duct Cooling (1), Main Power Transformer upgrade coolers (5), Electrical Bus Margin Upgrades (9), CTs and Bushings (13), Main Generator H2 Coolers (16), Exciter Coolers (20), Main Generator Rotor (22), Feedwater Isolation Valves Addition (25), Feedwater Regulating Valves Upgrade (29), Heater Drain Valves (32), Low Pressure Feedwater Heaters 1&2 (36), Low Pressure Feedwater Heaters 3,4&5 (39), HP Feedwater Heaters 6 (42), Feedwater 4,5 Heater Drain Piping Upgrade (46), Feedwater Heater Drains Digital Upgrades (50), Main Condensor Replacement (54), ICW TPCW Cooling Upgrade (58), Measurement Uncertainty Recapture (MUR)-LEFM (62), Containment Cooling Mods (66), Plant Instrumentation (69), FAC Identified Piping Replacement(69), Simulator Mods (73), HVAC Unit for "C"Bus. Elec. Out Bldg.(73), Turkey Point Unit 3 Spring 2012 outage and items to be replaced or refurbished including: HP Turbine Upgrade (76), ECF Removal (80), S/G MCO Upgrade & E/C Repairs (83), Moisture Seperator Reheater (MSR) Replacement (88), JET Impingement Mod.(92), Electrical Bus Margin Upgrades (96), WHIP Restraint (99), Current Limiter Coil on "B" bus (103), Electro Hydraulic Controls–EHC (107), Main Feedwater Pump Replacement (110), Steam Dump Valve to Condensor upgrade (114), Atmospheric Dump Valves (117), Turbine Digital Controls upgrade (121), Main Steam Isolation Valve upgrade (125), Main Steam Pipe Support Replacement (129), Main Steam Safety Valve, Piping upgrades (133), Pressurizer Safety Valve Loop Seal (138), AFW and CST Mods (142), Condensate pumps and motors (149), Plant Instrumentation (153), FAC Identified Piping Replacement (153), Simulator Mods. (156), Sump PH Control (156), and No Mod ID (150),; Turkey Point Unit 4 Fall 2009 outage and items to be replaced or refurbished including: Turbine Testing Pressure Taps (159), Sump PH Control (160), Turkey Point Unit 4-Spring 2011 outage and items to be replaced or refurbished including: ISO Phase Bus Duct Cooling (163), Main Power Transformer Upgrade Coolers (167), Electrical Bus Margin Upgrades (170), CTs and Bushings (174), Main Generator H2 Coolers (177), Exciter Coolers (180), Main Generator Rotor (184), Feedwater Isolation Valves Addition (186), Feedwater Regulating Valves Upgrade (190), Heater Drain Valves (193), Low Pressure Feedwater Heaters 1&2 (197), Low Pressure Feedwater Heaters 3,4&5 (200), HP Feedwater Heaters 6 (203), Feedwater 4,5 Heater Drain Piping Upgrade (206), Feedwater Heater Drains Digital Upgrades (210), Main Condensor Replacement (214), ICW TPCW Cooling Upgrade (217), Measurement Uncertainty Recapture (MUR)-LEFM (221), Containment Cooling Mods (224), Plant Instrumentation (228), FAC Identified Piping Replacement (228), Simulator Mods (231), HVAC Unit for "C"Bus. Elec. Out Bldg. (231), No Mod ID (234), Turkey Point Unit 4-Fall 2012 outage and items to be replaced or refurbished including: HP Turbine Upgrade (235), ECF Removal (239), S/G MCO Upgrade & E/C Repairs (242), Moisture Seperator Reheater (MSR) Replacement (246), JET Impingement Mod. (249), Electrical Bus Margin Upgrades (253), WHIP Restraint (256), Current Limiter Coil on "B" bus (260), Electro Hydraulic Controls –EHC (264), Main Feedwater Pump Replacement (267), Steam Dump Valve to Condensor upgrade (270), Atmospheric Dump Valves (273), Turbine Digital Controls upgrade (277), Main Steam Isolation Valve upgrade (280), Main Steam Pipe Support Replacement (284), Main Steam Safety Valve /Piping upgrades (287), Pressurizer Safety Valve Loop Seal (291), AFW and CST Mods (294), AFW FCV Digital Upgrades (298), Condensate Pumps and Motors (301), Plant

	Instrumentation (305), FAC Identified Piping Replacement (305), Simulator Mods (308), No Mod ID (308), All Cycles No Mod ID (308), ON LINE 2011 including: Mod ID Not Applicable (308), Upgraded Spent Fuel Pool Cooling (308), No Mod ID (316), Turkey Point Unit 3 Fall 2010 outage including: Main Power Transformer Upgrade Coolers (316), Containment Cooling Mods (316), FAC Identified Piping Replacement (316). [redacted] **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** (For the cashflow summaries, docs 5 & 6) 1. What sort of expenses are encompassed in the column marked "Other"? 2. Who determines or approves such expenditures? How does FPL safeguard against abuse of this loosely defined category? 3. Verify the numbers because they are too small to read and request better copy 4. Explain money designated as O&M Dormant Material Budget 5. Explain PSL 1-23 outage EPU Project and relevent costs 6. Explain PSL-19 outage EPU Project and relevent costs 7. Explain PSL 1-24 Outage EPU Project and relevent costs 8. Explain PSL2-20 Outage EPU Project and relevent costs.
Document #: DR-1.13 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. PSL_LAR_020609.pdf (141) 2. PSL_LAR_BL_091908.pdf (134) 3. PSL_MOD_020609.pdf (156) 4 PSL_MOD_BL_100308.pdf (162) 5. PTN_LAR_020609.pdf (75) 6. PTN_LAR_BR_091208.pdf (62)	**Document Title and Purpose of Review:** Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point projects during 2008 and projected for 2009. **Summary of Contents:** Documents 1 thru 4 (PSL); 5 thru 8 (PTN) Timelines depicting major and subordinate tasks, projected state/work/completion dates. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** 1. How are problem areas identified, managed, and remediated? 2. Describe how this reporting/scheduling process is managed? 3. how often is it updated? 4. Who has responsibility for maintaining currency of this report? 5. Who has access to it? 6. Who gets these reports? 7. How often and in what forum?

7. PTN_MOD_20609.pdf (278) 8. PTN_MOD_BL 100308.pdf (293)	
Document #: DR-1.17 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide any St. Lucie and Turkey Point scoping and/or feasibility studies, conducted by or for the company since April 2008, and list any studies planned to be undertaken in 2009.
	Summary of Contents: FPL continuously conducts various studies but has not copleted any feasibility ot scoping studies since April 2008; For 2009 FPL plans to conduct a long-term economic feasibility analysis as required by Rule 25-6.0423(5)(c)5; FPL is constantly studying how to implement various modifications for constructability issues, crane usage, barge usage, etc. as the engineering modifications are being prepared; The NRC LARs require extensive engineering evaluations of plant systems; the EPC vendor will begin modification packages to perform the uprate modifications; the results of these evaluations/studies will be reflected in modifications or additions to the project schedule, as opposed to written reports.
	Conclusions: As the project moves toward actual construction work being completed in 2010 and 2011, feasibility studies are more engineering modification packages and fewer feasibility activities are completed; thus fewer written feasibility and scope reports.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.23 **Date Requested: 1/15/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide a current listing of all internal and external audits completed for the St. Lucie and Turkey Point uprate projects since April 2008, and any planned for 2009.
	Summary of Contents: o Extended Power Uprate (EPU) Review – issued 7/24/08 o Hiring Temporary Labor Through Guidant – issued 12/11/08 o Extended Power Uprate (EPU) Review – Phase II (target issuance 2Q2009)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes. (1) Determine if we should review the audits; request if necessary and (2) is the target issue date for the EPU Review – Phase II still on schedule?
Document #: DR-1.24 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Provide a listing of all quality assurance reviews and audits completed for the St. Lucie and Turkey Point uprate projects since April 2008, and any planned for 2009.
	Summary of Contents: A synopsis of the QA program which establishes the organizational roles, responsibilities and interfaces for Nuclear Assurance Oversight (audit, surveillance, & inspection). The response outlines the approach NA will take to execute oversight. It covers all aspects of planning, implementing and completing a power uprate for the facilities within scope -- PSL 1 & 2 and PTN 3 & 4. Attachment A contains separate EPU Project and Nuclear Assurance Quality organizational charts. The Integrated Project QA Task Plan encompasses activities classified by FPL as Safety Related, Quality Related / Augmented Quality, Important to Safety, and Non-Safety Related necessary for the successful execution of the EUP. Activities include but are not limited to: o Project Oversight o Design to Plant Upgrade

	o Procurement of Equipment to include Vendor Oversight o Modifications of Plant Systems and structures o Demobilization and Closeout Documentation of the EPU Project A list of modifications necessary for each site's plant equipment is included .
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Identify by name the employees shown on the EPU and NA organizational charts.
Document #: DR-1.25 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide current copies of all contractor evaluations and quality assurance evaluations completed for the St. Lucie and Turkey Point uprate projects since April 2008.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.26 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** List and describe any Quality Assurance actions taken, pending, or planned by FPL, on contractors for the St. Lucie and Turkey Point projects, including the events the action was taken for, the date the action was taken by the company, a description of the disciplinary actions taken by the company, timetable for any fixes allowed, and whether the contractor was removed or allowed to continue work on the project.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.27 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Describe any changes in St. Lucie and Turkey Point uprate project management controls implemented as a result of quality assurance reviews, internal auditing, or external audit findings.
	Summary of Contents: There have been no changes to project management controls as a resut of quality assurance reviews or external audits; one issue identified in an internal audit caused EPPI-170 "Time and Expense Reporting to FPLE Support" was developed to improve upon time reporting practices.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Document #: DR-1.28 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide a current recap and description of the work accomplished on the new Turkey Point nuclear units from April 2008 to date and planned activities for 2009.
	Summary of Contents: FPL will provide summary of project status as part of the March and May testimony.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Follow-up to get additional information prior to testimony.
Document #: DR-1.29 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide a description of pending NRC and other regulatory applications, approvals and certifications required for the new Turkey Point nuclear units project and provide a current timeline for completing each.
	Summary of Contents: Licensing and permitting activities associated with Turkey Point 6&7 are centrally coordinated to ensure resources are not duplicated and that resource productivity is maximized; The COLA process provides all tevhnical, environmental, and socio-economic information necessary for the Nuclear Regulatory Commission to issue a license for construction and operation of the plant; The application is being completed in 2009 with a target of June 5, 2009; the timeline for review that follows is estimated to require 40 months, which would result in issuance of the license in 2012; ACOE (316b) Wetlands Permits will be affected by Turkey Point 6&7 project or associated linear facilities; the application is being completed in 2009 w/a target date of June 30, 2009 for submission; A Memorandum of Understanding is in place to satisfy the federal National Environmental Protection Act (NEPA) standards the ACOE must meet; The NRC will take the role of lead agency and the ACOE will be a cooperating agency; thus the ACOE review process and timeline will be based on the NRC development of a single Environmental Impact Statement (EIS); the EIS will serve as the basis for the ACOE permit review; It is estimated the Final EIS would be available 24 months after COLA submittal, followed by permitting by the ACOE; this would result in the issuance of permits by the end of 2011; The SCA is estimated to take 15 months assuming two rounds of completeness and all other activities would result in completion in late 2010; Several federal programs are delegated for administration to the Florida DEP; These permit applications are being completed in 2009 with a target for submission of no later than June 30, 2009.
	Conclusions: The COLA, SCA, Wetlands Permit and other permits will be filed by FPL by the end of June 2009; estimated COLA license permit is in 2012; SCA and ACOE permits should be issued by the end of 2010;
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.30 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. DR-1.30 pdf. (2) 2. RiskCom 062508 final.pdf (35)	**Document Title and Purpose of Review:** Please provide documentation for all risk assessment and mitigation reviews conducted to ensure the new Turkey Point nuclear project is on time and within budget.
	Summary of Contents:
	Conclusions: 1. DR-1.30 pdf. (2 pgs.) A complete discussion of project risk assessment and mitigation activities will be included in the March and May testimony. A copy of E&CD Project Dashboard reports, Schedule, Budget Variance Reports and other risk assessment tools (e.g. contractor oversight reports cross-referenced, etc.) are on the disk provided by FP&L for DR1-38. 2. RiskCom 062508 final.pdf (35) Slideshow of project overview for PTN 6 & 7. Presented by Steve Scroggs, Director of Development, and Bill Maher, Director of Licensing. Includes overall project schedule (pg 11). Agenda:

3. RiskCom Minutes 6/25/08-r2.pdf (2)	<table><tr><td>Risk Com Approach</td><td>Project Schedule / Status</td></tr><tr><td>Project Overview</td><td>Cost Estimate Status</td></tr><tr><td>Reasons to Invest</td><td>Key Projects Risk</td></tr><tr><td>Regulatory Recovery Framework</td><td>Issue Vetting - LWA</td></tr></table> [redacted] **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** 1. Is the request for LWA going forward? 2. Is it on track?
Document #: DR-1.31 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** a) Please describe any changes made to company planning due to potential project risks, and the impact of those changes on the new Turkey Point nuclear units project schedule and costs. b) Please describe all risk mitigation strategies developed or considered and indicate which strategies the company is deploying on the new Turkey Point nuclear units project. **Summary of Contents:** **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-1.32 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** a) Please provide a detailed description of any currently identified problems or challenges to the new Turkey Point nuclear units project that have arisen, and the potential impact to the project schedule and cost estimates. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor issues, site logistics, and regulatory issues. b) Please describe all mitigation strategies developed or considered for each problem or challenge, and indicate which strategies the company is deploying for the new Turkey Point nuclear units project. **Summary of Contents:** a.) Key decisions made in 2008 will be covered in the March 2, filing. Challenges and issues facing the project going forward will be covered in the May 1 filing; FPL is in the process of conducting its annual Ten Year Site Plan (due April 1, 2009) and the annual feasibility analysis for the Turkey Point 6&7 project tha will be included in its May 1, 2009 Nuclear Cost Recovery filing b.) These issues will be covered in testimony for the relevent filings. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**

Document #: DR-1.33 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. DR-1.33 2. Westinghouse China Update 01 2009.pdf (23)	**Document Title and Purpose of Review:** a) Please provide any status updates of the AP1000 projects in China, since April 2008, based on the company's monitoring of those projects. b) Please describe any potential construction or operational issues identified by the company's monitoring of the AP1000 projects in China which may impact the construction of the new Turkey Point nuclear unit project. c) Please discuss any noteworthy events or lessons learned from the AP1000 projects in China applicable to the new Turkey Point nuclear units project to date.
	Summary of Contents: 1. DR-1.33 [redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.34 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.34 (2pgs.) 2. Contract retention Whitepaper (2pgs.) 3. Electronic Invoice Scan Process	**Document Title and Purpose of Review:** a) Please provide copies of all new Turkey Point nuclear units Project Management policies and procedures revised during 2008. b) Please identify all newly created policies, procedures, and controls, and describe any planned future policies, procedures, and control changes related to completing the new Turkey Point nuclear units project.
	Summary of Contents: a.) See attached documents b.) The policies and procedures below have been developed in 2008/2009 to communicate management requirements to project personnel; They are selectively developed to augment existing FPL policies and procedures where these policies and procedures can benefit from project specific description; Future policies will include a comprehensive risk management program for project construction, a communications policy and other areas as identified;
	Conclusions: Eventually project specific procedures will be added to the Turkey Point 6&7 project as they become necessary; otherwise existing nuclear procedures and desk top instructions will be used to inform personnel of project specific guidelines;
	Data Request(s) Generated: No. _____ Description: No. _____ Description:

(1pg.) 4. NNP-AA-01 Rev 0 9/25/08 (5pgs.) 5. NNP-PI-05 Rev 0 9/25/08 (4 pgs.) 6. NNP-PI-08 Rev 1 8/5/08 (17 pgs.) 7. NNP-PI-09 Rev 0 10/30/08 (10 pgs.) 8. NPP-DESKTOP-GUIDE 1/20/09 (7 pgs.) 9. Updating Monthly Cost Report Process (5 pgs.) 10. WBS 012009.pdf (2 pgs.)	**Follow-up Required:**
Document #: DR-1.35 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Provide a current organizational chart of project management and work units responsible for completing the new Turkey Point nuclear units project.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.36 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please describe any changes occurring in the organization and management of the new Turkey Point nuclear units project and explain both the company's reasoning for making the organizational changes and the expected benefits.
	Summary of Contents: No changes have been made to the organization or management of the Turkey point 6&7 project;
	Conclusions: No organizational changes for PTN 6&7;
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Document #: DR-1.37 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.37 pdf (3 pgs.) 2. DR-1.37 NDP Org Chart .pdf (1 pg.) 3. NNP Staffing Plan 0901.pdf (1 pg.) 4. Visio-NNP Org. Chart 1/7/09.pdf (1 pg.)	**Document Title and Purpose of Review:** Provide a copy of the company's staffing plan for the new Turkey Point nuclear units project and a summary of project staff changes made during 2008 and planned for 2009. **Summary of Contents:** Development- no staffing changes were made for Development in 2008; and additional Project Director was added to the Development staff in January 2009 to support NCRC and Communications; Matrixed business units- Units have added incremental staff where needed to support specific project activities over the coursr of 2008; Examples include JES resources with specific focus on Miami-Dade County zoning and land use consistency and water resources; Similarly, Marketing and Communications added resources to support production of collaterals, amailings and other community outreach events; less than 1 FTE on a cumulative basis; no additions are planned for 2009; **Conclusions:** No major staffing changes for the Turkey Point 6&7 organization and none planned for 2009; **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-1.38 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** Please provide copies of all periodic or ad hoc new Turkey Point nuclear units project management status updates provided to executive or project management during the period April 2008 to date including but not limited to minutes, findings, handouts, and Power Point slides. **Summary of Contents:** **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-1.39 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** 1. DR-1.39.pdf (2 pgs.) 2. Contract retention Whitepaper (2pgs.) 3. Electronic Invoice Scan Process (1pg.) 4. NNP-AA-01 Rev 0 9/25/08 (5pgs.) 5. NNP-PI-05 Rev 0 9/25/08 (4	**Document Title and Purpose of Review:** Please identify any new Turkey Point nuclear units project management controls placed since April 2008 or planned for 2009. **Summary of Contents:** E&C Accounting Whitepaper on retention was completed as a guideline for handling holdback and retention of vendor payments when required or allowed by contract; New Nuclear Projects NNP-AA-01 NNP Regulatory Items & Commitments Database Control (9/25/08); NNP-PI-05 NNP Correspondence (9/25/08); NNP-PI-08 COLA Review and Acceptance Process (8/5/08); NNP-PI-09 NNP Combined License Application Submittal (10/30/08); NNP Desktop guide (2/18/09) defines the process for developing, using, and maintaining schedules associated with New Nuclear Project (NNP) related to software use and the scheduling software package Promivera Project Planner for Windows, version 3.1; pages from the Procurement Process Manual revised 1/1/09 with titles of *Audit Protocols*, Single/Sole Source Justifications, Supplier Risk Mitigation, and Purchasing After -The-Fact, or by Non-Procurement personnel. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**

pgs.) 6. NNP-PI-05 Rev 0 9/25/08 (4 pgs.) 7. NPP-DESKTOP-GUIDE 1/20/09 (7 pgs.) 8. Proc Audit Protocols.pdf (2 pgs.) 9. Proc SingleSole.pdf (3 pgs.) 10. Proc Supplier Risk Mitig.pdf (3 pgs.) 11. Process NonProcurement personel.pdf (1 pg.)	
Document #: DR-1.40 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** **CONFIDENTIAL** 1. DR 1-40.pdf 2. BEC-COLA-SCHED-021009.pdf (114) 3. BVZ-ENGR-SCHED-021009.pdf (65)	**Document Title and Purpose of Review:** Please provide the most current schedule and cost estimates for completing the new Turkey Point nuclear units project. **Summary of Contents:** 1. DR 1-40.pdf 2. BEC-COLA-SCHED-021009.pdf. A schedule using a timeline with a parallel sequenced narrative listing subordinate (embedded) tasks requisite for successful ultimate completion (e.g. COLA – Combined Operating License Application – assembly and submittal, cooling water study, Met Tower Study & Installation, etc). 3. BVZ-ENGR-SCHED-021009.pdf A schedule featuring a timeline linked to a sequential listing of subordinate tasks. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** 1. The company should provide the most current cost estimate to complete the project broken into major components. 2. How are these reports used? 3. To whom are they presented? 4. Are they produced regularly or exception driven? 4. How are changes to the schedule accommodated / input? 5. Who has authority to change the timeline/report? 6. How are problems identified, reported, and remediated?
Document #: DR-1.41 **Date Requested:** **Date Received:**	**Document Title and Purpose of Review:** Provide a recap of schedule and cost variances for the new Turkey Point nuclear units project during 2008 and projected for 2009. **Summary of Contents:** These issues will be covered in the March filing for 2008 and in the May filing for 2009/2010.

Comments: (i.e., Confidential)	**Conclusions:**
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.45 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** **CONFIDENTIAL** 1. DR 1-43.pdf (3) 2. DR 43 2/09/09.pdf	**Document Title and Purpose of Review:** Please provide any scoping and/or feasibility studies, conducted by or for the company since April 2008 for the new Turkey Point nuclear units project, and list any studies planned to be undertaken in 2009.
	Summary of Contents: [redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Has the company revised the estimated costs involved, in other than 2007 dollars? Does FP&L have any tentative estimates for the costs of land and land rights for the required transmission lines? When will those be prepared?
Document #: DR-1.51 **Date Requested: 2/6/09** **Date Received: 2/9/09** **Comments: (i.e., Confidential)** **CONFIDENTIAL** Dr-1.51.pdf (2 pgs.)	**Document Title and Purpose of Review:** Please provide a current listing of all internal and external audits completed for the new Turkey Point nuclear units project since April 2008, and any planned for 2009.
	Summary of Contents: Dr-1.51.pdf (2 pgs.) states that a New Nuclear Project Review was issued 11/21/08 and a New Nuclear Project Review Phase II is targeted for completion prior to August 31, 2009.

	Conclusions: FPL has completed one review of the new units in 2008 and intends on completing another in 2009.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Review the audit results of the 2008 New Nuclear Project Review in 11/21/08.
Document #: DR-1.52 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Provide a listing of all quality assurance reviews and audits completed for the new Turkey Point nuclear units project since April 2008, and any planned for 2009.
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-1.55 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Describe any changes in project management controls implemented as a result of quality assurance reviews, internal auditing, or external audit findings for the new Turkey Point nuclear units project.
	Summary of Contents: FPL's Internal Audit provided several recommendations that were reviewed and implemented; Training was held to disseminate findings and identify corrective actions; see submitted documents; no changes in project management controls were required as a result of Quality Assurance reviews;
	Conclusions: FPL internal audit offered recommendations and FPL completed corrective actions to implement changes to respond to IA recommendations;
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company
Area: 2009 Review of Nuclear Controls for Cost Recovery
Auditor(s): L. Fisher, D. Rich, G. Cryan

Workload Control #: PA-09-01-005
File Name: DR-2 doc sum log.doc

Document #: DR-2.1
Date Requested:
Date Received:
Comments: (i.e., Confidential)

CONFIDENTIAL

EPU
a. EPU Monthly Operating Report
b. Internal and external audit engagements
c. FPL Executive Steering Committee reports
d. Monthly EPU Project Risk Matrix (DR-1.3)
e. Monthly Risk Mitigation Plan Review (DR-1.5)
f. Project Steering Committee Report (DR-1.10)
g. EPU Executive Steering Committee Report (DR-1.10)
h. EPU Technical Steering Committee Report (DR-1.10)
i. Bi-Weekly Updates PSL & PTN (DR-1.10)
j. EPU Project and Individual Unit Cost Data (DR-1.12)
k. Disciplinary actions against contractors (DR-1.21)
l. Provide copies of the Weekly Contract Compliance Matrix (Rajiv S. Kundalkar testimony pg. 12)

PTN 6&7
a. Risk Committee Meeting Minutes (DR-1.30)
b. Risk Committee Presentation (DR-1.30)
c. Westinghouse quarterly updates on the

Document Title and Purpose of Review: Please provide on a continuous basis the following reports as they were/are provided to management April 2008 through May 27, 2009:

EPU
a. EPU Monthly Operating Report
b. Internal and external audit engagements
c. FPL Executive Steering Committee reports
d. Monthly EPU Project Risk Matrix (DR-1.3)
e. Monthly Risk Mitigation Plan Review (DR-1.5)
f. Project Steering Committee Report (DR-1.10)
g. EPU Executive Steering Committee Report (DR-1.10)
h. EPU Technical Steering Committee Report (DR-1.10)
i. Bi-Weekly Updates PSL & PTN (DR-1.10)
j. EPU Project and Individual Unit Cost Data (DR-1.12)
k. Disciplinary actions against contractors (DR-1.21)
l. Provide copies of the Weekly Contract Compliance Matrix (Rajiv S. Kundalkar testimony pg. 12)

PTN 6&7
a. Risk Committee Meeting Minutes (DR-1.30)
b. Risk Committee Presentation (DR-1.30)
c. Westinghouse quarterly updates on the status of the China AP-1000 projects (DR-1.33)
d. E&C Project Dashboard Reports (DR-1.38) (S. Scroggs testimony pg. 13)
e. Schedule and Cost Estimate Data (DR-1.40)
f. Disciplinary actions against contractors (DR-1.49)
g. Monthly Project Team Meeting reports (S. Scroggs testimony pg. 13)
h. New Nuclear Executive Update (S. Scroggs testimony pg. 13)
i. PTN 6&7 Monthly Cost Report (S. Scroggs testimony pg. 13)
j. FPL Corporate Risk Committee reports (S. Scroggs testimony pg. 14)

Summary of Contents: This list of reports are weekly and monthly reports used by the EPU and PTN 6&7 project management groups to monitor the project schedule and costs, and report the current status to upper management for information and decision-making.

Conclusions: FPL has weekly, bi-weekly, monthly and quarterly updates of project status to report upward to keep executive management informed on key initiatives and activities affecting the projects and the company overall.

Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required:

status of the China AP-1000 projects (DR-1.33) d. E&C Project Dashboard Reports (DR-1.38) (S. Scroggs testimony pg. 13) e. Schedule and Cost Estimate Data (DR-1.40) PTN6&7-REPORTS-BEC-WE-011009.PDF PTN6&7-REPORTS-BEC-WE-011709.PDF PTN6&7-REPORTS-BEC-WE-012409.PDF PTN6&7-REPORTS-BEC-WE-013109.PDF PTN6&7-REPORTS-BEC-WE-020609.PDF PTN6&7-REPORTS-BEC-WE-021309.PDF PTN6&7-REPORTS-BEC-WE-022009.PDF PTN6&7-REPORTS-BEC-WE-022709.PDF PTN6&7-REPORTS-BEC-WE-0300609.PDF PTN6&7-REPORTS-BEC-WE-022709.PDF PTN6&7-REPORTS-BEC-WE-030609.PDF PTN6&7-REPORTS-BEC-WE-022709.PDF PTN6&7-REPORTS-BEC-WE-031309.PDF	e. These are weekly views of the six week look ahead reports for 2008 and 2009.

PTN6&7-REPORTS-BEC-WE-040408.PDF PTN6&7-REPORTS-BEC-WE-041108.PDF PTN6&7-REPORTS-BEC-WE-041808.PDF f. Disciplinary actions against contractors (DR-1.49) g. Monthly Project Team Meeting reports (S. Scroggs testimony pg. 13) Agenda 1/15/09 pdf. Agenda 1/23/08 pdf. Agenda 2/19/09 pdf. Agenda 2/20/08 pdf. Agenda 3/19/09 pdf. Agenda 3/21/08 pdf. Agenda 4/18/08 pdf. Agenda 5/15/08 pdf. Agenda 7/17/08 pdf. Agenda 8/14/08 pdf. Agenda 9/18/08 pdf. h. New Nuclear Executive Update (S. Scroggs testimony pg. 13) i. PTN 6&7 Monthly Cost Report (S. Scroggs testimony pg. 13) j. FPL Corporate Risk Committee reports (S. Scroggs testimony pg. 14)	g. These files are agendas for PTN 6&7 Monthly Project Meetings dated from January 23, 2008 monthly through March 19, 2009. The files provide topical discussion areas, but do not provide any insight into what actually was discussed at the meeting and what take-away activities were assigned as follow-up;
Document #: DR-2.2	**Document Title and Purpose of Review:** a. When did FPL complete its 2008 review to assess the continued feasibility of the EPU

Date Requested: **Date Received:** **Comments: (i.e., Confidential)**	project? (Rajiv S. Kundalkar testimony pg. 9) . When were the results of this review presented to FPL executive management? (Rajiv S. Kundalkar testimony pg. 9) c. Please provide a copy of the report, any presentations made to management regarding the results, and the expected review date for the 2009 report. (Rajiv S. Kundalkar testimony pg. 9)
	Summary of Contents: a. The review referenced in testimony (pg. 9) was in April 2008 as discussed in witness Steve Sim filed in May 2008; b. Results were presented in April 2008; c. NFR Schedule P-9 of the May 1, 2008 filing and the testimony of FPL witness Sim was provided to senior management. There was not a separate presentation. The 2009 results will be provided in April 2009 and included in P-9 of the May 1, 2009 filing;
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-2.3 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** a. Please provide the results of FPL's audit report to review 2008 EPU project costs to ensure costs are appropriately recorded. (Rajiv S. Kundalkar testimony pg. 14) b. Please provide Concentric Energy Advisors report results on FPL's EPU compliance with project management controls. (Rajiv S. Kundalkar testimony pg. 14)
	Summary of Contents: a. The FPL Internal Audit results through March 31, 2008 are available for review during staff's site visit on March 23-25; The FPL internal audit for the period April 2008 through March 2009 is estimated to be completed by May 2009; b. The Concentric review of the EPU project management and project controls is expected to be completed in May 2009; However, the initial observations of the Concentric review can be found in the March 1, 2009 testimony of John Reed
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-2.4 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. EPC Contract Evaluation Status Report 8/18/08.pdf 2. EPU-EPC Recommendation2.pdf 3. EPU-EPC Recommendation 8/29/08.pdf 4. EPU-EPC Recommendation 9/10/08.pdf 5. EPU-EPC Recommendation 10/1/08 rev 0. ppt.pdf	**Document Title and Purpose of Review:** a. Has FPL/FPLE employed the use of an EPC on any of its other EPU projects to date? b. Please provide the date, name of EPC contractor used, plant location, and circumstances under which an EPC was previously employed by FPL/FPLE to complete an EPU project. c. Please provide the contracted costs for the EPC contractor, and scope of work performed. d. Please provide copies of the presentations made to FPL executive management throughout the bid and selection of the EPC. (Rajiv S. Kundalkar testimony pg. 20)
	Summary of Contents: a.) No b.) N/A c.) N/A d.) Attached are : EPC Contract Evaluation Status Report 8/18/08; EPU-EPC Recommendation 8/29/08, EPU-EPC recommendation 9/5/08, EPU-EPC recommendation 9/10/08; EPU-EPC recommendation 10/1/08; shows FPL evaluation of EPC in August through October and final recommendation to FPL management for approving Bechtel as EPU EPC.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Document #: DR-2.5 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** a. When will FPL complete its 2009 review to assess the continued feasibility of the PTN 6&7 project? (S. Scroggs testimony pg. 14) b. When will the results of this review presented to FPL executive management? (S. Scroggs testimony pg. 14) c. Please provide a copy of the report, any presentations made to management regarding the results, for the 2009 report. (S. Scroggs testimony pg. 14)
	Summary of Contents: FPL will complete its 2009 review to assess the continued feasibility of the PTN 6&7 project on schedule to support the May 1, 2009 Docket No. 080009-EI filing. Copies of reports and management presentations regarding the results for the 2009 report will be provided upon completion of FPL reviews.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-2.6 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)**	**Document Title and Purpose of Review:** Please provide a list of all team-level process reviews completed in 2008-2009. (S. Scroggs testimony pg. 20)
	Summary of Contents: As discussed in S. Scroggs testimony, FPL conducts continuous process improvement to execute more efficiently, effectively and increase productivity; the project team uses team-level reviews and checklists as a means of improving the quality and timeliness of work and as a validation that the project team Is conducting their work according to good policies and practices; Examplkes of these continuous improvement practices are the process reviews held with work teams and self-auditing checklists generated for repetitive processes such as travel and routine expenses; Improvement process reviews completed during 2008-2009 include: Project Control Guidelines (issued March 21, 2008), General Administrative Controls Presentation (employee expense reports, payroll, and disbursements), updating monthly cost report process, and Management team meeting 10/16/08 process improvements;
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-2.7 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL	**Document Title and Purpose of Review:** a. Provide any studies FPL performed supporting its conclusion that additional costs for the BVZ scope are on the order of several million dollars compared to hundreds of millions of dollars through having fostered competition for large later stages of the project. (S. Scroggs testimony pg. 26) b. Please provide copies of any analysis, and associated vetting process information completed, to support FPL's decision to develop BVZ as a credible alternative to the Westinghouse/Shaw EPC model.
	Summary of Contents: FPL presentation to management explaining the benefits for using a BOP Engineering firm; FPL nuclear team recommends retaining BVZ as BOP Engineering firm; FPL has not eliminated the possibiity of a EPC contract, but has approached the tsk as separate EP and C contracts due to anticipated benefits; these are outlined for management in the presentation; SSJ is provided outlining justification for using BVZ as single/sole source vendor for BOP Pre-Construction Engineering;
	Conclusions: [redacted]
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Document #: DR-2.8 **Date Requested:** **Date Received:** **Comments: (i.e., Confidential)** CONFIDENTIAL 1. Sole Source Justification Memo dated 5/15/08 titled Long Lead Material Production Space Reservation Westinghouse Electric Company (1 pg.) 2. Reservation Agreement Between Westinghouse Electric Company and Florida Power & Light Company (5 pgs) 3. List of Forgings for each AP1000 unit	**Document Title and Purpose of Review:** a. FPL determined that it was reasonable to pay a reservation fee of $10.8 million to Westinghouse in June 2008, compared to potential costs associated with an unplanned delay during construction on the order of hundreds of millions of dollars per year to secure the manufacturing capability. Did FPL document this information in a study or report to executive management prior to reserving the forging slot? (S. Scroggs testimony pg. 26) b. Please provide a copy of any documented study or formal analysis provided to executive management for this decision. (S. Scroggs testimony pg. 26) c. Please provide a listing of the 23 specific forgings for each AP-1000 unit contained in the $10.8 million payment to Westinghouse. (S. Scroggs testimony pg. 39) **Summary of Contents:** [redacted] **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**

Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** i:\ DR-6 doc sum log.doc
Auditor(s): L. Fisher, D. Rich	

Document #: DR-6 (Binder from Raj Kundalkar, Tab 1) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review: Extended Power Uprate Project (represented by different tabs in the binder. Tabs are not numbered but are numbered herein for ease of description.)** Tab 1 -- "PTN FD PMP Eval" and includes the Extended Power Uprate (EPU) Implementation Process Map
	Summary of Contents: EPU Implementation Process Map furnished as part of the binder viewed during interviews and subsequently furnished by Raj Kundalkar. Process Map shows several different 'paths' – i.e. Licensing Path, Umbrella Mod Path, Change Mgmt Path / Preventive Process, and the 50.59 Modification Path. This is a visual aid showing the conceptualization of process from inception to plant start up.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Next interview, get a 'walk thru – talk thru' about this schematic for fuller understanding
Document #: DR-6 (Tab 2) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 2 – "Bechtel"
	Summary of Contents: Several included sheets in this tab, including: o Milestones (RFP MJ501208, dtd 05.21.08); a timeline from 05.21.08 when the RFP was sent to six bidders to contract execution by Bechtel on 11.03.08) o EPU Work Scope Modifications showing NSSS, BOP and other mods and responsible team/company for implementation o Bechtel Station Integration Plan detailing the steps required by FPL QA Procedure NA-AA-201 (Betchtel Project Mgmt Process). Included in the plan are five vertical work/task sections (e.g. Engineering, Procurement, Installation, Testing, & Project Control). Each section is further divided into embedded subtasks. o Bechtel Deliverables – follows the same layout as the previous listed item. Included is a list of deliverables under each task section (e.g. Modification Engineering, Procurement, Installation, Testing, & Project Controls). "Soft Deliverables" is also highlighted – Daily, Weekly, and Monthly reporting requirements. o Site Project Plan – divided into 5 attributes (Engineering Plan, Procurement Plan, Installation Plan, Startup & Test, and Contingency & Risk. Embedded subordinate tasks, requirements, or plans are included under each of the first four. There is no subordinate tasks/plans listed for Contingency & Risk. o Proposed Bechtel Engineering / Task Plan Control -- Flowchart showing work/decision flow depending on whether the NAP-401 or the EPPI 410 processes are employed.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Next interview, get a 'walk thru – talk thru' about this schematic for fuller understanding

Document #: DR-6 (Tab 3) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 3 – "Org Charts"
	Summary of Contents: EPU Project Organization Chart Index o Figure 1 - Project Senior Mgmt o Figure 2 - EPU Project Director o Figure 3 - EPU LAR Director o Figure 4 - EPU Modification Director o Figure 5A - PBN Director of Projects o Figure 5B - PSL Director of Projects o Figure 5C - PTN Director of Projects o Figure 6A - PBN Mod Engineering o Figure 6B - PSL Mod Engineering o Figure 6C - PTN Mod Engineering o Figure 7A - Project Controls Overview o Figure 7B - PBN Project Controls o Figure 7C - PSL Project Controls o Figure 7D - PTN Project Controls o Figure 7E - JW Project Controls o Figure 8 - EPU Integrate Supply Chain (ISC) o Figure 9A - PBN Construction o Figure 9B - PSL Construction o Figure 9C - PTN Construction
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Get any updates, additions, or deletions, especially for positions that were unfilled in this version
Document #: DR-6 (Tab 4) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 4 – "Staff Ramp"
	Summary of Contents: By-name and by-position EPU Project Staffing Ramp charts, as of 23 March. Also included are staffing graphic trending the actual versus planned staffing for each worksite from 10/2008 thru 6/2009. Sites include Jupiter West, PSL, and PTN.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Seek updates at second interview session
Document #: DR-6 (Tab 5) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 5 – "Staff Ramp"
	Summary of Contents: This tab encompasses weekly Key Performance Indicators (KPI) for PSL and PTN. Dated 03-20-09. FPL management states that they embrace the "self-improving Culture" of a "Learning Organization" as shown graphically on the cover page. The entire tab is broken down into subsections for PSL and PTN. Accompanying KPI report for each site uses a Green-White-Yellow-Red color code to depict whether costs, tasks, manning, integration, management and deliverables are ahead, meeting or behind schedule. Charts are easily understood and include indicators from 2 previous reports so that a trend can easily be

	discerned. Following the color coded report is a summary of the results in a Risk Mgmt Report, Cost Report and Summary, a Variance Report, Cost Profile Projections for 2009, Cost Profiles by Category for 2009, an Invoice Report (sample, draft, under development), Deviation Log, a by-company (Shaw, Westinghouse) comparison of actual and planned EPU work hours for the LAR, Major Long Lead Equipment Milestones report (also color coded Green-White-Yellow-Red) for (1) Bid Spec thru Bid Eval, (2) Award PO, and (3) Fabrication thru Delivery. Following that is a fold out Process Flow Chat depicting the flow from Engineering Specifications all the way thru to Startup Testing. Next, follows a series of Major PCM Milestone reports, color coded Green-White-Yellow-Red – (1) Conceptual thru PCM Approval, (2) Site Preps, and (3) Implementation. Next items are EPU Engineering Licensing Milestone Dashboard reports, by site, by unit. It is color coded but includes two additional categories: Lt Green (Item completed on or before baseline date) and Lt Gray (Item completed beyond baseline date. The final for each site is the Mod-Site Outage Modifications Report by site, unit and planned outage
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Cover graphic might work in our final report to capture/depict part of the corporate EPU philosophy.
Document #: DR.6 (Tab 6) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 6 – "0900 Morning Call"
	Summary of Contents: Rundown of the daily 9am project conference call. Each call begins with discussion of a safety item and a tenet of the "Self-Improving Culture" / "Learning Organization graphic. Each site (PSL and PTN, as well as JW and PB) furnishes a Daily Report detailing , among other things, their safety status, Significant Lessons Learned and OE's, Critical Path, MOD Focus Items, Project Controls activity, Long Lead Material activity, Pre-Outage Milestones, High Risk activities, Important Station Meetings and Interface, Numbers of On-site Resources.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR.6 (Tab (7) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 7 – "Site Certification"
	Summary of Contents: Tab is broken down into the following subsections for PSL and PTN: Risk Evaluation - State of Florida Process, EPU Implementation Schedule, Modification Scope (by unit, by site), State Approvals, Federal Approvals,
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Update during next interview session.
Document #: DR.6 (Tab 8) **Date Requested: 03.25.09** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** Tab 8 – "Schedules"
	Summary of Contents:
	Conclusions: Using the Primavera scheduling system, this tab shows the Mod-Full Schedule Summary for each
	Data Request(s) Generated:

CONFIDENTIAL	No. _____ Description: No. _____ Description:
	Follow-up Required: No report included for PTN; seek an example at next interview session. Also, ask for someone to 'walk us thru' the report, explaining each column and row, what it means, what it required to populate the field, who has authorization to do so, who supervises/authorizes/validates entries
Document #: DR.6 (Tab 9) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 9 – "QA Oversight"
	Summary of Contents: Organizational type hierarchy chart depicting QA Oversight and the subordinate/feeder elements of Engineering, Procurement, and Implementation. Each of these subordinate/feeder elements is broken down into tasks (e.g. Review Specifications, Verify and Approve, etc, etc). Then, each task is subsequently further delineated into requisite subtasks.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR.6 (Tab 10) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 10 – "Bid Process"
	Summary of Contents: Tab 10 is a flowchart depicting and explaining the bid process. An addendum accompanies the flowchart, further explaining numbered points of interest on the parent chart. A representative Bid Evaluation and Purchase Recommendation is included, complete with side-by-side company comparison of technical data compliance.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR.6 (Tab 11) **Date Requested: 03.25.09** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Tab 11 – "TEI Compliance Matrix"
	Summary of Contents: Example of EPU Project – Contract Compliance Matrix. Lists item (e.g. Turbine Cooling Water Heat Exchanger Replacement Project), purchase order and site technical representative with immediate responsibility. Key information components are shown in table format (e.g. Project Phase Needed, Contract Article/Exhibit & Section No., a description of the deliverable, Validation Method, Responsibility for the Deliverable – FPL, TEI, etc, Required Date, Actual Delivered Date, Actual Closeout Date, and explanatory comments. Easy to understand form.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR.6 (Tab 12) **Date Requested: 03.25.09** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** Tab 12 – "Vendor Strategy"
	Summary of Contents: A single foldout chart depicting major items of equipment or modifications required of the EPU. PSL and PTN on the same chart, with cost projection and totals PSL and PTN. Major equipment suppliers or potential suppliers are listed as well as the overall project management for installation (e.g. FPL or a supplier). An "activity number" is included in the

CONFIDENTIAL	description for each item. This activity number must tie to another document that has further detail.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Inquire what the 'activity number' is on the Vendor Strategy report, where it ties to and how to 'drill down' using that number to other reports/information.

Division of Regulatory Compliance
Bureau of Performance Analysis
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Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** i:\ DR-7 doc sum log.doc
Auditor(s): L. Fisher, D. Rich	

Document #: DR-7.1 **Date Requested: Date Received:** **Comments:** CONFIDENTIAL	**Document Title and Purpose of Review:** When completed, please provide the 2009 Controls Group audit (resulting from a 2008 FPL internal audit recommendation) regarding Bechtel flowing through costs without mark-up. (D. Fleetwood) **Summary of Contents:** Was provided for review in FPL Tallahassee offices in June 2009 **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:** Audit Report was supposed to be available in June 2009
Document #: DR-7.2 **Date Requested:** **Received:** **Comments:** CONFIDENTIAL	**Document Title and Purpose of Review:** Please provide a summary of all Scope changes made to Bechtel's COLA contract in the following format: (D. Fleetwood) **Summary of Contents:** Listing shows 12 scope change numbers with PSCDs and short descriptions describing PSCD and total scope amount for each scope number; total scope amount shown for 2-12 is [redacted] for period 3/10/08-3/12/09; PSCDs are numbered between 001-112; **Conclusions:** [redacted] **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #:DR-7.3 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** a. Please provide documentation showing PTN 6&7 Sole Source Training including: the dates training was conducted, listing of personnel trained by title, and any handout materials used in the training. (D. Fleetwood) b. Please provide similar documentation for any training completed by/for EPU project personnel. **Summary of Contents:** a. Sole and Single Source Contracts Training package November 20, 2008; list of 33 trainees for PTN 6&7completed in November and December 2008 b. Shows EPU training package for Single/Sole Source Justification Review as part of Contract Administration Roles and Responsibilities of the Contract Coordinator/Site Technical Representative (32 pgs); also provides EPPI-220 Project Requisition and Purchase Order Process effective 4/1/09, which provides examples of Single/Sole Source Justification Reasonableness of Cost Analysis; Attendance sheets show 13 employees at PTN and PSL for EPU training on 3/5/09; other documents show nine employees on 10/1/08 and three contractors employees trained on 11/6/08; **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**

Document #: DR-7.4 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** Please provide FPL's written policy for Master Contracts, including frequency of master contract reviews, master contract termination and expiration, contract extensions, etc. (K. Shaw)
	Summary of Contents: FPL does not have a separate written policy for Master Contracts. Large or long term contracts are bid, negotiated and awarded case by case on many factors and in accordance with FPL's Procurement Process Manual. Each of these is also continuously evaluated for the need or opportunity to re-bid, re-negotiate or take other action. In some of these cases the Integrated Supply Chain designates a vendor as a "Predetermined Source" for a defined scope of work. A copy of the Predetermined Source section of the Procurement Process Manual has been provided to further describe FPL's process for this type of procurement.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.5 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide FPL's 2009 QA Plan draft for PTN 6&7. (R. Weiss)
	Summary of Contents: Contents on CD (59 pgs.) and shows the new Nuclear Project Quality Assurance Oversight Plan and discusses the purpose, scope, oversight quality philosophy, oversight process, engineering oversight, procurement oversight, construction oversight, and attachments;
	Conclusions: A written plan of Quality Assurance activities for Turkey Point 6&7 is completed for 2009
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.6 **Date Requested:** **Date Received:** **Comments:** CONFIDENTIAL	**Document Title and Purpose of Review:** a. Please provide copies of all audits conducted during 2008-2009 to date for the EPU uprates and PTN 6&7. (T. Maceo) b. Please provide copies of all audits currently underway for the EPU uprates and PTN 6&7, once completed. (T. Maceo)
	Summary of Contents: Documents are available in FPL's Tallahassee offices for review
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.7 **Date Requested:** **Date Received:** **Comments:** CONFIDENTIAL	**Document Title and Purpose of Review:** Please provide the Table of Outage durations discussed for the EPU uprate project. (R. Kundalkar)
	Summary of Contents: The attached schedule provides the outage dates and durations as they are presently known. The durations of the outages are currently in review by the Turkey point site outage management team and the St. Lucie outage management teams; Changes may be required as a result of normal refueling outage activities, such as surveillance and maintenance activities that can only be performed while the unit is off line.
	Conclusions:
	Data Request(s) Generated:

	No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.8 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please provide written company procedures for the proper handling of stranded investments such as the spare turbine rotors at St. Lucie, if not already provided in previous document request responses. (B. Labbe/B. Dovan) b. Please describe how FPL will dispose of the existing PSL spare turbine rotors once the EPU is completed. (B. Labbe/B. Dovan)
	Summary of Contents: Company supplied Investment Recovery procedures for placing obsolete and surplus materials and equipment procedure and suggests that Investment Recovery will identify other FPL locations as well as potential outside sources for disposing of the surplus turbine rotors at PSL that will not be useful once the new turbines are installed.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.9 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** [redacted] [redacted]f. How did these situations impact the EPU project schedule? g. What additional project costs resulted from any delays caused by these companies?
	Summary of Contents: [redacted]
	Conclusions: Shaw has supplied a written Recovery plan for Improvement
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** i:\ DR-8 doc sum log.doc
Auditor(s): L. Fisher, D. Rich	

Document #: DR-8.1 **Date Requested:** **Date Received:** **Comments:** CONFIDENTIAL	**Document Title and Purpose of Review:** Please provide a copy of FPL's Project Feasibility Study for the EPU uprates and for the PTN 6&7 New Units. **Summary of Contents:** Two binders were provided for the EPU feasibility study for Turkey Point units 3&4 and St. Lucie units 1&2; FPL states in the response that no "project feasibility study" similar to the ones provided for the uprate project has been performed for PTN 6&7 new units; FPL also responded "Please see the May 1, 2009 testimony of Witness Sim which provides the annual feasibility analysis for 2009. These appear to be drafts of a Shaw Stone & Webster Feasibility Study dated in 2007; **Conclusions:** a. For the EPU a detailed Project Feasibility Study was completed by Shaw Stone and Webster in 2008; b. FPL states that a similar Feasibility Study has not been completed for the Turkey Point new Units, but refers to Witness Sim testimony providing results of the annual feasibility analysis for 2009. **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-8.2 **Date Requested:** **Date Received:** **Comments:** CONFIDENTIAL Item 8.2b attachments are considered confidential	**Document Title and Purpose of Review:** a. Please provide a listing of "predetermined source" vendors available to the PTN 6&7 and EPU projects, with a list of products each vendor is qualified for. b. Please provide the supporting documentation for each "predetermined source" vendor, documenting the analysis for qualification as a predetermined source, or other company justification for the vendor being a "predetermined source" vendor. **Summary of Contents: PTN 6&7** **a.** Three vendors have been designated to be Predetermined Sources by the New Nuclear Sourcing team for use on the PTN 6&7 project. These are Bechtel Power Corporation for the COLA and SCA preparation, BVZ for preliminary engineering and construction planning, and Westinghouse for COLA support. **b.** See attached supporting documents "Bechtel COLA 090123", "BVZ 090123", and "WEC pds justif 3.09"; Uprates **Conclusions:** FPL responded that three are predetermined sources for Turkey Point 6&7 and two are predetermined sources for the EPU projects; FPL is searching for justifications for the uprate predetermined sources. **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-8.3 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** a. Please provide any documented analysis of FPL's potential project "off-ramp" points for the Turkey Point New Nuclear Units 6 & 7. b. Please provide the estimated costs associated with taking the project "off ramp" at those key points in the Turkey Point New Nuclear Units 6 & 7 project. c. Describe what portion of the completed project and costs could be used for other use at each "off ramp" time frame considered. **Summary of Contents:** a. The concept of off ramps is a description of a project management strategy to routinely evaluate what information is known and what is not known relative to the stepwise progression of the project. The project schedule and budget provide the information necessary to assess key decision or "off ramp" points (such as initiation of detailed design on individual

	project features). These decision points apply to individual efforts or the project as a whole. The off ramp decision is one of three choices: to stop the specific effort, to defer or slow down the specific effort, or to revise the plan and continue. B. Combined with the project budget, the cumulative and avoided expenses can be determined. Potential savings or additional costs associated with a decision to exercise an off-ramp alternative are speculative and not specifically determined. c. No such analysis exists or has been conducted.
	Conclusions: FPL gives consideration to possible slow down or off ramp points with the project as they arrive at key points in the project; however, there are no specific off ramp locations that have been studied at which the company has decided to make assessments and has analyzed where those specific points are to be analyzed and evaluated.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-8.4 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** a. Please describe in detail how FPL ensures that the agreed upon price of a bid contract is the best and most cost-effective price that could have been received by the company for that contract. b. Please describe in detail how FPL ensures that the agreed upon price of a single/sole source contract is the best and most cost-effective price that could have been received by the company for that contract. c. Please describe in detail how FPL ensures that the agreed upon price of any other type contract is the best and most cost-effective price that could have been received by the company for that contract.
	Summary of Contents: a. FPL states that it employs aggressive negotiations in light of market knowledge/expertise, as well as by an evaluation of the comprehensive ownership costs/benefits, in order to ensure that the price of bid contracts is the best available value. FPL is able historically and regularly to get favorable pricing and terms because: o Large purchasing volume/power o Strong position in the marketplace vis-à-vis vendors o Use of a consistent, accessible and fair FPL environment for vendor competitions o Company contends this is validated by FPL's low cost of service in the FL market FPL utilizes dedicated/trained supply chain personnel who consistently follow established procurement procedures (see Procurement Process manual) and Nuclear Administrative Procedure (NAP) 420,Rev1 to achieve best value. FPL vigorously negotiates bids received, and utilized market knowledge, historical experience, and estimating to ensure bid contracts deliver the best overall value. Other factors are also considered along with price when determining "best value" – schedule, equipment performance, terms & conditions, professional references, experience, financial resources, stability and safety record. FPL uses evaluation plans made prior to issuance of RFPs, to be sure vendors are requested to provide all relevant info and remove any doubt that new factors were inserted after bids were received (in order to tip the bid evaluation toward a particular supplies). When practical, bidders are also encouraged to submit alternative, innovative solutions. Bid evaluation factors are weighed on a case-by-case basis. Whenever practical, bids are separated into technical and commercial parts, with the business unit seeing only the technical portions and performing the technical evaluations, while supply chain performs the commercial evaluation. Care is taken to limit disclosure and preserve confidentiality of commercial terms to maintain an unbiased technical evaluation. Completed technical and commercial evals are combined so an evaluation team can make a joint decision for procurement. Procurements over $2M are briefed to senior supply chain management for critique and feedback prior to execution. Existing contracts remain subject to add'l negotiations, whether bid or single/sole sourced. [redacted] FPL reports similar negotiations ongoing with other contracts. b. For single/sole source, FPL states that it uses aggressive negotiation with the supplier in light of market knowledge and experience, as well as an evaluation of comprehensive ownership costs/benefits in order to ensure that the price are the best available. This includes identifying the benefits that would be lost and/or additional net detriments that would be incurred if competitive bidding were utilized.

	FPL uses procedures from the Procurement Process Manual. FPL requires single/sole source justifications that set forth the value advantages to the company in these instances. The justification establishes to a reasonable extent that no other supplier could be capable enough at a lesser net total cost of ownership. Focus is on value, and how FPL can be assured that best total value is being obtained without bidding. For sole sourcing, the purpose is to document a reasonable basis for determining that no other sources exist (e.g. description of a diligent search, extensive industry knowledge, patent rights held by the sole source, etc.). The following are documented in FPL policy/procedure as examples of potentially reasonable grounds for justifying a single/sole source: o Supplier with a proven track record of success may have achieved an advantage in learning curve or mobilization/demobilization such that no other supplier could possibly provide the work as cheaply. o The unique ability to meet a short schedule if that schedule is not the result of starting the procurement process late, but instead stems from factors such as short-term commercial opportunity, emergent nature of work, or newly imposed legal or regulatory requirements. o For items still under warranty, if buying from an n on-OEM would void valuable warranty provisions. Single/sole source procurements are subject to the same rigorous processed of vendor and proposal evaluation and review, negotiation of price and terms, and documentation of procurement decisions as are competitive bids and as described in DR-8.4A. c. All New Nuclear and uprate FPL projects are either bid, or single/sole sourced.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-8.5 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide copies of FPL's responses to Kathy Welch's document request DR-28.
	Summary of Contents: [redacted]

REDACTED

DR- 8.5

Page 4

	[redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-8.6 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** Please describe any efforts FPL has undertaken to apply for federal funding associated with PTN 6&7.
	Summary of Contents: FPL did not pursue funding from federal programs, as discussed in FPL Witness Scroggs October 16, 2007 testimony, page 7.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:

	Follow-up Required:
Document #: DR-8.7 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL** (Tiffany Cordes identifies 7-b As confidential in her reply of 5/8/09	**Document Title and Purpose of Review:** a. Please explain why the site funding was pulled (noted in EPU Project Risk Management Report of 9/30/08) for the Crane Refurbishment/Upgrade for PSL1&2. b. Please provide FPL's reasoning and associated documentation for charging the costs of improving and refurbishing the Gantry Cranes at PSL1&2 to the EPU project rather than as maintenance to the existing plant equipment. c. When will the Gantry Crane contract work at PSL1&2 be completed? d. Please provide a separate list of the work completed on each crane at PSL 1&2. e. Please explain any impacts on the project schedule and costs caused by the Crane refurbishment/upgrade. f. Will similar improvement and refurbishing of Gantry Cranes at PTN 3&4 be necessary for those uprates? g. If so, will the costs for improving and refurbishing those units be charged to the EPU as well? h. If not, please explain why similar improvements and refurbishments will not be necessary.
	Summary of Contents: a. Original EPU scope did not include gantry mods. During planning, crane mod was identified as essential to keeping within the outage critical path schedules. Since crane mods were not initially included in EPU budget, the project team attempted to obtain funding from the Plant budget to complete required mods. However, since the Plant had not budgeted for the crane mods and the mods were only required to support the EPU project, the Plant and EPU Project team concluded that mods should be funded by the EPU Project. The 09.30-08 Risk Matrix statement "Site Funding recently pulled" is an abbreviated explanation of these events. The statement refers to the Plant and EPU Project team conclusion that the crane mods should be funded by the EPU Project. b. In current condition, PSL Turbine Gantry Crane is incapable of performing functions required for the uprate. Please see Scope Change document detailing the crane's inadequacies. Mods are required so that it can efficiently remove and install the major uprate equipment – e.g. main turbines, main generator rotor, moisture separator reheaters, feedwater heaters, etc. (see the response for a full listing). FPL would not need to mod the crane if it were not required for EPU. It is therefore appropriate, in the opinion of FPL, for the associated costs to be charged to the EPU Project. Also attached is FPL's Nuclear Recovery Clause Recoverable Cost Justification Form" for the PSL cranes. c. PSL Unit 2 crane work will be completed in 2009. PSL 1 crane work will be completed in 2010. d. None of the PSL crane mods required for the EPU have been completed to date. e. There is no negative schedule impact for either PSL1 or PSL2. Without the crane mods it will be impossible to perform required work consistent with the outage schedules. Cost of mods is approx $10.75M, which is included in the current total estimated project cost. f. Yes, similar mods will be required to PTN3&4 cranes. Gantry crane capability is an identified risk. Risk mitigation action includes contracting an independent assessment of the Gantry Crane conducted by one of the OEM's, with recommendations for improvements/mods. Once received and evaluated, a course of action will be chosen to put the PTN gantry crane in a condition which supports the EPU project activities. g. Yes, the costs for improving the PTN Turbine Gantry Cranes would not be incurred but for the EPU Project. Costs will be charged to the EPU Project. h. FPL states, "N/A, See response to item f above."
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-8.8 **Date Requested:** **Date Received:**	**Document Title and Purpose of Review:** a. Please describe any additional work required, by the FDEP, as conditional or provisional to the site certification approvals of PSL 1&2 and PTN 3&4 received in September and October 2008. b. Please describe any site modifications or changes required for site certification approval.

Comments:	**Summary of Contents:** a. The Conditions of Certification (CoC) contain new and ongoing FDEP license requirements related to construction and continued operation and maintenance applicable to PSL and PTN. Training and orientation of site personnel on compliance with the CoC has/will take place and will continue at a reduced level. An Environmental Control Program will be documented per the CoC requirement. The requirements are inclusive of but not specifically relate to the Uprate Project. Requirements of the CoC that are directly related to EPU will be charged to EPU during the project execution. Most of the requirements are unrelated to EPU and will go on for years after the EPU project is complete; therefore, those requirements will not be charged to the EPU project. The CoC sections IX and X, for the Cooling Canal at PTN 3&4, require agreement between FPL and the FDEP Southeast District Office, Miami-Dad Country Dept of Environmental Resource Mgmt (DERM) and the S. Florida Water Mgmt District (SFWMD) on: o Biscayne Bay surface water monitoring plan and o Execution of the SFWMD Approved Fifth Supplement Turkey Point Agreement to monitor the impacts of the cooling canal on the water resources of the SFWMD. Original due date was 180-days. Parties have requested a 90-day extension b. There are no site modifications or changes required for certification approval. See response for 8a, above.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Division of Regulatory Compliance
Bureau of Performance Analysis
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Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company
Area: 2009 Review of Nuclear Controls for Cost Recovery
Auditor(s): L. Fisher, D. Rich, G. Cryan

Workload Control #: PA-09-01-005
File Name: DR-9 doc sum log.doc

Document #: DR-9.1
Date Requested:
Date Received:
Comments:

CONFIDENTIAL

Document Title and Purpose of Review: Please provide copies of the EPU Presentation Binder used for the EPU management presentation on May 5, 2009.

Summary of Contents: EPU presentation binders used for the interviews/briefings on 05/05 were provided in hard copy to staff on 05/11. Contents:

DESCRIPTION	TAB
Presentation Agenda; Update Briefings (LAR, Feasibility Study, EPC Contract Selection, etc)	1
Contract Award Status	2
NAP-420, Contract Development and Administration	3
EPPI Index	4
Bechtel Project Integration Plan (Draft)	5
EPU Bechtel Division of Responsibilities	6
EPU Project Bechtel EPC Contract Mod. Specific Scope Document (Draft)	7
Contractor/Engineering Services FPL Vendor Engineering Scope Authorization (Template)	8
Bechtel Nuclear Work Process Procedures Table of Contents	9
NA-AA-201, Engineer, Procure, Construct (EPC) Contractor Quality Assurance	10
EPU Contracts Listing	11
Rajiv S. Kundalkar, May 1, 2009 – Testimony and Exhibits	12

Conclusions:

Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required:

Document #: DR-9.2
Date Requested:
Date Received:
Comments: (i.e., Confidential)

CONFIDENTIAL

Document Title and Purpose of Review: a. What company is completing the GSU transformer thermal loading design study mentioned in page 15 of the Raj Kundalkar May testimony? b. What is the estimated cost? c. Will this study be bid or sole sourced? c. When is the study expected to be completed? d. Please provide a copy of the study when completed.

Summary of Contents: [redacted]

	c. [redacted] d. e.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-9.3 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** As late February 2009, Westinghouse and Shaw continued to have challenges with staffing and both have issued Recovery Plans. a. What is the current potential risk for the project? b. How long can FPL wait to see whether the companies respond appropriately? c. What are FPL's alternatives if the vendors do not staff appropriately?
	Summary of Contents: a. FPL attached a Risk Matrix, specifying a reference to PSL items 6 and 13, PTN item 4 in the first tab (Risk). Mitigation plan actions all complete; closed. Quarterly meetings between vendors and CNO. [redacted] b. FPL indicates it is not awaiting a particular response. States that the company actively manages the work and resource constraints, evidenced by FPL decision in April to adjust the LAR submittal dates for PSL2 and PTN to alleviate some of the critical, specialized resource constraints without impacting the overall EPU implementation schedule. FPL stresses that such active oversight is the norm and will continue until the contracted work is complete. c. FPL's first option – meet with vendor mgmt & continue to actively oversee staffing actions by both companies. Vendors have indicated their commitment to support FPL's EPU implementation schedule. Based on adjusted LAR submittal dates, both vendors are on track to meet LAR milestones. FPL indicates that, because of this, other options do not need to be pursued at this time.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-9.4 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** As late as January FPL had concerns regarding the Containment Integrity Design Basis Analysis. a. Please explain the potential risk for the project caused by this condition. b. Explain what actions are being taken by FPL to resolve this condition. c. What are the potential schedule and cost implications of this condition? d. When will the concerns regarding the containment integrity design basis analysis be resolved?
	Summary of Contents: a. FPL states, "Errors discovered in the current containment integrity design basis analyses. Errors accounted for in the current analyses by using margin that was assumed to be available to justify the uprated conditions. As a result, some of that margin is no longer available for the uprated conditions. " b. Acceptable containment integrity analyses results are req'd to obtain EPU license approval from NRC. FPL & Westinghouse have ID'd other areas where margin existed in analysis inputs or where a plant mod can be made to yield acceptable containment integrity analyses results. These areas have been analyzed and prelim acceptable results have either been obtained or are anticipated. FPL identifies the risk as HIGH until acceptable results are finalized and then MEDIUM until the scope of the impact is fully developed. c. Actions contained in answer 4b, above.

	d. Associated short term schedule impacts only affect interim milestones for generating the license amendment requests; no impact on the overall project schedule for implementing the EPU at either station. No add'l project costs are anticipated. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-9.5 **Date Requested:** **Date Received:** **Comments:** add'l information found in the EPU Presentation Binder are **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide a copy of the Project Integration Plan supplied by Bechtel for the EPU EPC **Summary of Contents:** Project Integration Plan supplied by Bechtel can be found in the May 5th briefing notebook, provided to Staff on May 11th. See EPU Presentation Binder, Tab 5. This answer is not **CONFIDENTIAL**; contents of the binder are. **Conclusions:** **Data Request(s) Generated:** No. _____ Description: No. _____ Description: **Follow-up Required:**
Document #: DR-9.6 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide a summary of total dollars, showing a breakout of the dollars for each type Of work, included in the EPU EPC contract price. (Waronicki) **Summary of Contents:** [redacted]

	[redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-9.7 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please provide a copy of FPL and Bechtel KPIs for the EPU EPC project. b. Please provide copies of the Bechtel procedures and project controls used by the EPU EPC.
	Summary of Contents: a. FPL provided the KPIs (see CD) b. FPL provided procedures lists, which the company indicated can be found the May 5th briefing notebook, provided to Staff on May 11th. FPL's answer states, "see EPU Presentation Binder, Tab 5". Staff believes that the answers contained in the EPU Presentation Binder are not under Tab 5 but, rather, to be found in Tab 9, "Bechtel Nuclear Work Process Procedures Table of Contents. Additional procedures were contained on the CD, furnished as part of the DR-9 responses. Two others included are: "Bechtel Project Administration Procedures" and "Bechtel Project Engineering Procedures".
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-9.8 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please provide a copy of the Bechtel QA plans for the EPU EPC and any associated FPL QA Plans for the EPU EPC that have not already been provided. b. Please provide a copy of the updated organizational chart for and Bechtel QA organizations.
	Summary of Contents: a. Bechtel QA plans for the St. Lucie EPU and Turkey Point EPU were furnished. Both were approved on 1/8/2009, and each signed off by the Mgr, QA, Bechtel Power Corp. and the Project Manager, Bechtel Power Corp. In each case it states, *"The purpose of the Quality Assurance Program Plan (QAPP) is to establish the quality program interface between the Bechtel Nuclear Quality Assurance Manual and FPL specific requirements/commitments that are applicable to the (SITE NAME) EPU Project. The QAPP specifically identifies the QA policies, and modifications thereto, applicable to this project, and reflects unique project and FPL requirements."* Scope is defined as applicable to the Bechtel-performed quality-related activities associated with the project and technical services performed. b. Copies of updated FPL EPU QA and Bechtel organizational charts were provided. See hardcopy attachments furnished by FPL.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-9.9	**Document Title and Purpose of Review:** Please provide a copy of the diagram "How A Nuclear Plant Works".

Date Requested: **Date Received:** **Comments:**	**Summary of Contents:** A copy of the diagram "How A Nuclear Plant Works", observed during interview visit 5/5, was provided. See hardcopy attachment furnished by FPL.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** DR-10 doc sum log.doc
Auditor(s): L. Fisher, D. Rich, G. Cryan	

Document #: DR-10.1
Date Requested:
Date Received:
Comments:

CONFIDENTIAL

Document Title and Purpose of Review:

a. Please explain why the January 18, 2008 sole source justification for the Siemens Energy contract is used to justify PO 00116088 blanket releases 001-003 [redacted] made on December 3, 2008, and PO 00116090 blanket releases 001-003 (totaling [redacted] made on December 4, 2008.

b. Please explain whether FPL policies and procedures require that a sole or single source justification be completed for purchase orders or blanket releases?

c. Please explain whether FPL policies and procedures require a single or sole source justification be completed for Purchase Orders, Blanket releases, and Original Equipment Manufacturers.

d. Please explain whether FPL requires sole or single source justifications for purchase orders, revisions, blanket releases, or changes in scope, when the amounts exceed specific dollar levels.

e. Provide copies of any procedures or policies documenting the answers to the above questions.

Summary of Contents:

a. FPL states that it uses customized, bilateral agreements for certain specific transactions where a high degree of specificity is required for performance and risk. Siemens Energy is such an agreement. Once single source justification was approved, an intensive negotiation of scope, terms, risk and performance guarantees occurred. This resulted in an agreement on 10/1/08. A PO/release is typically issued in conjunction with the execution of a customized contract to provide a vehicle against which invoicing can be matched in FPL's accounting system. All the work mentioned in the above blanket releases is confined within the Siemens Energy contracts.

b. FPL's General Operating Policy for Purchasing Goods and Services (GO-705) and Nuclear Policy for Procurement Control (NP-100) specify that, for all procurement valued over $25,000, competitive bidding is the standard approach and sole or single source procurement should be used on a limited basis and only when justified. These policies apply to blanket purchases as well as PO's.

c. For PO's and Blanket Releases, see "B' above. As stated in section 2.3 of NP-1100, procurements for materials, equipment and services in which the OEM is the only provider need not be reported as a sole source. But when the OEM is specified, it must be documented either in the purchase requisition by the requester or the PO by the Purchasing/Contracts agent.

d. Any change which is not the result of competitive bidding and which increases the value of an existing PO/Contract by $25,000 or more requires an add'l sole or single source justification.

e. GO-705 and NP-1100 are attached,

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.2 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please explain why there is no single or sole source justification completed for the Westinghouse contract 118271 opened 12/19/08 [redacted] b. Please provide a copy of the single/sole source justification, or the policy and procedures documenting that none are required.
	Summary of Contents: a. This single source justification (SSJ) was inadvertently omitted from a previous response. b. The SSJ for Rod Control, dated 12/18/08, was provided.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.3 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** a. Please explain why the Tampa Armature Works contract 118003 (December 15, 2008) [redacted] used an old style single/source justification and why additional information to justify the cost benefits of single/sole justification were not included. b. Had FPL completed its training and control improvements prior to the timing of this contract?
	Summary of Contents: a. FPL states that when this SSJ was reviewed the statement that Foster Wheeler sold the OEM documents to Tampa Armature Works made this SSJ unnecessary because of the OEM criteria. b. No. However, FPL notes above that a new SSJ or add'l information would not have been required in any event.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.4 **Date Requested:**	**Document Title and Purpose of Review:** a. Please provide the documentation for contract 113030 dated 12/16/08 (Revised Schedule T-8), increasing FPLE Seabrook from

Date Received: **Comments:** **CONFIDENTIAL**	[redacted] including the single source justification. b. If no single source justification is required, please document the policy or procedure that specifies such.
	Summary of Contents: a. The original authorization (PR 296137, furnished by FPL) provided for two line items totaling [redacted] The original release was issued containing only one item (item 001). Rev 001 reflected an administrative change to correct the omission. The original single source justification applies to both lines and the original [redacted] b. see DR-10.4-a, above
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.5 **Date Requested:** **Date Received:** **Comments:**	**Document Title and Purpose of Review:** Please identify the "one position" in which the responsibility for the adequacy of SSJ documentation has been consolidated, mentioned in the May 1, 2009 testimony of Rajiv S. Kundalkar, on page 7 lines 4-5.
	Summary of Contents:
	Conclusions: a. The EPU Project position of "NFR Interface" was assigned the responsibility for adequacy of the SSJ documentation.
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.6 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL** See attached CD for additional information on portions c through h.	**Document Title and Purpose of Review:** a. Please explain why no sole source justification was provided for the Bechtel contract Change Order #2 of PO 4500395492, dated 3/10/2008, when previous PTN contract information was provided for DR-1, items 15,16,18,43,44,and 46. (disk) b. Provide a copy of any sole source justification written for the above Change Order #2, if available. (disk) c. Please provide a copy of Change Order #3 and SSJ (if other than S. Scroggs memo dated 4/18/08, for the Bechtel contract PO 4500395492. (disk) d. Please provide a copy of Change Order #5 for the Bechtel contract PO 4500395492. (Justification dated 6/3/08)(disk) e. Please provide a copy of Change Order #6 for the Bechtel contract PO 4500395492. (Justification dated 8/8/08)(disk) f. Please provide a copy of the Comensura/Guidant contract 4500350496 Change Order #1 (item 20 in Revised Schedule T-8) and any SSJ for item 20. g. Please provide a copy of contract 4500447075 for Optimal Geometrics and the associated sole source justification. (item 21 in Revised Schedule T-8)

	h. Please provide a copy of contract 4500421409 for Ecological Associates and the associated sole source justification. (item 15 in Revised Schedule T-8)
	Summary of Contents: a. Change Order #2 authorized a contract increase for "unexpected wet site subsurface conditions". Because this possibility had been documented in the contract (Para 2.1.2.2.5.4.3.7, see below) and because an estimate of the cost was provided and negotiated prior to contract award, it was decided that no SSJ was not required. At the time Change Order #2 was issued, the contract team had not determined that procedures required a SSJ for each change order authorizing add'l contract funding. [redacted] b. An SSJ was not created for this change order. The contract team determined subsequent to the issuance of this change order that an SSJ for certain change orders authorizing add'l contract funding was required. Supplemental procurement documentation will be prepared to complete our files. c, d, e, f, and h: Provided (see disk) g. The Optimal Geometrics contract was competitively bid. Item 21 in Schedule T-8 incorrectly indicates this is a SSJ contract. The contract and bid evaluations for PO#4500447075 were provided (see disk).
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-10.7 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL** See attached CD for additional information on portion i.	**Document Title and Purpose of Review** [redacted]

REDACTED

DR- 10.7

Page 5

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Bureau of Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company	**Workload Control #:** PA-09-01-005
Area: 2009 Review of Nuclear Controls for Cost Recovery	**File Name:** DR-11 doc sum log.doc
Auditor(s): L. Fisher, D. Rich, G. Cryan	

Document #: DR-11.1 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide copies of Contract Deviation Logs for the period January 2008-May 2009. **Summary of Contents:** Information provided on confidential disk. **Conclusions:** **Data Request(s) Generated:** No. ____ Description: No. ____ Description: **Follow-up Required:**
Document #: DR-11.2 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please provide copies of Condition Reports issued for the EPU St. Lucie and Turkey Point uprate projects during the period 2008-May 2009. b. Please provide copies of Condition Reports issued for the Turkey Point Units 6&7 project during the period 2008-May 2009. **Summary of Contents:** Information provided on confidential disk. **Conclusions:** **Data Request(s) Generated:** No. ____ Description: No. ____ Description: **Follow-up Required:**
Document #: DR-11.3 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** Please provide any reports, requested in DR-2.1, not updated through May 2009. **Summary of Contents:** Information provided on confidential disk and attached documents. **PTN 6&7 March** a. no risk Committee Meeting Minutes were issued since last submittal. b. none have been issued since last submittal c. Included in the Westinghouse China Update 01/2009 attached file; d. Included in the Monthly Cost Reports March 2009 file attached e. Schedules included as BVZ-ENGR-SCHED-03/03/09 and "BEC-COLA0SCHED-03/03/09; annual cost estimate included in the "Monthly Cost Reports Mar 2009" file attached; Disciplinary actions against contractors; none have been issued since the last submittal g. Monthly Project Team Meeting reports (Scroggs testimony pg. 13). Included in the Monthly Cost Reports Mar 2009, file attached see agenda 3/19/09 for monthly project team meeting agenda. h. New Nuclear Executive Update is included in the New Nuclear Update 3/27/09 file attached. i. FPL Corporate Risk Committee reports ; none have been issued since last submittal. **PTN 6&7 April** a. none have been issued since last submittal b. none have been issued since last submittal c. None have been issued since last submittal d. Included in

	the "Monthly Cost Reports Apr 2009" file attached e. Schedules included as BVZ-ENGR-SCHED-041309" and "BEC-COLA-SCHED-041309; annual Cost Estimate included in the "Monthly Cost Reports Apr 2009" f. None issued since last submittal g. Included in the Monthly Cost Reports Apr 2009 file attached; Mtg agendas attached as Agenda 4/16/09 h. None in April i. Included in the Monthly Cost Reports Apr 2009 file attached j. None issued since last submittal. **PTN 6&7 May** New nuclear Update 5/4/09 and agenda 5.14.09 BEC-COLA-SCA-SCHED-051109; Monthly Cost reports May 09 BVZ-ENGR-SCHED-051109 included in disk; **EPU March** a. Monthly Operating Report through 4/10/09 is attached b. no additional internal and external audit engagements c. Executive Steering Committee 3/27/09 reports are attached d. Monthly EPU Project Risk Matrix dated 3/10/09 is attached e. Monthly Risk Mitigation Plan Review is included in item 1d f. No update of the Project Steering Committee Report g. EPU Executive Steering Committee Meeting Report is included in item 1c. h. No update of the EPU Technical Steering Committee Report i. The one Bi-Weekly Updates PSL & PTN for March 2009 is attached (additional meetings w/o formal presentation may have been held) j. EPU Project and Individual Unit Cost Data updates are included as items 1a and 1c k. PTN terminated one additional contractor as a result of auditing timesheets vs. security access logs; PSL EPU has taken no disciplinary action against contractors in 2009 l. The Contract Compliance Matrix is attached; there is only one Contract Compliance Matrix file which is updated weekly or as appropriate **EPU April** a. Attached PSL and PTN Monthly Operating Reports b. None c. Attached presentations dated April 24,2009 d. attached EPU Project Risk Matrix dates 4/30/09 e. see item 1d f. None g. See item 1c h. None i. see attached PSL and PTN Bi-Weekly Update; additional meetings took place w/o formal presentations j. see item 1a and attached PSL and PTN Annual Graphics k. No disciplinary Contract Compliance Log. The Contract Compliance Log is a single file that is updated weekly or as appropriate; EPU May a. see attached PSL and PTN Monthly Operating Reports for May b. see DR-11, 4(l) c. see attached presentations dated May 28, 2009 d. see attached EPU Project Risk Matrix dated 5/26/09 and 6/8/09 e. see item 1d f. None g. see item 1c h. None i. see attached EPU Bi-Weekly (U) 5/13/09 (Redacted).pdf; additional meetings took place w/o formal presentations j. see attached PSL, 200905 and PTN 090602 Annual Graphs k. no disciplinary actions against contractors at PSL; **in May PTN replaced a contractor Project Manager for poor performance** l. see attached PSL and PTN Contract Compliance Logs ; only one Contract Compliance log which is updated weekly or as appropriate.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-11.4 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Please provide copies of the following audits, or for audits not yet completed, provide the revised completion dates. 1. EPU-2009 2. PTN 6&7-2009 3. Bechtel subcontractor rates; completed by Controls Group as suggested in 2008 audit b. Relative to FPL's response to DR-10.7, please provide the following information: 1. Will the adjustment to the EPU project cost recovery request be an ongoing annual event or is it considered to be a one-time adjustment? Please explain. 2. Did the FPL adjustment to the EPU project cost recovery request include per diem differences between Guidant negotiated rates [redacted] and EPU authorized rates [redacted]? Please explain. 3. Please provide any written Concentric analysis or report provided to FPL as documentation of the assessment of hiring differentials.

	c. Please provide copies of the sole source justifications for EPU/TSSD staff hires completed as a result of the audit findings. (12 of 13 not originally completed)
	Summary of Contents: **Audits are provided in FPL's offices for review effective June 15, 2009**
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-11.5 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. Has there been any changes to the COLA submission date of June 2009 for Turkey Point Units 6&7? (follow-up; revision?) b. Please provide the total gallons per day used by each of the Turkey Point Units 6&7.
	Summary of Contents: [redacted]
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-11.6 **Date Requested:** **Date Received:** **Comments:** **CONFIDENTIAL**	**Document Title and Purpose of Review:** a. have there been any changes to the COLA submission date of June 2009 for Turkey point Units 6&7? B. Please provide the total gallons of water used per day by each of the Turkey point Units 6&7.
	Summary of Contents: a. There are no changes to the COLA submission date of June 30, 2009 b. PTN units will have 100% independent cooling water options for reclaimed water, the combined usage is 58,600,000 gallons per day for PTN 6&7; for saltwater from the radial collector wells, the combined usage is 124,400,000 gallons per day; in addition to the cooling water requirements, PTN 6&7 will use 3,700,000 gallons per day of potable water.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

INTERVIEW SUMMARIES

Bureau of Performance Analysis
Interview Summary

Company Florida Power & Light Company Area: 2009 Nuclear Controls Review- PSL Uprate Overview & Tour Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-1 File Name:
Name: Alan Fata, Clyde Newson, Cheryl Dietrich, Tiffany Cordes, Michael Pearce, Tom Dolan, Jack Hoffman were present for FPL	Date of Interview: 3/23/09 Location: Port Saint Lucie Nuclear Power Plant, on Hutchison Island, Jensen Beach Telephone Number:

(1) Purpose of Interview: To discuss the progress of the PSL Units 1 & 2 Uprate status and tour the plant to better understand which equipment will be removed during the uprate

(2) Interview Summary:

1. A presentation by Michael Pearce preceded the plant tour. A handout of the presentation was provided, and Michael spoke about how nuclear power is generated, basics of the logistics and infrastructure of the plant site, the nuclear steam cycle, the commitment to plant security and safety, additional protective measures at the site, used nuclear fuel storage technology, the contractors making up the uprate team, the need for a power uprate, different types of power uprates (stretch, MUR and EPU), the uprate modification scope of Units 1&2, the project's progress to date, and the uprate project's schedule status and planned activities for 2009; the outage window for each of four PSL outages to complete the uprate is between 55-65 days each; During the presentation Alan Fata, Director of EPU site operations at PSL discussed the new project organization;
2. Units 1 & 2 will require two separate operating licenses, control rooms and operations; the NRC views the two units as separate entities for licensing with separate fuel requirements; requiring two times the work for the uprate; fuel pellets will be used in the fuel assemblies to refuel the units; each pellet represents 1700 lbs. of coal; and the plants each use about 400 lbs. of fuel per year to eighteen months; ocean water is circulated into the units, heated into steam and cooled to return back into the sea; Today the units return cooling water within a range of 23 degrees to the sea; after the uprate the water will rise to a range of about 25 degrees; the return water ranges between the mid to upper 60's to the mid to upper 80's per Jack Hoffman;
3. The plant operates on two loops. The primary loop is pressurized for heating water into steam and is confined in the containment facility; the containment facility is 9 ft. thick on the bottom, 6 ft. thick on the sides and provides all the protection necessary to contain an event within the containment vessel building; the secondary loop is used to cool the Balance of Plant (BOP) before returning to the cooling water outlet; the Balance of Plant is where the majority of equipment changes will occur during the uprate (turbines, generator, exciter, condensate pumps, feedwater heaters, Moisture Separator Reheaters (MSRs), etc.;
4. The plant's security process includes badging of employees and visitors, background checks, drug testing to assure vendors and employees are alert and fit while on the site, behavior observation of individuals while on the site, and armed guards posted throughout the site; on a periodic basis force on force attacks are conducted to simulate an actual attack, and to assess readiness of the security forces for the plant; additionally, the NRC monitors these events and evaluates the security forces in their reviews;
5. The company has come under recent NRC rules to maintain work hours at 54 hours or less per week; company representatives noted that it is a good practice to work people regular hours; however, some employees have grown used to working additional hours and do not like the new rules; others believe the new rules are a good practice; company reps stated that the vendors are the challenge to the new rules because they are used to working every day and the new law reduces the work time to 6 days;
6. FPL is working with Indian River Junior College (IRJC) to grow operators to man the new units being built throughout the industry;
7. Spent fuel storage is maintained within the plant facility either in a spent fuel pool or in metal canisters and stored on-site; there are 217 fuel assemblies in each reactor; approximately 77 assemblies are changed out normally; for the uprate the outage is scheduled for unit 1 in the fall of '09; the unit 2 outage will be in April when some work will be completed; the Spring will inspect systems closely, and complete flow tests etc. to assure the system is fully reviewed;
8. During the tour, FPL employees identified two spare rotors for the units that would no longer be useful after the uprate is completed; these rotors will either be used elsewhere in FPLs system, sold to another utility, or disposed of through FPL Investment Recovery operations; FPL employees noted that the value of the stranded assets would be determined and returned to the EPU project once the uprate was completed; FPL employees also noted that a spare rotor, like the one used for the uprate, would be purchased for the two units to share.

(3) Conclusions:

1. The units are on schedule to uprate; some work will be done to open and review the system, check for wear, take measurements etc. in preparation for 2010;
2. The new organization is needed to provide more on-site oversight and a higher level of decision-maker for the EPU during pre-construction and construction. As the project moves into the actual construction phase more workers will be on site and more work activities will be completed. FPL oversight and involvement is needed and additional onsite engineering will be necessary;
3. Licensing Application Requests (LARs) for the units are on schedule to allow the uprates to complete on time;
4. The timeframe for the outages is between 55-65 days for the four outages planned for PSL units 1&2.
5. Safety and Security is reviewed regularly by the company and the NRC, and periodic force on force exercises are conducted to assess the plant's defense capabilities;
6. FPL is working with a local community college to grow plant workers and operators for the future;

7. Ur ` will experience an outage in April when some work will be completed to review and inspect the systems closer to identify whetl..r measurements and assumptions about specific items, that normally cannot be viewed until the system is shut down, will be evaluated. 8. Stranded assets such as the two rotors at the St. Lucie plant will be reused within the FPL system, resold to an outside user, or disposed of by the FPL Investment Recovery Group.
(4) Date Request(s) Generated: No. _____ No. _____ No. _____
(5) Follow-up Required:

Project Manager

Bureau of Performance Analysis
Interview Summary

Company Florida Power & Light Company Area: 2009 Nuclear Controls Review- PTN 6&7 Status Overview and Project Discussion Session Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-2 File Name:
Name: Marty Gettler, Steve Scroggs, Henrietta McBee, Tiffany Cordes, Clyde Newson	Date of Interview: 3/24/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the progress of the PTN 6& 7 New Nuclear Units and any challenges to project schedule and cost; to determine whether any additional organizational changes have been made to the PTN 6&7 organization;

(2) Interview Summary:

1. Marty Gettler started the presentation with information about his responsibilities and duties; Marty noted that FPL is still in the licensing mode; Marty noted that there were no changes in organizational structure for PTN 6&7, but some additional personnel had been hired in key positions; He noted that some positions, such as the Risk Manager, would be made once the construction phase begins; Henrietta McBee, Director Project Development, has helped Steve Scroggs with regulatory responsibilities;

Marty discussed the COLA status and noted that the schedule had slipped from March to June; Marty stated that the primary motivator for the slip in schedule was a change in scope, to include work that addresses concerns identified by the NRC, in the Progress Levy COLA; FPL undertook additional scope work to address the NRC's concerns related to groundwater and site geology to assure FPL's answer to those RAIs would be in the FPL COLA submission up front, rather than wait for the NRC to inquire after COLA submittal and face possible delays; Marty also mentioned that in January the reference COLA was updated and this was a secondary reason for the move of the COLA to June; Once the COLA is submitted by FPL, the NRC has 60 days to evaluate the completeness of the submission and then decide to send it back or schedule it to be worked; Once it is scheduled by the NRC, FPL estimates 42 months before the NRC completes review (the COLA is tied to the state SCA because the site certification is part of the overall data required for review by the NRC in its evaluation;

The SCA has a statutory schedule of 14 months to gain approval from Governor); the NRC COLA schedule is not a statutory and is impacted by the number of new applications and the number of applications delayed or discontinued; FPL's concern was that the COLA submittal might be accepted, but would sit for six months or more without action due to the RFIs; Marty thought FPL might as well spend 3 months to "get it right", rather than have the COLA sit there and have no NRC action. Since the TVA is probably not going to build a plant, the Bellefonte reference COLA will more than likely change to Southern Company's Plant Vogtle; Marty believes it won't be long before the decision to use Vogtle will be made by the NRC; Marty stated that Vogtle (Georgia Power) is the next in line willing to take it on; [redacted]

2.The Design Certification for the AP1000 has not yet been approved by the NRC, but a Revision 17 schedule should be out soon to show when the NRC will finish with the DCD; He anticipates that the detailed design should be complete by 2011; Marty noted that a Letter of Intent was signed for two AP1000 units, and that negotiations are continuing on the engineering and procurement portion of project; He noted that FPL will not submit cost recovery for a substantial portion of the equipment anticipated to be procured this year; Additionally, the Construction of the EPC is expected to be delayed until next year; FPL anticipates that competition between several possible constructors will benefit the project by reducing the overall costs of a turnkey package with one vendor; FPL is not sure that Shaw could complete handle another nuclear construction contract, with the number of projects already on their plate; FPL believes their position in the market will improve as others drop out of the picture for one reason or another; Marty noted that Duke has backed way off of negotiations with Westinghouse Shaw for the AP1000; This and other changes in the market signal that some units are not going to be built, or may be delayed, and create opportunities to improve FPL's position;

BVZ is involved in the on-site fill project required for raising the containment vessel elevation, and Bechtel is completing the COLA for PTN 6&7; FPL notes that these constructors are becoming familiar with the PTN 6&7 project, and when FPL needs a constructor, it will have three potential vendors that are knowledgeable of the project (Shaw, BVZ and Bechtel). FPL will provide ranges of costs for the EP in its May testimony; primarily in existing rights-of-way

3. Steve Scroggs spoke of his responsibilities of Project Development, local and state agencies & permits, regulatory cost recovery and Marketing and Communications (a new hire, Henrietta McBee, Director, Project Development will be his right hand in this area); Steve noted that FPL went to Dade County for the zoning approval for the two new plants w/o specific project design features; since than FPL has developed more refined plans and knows the "pieces and parts"; since the initial zoning request, FPL has been working with the county on possible use of reclaimed water to supplement cooling water sources for the new units; currently FPL is looking at having to construct a 10 mile pipeline to bring in reclaimed water and FPL will have to build a treatment facility on site to further treat the reclaimed water; in 2009 FPL will be reaffirming all the zoning approvals with the county and participate in a joint participation agreement with the county to design, build, and operate the on site water treatment facility; a reclaimed water proposal will be

presented to the county board this Spring; FPL and the county have formed a Compatibility Working Group as a collaborative approach to this project; meetings are held about every two months when needed; the objective is to determine the least impact on natural resources at the best cost; a contract will be the outcome, but will probably not be signed for another few years; the reclaimed water agreement will be presented at the June 2, 2009 county commission meeting (FPL has been working on this agreement with the county for a year);

4. The Transmission presentation identified that a new substation (Clear Sky) will be located on the PTN 6&7 site; two transmission routes will take power from the plant; FPL will construct 40 miles of 500kV line and 60 miles of 250kV line; FPL is almost ready to select the preferred corridor to put in FPL's SCA application; the company held 9 open houses in November and December to get public input regarding the potential routes for new transmission from the PTN 6&7 plant; the route is primarily in existing FPL Transmission ROW and leaves the plant going North and West; FPL has reviewed the potential environmental impacts to neighborhoods and wildlife for the transmission routes;

5. Marty stated that the EP contract has been in negotiations over a year with Westinghouse-Shaw; he stated that FPL is currently in negotiations for an EP contract, [redacted]

FPL believes that if they can move some of the cost recovery to a point where the economy recovers, maybe that's more beneficial; however, the economy could throw another twist into FPL's current thinking; Steve Scroggs noted that FPL is balancing schedule risk against possible future pricing advantages; Scroggs mentioned that the March filing was pretty much what was done in the balance of 2008, which brought us to this point, and that the May filing will be to fill in the interim and chart the way ahead; Other comments from Marty regarding the decisions for an EP and a C were: 1) Frankly, there have been few irreversible decisions made to this point, 2) We're trying to minimize front end cost, 3) We are having no negotiations for construction right now, 4) We're watching contractors and their workloads right now, 5) There's only so much/many resources out there … and it is always changing, 6) [redacted] we're wondering if there's another possible (3rd) constructor out there, 7) We're not at the point of needing a constructor on board.

6. Steve Scroggs stated that in considering water alternatives, FPL identified 16 different water alternatives, 15 criteria and 16 different resources to determine which options were best; the top five alternatives were placed into a third-tier study to identify alternatives w/ conceptual engineering, regulatory time lines, etc.; HDR Engineering had a review panel evaluate the five alternatives and the reclaimed water alternative was the one selected; this alternative helped the county reduce its ocean and deep well injection of reclaimed water and helped FPL supplement its water supplies; FPL also looked at using water from the Boulder Zone, the Aquifer, drawing water from the ocean and building a treatment facility on-site to further treat county reclaimed water; the reclaimed water supplements other water sources, and does not supply all water needs for the new units;

7. The site elevation requirements for PTN 6&7 have been refined to only include the containment vessel and not the balance of plant; therefore, FPL will need about 9 million cubic yards of fill rather than the 20 million originally estimated to raise the nuclear island 25 ft. from the existing elevation; [redacted] is under contract for fill on site and to complete the Army Corp of Engineer (ACOE) permit; FPL is considering lake excavation for fill adjacent to land owned as a target for fill removal and assist the county by turning over the property to the county [redacted] as mitigation for the excavation; FPL is also working with the county on infrastructure changes needed for PTN 6&7 to accommodate the additional road widening of service roads to the site as part of the site certification process

(3) Conclusions:

(4) Date Request(s) Generated:
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(5) Follow-up Required:

Project Manager

Bureau of Performance Analysis
Interview Summary

Company Florida Power & Light Company Area: 2009 Nuclear Controls Review- PTN 6&7 Controls Group Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-3 File Name:
Name: Don Fleetwood, Nelda Jacques, Henrietta McBee, Tiffany Cordes	Date of Interview: 3/24/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the PTN 6&7 Controls Group, and to identify any changes to controls, systems, responsibilities and organizational structure impacting the Controls Group since April 2008

(2) Interview Summary:

1. The Controls Group has gotten more into the details of the project this year by adding staff; the Group added Nelda Jaques and Christy Cobb to the Controls team to coordinate FPSC activity and audits; they also assist Don with cost control activities; an estimator is also coming on board 3/23 to assist in evaluating and estimating scope changes over a certain level(?); BVZ came on board 10/08 for [redacted]

2. Don mentioned that there are two different types of scope revisions, vendor initiated and company initiated; For vendor-initiated scope changes, a vendor identifies necessary work that it believes is outside the vendor's contracted scope of work; once the scope is identified, an order of magnitude and estimated costs are provided to the company; a vendor log documents the scope change draft, and the scope change is vetted by FPL management, and a decision is made; all scope change requests are reviewed for reasonableness of costs, and verbal or written approval of management must be received prior to instructing the vendor to transmit a formal scope change request; the timing of each scope change depends on the complexity of the work identified; some are easily decided and others require additional review and consideration by management; Don noted that at some point in the future (dollar level not decided yet) (?) the FPL estimator will be applied to determine reasonableness of estimated cost and time required for the requested vendor initiated scope change; currently FPL pulls from any resource to evaluate the reasonableness of the request; [redacted]

Company-initiated scope changes are pre-defined by the company and sent to the vendor for an estimated cost and schedule; the company asks the vendor to submit a formal response back to the company, w/its cost and schedule to complete the scope of work; the Integrated Supply Chain (ISC) has approval authority to request bids or initiate a single source contract; if the scope change is valued at $25,000 or more, it has to be either competitively bid or have a single-source justification attached; if a "predetermined source" is used, it obviates the need for a single-source justification; once the vendor scope change proposal is received, reviewed and approved by the company, a Potential Scope Change Document (PSCD) (?) is approved and initiated with the new scope of work and is submitted back to the vendor for completion;

3. Bill Maher has overall responsibility for Contract Administration, but the Controls Group provides added support; The Controls Group uses several indicators to evaluate the status of vendors performance on the status of the project: The Monthly Project Dashboard consists of the Cost Performance Indicator (CPI), which measures back against specific vendor performance indicators reported to the project management level, the Schedule Performance Indicator (SPI) measures vendors projected schedule date against vendor performance at the project management level, the Project Performance Indicator (PPI) measures overall project performance and status against the project schedule; each vendor uses this structure to integrate into the Master Schedule that would become the overall governing schedule; scope changes are included as they occur, and changes are added to the base or bottom line to trend against project performance; The project Controls Group is the navigator for the project; this group helps chart the course and looks ahead to see real or potential obstacles; The current project costs remain under the original needs filing even with course corrections midstream; Don noted that every Monday a COLA review is completed with (Bill Maher @ FPL Group, Bechtel, and any other stakeholders) where the weekly schedule is reviewed to help prevent potential project delays and remove roadblocks; every Wednesday, a similar meeting is held with Black, Veatch & Zachery (BVZ) for their scope of work (on-site fill project required for raising the containment vessel elevation) to assure potential challenges are reviewed weekly; Don noted that a very robust set of weekly and monthly reporting schedules, and eyeball to eyeball meetings, are used to provide project oversight; Don noted that the performance indicators are used to consider actions with different non-performing vendors; [redacted]

report is not completed yet, but expected to be issued w/in the next 30 days (staff has asked for this audit when completed in DR-4); Contractor Oversight responsibilities for the Controls Group include internal audits (such as the one just completed for Bechtel), review of vendor invoices for questionable charges (if identified the invoices are sent back to Contract Administrator); small items are credited against the invoice, and large items are kicked back to Contract Administrator; another oversight task is to be aware of any QA reviews and audits impacting the project schedule or costs;

4. Don noted that several process improvements were completed during 2008; the Work Breakdown Schedule further examines the work steps necessary to complete each vendors work for the project; a Desktop Work Guide has been created that provides online backup documentation of the Bechtel contract (800 pgs.) and the BVZ contract (300 pgs.) for review by accounts payable, vendors, and other stakeholders; Invoices and Receipts are now all electronically processed through FPL's systems which speeds review, approval, and payment of invoices; incomplete or erroneous invoices can be returned electronically to the vendor as well;

(3) Conclusions:

(4) Date Request(s) Generated:
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(5) Follow-up Required:

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Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Company Area: 2009 Nuclear Controls Review- PTN 6&7 Contracts Group Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-4 File Name:
Name: Kelly Shaw, Mike Reynolds, Henrietta McBee, Tiffany Cordes (Mike Reynolds was not present)	Date of Interview: 3/24/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the PTN 6&7 Contracts Group, and to identify any changes to controls, systems, responsibilities and organizational structure impacting the Contracts Group since April 2008

(2) Interview Summary:

1. Kelly Shaw, Sourcing Manager for New Nuclear, stated there were no changes to the New Nuclear contracts group since April 2008; the Process Procurement manual (DR-1) documents minor changes made to improve procedures and processes; the Integrated Supply Chain (ISC) provides supplies and supports contracts for all of FPL; The Nuclear Supply Chain (NSC) is part of the ISC and provides supplies to existing nuclear units; most of the procurement for the operating plants is done at the plant sites; the Director of the NSC reports to the lead of the ISC (?); If the ISC lead disagrees w/ the vendor selection the lead can elevate the disagreement up through ISC management and the management team will discuss the "best interests of the company";

Kelly stated that the sole source justification procedures have not changed, but there has been sole source training to all using the sole source policies (requested evidence of training in DR); Kelly noted that the ISC had placed more people and more eyes on single source and single source justification, and have changed the way the justifications are written to include more information for an independent reviewer to understand the justification for choosing a sole source/single source vendor; He stated that FPL is writing justifications with greater attention to the explanation and support of reasonable costs and sole source selections, and is trying to involve reviewers upfront before the justification is issued; the new process has evolved to support new nuclear construction;

ISC provides contract support to all the company; 70%-80% of all money spent by the company is through ISC corporate services contract employees; Kelly stated that FPL's policy is that any contract equal to or greater than $25,000 is to be bid, unless there is a justifiable basis to use sole or single source, and if FPL does not sole/single source there is a risk associated with the decision; Kelly stated that FPL has an Approved Supplier List (ASL) for nuclear safety-related products and services; by policy FPL cannot write a contract with companies not on the ASL; normal diversity incentives and goals do not apply on the ASL for safety-related products and services; However, there is no ASL for non-safety related products and services, thus there the company's diversity incentives would apply; Kelly stated that what it comes down to is whether we know a company that will be able to complete the work; A change in FPL policy has been made that any contract in excess of $10 million requires a credit worthiness check be conducted and a background check completed by the Corporate Finance Group (FPL) prior to any award; There have been no changes in how ISC tracks contracts since April 2008;

2. FPL uses a Technical Team and Commercial Team to review contract bids to ensure that the $100 million contract, for example, is the best price; e.g. how is risk vs. reward balanced?; The Tech Team looks at the bid from the feasibility aspect and assigns a rating of 1-3 for suitable bidders; The Commercial Team looks at price, and other marketplace factors and assigns another rating (1-3) for suitable bidders; the list of higher rated bidders for the technical and commercial reviews are evaluated by the executive group and a decision is made; the business unit requesting the work has the ultimate decision, all things being equal, and all things being subject to review; ISC has the responsibility to ensure that the business unit follows their own procedures, FPL procedures, and qualifies as reasonable prudent and fair; Blankets/pre-determined sources are established when ISC has leveraged its agents to purchase from only the one source because FPL receives a significant discount from the source; [Master Contracts] are generally good for 1-5 years, depending on pricing and terms, they can be re-negotiated at any time (?); when markets and other factors change, FPL regularly looks to renegotiate at more favorable terms (e.g., some contracts from 2nd half of 2008 are being revisited currently); Kelly sits in two meetings for all procurements in excess of $2 million (procurement strategy before and decision rationalization after); Kelly noted that Procedures and Work Instructions for PTN 6&7 are listed in Exhibit SDS-4 of Scroggs March testimony;

(3) Conclusions:

(4) Date Request(s) Generated:
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(5) Follow-up Required:

Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Company Area: 2009 Nuclear Controls Review- New Nuclear and EPU Transmission Studies & Assessments Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-5 File Name:
Name: Jeff Young, Pedro Modia, Ron Critelli, Tiffany Cordes, Bill Labbe (by phone), Raj Kundalkar (did not participate)	Date of Interview: 3/24/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the PTN 6&7 and EPU Transmission studies, their status, and their impact on the new and uprate projects

(2) Interview Summary:

1. The Transmission study for PTN 3&4 and surrounding stations are all completed and issued since last April; FPL will expand the existing switchyard, existing generator bays, and need to change out breakers from 2500 amps to 3000 amps and breaker failure panels at the substation level; FPL will need to change out breaker panels at Flagamy and Davis substations, purchase a new Generator Step-up Unit (GSU) backup, and transformers will be upgraded and have coolers added (?); the current GSU cannot be upgraded and the ballpark for a new 1000 MVA GSU is about $11 million; PTN is one main transformer and the largest single 3-phase transformer currently in service; PSL can have a spare GSU, but PTN must be replaced; 2-3 yr. lead time on some transformers (GSU);

2. The PSL Q114 and 115 study is completed and out and the Construction Plan is completed; cash flows and what needs to be done in 2010-2012 is completed and FPL Transmission will coordinate with the plant to perform work during the 2009 outage; Transmission is working on the details with the manufacturer for doing turnkey work with the plant; When the GSU was replaced on PTN4 the timing was about 21 days and the work should not be constrained by other plant work, except when specific nuclear testing is done; about 18-22 days is needed during the 55 day outage window to complete the work; PSL at Midway substation will change out 11-2000 amp breakers will be replaced and 18-2500 amp breakers will be replaced with 3000 amp breakers; will be going from carrier based to fiber based communication that will give greater flexibility in protection; ? replaced for increased output; for the spare GSU at PSL will be putting in new bushings, coolers, and low side bushings, and will spend $2 million as opposed to $11 million for a new spare GSU; 3 lines will have to be put in with phase spacers in lines above 2000 amps;

3. At PTN 6&7 a new substation will be built (Clear Sky) on site; 2-new 500kv and 1- new 230 kv lines will be constructed to the West county area; a new 230 kv will serve the East county area; A 230 kv line will travel from Clear Sky to Davis substation and Davis to Miami substation in the East county area; 7 circuits existing and building additional circuit on the West side of Clear Sky to Levee substation and Clear Sky to Pennsuco substation in the West county area; through the everglades FPL has the ROW, but no lines; they are working on a land swap to gain the easements needed for the Transmission West to North route; estimated timing to begin building route is 2011, 2012 will be heavy into building and should be completed by 2016;

4. FPL showed their route selection process steps, which included, 1) begin the study 2) collect background data for maps 3) ID potential routes, 4) obtain agency/public input, 5) collect/evaluate in-depth data 6) select final routes to submit as corridors in application; each step of the way FPL evaluated the decreasing number of qualified routes and increased the level of detailed studies as the final alternatives were revealed;

(3) Conclusions:

(4) Date Request(s) Generated:
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(5) Follow-up Required:

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Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Company Area: 2009 Nuclear Controls Review- PTN 6&7 Oversight Plan and Quality Assurance Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-6 File Name:
Name: Rick Weis, Henrietta McBee, Tiffany Cordes	Date of Interview: 3/24/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the PTN 6&7 Oversight and QA Plan for 2009

(2) Interview Summary:

1. Rick Weis is the QA Supervisor for the uprates and the PTN 6&7 projects; he reports up through the Chief Nuclear Officer; Rick is responsible for QA at the three FPL uprates (Pt. Beach, PSL, and PTN, as well as PTN 6&7; Point Beach is ahead of the other two uprates and has big problems; particularly with transformers; He stated that he is the only one he is aware of in this industry "pulling on this many oars"; He has completed the EPU QA plan for 2009 and has a draft plan (90% complete) for PTN 6&7 (requested draft in DR);

[redacted] with Bechtel providing the EPC function for the PSL and PTN uprates, Bechtel is going to assume the EPU QA role and FPL is going to monitor the Bechtel QA effort 24/7; [redacted]

[redacted]

2. Rick noted that once a vendor gets on the Approved Supplier List (ASL) things shift to a surveillance mode that is less stringent; 10CFR50 appendix B mandates the Approved Supplier list for safety-related vendors; Rick also helped construct the quality portion of the EPC contract signed with Bechtel in December '08; [redacted]

3. Surveillance audits are discretionary and reactive, and are done often for a first of a kind situation, or when a project is at a critical juncture; a surveillance is conducted through interviews and document reviews relevant to established criteria; procurement type surveillance reports for EPU go to Chuck Weaver (reports to Raj Kundalkar); plant specific reports for EPU go to the plant management, usually the Site Director, Site Project Manager, and Bechtel QA Managers for EPU; He meets regularly, every other week, with the Bechtel QA Manager in Frederick (by phone?); Rick stated he meets almost every other week w/Bechtel QA managers Ed Breslin for PTN and Richard Killian for PSL (PTN6&7 or EPU?); a Constructive Action Process Coordinator (CAPCO) processes QA evaluations and surveillances; Rick is working on a standard distribution scheme for EPU surveillance reports;

[redacted] Rick eventually went to Raleigh to evaluate the accuracy of the instruments with the manufacturer, and found all instruments needed to be recalibrated; this nullified any previous data the subcontractor had completed and caused the equipment to be recalibrated at great expense to the subcontractor; Rick noted that the delay did not put the COLA schedule in jeopardy

4. Typically a Daily Quality Summary is completed and for site corrective actions a Corrective Action Report is completed; these would go to the Director and be reviewed w/ the vendor; typical events would be welding, chemical events, incorrect revisions, etc.; the CAPCO Coordinator keeps the Corrective Action Reports and does follow-up on completed actions in response to the CARs; these

CARs are maintained separately at each site.
(3) Conclusions:
(4) Date Request(s) Generated: No. _____ No. _____ No. _____
(5) Follow-up Required:

Project Manager

REDACTED

Interview Summary

IVS-7

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Company Area: 2009 Nuclear Controls Review- EPU Juno Directors Auditor(s): Rich, Cryan, Fisher	Interview Number: IVS-8 File Name:
Name: Rajiv S. Kundalkar	Date of Interview: 3/25/09 Location: Juno Beach Telephone Number:

(1) Purpose of Interview: To discuss the status of the EPU projects at PSL 1&2 and PTN 3&4

(2) Interview Summary:

1. Raj Kundalkar VP Nuclear Uprates for the EPU uprate projects stated that last year the projects were at the planning stage and early process of licensing; we looked at long-lead components, scoping specifications, and contracts and environmental requirements; as the project matures and implementation approaches, the scope of control expands along with the organization and coordination requirements, justifying the change in the EPU organization, additional EPU VP level, on-site Director layer of EPU management, and personnel needed to complete the project; the pre-construction and construction phases of the project are at hand and require greater oversight of detailed work modules being engineered and constructed;

We are working with Westinghouse and Shaw Stone and Webster to examine safety systems and the power generation system to evaluate what has to be done to safely generate more power; Westinghouse and Shaw Stone are on target to submit NRC licensing by the end of the year; the Safety systems, BOP, and all parts of the system must be described in the NRC submittal; the fuel grid differences at PSL require different safety features in the fuel; in 2008, FPL has identified some pumps, motors and transformers that need to be changed out; however, FPL is not 100% complete with long-lead items currently; These are not time critical at this point; the last of the major procurements should be made by June 30, 2009; 8 total outages will be used to complete the changes at the 4 EPU units at PSL 1&2 and PTN 3&4; the first outages are in 2010, 2011 and 2012 and the outages will last about 55-656 days each time; an IN outage allows the company to check measurements, etc. to verify everything is on target; Oversight of the project will be by FPL EPU management, but Bechtel will be completing procurement of non-engineered components and bulk materials, not engineered equipment; pumps, motors, feedwater heaters, etc. will be purchased by FPL; the engineering mods, at a level 2, will move to a level 3 before implementation; Use of the EPC will allow the procurement of manpower and resources for all of the uprate activities w/o competing w/itself for the same items;

2. The Primivera P-6 project planning/scheduling software documents the detailed work status and schedule for work completion; each site updates its schedule by Thursday noon; the Primevera schedule is currently backed up weekly now, but is moving to daily back-up (?) to insure everyone is on board with the schedule and work efforts, daily conference calls are held at 9:00am between all sites; EPU Daily Reports provide granularity that feeds the weekly and monthly reports; Every Monday the VP Nuclear Uprates meets w/EPU Directors; Quarterly coordination meetings with all vendors (Siemens, Westinghouse, and Bechtel (4/27/09) and the Chief Nuclear Officer are held to discuss and correct any challenges to the projects; at 8:00am-8:30 am daily a video conference of all of the five nuclear sites including site GM and Ops Mgr.; EPU will be 6th joining 4/1/09 oversight on a daily basis up through the CNO;

3. On 9/17/08 final site certification was received from the state for PSL; still working on federal licensing (NRC LAR takes about 14 months after submittal); PTN expected to receive site certification early 2009 and NRC LAR 14 months later;

4. Cheryl Dietrich w/ Brian Donovan (sets up capital work orders) and monitors cost controls for EPU; two analysts have been hired since last year and one went to PSL and the other is at PTN; these analysts will perform detailed transaction reviews to ensure charges (especially labor) are appropriate and properly entered and charged, will review accruals monthly, assist with monthly variance reports, assist w/ classification of retirement units, provide guidance for regulatory requirements, interface with accounting, legal, et al, and provide a second set of eyes for the uprate costs; most oversight is supplied by the respective onsite cost engineers;

(3) Conclusions:

(4) Date Request(s) Generated:
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(5) Follow-up Required:
a. Request Attachment II-EPU Project Management Plan

Project Manager

REDACTED

Interview Summary

IVS-9

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Co. Area: 2009 Nuclear Controls Review Auditor(s): L. Fisher, D. Rich, G. Cryan	Interview Number: IVS-10 File Name: IVS-10
Name: Bill Maher, Sr. Director Licensing	Date of Interview: 5/4/09 Location: Juno Telephone Number:

(1) Purpose of Interview: To discuss the two instances where Bechtel was required to submit a Recovery Plan and understand whether the events caused the COLA schedule change from March 2009 to June 2009

(2) Interview Summary:

a. Don Fleetwood, Planning & Control Nuclear Projects and Kelly Shaw, Sourcing Manager New Nuclear, and Tiffany Cordes were also in attendance; Bill gave some background history of his experience and the Turkey Point project; Bill's experience includes time with Excelon, Dominion, and Entergy; he was involved in the early site permit for Clinton that tested the NRC licensing process; worked in a deregulated environment; he was on the COLA team for the South Texas project; he spoke of the Energy Policy Act of 2005 the incentives for utilities to pursue nuclear; Licensing organization is not only the licensing piece, but an engineering piece somewhat unusual in that engineering is underneath licensing (environmental engineering, etc.) and does conceptual engineering for the project.

b. FPL has split up areas of the COLA; there is a large interplay between environmental impact of the COLA and the SCA; the SCA provides permitting w/FDEP and has a large tie to the COLA; under NEPA provides the environmental impact; In May 2008 FPL made the decision to have Bechtel do the SCA; FPL did this as part of a pro-active strategy to review problems other companies experience and deal with those potential issues early in their schedule; Bechtel is doing the COLA and FPL added scope for the SCA to ensure harmony between the COLA and SCA; FPL made decision to delay the COLA, probably would not have gotten a review on the original schedule; the original COLA submittal schedule was extremely aggressive; slipped from March to June 2009.

b. Plant Vogtle is new "reference COLA" instead of Bellefonte; this does not change FPL's current schedule as far as presently known; May 2008 Bechtel's scope was changed to include the SCA; lessons learned dictated this change; FPL reshot the target schedule in July; at that time there was no anticipated impact on the March 2009 submittal date (subsequently changed to June).

c. FPL's schedule was most aggressive at 15 months to complete COLA; the next closest COLA submittal length was LEVY at 20 months; even with the three month slippage, FPL is 2 months ahead of the Levy schedule; [redacted]

d. The SCA review process is a set 15 months, where the COLA review is not; generally the COLA takes 36 months review after acceptance, but is expected to be longer with NRC budget concerns; both the COLA and SCA are scheduled for June 2009 submittal. FPL is submitting an LWA with the COLA, and is mindful of what happened to PEF and are trying to anticipate RAIs before submission and avoid delays, and resulting impacts; FPL's believes its Turkey point site location close to saltwater and on coral rock are more stable than Levy near freshwater and limestone (which may crumble);

[redacted]

f. FPL made a decision in July 2008 to change its water plan 100% (marine intake vs. ground water); this impacted work on the COLA

g. FPL is looking at the expected support costs to answer RAIs from the NRC and Bechtel will assist in answering those.

(3) Conclusions: 1. FPL delayed the COLA submission 90 days to complete additional preparation due to information learned on the Levy COLA RAIs. 2. FPL is monitoring other COLA submissions to address NRC concerns in their own COLA prior to submission; [redacted] 5. Even with the 90 day delay, FPL's COLA schedule is still 2 months earlier than any other schedule submitted to date.
(4) Date Request(s) Generated: No. _____ No. _____ No. _____
(5) Follow-up Required:

Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Co. Area: 2009 Nuclear Controls Review Auditor(s): L. Fisher, D. Rich, G. Cyan	Interview Number: IVS-11 File Name: IVS-11
Name: Steve Scruggs-Senior Director Project Development Marty Getter-VP New Nuclear Projects Henrietta McGee- Director Project Development	Date of Interview: 5/4/09 Location: Juno Telephone Number:

(1) Purpose of Interview: To discuss the Turkey Point 6&7 status as of May 2009 and clarify questions from May testimony

(2) Interview Summary:

a. Project Development Generation is responsible for all new generation; not aligned w/or responsible to any other; decided they needed a specific nuclear entity; the New Nuclear group handles all NRC-specific jurisdictional areas; they handle all things NRC; Steve's group looks at all things outside the fence such as regulatory activities; over time Steve envisions his role diminishing and Marty's growing; Steve noted "we can't tell you what we need to do 10 yrs. from now, but we surely can tell you 1, 2 and 5 years down the road" ; Steve said "we will learn from the experiences of others and use a deliberate step-wise process; "strategically we set out not to be first"; "we wanted to be in the second wave in order to learn from others"; in '07 we developed the need application; in '08 we received the need approval order; late '07 we began the SCA for the state approval and COLA for the NRC and occupied all of '08 to complete the two applications; the original target for the COLA was March 2009, and was adjusted to June '09; FPL decided to incorporate RAI-specific concerns related to the PEF Levy COLA; in early '09 the NRC budget was not approved and FPL was told that the NRC could take the COLA, but that it would likely sit on the shelf for 6-8 months before the NRC looked at it; FPL believed it might as well take an extra 90 days to incorporate the information the NRC had requested from the Levy COLA; FPL did not believe the 90 day delay would impact the long term schedule for the project, and expected it would reduce any delays caused by RAIs the NRC had requested previously for other COLA submittals;

[redacted]

c. FPL completed an operational traffic study in '07 to evaluate traffic needs for the Turkey Point site; again in the Fall of '08, construction studies were completed to study impact of 4000 extra workers on-site; the inclusion of the water treatment plant did not impact the traffic study; Key uncertainties include: NRC schedule and licensing delays for the COLA and for the DCD for the AP1000, legislative and political challenges, policy changes at the Federal level, the economy, changing commercial environment, and permitting timelines can all potentially impact the project;

d. FPL will wait as long as they practicably can wait before moving into contracts and scopes; FPL believes in balancing the firm schedule with doing the right thing; so that window of opportunity for committing continually changes; it is certain the process is uncertain; strategy, pace and direction remain the same even though different parameters are in play in politics, the financial markets, the commercial marketplace, etc.

e. Dade County Master Plan requires a land use designation, and to amend this you apply to DC Affairs at certain intervals to discuss changes in land use conditions; FPL filed in October for zoning approval for the water treatment and rock fill variances the County Commissioners are supposed to vote on 5/28/09 for zoning approval;

f. Commenting on why FPL's sole sourcing contracts were so numerous, Steve noted that 60-70 percent of FPL's contract dollars for the project were competitively bid and, depending on the phase of the project, more opportunities for competitively bid contracts are ahead; for instance, the Engineering Procurement dollars will be sole source, but the Construction dollars may be competitively bid if the EPC is separate; Kelly discussed that if FPL re-bid out the scope additions that it would be repetitive to bring a new bidder up to speed on the work completed by Bechtel and would be inefficient; Kelly noted that FPL used to see each scope as a bidding opportunity in an over abundance of caution, but have re-defined the policy; he noted that FPL could have bid out the scope changes sole sourced to Bechtel and had 15 different contractors on site to oversee; Kelly noted that there are inefficiencies in having to coordinate and oversee many different contractors, some overlapping and duplicate work efforts would occur, and the manpower costs to monitor all of the contractors and personnel may cost more than any bidding benefit.

(3) Conclusions:

a. FPL is taking deliberate step-wise approach and wants to be in the second wave to learn from others.
b. FPL delayed its COLA submission by 90 days to include NRC RAI concerns identified in the Levy COLA.

c. FPL does not believe any change to the long term schedule will occur as a result of the 90 day delay.
d. Westinghouse DCD is expected to be completed in Feb. 2011, and FPL is unsure whether NRC delay will impact the project at this point.

[redacted]

f.

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(5) Follow-up Required:

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Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Co. Area: 2009 Nuclear Controls Review Auditor(s): *L. Fisher, D. Rich, G. Cryan*	Interview Number: IVS-12 *File Name: IVS-12*
Name: Mike Reynolds, Sourcing Specialist – New Nuclear Projects; Kelly Shaw – Sourcing Manager – New Nuclear	Date of Interview: 5/4/09 Location: Juno Telephone Number:

(1) Purpose of Interview: To discuss FPL contracts and the ISC role in procurement for Turkey Point 6&7 new units.

(2) Interview Summary:

1. Kelly discussed why FPL used sole source for the Bechtel Change Orders instead of bidding out the contracts to other potential vendors; [redacted]

2. Mike Reynolds stated that competitive bidding is the company's preferred method of procurement; he said that any sole sourcing is strongly debated and reviewed before it goes out the door; Mike noted that the Nuclear Division maintains an approved vendor list for safety-related equipment and vendors; Kelly stated that any time we can save the company some money by bidding a contract we try to do so; Kelly stated that it would not be prudent for FPL to retain the resources to know the worthiness of thousands of vendors; that is why FPL has an approved suppliers list; Kelly stated that it is ironic that efficiency studies by experts say that it's better to have fewer vendors, not more.

3. Vendor scorecards are supposedly completed on the top 25-35 vendors for all ISC; one person has the responsibility for developing and maintaining scorecards; only a couple are from TP 6&7: BVZ, Bechtel, Siemens, Westinghouse, and Shaw; the ISC Sourcing Specialists provide input to scorecards; the scorecards are updated quarterly and they meet with vendors annually; Problematic incidents involve executive levels of FPL and the vendor for resolution;

4. Single/sole source contracts are written for the person of average business knowledge and intelligence; FPL found they weren't adequate and were written by one SME for another SME.

5. ISC is involved with Recovery Plans in monitoring whether improvements in contractor performance are made, in keeping with the contract; The company does not have to exclusively use a Global contract to provide equipment, goods, and services; Global contracts are usually for 1 year, but some are renewed; no specific policy of "x" years before re-bid or renewal;

(3) Conclusions:

[redacted]

3. Vendor scorecards are supposedly completed on the top 25-35 vendors for all ISC; Specialists provide input to scorecards.
4. Single/sole source contracts are written for the person of average business knowledge and intelligence; FPL found they weren't adequate and were written by one SME for another SME.
5. ISC is involved with Recovery Plans in monitoring whether improvements in contractor performance are made, in keeping with the contract.

(4) Date Request(s) Generated:
No. _____
No. _____

(5) Follow-up Required:

_____
Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Co. Area: 2009 Nuclear Controls Review Auditor(s): L. Fisher, D. Rich, G. Cryan	Interview Number: IVS-13 File Name: IVS-13
Name: Mano Nazar, Sr. VP & Chief Nuclear Officer	Date of Interview: 5/4/09 Location: Juno Telephone Number:

(1) Purpose of Interview: To discuss FPL Uprate and New Units Progress and Challenges

(2) Interview Summary:

1. He joined FPL in 2007 and became CNO in early 2009. He is responsible for eight units, 4 in Florida, 2 in Wisconsin and 1 in New Hampshire; was previously with Duke (7 units) for 21 years; was also AEP CNO in 2003-2007; He is chair of the Executive Committee of the Nuclear Policy Council;
2. Major challenges ahead for PSL and PTN EPU projects are primarily whether the margins are not as much as the detail study; But, PSL and PTN are benefitting from the lessons learned from Point Beach, which is further along than the uprates here.
3. One of the challenges to the Uprates is the approval of the LAR from the NRC, which could cause schedule delays if the NRC does not complete a timely license review; potential major cost increases to the projects are if more work than is planned is required after engineering is completed;
4. Major challenges to the PTN 6&7 project are potentially: administration and long term spent fuel disposal; the political decisions may impact the direction of the project; Mr. Nazar does not anticipate any major delays for the PTN 6&7 project; the greatest potential for increased costs are vendors, costs of materials, and the economy;
5. Among the regulatory challenges for the Uprates and PTN 6&7 would be NRC staff resources and support of licensing reviews.
6. To keep costs from skyrocketing due to worldwide demand for nuclear generation, FPL must use the synergy of industry organizations to push back on vendors to reduce costs; use strategized views put into tactical actions and monitor through performance indicators; if a crisis arises, we have missed opportunities; put more effort into preventive actions to address situations retroactively; these projects are not uncommon; we do this type of construction regularly; many fleets use this same methodology ; it is not anything new.
7. FPL has included site managers into support project work; every morning we have fleet calls; the EPU is part of this daily call; as we move on we will move from daily to hourly oversight;
8. The 2009 Top Five Focus Areas Fleet wide are: 1) Get performance to the top quartile for the U.S.; U.S. plants operate better than the rest of the world; others look to the U.S. as a model; 2) Nuclear Excellence Model implementation and integration of the Excellence Plan performance into top quartile for the U.S. nuclear fleet 3) Implementing the Universal platform for Nuclear Asset Management- work control system, budgeting (Passport latest version) 4) Integration of EPU into core business of tasks and ownership 5) Efficiency in performance of refueling outages, including: pre-outage activities, readiness, and cost reduction; FPLE wants to build synergies through sharing resources throughout the fleet; it is more advantageous to share similar resources; FPL made a conscious decision not to affect the operational support for the EPU and new units; effectiveness assessments are regularly conducted to assess needed changes; we hire experts.

(3) Conclusions:

1. Major challenges ahead for PSL and PTN EPU projects are primarily whether the margins are not as much as the detail study; But, PSL and PTN are benefitting from the lessons learned from Point Beach, which is further along than the uprates here.
2. One of the challenges to the Uprates is the approval of the LAR from the NRC, which could cause schedule delays if the NRC does not complete a timely license review; potential major cost increases to the projects are if more work than is planned is required after engineering is completed;
3. Major challenges to the PTN 6&7 project are potentially: administration and long term spent fuel disposal; the political decisions may impact the direction of the project;
4. Among the regulatory challenges for the Uprates and PTN 6&7 would be NRC staff resources and support of licensing reviews.
5. FPL has included site managers into support project work; every morning FPLE has fleet calls; the EPU is part of this daily call; as FPL moves on it will move from daily to hourly oversight.

(4) Date Request(s) Generated:

No. _____
No. _____

(5) Follow-up Required:

1. Get a list of recs from report

_____
Project Manager

Bureau of Performance Analysis
Interview Summary

Company: Florida Power & Light Co. Area: 2009 Nuclear Controls Review Auditor(s): L. Fisher, D. Rich, G. Cryan	Interview Number: IVS-14 File Name: IVS-14
Name: EPU Update w/ Rajiv Kundalkar, VP Uprate Projects, and staff: Steve Hale, Director Engineering, Manager Licensing point Beach Dan Thomaszewski, Director Projects EPU (took over for Labbe) George Gram, Director Projects Turkey Point Alan Fatal, Director Projects St. Lucie Chuck Weaver, VP Nuclear Fleet Projects Nuclear Division Mark Warnocki, Sourcing Specialist EPU Bruce Bickler, Regulatory Interface Tiffany Cordes, Manager Nuclear Cost Recovery Regulatory Affairs Clyde Newsom, Controls Group EPU Liz Abbott, Director License Applications Dave Lowens Director Nuclear Oversight	Date of Interview: 5/5/09 Location: Juno Telephone Number:

(1) Purpose of Interview: To discuss updates to the EPU projects since March briefing and further understand the Bechtel EPC for EPU.

(2) Interview Summary:

1. Steve Hale started with a historical review of how the project started and a summary of 2007-2008 events including the initial uprate range and feasibility study; he addressed tab 1 of the May binder provided by EPU. Initially in FPL's feasibility study process the company reviewed input from fuel and NSSS vendors, Shaw Stone & Webster, Siemens, Previous uprate studies and pinch point evaluations, engineering chiefs, integrated supply chain, power supply and environment organizations; FPL then prepared cost estimates and schedule information for completing the project; identified license requirements, regulatory reviews and approvals needed, and system modifications; from this information FPL developed scope descriptions, identified outage timing for inspection and refurbishment plans, long lead time equipment considerations, and prepared the cost estimates and schedule for the project; from this base FPL performed benchmarking, presented the project to senior management, developed more refined estimates and schedule, prepared detailed financial analyses, and received management approval for the project in 2007.

2. Rajiv Kundalkar noted that the projects are on track, and progressing reasonably well; the total for both Uprate projects is approximately $1.4 billion ($750 million for PTN and $620 million for PSL); Raj went over organizational structure (pg. 9 of briefing); Through the beginning of December 2008, FPL completed the analysis, Engineering , and procurement of long lead components; The organizational structure was two Directors reporting to the VP, Nuclear Projects with separate Project Managers at PSL and PTN; the EPU Engineering Director had separate Site Engineering Managers reporting directly; After December 2008 work turned to Engineered Modification Packages, Preparations for Implementation, Continued Preparation of License Amendment Requests, and Commence Installation; organization now has been modified for entering the Execution Phase; there are two Senior FPL Directors experienced in project management assigned at each site; Engineering efforts are led by two Engineering Directors one for Licensing and Regulatory Interface and the other for Modification Design; organization also added Senior FPL Director Operations Interface with responsibilities for development of Start-up test program, operator training, and simulator modifications. Rajiv later discussed the Gantry Crane needs for PSL and PTN; these will be important activities to upgrade the crane capabilities for the EPU to safely handle turbine generator work with improved controls that provide more detailed capability for moving the heavy equipment into place.

3. Dan Thomaszewski discussed the project team and project plan and later discussed the plan for 2009-2010 for the EPU projects;

4. Liz Abbott (joined EPU in December, and was the Engineering Manager for the stretch uprate at PTN in '98 and the PTN & PSL license renewal) discussed the LAR submittals schedule, the impact of the March 2009 NRC decision on de-linking applications and new dates for the AST LARs and EPU LARs; This allows for NRC approval of the AST prior to submittal of EPU LAR; FPL made change in LAR submittal dates in April 2009; PTN the submission of the AST in June 2009 and estimated approval of the AST in June 2010, with EPU LAR issued in July 2010 and expected approval by August 2011, there is a four month margin to the Spring 2012 fuel outage, based on 12 month review of AST and 14 month review of EPU LAR; PSL 1 LAR submittal in September 2009, and PSL2 submittal was extended to January 2010. Gives PSL 1 an 11 mo. margin and PSL 2 approx. 13 mo. margin (pg. 13).

5. EPC Contract Selection & Management were discussed by George Gram and Mark Waronicki; Mark went through the RFP and bid steps that initially sent out six bids, and two declined, which narrowed the qualified bidders to four; the process of evaluating the bids was discussed by George and Mark and the evaluations led to two primary contenders; the last two bidders were asked to clarify their

bids and were allowed to ask additional questions before providing the company with a Best and Final

6. Dave Lowens discussed the role of Quality Assurance and the QA plan for the EPUs; since last visit Steve Cook is overseeing the EPU projects; Divided into Procurement to provide oversight of contractors on approved vendor list; for each vendor FPL uses for procurement QA provides oversight of contractors on the approved vendor list; EPU providing extended work and oversight of program activities; QA has an interface procedure w/Bechtel that identifies when FPL & Bechtel are responsible for QA/QC activities; Daily QA summaries also review on-site activities and issue any Plant Condition reports for activities identified as requiring reporting;

(3) Conclusions:

1. FPL's 2007 and early 2008 efforts were to initially assess the projects scope, schedule, and costs; this entailed the initial uprate range and feasibility studies to assess equipment condition and long lead equipment needs; FPL then prepared cost estimates and schedule information for completing the project; identified license requirements, regulatory reviews and approvals needed, and system modifications; from this base FPL performed benchmarking, presented the project to senior management, developed more refined estimates and schedule, prepared detailed financial analyses, and received management approval for the project.
2. Rajiv Kundalkar noted that the projects are on track, and progressing reasonably well; the total for both Uprate projects is approximately $1.4 billion ($750 million for PTN and $620 million for PSL); After December 2008 work turned to Engineered Modification Packages, Preparations for Implementation, Continued Preparation of License Amendment Requests, and Commence Installation;
3. March 2009 NRC decision on de-linking applications and new dates for the AST LARs and EPU LARs; This allows for NRC approval of the AST prior to submittal of EPU LAR; FPL made change in LAR submittal dates in April 2009;

(4) Date Request(s) Generated:

No. _____
No. _____

(5) Follow-up Required:

1. Get a list of recs from report
2. Get QA plan for Bechtel

_____
Project Manager

CHARTS

Bechtel COLA Contract Changes PTN 6&7 2008-2009
DR-7.2

Issued	CI/VI	Work Description	Scope Amount
3/10/08	CI	[redacted]	
4/29/08	CI		
5/5/08	CI		
6/26/08	CI		
9/23/08	CI		
9/29/08	CI		
11/25/08	CI		
12/22/08	CI		
1/14/09	CI		
1/28/09	CI		
3/12/09	CI		
			$15,436,727

1 2 3 4

chart 1

FPL EPU Contracts Executed To Date

Date Issued	Contract No.	Contractor	Method of Selection	Original Contract Amount	2008 Spend	Type Payment	Work Description
11/3/08	117809	Bechtel	Bid				
11/3/08	117820	Bechtel	Bid				
12/19/08	118328	TEI	Bid				
12/17/08	118206	TEI	Bid				
12/17/08	118205	TEI	Bid				
12/19/08	118241	TEI	Bid				
12/17/08	118224	TEI	Bid				
12/19/08	118278	TEI	Bid				
10/15/08	116583	Nuclear Logistics, Inc.	Bid				
12/3/08	116088	Siemens	Single				
12/4/08	116090	Siemens	Single				nstall.
6/16/07	104980	Westinghouse	Single				
6/16/07	104980	Westinghouse	Single				
4/22/08	112221	Shaw-Stone & Webster	Single				
4/22/08	112177	Shaw-Stone & Webster	Single				
12/19/08	118271	Westinghouse	Single				
11/13/08	117272	American Crane & Equip	Single				
12/15/08	118003	Tampa Armature Works	Single				and parts
9/3/08	115465	Proto Power	Single				
5/28/08	105720	AREVA	Single				2012
1/30/08	109843	Siemens	Single				
7/18/08	105353	Shaw-Stone & Webster	Single				
10/29/08	116796	Cameron	Single				
9/29/08	116107	Cameron	Single				
8/11/08	108876	TSSD	Single				
7/8/08	114114	Richard Sipos	Single				
8/20/08	115036	Babcock & Wilcox	Single				
11/18/08	112228	Westinghouse	Single				
12/16/08	113030	FPL Seabrook	Single				
8/29/08	115391	Numerical Applications I	Single				
9/4/08	115488	Proto-Power	Single				
5/20/08	112987	Numerical Applications I	Single				
12/31/07	100579	FPL Seabrook	Single				
		Total Contract Amount					
		Total Bid Amount					
		Percent of Total Contracts					
		Total Single Source Amount					
		Percent of Total Contracts					

[redacted]

1 2 3 4 5 6 7 8

t 2

FPL St. Lucie & Turkey Point Uprate Project
Competitively Bid Contracts Greater Than $1 Million

Contractor/ Contract Number	Work	Original Contract Amount	2008 Spend	Type Payment
Bechtel 117809	[redacted]			
Bechtel 117820				
TEI 118328				
TEI 118206				
TEI 118205				
TEI 118241				
TEI 118224				
TEI 118278				
Total				

1 2 3 4 5

(1)

chart 3

FPL Turkey Point 6&7				
Competitively Bid Contracts Greater Than $1 Million				
Contractor/ Contract Number	Work	Original Contract Amount	2008 Spend	Type Payment
Bechtel CO3	[redacted]			
Bechtel CO6				
Bechtel CO7				
Bechtel CO8				
Bechtel CO9				
Total				

1 2 3 4 5

(1)

chart 4

FPL Turkey Point 6&7 Contracts Executed To Date

Date Issued	Contract/PO	Change Order	Contractor	Method of Selection	Original Amount	2008 Spend	Type Payment	Work Description
			Bechtel Original	Comp. Bid	[redacted]			
3/10/08	4500395492	2	Bechtel Power, Corp.	Comp. Bid				
4/29/08	4500395492	3	Bechtel Power, Corp.	Comp. Bid				
5/5/08	4500395492	4	Bechtel Power, Corp.	Comp. Bid				
6/26/08	4500395492	5	Bechtel Power, Corp.	Comp. Bid				
9/23/08	4500395492	6	Bechtel Power, Corp.	Comp. Bid				
9/29/08	4500395492	7	Bechtel Power, Corp.	Comp. Bid				
11/25/08	4500395492	8	Bechtel Power, Corp.	Comp. Bid				
12/22/08	4500395492	9	Bechtel Power, Corp.	Comp. Bid				
1/14/09	4500395492	10	Bechtel Power, Corp.	Comp. Bid				
1/28/09	4500395492	11	Bechtel Power, Corp.	Comp. Bid				
	4500395492	12	Bechtel Power, Corp.	Comp. Bid				
1/22/08	4500404639		Westinghouse Electric Co.	Sole				
5/22/08	4500419436		Westinghouse Electric Co.	Sole				
5/23/08	4500425707		HDR Engineering	Comp. Bid				
6/16/08	4500430034		EPRI	Sole				
10/6/08	4500452285		BVZ Power Partners-Nuc.	Single				
12/11/08	4500472314		Diversified Drilling	Single				
4/28/08	4500421409		Ecological Associates	Single				
6/30/08	4500434717		Avirom & Associates	Single				
8/22/08	4500447075		Optimal Geomatics	Comp. Bid				
1/3/08	4400002060		Hopping Green	Single				
1/4/08	4400002071		Pillsbury Winthrop	Single				
12/1/06			NuStart Energy Development	Member				
	4500350496	1	Comensura, Inc./Guidant	Single				
Total								
% Bid				55.1%				
% sole/single				44.9%				

1 2 3 4 5 6 7 8 9

(1) chart 5

FPL St. Lucie & Turkey Point Uprate Project				
Single/Sole Source Contracts Greater Than $1 Million				
Contractor/ Contract Number	Work	Original Contract Amount	2008 Spend	Type Payment
Siemens 116088	[redacted]			
Siemens 116090				
Shaw-Stone & Webster 112221				
Shaw-Stone & Webster 112177				
American Crane & Equip. 117272				
Tampa Armature Works 118003				
Proto Power 115465				
Siemens 109843				
Shaw-Stone & Webster 105353				
Cameron 116796				
Cameron 116107				
Total				

FPL				
Single/Sole Sour				
Contractor/ Contract Number	Work	Original Contract Amount	2008 Spend	Type Payment
Westinghouse Electric Co. 4500419436	[redacted]			
BVZ Power Partners-Nuc. 4500452285				
Hopping Green 4400002060				

1 2 3 4 chart 5

(1)

Pillsbury Winthrop	[redacted]
4400002071	
NuStart Energy Development	
Total	

1 2 3 4 5

Chart 6

EPU Total Contracts

Contractor	Method of Selection	Original Contract Amount	OEM Contracts	Competitive Bid	Single Source	Greater $1 million	Less Million
1	2	3	4	5	6	7	8
Bechtel	Bid						
Bechtel	Bid						
TEI	Bid						
TEI	Bid						
TEI	Bid						
TEI	Bid						
TEI	Bid						
TEI	Bid						
Nuclear Logistics, Inc.	Bid						
Siemens	Single						
Siemens	Single						
Westinghouse	Single						
Westinghouse	Single						
Shaw-Stone & Webster	Single						
Shaw-Stone & Webster	Single						
Westinghouse	Single						
American Crane & Equip.	Single						
Tampa Armature Works	Single						
Proto Power	Single						
AREVA	Single						
Siemens	Single						
Shaw-Stone & Webster	Single						
Cameron	Single						
Cameron	Single						
TSSD	Single						
Richard Sipos	Single						
Babcock & Wilcox	Single						
Westinghouse	Single						
FPL Seabrook	Single						
Numerical Applications Inc	Single						
Proto-Power	Single						
Numerical Applications Inc	Single						
FPL Seabrook	Single						
Total Contract Amount		[redacted]					

chart 7

(1)

REDACTED

DR 1.18
ENTIRE CD

REDACTED

DR 1.42
PAGES 2-8

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref) FPSC-PTN-Audit-ICDR1
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-PTN-Audit-ICDR1
Question No. 42
Page 1 of 1

WARNING Confidential Document: Information concerning bids or other contractual data has been provided with this response; WARNING Confidential Document: Information relating to competitive interests has been provided with this response; WARNING Confidential Document: Trade secrets has been provided with this response

Q.

Provide a current status and description of any changes in the purchase and provision of long-lead and other equipment that may impact the new Turkey Point nuclear units project.

A.

FPL entered into a "Reservation Agreement" with Westinghouse to secure the manufacturaing capability for ultra heavy forgings for two AP-1000 units. FPL chose to defer certain long lead procurement items in the fourth quarter of 2008, based on then current market conditions. Currently, negotiations are underway with Westinghouse/Shaw on the scope, schedule, cost and terms of an Engineering and Procurement contract that would result in a schedule of procurement activities to be undertaken on behalf of the project. Completion of negotiations is necessary to identify any changes in long lead procurement, followed by an analysis of any impacts. Attached is a confidential update from Westinghouse dated February 3, 2009. This is an example of the continuous monitoring of critical procurement items conducted by FPL and Westinghouse.

(1)

REDACTED

PAGES 2-8

REDACTED

DR 1.43
PAGE 3 COLUMNS 4-5

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref)
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-PTN-Audit-ICDR1
Question No. 43
Page 1 of 1

WARNING Confidential Document: Information concerning bids or other contractual data has been provided with this response

Q.

Please provide a description and status of any service and/or materials contracts or contract addenda for the new Turkey Point nuclear units project executed in 2008, and/or planned for 2009.

A.

Summary provided in attached table

Attachments:

DR43 2-9-09.pdf

Attorney Comments:

Witness comments:

Coordinator Comments:

(1)

Confidential Document? Y
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. Description of Confidential Document(s):
   Bid documents

2. Name of Person Claiming Confidential Document(s):
   Scroggs/McBee

3. Reason(s) for Confidential Document(s):

- ☐ Customer-specific information e.g. customer names addresses telephone numbers account numbers ra
- ☐ Employee personnel information unrelated to compensation duties qualifications or responsibilities
- ☒ Information concerning bids or other contractual data
- ☐ Information relating to competitive interests
- ☐ Internal auditing controls
- ☐ Security measures systems or procedures
- ☐ Trade secrets

Last Modified:

Interrogatory Started: no Status Code: Order:

Contract/PO	CO.	Vendor	Description	Amount	Issued	Status
4500395492	3	Bechtel Power Corp	[redacted]	[redacted]	4/29/08	Open- working
4500395492	4	Bechtel Power Corp			5/5/08	Open- working
4500395492	5	Bechtel Power Corp			6/26/08	Open- working
4500395492	6	Bechtel Power Corp			9/23/08	Open- working
4500395492	7	Bechtel Power Corp			9/29/08	Open- working
4500395492	8	Bechtel Power Corp			11/25/08	Open- working
4500395492	9	Bechtel Power Corp			12/22/08	Open- working
4500395492	10	Bechtel Power Corp			1/14/09	Open- working
4500395492	11	Bechtel Power Corp			1/28/09	Open- working
4500404639	-	Westinghouse Elec Co				Open- working
4500419436	-	Westinghouse Elec Co			5/22/08	Closed- compl
4500425707	-	HDR Engineering			5/23/08	Closed- compl
4500430034	-	EPRI			6/16/08	Open- working
4500452285	-	BVZ Pow Partners Nuc			10/6/08	Open- working
4500472314	-	Diversified Drilling			12/11/08	Open- working
4500421409	-	Ecological Associates			4/28/08	Open- working
4500434717	-	Avirom & Associates			6/30/08	Open- working
4500447075	-	Optimal Geomatics			8/22/08	Open- working
4400002060	-	Hopping Green			1/3/08	Open- working
4400002071	-	Pillsbury Winthrop			1/4/08	Open- working

1 2 3 4 5 6 7

(3)

REDACTED

DR 1.44
PAGE 3 COLUMNS 4, 6-8

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref)FPSC-PTN-Audit-ICDR1
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-PTN-Audit-ICDR1
Question No. 44
Page 1 of 1

WARNING Confidential Document: Information concerning bids or other contractual data has been provided with this response

Q.

Provide all contracts in excess of $100,000 executed for the new Turkey Point nuclear units project since April 2008, and provide a summary describing the scope of work, term of contract, total contract dollars, pricing/costing methodology (T&M, fixed price, fixed w/incentives, etc.) dollars spent to date, contract amendments, and if applicable, copies of single or sole source justification.

A.

The documents are available to review at FPL's office.

Summary provided in attached table.

Attachments:

DR44 2-17-09.pdf

Attorney Comments:

(1)

Witness comments:

Coordinator Comments:

Confidential Document? Y
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. Description of Confidential Document(s):
   Bid documents

2. Name of Person Claiming Confidential Document(s):
   Scroggs/McBee

3. Reason(s) for Confidential Document(s):

- ☐ Customer-specific information e.g. customer names addresses telephone numbers account numbers ra
- ☐ Employee personnel information unrelated to compensation duties qualifications or responsibilities
- ☒ Information concerning bids or other contractual data
- ☐ Information relating to competitive interests
- ☐ Internal auditing controls
- ☐ Security measures systems or procedures
- ☐ Trade secrets

Last Modified:

Interrogatory Started: no Status Code: Order:

PO	Changes	Vendor	Scope	Term	Total	Pricing	2008 Spend	Award
4500395492	3-11	Bechtel Power Corp	[redacted]	2007-2011	[redacted]	[redacted]	[redacted]	Comp Bid
4500404639	1	Westinghouse Electric Co		2008-2011				Sole Source
4500419436	-	Westinghouse Electric Co		2008				Sole Source
4500425707	-	HDR Engineering		2008				Comp Bid
4500430034	-	EPRI		2008-2011				Sole Source
4500452285	-	BVZ Power Partners Nuclear		2008-2012				Single Source
4500421409	-	Ecological Associates		2008-2009				Single Source
4500434717	1	Avirom & Associates		2008-2009				Init PO= Comp Bid CO= Single source
4500447075	-	Optimal Geomatics		2008-2009				Comp Bid
4400002060	-	Hopping Green		2008-2009				Single Source
4400002071	-	Pillsbury Winthrop		2008-2009				Single Source

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DR 1.3
PAGES 1-127

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DR 1.5
PAGES 1-20

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DR 1.10
PAGES 5, 9, 17-20, 22-28



EXTENDED POWER UPRATES

Executive Steering Committee Meeting
St Lucie & Turkey Point

April 1, 2008

Draft Proprietary and Confidential

2/9/2009 1:08 PM

FPSC Internal Controls Data Request DR 1-10
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Agenda

- Plans & Targets
- Cost & Budget Summary
- Regulatory
- Project Highlights
- Vendor Strategy
- DME Strategy
- LAR Submittal Quality Strategy
- Fuels Update
- Project Risks & Contingency
- Staffing Update
- Highlights of Next Steps

Project Overview – Plan and Targets

	St. Lucie	Turkey Point
	Unit 1	Unit 3
Outage Durations	55/55 days *	55/40 days *
Inservice Date	Oct 2011	Apr 2012
	Unit 2	Unit 4
Outage Durations	40/55 days *	55/40 days *
Inservice Date	Apr 2012	Oct 2012
MWe Pro forma	206	208
MWe predicted (vendor SWEC)**	236	224

* In process of reviewing implementation schedules & scope for optimization of work – 6/28/08

** MWe numbers will be revised to reflect current design basis and Siemens guarantee

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EPU Budget Summary

St Lucie Units

Cost Category	Proforma Budget $MM	Forecast $MM	Source of Cost Estimate
Engineering	$100	$100	43% Firm Contracts and Staff
Materials	$269	$266	52% Firm Contracts
Implementation	$106	$120	36% Firm Contracts, Vendor Estimate
Subtotal	**$475**	**$486**	
Contingency	$182	$171	
Total	**$657**	**$657**	
T&D Estimate		$25	FPL Estimate
Total		**$682**	

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St. Lucie Cash Flow

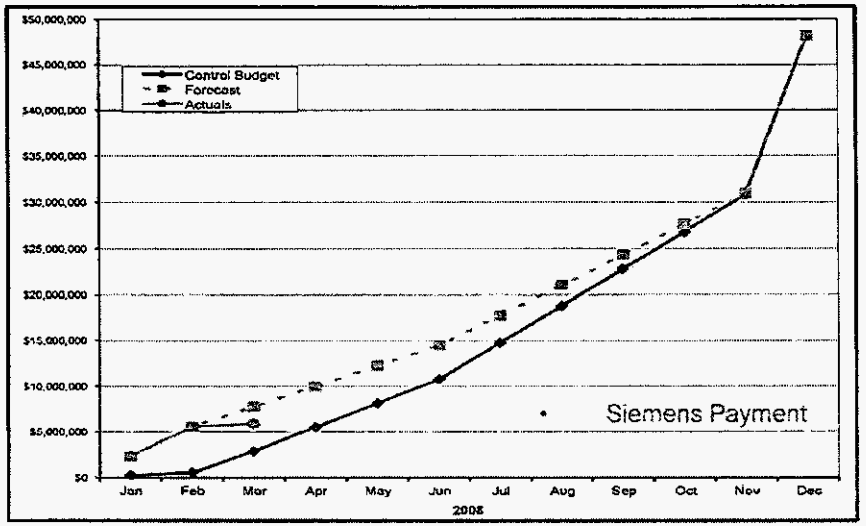
PSL EPU Project

Account #: 66730
Data As Of: 03/27/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost value is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

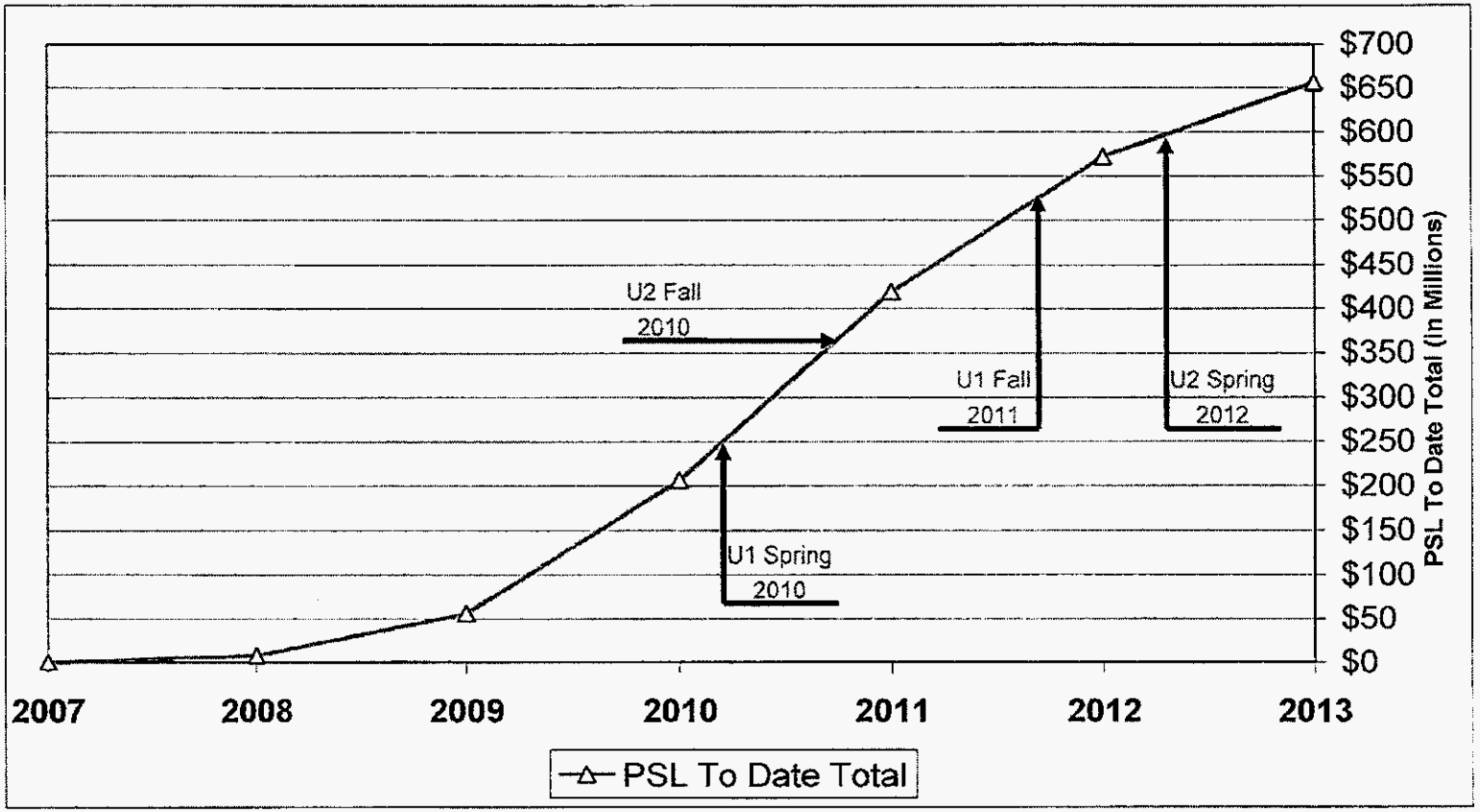
By Year	Prior Year Actuals 2007	2008 Actual	2009	2010	Future Yrs	Total
Engineering	525,000	1,763,283	-	-	-	2,288,283
Material	1,100,000	2,469,956	-	-	-	3,569,956
Implementation	-	1,110	-	-	-	1,110
Support	547,338	1,645,683	-	-	-	2,193,021
Contingency	-	-	-	-	-	-
Total	2,172,338	5,880,012	-	-	-	8,052,350



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (Includes approved scope changes)															
Monthly Total	263,083	263,083	2,350,106	2,629,658	2,627,608	2,627,608	3,994,274	4,032,199	3,994,274	3,994,274	4,032,199	17,423,181		To Go	Total
Cumulative Total	263,083	526,167	2,876,273	5,505,930	8,133,538	10,761,146	14,755,419	18,787,619	22,781,893	26,776,167	30,808,366	48,231,547	-	47,705,381	47,705,381
2008 Forecast															
	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	1,183,327	527,392	1,861,226	1,899,151	1,897,101	1,897,101	1,900,906	1,825,568	1,887,643	1,887,643	1,856,380	2,033,867	-	19,473,380	20,657,207
Material	-	2,427,863	-	-	-	-	1,076,125	1,076,125	1,076,125	1,076,125	1,076,125	25,626	-	7,834,114	7,834,114
Implementation	-	-	289,004	230,631	230,631	230,631	230,631	230,631	230,631	230,631	230,631	241,627	-	2,375,679	2,375,679
Support	1,102,719	294,567	99,875	99,875	99,875	99,875	99,875	99,875	99,875	99,875	99,875	99,875	-	1,293,317	2,396,036
Contingency	-	-	-	-	-	-	-	-	-	-	-	69,186	14,899,223	-	14,968,411	14,968,411
Monthly Total	2,286,046	3,249,822	2,250,106	2,229,657	2,227,607	2,227,607	3,307,537	3,232,199	3,294,274	3,294,274	3,332,199	17,300,218			
Cumulative Total	2,286,046	5,535,868	7,785,974	10,015,631	12,243,239	14,470,846	17,778,383	21,010,582	24,304,856	27,599,130	30,931,329	48,231,547	-	46,946,601	48,231,547
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	1,183,327	527,392	52,544	-	-	-	-	-	-	-	-	-	1,763,283	-	1,763,283
Material	-	2,427,863	42,093	-	-	-	-	-	-	-	-	-	2,469,956	-	2,469,956
Implementation	-	-	1,110	-	-	-	-	-	-	-	-	-	1,110	-	1,110
Support	1,102,719	294,567	248,397	-	-	-	-	-	-	-	-	-	1,645,683	-	1,645,683
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	14,968,411	14,968,411
Monthly Total	2,286,046	3,249,822	344,144	-	-	-	-	-	-	-	-	-			
Cumulative Total	2,286,046	5,535,868	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	5,880,012	14,968,411	20,848,423

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PSL EPU Project Cash Flow



Unit / Site		2007	2008	2009	2010	2011	2012	2013
PSL Yearly Total	$0	$7,658,262	$48,231,547	$150,849,692	$212,193,246	$153,226,242	$84,231,608	
PSL To Date Total	$0	$7,658,262	$55,889,809	$206,739,502	$418,932,748	$572,158,989	$656,390,598	

FPL

EPU Budget Summary

Turkey Point Units

Cost Category	Proforma Budget $MM	Forecast $MM	Source of Cost Estimate
Engineering	$99	$99	41% Firm Contracts and Staff
Materials	$257	$289	24% firm contracts
Implementation	$190	$242	9% firm contracts
Subtotal	**$546**	**$630**	
Contingency	$204	$120	
Total	**$750**	**$750**	
T&D Estimate		$20	FPL Estimate
Total		**$770**	

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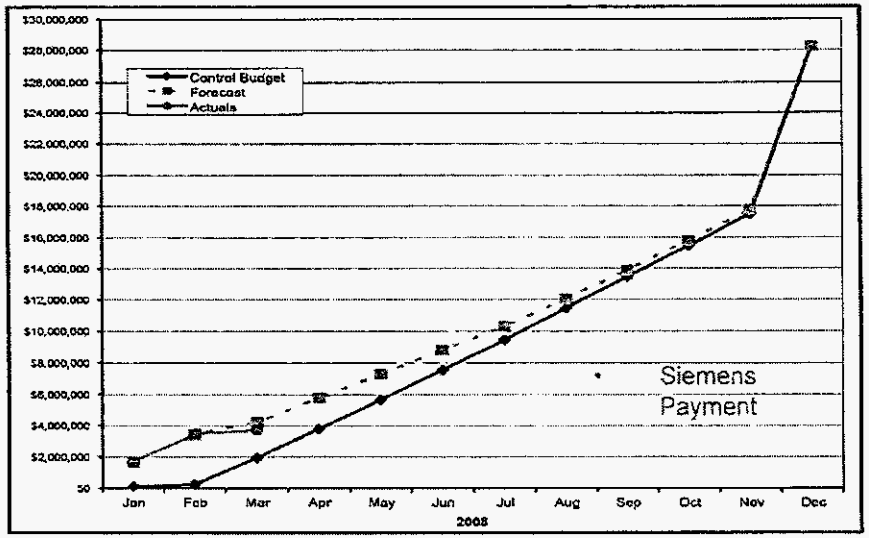
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Turkey Point Cash Flow

PTN EPU Project

Account #: 66730
Data As Of: 03/27/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary (Level 1)

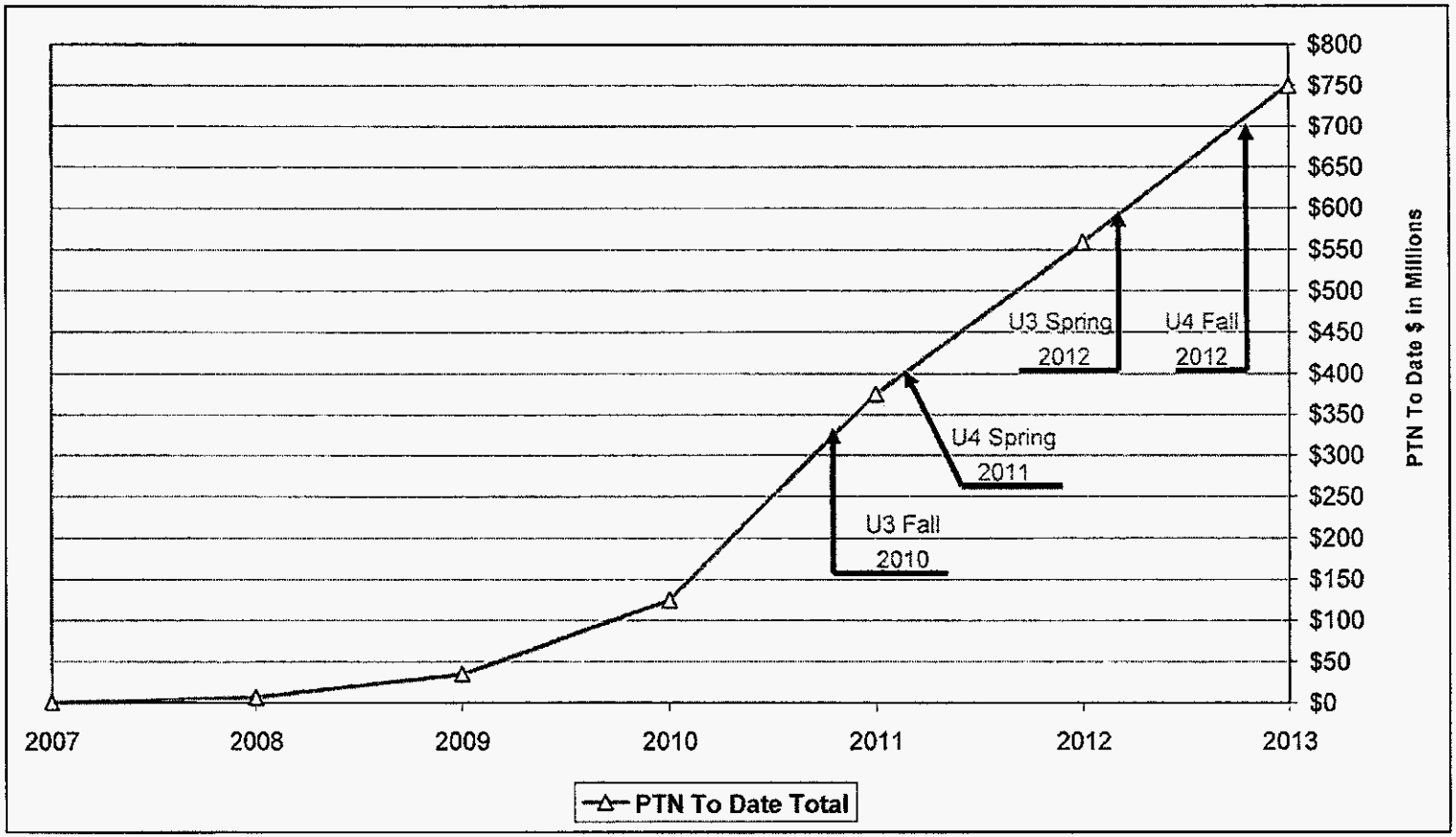
By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering (1)	1,346,724	1,043,875	-	-	-	2,390,599
Material	275,000	1,264,275	-	-	-	1,539,275
Implementation	-	-	-	-	-	-
Support	1,346,724	1,373,570	-	-	-	2,720,294
Contingency	-	-	-	-	-	-
Total	2,968,448	3,681,720	-	-	-	6,650,168

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	113,263	113,263	1,701,049	1,843,000	1,882,505	1,882,505	1,909,554	2,022,671	1,958,504	1,993,629	2,027,796	10,755,744		To Go	Total
Cumulative Total	113,263	226,526	1,927,574	3,770,574	5,653,079	7,535,585	9,445,139	11,467,809	13,426,313	15,419,942	17,477,738	28,233,482	-	28,006,957	28,233,482
2008 Forecast															
	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	740,583	289,483	840,104	1,375,112	1,341,617	1,341,617	1,341,617	1,502,632	1,575,832	1,675,830	1,675,832	1,492,993	-	14,252,659	14,993,242
Material	-	1,251,866	-	-	-	-	-	78,950	78,950	78,950	78,950	78,950	-	1,646,616	1,646,616
Implementation	-	-	160,104	167,888	167,888	167,888	167,888	167,888	167,888	173,013	173,013	173,013	-	1,686,471	1,686,471
Support	924,911	220,116	-	-	-	-	-	-	-	-	-	-	-	220,116	1,145,027
Contingency	-	-	-	-	-	-	-	-	-	-	-	8,762,116	-	8,762,116	8,762,116
Monthly Total	1,665,494	1,761,466	800,208	1,543,000	1,509,505	1,509,505	1,509,505	1,749,470	1,822,670	1,927,793	1,927,795	10,507,072			
Cumulative Total	1,665,494	3,426,959	4,227,167	5,770,167	7,279,672	8,789,177	10,298,682	12,048,152	13,870,822	15,798,615	17,726,410	28,233,482	-	26,567,988	28,233,482
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	740,583	289,483	13,809	-	-	-	-	-	-	-	-	-	1,043,875	-	1,043,875
Material	-	1,251,866	12,409	-	-	-	-	-	-	-	-	-	1,264,275	-	1,264,275
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	924,911	220,116	228,543	-	-	-	-	-	-	-	-	-	1,373,570	-	1,373,570
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	1,665,494	1,761,466	254,761	-	-	-	-	-	-	-	-	-			
Cumulative Total	1,665,494	3,426,959	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	3,681,720	-	3,681,720

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PTN EPU Project Cash Flow



Unit / Site		2007	2008	2009	2010	2011	2012	2013
PTN Yearly Total	$0	$6,625,775	$28,233,482	$89,996,218	$249,785,655	$184,133,622	$191,393,315	$0
PTN To Date Total	$0	$6,625,775	$34,859,257	$124,855,474	$374,641,130	$558,774,752	$750,168,067	$0

FPL

Project Overview –Regulatory Update

- Site Certification Application - Turkey Point
  - Original schedule assumed 1 set of RAIs
  - No contentious issues
  - Responses to request provided - 3/28/08
  - Expect acceptance of information and completeness determination - 4/21/08

- Nuclear Cost Recovery
  - Florida Public Service Commission adopted the Nuclear Cost Recovery Rule - 3/20/07
  - Recovery for 2007 is expected to be $8.6M
  - True-up filing - 3/3/08
  - Actual and Estimated filing - 5/1/08

FPL

Project Overview – Regulatory Update

- License Amendment Request
  - Combined integrated schedule for W, SWEC, and FPL
    - PSL (meets planned submittal date)
    - PTN (- 60 days negative float)
  - Key milestones are listed

LAR Milestones	Target Date
W complete Operating Parameter Review	3/1/08 (a)
Sequester Week 1	5/1/09
Sequester Week 2	6/1/09
W issue NSSS License Section to FPL	6/30/09
SWEC issue BOP License Section to FPL	6/30/09
Sequester Week 3	7/1/09
FPL Draft License Amendment	7/30/09
Site Review & Approve License Amendment	8/14/09
Corporate Review License Amendment	8/28/09
Submit LAR to NRC	9/1/09

Project Overview - Highlights

- Integrated Modification Schedule reviews
  - Complete St Lucie – 4/30/08
  - Complete Turkey Point – 5/30/08

- Long Lead Procurement update

  (HP & LP Turbines, Generator Rotors)

Key Milestone	Target Date
Issue LOI to Siemens	1/31/08 (a)
Issue SWEC best estimate heat balance	2/25/08 (a)
Issue Conformed TG Specs	2/29/08 (a)
Finalize MWe guarantee	PSL 4/15/08 (f) PTN 4/21/08 (f)
Issue Siemens Contract	5/2/08

Engineering Evaluations – St Lucie

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
Main Transformer Strategy Evaluation	Complete	Replacement of all 4 Main Transformers	Upgrade both of PSL-1 Main Transformers Replace both of PSL-2 Main Transformers
T&D Grid Interconnection Request (included in Needs filing)	4/15/08	T&D to upgrade as appropriate.	Preliminary indication determined MVAR shortfall Need to perform: Load Flow, Short Circuit and System Stability analysis MVAR shortfall

Engineering Evaluations – Turkey Point

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
T&D Grid Interconnection Request (included in Needs filing)	4/15/09	T&D to upgrade as appropriate.	Preliminary indication determined MVAR shortfall Need to perform: Load Flow, Short Circuit and System Stability analysis
Exciter rotor rewind evaluation	4/15/08	Spare exciter rotor not planned for PSL U1	The spare exciter rotor may not be suitable for PSL 1
LP Turbine rotor evaluation	4/30/08	LP Turbine rotors expected to be used for uprate condition	Preliminary study indicates existing LP rotors to be acceptable
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	No S/G MCO Modification expected Contingency Modifications for feedring E/C

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Dormant Material Expense (DME) Strategy

- Nuclear Supply Chain
  - Disposes of excess inventory or capital spare parts through Investment Recovery.

- Recovery Credits
  - posted against the write off account for inventoried items or to the EPU Project capital work orders for capital spare parts.

- EPU Project will establish controls to implement and track process

- Integrated with Modification process
  - Conceptual designs / Estimating template
  - Annual budget process / 1st impact 2010 based on Inservice dates

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PAGES 4-6, 12-16



Extended Power Uprates
Bi-Weekly Update
(PSL & PTN)

November 24, 2008

Agenda

- **Action Items**
- **Regulatory Filings**
  - PSL LAR Challenges
  - PTN LAR Challenges
  - SCA Status
- **Pre-Outage Milestones**
- **Risk Exposure and Mitigation**
  - Safety Analysis Mitigation Plan
  - Decision making process
  - High & Medium Risks
- **Status of Contracts**
- **Cost Tracking**
  - Status & Burn Curves
- **Staffing**
  - Status
  - Challenges

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Action Items

ID	Affected Site(s)	Priority	Date Assigned	Action	Status	Due Date	Owner
BW-1	All	2	11/10/2008	Develop an EPU Site Engagement Plan. The Plan should include the following attributes: •Station assignment of Key personnel with date needed •Establishment of Routine meetings with station •Concurrence of plan by stakeholder management • Obtain input fro	Engagement Plan Drafted and in review	12/5/2008	Ball/ Labbe
BW-2	All	2	11/10/2008	Institutionalize the process to perform high risk assessments and mitigation plans for each (as necessary) as it applies to License design/analayis work		12/30/2008	Abbott Hoffman Myers Hannenman
BW-3	All	2	11/10/2008	Develop improved dashboard performance indicators that include the following attributes: •indicator (red) which signifies senior management involvement is needed •reviewed and agreed to with applicable vendor(s)		12/30/2008	Sabo
BW-4	PSL	2	11/10/2008	Verify the Cost incurred for the Condensor Inspection during the PSL Outage was at least in part charged to EPU	Verified with NBO that this is not a recoverable cost	11/24/2008	Byrden/ Bechem
BW-5	All	2	11/10/2008	Engage Oliver Wyman with Risk assessment improvements as it applies to EPC; additionally develop a simple play book for the risk process	met with OW 11/19 discussed scope, expect proposal with costs by 11/24	12/30/2008	Labbe
BW-6	All	2	11/10/2008	Modify the Risk Impact assessment tool to better describe risks to operating plant (power reductions, JCOs, Tech Spec AOT, Etc.) (change term "impact" to "consequence"	Completed and PI revised	12/30/2008	Ball/ Labbe
BW-7	JW	2	11/10/2008	Develop AI tracking system for Bi-weekly meeting should be a running list of both open and closed items	Complete 11/11/08	11/24/2008	Ball

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Regulatory – PSL & PTN LAR

PSL & PTN EPU LAR Milestones

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/17/09
Complete large break LOCA analysis	6/22/09	7/6/09	7/13/09
W issue NSSS License Section to FPL	6/30/09	6/30/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	6/30/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/17/09	9/16/09
FPL Complete Draft License Amendment	7/17/09	8/10/09	10/08/09
Complete Site Review License Amendment	8/14/09	9/08/09	11/09/09
Complete Corporate Review License Amendment	8/21/09	9/15/09	11/23/09
Submit LAR to NRC	9/1/09	10/1/09	12/01/09

Regulatory – Site Certification Application

Environmental - SCA Status

- **PSL Order Issued on 9/17/08**
  - Change Management Plan issued to implement new requirements and will be tracked by CR

- **PTN Order Issued on 10/29/08**
  - FPL has 180 days to develop a new South Florida Water Management (SFWMD) agreement for the monitoring of the cooling canals.
  - Major Change Management Plan in development and will be tracked by CR

Outage Milestones

St. Lucie

PSL U1R23 Spring 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Sep 08	-12M	6 Jul 09	-6M	5 Oct 09	-6M	5 Oct 09	-3M	5 Jan 10	-2M	5 Feb 10	-3M	5 Jan 10
Schedule		12 Sep 08 (A)		18 Jun 09		1 Jun 09		22 Jun 09		30 Jul 09		17 Jul 09		5 Jan 10

PSL U1R24 Fall 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Mar 10	-12M	1 Oct 10	-6M	1 Apr 11	-6M	1 Apr 11	-3M	1 Jul 11	-2M	1 Aug 11	-3M	1 Jul 11
Schedule		8 Mar 10		23 Apr 10		10 Aug 10		3 May 10		4 Jun 10		16 Jun 11		1 Jul 11

PSL U2R19 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	15 Apr 09	-12M	15 Nov 09	-6M	15 May 10	-6M	15 May 10	-3M	15 Aug 10	-2M	15 Sep 10	-3M	15 Aug 10
Schedule		15 Apr 09		6 Oct 09		29 Dec 09		10 Nov 09		17 Nov 09		12 Aug 10		15 Aug 10

PSL U2R20 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Oct 10	-12M	1 May 10	-6M	1 Nov 11	-6M	1 Nov 11	-3M	1 Feb 12	-2M	1 Mar 12	-3M	1 Feb 12
Schedule		1 Oct 10		30 Jun 10		22 Sep 10		1 Nov 10		11 Aug 10		31 Oct 11		1 Feb 12

Turkey Point

PTN U3R25 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B" ("Recovery Milestones)		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site (* Recovery Milestones)		Ready To Work	
Target	-18M	26 Feb 09	-12M	26 Dec 09	-6M	26 Mar 10	-6M	26 Mar 10	-3M	26 Jun 10	-3M	29 Jun 10	-3M	27 Jun 10
Schedule		26 Feb 09		*25 SEP 09		29 Jan 10		1 Dec 09		29 Jan 10		* 18 JUN 10		26 Jun 10

PTN U3R26 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Aug 10	-12M	5 Sep 10	-6M	5 Sep 11	-6M	5 Sep 11	-3M	5 Dec 11	-3M	5 Dec 11	-3M	5 Dec 11
Schedule		5 Aug 10		23 Aug 10		5 Sep 11		5 Sep 11		5 Dec 11		5 Dec 11		5 Dec 11

PTN U4R26 Spring 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	25 Sep 09	-12M	25 Apr 10	-6M	25 Oct 10	-6M	25 Oct 10	-3M	25 Jan 11	-3M	25 Jan 11	-3M	25 Jan 11
Schedule		25 Sep 09		19 Mar 10		3 Jun 10		25 Oct 10		25 Jan 11		11 Jan 11		25 Jan 11

PTN U4R27 Fall 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	22 Mar 11	-12M	22 Apr 11	-6M	22 Apr 12	-6M	22 Apr 12	-3M	22 Jul 12	-3M	22 Jul 12	-3M	22 Jul 12
Schedule		22 Mar 11		18 Jan 11		22 Apr 12		22 Apr 12		22 Jul 12		1 Jun 12		22 Jul 12

Schedule is not past Target.
Schedule is past Target and can Recover.

Safety Analyses Mitigation

- **Develop process to communicate potential analysis issues to various levels of Nuclear Division management based on significance**
  - Modeled after Work Activity Risk Management process
  - Create EPU Specific Project Instruction
  - Draft prepared and being reviewed

Risk – Decision Making Process

- New "Operations" Consequence Section
- In the process of Implementing into EPU Project Instructions

Probability/ Consequence Diagram

Consequence										Impact Level	Probability				
											<5%	>5% <20%	>20% <50%	>50% <80%	>80%
MW Output	In-Year Cost	Economic	Programatic	Safety	Operations	Security	Legal	Reputation	Environ-ment		Very Unlikely	Unlikely	Possible	Likely	Very Likely
No loss	Increase <3% or <$1k	<$50k	Minimal consequences. No effect on Critical Path.	Near Miss	Operational Work around	Minor Regulation Breach. No Reporting Required	Clarifying Statement	Minor Local Reputational Damage	Short Term Local Damage	Negligible					MEDIUM
Loss <1MWe	Increase >3%, <5% or >$1k, <5k	>$50k, <$250k	Moderate threat, may require minor redesign or rework. Minor impact to Critical path intermediate milestones but no impact on completion milestones.	Multiple Near Misses	Unplanned AOT or JCO Required for Continued Operation	Regulation Breach. Reporting Not Formally Required	Small Fine	Major Local Reputational Damage	Short Term Regional Damage	Marginal				MEDIUM	MEDIUM
Loss 1-2MWe	Increase >5%, <10% or >5k, <25k	>$250k, <$1m	Significant threat, would require redesign or significant remediation. Critical Path is impacted but completion milestone may be recovered at significant cost.	Minor Injury	Forced Power Reduction	Reportable Breach. May Result in Prosecution	Medium Fine	National Adverse Media Coverage	Long Term Local Damage	Significant			MEDIUM		
Loss 2-5MWe	Increase >10%, <15% or >$25k, <$100k	>$1m, <$10m	Technical Goals cannot be achieved. Serious threat to people, environment, regulatory requirements. Ste or company strategic goals will not be met. Excessive schedule slip affects site.	Major Injury	Forced Plant Shutdown	Reportable Breach. Resulting in Probable Prosecution	Large Fine	International Adverse Media Coverage <1yr	Long Term Widespread Damage	Critical	MEDIUM	MEDIUM			
Loss >5MWe	Increase >15% or >$100k	>$10m	Project cannot be completed. Cost estimates are unacceptable. Catastrophic threat to mission, environment or people.	Loss of Life	Plant Cooldown and/or Extended Plant Shutdown	Reportable Breach. Resulting in Prosecution	Criminal Charges	International Adverse Media Coverage >1yr	Widespread Permanent Damage	Crisis	MEDIUM			VERY HIGH	VERY HIGH

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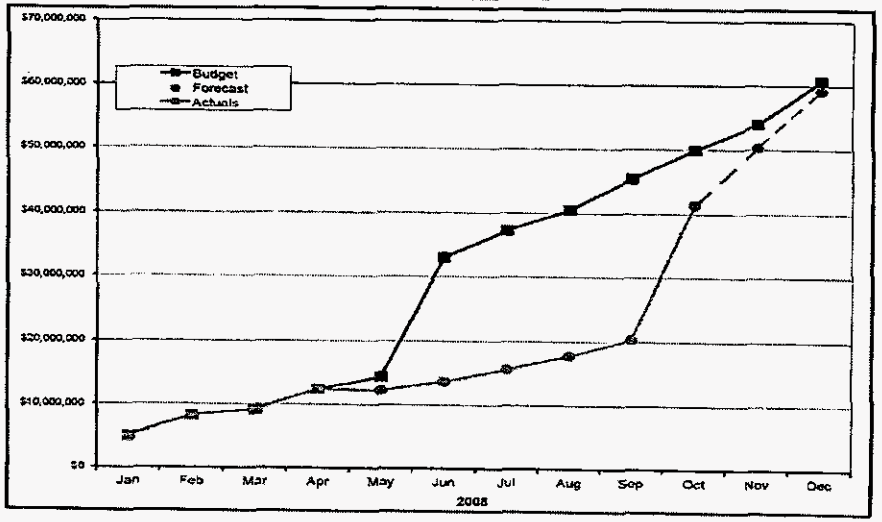
Budget & Cost Summary

Saint Lucie Cost Summary - 2008

PSL Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 10/31/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast Budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	16,030,087	58,705,089	46,324,623	71,455,464	193,115,263
Material	-	20,875,267	35,501,945	69,666,064	101,700,219	236,744,495
Implementation	-	4,006,125	2,797,473	56,820,000	70,346,876	133,972,474
FP & L	-	8,688,556	19,248,000	25,855,281	38,767,135	92,558,972
Contingency	-	-	-	-	-	-
Total	-	59,201,035	116,252,507	198,465,968	282,471,694	656,391,204

2008 Annual Budget
(Includes approved scope changes)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,235	45,400,567	49,859,899	53,914,231	60,711,563	49,859,899	10,851,664	60,711,563

2008 Forecast

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	685,087	1,179,192	1,352,132	1,591,699	1,811,300	2,400,000	2,100,000	12,130,087	4,500,000	16,630,087
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	5,497,420	2,512,075	21,866,772	8,009,495	29,876,267
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	170,000	3,234,616	601,509	3,404,616	4,006,125
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	583,450	862,147	807,423	842,222	1,000,000	1,020,390	6,668,166	2,020,390	8,688,556
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	9,067,420	8,867,081			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,646,949	15,575,836	17,798,432	20,356,963	41,266,534	50,333,954	59,201,035	41,266,534	17,934,501	59,201,035

October 2008 forecasted activities:

Siemens $17.229M (Contract award for Turbine Generator)

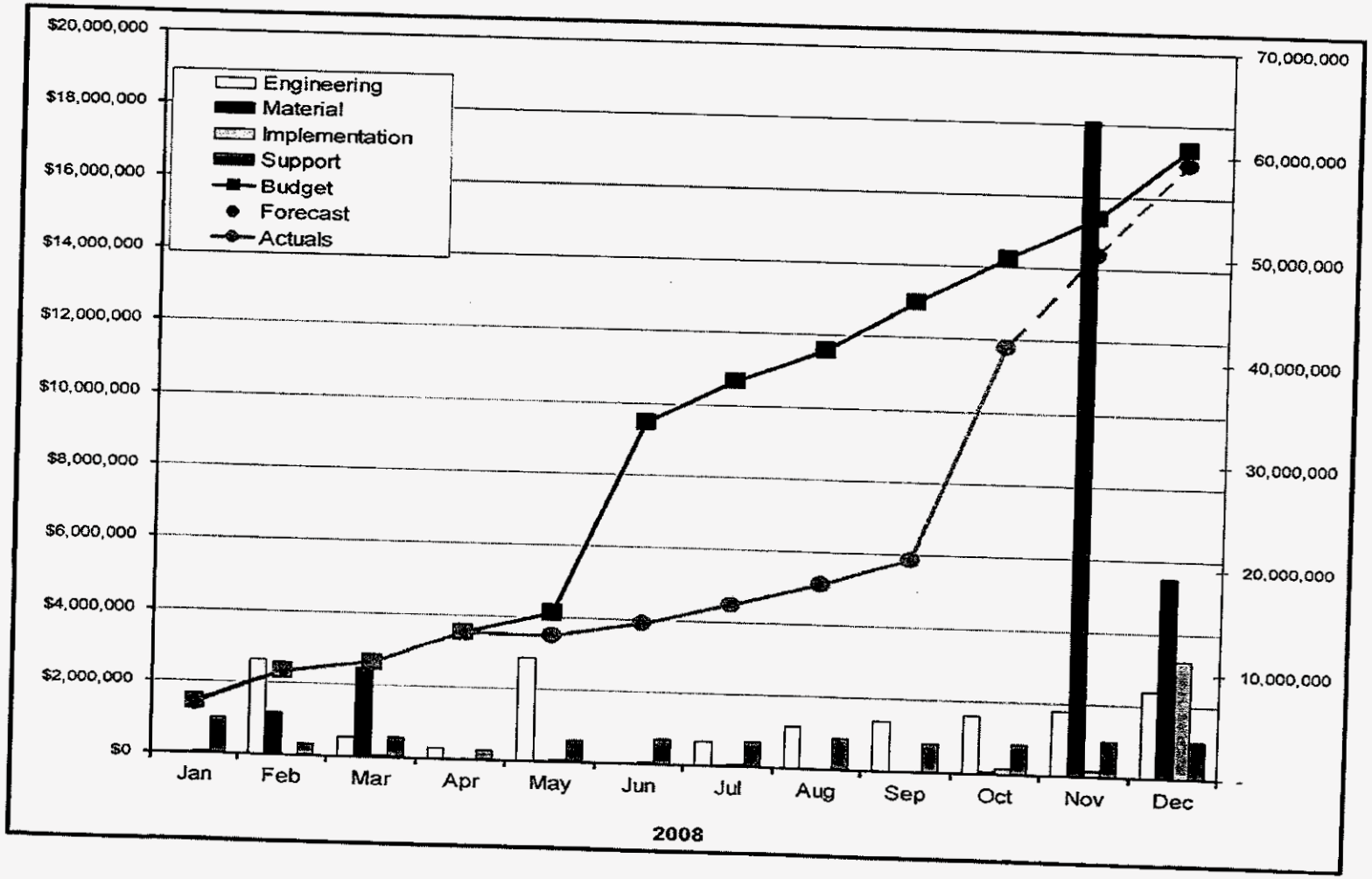
2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	685,087	1,179,192	1,352,132	1,591,699	1,811,300	-	-	12,130,087	-	12,130,087
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	-	-	21,866,772	-	21,866,772
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	-	-	601,509	-	601,509
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	583,450	862,147	807,423	842,222	-	-	6,668,166	-	6,668,166
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	-	-	-	-	-
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,646,949	15,575,836	17,798,432	20,356,963	41,266,534	41,266,534	41,266,534	41,266,534	-	41,266,534

FPL

Costs

Saint Lucie



FPL.

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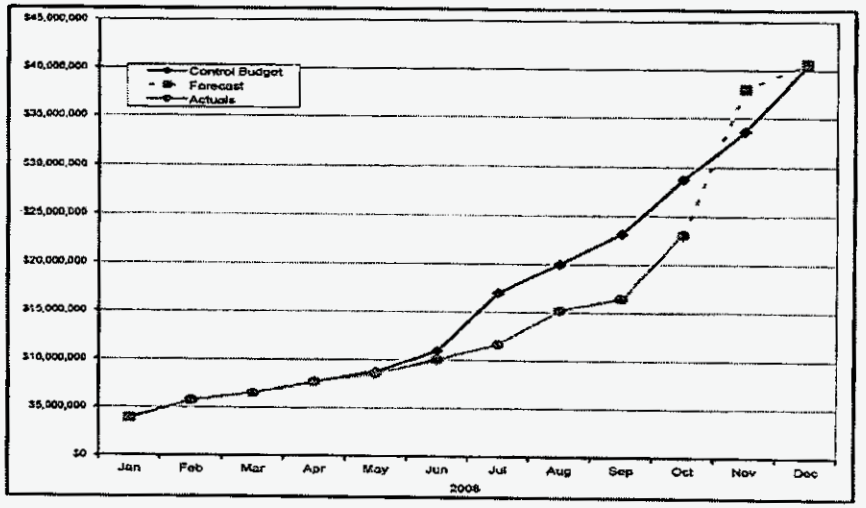
Costs

Turkey Point

PTN Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 10/31/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,547,139	30,300,000	3,000,000	-	48,847,139
Material	-	8,476,589	43,460,000	71,038,439	80,406,813	210,281,841
Implementation	-	3,028,565	18,616,000	89,628,820	230,770,231	342,043,616
FP & L	-	13,353,007	30,106,172	32,753,710	67,439,979	143,652,868
Contingency	-	-	-	-		-
Total	-	40,405,291	122,482,172	197,320,969	384,617,023	744,825,465

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	1,131,956	2,120,286	6,075,066	3,011,915	3,111,915	5,574,910	4,948,408	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,766,978	10,887,264	16,962,330	19,974,245	23,086,760	28,661,670	33,610,078	40,405,291	10,887,264	29,518,027	40,405,291
2008 Forecast															
Engineering	2,709,000	89,491	386,972	911,666	325,247	610,531	914,105	2,698,098	89,475	2,049,576	912,209	883,195	10,784,162	1,795,433	12,579,595
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,628,153	12,385,272	59,850	5,674,741	12,445,122	18,019,863
Implementation	90,755	15,571	26,791	19,849	134,522	63,287	43,593	15,100	95,685	107,226	581,845	581,846	612,179	1,163,291	1,775,470
FP & L	687,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	956,607	759,088	1,100,507	1,101,976	6,000,313	2,202,482	8,202,796
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,945	790,443	1,197,413	890,173	1,457,307	1,583,692	3,603,390	1,259,768	6,542,042	14,979,882	2,626,868	22,971,395	17,606,328	40,577,723
Cumulative Total	3,895,223	5,647,168	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,584	16,429,352	22,971,394	37,951,067	40,577,723			

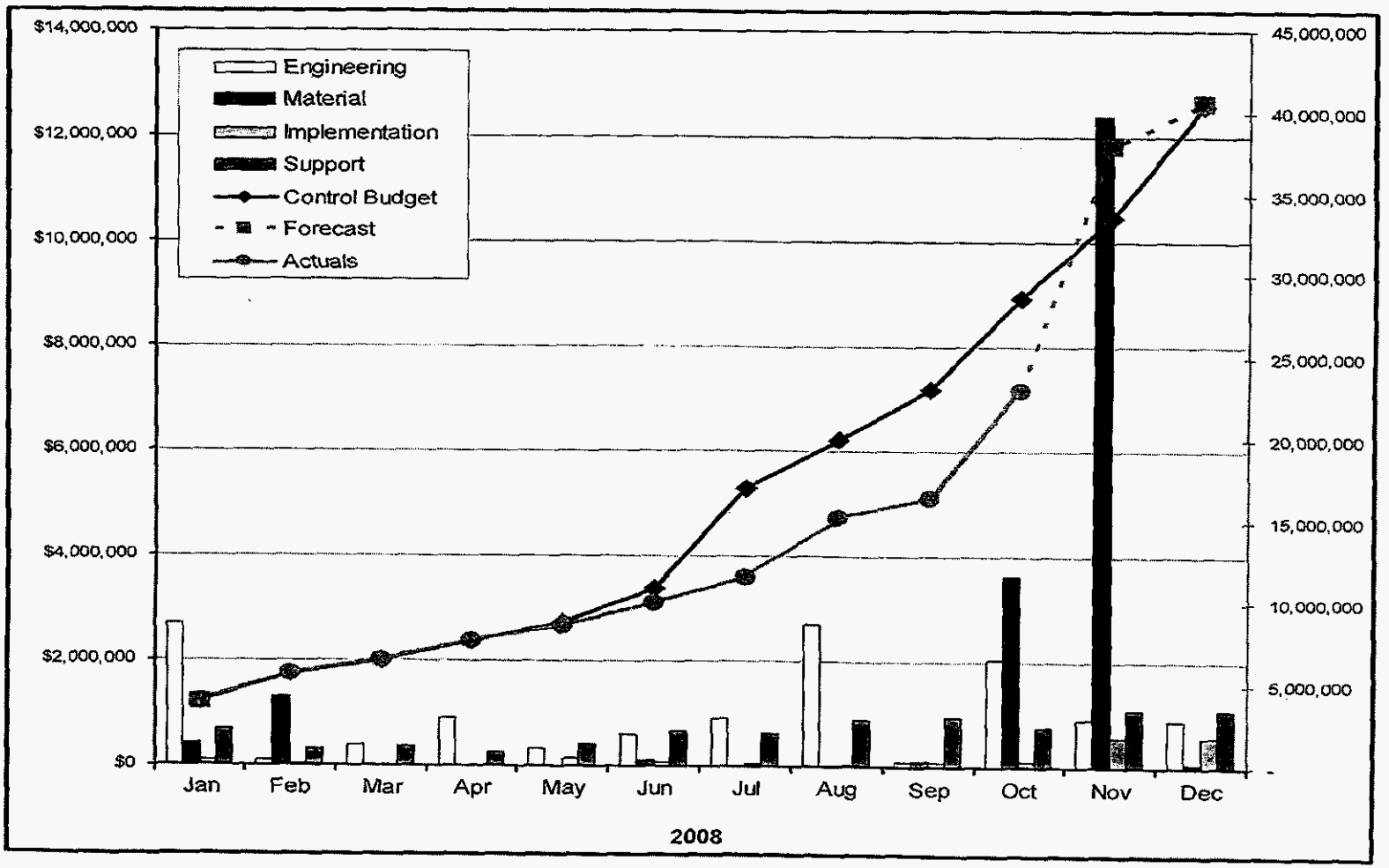
September 2008 forecasted activities:
Siemens $3.6M (Contract award 10%)

2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	2,709,000	89,491	386,972	911,666	325,247	610,531	914,105	2,698,098	89,475	2,049,576	-	-	10,784,162	1,795,433	12,579,595
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,628,153	-	-	5,674,741	12,445,122	18,019,863
Implementation	90,755	15,571	26,791	19,649	134,522	63,286	43,593	15,100	95,685	107,226	-	-	612,178	1,163,291	1,775,469
FP & L	687,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	956,607	759,088	-	-	6,000,313	2,202,482	8,202,796
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,946	790,443	1,197,413	890,173	1,457,306	1,583,692	3,603,390	1,259,768	6,542,042	-	-	22,971,394	17,606,328	40,577,722
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,584	16,429,352	22,971,394	22,971,394	22,971,394			

FPL

Costs

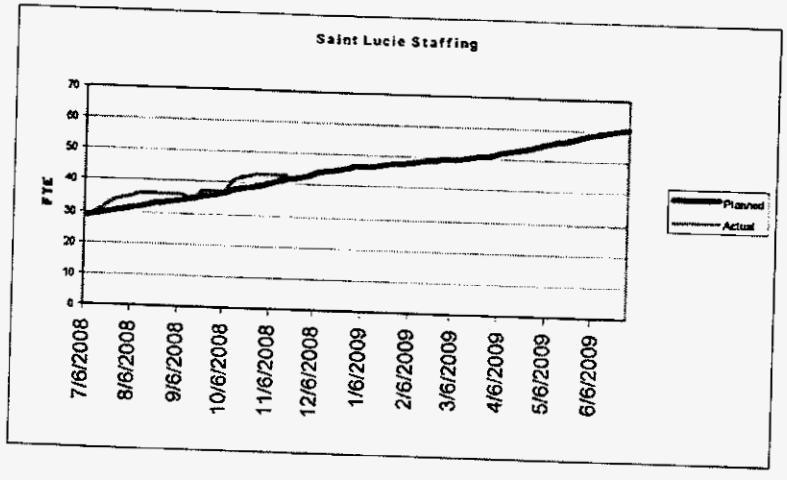
Turkey Point

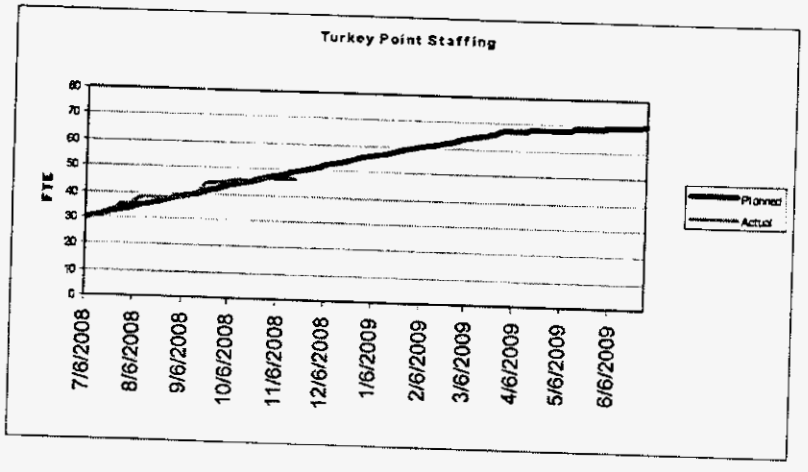


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EPU Staffing





Challenges

- **Need Key Station personnel (e.g. Operations, Training, Maintenance) assigned to the project**

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DR 1.10
PAGES 3, 8-13



Extended Power Uprates
Bi-Weekly Update
(PSL & PTN)

December 8, 2008

Agenda

- **Regulatory Filings**
  - PSL LAR Challenges
  - PTN LAR Challenges
  - SCA Status
- **Pre-Outage Milestones**
- **Risk Exposure and Mitigation**
  - Safety Analysis Mitigation Plan
  - Decision making process
  - High & Medium Risks
- **Status of Contracts**
- **Cost Tracking**
  - Status & Burn Curves
- **Staffing**
  - Status & Challenges

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PAGE 3

Regulatory – PTN LAR

PTN Challenges

- **Current containment peak pressure Analysis of Record for PTN is incorrect due to errors identified in the COCO model**
  - WEC prepared matrix identifying the relative benefit of each potential containment analysis change - Complete
  - Provide draft revised containment heat sink input to WEC for their use by 12/22/08.
  - Perform a feasibility and scoping assessment of the RWST chiller concept (including benchmarking) by 1/10/09
  - Provide update Containment analysis input parameters based on modifications by 1/31/09

Regulatory – PSL & PTN LAR (Overall on Track)

PSL & PTN EPU LAR Milestones

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/17/09
Complete large break LOCA analysis	6/22/09	7/6/09	7/13/09
W issue NSSS License Section to FPL	6/30/09	7/31/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	7/31/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/17/09	9/16/09
FPL Complete Draft License Amendment	7/17/09	8/10/09	10/08/09
Complete Site Review License Amendment	8/14/09	9/08/09	11/09/09
Complete Corporate Review License Amendment	8/21/09	9/15/09	11/23/09
Submit LAR to NRC	9/1/09	10/1/09	12/01/09
FLOAT	0	- 4 Days	-16 Days

Regulatory – Environmental (Site Certification Application)

- **PSL Order Issued on 9/17/08**
  - Change Management Plan issued to implement new requirements and will be tracked by CR

Item No.	Description	Status
1	Benchmark other FPL Plant with similar CoC – Completed 8/20/08 with visit to Martin Plant.	Complete
2	Revise PSL Environmental Reporting Procedure to reflect new CoC compliance reporting – Route for review and approval	Complete
3	Issue letters to PSL Engineering and Project Management regarding CoC impacts. (Complete)	Complete
4	Implement compliance tracking system for PSL populated with CoC reporting requirements	Target final implementation 1/16/09
5	Facilitate Training - Licensing, Chemistry, Land Utilization concerning pertinent CoC requirements	Target 1/16/09
6	Coordinate with Site EPU Engineering, PSL Engineering, and Project Management to ensure incorporation of appropriate procedures and continuing training programs	Target 1/16/09
7	Implement compliance effectiveness monitoring program	Target 1/16/09

- **PTN Order Issued on 10/29/08**
  - FPL has 180 days (4/29/08) to develop a new South Florida Water Management (SFWMD) agreement for the monitoring of the cooling canals.
    - -- FPL had their initial meeting with the Agencies on November 20, 2008. (very general discussion about the existing monitoring in the plant area)
    - -- The second meeting is scheduled for December 15, 2008.
  - Major Change Management Plan in development and will be tracked by CR

Outage Milestones

St. Lucie

PSL U1R23 Spring 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Sep 08	-12M	5 Jul 09	-6M	5 Oct 09	-6M	5 Oct 09	-3M	5 Jan 10	-2M	5 Feb 10	-3M	5 Jan 10
Schedule		12 Sep 08 (A)		23 Jun 09		15 Jun 09		17 Feb 09		14 Aug 09		30 Jul 09		5 Jan 10

PSL U1R24 Fall 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Mar 10	-12M	1 Oct 10	-6M	1 Apr 11	-6M	1 Apr 11	-3M	1 Jul 11	-2M	1 Aug 11	-3M	1 Jul 11
Schedule		8 Mar 10		12 May 10		23 Aug 10		11 May 10		23 Jun 10		22 Jun 11		1 Jul 11

PSL U2R19 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	15 Apr 09	-12M	15 Nov 09	-6M	15 May 10	-6M	15 May 10	-3M	15 Aug 10	-2M	15 Sep 10	-3M	15 Aug 10
Schedule		15 Apr 09		6 Oct 09		29 Dec 09		10 Nov 09		17 Nov 09		12 Aug 10		15 Aug 10

PSL U2R20 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Oct 10	-12M	1 May 10	-6M	1 Nov 11	-6M	1 Nov 11	-3M	1 Feb 12	-2M	1 Mar 12	-3M	1 Feb 12
Schedule		1 Oct 10		30 Jun 10		22 Sep 10		25 Jun 10		11 Aug 10		11 Feb 12		1 Feb 12

Turkey Point

PTN U3R25 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B" ("Recovery Milestones)		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site ("Recovery Milestones)		Ready To Work	
Target	-18M	26 Feb 09	-12M	26 Dec 09	-6M	26 Mar 10	-6M	26 Mar 10	-3M	25 Jun 10	-2M	29 Jun 10	-3M	27 Jun 10
Schedule		26 Feb 09		12/17/2009		4 Feb 10		11 Dec 09		29 Jan 10		* 18 JUN 10		26 Jun 10

PTN U3R26 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Aug 10	-12M	5 Sep 10	-6M	5 Sep 11	-6M	5 Sep 11	-3M	5 Dec 11	-3M	5 Dec 11	-3M	5 Dec 11
Schedule		5 Aug 10		23 Aug 10		5 Sep 11		5 Sep 11		5 Dec 11		5 Dec 11		5 Dec 11

PTN U4R26 Spring 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	25 Sep 09	-12M	25 Apr 10	-6M	25 Oct 10	-6M	25 Oct 10	-3M	25 Jan 11	-3M	25 Jan 11	-3M	25 Jan 11
Schedule		25 Sep 09		15 Apr 10		18 Jun 10		25 Oct 10		25 Jan 11		11 Jan 11		25 Jan 11

PTN U4R27 Fall 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	22 Mar 11	-12M	22 Apr 11	-6M	22 Apr 12	-6M	22 Apr 12	-3M	22 Jul 12	-3M	22 Jul 12	-3M	22 Jul 12
Schedule		22 Mar 11		18 Jan 11		22 Apr 12		22 Apr 12		22 Jul 12		1 Jun 12		22 Jul 12

Schedule is not past Target.
Schedule is past Target and can Recover.

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PAGES 8-13

Contract Status – Bechtel

- **Bechtel Status**
  - 18 at PSL; 19 at PTN
  - Scoping and Walkdowns in progress
  - Process Reviews underway
  - ISFSI Pad Location determination- meeting planned for 12/9/08
  - Jupiter West Space

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Budget & Cost Summary

Saint Lucie Cost Summary - 2008

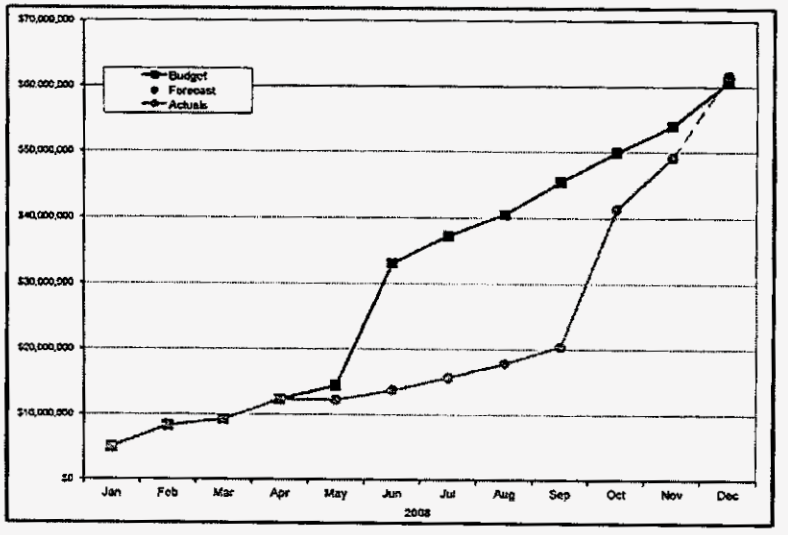
PSL Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 11/30/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget over/underrun < 5% of actual	Forecast budget over/underrun between 5% and 10%	Forecast budget over/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	17,489,877	42,169,854	56,204,104	74,822,310	190,686,145
Material	-	31,385,748	39,271,486	75,112,106	94,481,081	240,250,421
Implementation	-	3,885,984	3,927,235	59,743,042	70,548,876	138,105,137
FP & L	-	8,878,285	18,690,000	24,783,081	34,983,135	87,334,501
Contingency	-	-	-	-	-	-
Total	-	61,649,894	104,058,575	215,842,333	274,835,602	656,388,204



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,235	45,400,567	49,859,899	53,914,231	60,711,563	53,914,231	6,797,332	60,711,563
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	To-Date	To Go	Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	1,591,699	1,811,300	3,051,290	2,318,300	15,181,377	2,318,300	17,499,677
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	337,615	9,181,360	22,204,387	9,181,360	31,385,748
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	3,189,476	95,000	3,790,984	95,000	3,885,984
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	807,423	842,222	1,189,729	1,020,390	7,857,895	1,020,390	8,878,285
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	7,768,109	12,615,050			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	41,266,534	49,034,644	61,649,694	49,034,644	12,615,050	61,649,694

December 2008 forecasted activities:

Long Lead Material Contract Awards - MSR, TCW Hx, FW Heaters, CW Pumps

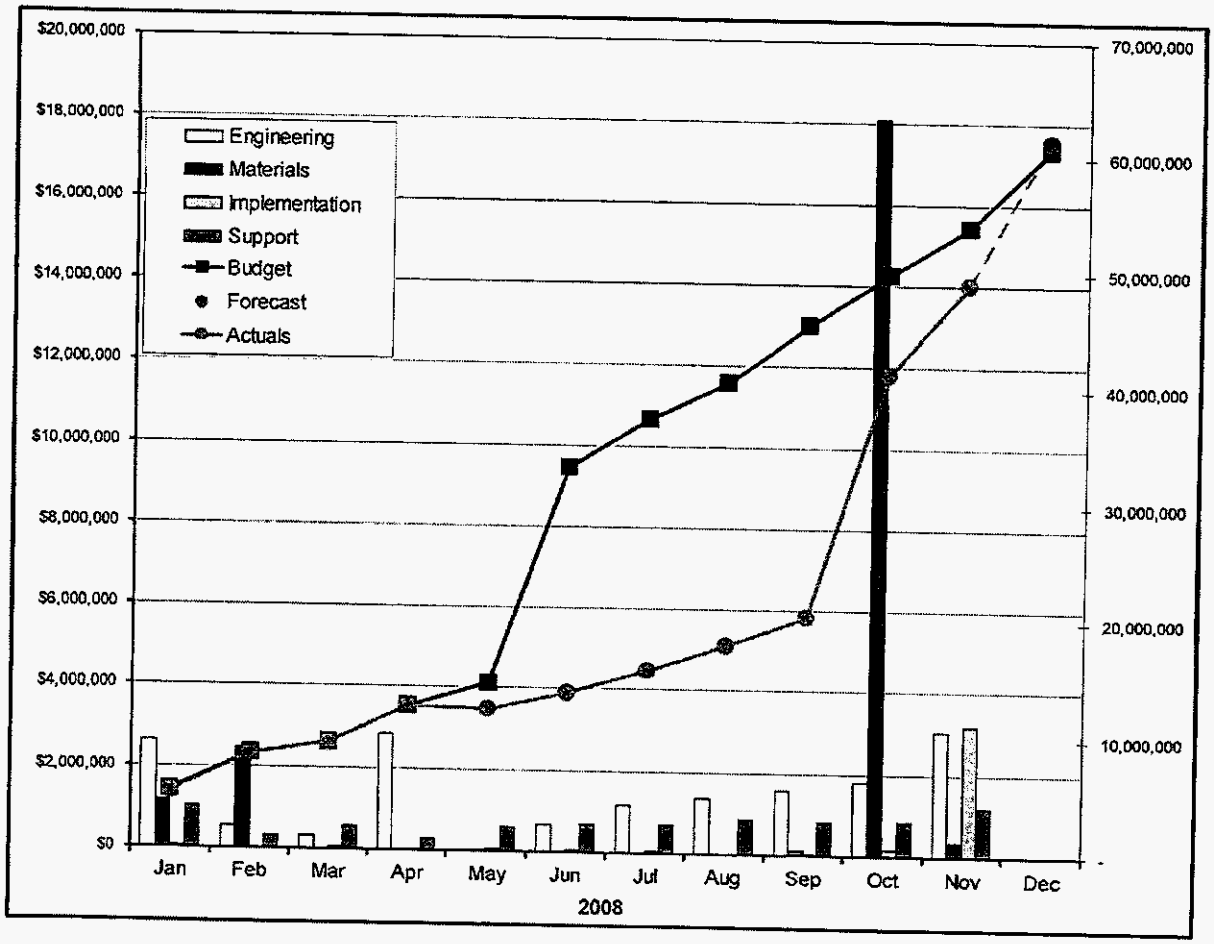
2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	1,591,699	1,811,300	3,051,290	-	15,181,377	-	15,181,377
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	337,615	-	22,204,387	-	22,204,387
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	3,189,476	-	3,790,984	-	3,790,984
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	807,423	842,222	1,189,729	-	7,857,895	-	7,857,895
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	7,768,109	-			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	41,266,534	49,034,644	49,034,644	49,034,644	-	49,034,644

FPL.

Costs

Saint Lucie



FPL

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Costs

Turkey Point

PTN Extended Power Uprate (EPU) Project

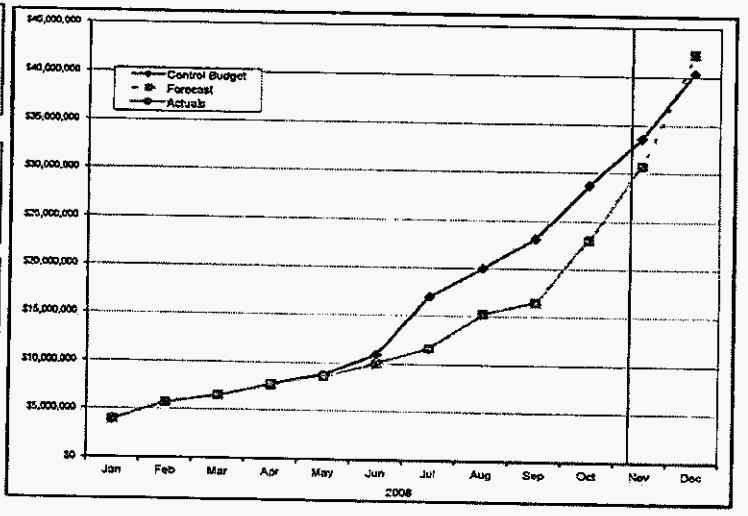
Account #:066730

Data As Of: 11/30/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun +/- 3% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,547,139	30,300,000	3,000,000	-	48,847,139
Material	-	6,475,589	43,460,000	71,936,439	86,405,813	216,291,841
Implementation	-	3,028,565	18,618,000	89,626,820	230,770,231	342,043,616
FP & L	-	19,353,087	30,106,172	32,753,710	67,439,975	149,652,868
Contingency	-	-	-	-	-	-
Total	-	46,405,291	122,482,172	197,320,988	384,617,023	744,825,466



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (Includes approved scope changes)															
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	1,131,956	2,120,386	6,075,666	3,011,915	3,111,915	5,574,910	4,948,408	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,766,978	10,887,364	16,962,930	19,974,846	23,086,760	28,661,670	33,610,078	40,405,291	23,610,078	6,795,213	40,405,291
2008 Forecast															
Engineering	2,709,000	89,491	386,972	911,866	325,247	610,531	914,105	2,699,098	89,475	2,049,576	1,146,244	883,195	11,930,406	883,195	12,813,601
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,526,153	4,449,422	9,032,106	10,024,164	9,032,106	19,056,269
Implementation	90,755	15,571	26,791	19,649	134,522	53,265	43,593	15,100	95,685	107,226	566,544	581,646	1,178,722	581,646	1,760,367
FP & L	587,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	956,607	759,088	1,522,211	1,101,976	7,622,624	1,101,976	8,624,600
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,945	790,443	1,197,413	890,173	1,457,306	1,583,692	3,603,390	1,259,768	6,542,042	7,684,421	11,598,922	30,655,816	11,598,922	42,254,738
Cumulative Total	3,895,223	5,647,168	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,585	16,429,352	22,971,394	30,655,815	42,254,738			

December 2008 forecasted activities:
TEI $9M (Contract award 10%)

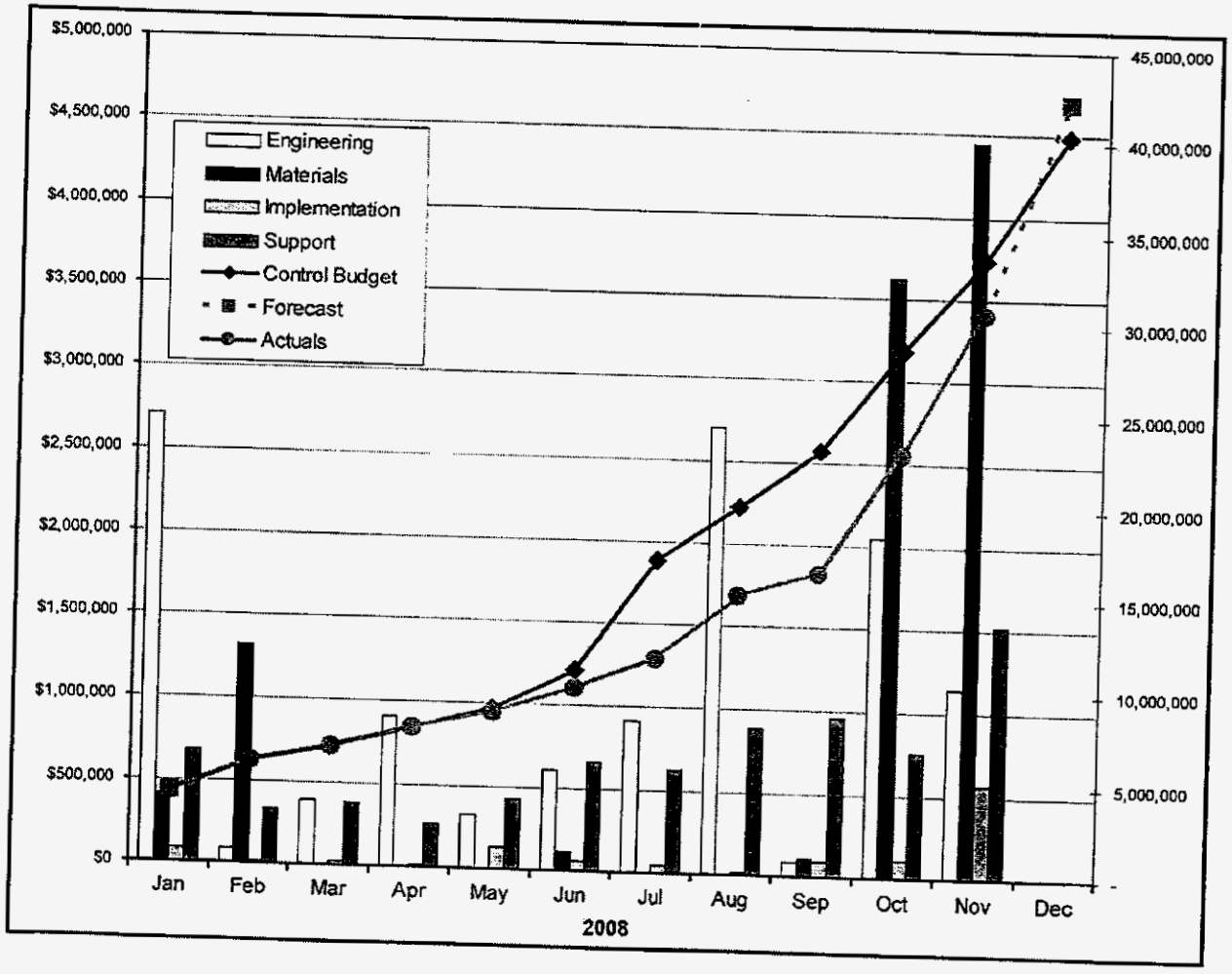
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
2008 Actuals															
Engineering	2,709,000	89,491	386,972	911,866	325,247	610,531	914,105	2,699,098	89,475	2,049,576	1,146,244	-	11,930,406	883,195	12,813,601
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,526,153	4,449,422	-	10,024,164	9,032,106	19,056,270
Implementation	90,755	15,571	26,791	19,649	134,522	53,265	43,593	15,100	95,685	107,226	566,544	-	1,178,722	581,646	1,760,367
FP & L	587,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	956,607	759,088	1,522,211	-	7,622,624	1,101,976	8,624,600
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,945	790,443	1,197,413	890,173	1,457,306	1,583,692	3,603,390	1,259,768	6,542,042	7,684,421	-	30,655,815	11,598,922	42,254,737
Cumulative Total	3,895,223	5,647,168	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,584	16,429,352	22,971,394	30,655,815	30,655,815			

FPL

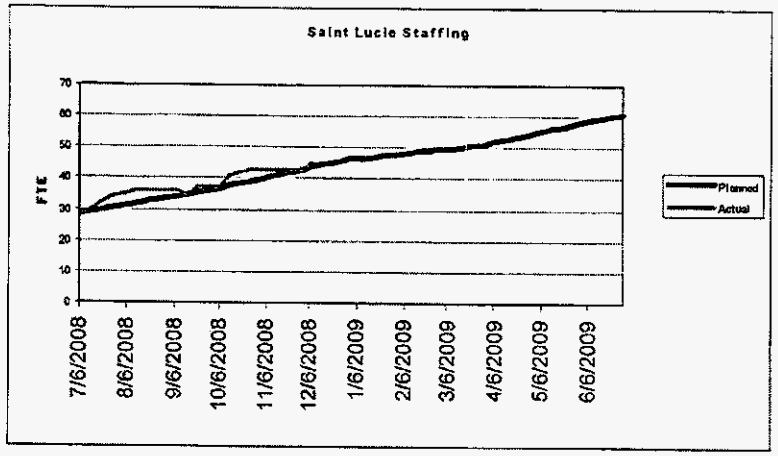
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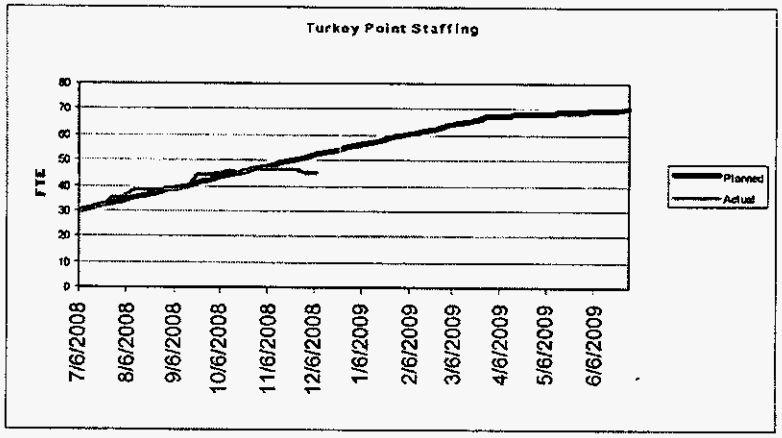
Costs

Turkey Point



EPU Staffing





Challenges

- **Station Engagement Plan approval**

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PAGES 3, 6, 8-9, 17-20,
23-27, 39-44



Extended Power Uprates
Bi-Weekly Update
(PSL & PTN)

November 10, 2008

Agenda

- **Regulatory Filings**
  - NRC LARs
  - Environmental
  - Nuclear Cost Recovery
- **PSL Outage Status**
- **Outage Preparations**
  - Milestone Status
  - Inspections
  - Mod Engineering
- **Risk Exposure and Mitigation**
  - Decision making process
  - High & Medium Risks
  - New Risks
- **Long Lead Procurement**
- **Status of Contracts**
- **Cost Tracking**
  - Status & Burn Curves
  - Challenges
- **Staffing**
  - Status
  - Challenges
- **Routine Meetings**

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PAGE 3

Regulatory – PSL & PTN LAR

- **LAR for PTN & PSL**
  - Developed integrated Westinghouse and Shaw FPL schedule and Milestones
  - Used for tracking performance
  - Milestones shown in table (next slide)

- **Current Issues**
  - Westinghouse and Shaw manpower staffing
  - PTN Containment Analysis of Record issue



Regulatory – PTN LAR

PTN Challenges

- **Current containment peak pressure Analysis of Record for PTN is incorrect due to errors identified in the COCO model (utilizing the current methodology and modeling assumptions, the projected uprate peak pressure would be greater than containment design pressure). Possible solutions are as follows:**
  - Improving the containment initial condition and heat sink modeling assumptions
  - Utilize COBRA\TRAC for LOCA Mass and Energy releases
    - -- This methodology requires NRC review and approval (currently under NRC Review)
  - A formal Risk Mitigation plan is being developed and will be approved by 11/11/08

- **Potential for excessive steam generator moisture carryover (MCO) at uprated conditions**
  - Predicted MCO in excess of design limit without steam generator modifications (mid-deck plate and separator vane replacement)
  - A formal Risk Mitigation plan has been developed for this issue

Safety Analyses mitigation

- **Identify marginal safety analyses and system/components in advance of performing analyses**
  - Input from Stone & Webster, Westinghouse, Areva and Siemens
  - Lessons learned from Point Beach and other sites
  - "Top Ten" issues list discussed weekly
- **Include in risk matrices with mitigation plans as appropriate**
- **In advance, develop process to communicate analysis issues to various levels of Nuclear Division management based on significance**



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Regulatory – PSL & PTN LAR

PSL & PTN EPU LAR Milestones

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/22/09
Complete large break LOCA analysis	6/22/09	7/6/09	7/9/09
W issue NSSS License Section to FPL	6/30/09	6/30/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	8/3/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/17/09	9/2/09
FPL Complete Draft License Amendment	7/17/09	8/10/09	9/14/09
Complete Site Review License Amendment	8/14/09	9/08/09	10/05/09
Complete Corporate Review License Amendment	8/21/09	9/15/09	10/28/09
Submit LAR to NRC	9/1/09	10/1/09	12/1/09

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PAGE 8-9

Regulatory - Environmental

Environmental - SCA Status

- **PSL Order Issued on 9/17/08**
  - Change Management Plan issued to implement new requirements.
  - A Matrix has been prepared to capture the Conditions of Certifications.
- **PTN Order Issued on 10/29/08**
  - FPL now has 180 days to develop a new South Florida Water Management (SFWMD) agreement for the monitoring of the cooling canals.
  - Miami Dade County and Florida Department of Environmental Protection will participate in the discussions of the new agreement and approval.
  - Change Management Plan in development.
  - A Matrix is being prepared to capture the Conditions of Certifications.



Regulatory – Cost Recovery

Nuclear Cost Recovery

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/23/08 (a)
Staff Testimony	8/6/08 (a)
Rebuttal Testimony	8/21/08 (a)
Discovery Completed	9/3/08 (a)
Hearings	*9/11/08, 9/12/08, 9/17/08, 9/18/08(a)
Staff Recommendations	10/02/08(a)
Issue Order	**10/14/08(a)
2008 True-up filing	3/1/09

* Only one hearing session required

** Full requested dollar amount approved for recovery by unanimous Commissioner vote

Outage Inspections – Required for Prep of mod packages

PSL1-22

- **Inspection Scope:**
  - Condenser and Water boxes
  - Main Generator, PTs, and CTs
  - Voltage Regulator Cabinet
  - 6.9KV and 480V Switchgear
  - Conduit and cable trays
  - Iso-phase Coolers
  - EHC Pumps

- **Completed; No issues identified**

Outage Milestones

St. Lucie

PSL U1R23 Spring 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Sep 08	-12M	5 Jul 09	-6M	5 Oct 09	-6M	5 Oct 09	-3M	4 Jan 10	-2M	5 Feb 10	-3M	5 Jan 10
Schedule		12 Sep 08 (A)		5 Jul 09		25 Jun 09		10 Jul 09		19 Aug 09		3 Feb 10		5 Jan 10

PSL U1R24 Fall 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Mar 10	-12M	1 Oct 10	-6M	1 Apr 11	-6M	1 Apr 11	-3M	1 Jul 11	-2M	1 Aug 11	-3M	1 Jul 11
Schedule		1 Mar 10		23 Apr 10		26 Jul 10		20 Apr 10		4 Jun 10		2 Jun 11		1 Jul 11

PSL U2R19 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	15 Apr 09	-12M	15 Nov 09	-6M	15 May 10	-6M	15 May 10	-3M	15 Aug 10	-2M	15 Sep 10	-3M	15 Aug 10
Schedule		15 Apr 09		10 Nov 09		2 Feb 10		15 Dec 09		22 Dec 09		31 Aug 10		15 Aug 10

PSL U2R20 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	1 Oct 10	-12M	1 May 10	-6M	1 Nov 11	-6M	1 Nov 11	-3M	1 Feb 12	-2M	1 Mar 12	-3M	1 Feb 12
Schedule		1 Oct 10		30 Jun 10		22 Sep 10		25 Jun 10		11 Aug 10		31 Oct 11		1 Feb 12

Turkey Point

PTN U3R25 Fall 2010

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B" ("Recovery Milestones)		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site (* Recovery Milestones)		Ready To Work	
Target	-18M	27 Feb 09	-12M	26 Dec 09	-6M	27 Mar 10	-6M	27 Mar 10	-3M	27 Jun 10	-3M	29 Jun 10	-3M	27 Jun 10
Schedule		26 Feb 09		*22 Dec 09		22 Feb 10		17 Dec 09		2 Feb 10		* 9 Sep 10		26 Jun 10

PTN U3R26 Spring 2012

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	5 Aug 10	-12M	5 Sep 10	-6M	5 Sep 11	-6M	5 Sep 11	-3M	5 Dec 11	-3M	5 Dec 11	-3M	5 Dec 11
Schedule		5 Aug 10		29 Aug 10		5 Sep 11		5 Sep 11		5 Dec 11		5 Dec 11		5 Dec 11

PTN U4R26 Spring 2011

	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	26 Sep 09	-12M	26 Apr 10	-6M	26 Oct 10	-6M	26 Oct 10	-3M	26 Jan 11	-3M	26 Jan 11	-3M	26 Jan 11
Schedule		25 Sep 09		30 Mar 10		22 Jun 10		25 Oct 10		25 Jan 11		11 Jan 11		25 Jan 11

PTN U4R27 Fall 2012

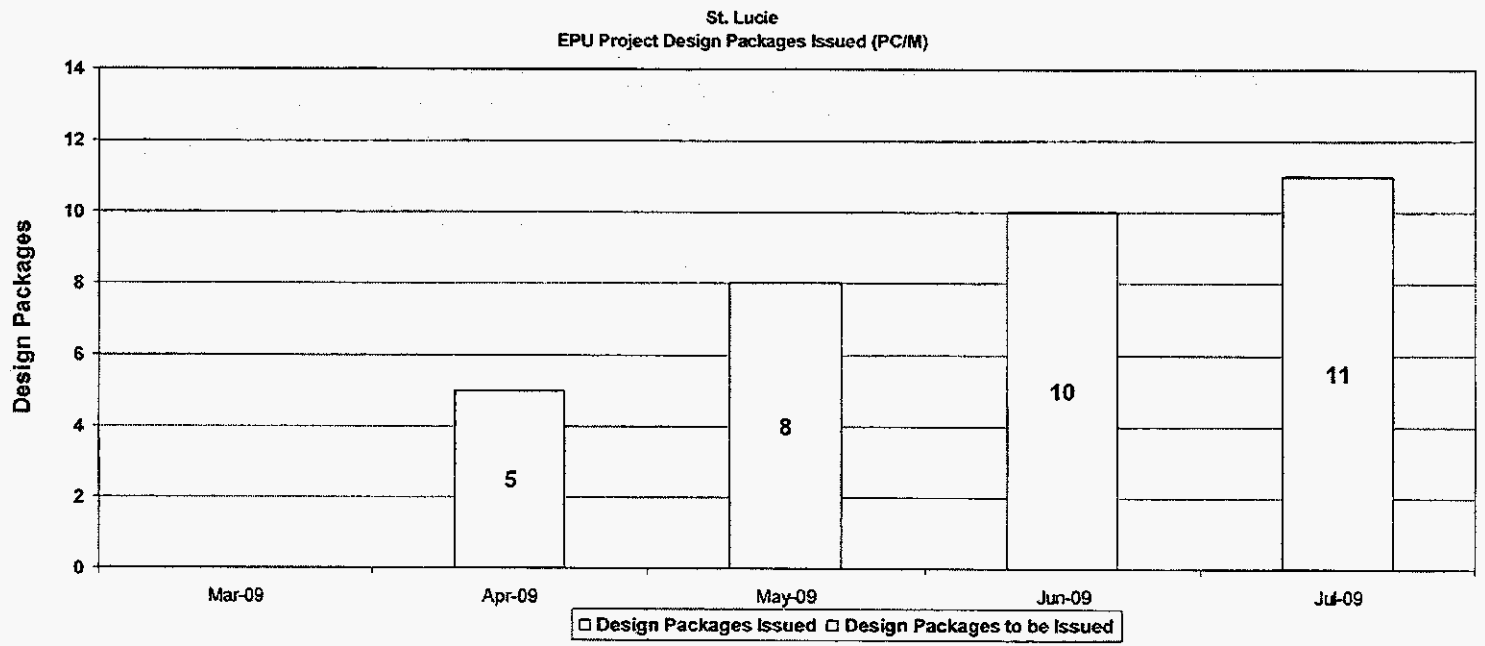
	Identify Outage Scope		Complete Design Changes		Issue Outage Schedule Rev "B"		All Work Packages Complete		All Procedures Completed / Approved		All Material On Site		Ready To Work	
Target	-18M	23 Mar 11	-12M	23 Apr 11	-6M	23 Apr 12	-6M	23 Apr 12	-3M	23 Jul 12	-3M	23 Jul 12	-3M	23 Jul 12
Schedule		22 Mar 11		2 Dec 10		22 Apr 12		22 Apr 12		22 Jul 12		1 Jun 12		22 Jul 12

Schedule is not past Target.
Schedule is past Target and can Recover.

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Outage Milestones

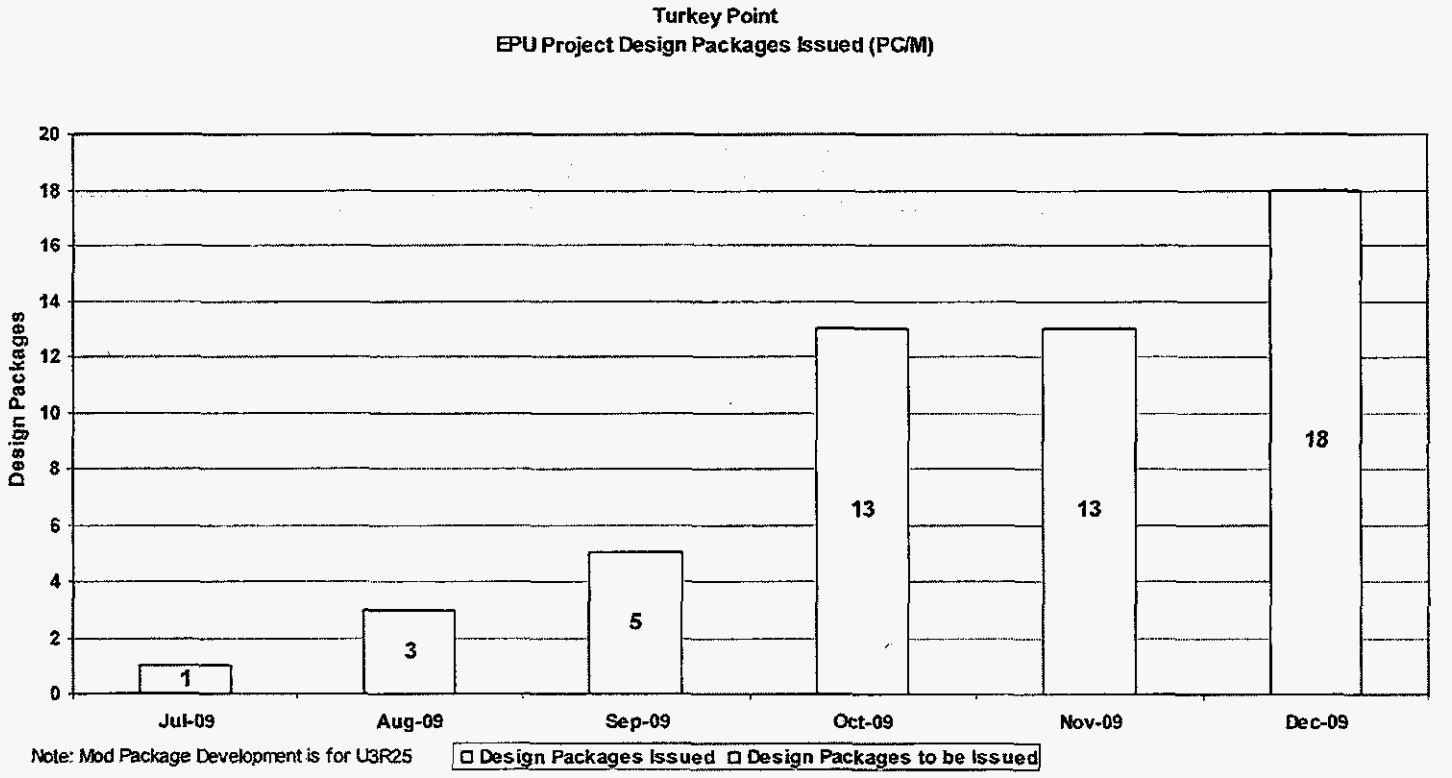
Mod Package Development



Note: Design Package development is for U1R23 (Spring 2010) only.

Outage Milestones

Mod Package Development



FPL

Risk – Decision Making Process

- All project personnel are encouraged to identify potential risks to the project
- The Risk is assessed by the EPU management team utilizing the impact assessment tool below:

Probability Impact Diagram

Impact									Impact Level	Probability				
										<5%	>5% <20%	>20% <50%	>50% <80%	>80%
MW Output	In-Year Cost	Economic	Programatic	Safety	Security	Legal	Reputation	Environ-ment		Very Unlikely	Unlikely	Possible	Likely	Very Likely
No loss	Increase <3% or <$1k	<$50k	Material consequences. No effect on Critical Path.	Near Miss	Minor Regulation Breach. No Reporting Required	Clarifying Statement	Minor Local Reputational Damage	Short Term Local Damage	Negligible					MEDIUM
Loss <1MWe	Increase >2%, <5% or >$1k, <$x	>$50k, <$250k	Moderate threat, may require minor redesign or rework. Minor impact to Critical path intermediate milestones but no impact on completion milestones.	Multiple Near Misses	Regulation Breach. Reporting Not Formally Required	Small Fine	Major Local Reputational Damage	Short Term Regional Damage	Marginal				MEDIUM	MEDIUM
Loss 1-2MWe	Increase >5%, <10% or >$x, <$x	>$250k, <$1m	Significant threat, would require redesign or significant remediation. Critical Path is impacted but completion milestone may be recovered at significant cost.	Minor Injury	Reportable Breach. May Result in Prosecution	Medium Fine	National Adverse Media Coverage	Long Term Local Damage	Significant			MEDIUM		
Loss 3-5MWe	Increase >10%, <15% or >$25k, <$100k	>$1m, <$10m	Technical Goals cannot be achieved. Serious threat to people, environment, regulatory requirements. Site or company strategic goals will not be met. Excessive schedule slip affects site	Major Injury	Reportable Breach. Resulting in Probable Prosecution	Large Fine	International Adverse Media Coverage <1yr	Long Term Widespread Damage	Critical	MEDIUM	MEDIUM			
Loss >5MWe	Increase >15% or >$100k	>$10m	Project cannot be completed. Cost estimates are unacceptable. Catastrophic threat to mission, environment or people.	Loss of Life	Reportable Breach. Resulting in Prosecution	Criminal Charges	International Adverse Media Coverage >1yr	Widespread Permanent Damage	Crisis	MEDIUM			VERY HIGH	VERY HIGH

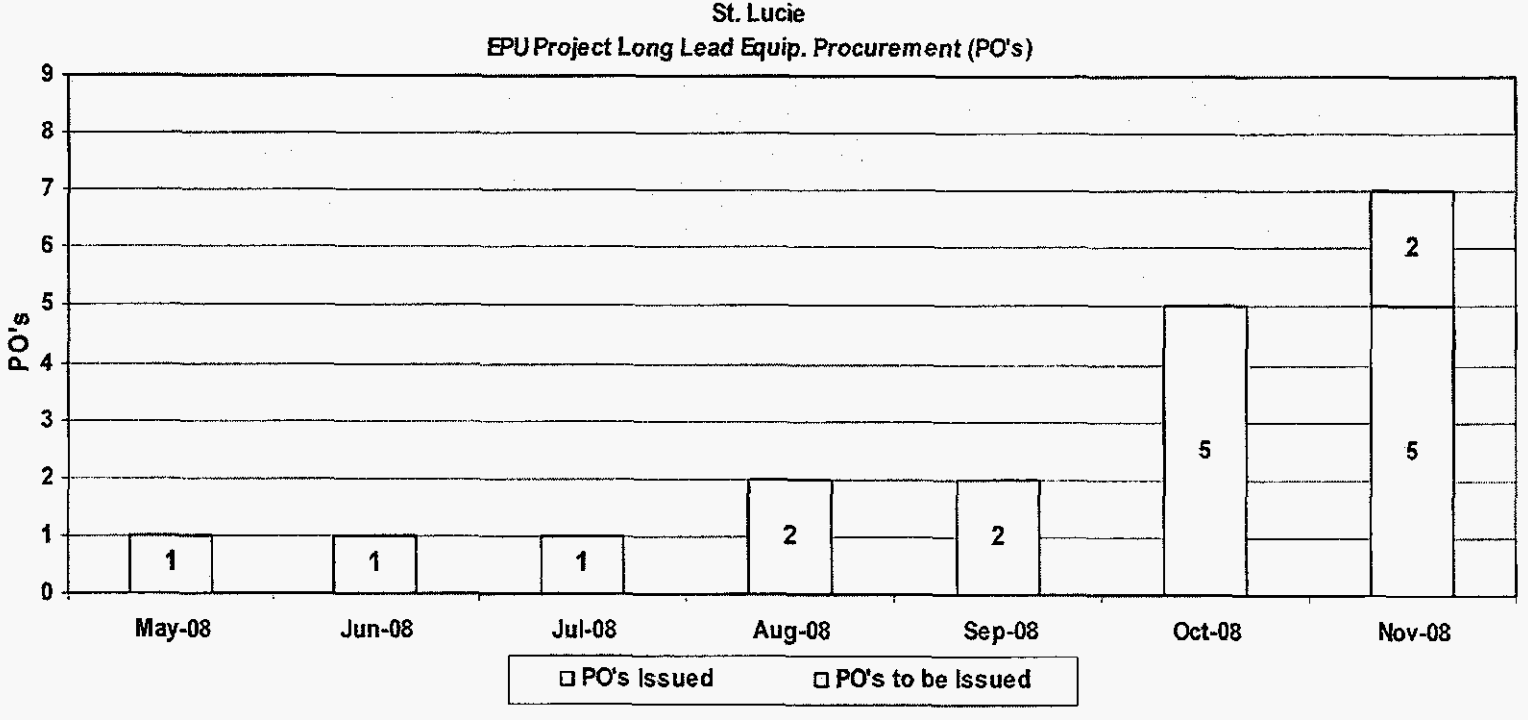
- A Management Owner and Mitigation Manager are assigned to develop mitigation plans and implement strategy
- High Risks require a formal plan reviewed and approved by the Risk Owner and Director, EPU Project

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PAGES 17-20

Long Lead Procurement

Saint Lucie

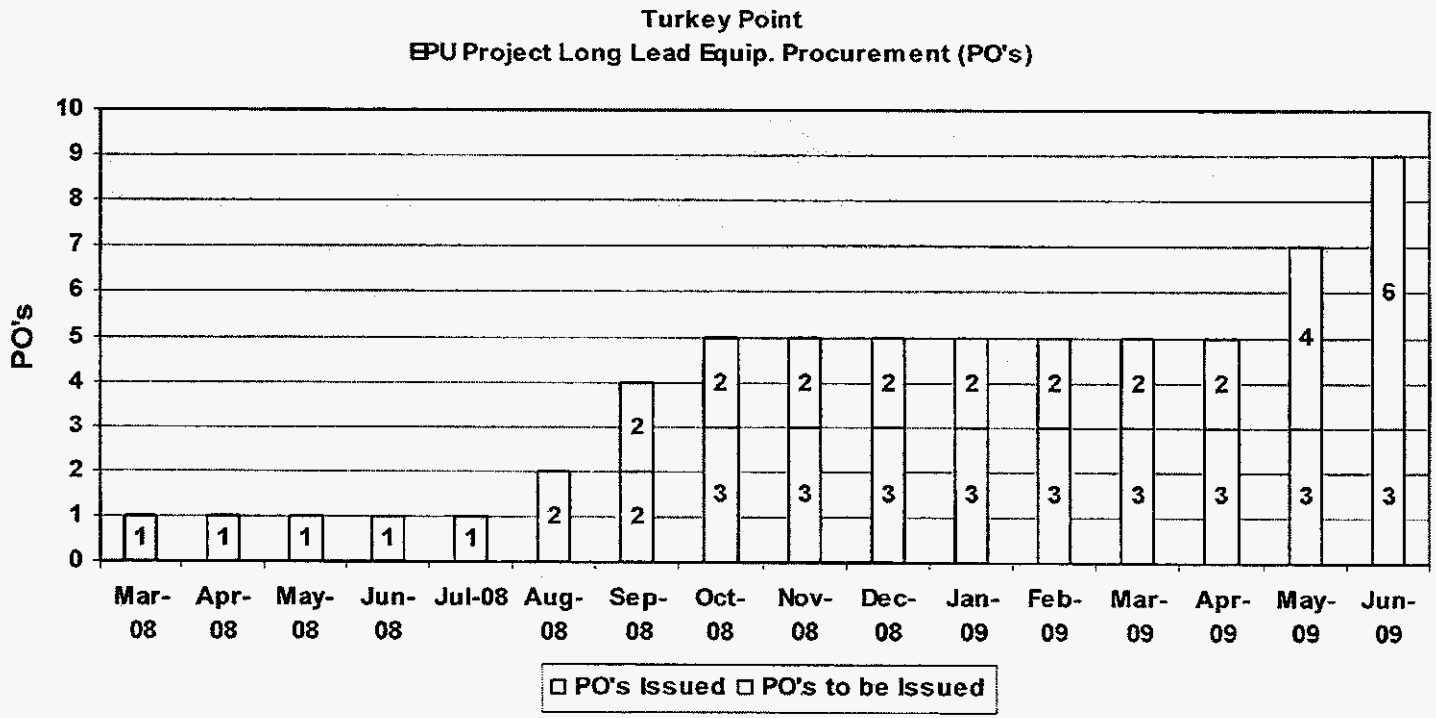


FPL

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Long Lead Procurement

Turkey Point



FPL.
FPSC Internal Controls Data Request DR 1-10
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REDACTED

PAGES 23-27

Long Lead Procurement

FPL

SAINT LUCIE

Major BOP Long Lead Equipment Milestones

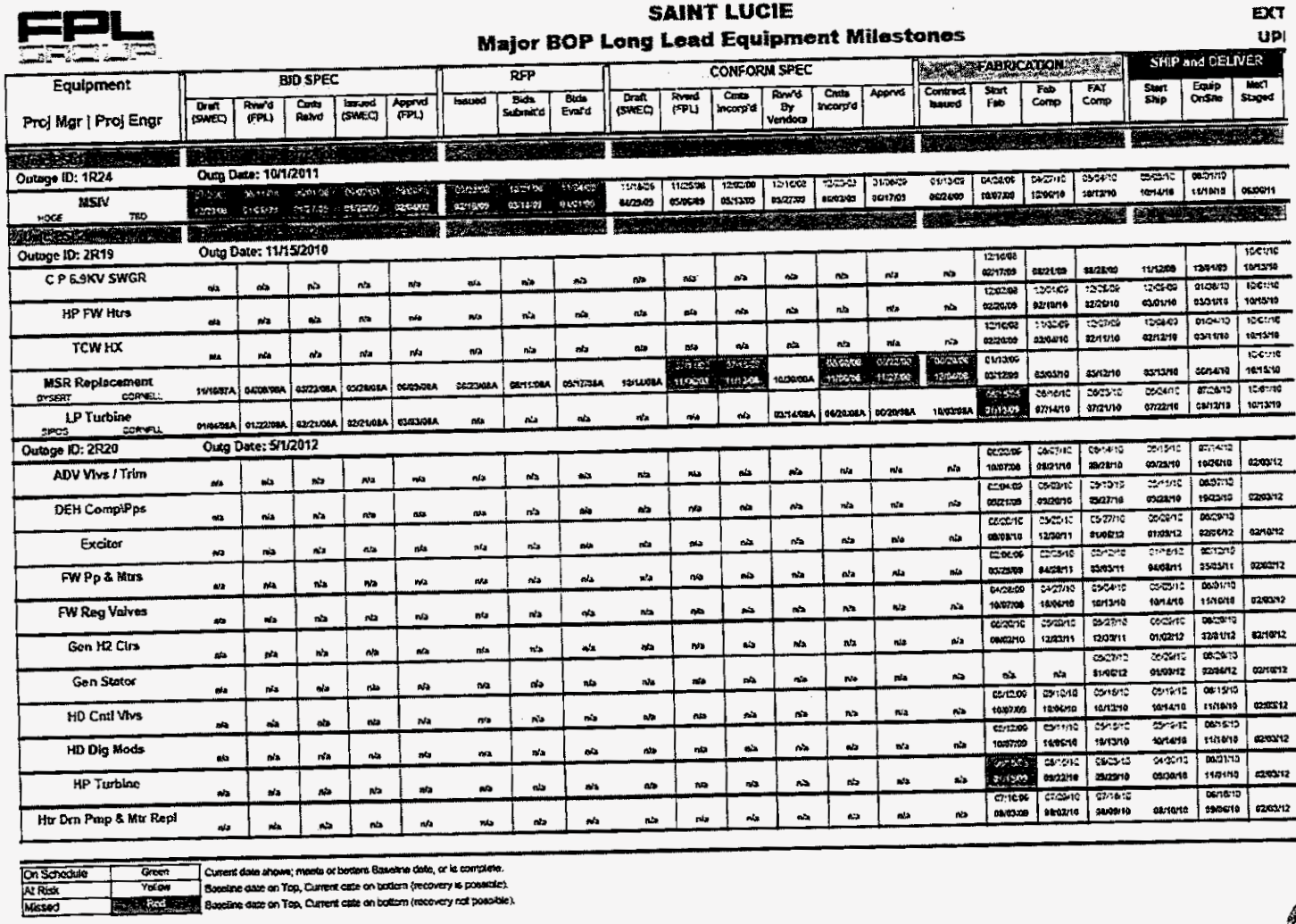
EXT
UPF

Equipment / Proj Mgr | Proj Engr	BID SPEC: Draft (SWEC)	BID SPEC: Rvw'd (FPL)	BID SPEC: Cmts Rslvd	BID SPEC: Issued (SWEC)	BID SPEC: Apprvd (FPL)	RFP: Issued	RFP: Bids Submit'd	RFP: Bids Eval'd	CONFORM SPEC: Draft (SWEC)	CONFORM SPEC: Rvwd (FPL)	CONFORM SPEC: Cmts Incorp'd	CONFORM SPEC: Rvw'd By Vendors	CONFORM SPEC: Cmts Incorp'd	CONFORM SPEC: Apprvd	FABRICATION: Contract Issued	FABRICATION: Start Fab	FABRICATION: Fab Comp	FABRICATION: FAT Comp	SHIP and DELIVER: Start Ship	SHIP and DELIVER: Equip OnSite	SHIP and DELIVER: Mod'l Staged
Outage ID: 1R23	**Outg Date: 4/5/2010**																				
HP FW Htrs SPCS KELLY	11/13/07A	02/14/08A	04/18/08A	04/25/08A	05/16/08A	06/20/08A	07/30/08A	08/29/08A	10/13/08A	10/15/08A	10/17/08A	10/20/08A	11/06/08	11/20/08	11/27/08	02/02/09	11/04/09	12/01/09	12/04/09	12/31/09	03/05/10
Exciter SPELISH SHERIDAN	01/14/08A	01/23/08A	02/20/08A	02/20/08A	02/29/08A	n/a	n/a	n/a	n/a	n/a	n/a	04/11/08A	05/06/08A	05/20/08A	10/03/08A	01/23/09	01/04/10	01/11/10	01/12/10	02/03/10	03/03/10
Gen H2 Clrs SPELISH SHERIDAN	01/14/08A	01/23/08A	02/20/08A	02/20/08A	02/29/08A	n/a	n/a	n/a	n/a	n/a	n/a	04/11/08A	05/06/08A	05/20/08A	10/03/08A	01/23/09	12/04/09	12/11/09	12/12/09	01/05/10	03/05/10
Gen Stator SPELISH SHERIDAN	01/14/08A	01/25/08A	02/20/08A	02/28/08A	02/29/08A	n/a	n/a	n/a	n/a	n/a	n/a	04/11/08A	05/06/08A	05/20/08A	10/03/08A	n/a	n/a	01/11/10	01/12/10	02/03/10	03/03/10
Main Gen Mod SPELISH SHERIDAN	01/14/08A	01/25/08A	02/20/08A	02/20/08A	02/29/08A	n/a	n/a	n/a	n/a	n/a	n/a	04/11/08A	05/06/08A	05/20/08A	10/03/08A	01/23/09	01/04/10	01/11/10	01/12/10	02/03/10	03/03/10
C P 6.9KV SWGR HOGE CLARK	05/23/08A	06/09/08A	06/20/08A	06/23/08A	06/30/08A	07/10/08A	08/11/08A	08/20/08A	09/23/08A	09/26/08A	09/17/08A	09/19/08A	09/17/08A	09/30/08A	10/22/08A	02/17/09	08/21/09	08/28/09	11/12/09	12/01/09	03/03/10
TCW HX BROWNR KELLY	05/23/08A	06/05/08A	07/04/08A	07/07/08A	07/18/08A	07/18/08A	08/22/08A	09/12/08A	10/22/08A	10/02/08A	10/17/08A	10/20/08A	11/06/08	11/20/08	11/27/08	02/20/09	11/26/09	12/03/09	12/04/09	12/31/09	03/03/10
Outage ID: 1R24	**Outg Date: 10/1/2011**																				
LP Turbine	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	01/13/09	01/24/11	01/31/11	02/01/11	03/03/11	06/06/11
MSR Replacement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	03/12/09	08/11/10	08/12/10	08/19/10	09/28/10	06/06/11
HP Turbine SPCS CLARK	11/25/07A	01/21/08A	02/20/08A	02/29/08A	03/03/08A	n/a	n/a	n/a	n/a	n/a	n/a	03/14/08A	06/02/08A	06/23/08A	12/03/08A	01/15/09	03/22/10	03/29/10	03/30/10	11/01/10	06/06/11
FW Pp & Mtrs DYSERT TBD	03/21/08A	07/17/08A	07/21/08A	07/31/08A	08/08/08A	08/15/08A	09/23/08A	11/14/08	11/26/08	12/03/08	12/15/08	12/22/08	01/02/09	01/16/09	01/23/09	05/25/09	04/29/11	05/05/11	05/06/11	06/03/11	06/06/11
LEFM (MUR) TBD TBD	06/06/08A	06/12/08A	07/01/08A	07/11/08A	07/11/08A	07/14/08A	08/15/08A	09/05/08A	09/05/08A	09/11/08A	09/15/08A	09/19/08A	09/11/08A	09/17/08A	09/25/08A	10/03/08A	01/22/09	02/03/09	02/11/09	04/07/09	06/06/11
Htr Drn Pmp & Mtr Repl DYSERT KELLY	09/30/08	10/14/08	11/13/08	11/14/08	11/21/08	12/09/08	01/02/09	01/16/09	01/30/09	02/06/09	02/13/09	02/27/09	03/06/09	03/20/09	03/27/09	07/10/09	07/06/10	07/16/10	07/19/10	08/13/10	06/06/11
DEH Comp\Pps HOGE TBD	12/15/08	01/02/09	01/13/09	01/21/09	02/23/09	03/16/09	04/27/09	05/14/09	03/30/09	04/17/09	04/29/09	04/27/09	05/11/09	05/18/09	06/08/09	08/21/09	05/25/10	05/27/10	06/28/10	10/27/10	06/06/11
ADV Vlvs / Trim BROWNR TBD	12/22/08	01/09/09	01/19/09	01/29/09	02/24/09	03/16/09	04/27/09	05/14/09	04/13/09	04/27/09	05/08/09	05/22/09	06/03/09	06/17/09	06/24/09	10/07/09	10/06/10	10/13/10	10/14/10	11/09/10	06/06/11
FW Reg Valves BROWNR TBD	12/22/08	01/09/09	01/19/09	01/29/09	02/24/09	03/16/09	04/27/09	05/14/09	04/13/09	04/27/09	05/08/09	05/22/09	06/03/09	06/17/09	06/24/09	10/07/09	10/06/10	10/13/10	10/14/10	11/10/10	06/06/11
HD Cntl Vlvs HOGE TBD	12/22/08	01/09/09	01/19/09	01/29/09	02/24/09	03/16/09	04/27/09	05/14/09	04/23/09	05/07/09	05/13/09	05/27/09	06/03/09	06/17/09	06/24/09	10/07/09	10/06/10	10/13/10	10/14/10	11/10/10	06/06/11
HD Dig Mods HOGE TBD	12/22/08	01/09/09	01/27/09	01/27/09	02/24/09	03/16/09	03/16/09	04/01/09	04/23/09	05/07/09	05/13/09	05/27/09	06/03/09	06/17/09	06/24/09	10/07/09	12/06/10	12/13/10	12/14/10	11/10/10	06/06/11

On Schedule	Green	Current date shown; meets or betters Baseline date, or is complete.
At Risk	Yellow	Baseline date on Top, Current date on bottom (recovery is possible)
Missed	Red	Baseline date on Top, Current date on bottom (recovery not possible).

FPL.

Long Lead Procurement



SAINT LUCIE

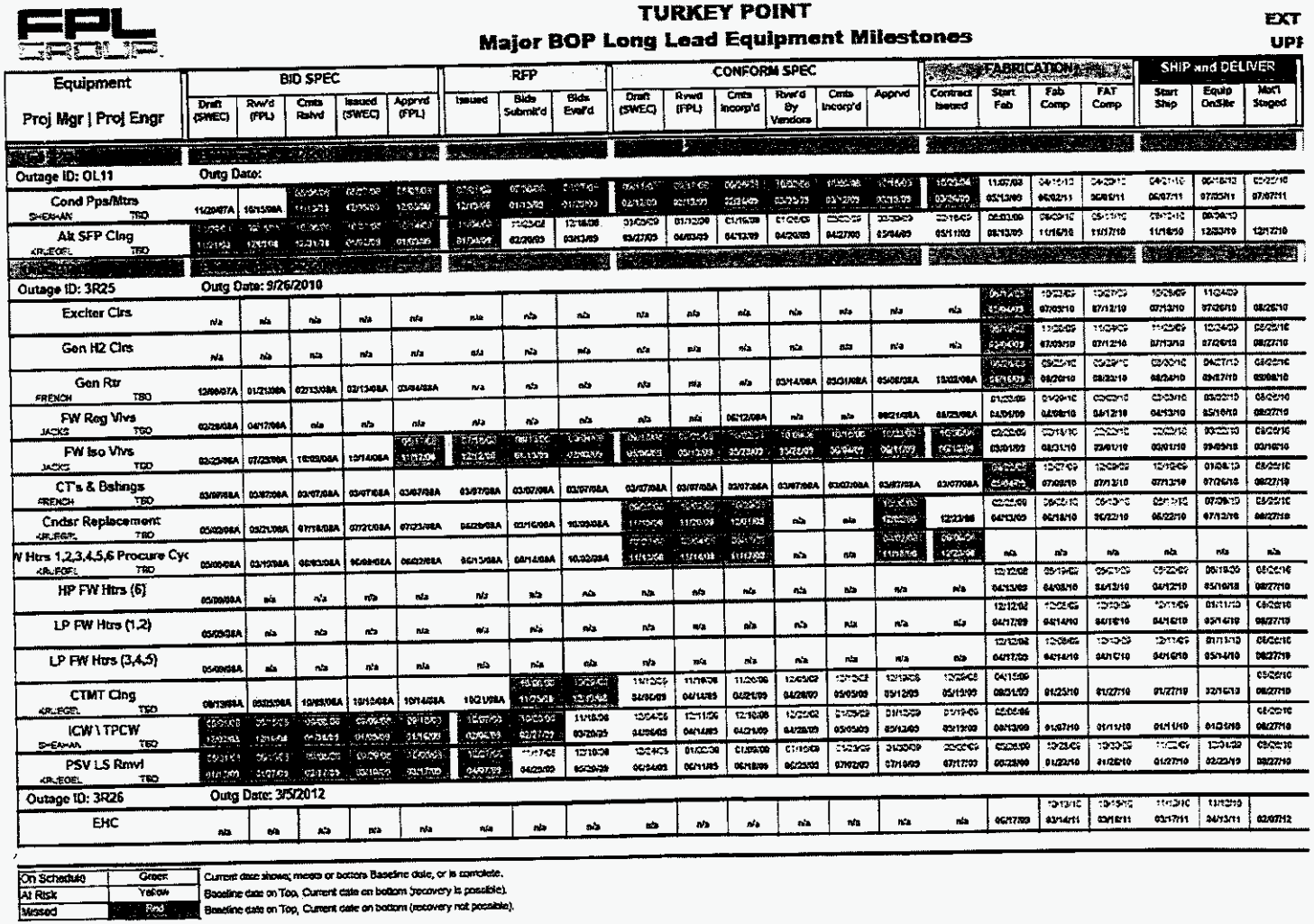
Major BOP Long Lead Equipment Milestones

EXT UPI

Equipment Proj Mgr | Proj Engr	BID SPEC					RFP			CONFORM SPEC						FABRICATION				SHIP and DELIVER		
	Draft (SWEC)	Rvw'd (FPL)	Cmts Rslvd	Issued (SWEC)	Apprvd (FPL)	Issued	Bids Submit'd	Bids Eval'd	Draft (SWEC)	Rvwd (FPL)	Cmts Incorp'd	Rvw'd By Vendors	Cmts Incorp'd	Apprvd	Contract Issued	Start Fab	Fab Comp	FAT Comp	Start Ship	Equip OnSite	Mat'l Staged
Outage ID: 1R24	Outg Date: 10/1/2011																				
MSIV HOGE TBD																					
Outage ID: 2R19	Outg Date: 11/15/2010																				
C P 6.9KV SWGR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/10/08 02/17/09	08/21/09	08/25/10	11/1/2009	12/9/1/09	10/01/10 10/15/10
HP FW Htrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/02/08 02/20/09	12/01/09 02/19/10	12/28/09 02/29/10	12/28/09 03/01/10	01/28/10 03/31/10	10/01/10 10/15/10
TCW HX	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/10/08 02/20/09	11/30/09 02/04/10	12/07/09 02/11/10	12/08/09 02/12/10	01/04/10 03/11/10	10/01/10 10/15/10
MSR Replacement DYSERT CORNELL	11/10/07A	04/08/08A	03/23/08A	05/28/08A	06/05/08A	06/23/08A	08/11/08A	05/12/08A	10/14/08A	11/06/08	11/20/08	10/30/08A	11/05/08	11/27/08	12/04/08	01/13/09 03/12/09	03/03/10	03/12/10	03/13/10	03/24/10	10/01/10 10/15/10
LP Turbine SIPOS CORNELL	01/04/08A	01/22/08A	02/21/08A	02/21/08A	03/03/08A	n/a	n/a	n/a	n/a	n/a	n/a	03/14/08A	06/20/08A	06/20/08A	10/03/08A	01/13/09 03/12/09	06/16/10 07/14/10	06/23/10 07/21/10	06/24/10 07/22/10	07/26/10 08/12/10	10/01/10 10/13/10
Outage ID: 2R20	Outg Date: 5/1/2012																				
ADV Vlvs / Trim	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/22/09 10/07/09	08/27/10 09/21/10	09/14/10 09/28/10	09/15/10 09/29/10	09/14/12 10/26/10	02/03/12
DEH Comp\Pps	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/04/09 05/21/09	05/03/10 09/20/10	09/10/10 09/27/10	09/15/10 09/28/10	08/27/10 10/25/10	02/03/12
Exciter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/05/10 08/09/10	09/20/10 12/30/11	09/27/10 01/06/12	09/28/10 01/09/12	09/28/10 02/06/12	02/10/12
FW Pp & Mtrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/05/09 05/25/09	05/05/10 04/28/11	05/12/10 05/03/11	01/06/12 04/08/11	05/12/10 25/05/11	02/03/12
FW Reg Valves	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/28/09 10/07/09	04/27/10 10/06/10	09/04/10 10/13/10	09/05/10 10/14/10	09/31/10 11/16/10	02/03/12
Gen H2 Clrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/20/10 09/02/10	09/09/10 12/23/11	09/27/10 12/30/11	09/28/10 01/02/12	09/28/10 22/01/12	02/10/12
Gen Stator	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/27/10 01/02/12	09/28/10 01/09/12	09/28/10 22/06/12	02/10/12
HD Cntl Vlvs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/12/09 10/07/09	09/10/10 10/04/10	09/15/10 10/12/10	09/15/10 10/14/10	08/15/10 11/16/10	02/03/12
HD Dig Mods	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/12/09 10/07/09	09/11/10 10/05/10	09/15/10 10/13/10	09/15/10 10/14/10	08/15/10 11/16/10	02/03/12
HP Turbine	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/12/09 09/15/09	08/12/10 09/22/10	09/25/10 25/29/10	04/20/10 09/30/10	09/31/10 11/01/10	02/03/12
Htr Drn Pmp & Mtr Repl	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	07/10/09 09/03/09	07/09/10 09/02/10	07/16/10 09/09/10	08/10/10	08/16/10 09/06/10	02/03/12

On Schedule	Green	Current date shown; meets or betters Baseline date, or is complete.
At Risk	Yellow	Baseline date on Top, Current date on bottom (recovery is possible).
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Long Lead Procurement



TURKEY POINT

Major BOP Long Lead Equipment Milestones

EXT

UPI

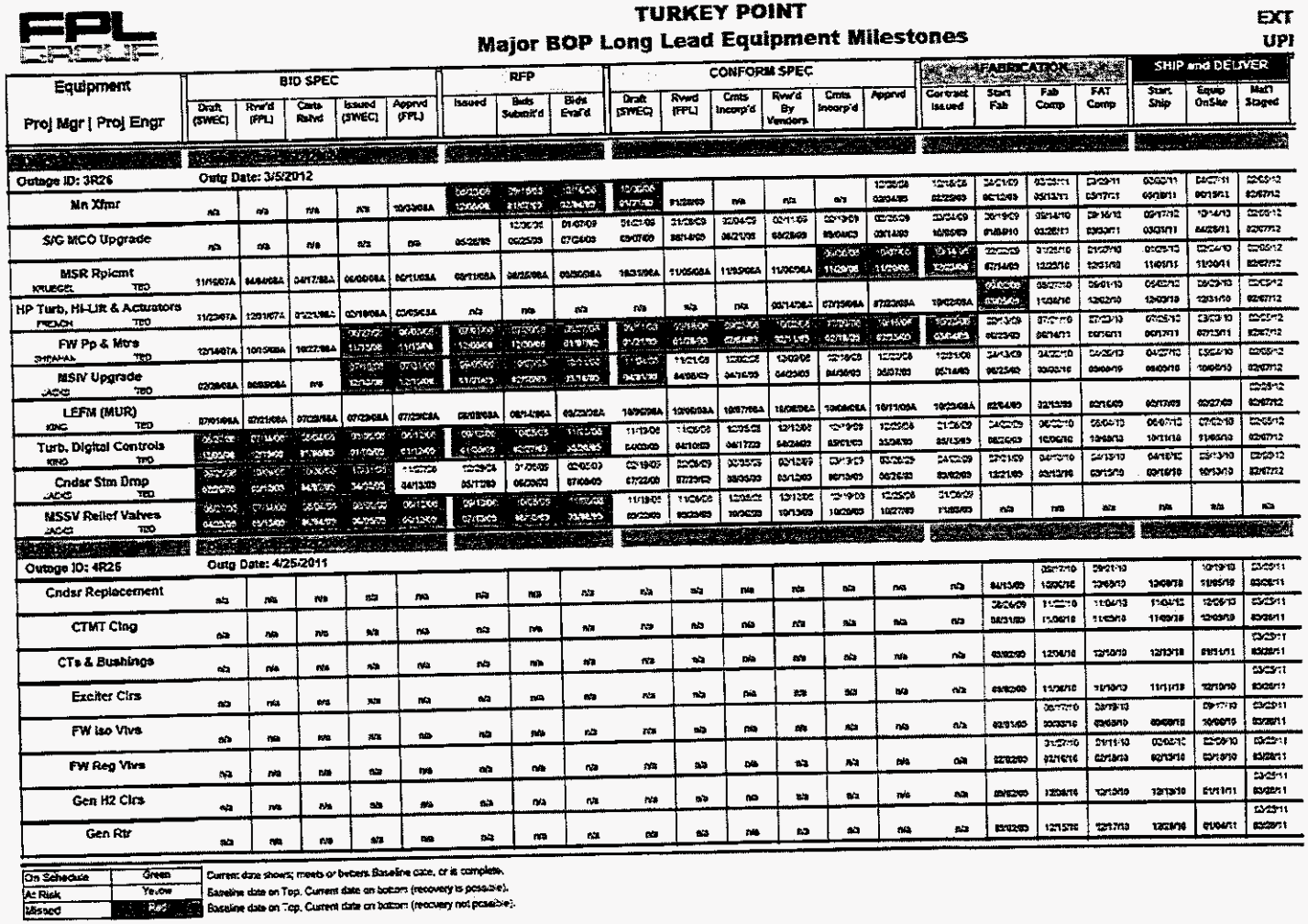
Equipment Proj Mgr | Proj Engr	BID SPEC					RFP			CONFORM SPEC						FABRICATION				SHIP and DELIVER		
	Draft (SWEC)	Rvw'd (FPL)	Cmts Rslvd	Issued (SWEC)	Apprvd (FPL)	Issued	Bids Submit'd	Bids Eval'd	Draft (SWEC)	Rvwd (FPL)	Cmts Incorp'd	Rvw'd By Vendors	Cmts Incorp'd	Apprvd	Contract Issued	Start Fab	Fab Comp	FAT Comp	Start Ship	Equip OnSite	Mat'l Staged
Outage ID: OL11	Outg Date:																				
Cond Pps/Mtrs SHEAHAN TBD	11/29/07A	10/15/08A	02/05/09	02/27/09	04/13/09	07/31/09	09/30/09	11/13/09	09/15/09	10/13/09	02/24/09	03/25/09	03/31/09	07/15/09	10/15/09	11/07/09	04/15/10	04/22/10	04/21/10	06/15/10	05/22/10
			11/13/09	12/30/09	12/30/09	12/15/09	01/13/10	01/13/10	04/13/09	02/15/09	02/24/09	03/25/09	03/31/09	07/15/09	03/15/09	05/13/09	06/02/11	06/08/11	05/07/11	07/05/11	07/07/11
Alt SFP Clng KRUEGEL TBD	10/29/07A	10/15/08A	10/29/08	11/25/08	12/18/08	01/30/09	02/26/09	03/13/09	03/27/09	04/03/09	04/13/09	04/20/09	04/27/09	05/04/09	05/11/09	06/13/09	09/30/10	11/16/10	11/17/10	11/16/10	12/23/10	12/17/10
Outage ID: 3R25	Outg Date: 9/26/2010																				
Exciter Clrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/14/09	10/23/09	10/27/09	10/26/09	11/04/09	
																03/04/09	07/03/10	07/12/10	07/13/10	07/26/10	08/26/10
Gen H2 Clrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/14/09	11/02/09	11/09/09	11/25/09	12/04/09	02/25/10
																03/04/09	07/03/10	07/12/10	07/13/10	07/26/10	08/27/10
Gen Rtr FRENCH TBD	12/06/07A	01/21/09A	02/13/09A	02/13/09A	03/04/09A	n/a	n/a	n/a	n/a	n/a	n/a	03/14/09A	03/31/09A	05/08/09A	10/02/09A	09/14/09	09/20/10	09/29/10	09/30/10	04/27/10	05/02/10
																03/15/09	08/20/10	08/23/10	08/24/10	09/17/10	09/08/10
FW Reg Vlvs JACKS TBD	02/29/08A	04/17/09A	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	06/12/09A	n/a	n/a	08/21/09A	08/25/09A	01/22/09	01/29/10	02/02/10	02/03/10	03/02/10	03/02/10
																04/01/09	04/08/10	04/12/10	04/13/10	05/10/10	08/27/10
FW Iso Vlvs JACKS TBD	03/25/08A	07/23/09A	10/05/09A	10/14/09A	09/14/09	10/13/09	12/15/09	01/13/10	02/26/09	03/13/09	03/27/09	04/03/09	04/13/09	04/20/09	04/27/09	05/04/09	05/27/10	06/01/10	06/01/10	06/01/10	06/16/10
																03/01/09	08/31/10	09/01/10	09/01/10	09/09/10	09/16/10
CT's & Bshings FRENCH TBD	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/07/08A	03/04/09	12/07/09	12/09/09	12/10/09	01/08/10	03/22/10
																03/04/09	07/09/10	07/13/10	07/13/10	07/26/10	08/27/10
Cndsr Replacement KRUEGEL TBD	05/02/08A	09/21/09A	01/15/09A	07/21/09A	07/23/09A	08/25/09A	03/15/09A	10/30/09A	11/13/09	11/20/09	12/01/09	n/a	n/a	12/22/09	12/23/09	04/13/09	06/15/10	06/22/10	06/23/10	07/12/10	08/27/10
																04/13/09	06/18/10	06/22/10	06/23/10	07/12/10	08/27/10
W Htrs 1,2,3,4,5,6 Procure Cyc KRUEGEL TBD	05/06/08A	03/13/09A	06/03/09A	06/08/09A	06/02/09A	06/15/09A	08/14/09A	10/30/09A	11/13/09	11/19/09	11/12/09	n/a	n/a	11/18/09	12/23/09	09/04/09	n/a	n/a	n/a	n/a	n/a	n/a
																12/12/08	05/19/09	05/27/09	05/28/09	06/18/09	08/26/10
HP FW Htrs (6)	05/09/08A	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/13/09	04/08/10	04/12/10	04/12/10	05/10/10	08/27/10
LP FW Htrs (1,2)	05/05/08A	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/12/08	10/05/09	10/13/09	10/14/09	01/11/10	08/26/10
																04/17/09	04/14/10	04/16/10	04/16/10	05/14/10	08/27/10
LP FW Htrs (3,4,5)	05/06/08A	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/12/08	10/05/09	10/13/09	10/14/09	01/11/10	08/26/10
																04/17/09	04/14/10	04/16/10	04/16/10	05/14/10	08/27/10
CTMT Clng KRUEGEL TBD	08/13/08A	05/23/08A	10/05/08A	10/15/08A	10/14/08A	10/21/08A	01/05/09	12/15/08	11/13/08	11/19/08	11/20/08	12/03/08	12/10/08	12/15/08	12/29/08	04/15/09					05/26/10
							01/05/09	12/15/08	04/06/09	04/14/09	04/21/09	04/28/09	05/05/09	05/12/09	05/13/09	08/31/09	01/25/10	01/27/10	01/27/10	02/16/10	08/27/10
ICW \ TPCW SHEAHAN TBD	03/05/08	05/13/09	09/08/09	09/09/09	09/15/09	10/07/09	10/05/09	11/16/09	12/04/09	12/11/09	12/18/09	12/25/09	01/01/10	01/08/10	01/15/10	05/06/09					05/26/10
	12/02/08	12/16/08	01/26/09	01/26/09	01/26/09	02/06/09	02/27/09	03/20/09	04/06/09	04/14/09	04/21/09	04/28/09	05/05/09	05/12/09	05/13/09	08/13/09	01/07/10	01/11/10	01/11/10	01/13/10	08/27/10
PSV LS Rmvl KRUEGEL TBD	03/31/09	06/15/09	09/08/09	09/29/09	10/05/09	10/27/09	11/17/09	12/10/09	12/24/09	01/02/09	01/09/09	01/16/09	01/23/09	01/30/09	02/05/09	05/28/09	10/23/09	10/30/09	11/02/09	12/04/09	08/26/10
	01/15/09	01/27/09	02/13/09	03/10/09	03/17/09	04/07/09	04/23/09	05/20/09	06/04/09	06/11/09	06/18/09	06/25/09	07/02/09	07/10/09	07/17/09	09/23/09	01/22/10	01/26/10	01/27/10	02/23/10	08/27/10
Outage ID: 3R26	Outg Date: 3/5/2012																				
EHC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/27/09	10/13/10	10/15/10	11/12/10	12/12/10	
																	03/14/11	03/16/11	03/17/11	04/13/11	02/07/12

On Schedule	Green	Current date shown; meets or betters Baseline date, or is complete.
At Risk	Yellow	Baseline date on Top, Current date on bottom (recovery is possible).
Missed	Red	Baseline date on Top, Current date on bottom (recovery not possible).

FPL

FPSC Internal Controls Data Request DR 1-10
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Long Lead Procurement



TURKEY POINT

Major BOP Long Lead Equipment Milestones

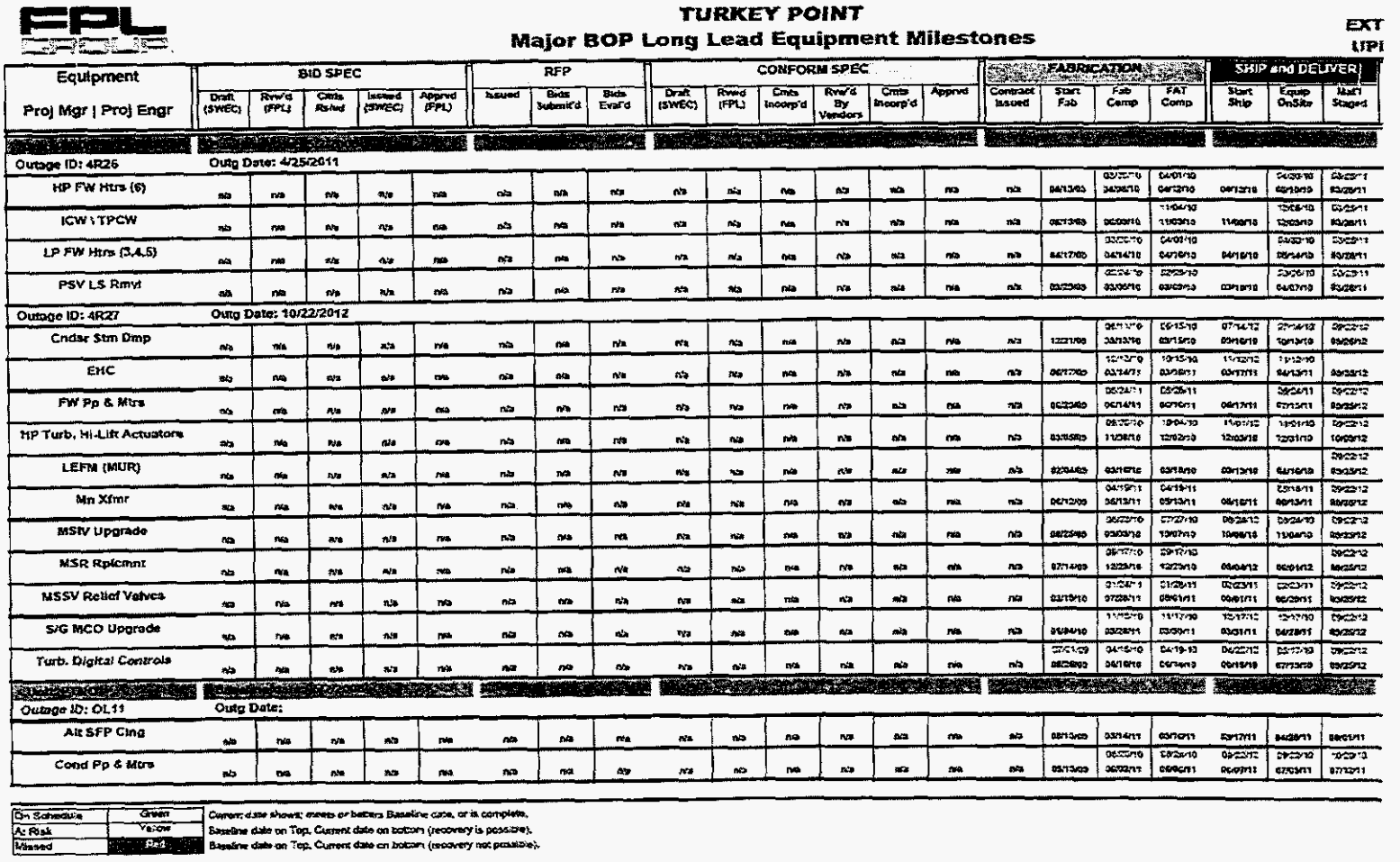
EXT

UPI

Equipment Proj Mgr | Proj Engr	BID SPEC					RFP			CONFORM SPEC						FABRICATION				SHIP and DELIVER		
	Draft (SWEC)	Rvw'd (FPL)	Cmts Rslvd	Issued (SWEC)	Apprvd (FPL)	Issued	Bids Submit'd	Bids Eval'd	Draft (SWEC)	Rvwd (FPL)	Cmts Incorp'd	Rvw'd By Vendors	Cmts Incorp'd	Apprvd	Contract Issued	Start Fab	Fab Comp	FAT Comp	Start Ship	Equip On Site	Mat'l Staged
Outage ID: 3R26	**Outg Date: 3/5/2012**																				
Mn Xfmr	n/a	n/a	n/a	n/a	10/3/06A	06/12/06 12/06/06	09/18/06 01/31/07	02/16/06 02/16/07	12/30/06 04/27/07	01/26/07	n/a	n/a	n/a	n/a	12/26/08 02/04/09	12/16/09 02/22/10	04/21/09 06/12/09	05/28/11 05/13/11	03/29/11 05/17/11	05/02/11 05/18/11	04/27/11 06/15/11	05/05/12 02/07/12
S/G MCO Upgrade	n/a	n/a	n/a	n/a	n/a	05/26/05	12/30/05 06/25/09	01/07/09 07/24/09	01/07/09 03/07/09	01/26/09 06/14/09	02/04/09 06/21/09	02/11/09 09/22/09	02/19/09 05/04/09	02/26/09 03/14/09	03/04/09 10/5/09	09/19/09 01/18/10	09/14/10 03/25/11	09/16/10 03/30/11	09/17/10 04/29/11	10/14/10 04/29/11	05/05/12 02/07/12
MSR Rplcmt KRUEGER TEO	11/15/07A	04/04/08A	04/17/08A	06/09/08A	09/11/08A	09/11/08A	06/25/08A	09/25/08A	10/31/08A	11/05/08A	11/19/08A	11/26/08A	11/26/08	11/26/08	12/26/08	01/26/09 07/14/09	01/25/10 12/23/10	01/27/10 12/31/10	01/25/10 11/01/11	02/04/10 11/30/11	05/05/12 02/07/12
HP Turb, HI-LIR & Actuators FREMON TEO	11/23/07A	12/31/07A	01/21/08A	02/19/08A	03/05/08A	n/a	n/a	n/a	n/a	n/a	n/a	09/14/08A	07/15/09A	07/23/09A	10/02/09A	05/01/09 11/06/09	05/27/10 12/02/10	05/01/10 12/03/10	05/02/12 12/31/10	05/29/12 12/31/10	05/05/12 02/07/12
FW Pp & Mtrs SHAHAN TEO	12/14/07A	10/15/08A	10/27/08A	09/27/07 11/13/08	06/30/08 11/13/08	07/01/08 12/09/08	07/30/08 12/09/08	08/27/08 01/19/09	09/11/08 01/21/09	09/15/08 01/26/09	09/22/08 02/04/09	10/06/08 02/11/09	11/07/08 02/19/09	10/15/08 02/26/09	10/22/08 03/04/09	03/13/09 06/23/09	04/22/10 06/30/10	04/26/10 06/30/10	04/27/10 06/30/10	05/04/10 10/06/10	05/05/12 02/07/12
MSIV Upgrade JACKS TBD	02/29/08A	06/05/08A	n/a	07/11/08 10/31/08	07/31/08 10/31/08	08/07/08 01/21/09	09/05/08 02/25/09	09/15/08 03/18/09	11/04/08 04/01/09	11/21/08 04/08/09	12/05/08 04/15/09	12/12/08 04/22/09	12/19/08 04/29/09	12/22/08 05/07/09	12/31/08 05/14/09	04/13/09 06/23/09	04/22/10 09/30/10	04/26/10 09/30/10	04/27/10 09/30/10	05/04/10 10/06/10	05/05/12 02/07/12
LEFM (MUR) KING TEO	07/01/08A	07/21/08A	07/23/08A	07/23/08A	07/23/08A	08/08/08A	08/14/08A	09/23/08A	10/09/08A	10/07/08A	10/08/08A	10/08/08A	10/08/08A	10/11/08A	10/23/08A	02/04/09	02/15/09	02/16/09	02/17/09	02/27/09	05/05/12 02/07/12
Turb. Digital Controls KING TPO	06/27/08 09/09/08	07/14/08 07/29/08	08/04/08 07/30/08	07/15/08 01/12/09	08/13/08 01/12/09	09/12/08 01/19/09	10/03/08 02/23/09	11/03/08 03/26/09	11/19/08 04/03/09	11/26/08 04/10/09	12/05/08 04/17/09	12/12/08 04/24/09	12/19/08 05/01/09	12/22/08 05/08/09	01/26/09 05/15/09	04/23/09 08/24/09	06/30/10 10/06/10	06/30/10 10/06/10	06/07/10 10/13/10	07/02/10 11/05/10	05/05/12 02/07/12
Cndsr Stm Dmp JACKS TBD	05/15/08 08/29/08	05/30/08 09/15/08	06/06/08 04/07/09	10/31/08 04/13/09	11/14/08 04/13/09	12/29/08 05/12/09	01/05/09 05/12/09	02/02/09 07/09/09	02/19/09 07/22/09	02/26/09 07/29/09	03/05/09 08/05/09	03/12/09 08/12/09	03/19/09 08/19/09	03/26/09 08/26/09	04/02/09 09/02/09	07/31/09 12/21/09	04/19/10 09/13/10	04/19/10 09/13/10	04/19/10 09/13/10	05/13/10 09/13/10	05/05/12 02/07/12
MSSV Relief Valves JACKS TBD	06/27/08 04/29/09	07/14/08 05/12/09	08/04/08 06/24/09	08/13/08 06/30/09	09/12/08 06/30/09	09/12/08 07/15/09	10/03/08 08/12/09	11/03/08 09/16/09	11/19/08 09/23/09	11/26/08 09/30/09	12/05/08 10/07/09	12/12/08 10/14/09	12/19/08 10/21/09	12/22/08 10/27/09	01/26/09 11/03/09	n/a	n/a	n/a	n/a	n/a	n/a
Outage ID: 4R26	**Outg Date: 4/25/2011**																				
Cndsr Replacement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/15/09	09/27/10 12/20/10	09/21/10 12/09/10	12/09/10	10/19/10 01/05/11	03/25/11 03/25/11
CTMT Clng	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	06/24/09 08/31/09	11/22/10 11/26/10	11/04/10 11/05/10	11/04/10 11/09/10	12/06/10 12/09/10	03/25/11 03/25/11
CTs & Bushings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/02/09	12/06/10	12/10/10	12/13/10	01/31/11	03/25/11 03/25/11
Exciter Clrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/09/09	11/26/10	11/10/10	11/11/10	12/10/10	03/25/11 03/25/11
FW Iso Vlvs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/21/09	09/17/10 09/23/10	09/13/10 09/20/10	09/20/10	09/27/10 10/06/10	03/25/11 03/25/11
FW Reg Vlvs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	02/12/09	01/27/10 02/16/10	01/11/10 02/15/10	02/08/10 02/19/10	02/09/10 03/19/10	03/25/11 03/25/11
Gen H2 Clrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/02/09	12/06/10	12/13/10	12/13/10	01/11/11	03/25/11 03/25/11
Gen Rtr	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	09/02/09	12/15/10	12/17/10	12/23/10	01/04/11	03/25/11 03/25/11

On Schedule	Green	Current date shown; meets or betters Baseline date, or is complete.
At Risk	Yellow	Baseline date on Top. Current date on bottom (recovery is possible).
Missed	Red	Baseline date on Top. Current date on bottom (recovery not possible).

Long Lead Procurement



TURKEY POINT

Major BOP Long Lead Equipment Milestones

EXT
UPI

Equipment Proj Mgr | Proj Engr	BID SPEC					RFP			CONFORM SPEC							FABRICATION				SHIP and DELIVER		
	Draft (SWEC)	Rvw'd (FPL)	Cmts Rs-lvd	Issued (SWEC)	Apprvd (FPL)	Issued	Bids Submit'd	Bids Eval'd	Draft (SWEC)	Rvwd (FPL)	Cmts Incorp'd	Rvw'd By Vendors	Cmts Incorp'd	Apprvd		Contract Issued	Start Fab	Fab Comp	FAT Comp	Start Ship	Equip OnSite	Mat'l Staged
Outage ID: 4R26	Outg Date: 4/25/2011																					
HP FW Htrs (6)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/13/09	03/25/10 04/06/10	04/01/10 04/12/10	04/12/10	04/30/10 05/10/10	05/25/11 05/26/11	
ICW \ TPCW	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	06/13/09	06/30/10	11/04/10 11/03/10	11/09/10	12/08/10 12/09/10	03/25/11 03/28/11	
LP FW Htrs (3,4,5)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/17/09	03/25/10 04/14/10	04/01/10 04/16/10	04/16/10	04/30/10 05/14/10	03/25/11 03/28/11	
PSV LS Rmvl	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	03/23/09	02/25/10 03/05/10	02/25/10 03/05/10	03/18/10	04/26/10 04/07/10	03/25/11 03/28/11	
Outage ID: 4R27	Outg Date: 10/22/2012																					
Cndsr Stm Dmp	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12/27/08	08/13/10 08/13/10	09/15/10 09/15/10	07/14/12 09/16/10	07/14/12 10/13/10	09/22/12 09/28/12	
EHC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	06/17/09	12/13/10 03/14/11	10/15/10 03/30/11	11/12/12 03/17/11	11/12/10 04/13/11	09/22/12 09/28/12	
FW Pp & Mtrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	06/23/09	05/24/11 06/14/11	05/25/11 06/16/11	06/17/11	09/04/11 07/13/11	09/22/12 09/28/12	
HP Turb. Hi-Lift Actuators	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	03/05/09	08/13/10 11/30/10	10/04/10 12/02/10	11/01/12 12/03/10	11/01/10 12/03/10	09/22/12 10/05/12	
LEFM (MUR)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	02/04/09	03/18/10	03/18/10	09/13/10	04/16/10	09/22/12 09/28/12	
Mn Xfmr	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	04/12/09	04/19/11 05/13/11	04/19/11 05/13/11	06/16/11	05/16/11 06/13/11	09/22/12 09/28/12	
MSIV Upgrade	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	08/23/09	09/23/10 03/03/10	07/27/10 10/07/10	09/28/12 10/08/10	09/24/10 11/04/10	09/22/12 09/28/12	
MSR Rplcmnt	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	07/14/09	09/17/10 12/23/10	09/17/10 12/23/10	04/04/12	05/01/12	09/22/12 09/28/12	
MSSV Relief Valves	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	03/19/10	01/24/11 07/28/11	01/28/11 08/01/11	02/23/11 08/01/11	02/23/11 08/29/11	09/22/12 09/28/12	
S/G MCO Upgrade	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/04/10	11/15/10 03/28/11	11/17/10 03/30/11	12/17/10 03/31/11	12/17/10 04/28/11	09/22/12 09/28/12	
Turb. Digital Controls	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	08/28/09	03/24/09 04/16/10	04/19/10 04/16/10	04/22/12 05/19/10	05/17/10 07/13/10	09/22/12 09/28/12	
Outage ID: OL11	Outg Date:																					
Alt SFP Clng	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	08/13/09	03/14/11	03/17/11	03/17/11	04/28/11	09/01/11	
Cond Pp & Mtrs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	05/13/09	06/22/10 06/02/11	09/23/10 06/06/11	09/23/12 06/07/11	07/23/11	10/29/13 07/12/11	

On Schedule	Green	Current date shown; meets or betters Baseline date, or is complete.
At Risk	Yellow	Baseline date on Top, Current date on bottom (recovery is possible).
Missed	Red	Baseline date on Top, Current date on bottom (recovery not possible).

FPSC Internal Controls Data Request DR 1-10
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Costs

Saint Lucie

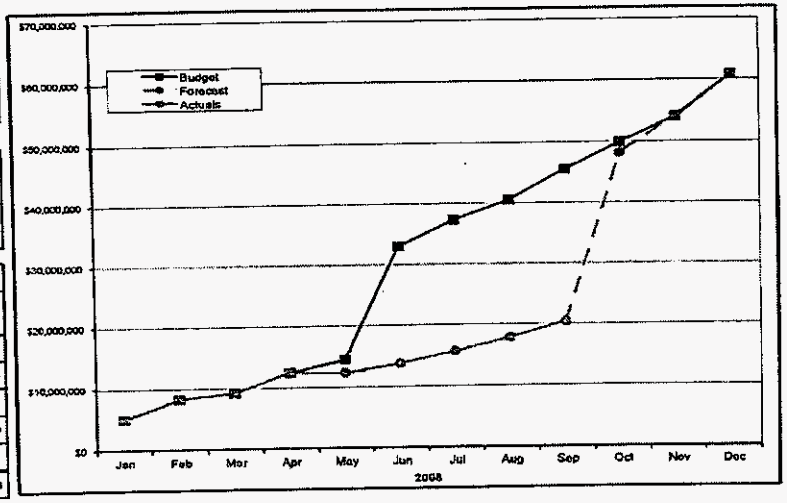
PSL Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 09/30/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.
	X				

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,988,787	58,706,089	45,894,124	70,375,426	191,263,426
Material	-	33,639,111	35,501,945	69,666,064	101,700,218	240,507,338
Implementation	-	757,332	2,707,473	56,020,000	70,546,876	130,723,681
FP & L	-	9,326,334	19,248,000	25,855,281	38,767,135	93,196,750
Contingency	-	-	-	-	-	-
Total	-	59,711,563	116,262,507	198,036,469	281,391,655	656,391,204



2008 Annual Budget
(includes approved scope changes)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
													To-Date	To Go	Total
Monthly Total	4,978,544	3,228,513	952,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	5,797,332	45,480,567	15,216,996	60,711,563
Cumulative Total	4,978,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,235	45,400,567	49,859,899	53,914,231	60,711,563			

2008 Forecast

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,628,475	544,857	313,416	2,858,521	(812,592)	685,087	1,179,192	1,352,132	1,591,699	1,970,000	2,500,000	2,200,000	10,318,787	5,670,000	15,988,787
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	24,508,975	2,043,180	3,312,075	3,774,900	29,864,210	33,639,111
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	110,000	120,000	90,000	437,332	320,000	757,332
FP & L	1,009,825	323,514	572,102	276,720	606,581	684,172	683,450	882,147	807,473	1,150,000	1,300,000	1,070,390	5,825,944	3,500,390	9,326,334
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,581	27,748,975	5,963,180	6,672,465			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	48,105,938	54,069,098	60,711,563	20,356,963	40,354,600	60,711,563

October 2008 forecasted activities:

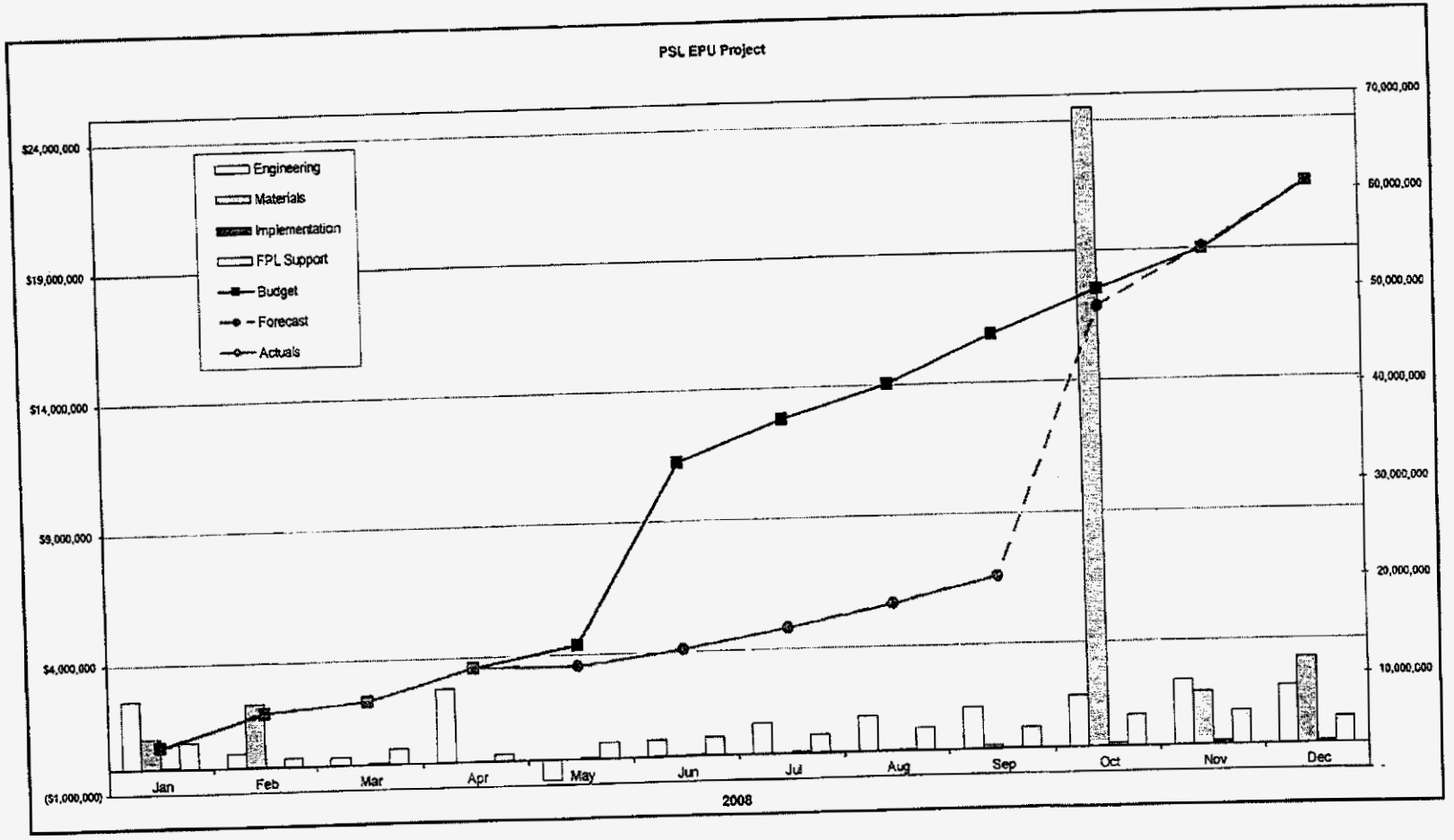
Siemens $17.229M (Contract award for Turbine Generator)

2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,628,475	544,857	313,416	2,858,521	(812,592)	685,087	1,179,192	1,352,132	1,591,699	-	-	-	10,318,787	-	10,318,787
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	-	-	-	3,774,900	-	3,774,900
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	-	-	-	437,332	-	437,332
FP & L	1,009,825	323,514	572,102	276,720	606,581	684,172	683,450	882,147	807,473	-	-	-	5,825,944	-	5,825,944
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	2,558,581	-	-	-	20,356,963	-	20,356,963
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	20,356,963	20,356,963	20,356,963	20,356,963	-	20,356,963

Costs

Saint Lucie



Costs

Turkey Point

Total Project Cashflow
PTN EPU Project 2008

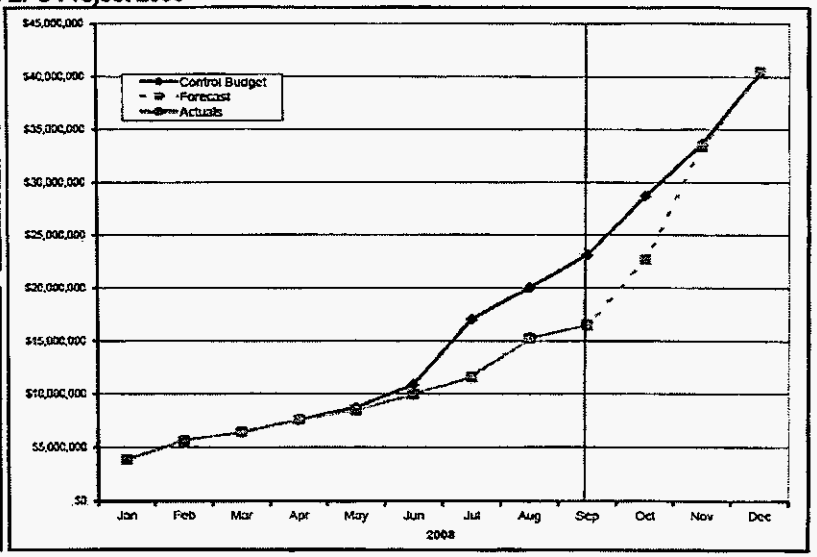
PTN Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 09/30/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,547,130	30,300,000	3,000,000	-	48,847,130
Material	-	8,476,589	43,460,000	71,938,439	86,406,813	210,281,841
Implementation	-	3,028,565	18,616,000	89,628,820	230,770,231	342,043,616
FP & L	-	13,353,807	30,106,172	32,753,710	67,439,979	143,652,868
Contingency	-	-	-	-		-
Total	-	40,405,291	122,482,172	197,320,969	384,617,023	744,825,455



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (Includes approved scope changes)															
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	1,131,556	2,120,286	6,075,666	3,011,915	3,111,915	5,574,910	4,948,408	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,224	5,647,167	6,437,610	7,636,022	8,766,978	10,887,264	16,962,930	19,974,845	23,086,760	28,661,670	33,610,078	40,405,291	23,086,760	17,318,531	40,405,291

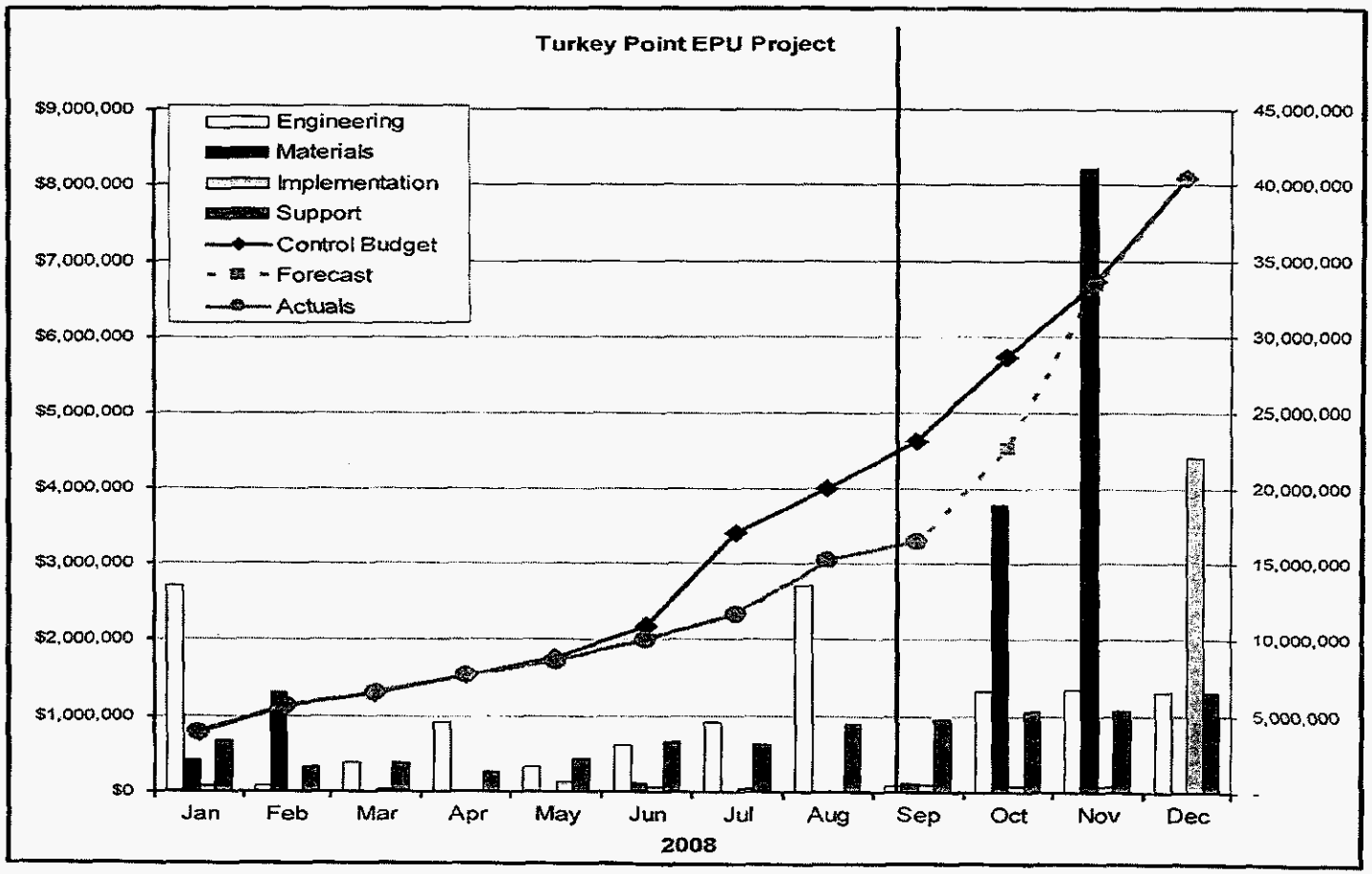
2008 Forecast

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	To-Date	To Go	Total
Engineering	2,709,000	89,490	386,972	911,666	325,247	610,331	914,105	2,598,096	89,475	1,320,024	1,335,782	1,306,739	8,734,586	3,962,844	12,697,130
Material	467,853	1,315,750	188	547	-	116,250	-	-	108,000	3,771,068	8,214,000	-	1,948,588	11,985,068	13,933,656
Implementation	90,755	15,571	26,790	19,648	134,522	63,286	43,593	15,100	95,685	81,545	81,645	4,413,123	504,950	4,576,413	5,081,363
FP & L	687,616	331,132	376,493	265,551	430,405	667,240	625,993	890,191	966,607	1,062,022	1,073,775	1,316,117	5,241,229	3,451,914	8,693,143
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	890,174	1,457,308	1,583,692	3,503,390	1,259,768	6,234,758	10,705,202	7,035,979	16,429,353	23,975,839	40,405,292
Cumulative Total	3,895,224	5,647,167	6,437,610	7,636,022	8,525,196	9,982,503	11,566,195	15,169,585	16,429,353	22,664,111	33,369,313	40,405,292			

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Costs

Turkey Point

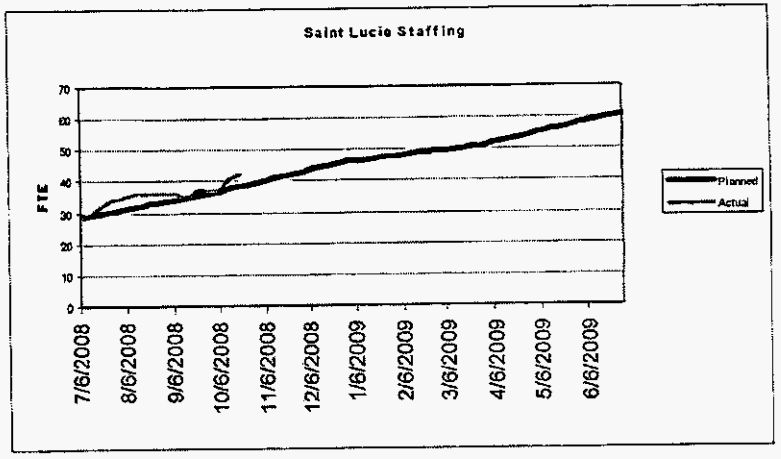


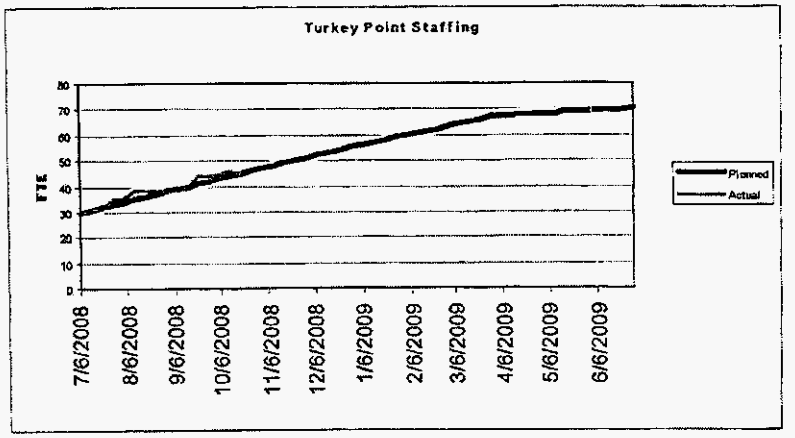
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EPU Staffing

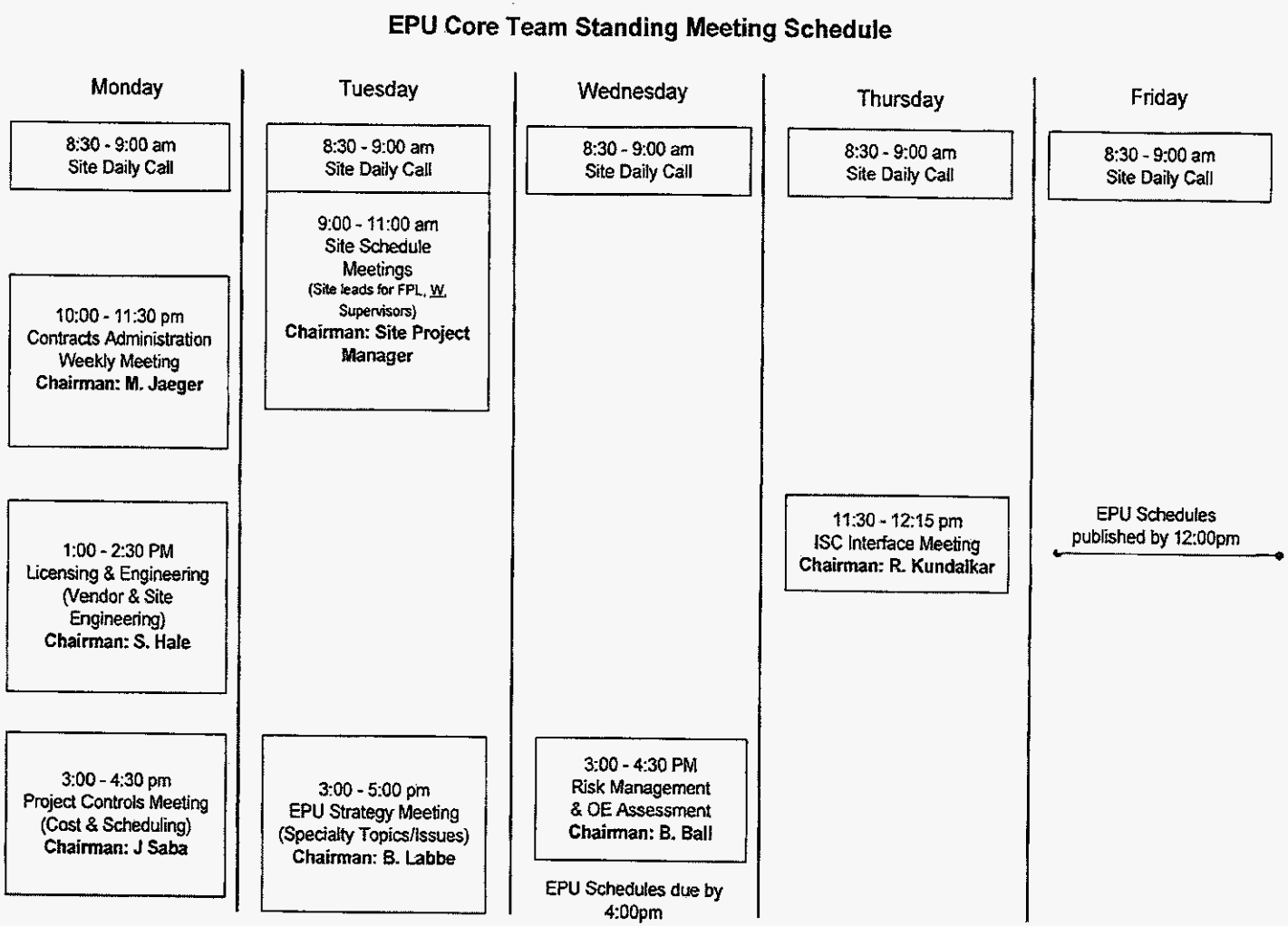




Challenges

- **Need Key Station personnel (e.g. Operations, Training, Maintenance) assigned to the project**

EPU Routine Meetings



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PAGES 39-44

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DR 1.10
PAGES 5, 9, 17-21, 23

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EXTENDED POWER UPRATES

Executive Steering Committee Meeting
St Lucie & Turkey Point

May 16, 2008

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Agenda

- Plans & Targets
- Costs & Budget Summary
- Regulatory
- Project Highlights
- Engineering Evaluations
- Vendor Strategy
- Risk Exposures & Mitigation
- Implementation Strategy
- Staffing
- Key Performance Indicators
- Highlights of Next Steps



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Project Overview – Plan and Targets

	SAINT LUCIE		TURKEY POINT	
	U-1	U-2	U-3	U-4
1st Outage	4/5/2010	11/15/2010	9/26/2010	4/25/2011
Duration	55 Days	40 Days	55 Days	55 Days
2nd Outage	10/1/2011	5/1/2012	3/5/2012	10/22/2012
Duration	55 Days	55 Days	40 Days	40 Days
LAR Submittal	9/01/09	9/01/09	9/01/09	9/01/09
MWE Proforma	103	103	104	104
MWE Predicted *	118	118	112	112

* MWE predicted is determined from SWEC Heat Balance and which will be the basis for the performance guarantee: Heat Balance completed, Siemens completing review

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EPU Budget Summary -PSL

St Lucie Units

Cost Category	Proforma Budget $mm	Forecast $mm	Source of Cost Estimate
Engineering	$100	$101	84% Firm Contracts and Staff
Materials	$269	$266	52% Firm Contracts, FPL & SWEC Estimate
Implementation	$106	$120	36% Frim Contracts, FPL & SWEC Estimate
Subtotal	**$475**	**$487**	55% Firm Contracts
Scope not estimated	$182	$170	
Total	**$657**	**$657**	
T&D Estimate	$25	$25	FPL Estimate
Total	**$682**	**$682**	

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PAGE 5

Project Cost Summary – PSL

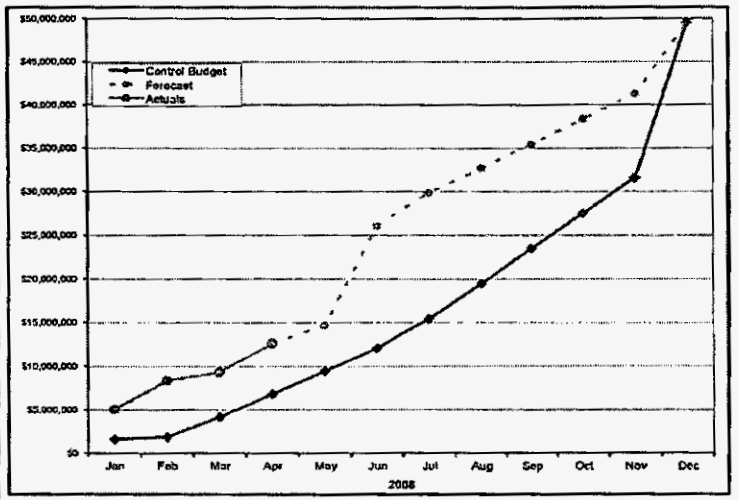
PSL EPU Project

Account #: 66730
Data As Of: 05/01/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008 Actual	2009	2010	Future Yrs	Total
Engineering	-	6,965,475	-	-	-	6,965,475
Material	-	3,595,637	-	-	-	3,595,637
Implementation	-	-	-	-	-	-
Support	-	2,016,014	-	-	-	2,016,014
Contingency	-	-	-	-	-	-
Total	-	12,577,126	-	-	-	12,577,126

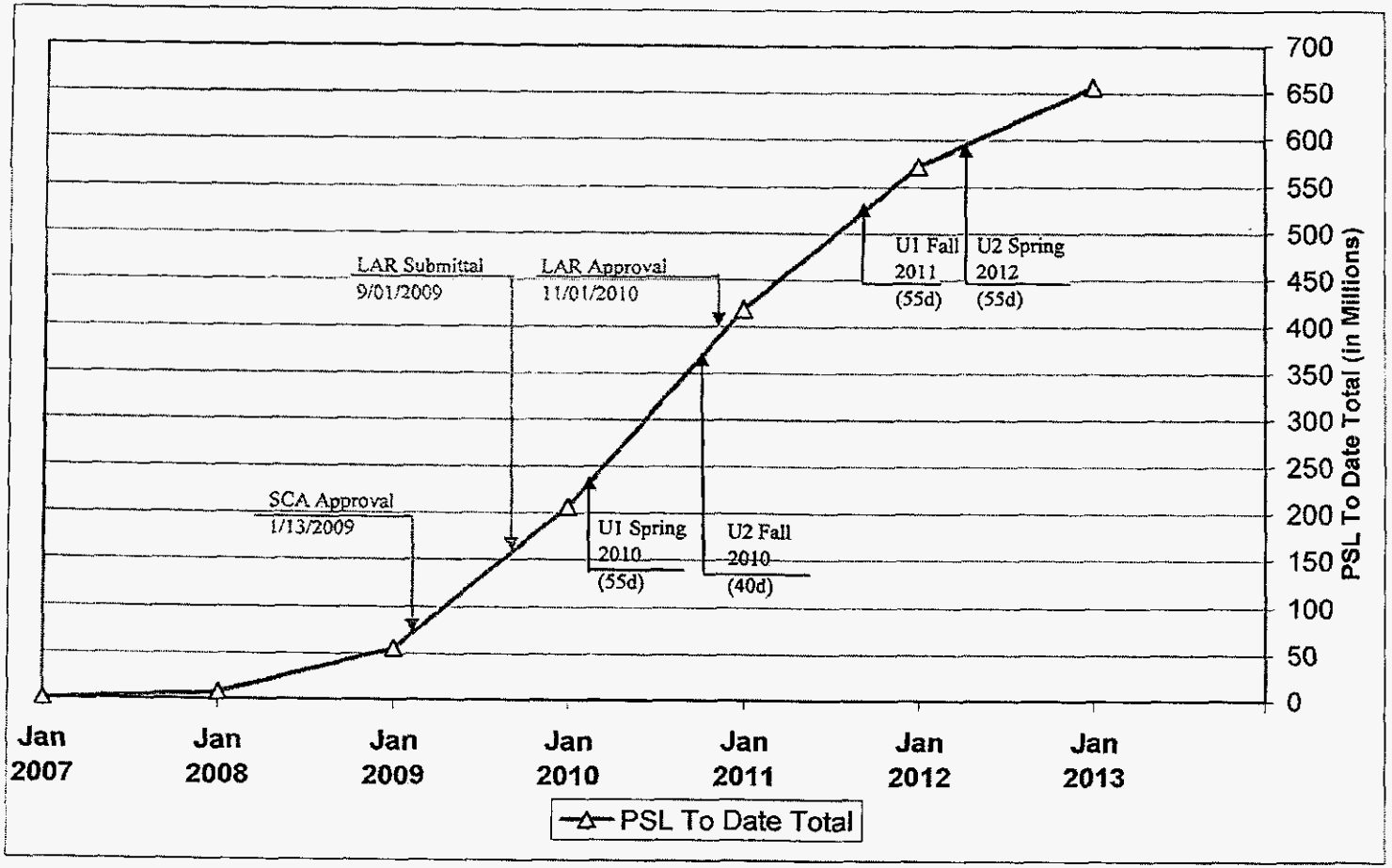


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (Includes approved scope changes)															
Monthly Total	1,545,852	263,084	2,350,106	2,829,657	2,844,674	2,627,608	3,369,024	4,032,199	4,011,341	3,994,274	4,101,387	17,945,111	To-Date	To Go	Total
Cumulative Total	1,545,852	1,808,936	4,159,042	6,788,699	9,633,373	12,260,981	15,630,005	19,662,204	23,673,545	27,667,819	31,769,206	49,514,317	6,788,699	42,725,618	49,514,317
2008 Actual & Forecast															
	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,991,615	543,887	492,280	2,937,693	1,794,000	2,834,000	3,230,000	2,230,000	2,230,000	2,774,000	2,774,000	7,671,191	6,965,475	24,477,191	31,442,666
Material	1,150,625	2,442,375	2,637	-	-	8,235,000	-	-	-	-	-	-	3,595,637	8,235,000	11,830,637
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	872,544	300,738	487,135	355,597	326,000	326,000	569,000	569,000	569,000	622,000	622,000	622,000	2,016,014	4,225,000	6,241,014
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	5,014,784	3,287,000	982,052	3,293,290	2,060,000	11,396,000	3,799,000	2,799,000	2,799,000	2,896,000	2,896,000	8,293,191			
Cumulative Total	5,014,784	8,301,784	9,283,836	12,577,126	14,637,126	26,032,126	29,831,126	32,630,126	35,429,126	38,325,126	41,221,126	49,514,317	12,577,126	36,937,191	49,514,317
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	2,991,615	543,887	492,280	2,937,693	-	-	-	-	-	-	-	-	6,965,475	-	6,965,475
Material	1,150,625	2,442,375	2,637	-	-	-	-	-	-	-	-	-	3,595,637	-	3,595,637
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	872,544	300,738	487,135	355,597	-	-	-	-	-	-	-	-	2,016,014	-	2,016,014
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	5,014,784	3,287,000	982,052	3,293,290	-	-	-	-	-	-	-	-			
Cumulative Total	5,014,784	8,301,784	9,283,836	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	12,577,126	-	12,577,126

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PSL EPU Project Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012
PSL Yearly Total	$7,658,262	$48,231,547	$150,849,692	$212,193,246	$153,226,242	$84,231,608
PSL To Date Total	$7,658,262	$55,889,809	$206,739,502	$418,932,748	$572,158,989	$656,390,598

FPL

EPU Budget Summary - PTN

Turkey Point Units

Cost Category	Proforma Budget $mm	Forecast $mm	Source of Cost Estimate
Engineering	$99	$103	78% Firm Contracts and Staff
Materials	$257	$289	24% Firm Contracts, FPL & SWEC Estimate
Implementation	$190	$242	9% Firm Contracts
Subtotal	**$546**	**$634**	27% Firm Contracts
Scope not estimated	$204	$116	
Total	**$750**	**$750**	
T&D Estimate	$20	$20	FPL Estimate
Total	**$770**	**$770**	

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Project Cost Summary – PTN

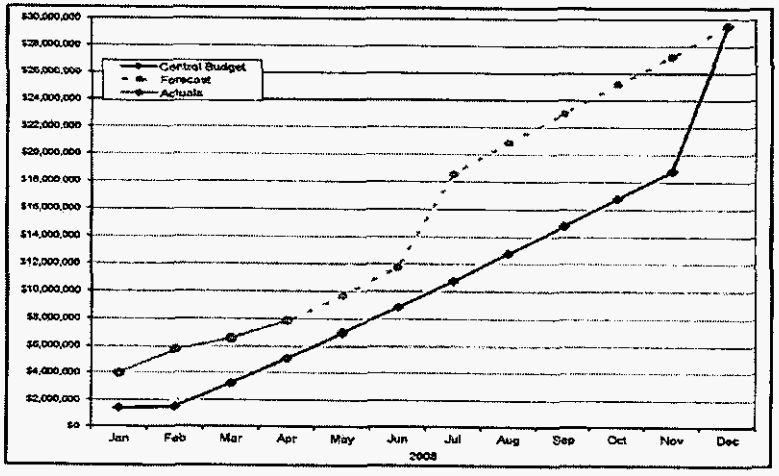
PTN EPU Project

Account #: 66730
Data As Of: 05/01/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable

Total Project Cost Summary (Level 1)

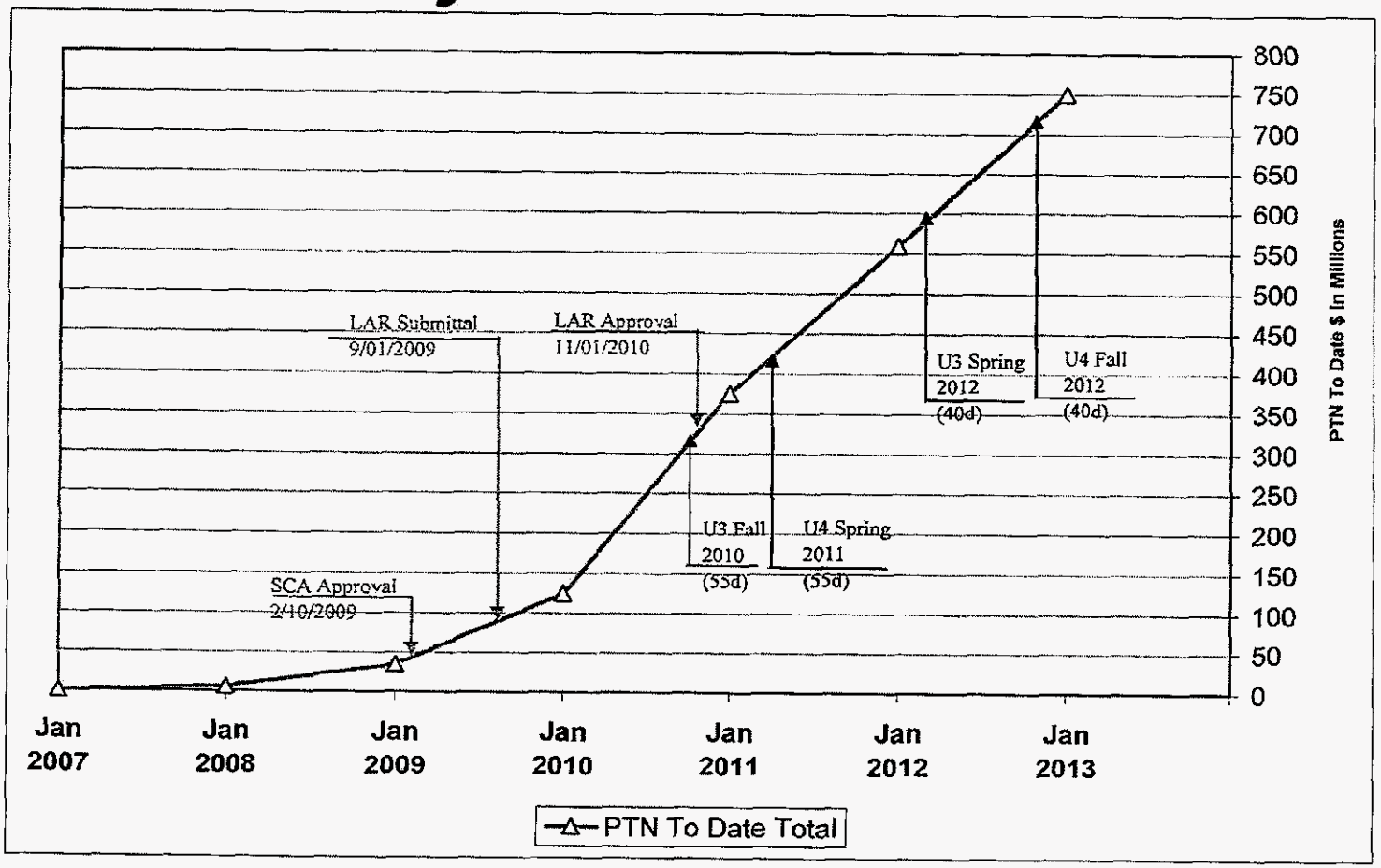
By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering	-	4,703,838	-	-	-	4,703,838
Material	-	1,648,018	-	-	-	1,648,018
Implementation	-	-	-	-	-	-
Support	-	1,556,746	-	-	-	1,556,746
Contingency	-	-	-	-	-	-
Total	-	7,808,602	-	-	-	7,808,602



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	1,396,031	113,263	1,701,049	1,843,000	1,697,880	1,882,505	1,909,553	2,022,871	2,005,870	1,993,525	2,027,796	10,724,993	To-Date	To Go	Total
Cumulative Total	1,396,031	1,509,294	3,210,343	5,053,343	6,951,223	8,833,728	10,743,281	12,766,952	14,769,831	16,763,469	18,791,266	29,516,248	5,053,343	24,462,905	29,516,248
2008 Actual & Forecast															
Engineering	2,922,018	328,623	459,347	993,851	1,514,617	1,514,617	1,663,680	1,897,847	1,897,847	1,897,847	1,584,516	1,892,993	4,703,838	13,363,964	18,067,802
Material	275,000	1,249,500	20,714	2,804	-	-	4,575,000	78,950	78,950	78,950	78,950	1,648,018	1,648,018	4,968,750	6,617,767
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	725,442	214,250	326,674	290,179	367,888	553,277	553,277	553,277	367,888	373,013	373,013	232,206	1,556,746	3,373,933	4,930,679
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,922,460	1,792,373	806,935	1,286,834	1,882,505	2,067,894	6,791,957	2,330,074	2,144,686	2,149,810	2,036,479	2,304,241			
Cumulative Total	3,922,460	5,714,833	6,521,768	7,808,602	9,691,107	11,759,001	18,550,958	20,881,032	23,025,717	25,175,528	27,212,007	29,516,248	7,808,602	21,707,646	29,516,248
2008 Actuals															
Engineering	2,922,018	328,623	459,347	993,851	-	-	-	-	-	-	-	-	4,703,838	-	-
Material	275,000	1,249,500	20,714	2,804	-	-	-	-	-	-	-	-	1,648,018	-	-
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	725,442	214,250	326,674	290,179	-	-	-	-	-	-	-	-	1,556,746	-	-
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,922,460	1,792,373	806,935	1,286,834	-	-	-	-	-	-	-	-	-	-	-
Cumulative Total	3,922,460	5,714,833	6,521,768	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	7,808,602	-	-

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PTN EPU Project Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012
PTN Yearly Total	$6,625,775	$28,233,482	$89,996,218	$249,785,655	$184,133,622	$191,393,315
PTN To Date Total	$6,625,775	$34,859,257	$124,855,474	$374,641,130	$558,774,752	$750,168,067

FPL

Project Overview – Regulatory

- Regulatory Status
  - Site Certification Application (SCA)

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	5/8/08 (a) *
Deadline for Motions to Intervene	7/28/08	9/8/08
Certification Hearing before Administrative Law Judge	9/5/08	10/9/08
Administrative Law Judge issues Recommended Order	10/31/08	12/11/08
Siting Board Hearing on Certification	1/13/09	2/10/09

* New date based on Miami-Dade County request; should not affect end date

FPSC Internal Controls Data Request DR 1-10
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Project Overview – Regulatory

- License Amendment Request
  - Combined integrated schedule for W, SWEC, and FPL
    - PSL (meets planned submittal date)
    - PTN (schedule in final review- 6/15/08)

LAR Milestones	Target Date
W complete Operating Parameter Review	3/1/08 (a)
Complete large break LOCA analysis	2/10/09
Sequester Week 1	5/1/09
Complete small break LOCA analysis	5/18/09
Sequester Week 2	6/1/09
SWEC issue BOP License Section to FPL	6/30/09
W issue NSSS License Section to FPL	7/20/09
Sequester Week 3	7/20/09
FPL Draft License Amendment	9/22/09
Site Review & Approve License Amendment	9/29/09
Corporate Review License Amendment	10/6/09
Submit LAR to NRC (PSL-2)	10/13/09

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Project Overview - Highlights

- Integrated Modification Schedule reviews
  - Complete St Lucie – 4/30/08 (complete)
  - Complete Turkey Point – 6/15/08

- Long Lead Procurement update

  (HP & LP Turbines, Generator Rotors)

Key Milestone	Target Date
Issue LOI to Siemens	1/31/08 (a)
Issue SWEC best estimate heat balance	2/25/08 (a)
Issue Conformed TG Specs	2/29/08 (a)
Issue Siemens Contract	5/30/08

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Engineering Evaluations – St Lucie

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
Main Transformer Strategy Evaluation	Complete	Replacement of all 4 Main Transformers	Upgrade both of PSL-1 Main Transformers Replace both of PSL-2 Main Transformers
Spare Exciter Acceptability Evaluation	Complete	The Spare exciter would be compatible with all 4 Florida Units	The spare exciter rotor will be suitable for all 4 Florida Units , including PSL 1
Perform Grid Studies	12/31/08	T&D to upgrade as appropriate (budgeted).	May need capacitor banks (not budgeted) Grid upgrades – the budgeted amount may not be sufficient

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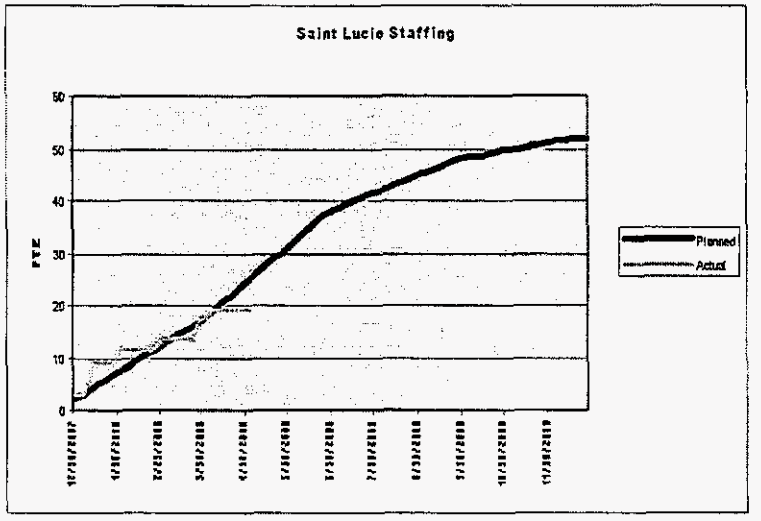
Engineering Evaluations – Turkey Point

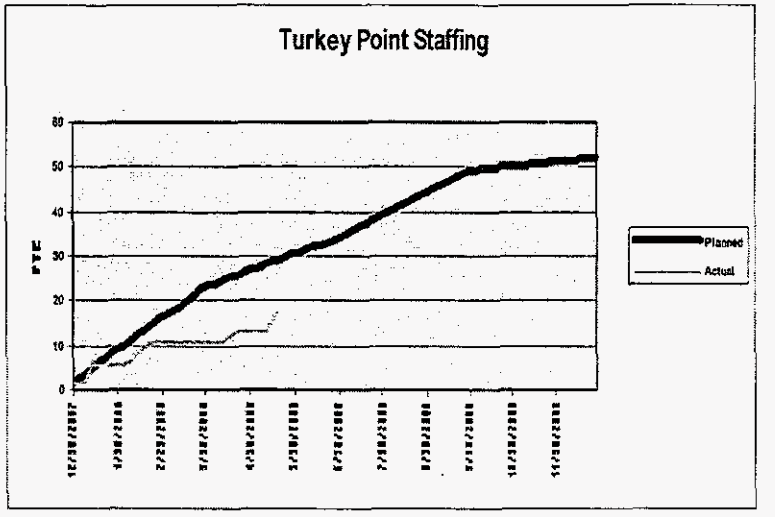
Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
LP Turbine rotor evaluation	Complete	LP Turbine rotors expected to be used for uprate condition	LP rotors will be acceptable
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• No S/G MCO Modification expected • Contingency Modifications for Feedring & Primary Separators to address E/C
Perform Grid Studies	12/31/08	T&D to upgrade as appropriate (budgeted).	• May need capacitor banks (not budgeted) • Grid upgrades – the budgeted amount may not be sufficient

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Staffing Update – FPL





UNFILLED CRITICAL POSITIONS	SITE	STATUS
Contracts Administrator	PSL	Candidate selected, Start 7/7/08
I & C Engineer	PSL	Reviewing Resumes

UNFILLED CRITICAL POSITIONS	SITE	STATUS
Engineering Manager	PTN	Interviews in progress
Electrical Supervisor	PTN	Candidate selection in progress
I & C Supervisor	PTN	Reviewing Resumes

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Construction Manager	PSL
Design Basis Engineer	PSL
I & C Engineer	PSL
Cost Specialist	PSL

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Mechanical Engineer	PTN
I&C Engineer	PTN
Lead Test Engineer	PTN
Electrical Project Manager	PTN
T/G Project Manager	PTN
Materials Coordinator	PTN

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Project - KPIs

Category	Performance Indicator (for each location)	Project Target	Project Warning	Project Threat	Juno Beach	Saint Lucie	Turkey Point
SAFETY	Annual Lost Time Accidents		Amber 1	Red >1			
	Annual OSHA Recordables		Amber 2 to 3	Red >3			
COST	Cost Performance Index (CPI)		Amber 90 -100%	Red <90%	N/A	Red 53.95% ▼	Red 64.72% ▼
SCHEDULE	Schedule Performance Index (SPI)		Amber 80- 90%	Red <80%	N/A	5/15/08	6/15/08
HUMAN RESOURCES	FPL Resource Performance Index (RPI)		Amber 80-90%	Red <80%		Red 75.76% ▼	Red 89.3% ►
	FPL Unfilled Key Positions		Amber 3 to 5	Red >5			Amber 3 ►
	SWEC Resource Performance Index (RPI)		Amber 80-90%	Red <80%			
	W Resource Performance Index (RPI) (updated monthly)		Amber 80-90%	Red <80%	N/A		
	Siemens Resource Performance Index (RPI)		Amber 80-90%	Red <80%	Data Unavailable	Data Unavailable	Data Unavailable
RISK MITIGATION	Open High Risk items with out Mitigation Plans		Amber 2 to 3	Red >3			
QUALITY And HUMAN PERFORMANCE	Regulatory submittals not accepted or RAIs due to technical error		Amber 1 to 2	Red >2			
	Condition Reports beyond due dates		Amber 1 to 3	Red > 3			
	Condition Reports Apparent Cause Approval Rate		Amber 95-97%	Red <95%			
	Mod Package & Licensing submittal approval rate through SORC		Amber 95 – 97%	Red <95%			
	Average Days Between Resets		Amber 40 to 50	Red < 40			
REGULATORY	Non-cited Violations		Amber 2	Red >2			
	Cited Violations		Amber 1	Red >1			

Definitions	Actions if required
CPI = Budgeted Costs / Actual Costs SPI = Activities Completed / Activities Planned RPI = Actual Resources / Planned Resources	Contracts issued for Siemens & Westinghouse, and associated payment schedules ahead of expected time frame. Expect to be within budget for end of year and total project. Pursing hiring additional staff is a priority for the project management with a focus on hiring key positions first

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Highlights of Next Steps (Goals for next month)

- Juno Beach
  - Award Siemens Contract
  - Issue RFP for EC Contract
  - Complete development of Margin Management program
  - Complete development of Project Instructions (with exception of Training)
  - Perform Project self assessment
  - Bench Mark visit at TVA & Duke
  - CMP for staffing support from station

- St Lucie & Turkey Point
  - Complete integrated schedule reviews for PSL
  - Continue with Conformed Specs (MSRs, FW Heaters, Condenser)

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DR 1.10
PAGES 6, 10, 20, 22-25,
27-28

EXTENDED POWER UPRATES
Executive Steering Committee Meeting
St Lucie & Turkey Point

June 25, 2008

Agenda

- Plans & Targets
- Costs & Budget Summary
- Regulatory
- Project Highlights
- Engineering Evaluations
- Vendor Strategy
- Risk Exposures & Mitigation
- Staffing
- Key Performance Indicators
- Highlights of Next Steps

Plans & Targets

Saint Lucie

	SAINT LUCIE		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days*	40 Days*	55 Days	40 Days
2nd Outage	10/1/2011	5/1/2012	10/1/2011	5/1/2012
Duration	55 Days*	55 Days*	55 Days	55 Days
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE Proforma	103	103	118***	118***

Note –

* - Target durations may be adjusted when design changes are finalized.

** - Negative float is - 26 days as of 6/20/08

*** - Based on Siemens Heat Balance

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Plans & Targets

Turkey Point

	TURKEY POINT		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days*	55 Days*	55 Days	55 Days
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days*	40 Days*	40 Days	40 Days
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE Proforma	104	104	110***	110***

Note –

* - Target durations may be adjusted when design changes are finalized.

** - Negative float is - 26 days as of 6/20/08

*** - Based on Siemens Heat Balance

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Budget & Cost Summary

Saint Lucie

Cost Category	Proforma Budget	June Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$100	$101	84% Firm Contracts and Staff
Materials	$269	$266	52% Firm Contracts, FPL & SWEC Estimate
Implementation	$106	$120	36% Frim Contracts, FPL & SWEC Estimate
Subtotal	**$475**	**$487**	55% Firm Contracts
Scope not estimated	$182	$170	
Total	**$657**	**$657**	
T&D Estimate	$25	$25	FPL Estimate
Total	**$682**	**$682**	

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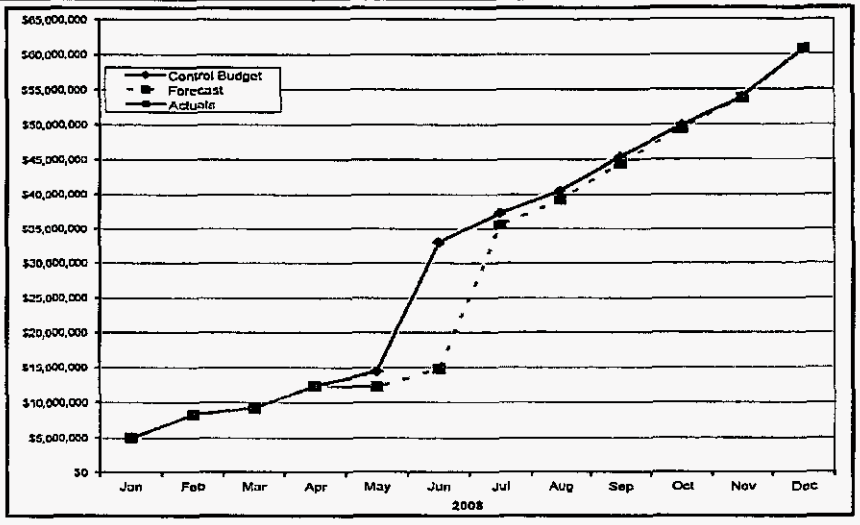
Budget & Cost Summary

Saint Lucie Cost Summary - 2008

PSL EPU Project

Account #: 66730
Data As Of: 05/31/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering	-	26,740,360	46,486,068	11,324,544	13,457,852	100,018,824
Material	-	24,866,249	65,973,000	51,061,500	101,856,500	243,777,249
Implementation	-	1,747,000	18,500,000	102,075,000	103,628,809	225,950,809
Support	-	7,218,953	11,946,000	17,045,624	28,369,000	64,580,577
O&M	-	130,000	300,000	584,376	1,029,370	2,043,746
Total	-	58,711,561	166,205,068	182,112,044	248,361,031	656,331,204

Note: Actuals adjusted for accruals and C&As

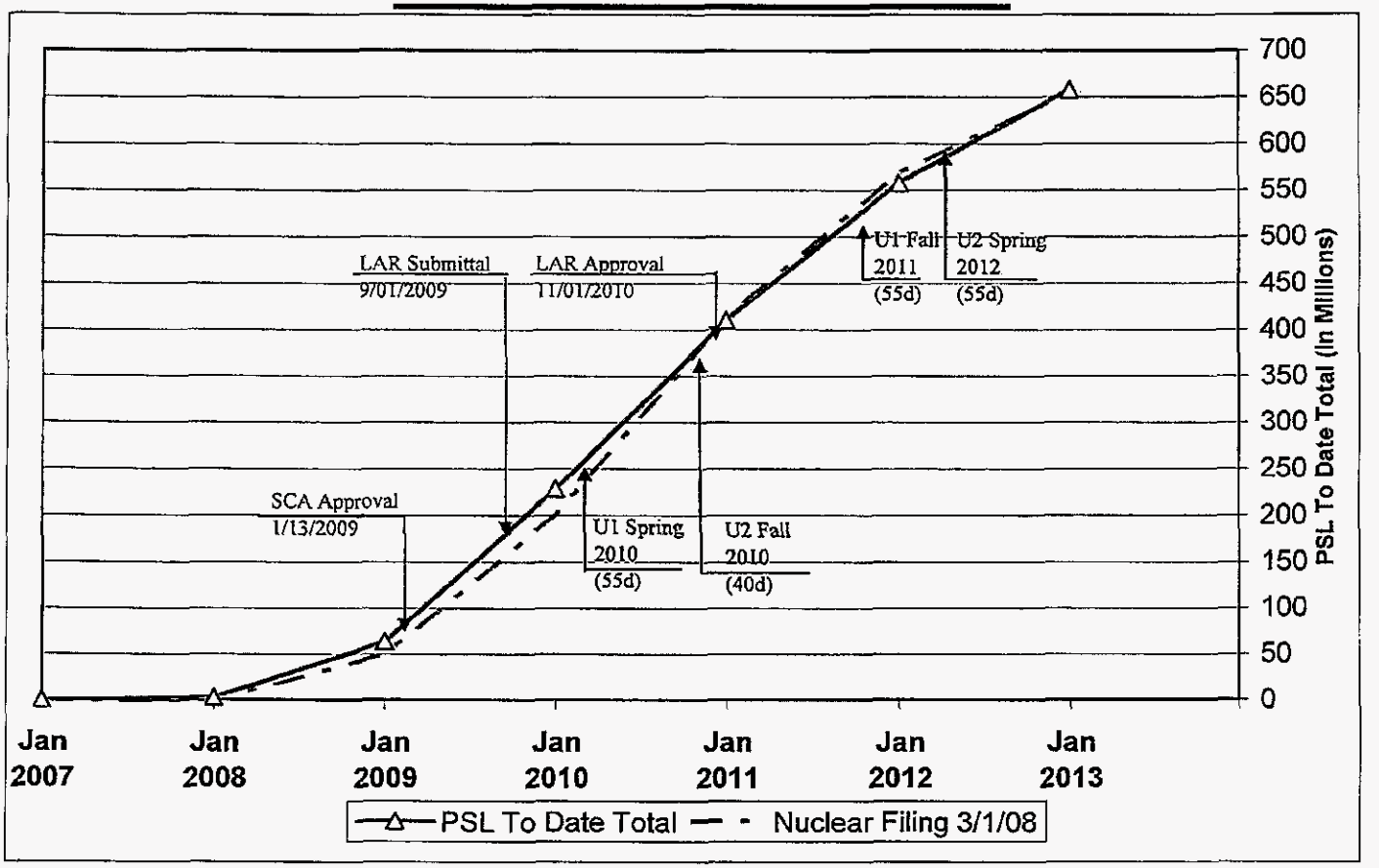
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,050,000	15,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	30,030,571	34,222,903	40,476,236	45,400,567	49,859,899	53,914,231	60,711,563	14,390,571	46,320,992	60,711,563
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,953,375	487,400	463,754	2,852,438	(638,702)	2,180,500	2,794,366	2,986,666	3,185,916	3,381,916	3,283,966	2,817,766	6,118,264	20,631,096	26,749,360
Material	1,150,625	2,442,375	2,637	-	(8,388)	-	16,470,000	-	1,803,000	660,000	-	2,546,000	3,587,249	21,279,000	24,866,249
Implementation	-	-	-	-	-	-	-	-	-	250,000	450,000	1,047,000	-	1,747,000	1,747,000
Support	872,544	300,738	487,135	317,551	461,925	404,450	1,523,210	569,000	569,000	622,000	551,000	540,400	2,439,893	4,779,060	7,218,953
O&M	-	-	-	-	53,320	10,000	10,000	10,000	10,000	10,000	11,680	15,000	53,320	76,680	130,000
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	(131,846)	2,594,950	20,797,576	3,565,666	5,367,916	4,923,916	4,296,646	6,966,166			
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	12,198,725	14,793,675	35,591,251	39,156,917	44,524,833	49,448,749	53,745,395	60,711,561	12,198,725	48,512,836	60,711,561
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,953,375	487,400	463,754	2,852,438	(638,702)	-	-	-	-	-	-	-	6,118,264	-	6,118,264
Material	1,150,625	2,442,375	2,637	-	(8,388)	-	-	-	-	-	-	-	3,587,249	-	3,587,249
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	872,544	300,738	487,135	317,551	461,925	-	-	-	-	-	-	-	2,439,893	-	2,439,893
O&M	-	-	-	-	53,320	-	-	-	-	-	-	-	53,320	-	53,320
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	(131,846)	-	-	-	-	-	-	-			
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	12,198,725	12,198,725	12,198,725	12,198,725	12,198,725	12,198,725	12,198,725	12,198,725	12,198,725	-	12,198,725

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Budget & Cost Summary

Saint Lucie Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012
PSL Yearly Total	$3,135,200	$60,581,563	$164,905,968	$181,527,668	$147,631,868	$99,700,393
PSL To Date Total	$3,135,200	$63,716,763	$228,622,731	$410,150,399	$557,782,267	$657,482,660

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Budget & Cost Summary

Turkey Point

Cost Category	Proforma Budget	June Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$99	$103	78% Firm Contracts and Staff
Materials	$257	$289	24% Firm Contracts, FPL & SWEC Estimate
Implementation	$190	$242	9% Firm Contracts
Subtotal	**$546**	**$634**	27% Firm Contracts
Scope not estimated	$204	$116	
Total	**$750**	**$750**	
T&D Estimate	$20	$20	FPL Estimate
Total	**$770**	**$770**	

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Budget & Cost Summary

Turkey Point Cost Summary - 2008

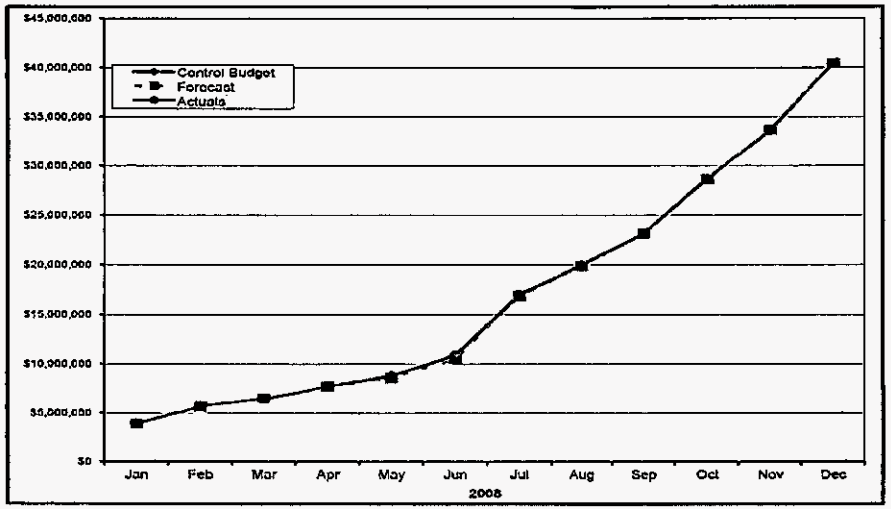
PTN EPU Project

Account #: 66730
Data As Of: 05/31/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering	-	20,065,305	39,554,034	12,440,418	22,048,140	94,107,897
Material	-	8,291,580	43,460,000	71,938,430	86,406,813	210,097,132
Implementation	-	2,675,800	18,616,000	89,628,820	230,770,232	341,690,852
Support	-	9,172,305	20,652,137	23,113,292	43,791,841	96,729,575
O&M	-	200,000	200,000	200,000	1,600,000	2,200,000
Total	-	40,405,290	122,482,171	197,320,969	384,617,026	744,825,456



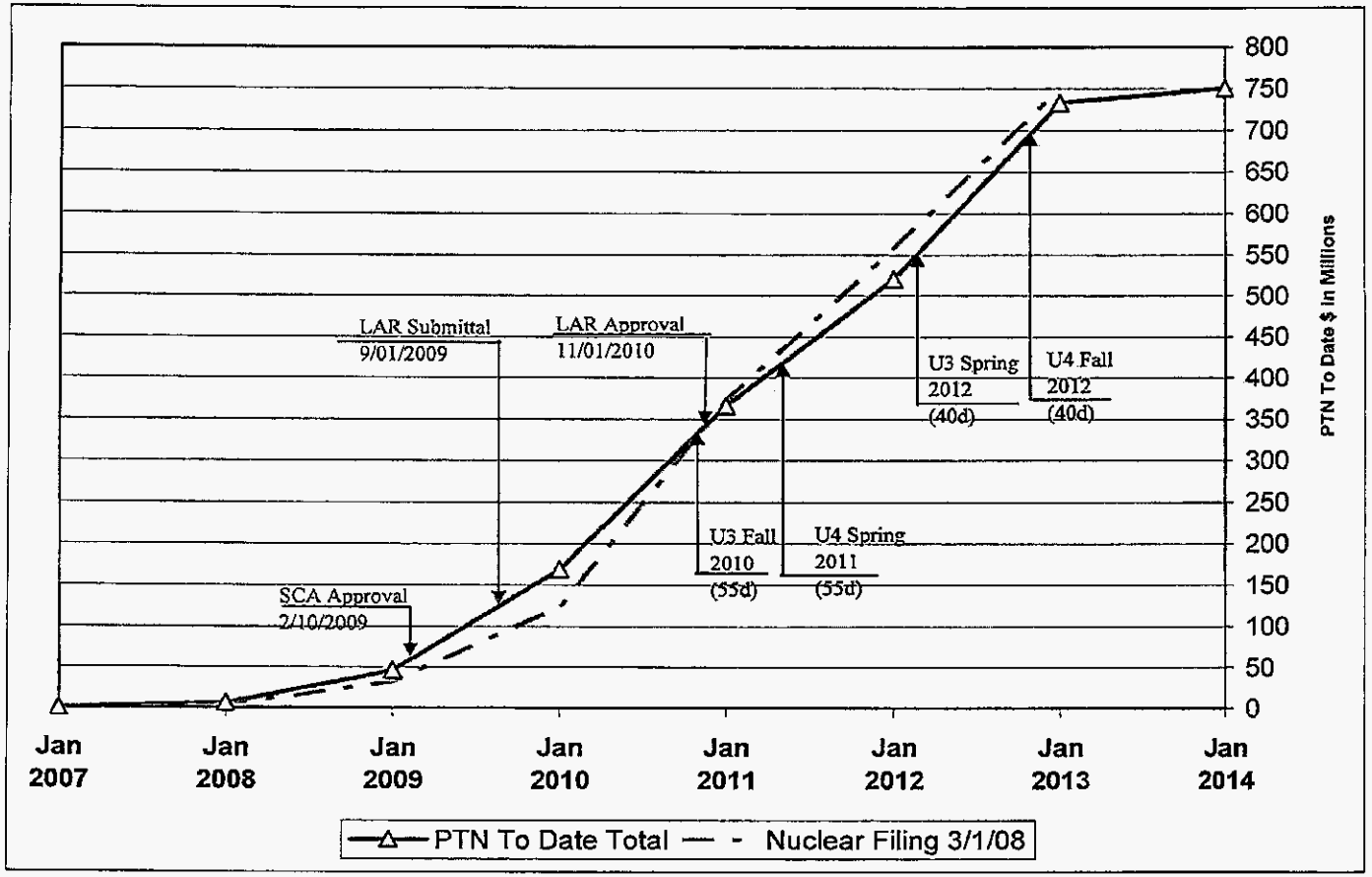
Note: Actuals adjusted for accruals and C&As

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	1,131,856	2,120,285	6,075,664	3,011,914	3,111,914	5,574,910	4,948,410	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,766,880	10,887,265	16,962,929	19,974,843	23,086,757	28,661,667	33,610,077	40,405,290	8,766,880	31,638,410	40,405,290
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,894,781	288,196	442,854	957,575	424,466	1,195,783	1,913,680	2,113,680	2,263,680	2,241,891	2,586,828	2,741,891	5,007,872	15,057,433	20,065,305
Material	275,000	1,249,500	20,714	2,804	(8,388)	-	3,428,750	-	-	2,125,000	1,198,500	-	1,539,630	6,752,250	8,291,880
Implementation	-	-	-	-	-	310,829	60,829	60,829	60,829	60,829	60,829	2,060,826	-	2,675,800	2,675,800
Support	725,442	214,250	326,874	237,033	339,574	438,425	872,405	897,405	897,405	1,107,190	1,186,337	1,927,964	1,843,173	7,329,132	9,172,305
O&M	-	-	-	-	134,522	65,478	-	-	-	-	-	-	134,522	65,478	200,000
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	890,174	2,010,515	6,275,664	3,071,914	3,221,914	5,534,910	5,034,494	6,730,681			
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,525,198	10,535,713	16,811,377	19,883,291	23,105,205	28,640,115	33,674,609	40,405,290	8,525,198	31,880,093	40,405,290
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		
Engineering	2,894,781	288,196	442,854	957,575	424,466	-	-	-	-	-	-	-	5,007,872	-	-
Material	275,000	1,249,500	20,714	2,804	(8,388)	-	-	-	-	-	-	-	1,539,630	-	-
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	725,442	214,250	326,874	237,033	339,574	-	-	-	-	-	-	-	1,843,173	-	-
O&M	-	-	-	-	134,522	-	-	-	-	-	-	-	134,522	-	-
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	890,174	-	-	-	-	-	-	-			
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,525,198	8,525,198	8,525,198	8,525,198	8,525,198	8,525,198	8,525,198	8,525,198	8,525,198	-	-

FPL.

Budget & Cost Summary

Turkey Point Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012	2013
PTN Yearly Total	$6,425,775	$40,309,984	$122,482,171	$197,020,969	$154,227,538	$212,689,688	$17,299,799
PTN To Date Total	$6,425,775	$46,735,759	$169,217,930	$366,238,899	$520,466,437	$733,156,125	$750,455,924

FPL.

Regulatory

Site Certification Application Status

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	**12/13/07 (a)**	**1/18/08 (a)**
DEP issue Completeness Determination on SCA	**1/22/08 (a)**	**2/27/08 (a)**
FPL response to DEP Determination (if incomplete)	**N/A**	**3/28/08 (a)**
DEP 2nd Completeness Determination (if necessary)	**N/A**	**5/8/08 (a)**
Deadline for Motions to Intervene	**7/28/08**	**9/8/08**
Complete Certification Hearings before Administrative Law Judge	**9/5/08**	**10/9/08 ***
Administrative Law Judge issues Recommended Order	**10/31/08**	**12/11/08**
Siting Board Hearing on Certification (Anticipated Dates)	**1/13/09**	**2/10/09**

* Note: issues associated with Miami-Dade are becoming a concern and could potentially delay or draw out the certification hearings

Regulatory

License Amendment Request Update

- **Combined integrated schedule for W, SWEC, Siemens, and FPL**
  - PSL U1 (-26 days float) & PSL U2 (-18 days float)
  - PTN (-25 days float)

LAR Milestones	PSL 1	PSL 2
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	4/29/09
Complete large break LOCA analysis	6/26/09	6/4/09
W issue NSSS License Section to FPL	6/30/09	7/21/09
SWEC issue BOP License Section to FPL	6/30/09	7/24/09
Complete Sequester Week (only one Sequester)	7/8/09	8/7/09
FPL Complete Draft License Amendment	7/31/09	7/31/09
Complete Site Review License Amendment	8/5/09	8/28/09
Complete Corporate Review License Amendment	8/12/09	9/4/09
Submit LAR to NRC	9/1/09	9/5/09

New Challenges

- **NRC has modified NRR instruction (LIC-109) for acceptance review of Requested Licensing Actions (RLAs)**
  - May require any linked Requested Licensing Actions (RLAs) to be reviewed and approved prior to accepting the RAL for review
  - The 6 month grace period provided by the instruction will not be applicable to the Florida plants (submittals will be after 11/2/08)
  - Project team is In the process of determining what items are considered linked RLAs and the potential schedule impact.
    - Unlikely to Impact either of the PSL uprate LARs
    - Evaluating Impact PTN uprate LAR
    - Risk Mitigation Plan being developed
    - Meeting with NRR – 7/21/08

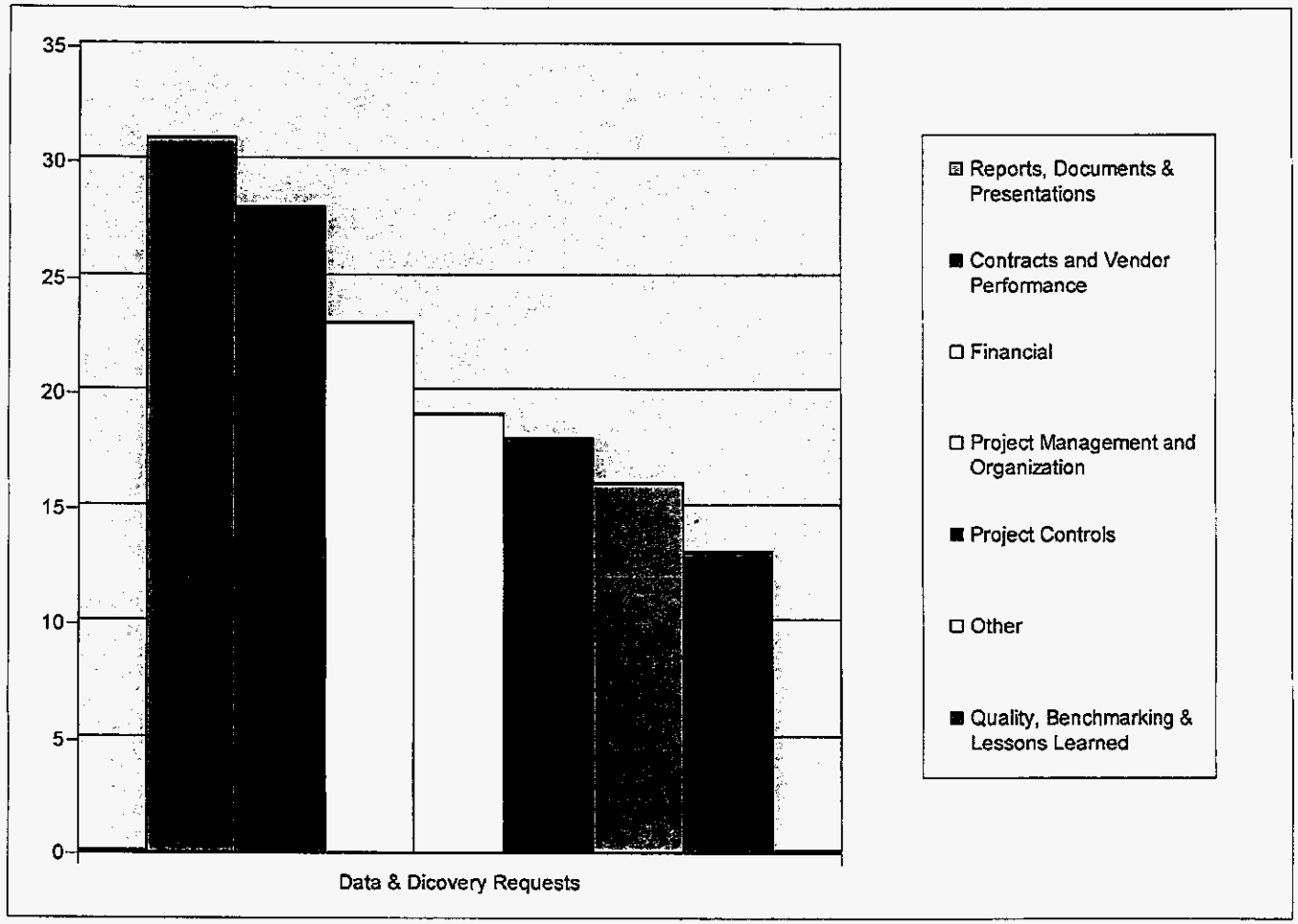
Regulatory

Nuclear Cost Recovery

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/14/08
Staff Testimony	7/28/08
Rebuttal Testimony	8/11/08
Discovery Completed	9/3/08
Hearings	9/11/08, 9/12/08, 9/17/08, 9/18/08
Issue Order	10/15/08

Regulatory

FPSC Data & Discovery Requests



FPL.

Engineering Evaluations

Engineering Evaluations - PSL & PTN

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment at PTN	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• No S/G MCO Modification expected • Contingency Modifications for Feedring & Primary Separators to address E/C
Perform Grid Studies for PSL & PTN	12/31/08	T&D to upgrade as appropriate (budgeted).	• Will not need capacitor banks • Upgrades for short circuit protection req'd for PTN

Engineering Evaluations

St Lucie Main Transformers

Question Regarding Age:

Transformer	Manufacture Date	In Service Date
1A	04/97	11/97
1B	06/88	11/94
*2A	02/82	08/83
*2B	05/79	08/83

***Unit 2 Transformers will be replaced as part of the EPU**

REDACTED

Vendor Strategy

Major Contract Status

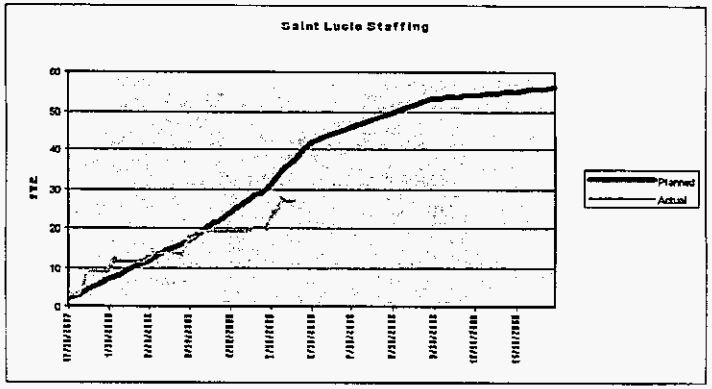
Contract	Contract Milestones					
	Bid Spec Issued (FPL)	RFP Issued (FPL)	Bids Submitted (VENDOR)	Bids Evaluated (FPL)	Conform Spec Issued (FPL)	Contract Issued
NSSS ANALYSIS FOR LAR	**3/24/2008(a)**	**4/16/08(a)**	**5/8/08(a)**	**6/6/08(a)**	**6/25/2008 On Track**	**6/29/2008 On Track**
BOP ANALYSIS FOR LAR	**2/29/2008 (a)**	**3/7/08 (a)**	**3/21/08(a)**	**4/10/2008 Complete**	**4/17/2008 Complete**	**4/24/2008 Complete**
TURBINE AND GENERATOR	**2/7/2008 (a)**	**NA**	**NA**	**NA**	**3/31/08 5/30/08(a)**	**5/2/2008 7/11/08(f)**
MODIFICATION ENGINEERING & CONSTRUCTION	**5/1/08 5/15/08 (a)**	**5/1/08 5/19/08 (a)**	**6/1/08 7/15/08 (f)**	**6/10/08 8/1//08 (f)**	**N/A**	**8/1/08 8/23/08 (f)**

REDACTED

PAGES 22-25

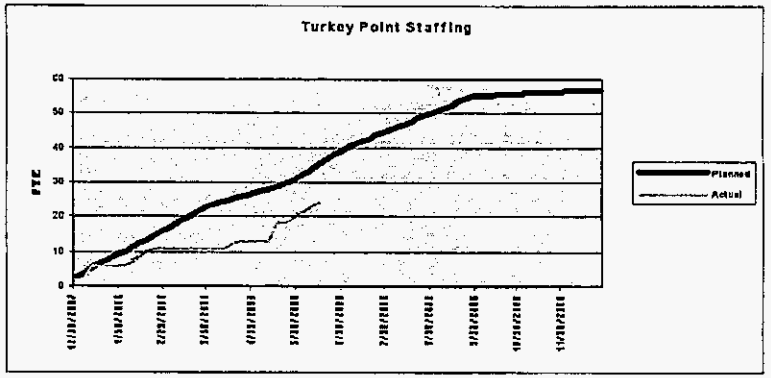
Staffing

FPL



UNFILLED CRITICAL POSITIONS	SITE	STATUS
Contracts Administrator	PSL	Candidate selected, Start 7/7/08
I & C Engineer	PSL	Reviewing Resumes

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Construction Manager	PSL
Design Basis Engineer	PSL
I & C Engineer	PSL
Cost Specialist	PSL

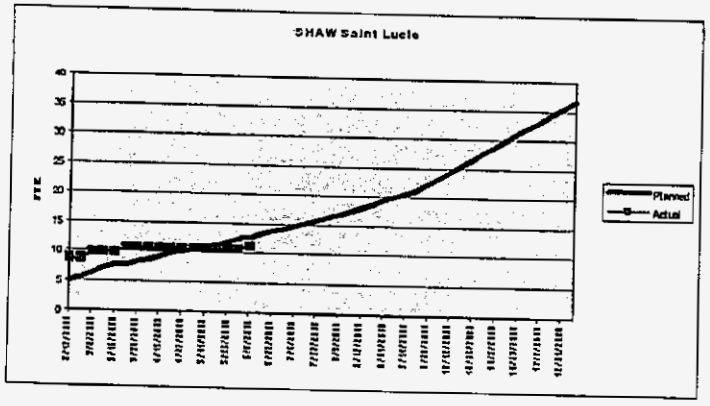


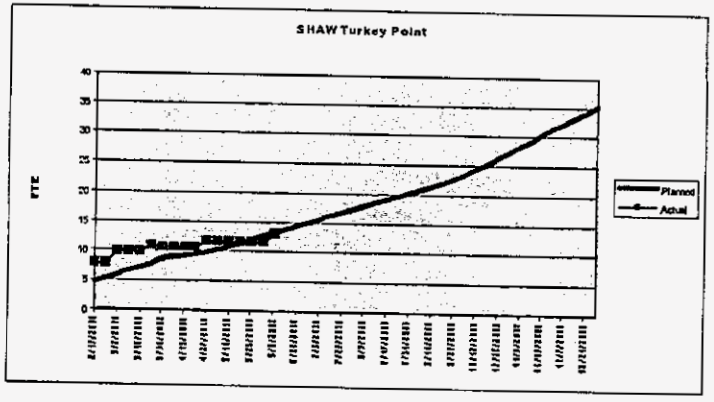
UNFILLED CRITICAL POSITIONS	SITE	STATUS
Engineering Manager	PTN	Interviews in progress
Electrical Supervisor	PTN	Candidate selection in progress
I & C Supervisor	PTN	Reviewing Resumes
Scheduler	PTN	Reviewing Resumes

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Mechanical Engineer	PTN
I&C Engineer	PTN
Lead Test Engineer	PTN
Electrical Project Manager	PTN
T/G Project Manager	PTN
Materials Coordinator	PTN

Staffing

Shaw





UNFILLED CRITICAL POSITION - SWEC	SITE	STATUS
Site lead Project Engineer	PTN	Evaluating position & timing
Lead Engineer Mechanical	PTN	Evaluating position & timing

Key Performance Indicators – 6/20/08

Category	Performance Indicator (for each location)	Project Target	Project Warning	Project Threat	Juno Beach	Saint Lucie	Turkey Point
SAFETY	Annual Lost Time Accidents	0	1	>1	0	0	0
	Annual OSHA Recordables	<2	2 to 3	>3	0	0	0
COST	Cost Performance Index (CPI)	>100%	90 -100%	<90%	N/A	*100% ►	*100%►
SCHEDULE	Schedule Performance Index (SPI)	>90%	80- 90%	<80%	N/A	6/30/08	6/30/08
HUMAN RESOURCES	FPL Resource Performance Index (RPI)	>90%	80-90%	<80%	93.9% ▲	72.6% ▲	69.6% ▲
	FPL Unfilled Key Positions	<3	3 to 5	>5	1▼	0►	3 ►
	SWEC Resource Performance Index (RPI)	>90%	80-90%	<80%	100%►	85.5%►	98.5% ►
	W Resource Performance Index (RPI) (updated monthly)	>90%	80-90%	<80%	N/A	100%►	98%►
	Siemens Resource Performance Index (RPI)	>90%	80-90%	<80%	Data Unavailable	Data Unavailable	Data Unavailable
RISK MITIGATION	Open High Risk items with out Mitigation Plans	<2	2 to 3	>3	0	0	0
QUALITY And HUMAN PERFORMANCE	Regulatory submittals not accepted or RAIs due to technical error	0	1 to 2	>2	0	0	0
	Condition Reports beyond due dates	0	1 to 3	> 3	0	0	0
	Condition Reports Apparent Cause Approval Rate	>97%	95-97%	<95%	0	0	0
	Mod Package & Licensing submittal approval rate through SORC	>97%	95 – 97%	<95%	0	0	0
	Average Days Between Resets	>50	40 to 50	<40	168 ▲	168 ▲	168 ▲
REGULATORY	Non-cited Violations	1	2	>2	0	0	0
	Cited Violations	0	1	>1	0	0	0

Cost Performance Index (CPI) = Budgeted Costs / Actual Cost (*updated Monthly)
Schedule Performance Index (SPI) = Activities Completed / Planned Activities (Will start measuring once schedule is base lined)
Resource Performance Index (RPI) = Actual Resources / Planned Resources

Highlights of Next Steps

- **Juno Beach**
  - Award Siemens Contract
  - Award contract for the LAR NSSS analysis work
  - Fleet Project Plan development
  - Project Instructions development
  - Training Program and process
  - Project self assessment plan
  - OE Review and disposition
  - Bench Mark visit at TVA

- **St Lucie & Turkey Point**
  - Finalize the Saint Lucie Schedules and continue integrated schedule reviews for Turkey Point
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue Staffing ramp-up per plan

REDACTED

DR 1.10
PAGES 6, 10, 20, 23-26,
29-32, 34, 35

Extended Power Uprates
Executive Steering Committee Meeting
Saint Lucie & Turkey Point

July 31, 2008

Agenda

- Plans & Targets
- Costs & Budget Summary
- Regulatory
- Engineering Evaluations
- Grid Study
- Vendor Strategy
- Project Highlights
- Next Steps
- Risk Exposures & Mitigation
- Staffing
- Key Performance Indicators

Plans & Targets

Saint Lucie

	PROFORMA		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days	40 Days	55 Days*	40 Days*
2nd Outage	10/1/2011	5/1/2012	10/1/2011	5/1/2012
Duration	55 Days	55 Days	55 Days*	55 Days*
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE	103	103	128***	134***

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Negative float is zero for U-1, - 28 days for U-2 as of 7/18/08

*** - Based on Siemens Heat Balance, contract target

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Plans & Targets

Turkey Point

	PROFORMA		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days	55 Days	55 Days*	55 Days*
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days	40 Days	40 Days*	40 Days*
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE Proforma	104	104	117***	117***

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Negative float is - 37 days as of 7/18/08

*** - Based on Siemens Heat Balance, contract target

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Budget & Cost Summary

Saint Lucie

Cost Category	Proforma Budget	June Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$100	$101	84% Contracts and Staff
Materials	$269	$266	52% Contracts, FPL & SWEC Estimate
Implementation	$106	$120	36% Contracts, FPL & SWEC Estimate
Subtotal	$475	$487	55% Contracts
Scope not estimated	$182	$170	
Total	$657	$657	
T&D Estimate	$25	$25	FPL Estimate
Total	$682	$682	

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Budget & Cost Summary

Saint Lucie Cost Summary - 2008

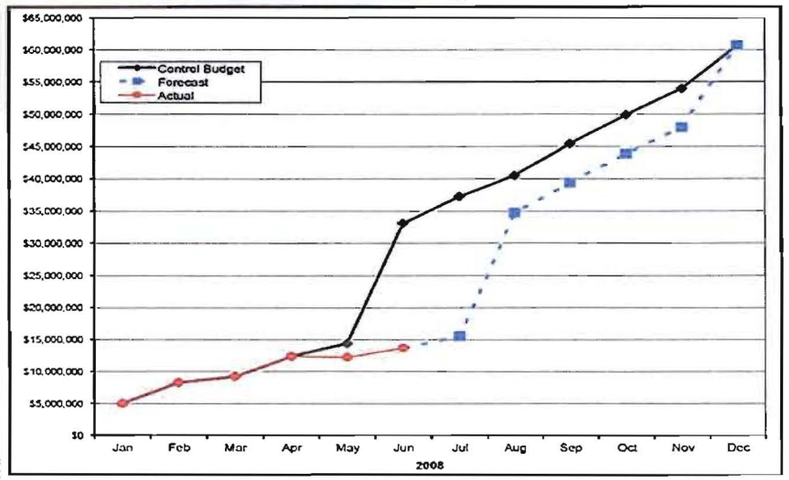
PSL EPU Project

Account #: 66730
Data As Of: 06/30/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering	-	19,904,394	48,486,968	11,324,544	13,457,952	93,173,858
Material	-	30,861,612	85,973,000	51,081,500	101,856,500	269,772,612
Implementation	-	1,775,000	18,500,000	102,075,000	103,628,809	225,978,809
Support	-	7,992,453	11,946,000	17,046,624	28,389,000	66,374,077
O&M	-	178,104	300,000	584,378	1,029,370	2,091,850
Total	-	60,711,563	165,205,968	182,112,044	248,361,631	656,391,206



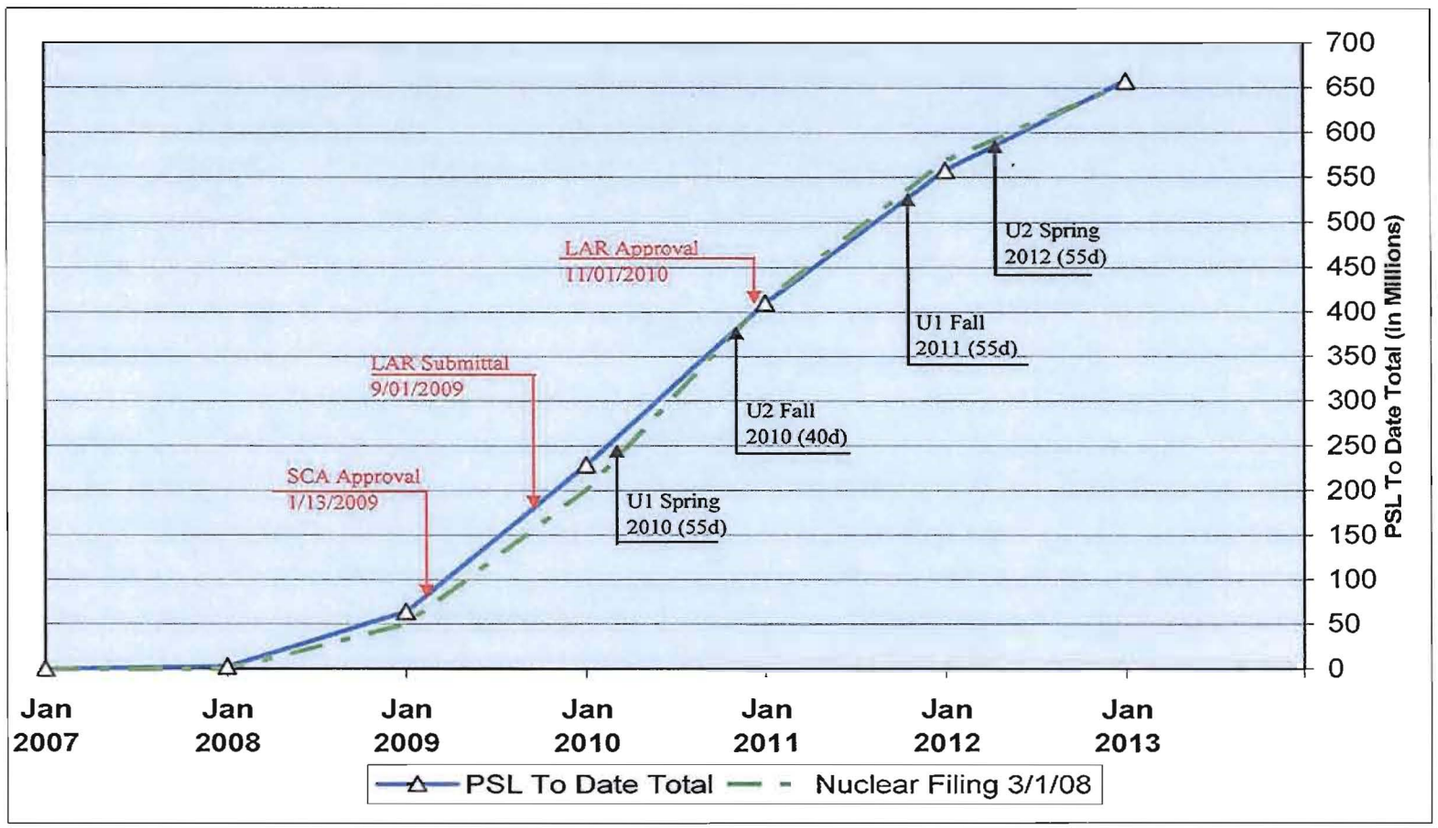
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,235	45,400,567	49,859,899	53,914,231	60,711,563	33,030,571	27,680,992	60,711,563
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,953,375	487,400	463,754	2,852,438	(638,702)	856,130	1,170,000	1,840,000	2,060,000	2,380,000	2,600,000	2,880,000	6,974,394	12,930,000	19,904,394
Material	1,150,625	2,442,375	2,637	-	(8,388)	33,750	-	16,470,000	1,603,000	660,000	-	8,507,612	3,621,000	27,240,612	30,861,612
Implementation	-	-	-	-	-	-	50,000	100,000	125,000	550,000	400,000	550,000	-	1,775,000	1,775,000
Support	872,544	300,738	487,135	317,551	461,925	552,560	600,000	750,000	850,000	900,000	1,050,000	850,000	2,992,453	5,000,000	7,992,453
O&M	-	-	-	-	53,320	4,784	10,000	20,000	20,000	20,000	25,000	25,000	58,104	120,000	178,104
Monthly Total	4,976,545	3,230,513	953,526	3,169,988	(131,846)	1,447,224	1,830,000	19,180,000	4,658,000	4,510,000	4,075,000	12,812,612			
Cumulative Total	4,976,545	8,207,058	9,160,584	12,330,572	12,198,726	13,645,951	15,475,951	34,655,951	39,313,951	43,823,951	47,898,951	60,711,563	13,645,951	47,065,612	60,711,563
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,953,375	487,400	463,754	2,852,438	(638,702)	856,130	-	-	-	-	-	-	6,974,394	-	6,974,394
Material	1,150,625	2,442,375	2,637	-	(8,388)	33,750	-	-	-	-	-	-	3,621,000	-	3,621,000
Implementation	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Support	872,544	300,738	487,135	317,551	461,925	552,560	-	-	-	-	-	-	2,992,453	-	2,992,453
O&M	-	-	-	-	53,320	4,784	-	-	-	-	-	-	58,104	-	58,104
Monthly Total	4,976,545	3,230,513	953,526	3,169,988	(131,846)	1,447,224	-	-	-	-	-	-			
Cumulative Total	4,976,545	8,207,058	9,160,584	12,330,572	12,198,726	13,645,951	13,645,951	13,645,951	13,645,951	13,645,951	13,645,951	13,645,951	13,645,951	-	13,645,951

FPL.

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Budget & Cost Summary

Saint Lucie Cash Flow (No change)



Unit / Site	2007	2008	2009	2010	2011	2012
PSL Yearly Total	$3,135,200	$60,581,563	$164,905,968	$181,527,668	$147,631,868	$99,700,393
PSL To Date Total	$3,135,200	$63,716,763	$228,622,731	$410,150,399	$557,782,267	$657,482,660

Budget & Cost Summary

Turkey Point

Cost Category	Proforma Budget	June Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$99	$103	78% Contracts and Staff
Materials	$257	$289	24% Contracts, FPL & SWEC Estimate
Implementation	$190	$242	9% Contracts
Subtotal	**$546**	**$634**	27% Contracts
Scope not estimated	$204	$116	
Total	**$750**	**$750**	
T&D Estimate	$20	$20	FPL Estimate
Total	**$770**	**$770**	

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FPSC Internal Controls Data Request DR 1-10
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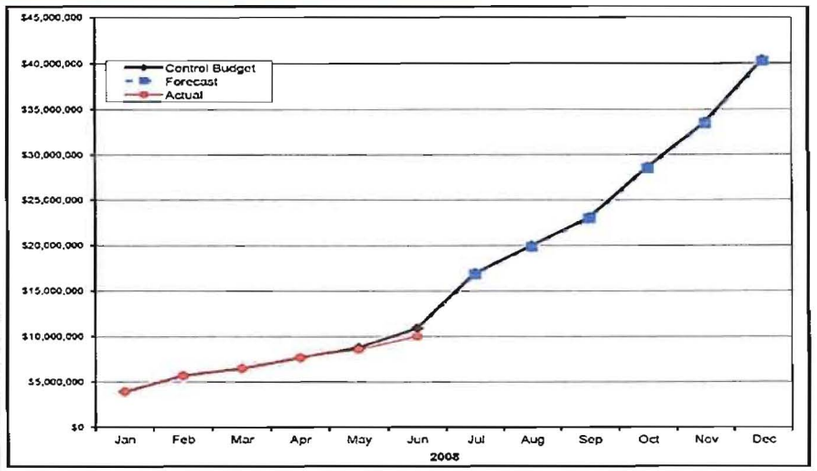
Budget & Cost Summary

Turkey Point Cost Summary - 2008

PTN EPU Project

Account #: 66730
Data As Of: 06/30/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary (Level 1)

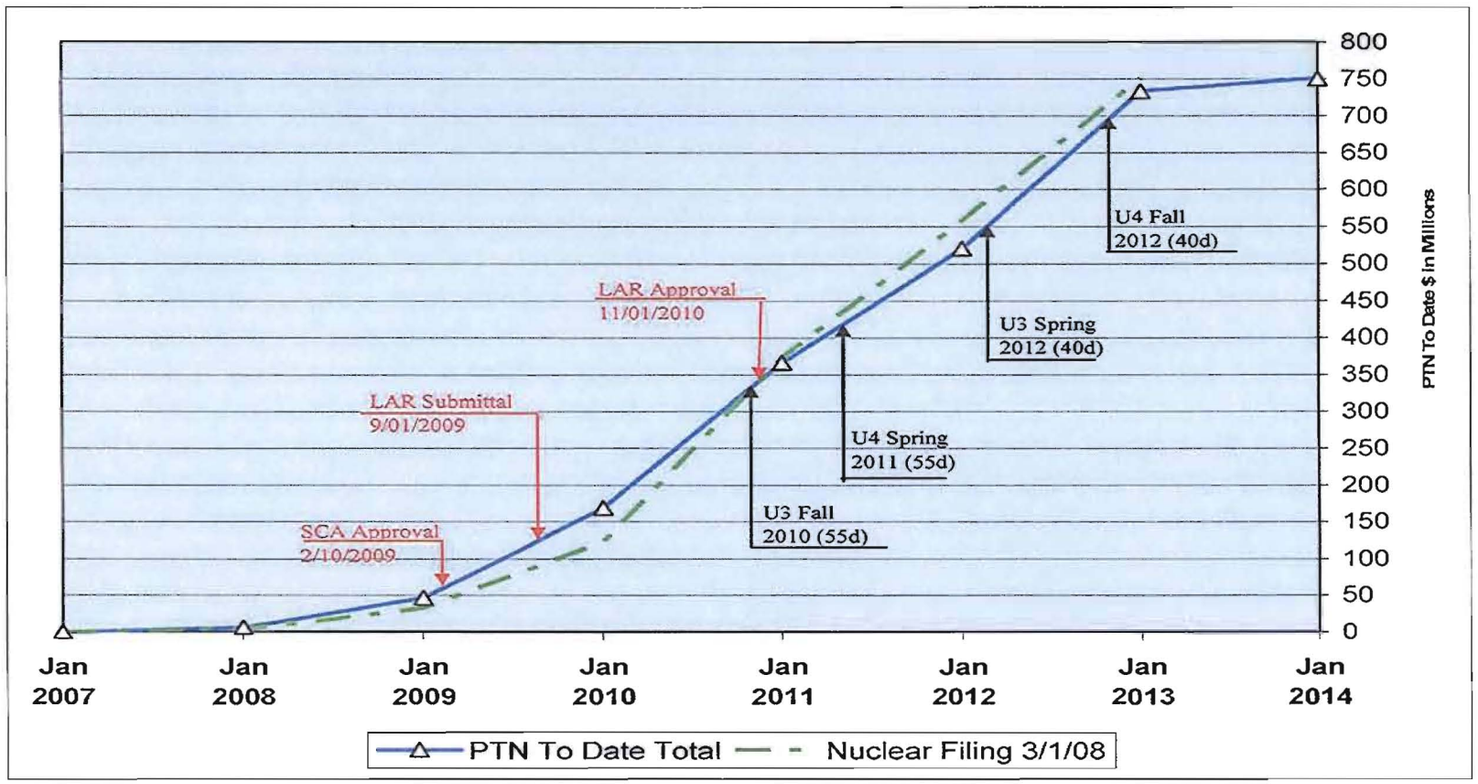
By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering	-	19,840,921	39,554,034	12,440,418	22,048,140	93,883,513
Material	-	8,291,880	43,460,000	71,938,439	86,406,813	210,097,132
Implementation	-	2,875,800	18,616,000	89,628,820	230,770,232	341,890,852
Support	-	9,020,384	20,652,137	23,113,292	43,791,841	96,577,654
O&M	-	200,000	200,000	200,000	1,600,000	2,200,000
Total	-	40,228,986	122,482,171	197,320,969	384,617,026	744,649,151

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	1,131,956	2,120,285	6,075,664	3,011,914	3,111,914	5,574,910	4,948,410	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,766,980	10,887,265	16,962,929	19,974,843	23,086,757	28,661,667	33,610,077	40,405,290	8,766,980	31,638,310	40,405,290
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,894,781	288,196	442,854	957,575	424,466	1,371,030	1,713,680	2,013,680	2,113,680	2,241,891	2,541,891	2,837,197	5,007,872	14,833,049	19,840,921
Material	275,000	1,249,500	20,714	2,804	(8,388)	-	3,428,750	-	-	2,125,000	1,198,500	-	1,539,630	6,752,250	8,291,880
Implementation	-	-	-	-	-	310,829	60,829	100,829	100,829	100,829	100,829	2,100,826	-	2,875,800	2,875,800
Support	725,442	214,250	326,874	237,033	339,574	438,426	872,405	897,405	897,405	1,107,190	1,107,190	1,857,190	1,843,173	7,177,211	9,020,384
O&M	-	-	-	-	134,522	65,478	-	-	-	-	-	-	134,522	65,478	200,000
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	890,174	2,185,763	6,075,664	3,011,914	3,111,914	5,574,910	4,948,410	6,795,213			
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,525,198	10,710,960	16,786,624	19,798,538	22,910,452	28,485,362	33,433,772	40,228,986	8,525,198	31,703,788	40,228,986
2008 Actuals															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		
Engineering	2,894,781	288,196	442,854	957,575	424,466	716,465	-	-	-	-	-	-	5,724,337	-	-
Material	275,000	1,249,500	20,714	2,804	(8,388)	116,517	-	-	-	-	-	-	1,656,147	-	-
Implementation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support	725,442	214,250	326,874	237,033	339,574	613,901	-	-	-	-	-	-	2,457,074	-	-
O&M	-	-	-	-	134,522	10,422	-	-	-	-	-	-	144,944	-	-
Monthly Total	3,895,223	1,751,946	790,442	1,197,413	890,174	1,457,305	-	-	-	-	-	-			
Cumulative Total	3,895,223	5,647,169	6,437,611	7,635,024	8,525,198	9,982,503	9,982,503	9,982,503	9,982,503	9,982,503	9,982,503	9,982,503	9,982,503	-	-

FPL

Budget & Cost Summary

Turkey Point Cash Flow (No change)



Unit / Site	2007	2008	2009	2010	2011	2012	2013
PTN Yearly Total	$6,425,775	$40,309,984	$122,482,171	$197,020,969	$154,227,538	$212,689,688	$17,299,799
PTN To Date Total	$6,425,775	$46,735,759	$169,217,930	$366,238,899	$520,466,437	$733,156,125	$750,455,924

FPL

Regulatory

Site Certification Application Status

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	5/8/08 (a)
Deadline for Motions to Intervene	7/28/08(a)	9/8/08
Complete Certification Hearings before Administrative Law Judge	9/5/08 *	10/9/08 **
Administrative Law Judge issues Recommended Order	10/31/08	12/11/08
Siting Board Hearing on Certification (Anticipated Dates)	1/13/09	2/10/09

* Note: potential for PSL Hearing to be canceled due to no third party intervention

** Note: issues associated with Miami-Dade are becoming a concern and could potentially delay or draw out the certification hearings

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Regulatory

PTN SCA Issues

- **Miami- Dade County is looking for a plan which they will approve that includes such items as:**

(Note - concerns associated with the SCAs & not EPU Project)

  - A plan for FPL to offset all water quality changes due to the Uprate.
    - -- Require FPL to use County reuse water for wetland/aquifer recharge.
  - Detail study of existing permitted cooling canal system Pre & Post Uprate.
  - Expand Water Quality Monitoring (saline and thermal).
  - Extensive modeling of Pre & Post Uprate conditions.
  - Expanded Crocodile Monitoring (FPL has agreed to this with wildlife agencies)
  - Expand Derm Regulatory Authority on Turkey Point

Regulatory

- **Combined integrated schedule for W, SWEC, Siemens, and FPL**
  - PSL U1 (0 days float) & PSL U2 (-28 days float)
  - PTN (-37 days float)

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/2/09	7/14/09
Complete large break LOCA analysis	6/26/09	6/11/09	6/11/09
W issue NSSS License Section to FPL	6/30/09	7/21/09	8/7/09
SWEC issue BOP License Section to FPL	6/30/09	8/7/09	8/7/09
Complete Sequester Week (s)	7/15/09	8/21/09	8/7/09
FPL Complete Draft License Amendment	7/29/09	8/14/09	8/31/09
Complete Site Review License Amendment	8/5/09	9/14/09	10/1/09
Complete Corporate Review License Amendment	8/12/09	9/21/09	10/15/09
Submit LAR to NRC (Proforma)	9/1/09*	9/1/09*	9/1/09*

* Schedule end date is constrained

FPL

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Regulatory

Nuclear Cost Recovery

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/23/08 (a)
Staff Testimony	8/6/08
Rebuttal Testimony	8/21/08
Discovery Completed	9/3/08
Hearings	9/11/08, 9/12/08, 9/17/08, 9/18/08
Issue Order	10/15/08

Engineering Evaluations - PSL & PTN

	Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
1	S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment at PTN	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• Expect S/G MCO to be acceptable without mods • Contingency Modifications for Feedring & Primary Separators to address E/C
2	Perform Grid Studies for PSL & PTN	1/31/09	T&D to upgrade as appropriate (budgeted).	• Will not need capacitor banks • Miscellaneous switchyard and grid modifications for PTN (details on next pages)

Grid Study

Status of Grid Studies

- **Latest revision of data for grid studies received by Transmission on 6/30/2008**

- **Preliminary results:**
  - Grid studies being completed and submitted to FRCC for affirmation of no adverse reliability impact by Oct, 2008. Affirmation by FRCC expected by Feb 2009
  - PSL: Based on total MW increase of 318MW (winter) - bounding case (originally assessed at 240MW)
  - PTN: Based on total MW increase of 274 MW (winter)- bounding case (originally assessed at 200 MW)
  - Increased MW from the amount used in original high level assessment has not changed the transmission upgrade requirements

Grid Study

Project Plan - St. Lucie

• PSL Swyd.	Replace 230kV switches in generator bays
• Midway Swyd.	Replace 230kV switches and breakers in tie line bays
• Trans. Lines	Add phase spacers to 3 St Lucie to Midway Lines and uprate to meet ampacity requirements
• String Busses	Upgrade conductors and structures (See Note 1)
• GSU 1A & 1B	Uprate to 635MVA (With more capable coolers)
• GSU 2A	Replace with existing PSL GSU spare and uprate to 635 MVA (With more capable coolers)
• GSU 2B	Purchase new 635MVA (See Note 2)
• Spare GSU	Use existing unit 2A or 2B as new spare and equip with more capable coolers (See Note 3)

- Note 1: Investigating optimal solution, may require the replacement of existing dead end structures.
- Note 2: Investigating use of existing PTN spare as 2B replacement
- Note 3: Existing units 2A and 2B have remaining useful life of 3 years

- Proprietary & Confidential Information



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Grid Study

Transmission Scope of Work and Cost Estimates

Site	Proforma Estimate	Transmission Work Only (July Estimate)
Saint Lucie	$25.0M	$5.9 - 11.5M *
Turkey Point	$20.0M	$8.0 - 9.3M *
Total Grid	$45.0M	$13.9 - 20.8M *

* FPL estimate, no contract

Grid Study

Transmission Scope of Work and Cost Estimates (With GSUs)

	Option 1 w/o spare	Option 2 with spares	Option 3 with using TP spare @ St. Lucie
Turkey Point			
GSU 3 uprate	$2.5 - 2.9M	$2.5 - 2.9M	$2.5 - 2.9M
GSU 4 uprate	$2.5 - 2.9M	$2.5 - 2.9M	$2.5 - 2.9M
GSU - Spare	n/a	$12.0 - 13.8M	$12.0 - 13.8M
Total PTN GSU Costs	$5.0 - 5.8M	$17.0 - 19.6M	$17.0 - 19.6M
Initial PTN GSU Cost Estimate	$26.7M		
St. Lucie			
GSU 1A uprate	$2.5 - 2.9M	$2.5 - 2.9M	$2.5 - 2.9M
GSU 1B uprate	$2.5 - 2.9M	$2.5 - 2.9M	$2.5 - 2.9M
GSU 2A uprate	$3.5 - 3.9M	$3.5 - 3.9M	$3.5 - 3.9M
GSU 2B Replacement	$9.3 - 10.7M	$9.3 - 10.7M	$2.5 - 2.9M
GSU - Spare	2.0 – 2.4 (spare cooler)	$9.3 - 10.7M	$9.3 - 10.7M
Total PSL GSU Costs	$19.8 – 22.8M	$27.1 - 31.1M	$20.3 - 23.3M
Initial PSL GSU Cost Estimate	$34.5M		

Total Transmission & GSU	$38.9 – 48.4M	$58.0 - 71.5M	$51.2 - 63.7M
Total Initial Assessment Cost Estimate	$106.2M		

- Proprietary & Confidential Information



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PAGE 23-26

- **Project Highlights**

Bench Mark Highlights

- Be as independent as possible and minimize reliance on the station as much as possible/ Integrate with Station Process
- Key Station personnel need to be assigned to the Project on a full time basis (e.g. Ops, Maintenance, Engineering)
- Need frequent face to face communications with all Vendor(s) (e.g. Engineering & Materials)
- NRC review and approval time for License Amendments is taking longer than expected with significant number of RAIs
- Evaluate what mods should not be incorporated if the LAR is not approved. Incorporating all of the mods without the uprate may reduce plant efficiency
- Significant delays have been experienced for foreign supplied equipment (e.g. Flow-Serve)

FPL.

Highlights of Next Steps

- **Juno Beach**
  - Award Siemens Contract
  - Award contract for the LAR NSSS analysis work
  - Complete Bid evaluations for the EpC contract
  - Fleet Project Plan development
  - SCA approval and interface with sites
  - Nuclear Cost Recovery testimony and rebuttal
  - Complete Earned Value Schedule and metrics

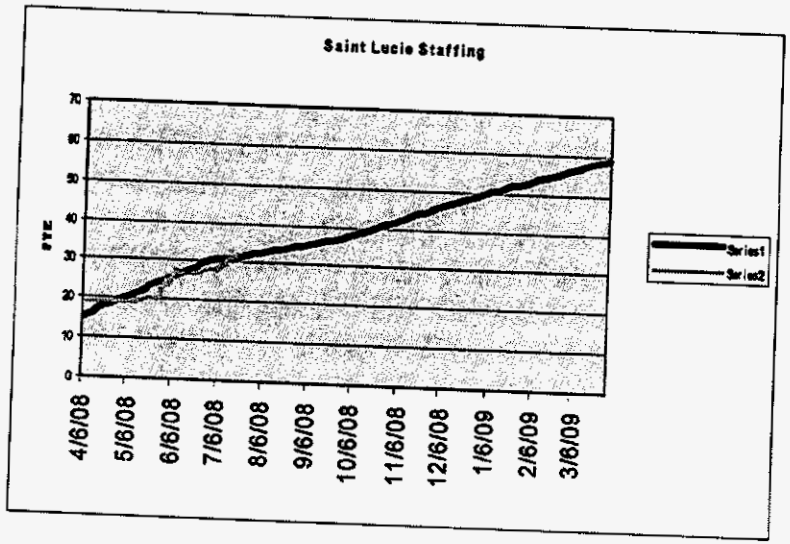
- **St Lucie & Turkey Point**
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue development of Site Project Plans

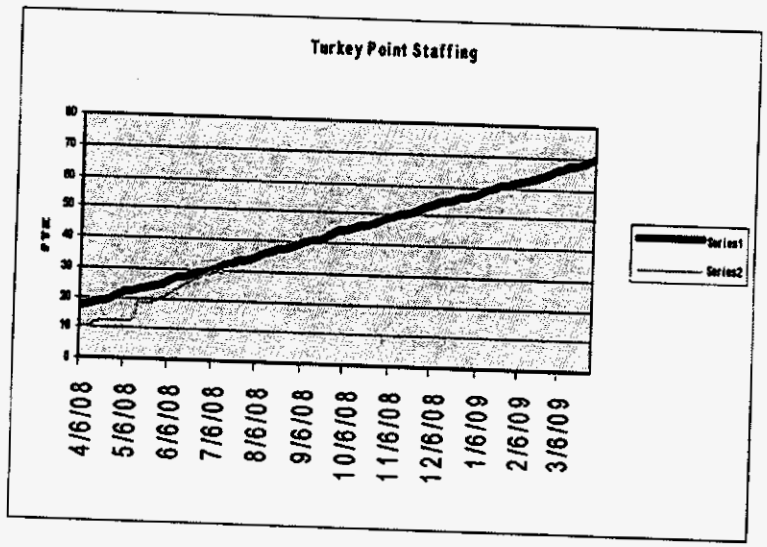
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Staffing

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Unfilled Critical Positions	Status
Mod Engineering Manager- PTN	Candidate Selected

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PAGE 34-35

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DR 1.10
PAGES 6, 10, 19-23

Extended Power Uprates
Executive Steering Committee Meeting
Saint Lucie & Turkey Point

October 1, 2008

Agenda

- Plans & Targets
- Costs & Budget Summary
- Regulatory
- Project Highlights
- Next Steps
- Risk Exposures & Mitigation
- Key Performance Indicators

Plans & Targets

Saint Lucie

	PROFORMA		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days	40 Days	66 Days*	64 Days*
2nd Outage	10/1/2011	5/1/2012	10/1/2011	4/19/08
Duration	55 Days	55 Days	64 Days*	66 Days*
LAR Submittal	9/01/09	9/01/09	9/01/09	10/01/09
MWE	103	103	129**	136**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

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Plans & Targets

Turkey Point

	PROFORMA		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days	55 Days	65 Days*	70 Days*
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days	40 Days	65 Days*	65 Days*
LAR Submittal	9/01/09	9/01/09	12/01/09	12/01/09
MWE	104	104	118**	118**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

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Budget & Cost Summary

Saint Lucie

Cost Category	Proforma Budget	August Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$100	$101	85% Contracts and Staff
Materials	$269	$288	62% Contracts, FPL & SWEC Estimate
Implementation	$106	$120	36% Contracts, FPL & SWEC Estimate
Subtotal	$475	$509	60% Contracts
Scope not estimated	$182	$148	Ref risk matrix
Total	$657	$657	
T&D Estimate	$25	$12	FPL Estimate
Total	$682	$669	

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Budget & Cost Summary

Saint Lucie Cost Summary - 2008

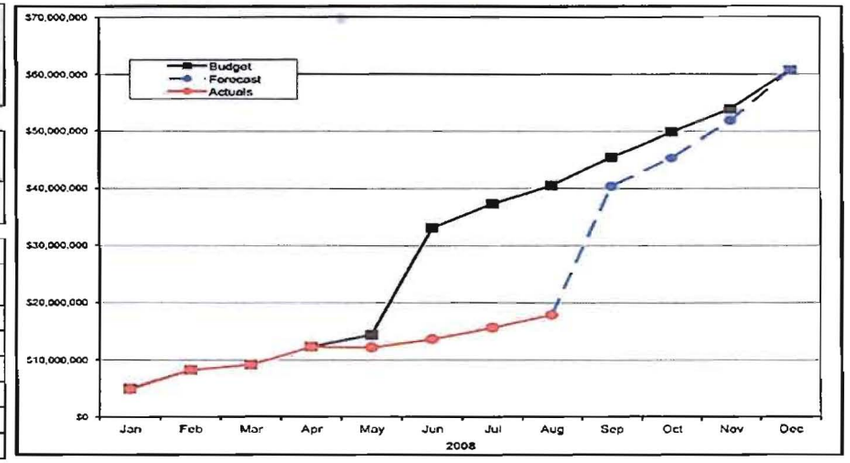
PSL Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 08/31/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	19,994,955	72,088,528	42,163,107	26,259,400	160,505,990
Material	-	29,483,700	49,236,400	73,384,050	108,085,850	260,190,000
Implementation	-	1,061,532	2,797,473	61,997,862	76,109,692	141,966,559
FP & L	-	10,171,375	19,248,000	25,855,281	38,454,000	93,728,656
Contingency	-	-	-	-	-	-
Total	-	60,711,563	143,370,401	203,400,300	248,908,942	656,391,206



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
2008 Annual Budget (includes approved scope changes)															
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,236	45,400,567	49,859,899	53,914,231	60,711,563	40,475,236	20,236,328	60,711,563
2008 Forecast															
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	2,320,000	2,700,000	3,074,115	3,173,752	8,727,088	11,267,867	19,994,955
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	18,831,800	660,000	1,892,700	4,438,700	3,660,500	25,823,200	29,483,700
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	135,000	301,683	165,000	67,527	392,322	669,210	1,061,532
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	1,200,000	1,280,000	1,454,357	1,158,497	5,018,521	5,152,854	10,171,375
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	22,546,800	4,941,683	6,586,172	8,838,476			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	40,345,232	45,286,915	51,873,087	60,711,563	17,798,432	42,913,131	60,711,563

September 2008 forecasted activities:

Siemens $18.831M (Contract award for Turbine Generator)

2008 Actuals

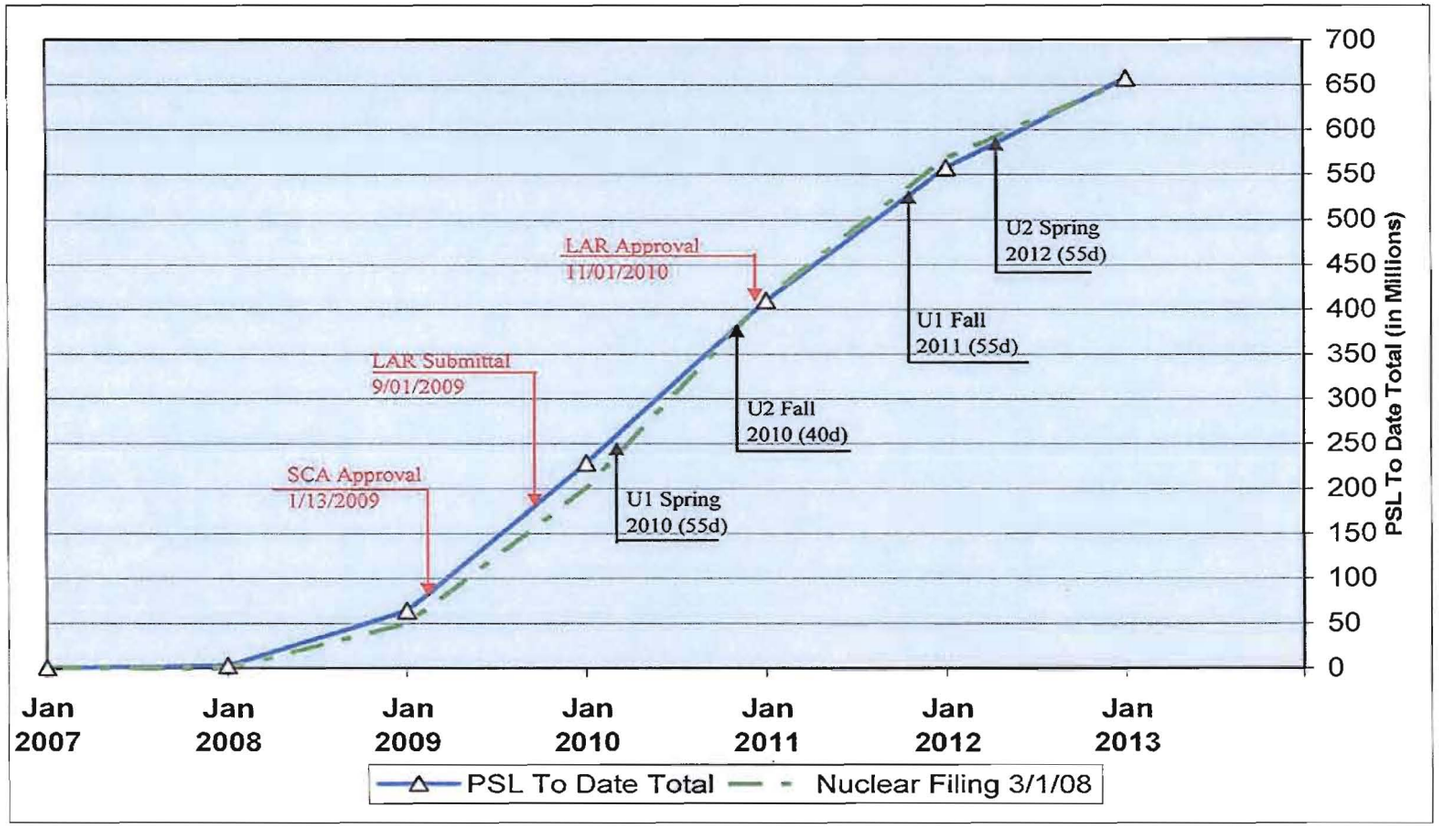
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	-	-	-	-	8,727,088	-	8,727,088
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	-	-	-	-	3,660,500	-	3,660,500
Implementation	61,536	12,101	68,007	36,747	74,155	64,215	67,244	8,317	-	-	-	-	392,322	-	392,322
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	-	-	-	-	5,018,521	-	5,018,521
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,846)	1,447,224	1,929,887	2,222,596	-	-	-	-			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,646,949	15,575,836	17,798,432	17,798,432	17,798,432	17,798,432	17,798,432	17,798,432	-	17,798,432

FPL.

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Budget & Cost Summary

Saint Lucie Cash Flow (No change)



Unit / Site	2007	2008	2009	2010	2011	2012
PSL Yearly Total	$3,135,200	$60,581,563	$164,905,968	$181,527,668	$147,631,868	$99,700,393
PSL To Date Total	$3,135,200	$63,716,763	$228,622,731	$410,150,399	$557,782,267	$657,482,660

FPSC Internal Controls Data Request DR 1-10
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Budget & Cost Summary

Turkey Point

Cost Category	Proforma Budget	August Forecast	Source of Cost Estimate
	$mm	$mm	
Engineering	$99	$103	78% Contracts and Staff
Materials	$257	$308	29% Contracts, FPL & SWEC Estimate
Implementation	$190	$242	9% Contracts
Subtotal	**$546**	**$653**	29% Contracts
Scope not estimated	$204	$97	Ref risk matrix
Total	**$750**	**$750**	
T&D Estimate	$20	$10	FPL Estimate
Total	**$770**	**$760**	

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FPSC Internal Controls Data Request DR 1-10
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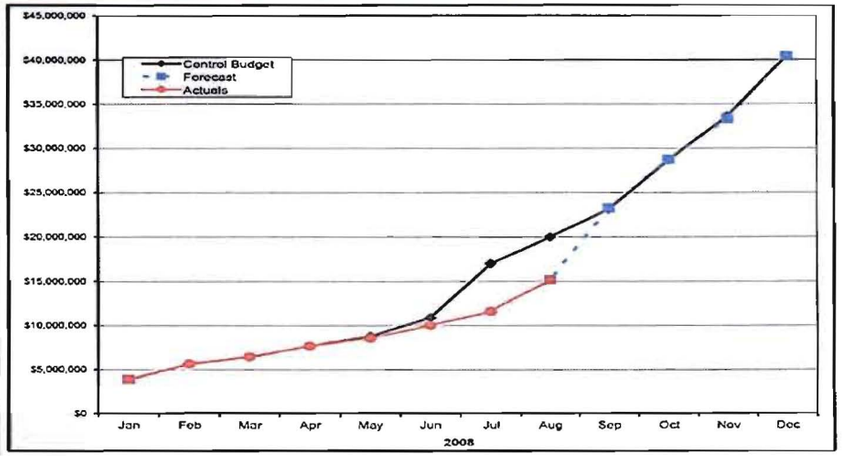
Budget & Cost Summary

Turkey Point Cost Summary - 2008

PTN Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 08/31/08

Budget Forecast	X				
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.



Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,547,130	30,300,000	3,000,000	-	48,847,130
Material	-	8,476,589	43,400,000	71,938,439	86,406,813	210,281,841
Implementation	-	3,028,565	18,616,000	89,628,820	218,320,231	329,593,616
FP & L	-	13,353,007	30,106,172	32,753,710	62,190,182	138,403,071
Contingency	-	-	-	-		-
Total	-	40,405,291	122,482,172	197,320,969	366,917,226	727,125,658

2008 Annual Budget
(Includes approved scope changes)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	1,131,956	2,120,286	6,075,866	3,011,915	3,111,915	5,574,910	4,948,408	6,795,213	To-Date	To Go	Total
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,766,978	10,887,264	16,962,930	19,974,845	23,086,760	28,661,670	33,610,078	40,405,291	10,887,264	29,518,027	40,405,291

2008 Forecast

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	To-Date	To Go	Total
Engineering	2,709,000	89,490	386,972	911,666	325,247	610,531	914,105	2,698,098	1,469,325	1,517,457	1,593,215	2,322,022	5,032,906	10,514,224	15,547,130
Material	407,853	1,315,750	188	547	-	116,250	-	-	4,944,968	2,125,000	1,128,500	-	1,840,588	8,268,468	10,109,056
Implementation	90,755	15,571	26,790	19,648	134,522	63,286	43,393	15,100	137,591	137,591	137,591	2,137,590	350,672	2,609,057	2,959,629
FP & L	687,616	331,132	376,493	265,551	430,405	667,240	625,993	890,191	1,492,785	1,699,772	1,713,501	2,608,798	2,758,437	9,031,040	11,789,477
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	890,174	1,457,308	1,583,692	3,603,390	8,044,670	5,479,819	4,642,807	7,068,410	9,982,603	30,422,788	40,405,292
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,525,196	9,982,503	11,566,196	15,169,586	23,214,255	28,694,074	33,336,881	40,405,292			

September 2008 forecasted activities:
Siemens $3.6M (Contract award 10%)

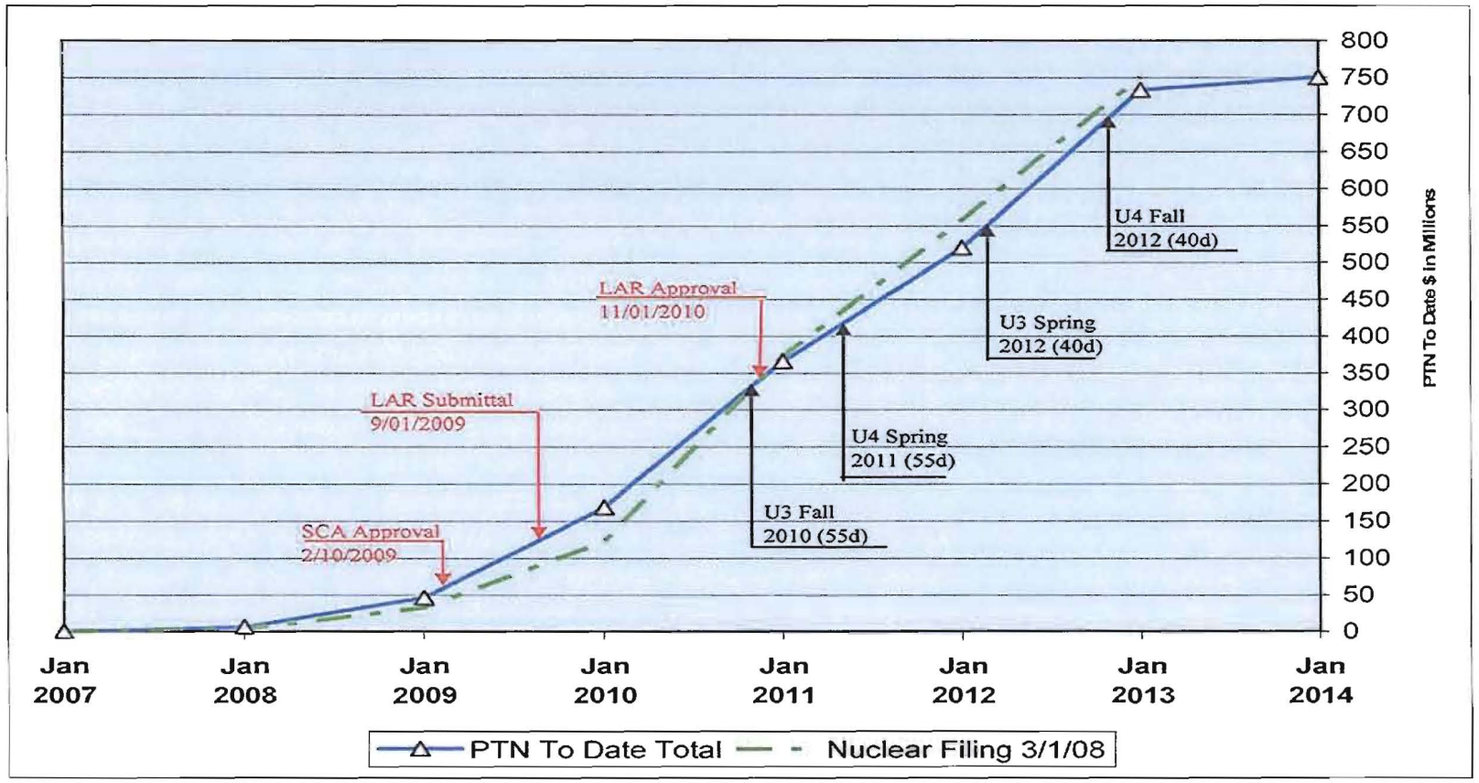
2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	2,709,000	89,490	386,972	911,666	325,247	610,531	914,105	2,698,098	-	-	-	-	5,645,110	-	5,645,110
Material	407,853	1,315,750	188	547	-	116,250	-	-	-	-	-	-	1,840,588	-	1,840,588
Implementation	90,755	15,571	26,790	19,648	134,522	63,287	43,393	15,100	-	-	-	-	409,266	-	409,266
FP & L	687,616	331,132	376,493	265,551	430,405	667,240	625,993	890,191	-	-	-	-	4,274,621	-	4,274,621
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	890,174	1,457,309	1,583,692	3,603,390	-	-	-	-	15,169,586	-	15,169,586
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,525,196	9,982,504	11,566,196	15,169,586	15,169,586	15,169,586	15,169,586	15,169,586			

FPL

Budget & Cost Summary

Turkey Point Cash Flow (No change)



Unit / Site	2007	2008	2009	2010	2011	2012	2013
PTN Yearly Total	$6,425,775	$40,309,984	$122,482,171	$197,020,969	$154,227,538	$212,689,688	$17,299,799
PTN To Date Total	$6,425,775	$46,735,759	$169,217,930	$366,238,899	$520,466,437	$733,156,125	$750,455,924

FPL

Regulatory

Site Certification Application Status

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	**12/13/07 (a)**	**1/18/08 (a)**
DEP issue Completeness Determination on SCA	**1/22/08 (a)**	**2/27/08 (a)**
FPL response to DEP Determination (if incomplete)	**N/A**	**3/28/08 (a)**
DEP 2nd Completeness Determination (if necessary)	**N/A**	**5/8/08 (a)**
Deadline for Motions to Intervene	**7/28/08(a)**	**9/12/08 (a)**
Complete Certification Hearings before Administrative Law Judge	**8/8/08 (a)***	**9/19/08 (a)***
Administrative Law Judge issues Recommended Order **FDEP Secretary Issues PSL Final Certification Order**	**9/19/08 (a)**	**11/03/08**

* PSL Hearing canceled 8/8/2008, no interveners

** PTN Hearings canceled 9/19/08, negotiated consolidated conditions with all applicable agencies

Regulatory

PTN SCA agreement

- Within 180 days of Certification FPL shall execute a "Fifth Supplemental Turkey Point Agreement" with the South Florida Water Management District (WMD), this will replace the existing agreement.
  - Although this agreement is with the WMD the other agencies that were a party to the conditions will have input.
  - This revised agreement may monitor the surface water, ground water, water quality and ecological.
  - The purpose of the monitoring is to detect changes in quantity and quality of surface water and groundwater over time due to the cooling canal system associated with the Uprate Project.
- Additional Crocodile Monitoring Pre and Post Uprate.
- Mitigation:
  - Required only if it is determined the effect of Uprate has an impact to the environment

– Cost
  - Approximate estimate is $ 3.2 M; recoverable under ECRS

Regulatory

Nuclear Cost Recovery

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/23/08 (a)
Staff Testimony	8/6/08 (a)
Rebuttal Testimony	8/21/08 (a)
Discovery Completed	9/3/08 (a)
Hearings	9/11/08, 9/12/08, 9/17/08, 9/18/08(a)*
Staff Recommendations	10/02/08
Issue Order	10/14/08

* Only one hearing session required

Critical Path

- **Combined integrated schedule for W, SWEC, Siemens, and FPL**

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/21/09
Complete large break LOCA analysis	6/15/09	7/2/09	7/9/09
W issue NSSS License Section to FPL	6/30/09	6/30/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	8/7/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/21/09	8/11/09
FPL Complete Draft License Amendment	7/17/09	8/14/09	9/02/09
Complete Site Review License Amendment	8/14/09	9/14/09	10/05/09
Complete Corporate Review License Amendment	8/21/09	9/21/09	10/19/09
Submit LAR to NRC	9/1/09	10/1/09	12/1/09

Highlights

- **Schedules based lined and resource loaded**
- **Awarded Siemens contract**
  - Kickoff Meeting October 14th

- **EPC Status**
  - Notify Apparent Successful bidders – Completed
  - Senior Nuclear Management Approval to Proceed with discussions – 2 bidders "best & final".
  - Issue Contract 11/1/08

- **PSL preparing for October PRB Level 2**
  - Site Project Plans
  - Conceptual Designs
  - Task Plans

- **Continue Procurement Activities for Long Lead Materials:**
  - FW Heaters, MSRs, Condenser, TCCW-HX, 6.9KV Breakers

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Highlights of Next Steps

- **Juno Beach**
  - Award contract for the EpC
  - Fleet Project Plan Approval
  - QA Oversight Plan Approval
  - Develop QA oversight task plans and surveillances
  - Implement CMP for PSL SCA requirements
  - Develop CMP for PTN SCA requirements
  - Complete Earned Value Schedule and metrics
  - Final NFR Hearing – October 14th
  - Independent assessment of Risk Management Program in review

- **St Lucie & Turkey Point**
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue development of Site Project Plans and task Plans
  - Continue Licensing and Engineering to support LAR submittal

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PAGES 19-23

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Extended Power Uprates
Executive Steering Committee Meeting
Saint Lucie & Turkey Point

November 13, 2008

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Agenda

- Plans & Targets
- Costs & Budget Summary
- Regulatory
- Project Highlights
- Next Steps
- Risk Exposures & Mitigation
- Key Performance Indicators

Plans & Targets

Saint Lucie

	PROFORMA		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days	40 Days	66 Days*	64 Days*
2nd Outage	10/1/2011	5/1/2012	10/1/2011	4/19/08
Duration	55 Days	55 Days	64 Days*	66 Days*
LAR Submittal	9/01/09	9/01/09	9/01/09	10/01/09
MWE	103	103	129**	136**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

Plans & Targets

Turkey Point

	PROFORMA		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days	55 Days	65 Days*	70 Days*
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days	40 Days	65 Days*	65 Days*
LAR Submittal	9/01/09	9/01/09	12/01/09	12/01/09
MWE	104	104	118**	118**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

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Budget & Cost Summary

Saint Lucie

Cost Category	Proforma Budget	August Forecast	October Forecast	Source of Cost Estimate
	$mm	$mm	$mm	
Engineering	$100	$101	$92	100% Contracts and Staff
Materials	$269	$288	$297	86% Contracts, FPL Estimate/Proposal
Implementation	$106	$120	$190	86% Contracts, Bechtel Award, FPL Estimate/Proposal
Subtotal	**$475**	**$509**	**$579**	87% Contracts
Scope not estimated	$182	$148	$78	Ref risk matrix
Total	**$657**	**$657**	**$657**	
T&D Estimate	$25	$12	$12	FPL Estimate
Total	**$682**	**$669**	**$669**	

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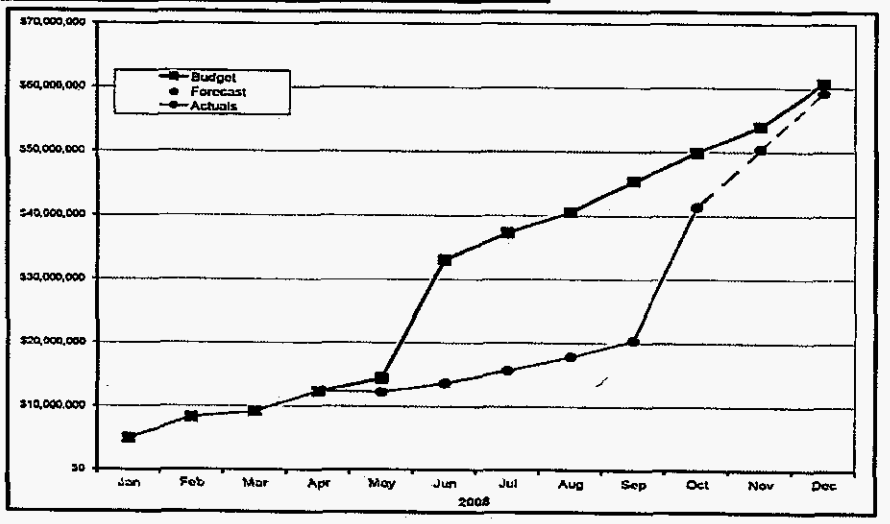
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Budget & Cost Summary

Saint Lucie Cost Summary - 2008

PSL Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 10/31/08



Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	16,630,087	58,703,069	48,324,623	71,455,464	193,116,283
Material	-	29,876,267	35,501,945	69,666,064	101,700,219	236,744,495
Implementation	-	4,906,125	2,797,473	56,620,000	70,548,876	133,872,474
FP & L	-	8,688,556	19,248,000	25,855,281	36,767,135	92,658,972
Contingency	-	-	-	-	-	-
Total	-	59,201,035	116,252,507	198,466,968	282,471,694	656,391,204

2008 Annual Budget
(includes approved scope changes)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary		
Monthly Total	4,976,544	3,230,513	953,525	3,169,988	2,060,000	18,640,000	4,192,332	3,252,332	4,925,332	4,459,332	4,054,332	6,797,332	To-Date	To Go	Total
Cumulative Total	4,976,544	8,207,057	9,160,583	12,330,571	14,390,571	33,030,571	37,222,903	40,475,236	45,400,567	49,859,899	53,914,231	60,711,563	49,859,899	10,851,664	60,711,563

2008 Forecast

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	To-Date	To Go	Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	1,591,699	1,811,300	2,400,000	2,100,000	12,130,087	4,500,000	16,630,087
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	5,497,420	2,512,075	21,866,772	8,009,495	29,876,267
Implementation	61,336	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	170,000	3,234,616	501,509	3,404,616	4,906,125
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	807,423	842,222	1,000,000	1,020,390	6,668,166	2,020,390	8,688,556
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,848)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	9,067,420	8,867,081			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	41,266,534	50,333,954	59,201,035	41,266,534	17,934,501	59,201,035

October 2008 forecasted activities:

Siemens $17.229M (Contract award for Turbine Generator)

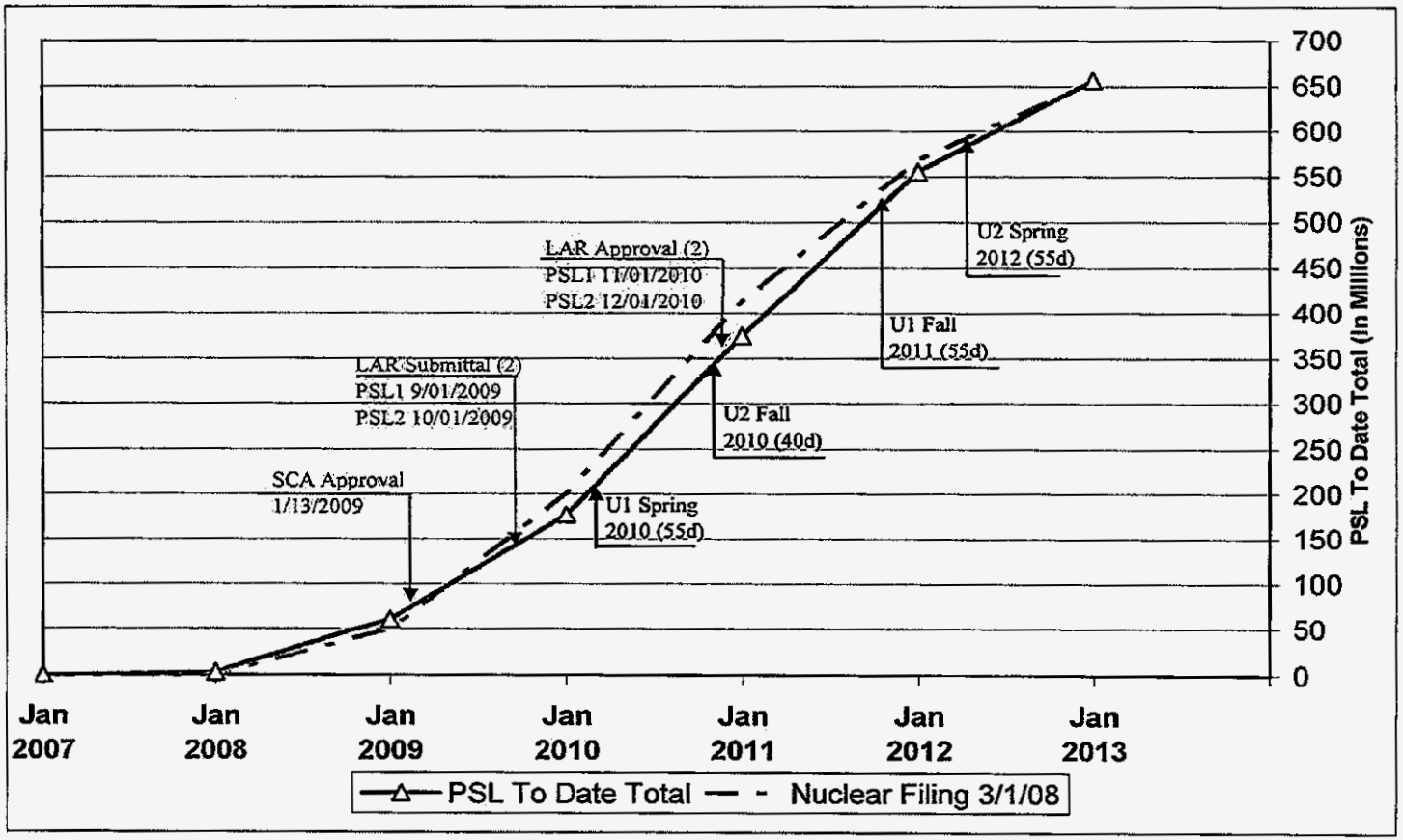
2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date		Total
Engineering	2,628,475	544,857	313,416	2,856,521	(812,592)	665,087	1,179,192	1,352,132	1,591,699	1,811,300	-	-	12,130,087	-	12,130,087
Material	1,167,500	2,459,250	-	-	-	33,750	-	-	114,400	18,091,872	-	-	21,866,772	-	21,866,772
Implementation	61,336	12,101	68,007	36,747	74,155	64,215	67,244	8,317	45,009	164,177	-	-	501,509	-	501,509
FP & L	1,009,825	323,514	572,102	276,720	606,591	684,172	683,450	862,147	807,423	842,222	-	-	6,668,166	-	6,668,166
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	4,867,336	3,339,722	953,525	3,169,988	(131,848)	1,447,224	1,929,887	2,222,596	2,558,531	20,909,572	-	-			
Cumulative Total	4,867,336	8,207,057	9,160,583	12,330,571	12,198,725	13,645,949	15,575,836	17,798,432	20,356,963	41,266,534	41,266,534	41,266,534	41,266,534	-	41,266,534

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Budget & Cost Summary

Saint Lucie Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012
PSL Yearly Total	$3,135,200	$57,576,363	$116,252,507	$198,035,469	$180,151,010	$101,240,656
PSL To Date Total	$3,135,200	$60,711,563	$176,964,070	$374,999,539	$555,150,549	$656,391,205

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Budget & Cost Summary

Turkey Point

Cost Category	Proforma Budget	August Forecast	October Forecast	Source of Cost Estimate
	$mm	$mm	$mm	
Engineering	$99	$103	$98	100% Contracts and Staff
Materials	$257	$308	$299	67% Contracts, FPL Estimate/Proposal
Implementation	$190	$242	$295	75% Contracts, Bechtel Award, FPL Estimate/Proposal
Subtotal	**$546**	**$653**	**$692**	75% Contracts
Scope not estimated	$204	$97	$58	Ref risk matrix
Total	**$750**	**$750**	**$750**	
T&D Estimate	$20	$10	$10	FPL Estimate
Total	**$770**	**$760**	**$760**	

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EPU Budget Details – Turkey Point

100%			
Engineering			
Engineering & Staff	26.9	M	Awarded - FPL and Contractors Evaluating size of oversight staff based on EPC contract
NSSS Analysis for LAR	24.0	M	Awarded - Westinghouse
BOP Analysis for LAR	16.5	M	Awarded - SWEC
Modification Engineering	30.6	M	Awarded - Bechtel (Includes fees and incentives)
	98.0	M	
67%			
Materials			
Turbine Generator & Components	88.5	M	Awarded - Siemens
S/G Mods	3.0	M	FPL estimate
Misc. Przr Lvl, Rx Hd, Cntrl Rm	22.4	M	FPL estimate
Main Transformers	24.0	M	Final negotiations in progress - T&D Dept.
FW Heaters	19.2	M	Final negotiations in progress - TEI
Condensate Pumps & Motors	3.3	M	FPL estimate (FPL long lead material)
FW Pump & Motors	10.0	M	FPL estimate (FPL long lead material)
MSR, Condenser, Valves	57.4	M	Final negotiations in progress - TEI
Valves	58.8	M	FPL Estimate
Misc. Bulk Materials	12.1	M	Awarded - Bechtel (Includes fees and incentives)
	298.7	M	
75%			
Implementation			
Turbine Generator & Components	22.0	M	Final negotiations in progress - Siemens
S/G Mods	21.0	M	FPL estimate
Misc. Przr Lvl, Rx Hd, Cntrl Rm	25.5	M	FPL estimate
Main Transformers	3.1	M	Final negotiations in progress
FW Heaters	63.0	M	Awarded - Bechtel (Includes fees and incentives)
Condensate Pumps & Motors	10.9	M	Sum equals $196.0M for implementation.
FW Pump & Motors	3.5	M	Distribution is weighted for individual jobs. These
MSR, Condenser, Valves	118.6	M	will be re-verified when final design is completed.
Outage Extension	27.0	M	FPL estimate
75%	294.6	M	
Totals	691.3	M	

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Budget & Cost Summary

Turkey Point Cost Summary - 2008

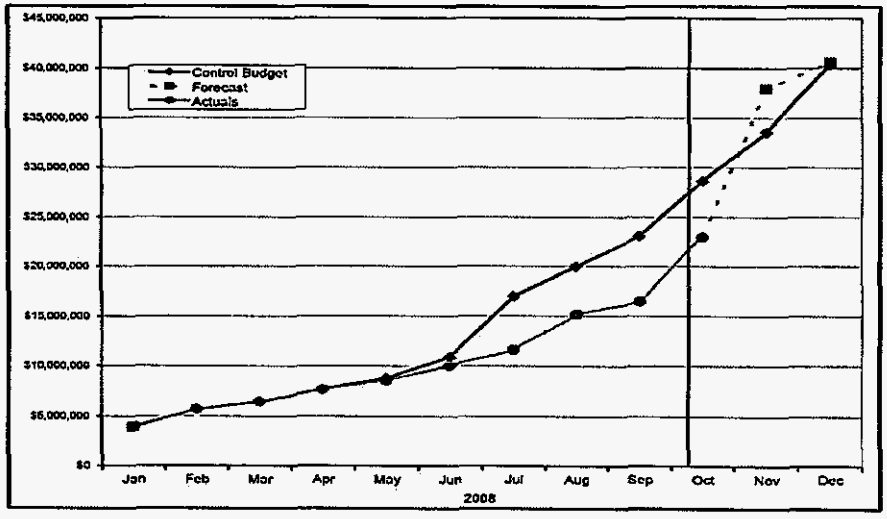
PTN Extended Power Uprate (EPU) Project

Account #:066730
Data As Of: 10/31/08

Budget Forecast	[redacted]			[redacted]	
	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary

By Year	Prior Year Actuals	2008	2009	2010	Future Yrs	Total
Engineering	-	15,547,130	30,300,000	3,000,000	-	48,847,130
Material	-	8,476,589	43,460,000	71,938,439	86,406,813	210,281,841
Implementation	-	3,028,565	18,618,000	89,628,820	230,770,231	342,043,616
FP & L	-	13,353,007	30,106,172	32,753,710	67,439,979	143,652,868
Contingency	-	-	-	-		-
Total	-	40,405,291	122,482,172	197,320,969	384,617,023	744,825,455



2008 Annual Budget
(includes approved scope changes)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008 Summary To-Date	To Go	Total
Monthly Total	3,895,224	1,751,943	790,443	1,197,412	1,131,956	2,120,286	6,075,666	3,011,915	3,111,915	5,574,910	4,948,406	6,795,213			
Cumulative Total	3,895,224	5,647,167	6,437,610	7,635,022	8,766,978	10,887,264	16,962,930	19,974,845	23,086,760	28,661,670	33,610,076	40,405,291	10,887,264	29,518,027	40,405,291

2008 Forecast

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	To-Date	To Go	Total
Engineering	2,709,000	89,491	386,972	911,666	325,247	610,531	914,105	2,698,098	89,475	2,049,576	912,239	883,195	10,784,162	1,795,433	12,579,595
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,626,153	12,385,272	59,850	5,574,741	12,445,122	18,019,863
Implementation	90,755	15,571	26,791	19,649	134,522	63,286	43,593	15,100	95,685	107,226	581,645	581,646	612,178	1,163,291	1,775,469
FP & L	687,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	966,607	759,088	1,100,507	1,101,976	6,000,313	2,202,482	8,202,795
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,945	790,443	1,197,413	890,173	1,457,306	1,583,692	3,603,390	1,259,768	6,542,042	14,979,662	2,626,666	22,971,395	17,606,328	40,577,723
Cumulative Total	3,895,223	5,647,168	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,585	16,429,353	22,971,395	37,951,057	40,577,723			

September 2008 forecasted activities:
Siemens $3.6M (Contract award 10%)

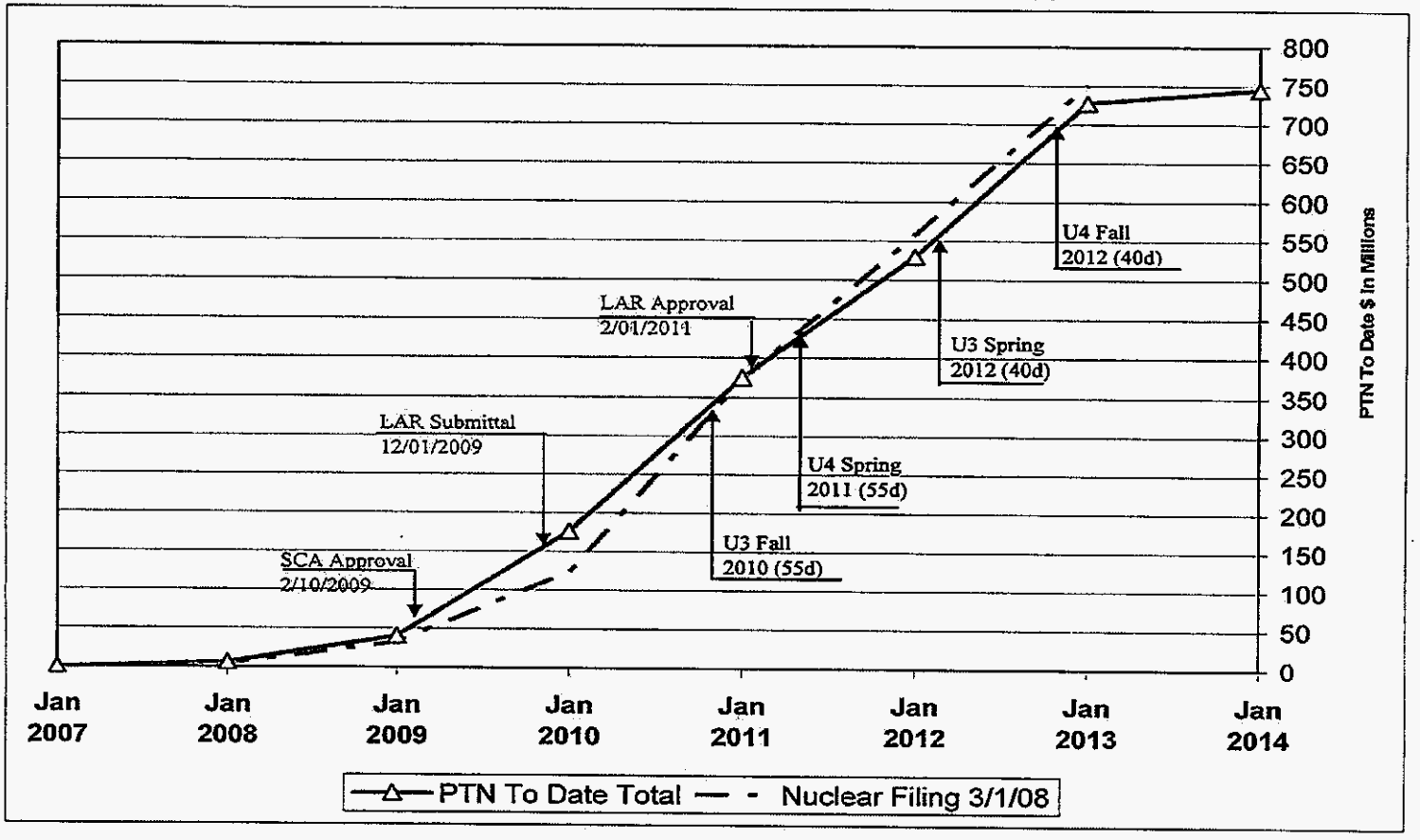
2008 Actuals

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	To-Date	To Go	Total
Engineering	2,709,000	89,491	386,972	911,666	325,247	610,531	914,105	2,698,098	89,475	2,049,576	-	-	10,784,162	1,795,433	12,579,595
Material	407,853	1,315,750	188	547	-	116,250	-	-	108,000	3,626,153	-	-	5,574,741	12,445,122	18,019,863
Implementation	90,755	15,571	26,791	19,649	134,522	63,286	43,593	15,100	95,685	107,226	-	-	612,178	1,163,291	1,775,469
FP & L	687,615	331,133	376,492	265,551	430,404	667,239	625,993	890,191	966,607	759,088	-	-	6,000,313	2,202,482	8,202,795
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Total	3,895,223	1,751,945	790,443	1,197,413	890,173	1,457,306	1,583,692	3,603,390	1,259,768	6,542,042	-	-	22,971,394	17,606,328	40,577,722
Cumulative Total	3,895,223	5,647,168	6,437,611	7,635,024	8,525,197	9,982,503	11,566,195	15,169,584	16,429,352	22,971,394	22,971,394	22,971,394			

FPL.

Budget & Cost Summary

Turkey Point Cash Flow



Unit / Site	2007	2008	2009	2010	2011	2012	2013
PTN Yearly Total	$6,425,775	$40,405,292	$135,884,325	$198,807,340	$154,303,824	$197,724,876	$17,699,797
PTN To Date Total	$6,425,775	$40,405,292	$176,289,617	$375,096,957	$529,400,781	$727,125,657	$744,825,454

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Regulatory – Cost Recovery

Nuclear Cost Recovery

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/23/08 (a)
Staff Testimony	8/6/08 (a)
Rebuttal Testimony	8/21/08 (a)
Discovery Completed	9/3/08 (a)
Hearings	*9/11/08, 9/12/08, 9/17/08, 9/18/08(a)
Staff Recommendations	10/02/08(a)
Issue Order	**10/14/08(a)
2008 True-up filing	3/1/09

* Only one hearing session required

** Full requested dollar amount approved for recovery by unanimous Commissioner vote

Regulatory - Environmental

Site Certification Application Status

- **PSL Order Issued on 9/17/08**
  - Change Management Plan issued to implement new requirements.
  - A Matrix has been prepared to capture the Conditions of Certifications.
- **PTN Order Issued on 10/29/08**
  - FPL now has 180 days to develop a new South Florida Water Management (SFWMD) agreement for the monitoring of the cooling canals.
  - Miami Dade County and Florida Department of Environmental Protection will participate in the discussions of the new agreement and approval.
  - Change Management Plan in development.
  - A Matrix is being prepared to capture the Conditions of Certifications.

Regulatory – LAR

PSL & PTN EPU LAR Milestones

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/22/09
Complete large break LOCA analysis	6/22/09	7/6/09	7/9/09
W issue NSSS License Section to FPL	6/30/09	6/30/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	8/3/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/17/09	9/2/09
FPL Complete Draft License Amendment	7/17/09	8/10/09	9/14/09
Complete Site Review License Amendment	8/14/09	9/08/09	10/05/09
Complete Corporate Review License Amendment	8/21/09	9/15/09	10/28/09
Submit LAR to NRC	9/1/09	10/1/09	12/1/09

Regulatory – LAR

PSL Challenges

- **Based on current productivity curves, it appears that Westinghouse is not applying the necessary resources to support the current PSL LAR schedule**
  - EPU Senior Management to contact Westinghouse and discuss
  - Risk Mitigation Plan to be developed and approved by 11/14/08

PTN Challenges

- **Current containment peak pressure Analysis of Record for PTN is incorrect due to Westinghouse errors identified in the COCO model. Possible solutions are as follows:**
  - Improving the model and analytical technique
  - Use COBRA\TRAC for LOCA Mass and Energy releases which require NRC review and approval (under NRC Review)

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Contract Status

Priorities

- **Bechtel (EPC)**
  - Contracts Awarded for PSL and PTN
    - -- Initial kickoff teams mobilized to sites
    - -- Core team members identified
    - -- Right sizing EPU staffing and Bechtel staffing to eliminate duplication
    - -- Oliver Wyman on board to help set project performance goals
    - -- Initial kickoff meeting scheduled for week of 11/17/08
  - Scope development under way for PB

- **TEI (MSR, FW Heaters, Condenser)**
  - Contract terms complete, specifications being conformed by Shaw
  - Expect to issue contracts within next 30 days

- **Westinghouse (NSSS LR)**
  - Final stages of reviewing and issuing Letters of Authorization to the Fuels Contracts; expect by 11/14/08

- **CEDM-CS - PSL**
  - Budgetary review required

- **Turbine Control System - PTN**
  - Plan to competitively bid

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Highlights

- **Juno Beach**
  - Continue developing Earned Value Schedule and metrics
  - Completed Independent assessment of EPU Risk Management Program by Oliver Wyman:
    - -- "The initial approach to risk management, during the Development Phase is viewed as strong. However as the program moves to execution, a number of opportunities exist."
  - Continue improvement opportunities identified by the EPU Risk Management Assessment

- **St Lucie & Turkey Point**
  - Completed EPU inspections during PSL1 Outage
  - Continued Conformed Spec development & procurement of long lead material & equipment
  - Continued development of Site Project Plans and task Plans
  - Continued Licensing and Engineering to support LAR submittal

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PAGE 19-23

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DR 1.10
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EXTENDED POWER UPRATES

Project Steering Committee Meeting

April 14, 2008

Draft Proprietary and Confidential

2/9/2009 2:10 PM

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Agenda

- Project Overview
  - Plans & Targets
  - Project KPI's & Trends
  - Point Beach
  - St Lucie & Turkey Point
- Technical Strategies
  - LAR Sequester Weeks
- Project Risks & Mitigation
- Staffing Update
- Project Cash Flow
- Focus Areas
- Highlights of Next Steps



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Project Overview – Plan and Targets

	[redacted]	SAINT LUCIE		TURKEY POINT	
		U-1	U-2	U-3	U-4
1st Outage		4/1/2010	11/1/2010	9/26/2010	4/25/2011
Duration		55 Days	40 Days	55 Days	55 Days
2nd Outage		10/1/2011	5/1/2012	3/5/2012	10/22/2012
Duration		55 Days	55 Days	40 Days	40 Days
LAR Submittal		9/01/09	9/01/09	9/01/09	9/01/09
MWE Proforma		103	103	104	104
MWE Predicted		* 4/15/08	* 4/15/08	* 4/21/08	* 4/21/08

* Final MWe numbers to be determined and will be the basis for the performance guarantee: Heat Balance completed, Siemens completing review

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PAGES 4-9

Project Overview –St Lucie & Turkey Pt

- Regulatory Status
  - Site Certification Application (SCA)

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	4/21/08
Deadline for Motions to Intervene	6/16/08	9/8/08
Certification Hearing before Administrative Law Judge	7/25/08	10/6/08
Administrative Law Judge issues Recommended Order	9/15/08	12/11/08
Siting Board Hearing on Certification	11/13/08	2/10/09

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Project Overview – Regulatory Update

- License Amendment Request
  - Combined integrated schedule for W, SWEC, and FPL
    - PSL (meets planned submittal date)
    - PTN (schedule in development- 5/15/08)

LAR Milestones	Target Date
W complete Operating Parameter Review	3/1/08 (a)
Complete small break LOCA analysis	8/20/08
Issue final License Report for small break LOCA	10/7/08
Complete large break LOCA analysis	3/16/09
Sequester Week 1	5/1/09
Sequester Week 2	6/1/09
W issue NSSS License Section to FPL	6/30/09
SWEC issue BOP License Section to FPL	6/30/09
Sequester Week 3	7/1/09
FPL Draft License Amendment	7/30/09
Site Review & Approve License Amendment	8/14/09
Corporate Review License Amendment	8/28/09
Submit LAR to NRC	9/1/09

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Project Overview — Major Contract Status

St Lucie & Turkey Point

Contract	Contract Milestones					
	Bid Spec Issued (FPL)	RFP Issued (FPL)	Bids Submitted (VENDOR)	Bids Evaluated (FPL)	Conform Spec Issued (FPL)	Contract Issued
NSSS ANALYSIS FOR LAR	3/24/2008(a)	3/31/2008(a)	4/28/2008	5/28/2008	6/25/2008	6/30/2008
BOP ANALYSIS FOR LAR	2/29/2008 (a)	3/7/2008 (a)	3/24/2008(a)	4/20/2008	5/18/2008	5/23/2008
TURBINE AND GENERATOR	2/7/2008 (a)	NA	NA	NA	3/31/08 4/15/08 (f)	5/2/2008
MODIFICATION ENGINEERING & CONSTRUCTION	5/1/08	5/1/08	6/1/08	6/10/08	7/10/08	8/1/08

Engineering Evaluations – St Lucie

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
Main Transformer Strategy Evaluation	Complete	Replacement of all 4 Main Transformers	Upgrade both of PSL-1 Main Transformers Replace both of PSL-2 Main Transformers
Complete Load Flow studies to determine any VAR deficiencies	5/30/08	No changes would be necessary	Preliminary indication shows that a VAR shortfall may exist
Spare Exciter Acceptability Evaluation	4/30/08	The Spare exciter would be compatible with all 4 Florida Units	The spare exciter rotor may not be suitable for PSL 1 Generator Rotor (seed rotor)
Perform grid stability study	12/31/08	T&D to upgrade as appropriate.	Upgrades will be required within the budgeted T&D amount

Engineering Evaluations – Turkey Point

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
Complete Load Flow studies to determine any VAR deficiencies	5/30/08	No changes would be necessary	Preliminary indication shows that a VAR shortfall may exist
Perform grid stability study	12/31/08	T&D to upgrade as appropriate.	Upgrades will be required within the budgeted T&D amount
LP Turbine rotor evaluation	4/30/08	LP Turbine rotors expected to be used for uprate condition	Preliminary study indicates existing LP rotors will be acceptable
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	No S/G MCO Modification expected Contingency Modifications for Feedring & Primary Separators to address E/C

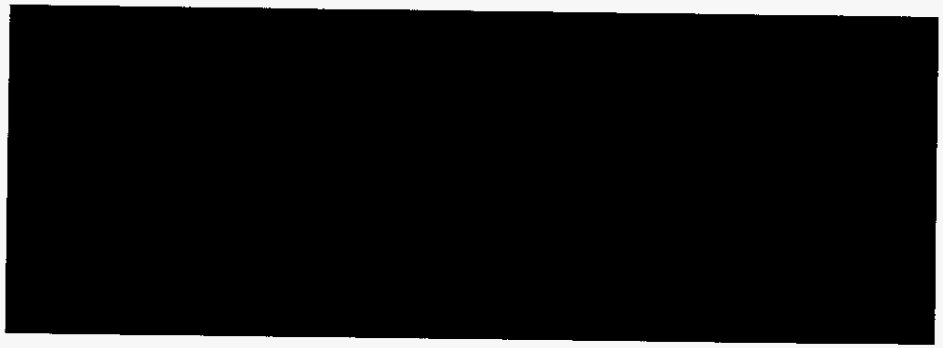
Technical Strategies – LAR Sequesters

- Sequester weeks are conducted to provide a final review of Licensing Reports (LRs) prior to incorporation into the LAR
  - Location: preferably off-site to minimize potential interruptions due to plant activities
  - Attendees (Managers or senior personnel):
    - Licensing
    - Operations
    - Design Engineering
    - Program Managers
    - Subject Matter Experts
    - FPL or Vendor personnel responsible for the development of the LR

FPL

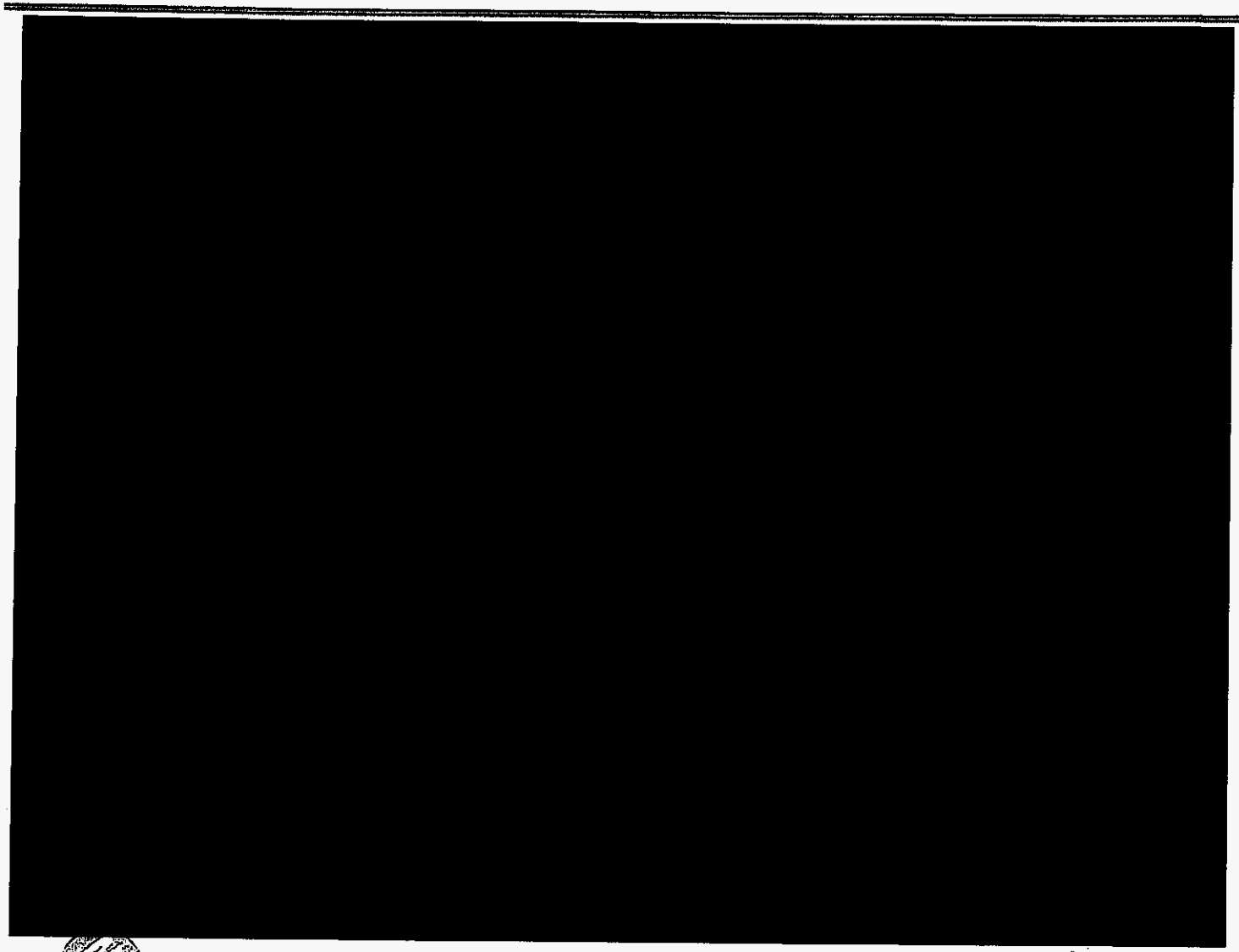
Technical Strategies – LAR Sequesters

- Content Review
  - Each sequester week includes a review of
    - 6-12 Safety Analysis
    - 9-15 System & components
    - 4-12 Programs



  - Turkey Point & St. Lucie (tentative schedule)
    - Week 1 – May, 2009
    - Week 2 – June, 2009
    - Week 3 – July, 2009

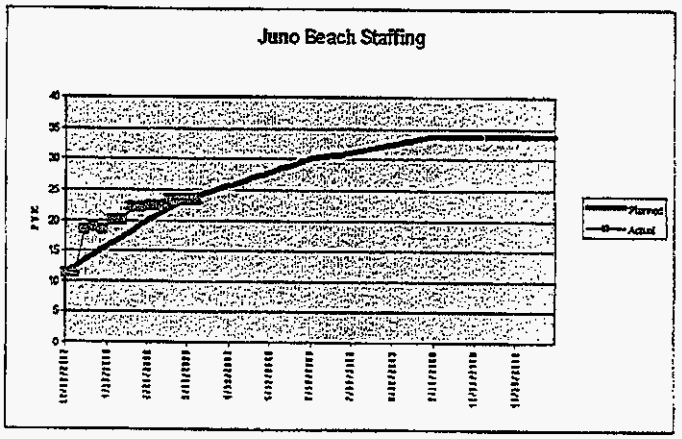
FPL



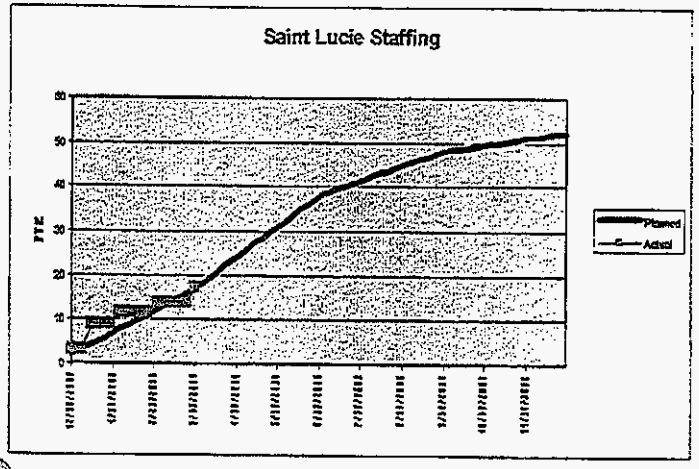
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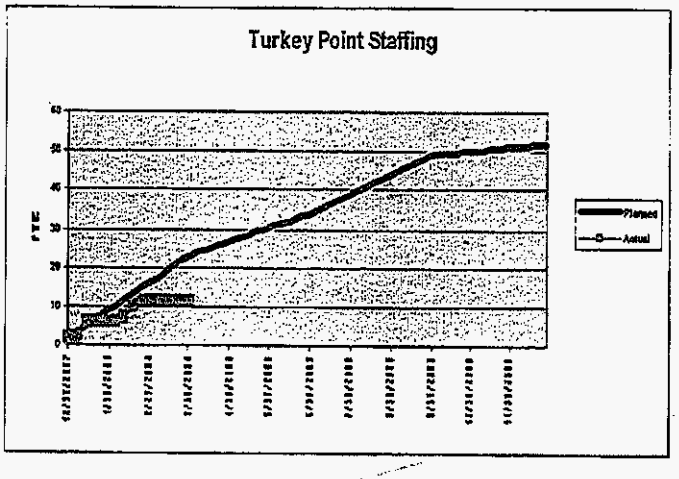
PAGES 18-19

Staffing Update – FPL & FPLE



[redacted]





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Staffing Update – Critical Positions

POSITION - FPL	SITE	STATUS
Project Controls Manager	JB	Offer being approved
Contracts Administrator	PSL	Interviews in Progress
Mechanical Engineer	PSL	Reviewing Resumes
I&C Engineer	PSL	Reviewing Resumes
Engineering Manager	PTN	Interviews in Progress
Electrical Supervisor	PTN	Reviewing Resumes
I& C Supervisor	PTN	Reviewing Resumes

POSITION - SWEC	SITE	STATUS
[redacted]		
Project Engineer	PTN	
Lead Mechanical	PTN	

FPL



PSL EPU Project

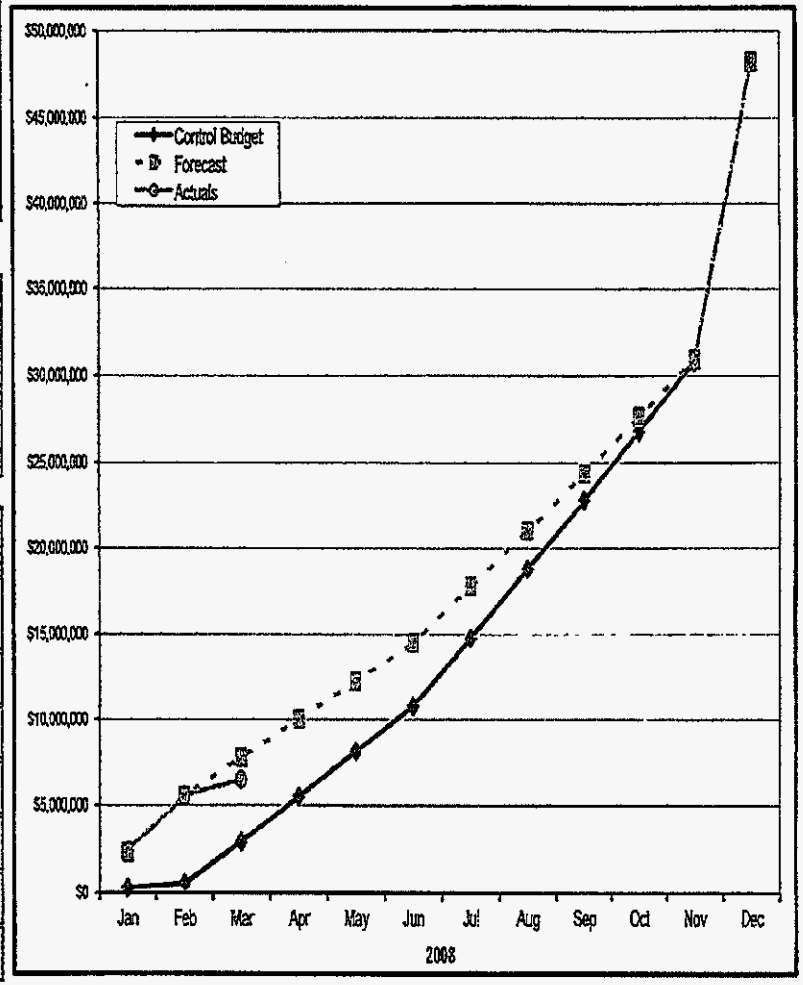
Account #: 66730

Data As Of: 03/31/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun < 5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008 Actual	2009	2010	Future Yrs	Total
Engineering	525,000	2,202,999	-	-	-	2,727,999
Material	1,100,000	2,430,500	-	-	-	3,530,500
Implementation	-	-	-	-	-	-
Support	547,338	1,846,678	-	-	-	2,394,016
Contingency	-	-	-	-	-	-
Total	2,172,338	6,480,177	-	-	-	8,652,515



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PTN EPU Project

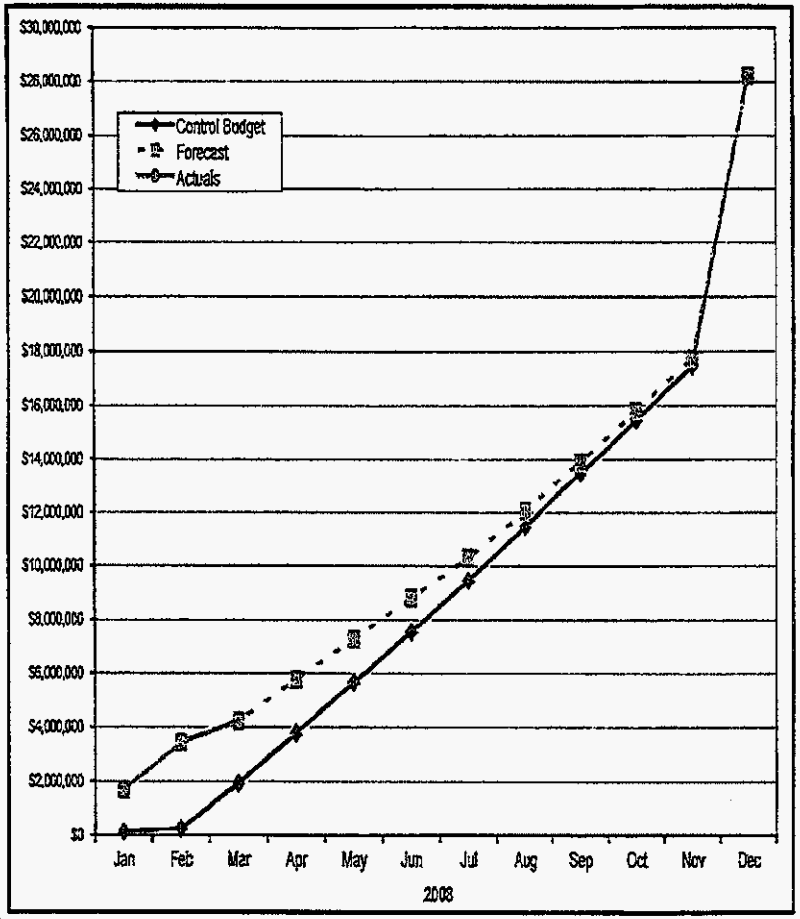
Account #: 66730

Data As Of: 03/31/08

Budget Forecast	Green	White	Yellow	Red	
Indicator Criterion	Within budget, forecast to remain within budget	Forecast budget overrun/underrun <5% of actual	Forecast budget overrun/underrun between 5% and 10%	Forecast budget overrun/underrun > 10%	Cost status is based on the current approved Project funding. Status will be reset upon approval of additional funding as applicable.

Total Project Cost Summary (Level 1)

By Year	Prior Year Actuals 2007	2008	2009	2010	Future Yrs	Total
Engineering (1)	1,346,724	1,489,412	-	-	-	2,836,136
Material	275,000	1,272,580	-	-	-	1,547,580
Implementation	-	-	-	-	-	-
Support	1,346,724	1,446,193	-	-	-	2,792,917
Contingency	-	-	-	-	-	-
Total	2,968,448	4,208,186	-	-	-	7,176,634



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Highlights of Next Steps (Goals for next month)

- Juno Beach
  - Complete Siemens Contract
  - Issue RFP for Modification Engineering
  - Develop recovery plan for PTN Staffing
  - Complete development of Margin Management program
  - Complete development of Project Instructions (with exception of Training)



- St Lucie & Turkey Point
  - Issue Contract for BOP LAR analysis
  - Complete integrated schedule reviews for PSL
  - Complete N-1 Inspections (SGs, Condenser, MSRs and FW Htrs)

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Extended Power Uprates
Technical Steering Committee Meeting
Saint Lucie & Turkey Point

July 15, 2008

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Agenda

- **Project Overview**
  - Plans & Targets
  - Project KPI's
  - Regulatory
  - Critical Path
  - Highlights
  - Engineering Evaluations
- **Benchmark Visits**
- **Risk Exposures & Mitigation**
- **Staffing Update**
- **Highlights of Next Steps**

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Plans & Targets

Saint Lucie

	SAINT LUCIE		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days*	40 Days*	55 Days	40 Days
2nd Outage	10/1/2011	5/1/2012	10/1/2011	5/1/2012
Duration	55 Days*	55 Days*	55 Days	55 Days
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE Proforma	103	103	122***	128***

Note –

* - Target durations may be adjusted when design changes are finalized.

** - Negative float is zero for U-1, - 28 days for U-2 as of 7/3/08

*** - Based on Siemens Heat Balance

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Plans & Targets

Turkey Point

	TURKEY POINT		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days*	55 Days*	55 Days	55 Days
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days*	40 Days*	40 Days	40 Days
LAR Submittal	9/01/09	9/01/09	9/01/09**	9/01/09**
MWE Proforma	104	104	111***	111***

Note –

* - Target durations may be adjusted when design changes are finalized.

** - Negative float is - 42 days as of 7/3/08

*** - Based on Siemens Heat Balance

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Regulatory

Site Certification Application Status

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	5/8/08 (a)
Deadline for Motions to Intervene	7/28/08	9/8/08
Complete Certification Hearings before Administrative Law Judge	9/5/08	10/9/08 *
Administrative Law Judge issues Recommended Order	10/31/08	12/11/08
Siting Board Hearing on Certification (Anticipated Dates)	1/13/09	2/10/09

* Note: issues associated with Miami-Dade are becoming a concern and could potentially delay or draw out the certification hearings

Regulatory

New Challenges

- **NRC has modified NRR instruction (LIC-109) for acceptance review of Requested Licensing Actions (RLAs)**
  - May require any linked Requested Licensing Actions (RLAs) to be reviewed and approved prior to accepting the RAL for review
  - The 6 month grace period provided by the instruction will not be applicable to the Florida plants (submittals will be after 11/2/08)
  - Project team is In the process of determining what items are considered linked RLAs and the potential schedule impact.
    - Unlikely to Impact either of the PSL uprate LARs
    - Evaluating Impact PTN uprate LAR
    - Risk Mitigation Plan being developed
    - Meeting with NRR – 7/21/08

Critical Path

- **Combined integrated schedule for W, SWEC, Siemens, and FPL**
  - PSL U1 (0 days float) & PSL U2 (-28 days float)
  - PTN (-42 days float)

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/4/09	7/14/09
Complete large break LOCA analysis	6/26/09	5/4/09	6/12/09
W issue NSSS License Section to FPL	6/30/09	7/21/09	6/30/08
SWEC issue BOP License Section to FPL	6/30/09	8/7/09	6/30/08
Complete Sequester Week (s)	7/8/09	8/21/09	8/5/09
FPL Complete Draft License Amendment	7/31/09	8/14/09	8/27/09
Complete Site Review License Amendment	8/5/09	9/14/09	9/22/09
Complete Corporate Review License Amendment	8/12/09	9/21/09	10/6/09
Submit LAR to NRC (Proforma)	9/1/09*	9/1/09*	9/1/09*

* Schedule end date is constrained

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Highlights

Engineering & Construction

- Modification Engineering & Construction is being competitively bid for Florida Units
- Initial interested bidders:
  - Washington Group Inc. (URS);
  - Areva & NPS Construction;
  - Fluor & S&L Eng.
  - Bechtel
  - SWEC
- RFP bid response -- 7/15/08
- Bid evaluation -- 8/1/08
- Issue Contract -- 8/23/08

Highlights

Major Contract Status

Contract	Contract Milestones					
	Bid Spec Issued (FPL)	RFP Issued (FPL)	Bids Submitted (VENDOR)	Bids Evaluated (FPL)	Conform Spec Issued (FPL)	Contract Issued
NSSS ANALYSIS FOR LAR	**3/24/2008(a)**	**4/16/08(a)**	**5/8/08(a)**	**6/6/08(a)**	**6/25/2008 PSL (a) PTN (f): 7/11/08**	**6/29/2008 *7/15/08(f)**
BOP ANALYSIS FOR LAR	**2/29/2008 (a)**	**3/7/08 (a)**	**3/21/08(a)**	**4/10/2008 Complete**	**4/17/2008 Complete**	**4/24/2008 Complete**
TURBINE AND GENERATOR	**2/7/2008 (a)**	**NA**	**NA**	**NA**	**3/31/08 5/30/08(a)**	**5/2/2008 7/15/08(f)**
MODIFICATION ENGINEERING & CONSTRUCTION	**5/1/08 5/15/08 (a)**	**5/1/08 5/19/08 (a)**	**6/1/08 7/15/08 (f)**	**6/10/08 8/1//08 (f)**	**N/A**	**8/1/08 8/23/08 (f)**

* Interim agreement to be put in place pending fuels resolution

Highlights

- Completed Juno Office move to Jupiter West
- Completed Benchmark visits to Oconee and Browns Ferry
- Continue Conformed Spec development for procurement of long lead material
- Continue finalizing the contract with Siemens for the Turbine Generator scope of work
- Continue Finalizing Contract with Westinghouse for the NSSS analysis work needed for the LAR
- Continue Developing Fleet Project Plan
- Continue focus on hiring the necessary staff to support the project
- Continue the development of Earned value schedule and tracking mechanisms

Engineering Evaluations - PSL & PTN

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment at PTN	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• No S/G MCO Modification expected • Contingency Modifications for Feedring & Primary Separators to address E/C
Perform Grid Studies for PSL & PTN	1/31/09	T&D to upgrade as appropriate (budgeted).	• Will not need capacitor banks • Upgrades for short circuit protection req'd for PTN

- **Benchmark Visits**

Bench Mark Highlights

- Be as independent as possible and minimize reliance on the station as much as possible
- Key Station personnel need to be assigned to the Project on a full time basis (e.g. Ops, Maintenance, Engineering)
- Need frequent face to face communications with the Vendor(s)
- NRC review and approval time for License Amendments is taking longer than expected with significant number of RAIs
- Evaluate what mods should not be incorporated if the LAR is not approved. Incorporating all of the mods without the uprate may reduce plant efficiency
- Significant delays have been experienced for foreign supplied equipment (e.g. Flow-Serve)

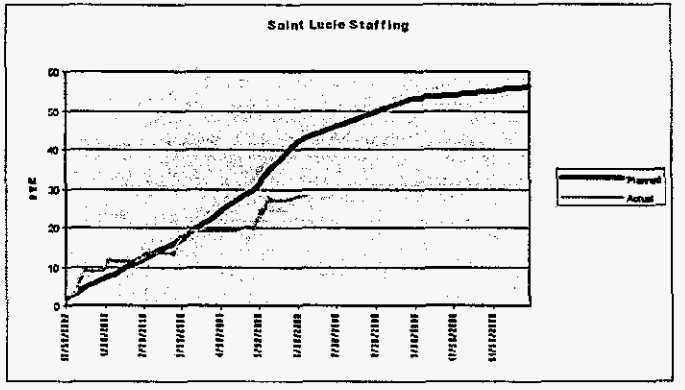


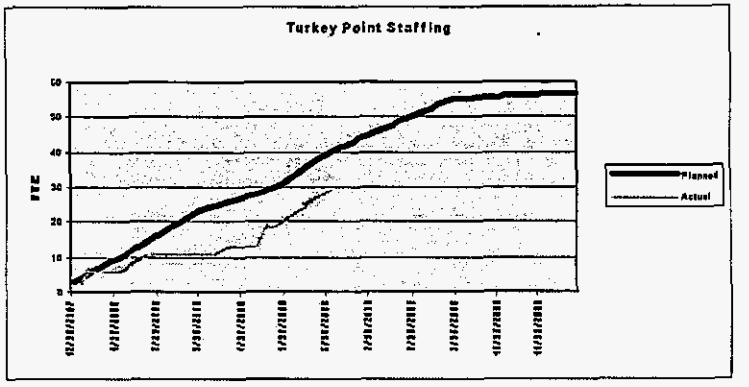
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PAGES 14-17

Staffing

FPL





UNFILLED CRITICAL POSITIONS	SITE	STATUS
None	PSL	

UNFILLED CRITICAL POSITIONS	SITE	STATUS
Engineering Manager	PTN	Candidate selection in progress
Electrical Supervisor	PTN	Candidate selection in progress
I & C Supervisor	PTN	Reviewing Resumes
Lead Scheduler	PTN	Candidate selected, Start 7/14

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Work Planner - Electrical	PSL
Licensing Lead	PSL
Mechanical Engineer	PSL
Sr. Sourcing Specialist	PSL
Project Manager - TG	PSL

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Project Engineering Manager	PTN
Admin Support	PTN
Production Superintendent	PTN
Scheduler	PTN
Electrical Engineer	PTN

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Highlights of Next Steps

- **Juno Beach**
  - Award Siemens Contract
  - Award contract for the LAR NSSS analysis work
  - Complete Bid evaluations for the EpC contract
  - Fleet Project Plan development
  - Continue Project Instructions development
  - Continue Training Program development and process
  - Project self assessment plan
  - Continue OE Review and disposition
  - Complete Earned Value Schedule and metrics

- **St Lucie & Turkey Point**
  - Finalize the Saint Lucie and Turkey Point schedules
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue Staffing ramp-up per plan
  - Continue development of Site Project Plans

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PAGES 5, 6, 13-16

Extended Power Uprates
Technical Steering Committee Meeting
Saint Lucie & Turkey Point

December 12, 2008

Agenda

- Plans & Targets
- Key Performance Indicators
- Regulatory
- Project Highlights
- Next Steps
- Risk Exposures & Mitigation

Plans & Targets

Saint Lucie

	PROFORMA		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days	40 Days	66 Days*	64 Days*
2nd Outage	10/1/2011	5/1/2012	10/1/2011	4/19/08
Duration	55 Days	55 Days	64 Days*	66 Days*
LAR Submittal	9/01/09	9/01/09	9/01/09	10/01/09
MWE			129**	136**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

Plans & Targets

Turkey Point

	PROFORMA		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days	55 Days	65 Days*	70 Days*
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days	40 Days	65 Days*	65 Days*
LAR Submittal	9/01/09	9/01/09	12/01/09	12/01/09
MWE			118**	118**

Note –

* - Target durations may need adjustment when design changes are finalized.

** - Based on Siemens Heat Balance, contract target

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PAGES 5-6

Regulatory – PTN LAR

PTN Challenges

- **Current containment peak pressure Analysis of Record for PTN is incorrect due to errors identified in the COCO model**
  - WEC prepared matrix identifying the relative benefit of each potential containment analysis change - Complete
  - Provide draft revised containment heat sink input to WEC for their use by 12/22/08.
  - Perform a feasibility and scoping assessment of the RWST chiller concept (including benchmarking) by 1/10/09
  - Provide update Containment analysis input parameters based on modifications by 1/31/09

Regulatory – PSL & PTN LAR

PSL & PTN EPU LAR Milestones

LAR Milestones	PSL 1	PSL 2	PTN
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/9/09	6/9/09	7/17/09
Complete large break LOCA analysis	6/22/09	7/6/09	7/13/09
W issue NSSS License Section to FPL	6/30/09	7/31/09	8/11/09
SWEC issue BOP License Section to FPL	6/30/09	7/31/09	8/11/09
Complete Sequester Week (s)	7/24/09	8/17/09	9/16/09
FPL Complete Draft License Amendment	7/17/09	8/10/09	10/08/09
Complete Site Review License Amendment	8/14/09	9/08/09	11/09/09
Complete Corporate Review License Amendment	8/21/09	9/15/09	11/23/09
Submit LAR to NRC	9/1/09	10/1/09	12/01/09
FLOAT	0	- 4 Days	-26 Days

Regulatory – Environmental (Site Certification Application)

- **PSL Order Issued on 9/17/08**
  - Change Management Plan issued to implement new requirements and will be tracked by CR

Item No.	Description	Status
1	Benchmark other FPL Plant with similar CoC – Completed 8/20/08 with visit to Martin Plant.	Complete
2	Revise PSL Environmental Reporting Procedure to reflect new CoC compliance reporting – Route for review and approval	Complete
3	Issue letters to PSL Engineering and Project Management regarding CoC impacts. (Complete)	Complete
4	Implement compliance tracking system for PSL populated with CoC reporting requirements	Target final implementation 1/16/09
5	Facilitate Training - Licensing, Chemistry, Land Utilization concerning pertinent CoC requirements	Target 1/16/09
6	Coordinate with Site EPU Engineering, PSL Engineering, and Project Management to ensure incorporation of appropriate procedures and continuing training programs	Target 1/16/09
7	Implement compliance effectiveness monitoring program	Target 1/16/09

- **PTN Order Issued on 10/29/08**
  - FPL has 180 days (4/29/08) to develop a new South Florida Water Management (SFWMD) agreement for the monitoring of the cooling canals.
    - -- FPL had their initial meeting with the Agencies on November 20, 2008. (very general discussion about the existing monitoring in the plant area)
    - -- The second meeting is scheduled for December 15, 2008.
  - Major Change Management Plan in development and will be tracked by CR

Contract Status – Long Lead

Priorities

- **TEI (MSR, FW Heaters, Condenser, TCW-HX for PSL)**
  - Contract terms complete, specifications being conformed by Shaw
  - Expect to issue contracts within next 5 days
- **Westinghouse (NSSS LR)**
  - issued the PSL & PTN Letter of Authorization to the Fuels Contracts approved
- **CEDM - PSL**
  - Budgetary review required
- **Turbine Control System - PTN**
  - Bid Specification will be issued 12/12/08
  - Capability presentations planned for January with various vendors

FPL.
FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Highlights

- **Continue Procurement Activities for Long Lead Materials:**
  - FW Heaters, MSRs, Condenser
  - All long lead material should be ordered by the end of this year
- **EPC**
  - Awarded Contract to Bechtel
    - Mobilization started: 18 at PSL; 19 at PTN
    - Scoping and walkdowns in progress
    - Process reviews underway
    - PTN ISFSI location planned for 12/9/08
- **PSL Preparing for Spring 2010 Outage**
  - –Conceptual Designs
  - –Task Plans
- **Independent assessment of Risk Management Program**
- **QA oversight Plan approved**

Highlights of Next Steps

- **Juno Beach**
  - Develop QA oversight task plans and surveillances
  - Finalize agreement with SFWMD for water monitoring for PTN by 4/29/09
  - Develop CMP for PTN SCA requirements
  - Continue Earned Value Schedule and metrics
  - Implement Risk Assessment Improvements

- **St Lucie & Turkey Point**
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue Site Project Plans, Conceptual Designs and Task Plans
  - Implement CMP for PSL SCA requirements
  - Continue Licensing and Engineering to support LAR submittal

REDACTED

PAGES 13-16

REDACTED

DR 1.10
PAGES 4, 10-12, 14

FPL

EXTENDED POWER UPRATES

Project Steering Committee Meeting
FPL, Saint Lucie & Turkey Point

May 14, 2008

Draft Proprietary and Confidential

2/9/2009 1:49 PM

Agenda

- Project Overview
  - Plans & Targets
  - Project KPI's
  - Regulatory
  - Major Contract Status
  - Engineering Evaluations
- Technical Strategies
  - Engineering & Construction Approach
- Project Risks & Mitigation
- Staffing Update
- Highlights of Next Steps



FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview – Plan and Targets

	SAINT LUCIE		TURKEY POINT	
	U-1	U-2	U-3	U-4
1st Outage	4/1/2010	11/1/2010	9/26/2010	4/25/2011
Duration	55 Days	40 Days	55 Days	55 Days
2nd Outage	10/1/2011	5/1/2012	3/5/2012	10/22/2012
Duration	55 Days	55 Days	40 Days	40 Days
LAR Submittal	9/01/09	9/01/09	9/01/09	9/01/09
MWE Proforma	103	103	104	104
MWE Predicted *	118	118	112	112

* MWE predicted is determined from SWEC Heat Balance and which will be the basis for the performance guarantee: Heat Balance completed, Siemens completing review

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

REDACTED

Project Overview – Regulatory

- Regulatory Status
  - Site Certification Application (SCA)

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	5/8/08 (a) *
Deadline for Motions to Intervene	7/28/08	9/8/08
Certification Hearing before Administrative Law Judge	9/5/08	10/9/08
Administrative Law Judge issues Recommended Order	10/31/08	12/11/08
Siting Board Hearing on Certification	1/13/09	2/10/09

* New date based on Miami-Dade County request; should not affect end date

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview – Critical Path

- License Amendment Request
  - Combined integrated schedule for W, SWEC, and FPL
    - PSL (meets planned submittal date)
    - PTN (schedule in final review- 6/15/08)

LAR Milestones	Target Date
W complete Operating Parameter Review	3/1/08 (a)
Complete large break LOCA analysis	2/10/09
Sequester Week 1	5/1/09
Complete small break LOCA analysis	5/18/09
Sequester Week 2	6/1/09
SWEC issue BOP License Section to FPL	6/30/09
W issue NSSS License Section to FPL	7/20/09
Sequester Week 3	7/20/09
FPL Draft License Amendment	9/22/09
Site Review & Approve License Amendment	9/29/09
Corporate Review License Amendment	10/6/09
Submit LAR to NRC (PSL-2)	10/13/09

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview — Major Contract Status

Contract	Contract Milestones					
	Bid Spec Issued (FPL)	RFP Issued (FPL)	Bids Submitted (VENDOR)	Bids Evaluated (FPL)	Conform Spec Issued (FPL)	Contract Issued
NSSS ANALYSIS FOR LAR	3/24/2008(a)	3/31/2008(a)	4/28/08 (a)	5/28/2008	6/25/2008	6/30/2008
BOP ANALYSIS FOR LAR	2/29/2008 (a)	3/7/2008 (a)	3/24/2008(a)	4/20/2008 Complete	5/18/2008 Complete	5/23/2008 Complete
TURBINE AND GENERATOR	2/7/2008 (a)	NA	NA	NA	3/31/08 5/15/08 (f)	5/2/2008 5/30/08 (f)
MODIFICATION ENGINEERING & CONSTRUCTION	5/1/08 5/15/08 (f)	5/1/08 5/30/08 (f)	6/1/08 6/30/08 (f)	6/10/08 7/30/08 (f)	N/A	8/1/08 8/30/08 (f)

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Engineering Evaluations – St Lucie

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
Main Transformer Strategy Evaluation	Complete	Replacement of all 4 Main Transformers	Upgrade both of PSL-1 Main Transformers Replace both of PSL-2 Main Transformers
Spare Exciter Acceptability Evaluation	Complete	The Spare exciter would be compatible with all 4 Florida Units	The spare exciter rotor will be suitable for all 4 Florida Units , including PSL 1
Perform Grid Studies	12/31/08	T&D to upgrade as appropriate (budgeted).	May need capacitor banks (not budgeted) Grid upgrades – the budgeted amount may not be sufficient

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

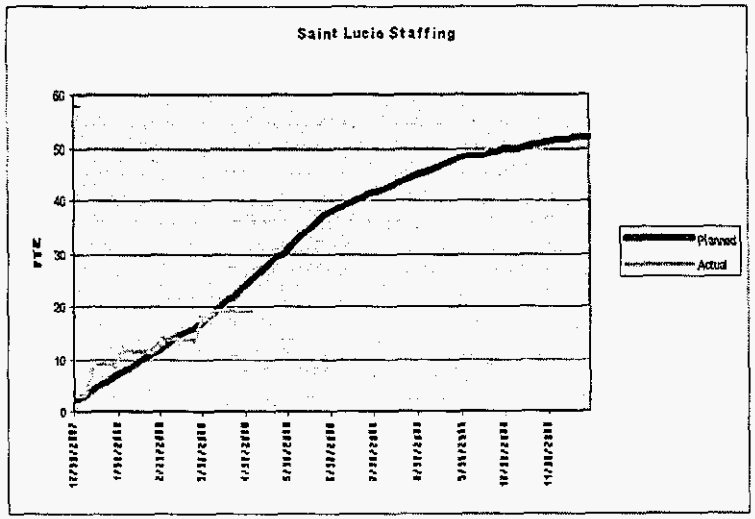
Engineering Evaluations – Turkey Point

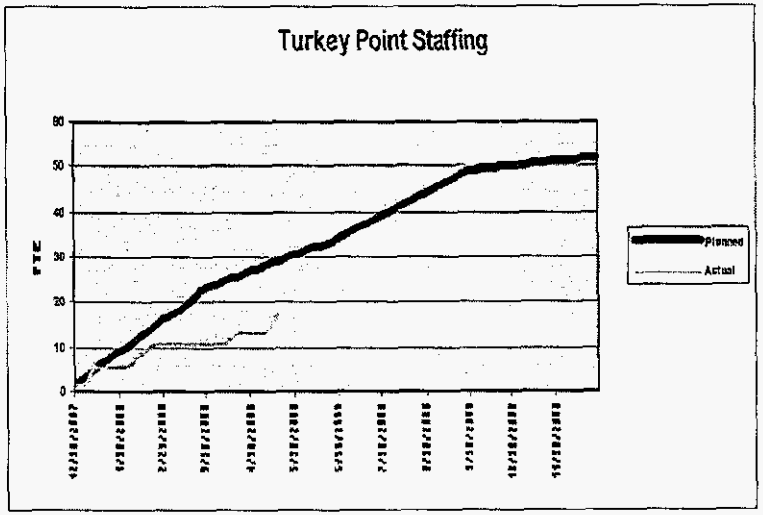
Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
LP Turbine rotor evaluation	Complete	LP Turbine rotors expected to be used for uprate condition	LP rotors will be acceptable
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• No S/G MCO Modification expected • Contingency Modifications for Feedring & Primary Separators to address E/C
Perform Grid Studies	12/31/08	T&D to upgrade as appropriate (budgeted).	• May need capacitor banks (not budgeted) • Grid upgrades – the budgeted amount may not be sufficient

REDACTED

PAGES 10-12

Staffing Update – FPL





UNFILLED CRITICAL POSITIONS	SITE	STATUS
Contracts Administrator	PSL	Candidate selected, Start 7/7/08
I & C Engineer	PSL	Reviewing Resumes

UNFILLED CRITICAL POSITIONS	SITE	STATUS
Engineering Manager	PTN	Interviews in progress
Electrical Supervisor	PTN	Candidate selection in progress
I & C Supervisor	PTN	Reviewing Resumes

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Construction Manager	PSL
Design Basis Engineer	PSL
I & C Engineer	PSL
Cost Specialist	PSL

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Mechanical Engineer	PTN
I&C Engineer	PTN
Lead Test Engineer	PTN
Electrical Project Manager	PTN
T/G Project Manager	PTN
Materials Coordinator	PTN

REDACTED

Highlights of Next Steps (Goals for next month)

- Juno Beach
  - Award Siemens Contract
  - Issue RFP for EC Contract
  - Complete development of Margin Management program
  - Complete development of Project Instructions (with exception of Training)
  - Perform Project self assessment
  - Bench Mark visit at TVA & Duke
  - CMP for staffing support from station

- St Lucie & Turkey Point
  - Complete integrated schedule reviews for PSL
  - Continue with Conformed Specs (MSRs, FW Heaters, Condenser)

FPSC Internal Controls Data Request DR 1-10
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REDACTED

DR 1.10
PAGES 5, 11-15, 17

FPL

EXTENDED POWER UPRATES

Project Steering Committee Meeting
FPL, Saint Lucie & Turkey Point

June 16, 2008

Draft Proprietary and Confidential

2/9/2009 1:52 PM

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Agenda

- Project Overview
  - Plans & Targets
  - Project KPI's
  - Regulatory
  - Major Contract Status
  - Engineering Evaluations
- Audits Planned or in Progress
- Project Risks & Mitigation
- Staffing Update
- Highlights of Next Steps



FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview – Plan and Targets

	SAINT LUCIE		FORECAST	
	U-1	U-2	U-1	U-2
1st Outage	4/1/2010	11/1/2010	4/5/2010	11/15/2010
Duration	55 Days	40 Days	55 Days	40 Days
2nd Outage	10/1/2011	5/1/2012	10/1/2011	5/1/2012
Duration	55 Days	55 Days	55 Days	55 Days
LAR Submittal	9/01/09	9/01/09	9/1/09	11/18/09
MWE Proforma	103	103	118	118

FPSC Internal Controls Data Request DR 1-10
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Project Overview – Plan and Targets

	TURKEY POINT		FORECAST	
	U-3	U-4	U-3	U-4
1st Outage	9/26/2010	4/25/2011	9/26/2010	4/25/2011
Duration	55 Days	55 Days	55 Days	55 Days
2nd Outage	3/5/2012	10/22/2012	3/5/2012	10/22/2012
Duration	40 Days	40 Days	40 Days	40 Days
LAR Submittal	9/01/09	9/01/09	9/01/09	9/01/09
MWE Proforma	104	104	112	112

REDACTED

Project Overview – Regulatory

- Regulatory Status
  - Site Certification Application (SCA)

Application Milestone	St. Lucie	Turkey Point
FPL submits Site Certification (SCA)	12/13/07 (a)	1/18/08 (a)
DEP issue Completeness Determination on SCA	1/22/08 (a)	2/27/08 (a)
FPL response to DEP Determination (if incomplete)	N/A	3/28/08 (a)
DEP 2nd Completeness Determination (if necessary)	N/A	5/8/08 (a)
Deadline for Motions to Intervene	7/28/08	9/8/08
Complete Certification Hearings before Administrative Law Judge	9/5/08	10/9/08 *
Administrative Law Judge issues Recommended Order	10/31/08	12/11/08
Siting Board Hearing on Certification (Anticipated Dates)	1/13/09	2/10/09

* Note: issues associated with Miami-Dade are becoming contentious and are expected to potentially delay or draw out the certification hearings

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview – Regulatory

- Regulatory- New Challenges
  - NRR issued new office instruction titled "Acceptance Review Procedures", (LIC-109)
    - May requires any linked Requested Licensing Actions (RLAs) to be reviewed and approved prior to accepting the RAL for review.
    - The 6 month grace period provided by the instruction will not be applicable to the Florida plants (submittals will be after 11/2/08)
    - In the process of determining what items are considered linked RLAs and the potential schedule impact.



FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Project Overview – Critical Path

- License Amendment Request
  - Combined integrated schedule for W, SWEC, Siemens, and FPL
    - PSL-1 meets planned submittal date; PSL-2 Recovery plan developed to restore submittal date
    - PTN (schedule in review- 6/18/08)

LAR Milestones	PSL 1	PSL 2
W complete Operating Parameter Review	3/1/08 (a)	3/1/08 (a)
Complete small break LOCA analysis	6/18/09	4/14/09
Complete large break LOCA analysis	7/17/09	8/6/09
W issue NSSS License Section to FPL	6/30/09	9/29/09
SWEC issue BOP License Section to FPL	6/30/09	10/6/09
Complete Sequester Week (only one Sequester)	7/15/09	10/20/09
FPL Complete Draft License Amendment	7/30/09	11/3/09
Complete Site Review & Approve License Amendment	8/6/09	11/10/09
Complete Corporate Review License Amendment	8/13/09	11/17/09
Submit LAR to NRC	9/1/09	11/18/09

Project Overview — Major Contract Status

Contract	Contract Milestones					
	Bid Spec Issued (FPL)	RFP Issued (FPL)	Bids Submitted (VENDOR)	Bids Evaluated (FPL)	Conform Spec Issued (FPL)	Contract Issued
NSSS ANALYSIS FOR LAR	3/24/2008(a)	4/16/2008(a)	5/8/2008(a)	6/6/08(a)	6/25/2008 On Track	6/29/2008 On Track
BOP ANALYSIS FOR LAR	2/29/2008 (a)	3/7/2008 (a)	3/21/2008(a)	4/10/2008 Complete	4/17/2008 Complete	4/24/2008 Complete
TURBINE AND GENERATOR	2/7/2008 (a)	NA	NA	NA	3/31/08 5/30/08(a)	5/2/2008 6/30/08(f)
MODIFICATION ENGINEERING & CONSTRUCTION	5/1/08 5/15/08 (a)	5/1/08 5/19/08 (a)	6/1/08 7/15/08 (f)	6/10/08 7/26/08 (f)	N/A	8/1/08 8/23/08 (f)

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

Engineering Evaluations- PSL & PTN

Engineering Evaluation	Target Completion Date	Original Plan / Budgeted	Expected Outcome
S/G Moisture Carry Over (MCO) & Erosion / Corrosion (E/C) Assessment at PTN	8/31/08	No S/G MCO mods expected Feedring Replacement to address E/C	• No S/G MCO Modification expected • Contingency Modifications for Feedring & Primary Separators to address E/C
Perform Grid Studies for PSL & PTN	12/31/08	T&D to upgrade as appropriate (budgeted).	• Will not need capacitor banks • Grid upgrades – the budgeted amount will be sufficient

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

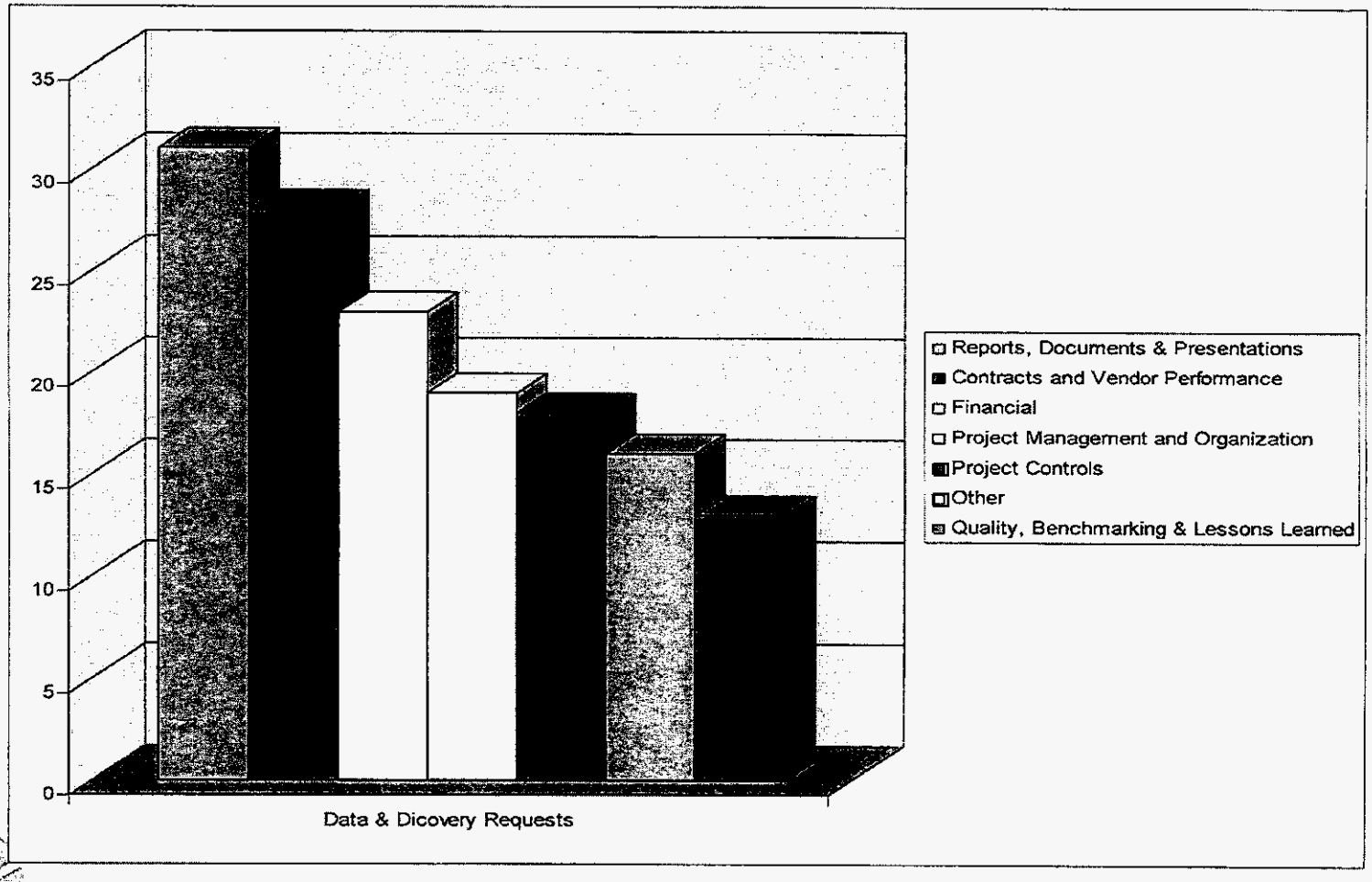
Audits Planned or in Progress

- FPSC (Financial and Internal Controls)
  - Discovery Began- 5/2/08
  - Discovery complete scheduled: 9/3/08

- FPL Internal Audit (Financial)
  - Began 5/15/08
  - Final Report scheduled: 7/30/08

FPL

Audits Planned or in Progress – FPSC Data Requests



FPL

Audits Planned or in Progress

- Nuclear Cost Recovery (FPSC) Schedule

Schedules and Petition filed	5/1/08 (a)
Discovery begins	5/2/08 (a)
Intervener Testimony	7/14/08
Staff Testimony	7/28/08
Rebuttal Testimony	8/11/08
Discovery Completed	9/3/08
Hearings	9/11/08, 9/12/08, 9/17/08, 9/18/08
Issue Order	10/15/08

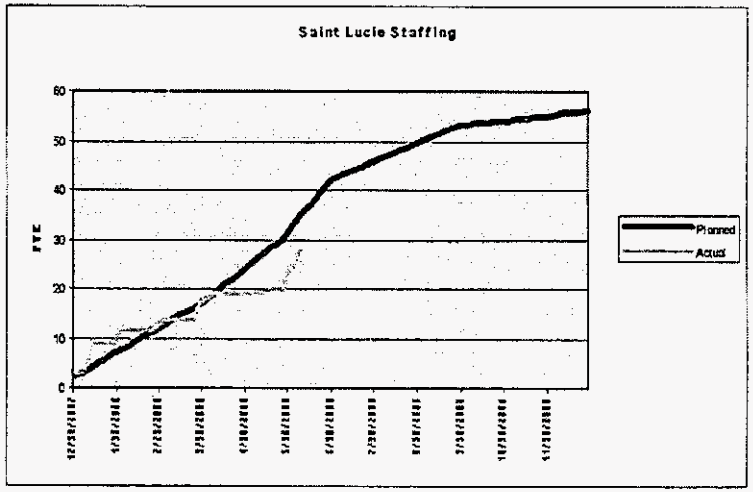


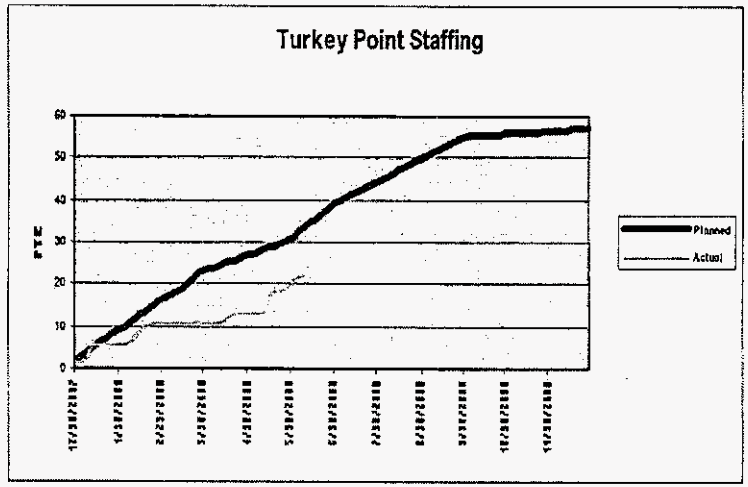
FPL

REDACTED

PAGES14-15

Staffing Update – FPL





UNFILLED CRITICAL POSITIONS	SITE	STATUS
None	PSL	

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Nuclear Analyst	PSL
Senior Sourcing Specialist	PSL
Project Manager- TG	PSL

UNFILLED CRITICAL POSITIONS	SITE	STATUS
Engineering Manager	PTN	Interviews in progress
Electrical Supervisor	PTN	Candidate selection in progress
I & C Supervisor	PTN	Reviewing Resumes

ACCEPTED POSITIONS WITH START DATE NEXT 30 DAYS	SITE
Cost Engineer	PTN
Business Analyst	PTN
2 Project Managers- Mechanical	PTN
S/G Project Manager	PTN
T/G Project Manager	PTN
I&C Engineer	PTN
CAP Coordinator	PTN

REDACTED

Highlights of Next Steps *(Goals for next month)*

- Juno Beach
  - Award Siemens Contract
  - Continue negotiating and finalizing the LAR NSSS analysis work
  - Receive bids for EC Contract
  - Complete development of Margin Management program
  - Complete development of Project Instructions (with exception of Training)
  - Perform Project self assessment
  - Bench Mark visit at TVA
  - CMP for staffing support from station
  - EPU Project Moving to Jupiter-west

- St Lucie & Turkey Point
  - Finalize the Saint Lucie Schedules and continue integrated schedule reviews for Turkey Point
  - Continue Conformed Spec development & procurement of long lead material & equipment
  - Continue Staffing ramp-up per plan

FPSC Internal Controls Data Request DR 1-10
CONFIDENTIAL

REDACTED

DR 1.12
Pages 1-14

REDACTED

Dr 1.13
Entire CD

REDACTED

DR 1.30
PAGE 3 Line 10

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref) FPSC-PTN-Audit-ICDR1
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-PTN-Audit-ICDR1
Question No. 30
Page 1 of 1

WARNING Confidential Document: Information relating to competitive interests has been provided with this response

Q.

Please provide documentation for all risk assessment and mitigation reviews conducted to ensure the new Turkey Point nuclear project is on time and within budget.

A.

Please see attached risk committee documents. Additionally a complete discussion of the project risk assessment and mitigation activities will be included in March and May testimony. A copy of E&CD Project Dashboard reports, Schedule, Budget Variance Reports and other identified risk assessment tools (contractor oversight reports cross-referenced, etc.) are included in the CD provided for DR 38 backup.

(1)

Attachments:

RiskCom Minutes 6-25-08 - r2. RiskCom 062508 final.p

[redacted]

Witness comments:

Coordinator Comments:

Confidential Document? Y
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. **Description of Confidential Document(s):**
   Risk Management Presesntation

2. **Name of Person Claiming Confidential Document(s):**
   Scroggs/McBee

3. **Reason(s) for Confidential Document(s):**

- ☐ **Customer-specific information e.g. customer names addresses telephone numbers account numbers ra**
- ☐ **Employee personnel information unrelated to compensation duties qualifications or responsibilities**
- ☐ **Information concerning bids or other contractual data**
- ☒ **Information relating to competitive interests**
- ☐ **Internal auditing controls**
- ☐ **Security measures systems or procedures**
- ☐ **Trade secrets**

Last Modified:

Interrogatory Started: no Status Code: Order:

(2)

RiskCom Project Review; June 25, 2008

RiskCom Meeting Minutes					
Date:	June 25, 2008	**Time:**	9:00a.m.	**Location:**	D5400

Attendees:			
RiskCom Members:	Craig Arcari Kathy Beilhart Bill Brannen	David Cleary Jose Garcia Jonathan Nemes	David Reinstein (Chair) Marister Ruiz Bob Wade
Team Members:	Steve Scroggs Bill Maher	Steve Reuwer Rob Reagan	Mitch Ross Kelly Shaw

Project	
Turkey Point 6 & 7	Proposal to build two 1,100 MW nuclear units at FPL's Turkey Point facility in Miami-Dade county. Project is estimated to cost upward of [redacted] and will take 10 years for plant licensing and construction (5yrs for each phase).

Meeting Highlights

- Steve Scroggs and Bill Maher presented "Turkey Point 6&7 Risk Committee – Presentation One" to the RiskCom team. The presentation provided a project overview and discussed the regulatory recovery framework, permitting process, project schedule and an evaluation of the major project risks.
- **Pursuant to the presentation, the project team is seeking guidance on whether a Limited Work Authorization (LWA) should be submitted as part of the Combined License Application (COL).**
  - Under NRC guidelines a combined license applicant who is considering performing work activities prior to the issue of the COL can request authorization to perform certain work activities through the issue of an LWA.
  - The LWA provides the applicant with the **option** to perform certain construction activities (ex. rock surface prep, concrete sealing layer, power block foundation, structural concrete, engineered backfill, etc.) that would otherwise not be performed until after the COL was issued. Since this is an option, after the LWA is issued FPL would have no obligation to perform construction activities.
  - LWA PROS:
    - The LWA could mitigate the impact on the construction schedule of potential delays in issuance of the COL by allowing limited construction activity prior to issue of the COL.
    - Amounts expended, if any, under the LWA would still be subject to the Florida Public Service Commission's reasonableness and prudence reviews and should therefore not adversely impact FPL's recovery risk.
    - Since the LWA is integrated into the COL process it has minimal/no impact on the COL approval process.
  - LWA CONS:
    - Request for an LWA provides an opportunity for an additional

hearing. If there is intervention in the LWA process approval of the LWA could be delayed thereby mitigating some of the benefits.
    - There are some incremental costs associated with pursuing an LWA but these are expected to be minimal.
  - LWA GO/NO GO decision must be determined by March 2009 to maintain current licensing schedule.
- Cooling water sourcing requirements are a major technical issue for plant operation. Next RiskCom meeting, project team will address H20 mitigation strategy.

Comments / Recommendations

The RiskCom team recommends that the Turkey Point 6&7 project team seek executive approval to include a request for Limited Work Authorization (LWA) as part of Combined License Application (COL). The advantage of having the option to perform certain construction activities prior to issuance of the COL outweighs the disadvantage of adding an additional hearing to the critical path. Any decision to spend construction dollars pursuant to the LWA would be made at a later date.

REDACTED

DR 1.30
PAGES 1-35

REDACTED

DR 1.33
PAGES 1-26

REDACTED

DR 1.40
PAGES 1-179

REDACTED

DR 1.45
PAGES 4-25

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref)
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-PTN-Audit-ICDR1
Question No. 43
Page 1 of 1

***WARNING Confidential Document:* Information concerning bids or other contractual data has been provided with this response**

Q.

Please provide a description and status of any service and/or materials contracts or contract addenda for the new Turkey Point nuclear units project executed in 2008, and/or planned for 2009.

A.

Summary provided in attached table

Attachments:

DR43 2-9-09.pdf

Attorney Comments:

Witness comments:

Coordinator Comments:

(1)

Confidential Document? Y
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. Description of Confidential Document(s):
   Bid documents

2. Name of Person Claiming Confidential Document(s):
   Scroggs/McBee

3. Reason(s) for Confidential Document(s):

- ☐ Customer-specific information e.g. customer names addresses telephone numbers account numbers ra
- ☐ Employee personnel information unrelated to compensation duties qualifications or responsibilities
- ☒ Information concerning bids or other contractual data
- ☐ Information relating to competitive interests
- ☐ Internal auditing controls
- ☐ Security measures systems or procedures
- ☐ *Trade secrets*

Last Modified:

Interrogatory Started: no Status Code: Order:

Transmission Studies Planned for 2009
Turkey Point Units 6 & 7
(as of 2/1/2009)

Optional System Impact Study for Queue 107 & 108
Davis-Miami 230 kV Crossing of Miami River
Power System Transient Study for Andytown Switchyard Current Limiting Phase Inductors

REDACTED

DR 2.1a
PAGE 5 LINE 7, PAGE 6 LINE 7
PAGE 11 LINE 7, PAGE 12 LINES 6-7
PAGE 13 LINE 7

Dashboard tab - Guidelines

- The dashboard applies conditional logic within the color coded cells.
  - Select the applicable text indicator from the drop down and the applicable color will populate.
  - Select the applicable trend indicator from the drop down.
- Summarize in the Status Drivers column your justification for the current indicator status and trend.
- Frequency of Update ==> The dashboard is to be updated on a monthly basis to support the E&C Monthly Project Review Meeting, typically held the 7th work day of each month.
  In preparing the current month update of the dashboard, ensure that the status colors from the prior month's final dashboard are accurately reflected in the "Prior Status" column of the dashboard update.

Indicator Determination Guidance

The below provides guidance for use in determining indicator status by category. ***This guidance should be applied in conjunction with the project team's judgment in determining status for each indicator.***

EPU Indicator Determination Guidance (Proposed)

PROJECT RISK ASSESSMENT			
Job complexity:			
	Green	Proven competency to construct, little or no interface with existing plant, cooperative labor market, experience constructing in area, LSTK contract, etc.	Proven competency to construct within the defined outage durations without interferring with existing plant outage requirements, cooperative labor market, experience constructing in area, LSTK contract, etc.
	Yellow	Combination of Green and Red characteristics.	Combination of Green and Red characteristics.
	Red	Unproven competency to construct, significant interface with existing plant, uncooperative labor market, little or no experience constructing in area, self perform, etc.	Unproven competency to construct within the defined outage durations with interferring with existing plant outage requirements, uncooperative labor market, no experience constructing in area, self perform, etc.
Scope Definition:			
	Green	Unlikely to identify significant out of scope items based on stage of completion permitting, land acquisition, engineering, development is in.	Unlikely to identify significant out of scope items based on stage of completion permitting, engineering, development is in.
	Yellow	Combination of Green and Red characteristics.	Combination of Green and Red characteristics.
	Red	Likely to identify significant out of scope items based on stage of completion permitting, land acquisition, engineering, development is in.	Likely to identify significant out of scope items based on stage of completion permitting, engineering, development is in.
Execution Plan:			
	Green	Project has a vetted and approved execution plan to achieve budget, schedule and performance targets.	Project has a vetted and approved execution plan to achieve budget, schedule and performance targets.
	Yellow	Execution plan required to achieve budget, schedule and performance targets has not been developed OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are likely to be successful in recovering the project.	Execution plan required to achieve budget, schedule and performance targets has not been developed OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are likely to be successful in recovering the project.
	Red	Project does not have a vetted and approved execution plan to achieve budget, schedule and performance targets OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are unlikely to be successful in recovering a project cost, schedule or performance target.	Project does not have a vetted and approved execution plan to achieve budget, schedule and performance targets OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are unlikely to be successful in recovering a project cost, schedule or performance target.

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Resources:			
	Green	Project has sufficient dedicated resources of the right skill sets to achieve budget, schedule and performance targets (appropriate allocation of functional capabilities, right mix of chiefs and indians, etc.)	Project has sufficient dedicated resources of the right skill sets to achieve budget, schedule and performance targets (appropriate allocation of functional capabilities, right mix of chiefs and indians, etc.)
	Yellow	Sufficient level of dedicated resources to the project but employee development required (new hires, etc.)	Sufficient level of dedicated resources to the project but employee development required (new hires, etc.)
	Red	Project has either insufficient dedicated resources or mis-aligned skill sets to achieve budget, schedule and performance targets	Project has either insufficient dedicated resources or mis-aligned skill sets to achieve budget, schedule and performance targets
PROJECT INDICATOR STATUS			
Budget:			
	Green	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is remote.	Based on the current assessment of the project's budget, available uncommitted contingency and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is remote.
	Yellow	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is of concern.	Based on the current assessment of the project's budget, available uncommitted contingency, and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is of concern.
	Red	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is likely.	Based on the current assessment of the project's budget, available uncommitted contingency, and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is likely.
Operating Costs:			
	Green	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is remote.	N/A
	Yellow	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is of concern.	N/A
	Red	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is likely.	N/A
Schedule:			
	Green	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is remote.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is remote.
	Yellow	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is of concern.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is of concern.
	Red	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is likely.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is likely.

Quality:			
	Green	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is remote.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is remote.
	Yellow	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is of concern.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is of concern.
	Red	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is likely.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is likely.
Safety			
	Green	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is remote.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is remote.
	Yellow	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is of concern.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is of concern.
	Red	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is likely.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is likely.
Environmental/Federal/State/Local:			
	Green	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is remote.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements prior to inservice date is remote.
	Yellow	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is of concern.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements, prior to inservice date is of concern.
	Red	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is likely.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements prior to inservice date is likely.

Federal Licensing		
Green		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is remote.
Yellow		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is of concern.
Red		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is likely.
State Regulatory		
Green		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause Requirements is remote.
Yellow		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause requirements is of concern.
Red		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause requirements is likely.

FPSC Internal Controls Data Request DR 2-1a EPU
CONFIDENTIAL

Project: FPL Extended Power Uprate (EPU) Project: St. Lucie Units 1 and 2
Director EPU Project: William P. Labbe, Jr.

	Indicator Status Date=>	Prior Status 12/10/08	Current Status 01/10/09	Trend	Status Drivers
	PROJECT RISK ASSESSMENT				
1	Job Complexity			=	Generate an additional 206MWe at St. Lucie (proforma)
2	Scope Definition			=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
3	Execution Plan			=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
4	Resources			=	Staff augmentation of FPL engineering and Site resources. Team with engineering, manufacturing, and installation organizations having successful power uprate experience with the capability to meet the project outage schedules. The Engineering, Procurement, and Construction (EPC) contractor, Bechtel has begun the staff mobilization. EPU organization restructured to provide Director level project management at the site.
	PROJECT INDICATOR STATUS				
5	Budget			=	YTD Cap Actuals - $60.30MM | YTD O&M Actuals - $0.00MM | YTD Total Actuals - $60.30MM | 2008 Forecast - $60.71MM | 2008 Year End Variance Fav/(Unfav) - $0.41MM
				=	Project to Date Actuals - $60.30MM | Project Forecast - $657.00MM | Approved Project Budget - $657.00MM | Total Project Fav/(Unfav) Variance - $0.0MM
				=	Year end costs slightly less than budgeted. Total project costs remain unchanged.
6	Schedule	Yellow		-	Project remains on schedule, some interim milestones are being challenged in the LAR schedule and have been addressed with an approved mitigation plan. Long lead material procurement challenging internal milestones, recovery plan implemented
7					
8	Safety			=	There have been no OSHA recordable incidents in 2008.
9	Environmental Fed/State/Local			=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements
10	Federal Licensing			-	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC.
11	State Regulatory			=	Preparations underway for March 1, 2009 NFR true-up filing and witness testimony, followed by the May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue.

FPSC Internal Controls Data Request DR 2-1a EPU
CONFIDENTIAL

Project: FPL Extended Power Uprate (EPU) Project: Turkey Point Units 3 and 4
Director EPU Project: William P. Labbe, Jr.

	Indicator	Prior Status	Current Status	Trend	Status Drivers
	Status Date=>	12/10/08	01/10/09		
	PROJECT RISK ASSESSMENT				
1	Job Complexity	Green	Green	=	Generate an additional 208Mwe at Turkey Point (proforma)
2	Scope Definition	Green	Green	=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
3	Execution Plan	Green	Green	=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
4	Resources	Green	Green	=	Staff augmentation of FPL engineering and Site resources. The Engineering, Procurement, and Construction (EPC) contract was awarded to Bechtel. Bechtel has begun their staff mobilization. Engineering vendors staffing levels are below that needed to support the Project. Implementing a mitigation plan. EPU organization restructured to provide Director level project management at the Site.
	PROJECT INDICATOR STATUS				
5	Budget	Green	Green	=	YTD Cap Actuals - $42.22MM | YTD O&M Actuals - $0.00MM | YTD Total Actuals - $42.22MM | 2008 Forecast - $40.41MM | 2008 Year End Variance Fav/(Unfav) - $(1.81)MM
				=	Project to Date Actuals - $42.22MM | Project Forecast - $750.00MM | Approved Project Budget - $750.00MM | Total Project Fav/(Unfav) Variance - $0.0MM
				=	Year end costs slightly greater than budgeted. Negative variance due to early long lead equipment contract awards. Total project costs remain unchanged.
6	Schedule	Green	Green	-	Project remains on schedule, some interim milestones are being challenged in the LAR schedule and have been addressed with an approved mitigation plan. Long lead material procurement challenging internal milestones, recovery plan implemented.
7					
8	Safety	Green	Green	=	There was one (1) OSHA recordable incident in 2008.
9	Environmental Fed/State/Local	Green	Green	=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements
10	Federal Licensing	Yellow	Green	-	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC.
11	State Regulatory	Green	Green	=	Preparations underway for March 1, 2009 NFR true-up filing and witness testimony, followed by the May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue.

Dashboard tab - Guidelines

- The dashboard applies conditional logic within the color coded cells.
  - Select the applicable text indicator from the drop down and the applicable color will populate.
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- Summarize in the Status Drivers column your justification for the current indicator status and trend.
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Indicator Determination Guidance

The below provides guidance for use in determining indicator status by category. *This guidance should be applied in conjunction with the project team's judgment in determining status for each indicator.*

EPU Indicator Determination Guidance (Proposed)

PROJECT RISK ASSESSMENT			
Job complexity:			
	Green	Proven competency to construct, little or no interface with existing plant, cooperative labor market, experience constructing in area, LSTK contract, etc.	Proven competency to construct within the defined outage durations without interfering with existing plant outage requirements, cooperative labor market, experience constructing in area, LSTK contract, etc.
	Yellow	Combination of Green and Red characteristics.	Combination of Green and Red characteristics.
	Red	Unproven competency to construct, significant interface with existing plant, uncooperative labor market, little or no experience constructing in area, self perform, etc.	Unproven competency to construct within the defined outage durations with interfering with existing plant outage requirements, uncooperative labor market, no experience constructing in area, self perform, etc.
Scope Definition:			
	Green	Unlikely to identify significant out of scope items based on stage of completion permitting, land acquisition, engineering, development is in.	Unlikely to identify significant out of scope items based on stage of completion permitting, engineering, development is in.
	Yellow	Combination of Green and Red characteristics.	Combination of Green and Red characteristics.
	Red	Likely to identify significant out of scope items based on stage of completion permitting, land acquisition, engineering, development is in.	Likely to identify significant out of scope items based on stage of completion permitting, engineering, development is in.
Execution Plan:			
	Green	Project has a vetted and approved execution plan to achieve budget, schedule and performance targets.	Project has a vetted and approved execution plan to achieve budget, schedule and performance targets.
	Yellow	Execution plan required to achieve budget, schedule and performance targets has not been developed OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are likely to be successful in recovering the project.	Execution plan required to achieve budget, schedule and performance targets has not been developed OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are likely to be successful in recovering the project.
	Red	Project does not have a vetted and approved execution plan to achieve budget, schedule and performance targets OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are unlikely to be successful in recovering a project cost, schedule or performance target.	Project does not have a vetted and approved execution plan to achieve budget, schedule and performance targets OR requires a mitigation/recovery plan to achieve cost/schedule/performance targets AND mitigation/recovery plan options are unlikely to be successful in recovering a project cost, schedule or performance target.

Resources:			
	Green	Project has sufficient dedicated resources of the right skill sets to achieve budget, schedule and performance targets (appropriate allocation of functional capabilities, right mix of chiefs and indians, etc.)	Project has sufficient dedicated resources of the right skill sets to achieve budget, schedule and performance targets (appropriate allocation of functional capabilities, right mix of chiefs and indians, etc.)
	Yellow	Sufficient level of dedicated resources to the project but employee development required (new hires, etc.)	Sufficient level of dedicated resources to the project but employee development required (new hires, etc.)
	Red	Project has either insufficient dedicated resources or mis-aligned skill sets to achieve budget, schedule and performance targets	Project has either insufficient dedicated resources or mis-aligned skill sets to achieve budget, schedule and performance targets
PROJECT INDICATOR STATUS			
Budget:			
	Green	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is remote.	Based on the current assessment of the project's budget, available uncommitted contingency and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is remote.
	Yellow	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is of concern.	Based on the current assessment of the project's budget, available uncommitted contingency, and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is of concern.
	Red	Based on the current assessment of the project's budget, available uncommitted contingency in comparison to the below matrix guidance and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is likely.	Based on the current assessment of the project's budget, available uncommitted contingency, and mitigation/recovery plans implemented, the probability of exceeding the management approved budget is likely.
Operating Costs:			
	Green	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is remote.	N/A
	Yellow	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is of concern.	N/A
	Red	Based on the current project status and mitigation/recovery plans implemented, the probability of exceeding the management approved (pro forma) annual O&M or Capital cost requirements post COD is likely.	N/A
Schedule:			
	Green	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is remote.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is remote.
	Yellow	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is of concern.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is of concern.
	Red	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is likely.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved licensing and/or modifications outage date is likely.

Quality:			
	Green	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is remote.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is remote.
	Yellow	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is of concern.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is of concern.
	Red	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved commercial operations date is likely.	Based on the current assessment of the detailed project schedule and mitigation/recovery plans implemented, the probability of exceeding the management approved outage date is likely.
Safety			
	Green	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is remote.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is remote.
	Yellow	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is of concern.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is of concern.
	Red	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is likely.	Based on the current OSHA recordable end of project forecast reflective of mitigation/recovery plans implemented, the probability of not meeting or bettering the contractor OSHA recordable target for the project is likely.
Environmental/Federal/State/Local:			
	Green	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is remote.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements prior to inservice date is remote.
	Yellow	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is of concern.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements, prior to inservice date is of concern.
	Red	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental/permitting requirements, both pre and post COD, is likely.	Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting or exceeding all environmental requirements prior to inservice date is likely.

Federal Licensing		
Green		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is remote.
Yellow		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is of concern.
Red		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all NRC licensing requirements prior to inservice date is likely.
State Regulatory		
Green		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause Requirements is remote.
Yellow		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause requirements is of concern.
Red		Based on the current project status and mitigation/recovery plans implemented, the probability of not meeting all Nuclear Cost Recovery Clause requirements is likely.

Project: FPL Extended Power Uprate (EPU) Project: St. Lucie Units 1 and 2
Director EPU Project: William P. Labbe, Jr.

	Indicator Status Date=>	Prior Status 01/10/08	Current Status 02/10/09	Trend	Status Drivers
	PROJECT RISK ASSESSMENT				
1	Job Complexity			=	Generate an additional 206MWe at St. Lucie (proforma)
2	Scope Definition			=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
3	Execution Plan			=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
4	Resources			=	Staff augmentation of FPL engineering and Site resources. Team with engineering, manufacturing, and installation organizations having successful power uprate experience with the capability to meet the project outage schedules. The Engineering, Procurement, and Construction (EPC) contractor, Bechtel has begun the staff mobilization. EPU organization restructured to provide Director level project management at the site.
	PROJECT INDICATOR STATUS				
5	Budget			=	YTD Cap Actuals - $4.59MM | YTD O&M Actuals - $0.00MM | YTD Total Actuals - $4.59MM | 2009 Forecast - $143.07MM | 2009 Year End Variance Fav/(Unfav) - $0.0MM
				=	Project to Date Actuals - $84.88MM | Project Forecast - $657.00MM | Approved Project Budget - $657.00MM | | Total Project Fav/(Unfav) Variance - $0.0MM
				=	Forecast equals budget at this time.
6	Schedule			-	Project remains on schedule, some interim milestones are being challenged in the LAR schedule and have been addressed with an approved mitigation plan. Long lead material procurement challenging internal milestones, recovery plan implemented.
7					
8	Safety			=	There have been no OSHA recordable incidents.
9	Environmental Fed/State/Local			=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements
10	Federal Licensing			-	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC.
11	State Regulatory			=	Preparations underway for March 1, 2009 NFR true-up filing and witness testimony, followed by the May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue. FPL internal financial audit underway for 2009.

Project: FPL Extended Power Uprate (EPU) Project: Turkey Point Units 3 and 4
Director EPU Project: William P. Labbe, Jr.

	Indicator	Prior Status	Current Status	Trend	Status Drivers
	Status Date=>	01/10/08	02/10/09		
	PROJECT RISK ASSESSMENT				
1	Job Complexity	[redacted]	[redacted]	=	Generate an additional 208Mwe at Turkey Point (proforma)
2	Scope Definition	[redacted]	[redacted]	=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
3	Execution Plan	[redacted]	[redacted]	=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
4	Resources	[redacted]	[redacted]	=	Staff augmentation of FPL engineering and Site resources. The Engineering, Procurement, and Construction (EPC) contract was awarded to Bechtel. Bechtel has begun their staff mobilization. Engineering vendors staffing levels are below that needed to support the Project. Implementing a mitigation plan. EPU organization restructured to provide Director level project management at the Site.
	PROJECT INDICATOR STATUS				
5	Budget	[redacted]	[redacted]	=	YTD Cap Actuals - $4.38MM; YTD O&M Actuals - $0.00MM; YTD Total Actuals - $4.38MM; 2009 Forecast - $135.68MM; 2009 Year End Variance Fav/(Unfav) - $0.0MM
				=	Project to Date Actuals - $46.6MM; Project Forecast - $750.00MM; Approved Project Budget - $750.00MM; Total Project Fav/(Unfav) Variance - $0.0MM
				-	Forecast equals budget at this time
6					
7					
8	Safety	[redacted]	[redacted]	=	There have been no OSHA recordable incidents.
9	Environmental Fed/State/Local	[redacted]	[redacted]	=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements
10	Federal Licensing	[redacted]	[redacted]	-	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC.
11	State Regulatory	[redacted]	[redacted]	=	Preparations underway for March 1, 2009 NFR true-up filing and witness testimony, followed by the May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue. FPL internal financial audit underway for 2009.

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Project: **FPL Extended Power Uprate (EPU) Project: St. Lucie Units 1 and 2**
Director EPU Project: **William P. Labbe, Jr.**

	Indicator Status Date=>	Prior Status 02/10/08	Current Status 03/10/09	Trend	Status Drivers
	PROJECT RISK ASSESSMENT				
1	Job Complexity	[redacted]	[redacted]	=	Generate an additional 206MWe at St. Lucie (proforma)
2	Scope Definition	[redacted]	[redacted]	=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
3	Execution Plan	[redacted]	[redacted]	=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
4	Resources	[redacted]	[redacted]	=	Staff augmentation of FPL engineering and Site resources. Team with engineering, manufacturing, and installation organizations having successful power uprate experience with the capability to meet the project outage schedules. The Engineering, Procurement, and Construction (EPC) contractor, Bechtel continues their staff mobilization.
	PROJECT INDICATOR STATUS				
5	Budget	[redacted]	[redacted]	=	YTD Cap Actuals - $9.63MM | YTD O&M Actuals - $0.00MM | YTD Total Actuals - $9.63MM | 2009 Forecast - $143.07MM | 2009 Year End Variance Fav/(Unfav) - $0.0MM
				=	Project to Date Actuals - $88.93MM | Project Forecast - $657.00MM | Approved Project Budget - $657.00MM | Total Project Fav/(Unfav) Variance - $0.0MM
				=	Forecast equals budget at this time.
6	Schedule	[redacted]	[redacted]	-	Project remains on schedule, some interim milestones are being challenged in the LAR schedule and have been addressed with an approved mitigation plan. Long lead material procurement challenging internal milestones, recovery plan implemented.
7	[redacted]				
8	Safety	[redacted]	[redacted]	=	There have been no OSHA recordable incidents.
9	Environmental Fed/State/Local	[redacted]	[redacted]	=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements
10	Federal Licensing	[redacted]	[redacted]	-	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC.
11	State Regulatory	[redacted]	[redacted]	=	Preparations underway for May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue. FPL internal financial audit underway for 2009.

Project: FPL Extended Power Uprate (EPU) Project: Turkey Point Units 3 and 4
Director EPU Project: William P. Labbe, Jr.

Indicator Status Date=>	Prior Status 02/10/08	Current Status 03/10/09	Trend	Status Drivers
PROJECT RISK ASSESSMENT				
Job Complexity			=	Generate an additional 208Mwe at Turkey Point (proforma)
Scope Definition			=	Through primary systems engineering evaluations, increase thermal power (MWt) output. Perform Balance of Plant (BOP) engineering, upgrade, modify, or replace equipment for higher steam and feedwater parameters to support the increased MWt output with higher MWE output.
Execution Plan			=	Assemble a project team at each site, develop engineering, manufacturing, and installation contracts with vendors that have successful experience in power uprate projects. Install equipment over two scheduled refuel outages.
Resources			=	Staff augmentation of FPL engineering and Site resources. The Engineering, Procurement, and Construction (EPC) contractor, Bechtel continues their staff mobilization Engineering vendors staffing levels are below that needed to support the Project. Implementing a mitigation plan.
PROJECT INDICATOR STATUS				
Budget			=	YTD Cap Actuals - $9.34MM; YTD O&M Actuals - $0.00MM; YTD Total Actuals - $9.34MM; 2008 Forecast - $135.68MM; 2008 Year End Variance Fav/(Unfav) - $0.0MM
			=	Project to Date Actuals - $51.56MM; Project Forecast - $750.00MM; Approved Project Budget - $750.00MM; Total Project Fav/(Unfav) Variance - $0.0MM
			-	Forecast equals budget at this time.
Schedule			-	Project remains on schedule, some interim milestones are being challenged in the LAR schedule and have been addressed with an approved mitigation plan. Long lead material procurement challenging internal milestones, recovery plan implemented. Shaw has increased their engineering resources. However, Shaw supervision remains below expectations.
Quality			=	NA-AA-201, Engineer, Procure, Construct (EPC) Contractor Quality Assurance procedure being implemented (all 3 sites) to approve using the Bechtel Appendix B, Quality Assurance Program.
Safety			=	There have been no OSHA recordable incidents.
Environmental Fed/State/Local		Yellow	=	Conditions of Certification (CoC) are being implemented into the Station documents for compliance with the Site Certification requirements. FPL, South Florida Water Management District (SFWMD), Miami Dade County, and Florida Department of Environmental Protection (FDEP) agreement on plan required by April 2009
Federal Licensing		Yellow	=	EPU LAR schedule challenges are being addressed to ensure schedule adherence for submittal to the NRC. NRC management indicated EPU LAR will be accepted for review after the AST submittal approval. AST submittal is scheduled for 6/2009 with an approval forecast of 6/2010.
State Regulatory			=	Preparations underway for May 1, 2009 NFR filing and witness testimony. FPSC audit data requests continue. FPL internal financial audit underway for 2008.

REDACTED

Dr 2.1c-f
Entire CD

REDACTED

Dr 2.1 PTN
Entire CD

REDACTED

DR- 2.1 (PTN)

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: TBD
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: TBD
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	New	2/7/08		
PROJECT RISK ASSESSMENT				
Job Complexity		Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition		Yellow	=	The high level scope for the project is defined; however, details are still being developed.
Execution Plan		Yellow	=	The project has yet to develop a detailed execution plan.
Resources		Yellow	=	The Project Team has named over 90% of the identified key positions to support its current stage in the project lifecycle. The Team is comprised of new and existing FPL employees and augmented by experienced contractor personnel.
PROJECT INDICATOR STATUS				
Capital Cost		Yellow	=	Mgmt Aprvd Bdgt ($MM): Forecast ($MM): Fav/(Unfav) Variance ($MM): $0.0 Yellow because a detailed project estimate has not yet been developed. However, FPL provided a forecast range between $12B-$16B and this value was shared with the FPSC through the need order filing, filed 10/16/07.
Schedule		Yellow	=	COD per Plan: 6/30/19, 6/30/20 Forecast COD: 6/30/19, 6/30/20 Yellow because a detailed schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule was recently finalized and has no float for a March 31, 2009 NRC submittal.
Operating Costs		TBD	=	
Development Budget			=	The development project budget is equal to $107.6M through 2012. This includes both the COLA as well as the permitting aspect of the project. PTD actuals costs through 1/08 were $10MM verses a PTD target of $9.5MM, an underrun of $500K or 5%.
Capital Minus Revenue		NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance			=	Project is in the development and licensing stage and activities are on schedule.
Reliability/ Availability			=	Project is in the development and licensing stage and activities are on schedule.
Environmental/ Permitting Compliance		Yellow	=	All agencies have acknowledged no permits required for site investigation (borings) [redacted] Efforts to identify and permit fill sites underway, regional market survey for purchased fill beginning. Transmission ROW requires land swap with Dept. of Interior.
Safety			=	RIR Budget: 0.0 Proj to Date RIR: 0.0 EOP Forecast RIR: 0.0 To-date no OSHA recordables or lost time accidents.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: TBD
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: TBD
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	2/7/08	3/10/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope for the project is defined; however, details are still being developed.
Execution Plan	Yellow	Yellow	=	The project has yet to develop a detailed execution plan.
Resources	Yellow	Yellow	=	The Project Team has named over 90% of the identified key positions to support its current stage in the project lifecycle. The Team is comprised of new and existing FPL employees and augmented by experienced contractor personnel.
PROJECT INDICATOR STATUS				
Capital Cost	Yellow	Yellow	=	Mgmt Aprvd Bdgt ($MM): [ ] Forecast ($MM): [ ] Fav/(Unfav) Variance ($MM): $0.0 Yellow because a detailed project estimate has not yet been developed. However, FPL provided a forecast range between $12B-$16B and this value was shared with the FPSC through the need order filing, filed 10/16/07.
Schedule	Yellow	Yellow	=	COD per Plan: 6/30/19, 6/30/20 Forecast COD: 6/30/19, 6/30/20 Yellow because a detailed schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule was recently finalized and has no float for a March 31, 2009 NRC submittal.
Operating Costs	TBD	TBD	=	
Development Budget		Yellow	-	The project budget is equal to $105.3M through 2012. This includes both the COLA as well as the permitting aspect of the project. PTD actuals costs through 2/08 are $12.3MM verses a PTD target of $12.98MM, an underrun of $0.68M or 5%. The "yellow" status highlights the fact the project is revising the budgets, and preliminary information indicates a potential increase in cost to accommodate additional analysis (multiple water sources, multiple transmission routing, etc.).
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance			=	Project is in the development and licensing stage and activities are on schedule.
Reliability/ Availability			=	Project is in the development and licensing stage and activities are on schedule.
Environmental/ Permitting Compliance	Yellow	Yellow	=	All agencies have acknowledged no permits required for site investigation (borings). [redacted] Efforts to identify and permit fill sites underway, regional market survey for purchased fill beginning. Transmission ROW requires land swap with Dept. of Interior. Integration of Federal level NEPA studies has been determined per agreement between the ACOE and NRC. The result is a linkage of the ACOE permit process to occur no earlier than the Final EIS in the NRC COL process. Projected date for initial site preparation now no earlier than July 2011.
Safety		Yellow	-	RIR Budget: 0.0 Proj to Date RIR: 0.0 EOP Forecast RIR: 0.0 On 20-Feb-08 an incident occurred involving a third tier vendor delivery equipment to the job site. Immediately following the incident, a project stand-down occurred and safety personnel were mobilized to the site both from Bechtel and Mactec. Bechtel and Mactec have implemented a multi-layer approach to mitigate further occurrences including additional oversight. This incident is not considered an OSHA recordable because the vendor was not under direct contract control under OSHA rules. However, the indicator has been changed to yellow to recognize the incident.

Project: **PTN 6&7, 2 Units, X,XXX MW**
Proj Mgr: **Marty Gettler**
Proj Devel: **Steve Scroggs**

Eng Lead: **TBD**
PC Lead: **Don Fleetwood**
ISC Lead: **Kelly Shaw**

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	3/10/08	4/9/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope for the project is defined; however, details are still being developed. Water, fill, transmission option analyses ongoing.
Execution Plan	Yellow	Yellow	=	The project has yet to develop a detailed execution plan.
Resources	Yellow	Yellow	=	The Project Team has named over 90% of the identified key positions to support its current stage in the project lifecycle. The Team is comprised of new and existing *FPL employees and augmented by experienced contractor* personnel.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow		+	Mgmt Aprvd Plan ($MM): $523.0 \| Forecast ($MM): $465.0 \| Fav/(Unfav) Variance ($MM): $58.0 *The budget is equal to* $523 through 2012 including LL procurement & eng consistent with 6/1 CR filing. This includes site selection, COLA, development & permitting, LL procurement, and initial engineering. PTD actuals costs (inclusive of AFUDC) through 3/08 are $14.1MM verses a PTD target of $16.2MM, an underrun of $2.1M or 13%. The favorable variance of $58M represents unallocated contingency.
Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Bdgt ($MM): $0.0 \| Forecast ($MM): $0.0 \| Fav/(Unfav) Variance ($MM): $0.0 Yellow *because a detailed project estimate has not yet been fully developed. However, FPL provided a forecast range* between $12B-$18B and this value was shared with the FPSC through the need order filing, filed 10/16/07 which is all inclusive of pre-construction and construction.
Schedule	Yellow	Yellow	=	COD per Plan: 6/30/18, 6/30/20 | Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal.
Operating Costs	TBD	TBD	=	
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA \| Forecast ($MM): NA | Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance			=	Project is in the development and licensing stage and activities are on schedule.
Reliability/ Availability			=	Project is in the development and licensing stage and activities are on schedule.
Environmental/ Permitting Compliance	Yellow	Yellow	=	County compliance report submitted per Unusual Use zoning approval. Water options analyses continuing, with feasibility of reclaim water analysis ongoing. Efforts to assess and permit fill sites continues. Draft regional market survey for purchased fill received. Site Certification Application initiated -> to be developed in close coordination with COLA ER. Linkage of federal-level NEPA studies results in ACOE permit issuance no earlier than Final EIS in NRC COL process. Transmission ROW alternative analyses ongoing. Projected date for initial site preparation is July 2011.
Safety	Yellow	Yellow	=	RIR Budget: TBD | Proj to Date RIR: 0.0 | EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: | Actual to Date: | EOP Forecast: On 20-Feb-08 an incident occurred involving a third tier vendor delivery equipment to the job site. Immediately following the incident, a project stand-down occurred and safety personnel were mobilized to the site both from Bechtel and Mactec. Bechtel and Mactec have implemented a multi-layer approach to mitigate further occurrences including additional oversight. This incident is not considered an OSHA recordable because the vendor was not under direct contract control under OSHA rules. However, the indicator has been changed to yellow to recognize the incident.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Baroggs

Eng Lead: TBD
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Wels

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	4/8/08	5/8/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope for the project is defined; however, details are still being developed. Water, fill, transmission option analyses ongoing.
Execution Plan	Yellow	Yellow	=	The project has yet to develop a detailed execution plan.
Resources	Yellow	Yellow	-	The Project has staffed over 78% of the identified key positions to support its current stage in the project lifecycle. Although, the construction director position resource has been identified, the individual has yet to be released causing performance impacts.
PROJECT INDICATOR STATUS				
Pre-Construction Budget			=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $488.0 Fav/(Unfav) Variance ($MM): $35.0 The current estimate is equal to $523 through 2011 including LL procurement & eng consistent with the 5/1 CR filing. This includes site selection, COLA, development & permitting, LL procurement, and initial engineering. PTD actuals costs through 4/08 are $17.6MM verses a PTD target of $18.2MM, an underrun of $.4M or 2%. AFUDC is included in the PTD actuals, but are not included in the current estimate.
Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Bdgt ($MM): $0.0 Forecast ($MM): $0.0 Fav/(Unfav) Variance ($MM): $0.0 Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. However, at this time there is insufficient information to change our projection. FPL provided a total project forecast range between $12B-$16B to the FPSC through the need order filing.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal. After NRC completes their sufficiency review, there could be as much as 6 months delay before they would begin reviewing the COLA due to NRC resource constraints. Site geophysical testing has uncovered conditions which has resulted in some indirect pressure on the 31-Mar-09 COLA submittal date. Bechtel is in the process of updating the schedule to address possible draft geological data report delay impacts and to include added scope such as multiple cooling water options, two transmission options, SCA support (which accelerates the ER schedule). This schedule revision is due to complete within the next 45 days. The receipt of ACOE permit is not expected until the second quarter of 2011 which may become critical by impacting the project's ability to begin earthwork activities. The project continues refining the schedule to clarify any impacts.
Operating Costs	TBD	TBD	=	
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance			=	Project is in the development and licensing stage and activities are on schedule.
Reliability/ Availability			=	Project is in the development and licensing stage and activities are on schedule.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues based on site plans and source assessments. Site Certification Application initiated; to be developed in close coordination with COLA ER. Linkage of federal-level NEPA studies results in ACOE permit issuance no earlier than Final EIS in NRC COL process. Transmission ROW alternative analyses ongoing. Projected date for initial site preparation is July 2011.
Safety	Yellow	Yellow	=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: Actual to Date: EOP Forecast: On 20-Feb-08 an incident occurred involving a third tier vendor delivery equipment to the job site. Immediately following the incident, a project stand-down occurred and safety personnel were mobilized to the site both from Bechtel and Mactec. Bechtel and Mactec have implemented a multi-layer approach to mitigate further occurrences including additional oversight. This incident is not considered an OSHA recordable because the vendor was not under direct contract control under OSHA rules. However, the indicator has been changed to yellow to recognize the incident.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: TBD
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Weis

Indicator Status Date=>	Prior Status 5/8/08	Current Status 6/6/08	Trend	Status Drivers
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope for the project is defined; however, details are still being developed. Construction planning and equipment logistical analyses ongoing.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project has staffed over 75% of the identified key positions to support its current stage in the project lifecycle. Although, the construction director position resource has been identified, the individual has yet to be release causing performance impacts.
PROJECT INDICATOR STATUS				
Pre-Construction Budget			=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $466.0 Fav/(Unfav) Variance ($MM): $58.0 The current estimate is equal to $523 through 2011 including LL procurement & eng consistent with the 6/1 CR filing. This includes site selection, COLA, development & permitting, LL procurement, and initial engineering. PTD actuals costs through 5/08 are $31.5MM verses a PTD target of $20.6MM, an overrun of $10.9M or 53%. AFUDC is included in the PTD actuals, but are not included in the current estimate.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. However, at this time there is insufficient information to change our projection. FPL provided a total project forecast range between $12B-$16B to the FPSC through the need order filing.
Schedule	Yellow	Yellow	=	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal. After NRC completes their sufficiency review, there could be as much as 6 months delay before they would begin reviewing the COLA due to NRC resource constraints. The project continues refining the schedule to clarify any impacts.
Operating Costs	TBD	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance			=	Project is in the development and licensing stage and activities are on schedule.
Reliability/ Availability			=	Project is in the development and licensing stage and activities are on schedule.
Environmental/ Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues based on site plans. Site Certification Application initiated; to be developed in close coordination with COLA. Interagency NEPA agreement results in ACOE permit issuance linked to NRC COL process and investigating options. Transmission ROW alternative analyses ongoing. Projected date for initial site preparation is July 2011.
Safety	Yellow		=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: Actual to Date: EOP Forecast: All drilling rigs are off site .

Company Confidential

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: TBD
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	6/9/08	7/8/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project has staffed 79% of its open positions to-date and currently has an offer out for the Director of Engineering.
PROJECT INDICATOR STATUS				
Pre-Construction Budget			=	Mgmt Aprvd Plan ($MM): $523.0 \| Forecast ($MM): $467.4 \| Fav/(Unfav) Variance ($MM): $55.6 The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work under pre-construction. AFUDC is included in the PTD actuals, but are not included in the current estimate.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD \| Forecast ($MM): TBD | Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. However, at this time there is insufficient information to change our total cost projection of $12B-13B.
Schedule	Yellow	Yellow	=	COD per Plan: 6/30/18, 6/30/20 | Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule is under development. There are no known items that would indicate COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal. After NRC completes their sufficiency review, there could be as much as 6-8 months delay before the NRC would begin reviewing the COLA due to resource constraints. The project continues refining the schedule to clarify any impacts.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA \| Forecast ($MM): NA | Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	NA	Yellow	=	Each Westinghouse AP1000 has a 1100 net electric output, MWe.
Reliability/ Availability	NA	Yellow	=	The Westinghouse AP1000 is a new plant design and the technology has not yet been proven.
Environmental/ Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues based on site plans. Site Certification Application initiated; to be developed in close coordination with COLA. Interagency NEPA agreement results in ACOE permit issuance linked to NRC COL process. Transmission ROW alternative analyses ongoing. Projected date for initial site preparation is July 2011.
Safety			=	RIR Budget: TBD | Proj to Date RIR: 0.0 | EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD | Actual to Date: | EOP Forecast: TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Company Confidential

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: Steve Robitzski
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Wels

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	7/8/08	8/7/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	Filled the Director of Construction Engineering position. Currently there are 4 Construction Engineering, 1 Director of Construction and 1 COLA Engineering Supervisor positions posted and interviews are underway.
PROJECT INDICATOR STATUS				
Pre-Construction Budget			=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $487.4 Fav/(Unfav) Variance ($MM): $35.6 The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work under pre-construction. AFUDC is included in the PTD actuals, but are not included in the current estimate.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B. FPL would anticipate, that if current market prices are maintained over the long term, the project cost estimate would be in the higher end of this range.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule is under development. There are no known items that would indicate COD cannot be achieved. [redacted] After NRC completes its sufficiency review, there could be a delay before the NRC would begin reviewing the COLA. This delay could be as much as 6-8 months, if the NRC were subject to budget constraints. The project continues refining the schedule to clarify impacts.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a net electric output of 1100 MWe.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental/ Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues. Site Certification Application initiated; to be developed in close coordination with COLA. Interagency NEPA agreement results in ACOE permit issuance linked to NRC COL process. Transmission ROW alternative analyses ongoing.
Safety			=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD Actual to Date: EOP Forecast: TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scrogge

Eng Lead: Steve Robitzski
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	8/7/08	9/8/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	Filled the Engineering Supervisor position with an internal candidate. Currently, there are 4 Construction Engineering, 1 Director of Construction and 1 COLA Engineering positions posted and interviews are underway.
PROJECT INDICATOR STATUS				
Pre-Construction Budget		Yellow	-	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $477.4 Fav/(Unfav) Variance ($MM): $45.6 [redacted] Alternative approaches will be evaluated when a formal cash flow is presented. The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work under pre-construction.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B. FPL would anticipate, that if current market prices are maintained over the long term, the project cost estimate would be in the higher end of this range.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule is under development. There are no known items which indicates COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal. [redacted] The SCA submittal date has been extended by two months to April 2009. SCA is not critical path. After NRC completes its sufficiency review, there could be a 6-8 month delay before the NRC would begin reviewing the COLA.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues. Site Certification Application initiated; to be developed in close coordination with COLA. Interagency NEPA agreement results in ACOE permit issuance linked to NRC COL process. Transmission ROW alternative analyses ongoing.
Safety			=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD Actual to Date: EOP Forecast: TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Project: PTN 6&7, Florida | Eng Lead: Steve Robitzski | Lic Lead: Bill Maher
Proj Mgr: Marty Gettler | PC Lead: Don Fleetwood | Constr Lead: Steve Reuwer
Proj Devel: Steve Scroggs | ISC Lead: Kelly Shaw | QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	9/8/08	10/7/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	There are currently 8 positions open and approved; 4 Construction Engineering, 1 Director of Construction, 1 Development Project Manager, 1 Training Manager and 1 COLA Engineering positions posted and interviews are underway. Outside consultant support has been requested for communication activities.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM) $473.0 \| Forecast ($MM) $472.9 \| Fav/(Unfav) Variance ($MM) $50.1 [redacted] The current estimate is equal to $523/MW through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM) TBD \| Forecast ($MM) TBD | Fav/(Unfav) Variance ($MM) Yellow because a detailed project estimate has not yet been fully developed and further owing to the recent rise in commodity prices. Due to these recent price increases, preliminary estimates indicate a potential increase in the overall project costs. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B. FPL would anticipate, that if current market prices are maintained over the long term, the project cost estimate would be in the higher end of this range.
Schedule	Yellow	Yellow	-	COD per Plan 6/30/18, 6/30/20 | Forecast COD 6/30/18, 6/30/20 Yellow because a detailed construction schedule has not yet been developed. However, a preliminary construction schedule is in the process of being developed. There are no known items which indicates COD cannot be achieved. The COLA schedule has no float for a March 31, 2009 NRC submittal. [redacted] ACOE Permit will be submitted with the COLA. The SCA submittal date has been extended to May 2009. SCA is not critical path. After NRC completes its sufficiency review, there could be a 6-8 month delay before the NRC would begin reviewing the COLA. This potential delay is becoming more probable due to Continuing Resolution funding levels.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM) NA \| Forecast ($MM) NA | Fav/(Unfav) Variance ($MM) NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues. Site Certification Application initiated; to be developed in close coordination with COLA. Interagency NEPA agreement results in ACOE permit issuance linked to NRC COL process. Transmission ROW alternative analyses ongoing.
Safety	[redacted]		=	RIR Budget TBD | Proj to Date RIR 0.0 | EOP Forecast RIR TBD OSHA Recordable #: Bdgt TBD | Actual to Date | EOP Forecast TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scrogge

Eng Lead: Steve Robitzski
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Wels

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	10/7/08	11/7/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project is actively interviewing potential candidates to fill approved open positions. The Project has experienced minor difficulty in locating the right resources for key leadership roles, but to-date no adverse project impacts have resulted.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM): $523.0 \| Forecast ($MM): $483.5 \| Fav/(Unfav) Variance ($MM): $39.5 The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD \| Forecast ($MM): TBD | Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the uncertainty in construction material and commodity prices. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/19, 6/30/20 | Forecast COD: 6/30/19, 6/30/20 Yellow because a detailed construction schedule has not yet been developed. A preliminary construction schedule is in the process of being developed. The trend remains negative; the COLA schedule which had zero float for a March 31, 2009 NRC submittal has been extended to June 30, 2009. This revision incorporates the hydrological pump testing results and Westinghouse Design Change Document (DCD) rev. 17 and reference COL rev. 1 revisions. The project is evaluating the potential impact of this delay on COD which is dependent on the NRC review period. The SCA submittal date has been extended to June 2009. The ACOE is critical path and is expected to be submitted with the SCA.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA \| Forecast ($MM): NA | Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because in initial (i.e. data collection) stage for state and federal permitting. Water options/feasibility analyses continuing, with conceptual engineering for water supply alternatives begun. Refinement of fill requirements and sources continues. Site Certification Application initiated; to be developed in close coordination with COLA. Transmission ROW alternative analyses ongoing.
Safety			=	RIR Budget: TBD | Proj to Date RIR: 0.0 | EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD | Actual to Date: | EOP Forecast: TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Project: **PTN 6&7, Florida**
Proj Mgr: **Marty Gettler**
Proj Devel: **Steve Scroggs**

Eng Lead: **Steve Robitzski**
PC Lead: **Don Fleetwood**
ISC Lead: **Kelly Shaw**

Lic Lead: **Bill Maher**
Constr Lead: **Steve Reuwer**
QA Lead: **Rick Weis**

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	11/7/08	12/8/08		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project is actively interviewing potential candidates to fill approved open positions. The Project has experienced minor difficulty in locating the right resources for key leadership roles, but to-date no adverse project impacts have resulted.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $487.0 Fav/(Unfav) Variance ($MM): $36.0 [redacted] The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the uncertainty in construction material and commodity prices. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule has not yet been developed. A preliminary construction schedule is in the process of being developed. The trend remains negative based on schedule performance. The COLA NRC submittal date recently changed from Mar-09 to Jun-09. The change in the COLA submittal date allows for the incorporation of additional hydrological pump testing data and changes made to the reference COLA during its annual update which is scheduled for Jan-09. The update to the reference COLA will include a change to Westinghouse Design Change Document (DCD) rev. 17 from revision 16. The project is evaluating the potential impact of the change to the COLA submittal date on COD. The SCA and ACOE submittal date remains 5-Jun-09.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in the Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because the project is in initial data collection stage for *state and federal permitting. Water* options/feasibility analyses continues, with conceptual engineering for water supply alternatives underway. Refinement of fill requirements and sources continues. Site Certification Application initiated and is being developed in close coordination with the COLA. Transmission ROW alternative analyses ongoing.
Safety	[redacted]		=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD Actual to Date: EOP Forecast: TBD Site geological testing is complete and COLA efforts continue. No OSHA recordables to-date.

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: Steve Robitzski
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	12/5/08	1/5/09		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project is actively interviewing potential candidates to fill approved open positions. The Project has experienced minor difficulty in locating the right resources for key leadership roles, but to-date no adverse project impacts have resulted.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $467.0 Fav/(Unfav) Variance ($MM): $56.0 [redacted] The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the uncertainty in construction material and commodity prices. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule has not yet been developed. A preliminary construction schedule is in the process of being developed. The trend remains negative based on schedule performance. The COLA NRC submittal date is Jun-09. The project is evaluating the potential impact of the change to the COLA submittal date on COD. The SCA and ACOE submittal date remains 5-Jun-09.
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in the Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because the project is in the data collection stage for state and federal permitting. Water options/feasibility analyses continues, with conceptual engineering for water supply alternatives underway. Refinement of fill requirements and sources continues. Site Certification Application initiated and is being developed in close coordination with the COLA. Transmission ROW alternative analyses ongoing.
Safety	[redacted]	[redacted]	=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD Actual to Date: EOP Forecast: TBD

Project: PTN 6&7, Florida
Proj Mgr: Marty Gettler
Proj Devel: Steve Scroggs

Eng Lead: Steve Robitzski
PC Lead: Don Fleetwood
ISC Lead: Kelly Shaw

Lic Lead: Bill Maher
Constr Lead: Steve Reuwer
QA Lead: Rick Weis

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	1/8/09	2/6/09		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	The Project is interviewing potential candidates to fill approved open positions. The Project has experienced minor difficulty in locating the right resources for key leadership roles, but to-date no adverse project impacts have resulted.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM): $523.0 Forecast ($MM): $487.0 Fav/(Unfav) Variance ($MM): $36.0 [redacted] he current estimate is equal to $523MM through 2011 for the pre-construction phase of the project. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD Forecast ($MM): TBD Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the uncertainty in construction material and commodity prices. [redacted] Project team evaluating pricing for impacts to project total cost. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/18, 6/30/20 Forecast COD: 6/30/18, 6/30/20 Yellow because a detailed construction schedule has not yet been developed. A preliminary site construction schedule is in the process of being developed. The trend remains negative based on the licensing and permitting emerging issues. The COLA and SCA/ACOE submittal dates are Jun-09. [redacted]
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in the Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA Forecast ($MM): NA Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because the project is in the data collection stage for state and federal permitting. Water options/feasibility analyses continues, with conceptual engineering for water supply alternatives underway. Refinement of fill requirements and sources continues. Site Certification Application initiated and is being developed in close coordination with the COLA. Transmission ROW alternative analyses ongoing.
Safety	[redacted]		=	RIR Budget: TBD Proj to Date RIR: 0.0 EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD Actual to Date: EOP Forecast: TBD

Project: **PTN 6&7, Florida** | Eng Lead: **Steve Robitzski** | Lic Lead: **Bill Maher**
Proj Mgr: **Marty Gettier** | PC Lead: **Don Fleetwood** | Constr Lead: **Steve Reuwer**
Proj Devel: **Steve Scroggs** | ISC Lead: **Kelly Shaw** | QA Lead: **Rick Weis**

Indicator	Prior Status	Current Status	Trend	Status Drivers
Status Date=>	2/6/09	3/6/09		
PROJECT RISK ASSESSMENT				
Job Complexity	Yellow	Yellow	=	New nuclear construction has not been accomplished in over 20 years and the process is yet to be defined. Furthermore, the licensing process is under new regulation and not previously tested.
Scope Definition	Yellow	Yellow	=	The high level scope is to build (2) Westinghouse AP1000 reactor units; however, specific project details are still being developed.
Execution Plan	Yellow	Yellow	=	The project execution plan is in the development stage.
Resources	Yellow	Yellow	=	Project staffing levels are commensurate with the current stage of the project.
PROJECT INDICATOR STATUS				
Pre-Construction Budget	Yellow	Yellow	=	Mgmt Aprvd Plan ($MM): $523.0 \| Forecast ($MM): $467.0 \| Fav/(Unfav) Variance ($MM): $56.0 FPL continues to analyze contract strategies which will minimize early cash outlay. The current estimate is equal to $523MM through 2011 for the pre-construction phase of the project which agrees with the need order value. This includes site selection, COLA, development & permitting, Long Lead procurement, engineering, and site civil work.
Construction Budget	Yellow	Yellow	=	Prelim Est ($MM): TBD \| Forecast ($MM): TBD | Fav/(Unfav) Variance ($MM): Yellow because a detailed project estimate has not yet been fully developed and further owing to the uncertainty in construction material and commodity prices. [redacted] Scope and contract terms are still under discussion. The projected total cost range for a two unit 2,200 MW project provided in the need filing was $12B-18B. Current trends indicate a total project cost consistent with the high end of the range.
Schedule	Yellow	Yellow	-	COD per Plan: 6/30/15, 6/30/20 | Forecast COD: 6/30/15, 6/30/20 Schedule remains yellow because a detailed construction schedule has not yet been developed. A preliminary site construction schedule is in the process of being developed. [redacted]
Operating Costs	Yellow	Yellow	=	Operating cost estimates were provided in the Need Filing, based on current FPL experience. These estimates will be refined with input from technology vendor, NuStart and AP Owner's Group as information becomes firm. [FOM = $120/kw-yr, Cap Replacement = $30/kw-yr, VOM = $0/mwh all in 2020$]
Capital Minus Revenue	NA	NA	=	Mgmt Aprvd Plan ($MM): NA \| Forecast ($MM): NA | Fav/(Unfav) Variance ($MM): NA Not applicable for FPL Project.
Performance	Yellow	Yellow	=	AP1000 has a nominal net electric output of 1100 Mwe, but has not been built and proven.
Reliability/ Availability	Yellow	Yellow	=	The Westinghouse AP1000 is a new plant design. This PWR technology has been proven, but the specific design has not.
Environmental /Permitting Compliance	Yellow	Yellow	=	Yellow because the project is in the data collection stage for state and federal permitting. Water options/feasibility analyses continues, with conceptual engineering for water supply alternatives underway. Refinement of fill requirements and sources continues. Site Certification Application initiated and is being developed in close coordination with the COLA. Transmission ROW alternative analyses ongoing.
Safety	[redacted]		=	RIR Budget: TBD | Proj to Date RIR: 0.0 | EOP Forecast RIR: TBD OSHA Recordable #: Bdgt: TBD | Actual to Date: | EOP Forecast: TBD Island and point aquifer pump tests are underway with no OSHA recordable incidents to-date.

REDACTED

DR 2.4
PAGES 1-37

REDACTED

Dr 2.7
PAGES 1-14

REDACTED

DR 2.8
PAGES 1-7

REDACTED

DR 6 TAB 2
PAGES 1-6

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DR 6 TAB 5
PAGES 1-148

REDACTED

DR 6 TAB 6
PAGES 1-18

REDACTED

DR 6 TAB 10
PAGES 1-2

REDACTED

DR 6 TAB 11
PAGES 1-3

REDACTED

DR 6 TAB 12
PAGES 1-2

REDACTED

DR 7.2
PAGES 1 COLUMNS 4-5

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Tiffany Cordes

UTILITY: Florida Power and Light Company

Carl Vinson
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-7 **DATE OF REQUEST:** 3/30/09

AUDIT PURPOSE: FPL Nuclear Controls Review 2009

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 4/9/09

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ____ INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. When completed, please provide the 2009 Controls Group audit (resulting from a 2008 FPL internal audit recommendation) regarding Bechtel flowing through costs without mark-up. (D. Fleetwood)

   The 2009 Controls Group audit has not been completed. The audit and results will be provided upon completion which is currently scheduled to be the first week of June 2009.

2. Please provide a summary of all Scope changes made to Bechtel's COLA contract in the following format: (D. Fleetwood)

1 2 3 4 5 6 7

BECHTEL COLA CONTRACT SCOPE CHANGES PTN 6&7					
SCN *	Date Issued	CI/ VI **	[redacted]	Date Comp	Amt Paid
01	9/23/08	CI		***	****

* SCN = Scope Change Number
** Company Initiated/Vendor Initiated
*** This column is not applicable. Scope change completion dates are not tracked individually.
**** This column is not applicable. Scope change payments are not tracked individually.

(1)

REDACTED

DR 7.5
PAGES 1-59

REDACTED

DR 7.7
PAGE 1

REDACTED

DR 7.9
ENTIRE CD

REDACTED

DR 8.1
ENTIRE CD

REDACTED

DR 8.2
PAGES 3-17

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney: Anderson

Witness(es): Scroggs

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref)
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-Audit -ICDR8
Question No. 2PTN
Page 1 of 1

WARNING Confidential Document: Information concerning bids or other contractual data has been provided with this response

Q.

a. Please provide a listing of "predetermined source" vendors available to the PTN 6&7 and EPU projects, with a list of products each vendor is qualified for.

b. Please provide the supporting documentation for each "predetermined source" vendor, documenting the analysis for qualification as a predetermined source, or other company justification for the vendor being a "predetermined source" vendor.

A.

A. Three vendors have been designated as Predetermined Sources by the New Nuclear Sourcing team for use on the PTN 6&7 project. These are Bechtel Power Corporation for COLA and SCA preparation, BVZ for preliminary engineering and construction planning, and Westinghouse for COLA support.

B. See attached supporting documents "Bechtel COLA 090123", "BVZ 090123", and "WEC pds justif 3-12-09".

Attachments:

(1)

BVZ 090123.pdf Bechtel COLA 090123.pd WEC pds justif 3-12-09.p(

Attorney Comments:
Fine, so long as there are no other PDSs available to the project. (Q asks for those "available to" the project, not just those designated by or for the project (e.g., office supplies?)

Witness comments:

Coordinator Comments:

Confidential Document? Y
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. Description of Confidential Document(s):
   Predetermined Source justifications

2. Name of Person Claiming Confidential Document(s):
   Kelly Shaw

3. Reason(s) for Confidential Document(s):

- ☐ Customer-specific information e.g. customer names addresses telephone numbers account numbers ra
- ☐ Employee personnel information unrelated to compensation duties qualifications or responsibilities
- ☒ Information concerning bids or other contractual data
- ☐ Information relating to competitive interests
- ☐ Internal auditing controls
- ☐ Security measures systems or procedures
- ☐ Trade secrets

Last Modified:

Interrogatory Started: no Status Code: Order:

(2)

REDACTED

DR 8.5
PAGES 1-4

REDACTED

DR 8.7
PAGES 5-10

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Tiffany Cordes

UTILITY: Florida Power and Light Company

Carl Vinson
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-8 **DATE OF REQUEST:** 4/20/09

AUDIT PURPOSE: EPL Nuclear Controls Review 2009

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 4/30/09

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ____ INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

7. a. Please explain why the site funding was pulled (noted in EPU Project Risk Management Report of 9/30/08) for the Crane Refurbishment/Upgrade for PSL1&2.
   b. Please provide FPL's reasoning and associated documentation for charging the costs of improving and refurbishing the Gantry Cranes at PSL1&2 to the EPU project rather than as maintenance to the existing plant equipment.
   c. When will the Gantry Crane contract work at PSL1&2 be completed?
   d. Please provide a separate list of the work completed on each crane at PSL 1&2.
   e. Please explain any impacts on the project schedule and costs caused by the Crane refurbishment/upgrade.
   f. Will similar improvement and refurbishing of Gantry Cranes at PTN 3&4 be necessary for those uprates?
   g. If so, will the costs for improving and refurbishing those units be charged to the EPU as well?
   h. If not, please explain why similar improvements and refurbishments will not be necessary.

See attached.

TO: AUDIT MANAGER Lynn Fisher DATE: 5/8/09

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEMS(S) 7-b attachments IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156 F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Tiffany Cordes
SIGNATURE AND TITLE OF RESPONDENT

(1)

PREPARED UNDER REQUEST FROM COUNSEL IN ANTICIPATION OF LITIGATION

Assignments:

Coordinator(s): Tiffany Cordes/RAD/FPL

Attorney:

Witness(es): Kundalkar

Department(s):

Supporting Witness:

Prepared by:

Xref1: (type/xref)
Xref2: (type/xref)
Xref3: (type/xref)
Category:

Q & A
Florida Power & Light Company
Docket No. 090009-EI
FPSC-Audit -ICDR8
Question No. 7
Page 1 of 1

Q.

a. Please explain why the site funding was pulled (noted in EPU Project Risk Management Report of 9/30/08) for the Crane Refurbishment/Upgrade for PSL1&2.

b. Please provide FPL's reasoning and associated documentation for charging the costs of improving and refurbishing the Gantry Cranes at PSL1&2 to the EPU project rather than as maintenance to the existing plant equipment.

c. When will the Gantry Crane contract work at PSL1&2 be completed?

d. Please provide a separate list of the work completed on each crane at PSL 1&2.

e. Please explain any impacts on the project schedule and costs caused by the Crane refurbishment/upgrade.

f. Will similar improvement and refurbishing of Gantry Cranes at PTN 3&4 be necessary for those uprates?

g. If so, will the costs for improving and refurbishing those units be charged to the EPU as well?

h. If not, please explain why similar improvements and refurbishments will not be necessary.

(2)

A.

a. The original EPU scope did not include Gantry Crane modifications. However, during the planning for implementation, the Gantry Crane modifications were identified as essential to satisfactorily performing the project consistent with the outage critical path schedules. Since the Gantry Crane modifications were not initially included in the EPU Project budget, the EPU Project team attempted to obtain funding from the Plant budget to complete the required crane modifications; however, since the Plant had not budgeted for the crane modifications and the modifications were only required to support the EPU Project, the Plant and the EPU Project team concluded that modifications should be funded by the EPU Project.

The 09-30-08 Risk Matrix statement "Site Funding recently pulled" is an abbreviated explanation of these events. The 09-30-08 Risk Matrix statement refers to the Plant and EPU Project team conclusion that the Gantry Crane should be funded by the EPU Project.

b. The PSL Turbine Gantry Crane is not capable of performing the functions required for the uprate project work in its current condition. Please see the attached "Scope Change" document detailing the inadequacies of the Gantry Crane for the EPU project. Modifications are required so that it can efficiently remove and install the major equipment needed for the power uprate, including: main turbines, main generator rotor, moisture separator reheaters, feedwater heaters, and associated pumps, piping, and valves. FPL would not need to modify the Gantry Crane in this manner if it were not performing the EPU work. Because the modifications are required for the EPU project, and would not be undertaken but for the EPU project, it is appropriate for the associated costs to be charged to the EPU project. Also attached is FPL's "Nuclear Cost Recovery Clause Recoverable Cost Justification Form" for the St. Lucie Gantry Cranes.

c. PSL Unit 2 Gantry Crane work will be completed in 2009. PSL Unit 1 Gantry Crane work will be completed in 2010.

d. None of the PSL Gantry Crane modifications required for the EPU project have been completed to date.

e. There is no negative schedule impact for either PSL 1 or PSL 2. In fact, without the crane modifications, it would not be possible to perform the required work consistent with current outage schedules. The cost of the modifications is approximately $10.75 million, which is included in the current total estimated project cost.

f. Yes. Similar modifications of the PTN 3 & 4 Gantry Cranes will be necessary for the uprate work on those units. Gantry Crane capability is an identified risk. The risk mitigation action is to contract to have an independent assessment of the Gantry Crane conducted by one of the Original Equipment Manufacturers with recommendations for improvements and modifications. Once received and evaluated, the most appropriate

course of action will be taken to place the PTN Gantry Crane in a condition that adequately supports the EPU activities.

g. Yes. The costs for improving the PTN Turbine Gantry Cranes would not be incurred but for the EPU project. Accordingly, those costs will be charged to the EPU Project.

h. N/A. See response to item f above.

Attachments:

7b PSL Turbine Gantry Crane Scope Change 12-3-0l PSL Gantry Crane - RCJF.p

Attorney Comments:

Witness comments:

Coordinator Comments:

Confidential Document?
IF "Y", PLEASE COMPLETE THE FOLLOWING FIELDS:

1. **Description of Confidential Document(s):**

2. **Name of Person Claiming Confidential Document(s):**

3. **Reason(s) for Confidential Document(s):**

- ☐ **Customer-specific information e.g. customer names addresses telephone numbers account numbers r**
- ☐ **Employee personnel information unrelated to compensation duties qualifications or responsibilities**
- ☐ **Information concerning bids or other contractual data**
- ☐ **Information relating to competitive interests**
- ☐ **Internal auditing controls**
- ☐ **Security measures systems or procedures**
- ☐ **Trade secrets**

REDACTED

DR 9.2
PAGES 1-2

REDACTED

DR 9.3
PAGES 1-17

REDACTED

DR 9.6
PAGE1

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DR 9.7
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DR 9.8
PAGES 1-33

REDACTED

DR 10.2
PAGES 1-2

REDACTED

DR 10.4
PAGES 1-3

REDACTED

DR 10.6
ENTIRE CD

REDACTED

DR 10.7
ENTIRE CD

REDACTED

Dr 11.1
Page 1 Columns 5-9, Page 3 Columns 5-9, Page 4 Columns 5-6, Page 5 Columns 5-9, Page 6 Columns 6, 14, Page 7 Columns 6-10, Page 8 Columns 7-12, Page 9 Columns 7-12, Page 10 Columns 6-10, Page 11 Columns 6-10

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

2009 PROJECT DEVIATION LOG updated 6/03/08

Deviation Log Number	SCTN Number	Contractor/ Cost Center	Contract PO Number	Short Description	Deviation Type Scope/Trend/ Change/Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Schedule Impact Yes/No	Written Date/By	Date Written	Management Approved/Disapproves Date/By	Date Approved/ Disapproved	Notes	Status
016 Rev 1	EPU-FV-09-PTN-016 Rev 1	Cameron	116705	[redacted]					Yes	James Nelson	4/6/09	George Gram	4/02/09	CCB Approved A. Katz routing for signature	2
017	EPU-FV-09-PTN-017	TBD	N/A						No	Nick Mangiameli	1/20/09	George Gram	02/03/09	Accelerated construction - Currently with Bill Leslie	2
018	EPU-FV-09-PTN-018	Siemens	116000						No	Rich French	2/3/09	George Gram	02/14/09	Siemens work will not extend outage - Currently with Bill Leslie	2
019	EPU-SV-09-PTN-019	TBD	N/A						No	Mike Jurmain	2/5/09	George Gram	02/09/09	Approved	3
020	EPU-FV-09-PTN-020	Cameron	116706						No	James Nelson	2/20/09			CCB requested additional information from Alan Katz	1
024	EPU-FV-09-PTN-024	NAI	112907						No	David Krueger	3/11/09	George Gram	4/16/09	CCB Approved. A. Katz routing for signature	2
026	EPU-SV-09-PTN-026	Hitech							No	Dave Krueger	3/23/09	George Gram	4/03/09	CCB Approved. A. Katz routing for signature	2
027	EPU-SV-09-PTN-027	TBD							No	Mike Jurmain		George Gram	4/03/09	CCB Approved. A. Katz routing for signature	2
028	EPU-FV-09-PTN-028	TBD	N/A						No	Mike Jurmain	4/3/09	George Gram	4/03/09	CCB Approved. A. Katz routing for signature	2
029	EPU-SV-09-PTN-029	Siemens	N/A						No	Steven Sheehan	4/3/09	George Gram	4/03/09	CCB Approved. A. Katz routing for signature	2
030	EPU-FV-09-PTN-030	TBD	N/A						No	Gene Gellert	4/6/09	George Gram	5/14/09	Approved	2
031	EPU-SV-09-PTN-031	TBD	N/A						No	Gene Gellert	4/7/09	George Gram	4/03/09	CCB Approved. A. Katz routing for signature	2
033	EPU-SV-09-PTN-033	TBD	N/A						No	Mike Jurmain		A. Katz	6/7/09	CCB Approved based on substantial cost resolved and write up for study. A. Katz will route revised package for signature	2
034	EPU-SV-09-PTN-034	TBD	N/A						No	Mike Jurmain	4/8/09	A. Katz	5/7/09	NYPA to provide vendor's study report to justify IP change	2
035	EPU-SV-09-PTN-035	Proto Power	112468						Yes	M. Jurmain	5/2/09	George Gram	7/14/09	Approved. This replaces EPU-SV-09-PTN 01, 017 and EPU-FV-09-PTN-025	2
036	EPU-SD-09-PTN-036								Yes	D. Krueger M. Jurmain	5/27/09				1
037	EPU-FV-09-PTN-037	Siemens	116525 rev						No	M. Jurmain	6/1/09				3

STATUS KEY:
0= Presented to site CCB and in review
1 = Site CCB and Site Director Approved

(1)

"FPSC Staff DR 11-1, Confidential"

2009 PROJECT DEVIATION LOG updated 6/03/09

Deviation Log Number	SC/TN Number	Contractor Cost Center	Contract PO Number	Short Description	Deviation Type Scope/Trend/ Contract/Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Schedule Impact Yes/No	Written Date/By	Date Written	Management Approve/Disapprove Date/By	Date Approved/ Disapproved	Notes	Status

2 = Project Director approved
3= VP EPU Approved
4 = Disapproved
5 = Cancel / void

(2)

"FPSC Staff DR 11-1, Confidential"

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

2009 PROJECT DEVIATION LOG updated 6/03/09

Deviation Log Number	SCTN Number	Contractor - Cost Center	Contract PO Number	Short Description	Deviation Type: Scope/Trend/ Contract/Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Schedule Impact Yes/No	Written Date/By	Date Written	Management Approved/Disapproved Date/By	Date Approved/ Disapproved	Notes	Status
POTENTIAL CHANGES (PCM):															
		Bechtel		[redacted]										A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel												A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel							No	A. Monocal				A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel								A. Monocal				A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel												A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel												A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Bechtel												A. Monocal list of Bechtel FPL Scope document comment 5/1/09	0
		Siemens													0
		Siemens													0
		Siemens													0
		Siemens													0
		Bechtel												A. Monocal list of Bechtel FPL Scope document comment 5/10/09	0
		Shaw	112177						No	Dan Yesi Siemens	5/509			Shaw Submitted SCDN on 5/05/09	0
		Shaw	112177						No	Dan Yesi Siemens	5/509				0
		Bechtel								Steve Markley / M. Jumsain				Dan Tomaszewski approved on email to A. Katz. Need SCFV to be submitted	0

STATUS KEY:

0= Presented to site CCB and in review
1 = Site CCB and Site Director Approved
2 = Project Director approved
3= VP EPU Approved
4 = Disapproved
5 = Cancel / void

(3)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

2009 PROJECT DEVIATION LOG updated 6/03/09

Deviation Log Number	SCFN Number	Contractor Cost Center	Contract PO Number	Short Description	Deviation Type Scope/Travel/ Contract/Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Schedule Impact Yes/No	Written Date/By	Date Written	Management Approve/Disappr ove Date/By	Date Approved/ Disapproved	Notes	Status
POTENTIAL CHANGES (LAR):															
		Bechtel		[redacted]										A. Manocal list of Bechtel PPL Scope document comment 5/01/09	0
		Bechtel												A. Manocal list of Bechtel PPL Scope document comment 5/1/09	0
		Bechtel													0
		Bechtel												A. Manocal list of Bechtel PPL Scope document comment 5/01/09	0
		Bechtel													0
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															0
															0
		Westinghouse													0
		Westinghouse													0
		Westinghouse													0
		Westinghouse													0
		Westinghouse													0
		Westinghouse													0

STATUS KEY:
0= Presented to site CCB and in review
1 = Site CCB and Site Director Approved
2 = Project Director approved
3= VP CPU Approved
4 = Disapproved
5 = Cancel / void

(4)

"FPSC Staff DR 11-1, Confidential"

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

2008 PROJECT DEVIATION LOG updated 4/29/09

Deviation Log Number	SCCM Number	Contractor Cost Center	Contract PO Number	Short Description	Deviation Type Scope/Trend/ Contract/Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Schedule Impact Yes/No	Written Date/By	Date Written	Management Approve/Disapprove By	Date Approved/ Disapproved	Notes	Status
001	EPU-DV-08-PTN-001	Proto Power	115498	[redacted]					Yes	Richard French	6/2/08			Superseded by EPU- DV-09 PTN-035	5
002 Rev. 1	EPU-FV-08-PTN-002 Rev. 1	Bechtel	117605						Yes	David Krueger	4/8/09		4/16/09 Returned for explanation	Reschedule from 3/26 and 4/25 to 2/26 and 4/27 to allow NuTek bonkin chemical cleaning system to be completed in Upside containment and sufficient time for chemical effect testing. Need to explain cost increase	1
003	EPU-FV-08-PTN-003	Bechtel	117609						Yes	Gene's King	10/2/08	William Lobbe Jr	03/16/09	Approved	2
004 Rev. 1	EPU-DV-08-PTN-004 Rev. 1	Bechtel	117610						Yes	Erik Jensen	4/2/09	George Gram	4/09/09	CCB Approved A. Katz routing for signature	2
005	EPU-FV-08-PTN-005	Westinghouse	115078						None	David Krueger	10/15/08	Bill Lobbe	10/22/08	Approved	2
009	EPU-DV-08-PTN-009	Siemens	118751						None	David Krueger	10/22/08	William Lobbe Jr. Raj Kundalkar approved via	10/22/08	Approved	2
010	EPU-FV-08-PTN-010	Bechtel	117608						Yes	Dave Sheehan	12/8/08			[illegible]	1
011 Rev. 1	EPU-FV-09-PTN-011 Rev. 1	M&I	112953						Yes	Erik Jensen	4/2/09	A. Katz	4/7/009	CCB Approved A. Katz routing for signature	2
012	EPU-DV-09-PTN-012	Proto Power	115498						None	Richard French	1/15/09			Superseded by EPU- FV-09-PTN-035	5
013	EPU-FV-08-PTN-013	Siemens	118751						Yes	Richard French	12/17/08	Raj Kundalkar	01/23/09	NO COPY AT PTN WITH RAJ SIGNATURE - RE SUBMITTED WITH SUPPORTING DOCUMENTS TO CDRL LOGAR	2
014	EPU-FV-08-PTN-014	Siemens	118758						Yes	Richard French	12/17/08	Raj Kundalkar	01/23/09	Approved	3
015 Rev. 1	EPU-DV-08-PTN-015	Bechtel	117609						Yes	David Krueger	4/8/09			Dave Krueger - routing to Rosanna	1

STATUS KEY:
0= Presented to the CCB and in review
1 = Site CCB And Site Director Approved
2 = Project Director approved
3= VP EPU Approved
4 = Disapproved
5 = Cancel / void

(5)

Project Deviation Log
PSL EPU Project

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

Deviation Log Number	SC/TN Number	Contractor Cost Center	Contract PO Number	Estimate Budget Line Item Number	Short Description	Deviation Type Scope/ Trend/ Contract/ Other	Budgeted Cost	Change Amount	Current Forecast	Schedule Impact Yes/No	Written Date/By	Management Approve/Disapprove Date/By	Notes	Status
	PSL1	WESTINGHOUSE			[redacted]	SCOPE							[redacted]	
	PSL2	WESTINGHOUSE				SCOPE								
	PSL3	WESTINGHOUSE				SCOPE								
	PSL4	WESTINGHOUSE				SCOPE								
	PSL5	WESTINGHOUSE				SCOPE								
	PSL6	WESTINGHOUSE				SCOPE								
	PSL7	WESTINGHOUSE				SCOPE								
	PSL8	WESTINGHOUSE				SCOPE								
	PSL9	WESTINGHOUSE				SCOPE								
	PSL10	WESTINGHOUSE				SCOPE								
	PSL11	WESTINGHOUSE				SCOPE								
	PSL12	WESTINGHOUSE				SCOPE								

STATUS KEY:

1 = Change written and in house review
2 = Change in review for Approval
3 = Change returned and approved
4 = Change returned and disapproved

(6)

Project Deviation Log
PSL EPU Project

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

Deviation Log Number	SC/TN Number	Contractor Cost Center	Contract PO Number	Estimate Budget Line Item Number	Short Description	Deviation Type Scope/ Trend/ Contract/ Other	Budgetee Cost	Change Amount	Current Forecast	Schedule Impact Yes/No	Written Date/By	Management Approve/Disapprove Date/By	Notes	Status
	PSCD-001	[redacted]	112201	1	[redacted]					NO	4/2/08	11/21/08		1
	PSCD-002	[redacted]	112201	1						NO	8/12/08	11/21/08		1
	PSCD-003	[redacted]	112201	1						NO	10/24/08	11/21/08	AWAY TO PROVIDE COST / SCHEDULE IMPACT	1
	PSCD-004	[redacted]	112201	1						NO	10/24/08		REVIEW	2
	PSCD-005	[redacted]	112201	1						NO	11/4/08	4/23/09	PR 260791 REV 0	1
	PSCD-006	[redacted]	112201	1						NO	10/7/08	4/23/09	PR 260791 REV 0	1
	PSCD-007	[redacted]	112201	1						NO	10/7/08		REVIEW	2
	PSCD-008	[redacted]	112201	1						TBD	3/5/09	4/23/09	PR 260791 REV 0	1
	PSCD-009	[redacted]	112201	1						TBD	3/5/09		REVIEW	2

STATUS KEY:

1 = Change written and in house review
2 = Change in review for Approval
3 = Change returned and approved
4 = Change returned and disapproved

Project Deviation Log
PSL EPU Project

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17

Deviation Log Number	SC/TN Number	Contractor Cost Center	Forecast	Contract PO Number	Estimate Budget Line Item Number	Short Description	Deviation Type Scope/ Trend/ Contract/ Other	Budgeted Cost	Deviation Estimated Cost	Change Amount	Current Forecast	Schedule Impact Yes/No	Written Date/By	Management Approve/Disapprove Date/By	Notes	Status
PSL-05-002	FV-05-001	WESTINGHOUSE	INCLUDED		24	[redacted]						NO	N/A	T. BECHEM /YR. LABBE - AUG 2005		MONTH END AUG 2005 FORECAST
PSL-05-003	FV-05-002	AREVA	EXCLUDED		24							NO	N/A	T. BECHEM/YR. LABBE - AUG 2005		MONTH END AUG 2005 FORECAST
PSL-05-004	FV-05-002	SHAW / SWEC	INCLUDED		1							NO	N/A	T. BECHEM /YR. LABBE - AUG 2005		MONTH END AUG 2005 FORECAST
PSL-05-005	FV-05-004	EPC	EXCLUDED		MULTIPLE							NO	N/A	T. BECHEM /YR. LABBE - AUG 2005	POTENTIAL SIGNIFICANT OVERRUN - DETAILED PROPOSAL EVALUATION REQUIRED	MONTH END AUG 2005 FORECAST
PSL-05-006	FV-05-005	PLANT CRAFT SUPPORT	INCLUDED		MULTIPLE							NO	N/A	T. BECHEM /YR. LABBE - AUG 2005	DEFINED ESTIMATE UNDERWAY - SCOPE WILL BE FINALIZED PRIMARILY EPC AND PCS COST CENTERS JOB BUDGETS TRANSFERRED	MONTH END AUG 2005 FORECAST
PSL-05-011	FV-05-006	WESTINGHOUSE	INCLUDED		24							NO	N/A	AUG 2005	LABBE / BECHEM / BABA / BYRDEN FORECAST	MONTH END SEPT 2005 FORECAST
PSL-05-012	FV-05-007	AREVA	INCLUDED		24							NO	N/A	AUG 2005	LABBE /BECHEM / BABA / BYRDEN FORECAST	MONTH END SEPT 2005 FORECAST
PSL-05-013	FV-05-008	SHAW / SWEC	EXCLUDED		1							NO	N/A	AUG 2005	BECHEM / BYRDEN FORECAST BASED UPON CURRENT CONTRACT SCOPING STRATEGY	MONTH END SEPT 2005 FORECAST
PSL-05-014	FV-05-009	EPC	EXCLUDED		MULTIPLE							NO	N/A	TBD	BECHEM / BYRDEN FORECAST BASED UPON CURRENT CONTRACT SCOPING STRATEGY	MONTH END SEPT 2005 FORECAST
PSL-05-015	FV-05-010	PLANT CRAFT SUPPORT	EXCLUDED		MULTIPLE							NO	N/A	TBD	BECHEM / BYRDEN FORECAST BASED UPON CURRENT CONTRACT SCOPING STRATEGY	MONTH END SEPT 2005 FORECAST
PSL-05-016	FV-05-011	LONG LEAD MATERIALS	EXCLUDED		MULTIPLE							NO	N/A	TBD	BECHEM / BYRDEN FORECAST BASED UPON CURRENT DATA PROVIDED	MONTH END SEPT 2005 FORECAST
PSL-05-018	FV-05-012	SHAW / SWEC	INCLUDED		1							NO	N/A	OCT 2005	BECHEM / BYRDEN FORECAST	MONTH END OCT 2005 FORECAST
PSL-05-020	FV-05-013	EPC	INCLUDED		MULTIPLE							NO	N/A	OCT 2005	BECHEM / BYRDEN FORECAST	MONTH END OCT 2005 FORECAST
PSL-05-021	FV-05-014	PLANT CRAFT SUPPORT	INCLUDED		MULTIPLE							NO	N/A	OCT 2005	BECHEM / BYRDEN FORECAST	MONTH END OCT 2005 FORECAST
PSL-05-022	FV-05-015	SWEC	INCLUDED		24							NO	N/A	NOV 2005	BECHEM / BYRDEN FORECAST	MONTH END NOV 2005 FORECAST
PSL-05-025	FV-05-016	SHAW / SWEC	EXCLUDED		1							NO	N/A	NOV 2005	BECHEM/ BYRDEN FORECAST	MONTH END NOV 2005 FORECAST
PSL-05-026	FV-05-017	EPC	INCLUDED		MULTIPLE							NO	N/A	NOV 2005	BECHEM / BYRDEN FORECAST	MONTH END NOV 2005 FORECAST
PSL-05-027	FV-05-018	PLANT CRAFT SUPPORT	EXCLUDED		MULTIPLE							NO	N/A	NOV 2005	BECHEM / BYRDEN FORECAST	MONTH END NOV 2005 FORECAST
PSL-05-028	FV-05-019	LONG LEAD MATERIALS	EXCLUDED		MULTIPLE							NO	N/A	NOV 2005	BECHEM / BYRDEN FORECAST BASED UPON CURRENT DATA PROVIDED	MONTH END NOV 2005 FORECAST
PSL-05-034	FV-05-001	AREVA	EXCLUDED		24							NO	N/A	FEB 2005	FORECAST	MONTH END FEB 2005 FORECAST
PSL-05-032	FV-05-002	FPL ENGINEERING	INCLUDED		MULTIPLE							NO	N/A	FEB 2005	FORECAST	MONTH END FEB 2005 FORECAST
PSL-05-033	FV-05-003	FPL PROJECT ENVIRONMENT	INCLUDED		MULTIPLE							NO	N/A	FEB 2005	FORECAST	MONTH END FEB 2005 FORECAST
PSL-05-035	FV-05-005	PLANT CRAFT SUPPORT	EXCLUDED		MULTIPLE							NO	NA	FEB 2005	FORECAST BASED UPON PREVIOUS PSL MAJOR PROJECT EXPERIENCE MONTEL, MAY ABSORB SOME OF THIS SCOPE	MONTH END FEB 2005 FORECAST
PSL-05-037	EPU-05-PSL-0-005	MULTIPLE	EXCLUDED		N/A							NO	T BECHEM	MARCH 2005	ALLOWANCE ADDED TO THE CONTROL ROD SCOPE FOR IMPACT OF WESTINGHOUSE SCOPE - SW PER OUTAGE	MONTH END FEB 2005 FORECAST
PSL-05-037	EPU-05-PSL-1-005	MULTIPLE	INCLUDED		N/A							NO	T BECHEM	MARCH 2005	ALLOWANCE ADDED TO THE CONTROL ROD SCOPE FOR IMPACT OF WESTINGHOUSE SCOPE - SW PER OUTAGE	MONTH END FEB 2005 FORECAST
PSL-05-038	FV-05-006	BECHTEL	INCLUDED		MULTIPLE							NO	N/A	MARCH 2005	FORECAST BASED UPON LOST "BECHT" DATA RECEIVED FORM BECHEL. BECHTEL TO PROVIDE TOTAL PROJECT FORECAST BY 3/15/05	MONTH END MAR 2005 FORECAST

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(8)

Project Deviation Log
PSL EPU Project

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
PSL-09-039	FV-09-007	WESTINGHOUSE	INCLUDED		2N	[redacted]						NO	N/A	AUG 2008	FORECAST BASED UPON SPENDING TRENDS	MONTH END MAR 2009 FORECAST
PSL-09-047	FV-09-008	ENGINEERING MINOR CONTRACTS	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	NEW CATEGORY CREATED TO CAPTURE SMALLER MISCELLANEOUS ENGINEERING CONTRACTS	MONTH END MAR 2009 FORECAST
PSL-09-048	FV-09-009	PPL ENGINEERING	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	FROM FEB 2009 STAFFING PLAN	MONTH END MAR 2009 FORECAST
PSL-09-049	FV-09-010	PPL PROJECT MANAGEMENT	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	FROM FEB 2009 STAFFING PLAN - CURRENTLY IN REVIEW	MONTH END MAR 2009 FORECAST
PSL-09-050	FV-09-011	LONG LEAD MATERIALS	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	CURRENT LONG LEAD MATERIALS PLAN	MONTH END MAR 2009 FORECAST
PSL-09-051	FV-09-012	SITWORK MATERIAL	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	REDUCTION IN OPTIONS / ANTICIPATED SCOPE GROWTH	MONTH END MAR 2009 FORECAST
PSL-09-052	FV-09-013	PLANT CRAFT SUPPORT	INCLUDED		MULTIPLE							NO	N/A	MARCH 2009	CURRENT ESTIMATE - AWAITING FINAL DECITEL SCOPE DOR	MONTH END MAR 2009 FORECAST

STATUS KEY (for scope changes)

1 = Change written and in house review
2 = Change in review for Approval - with NCR group
3 = Change returned and approved from Jupiter West
4 = Change returned and disapproved

SCOPE CHANGES ARE DEFINED AS SCOPE WHICH WAS NOT IN THE ORIGINAL PROJECT ESTIMATE AND BUDGET BASIS.

TRENDS ARE INCLUDED IN OVERALL PROJECT COST AT COMPLETION FORECAST ON AN ONGOING BASIS.

"BUDGETED COST" IS BASED UPON MAY 2008 BUDGET RECAST OF ORIGINAL PROJECT ESTIMATE

Project Deviation Log
PSL EPU Project

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Deviation Log Number	SC/TN Number	Contractor Cost Center	Contract PO Number	Estimate Budget Line Item Number	Short Description	Deviation Type Scope/ Trend/ Contract/ Other	Budgeted Cost	Change Amount	Current Forecast	Schedule Impact Yes/No	Submittal Date	Management Approve/Disapprove Date/By	Notes	Status
	[redacted]													

STATUS KEY:

1 = Change written and in house review
2 = Change in review for Approval
3 = Change returned and approved
4 = Change returned and disapproved

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Project Deviation Log
PSL EPU Project

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

Deviation Log Number	SC/TN Number	Contractor Cost Center	Contract PO Number	Estimate Budget Line Item Number	Short Description	Deviation Type Scope/ Trend/ Contract/ Other	Budgeted Cost	Change Amount	Current Forecast	Schedule Impact Yes/No	Written Date/By	Management Approve/Disapprove Date/By	Notes	Status
	[redacted]													

STATUS KEY:

1 = Change written and in house review
2 = Change in review for Approval
3 = Change returned and approved
4 = Change returned and disapproved

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REDACTED

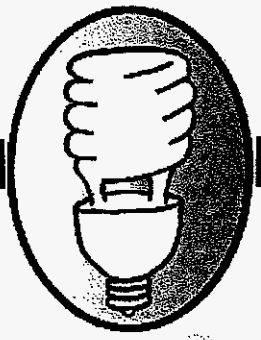
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Internal Controls Report

CONFIDENTIAL

JULY 2009



REVIEW OF

Florida Power & Light's

Project Management Internal Controls

FOR

Nuclear Plant Uprate and Construction Projects

DRAFT

By Authority of
The State of Florida
Public Service Commission
Division of Regulatory Compliance
Bureau of Performance Analysis

1.0 Executive Summary

1.1 Purpose and Objectives

At the request of the Florida Public Service Commission's (Commission) Division of Economic Regulation, the Division of Regulatory Compliance conducted this review. It is the second annual review in an ongoing oversight program. FPSC audit staff's previous report is entitled *Review of Florida Power and Light's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects.* It was published in August 2008. Staff examined the organizations, processes, and controls used by Florida Power & Light Company (FPL) to execute the Extended Power Uprates (EPU) of St. Lucie Units 1 & 2 and Turkey Point Units 3 & 4, and the construction of Turkey Point Units 6 & 7.

The primary objective of this year's review was to document project key developments, organization, management, internal controls, and oversight that FPL has in place or plans to employ for these projects. The information provided in this report may be used by Division of Economic Regulation staff to assist in an assessment of the reasonableness of the FPL project cost-recovery requests.

1.2 Scope

The internal controls examined were those related to the following key areas of project activity:

- Planning
- Management and Organization
- Cost and Schedule Controls
- Contractor Selection and Management
- Auditing and Quality Assurance

Internal controls are the vital mechanisms used by the company to stay within budget and on schedule. According to the Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing*, appropriate internal controls allow the organization to:

- Produce accurate and reliable data
- Comply with applicable laws and regulations
- Safeguard assets
- Employ resources efficiently
- Accomplish goals and objectives

Well-constructed internal controls assist with the challenges of risk management and decision making. Risks must be identified and appropriate protections established to prevent, mitigate, or eliminate them. Prudent decision making results from orderly, well-defined

processes that address known risks, needs, and capabilities. Adherence to written procedures, effective communication, vigilant internal and contractor oversight, and ongoing auditing and quality assurance are essential to ensure that project costs are prudently incurred.

Specifically, according to Internal Control Integrated Framework designed by the Committee of Sponsoring Organizations of the Treadway Commission, an internal control should consist of five interrelated components. The components are:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring

The synergy and linkage among these components forms an integrated system which reacts to changing conditions. The internal control system must be intertwined with the entity's operating activities. When looking at the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws and regulations all five components must be present and function effectively to conclude that internal operational controls are effective. This report will document the existence of each of these five components for FPL project management.

1.3 Methodology

Planning and research for this review were performed in January and February 2009. Data collection, site visits and interviews, analysis and report writing were conducted between March and June 2009. The information compiled in this report was gathered via company responses to eleven staff document requests, visits to the St. Lucie and the Turkey Point sites, and interviews with key project personnel. Staff also reviewed testimony, discovery and other filings in Docket No. 090009-EI.

A large volume of information was collected and analyzed. Specific information collected from FPL included the following categories:

- Policies and procedures
- Organizational charts
- Requests for proposals
- Contractor bids and proposals
- Bid evaluation analyses
- Contracts
- Project scope analysis studies by FPL and consultants
- Internal audit reports

1.4 Observations

General

Internal controls will ultimately determine the success of the FPL projects and the prudence of the company's actions. This is not to say that a hindsight review should be conducted to determine company prudence. A complete determination of the reasonableness of the eventual control systems for management of these projects cannot be made at this time. Further, any assessment made at this point in time cannot be guaranteed to remain valid for the entire duration of the project activities.

In any controls assessment, adequate controls may be in place at some point. But, the ultimate proof of adequacy comes when project work is undertaken. Often controls require further revision to ensure continued protection from project risks. Until controls have been tested under actual operational conditions, the adequacy of the controls cannot be fully assessed. Such is the case with the project controls for these projects. Beyond planning, the vast majority of work for these projects has not yet been performed. Actual work conditions will test the controls in place and determine the adequacy of the control.

Further, though internal controls in place at the outset of any undertaking may appear adequate, there is no guarantee that they will be followed or used properly. Verification of adherence to procedures and careful examination of changes to control systems are essential ingredients to evaluating the reasonableness of management actions. FPSC audit staff believes continued internal and external oversight is necessary over the lifespan of these projects. Of particular importance are internal audits and quality assurance audits which should provide broad coverage of controls, procedural adherence, and project management issues.

During the course of this review, FPSC audit staff made observations in a variety of areas including project development, organization, oversight, controls, and contracts. Of those, the key observations for Turkey Point 6 & 7 new construction and the St. Lucie and Turkey Point Extended Power Uprate projects are discussed below.

Turkey Point Units 6 & 7 Observations

- FPL reports that all scheduled long term milestones have been completed to date, on time and within budget. The company continues to move toward obtaining necessary regulatory approvals at the county, state and local levels.

- FPL decided to delay submitting its Combined Operating License Application (COLA) to the Nuclear Regulatory Commission (NRC) by three months, from March to June 2009. The company believes this delay will have no impact to the long term schedule.

- FPL has not yet signed a contract for the engineering, procurement, and construction (EPC). The company has signed a reservation agreement to reserve component manufacturing slots for long lead equipment forgings.

- Responding to the 2008 Nuclear Cost Recovery Clause hearings, FPL conducted additional training and improved its documentation and approval process for single/sole source procurements. This ensures justifications comply with FPL Nuclear Policy NP-1100 instructions and facilitates independent review of third parties. FPSC audit staff believes that FPL should continue to improve and monitor sole source contract justifications to ensure each reflects the changes ordered by the Commission.

St. Lucie and Turkey Point Uprates Observations

- In early 2009, FPL adjusted its federal submission schedule for its License Amendment Request (LAR) but believes this will have no long term schedule impact. Most of the outage construction work is scheduled in 2010-2012.

- FPL states that the project is within current budget projections and the LAR delay did not have significant overall impact.

- As it begins the construction phase, FPL states that the long term schedule is on target. Licensing and permitting tasks are ongoing.

- FPL restructured the St. Lucie and Turkey Point Uprate project organization because of the transition to the construction phase. FPL considers the reorganization as beneficial to project management, coordination, and risk mitigation.

- In December 2008, Extended Power Uprate (EPU) management approved an Engineering, Procurement, and Construction (EPC) contract with Bechtel Corporation. FPL believes an EPC will provide better staffing and construction expertise while simultaneously improving project coordination and oversight.

  After questioning the level of detail for single and sole source justifications during the 2008 Nuclear Cost Recovery Clause hearings, the Commission ordered FPL to improve documentation. FPL conducted additional single and sole source training. The company states that it has improved justification documentation, complies with FPL Nuclear Policy NP-1100, and these improvements better facilitate review by independent third parties. FPSC audit staff believes that FPL should continue to monitor and improve single and sole source justification for EPU contracts and ensure each reflects the changes ordered by the Commission.

- FPL considers upgrades to existing gantry cranes at both sites as critical to project success. The St. Lucie Unit 2 upgrade is scheduled for completion in 2009 and Unit 1 in 2010. FPL must similarly upgrade Turkey Point gantry cranes but costs have not been determined and a contract has not yet been signed.

- An FPL employee complaint through the Employee Concerns program prompted an Internal Audit of hiring practices in 2008. Corrective actions were implemented and FPL made a monetary adjustment to its nuclear cost recovery clause request.

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2.0 Key Project Developments

2.1 Key Project Developments – Turkey Point Units 6 & 7

What is the current status of the Turkey Point Units 6 & 7 project?

In 2008 and 2009, FPL moved the Turkey Point Units 6 & 7 project forward toward submission of the Combined Operating License Application (COLA) to the Nuclear Regulatory Commission (NRC) for approval to begin construction of the project. FPL states that it has continued its stepwise and cautious approach toward negotiating an Engineering, Procurement, and Construction (EPC) contract for construction of two Westinghouse AP1000 reactors. Key project developments for Turkey Point Units 6 & 7 since the initial Nuclear Cost Recovery hearing are discussed below.

Units 6 & 7 Contract Decision Remains Under Consideration

FPL has not yet signed an engineering and procurement contract for Turkey Point Units 6 & 7 but did sign an agreement with Westinghouse Electric Company to reserve manufacturing slots for long lead equipment components. Since then, the parties have been negotiating toward an engineering and procurement contract. The current reservation agreement expires on December 31, 2009. Unless a definitive engineering and procurement contract is signed before then, FPL is at risk of losing a portion of its $10.8 million reservation fee. However, the reservation agreement also specifies that if the parties mutually agree to continue negotiations on a definitive engineering and procurement contract, an extension of the December termination date is possible.

(1) [redacted]

The company states that it is continuing to take a cautious approach in deciding whether to sign just an engineering and procurement contract or a combined Engineering, Procurement, and Construction (EPC) contract package. FPL states that it has not excluded the potential for a Westinghouse/Shaw, Stone & Webster EPC package, but believes there are other qualified candidates available to construct the new AP1000 units.

FPL believes it can delay the constructor decision now, without impacting the long term in-service schedule of the project, and receive financial benefits from changing market conditions. In FPL's opinion, there may be considerable benefits to bidding the construction portion of the project to a qualified constructor, rather than negotiating a package contract.

COLA Submission Revised From March to June 2009

In 2008, FPL decided to delay submission of its COLA to the NRC, from March to June 2009. FPL considered several potential risk factors in making the submittal date change. FPL states that the primary motivator for slipping the COLA schedule was a change in scope to include work that addresses concerns identified by the NRC in the Progress Energy Levy COLA review. Based on the NRC Requests for Additional Information issued to Progress for the Levy units, FPL added site-specific geotechnical information to the Turkey Point 6 & 7 COLA submission.

FPL wanted to include answers to NRC requests for information up front, rather than face future delays. The company was concerned that the COLA submittal might be accepted, and sit for six months without action, only to later face NRC concerns. FPL believed it should spend three months to "get it right", by addressing known NRC concerns related to groundwater and site geology. These will be included in the June 2009 COLA submission to the NRC.

FPL believes that NRC budget cuts and resource restraints may extend the interval for review and approval of its COLA application. FPL believes the impact of budgetary cuts may extend the approval and hearing process to approximately 50 months.

Changes in Single/Sole Source Justification Documentation Practices

During the Nuclear Cost Recovery Clause hearings in 2008, close attention was paid to the detail FPL provided in its justification of single/sole source contract awards. In Order No. PSC-08-0749-FOF-EI, issued November 12, 2008, the Commission ordered FPL to "increase its documentation and support for single source and sole source contracts for the EPU project and the Turkey Point units 6 & 7 project for future filings in the NCRC".

Since that time, FPL states that the company has improved the process of documenting and approval of single and sole source procurements to insure justification documentation is in compliance with its Nuclear Policy NP-1100 instructions, and to facilitate the review of justification documentation by third parties. Additional training on the proper completion of single and sole source justification documentation and support was implemented within the Turkey Point 6 & 7 organization during late 2008.

FPL states that the single and sole source justification documentation and support procedures themselves did not require enhancements. Instead, the company conducted training pertinent to its single and sole source policies. FPL completed the single/sole source contract training for Turkey Point Units 6 & 7 projects in November and December 2008. The company states it has also placed more oversight on single/sole source justification documentation. FPL states it has included more information for an independent reviewer to understand the justification for choosing a single/sole source vendor. FPL reports that it is writing justifications with greater attention to the explanation and support of reasonable costs and single or sole source selections, and it is trying to involve reviewers upfront before the justification is issued.

Staff sought to determine whether changes in the detail of single/sole source justifications improved as a result of the Commission's order. FPSC audit staff reviewed FPL training materials, lists of training attendees, and single/sole source justification documents issued after

November 2008. FPSC audit staff found that single/sole source justification documents completed for Turkey Point 6 & 7 contained basic decision-making information, are easily understood by a third party, and include an analysis addressing the reasonableness of the cost/price.

However, FPSC audit staff believes FPL single/sole source justification documentation could be further improved, and encourages FPL to attach any additional detail documentation that helps show single/sole sourcing was a reasonable financial decision. Examples of useful additional documentation may include: details on avoided expenditures, anticipated cost savings, projected man hour savings, estimated costs of bidding versus single/sole source, potential delays to the schedule, and other data that demonstrates single/sole sourcing is the most reasonable alternative.

Other Project Considerations

Each of the two new Turkey Point units is expected to use millions of gallons of water per day. FPL is considering different sources for primary, secondary, and back-up supplies. FPL is currently working with county and state environmental agencies to evaluate its options. Possible water resources for the project include the use of groundwater, reclaimed wastewater from Miami-Dade County, deep well, and ocean extraction. If FPL decides that reclaimed wastewater is to be a significant portion of the overall water resource mix, pipeline facilities will be needed. FPL anticipates that approximately ten miles of pipeline would be required to bring in reclaimed water from Miami-Dade County. FPL believes a wastewater treatment facility will be required on or near the Turkey Point site to further treat the reclaimed water prior to use at the site. The estimated costs of necessary pipeline and treatment facilities are currently under study by FPL.

FPL continues to assess the possibility of excavating tons of fill rock near the Turkey Point site. FPL must raise the containment vessel elevation approximately twenty feet above sea level, requiring millions of tons of fill. To reduce the total amount of purchased rock required from outside vendors for the site, FPL is working with county and state agencies to secure necessary permits allowing excavation of needed fill rock from a near-by location and transport to the Turkey Point site. FPL anticipates this would save millions of dollars.

Transmission corridor and rights-of-way studies for Turkey Point Units 6 & 7 were completed in early 2009. FPL has identified the transmission requirements of the Turkey Point Units 6 & 7 project going forward. The company will locate the new Clear Sky substation on site, and will deliver generation through two different routes extending north and west from the plant.

FPL states that it has reviewed the potential environmental impacts to neighborhoods and wildlife, and has chosen transmission routes primarily located in FPL's existing rights-of-way to minimize potential impacts. FPL held nine open house public meetings in November and December 2008. These meetings provided public input for selecting the new transmission routes. The selected transmission routes and preferred corridors will be input to FPL's Site Certification Application for the Turkey Point 6 & 7 units.

What is the current schedule for the Turkey Point Units 6 & 7 project?

FPL reports that all Turkey Point Units 6 & 7 scheduled milestones to date have been completed on time and within budget. FPL is progressing toward obtaining necessary regulatory approvals at the county, state and local levels. The majority of project activities and expenditures have focused on development of the Combined Operating License Application and the Site Certification Application (SCA) for federal and state requirements. Additional project activities have focused on local issues of water resources, fill rock excavation, and transmission route approvals. **EXHIBIT 1** shows licensing activities and other schedule items which may impact the project schedule in 2009-2010.

Turkey Point 6 & 7
Key Activities for 2009-2010

Activity	Target Date
Combined Operating License Application Submittal	June 2009
Turkey Point Site Certification Submittal	June 2009
Army Corp of Engineers Wetlands Permits	June 2009
NRC produced Draft Environmental Impact Statement	2010
Anticipated Site Certification Approval	Late 2010

EXHIBIT 1 *Source: S. Scroggs, May 2009 testimony*

The FPL licensing and permitting process increased in January 2008, with development of a 15-month schedule to submit the COLA, and Army Corps of Engineers permit applications, and the Florida Department of Environmental Protection site certification. Licensing and permitting for Turkey Point Units 6 & 7 is centrally managed. FPL states that a single coordination entity improves project efficiency, while simultaneously maximizing productivity. The company faces a full slate of important application submissions in 2009. FPL management states that preparations are set to meet planned submission dates.

Federal Approvals

Following submission of the COLA, FPL believes the NRC review and hearing process will likely take up to 50 months to complete. When the submission is approved, the NRC will grant FPL a license to operate the new Turkey Point Units 6 & 7. Based on COLA submittal in June 2009, FPL has targeted NRC approval and licensure for mid to late 2013.

FPL is also pursuing an Environmental Resource Permit from the Army Corps of Engineers, the federal agency with jurisdiction over wetlands or infrastructure impacted by Turkey Point 6 & 7. According to FPL, the request for the Environmental Resource Permit is part of the Site Certification Application, submitted on June 30, 2009. FPL believes the request provides sufficient detail for the Army Corps of Engineers to assess project impacts and make a determination that FPL can adequately control or minimize them sufficient to allow approval for construction.

State Approvals

FPL reports that the Florida Site Certification Application preparation process is currently ongoing, scheduled for submission on June 30, 2009. After submitting the application, the process may require up to 15 months to complete. FPL anticipates the SCA to be granted in late 2010.

2.2 Key Project Developments – Uprates

What is the current status of the St. Lucie and Turkey Point Uprate projects?

FPL states that to date the planned Extended Power Uprates are on schedule and within budget projections. In 2008 and 2009, EPU management has moved the projects toward submissions of License Amendment Requests (LAR) to the NRC in late 2009 through second quarter 2010. In preparation for the scheduled system outages, considerable attention has turned to preparing detailed engineering modules for construction, and planning of the associated logistics for coordinating the construction effort. Key project developments for the EPU during 2008-2009 are discussed below.

Bechtel Contract Awarded

In December 2008, EPU project management approved an Engineering, Procurement, and Construction (EPC) contract with Bechtel Corporation. Previously, FPL and FPL Energy have generally self-managed nuclear plant Uprates. However, due to the complexities of coordinating four unit outages, FPL believes an EPC contractor provides greater benefits in construction expertise, staffing resources, and overall coordination and oversight of construction activities.

FPL will oversee Bechtel's progress and assist with resolving any roadblock issues, to ensure the project schedule and budget remain intact. EPC contract provisions include key deliverables for payment and incent the contractor with shared savings opportunities. Likewise, Bechtel would share in any cost overruns due to contractor non-performance. Key Performance Indicators also ensure the contractor is held to project objectives of timely completion and cost effective performance. The performance of Bechtel will continue to be important to the timely and cost effective completion of the EPU.

EPU Project Reorganization

In late 2008, FPL restructured the St. Lucie and Turkey Point Uprate project organization. A Director is now located at each site to provide senior management attention and decision-making. The reorganization separates licensing and modification engineering responsibilities between two Director-managed groups. FPL believes having Director level decision-making at each site reduces potential risks associated with untimely decision-making. Director level supervision of licensing and modification activities reduces risks associated with the activities being supervised by separate organizations. FPL views the project reorganization

as both a streamlining of project management and a risk mitigation strategy. In 2009, FPL is beginning the final design and pre-construction phase of the EPU project, with most of the actual construction work scheduled during outages in 2010-2012.

FPL experienced staffing challenges with two contractors late in 2008. [redacted] each experienced inadequate staffing. As a result of short-term delays, FPL requested that each vendor prepare a recovery plan, identify underlying causes of staffing problems, and develop a plan to return to the project schedule. FPL believes both vendors responded adequately and anticipates no long-term schedule delays. FPL states that it believes staffing is a critical project issue and intends to continue close monitoring of the contractors. FPL uses the monthly EPU Project Risk Management Report to monitor contractor staffing.

FPL modified the dates for the LAR submittals partially due to the staffing issues experienced with [redacted]. While the staffing issues alone did not cause the LARs to be delayed, the staffing events impacted the short term schedule. As late as May 2009, staffing issues with these two vendors continued to appear on the EPU Project Risk Management Report as a [redacted] with a [redacted] rating for the St. Lucie site, and a [redacted] with [redacted] rating on the Turkey Point site.

Internal Audit Review of EPU Staffing Practices

As a result of an employee complaint, FPL Internal Audit conducted a review of the staffing practices used by EPU management. The complaint was lodged through FPL's Employee Concerns program and included [redacted] FPL conducted an internal audit during the summer of 2008, and issued its report in December.

The internal audit findings and recommendations were presented to FPL management and corrective actions were taken by the company. [redacted] and an EPU project cost adjustment to the Cost Recovery Clause amount.

[redacted]

Following the audit, FPL asked Concentric Energy Advisors to conduct an independent assessment of whether rates paid by the former staffing vendor were comparable to those of other contractors used by FPL. The assessment concluded that the rates used by the staffing vendor were seven to nine percent higher than other contractors. FPL states that, taking a

conservative approach, it chose to adjust the total incurred vendor costs downward by nine percent. This resulted in a $772,000 reduction in FPL's EPU project cost recovery request. According to the company, this adjustment was reflected in the May 1, 2009, filing. [redacted]

The internal audit and subsequent Concentric Energy Advisors assessment identified [redacted] However, the FPL employee report of suspected violations served as another internal control to notify FPL of potential problems. FPL Internal Audit completed an investigation of the allegations and reported results to executive management. FPL responded to the report findings and took corrective action. A project the size and complexity of the St. Lucie and Turkey Point Uprates is likely to experience some form of control violations during the project. Continued vigilance by FPL employees, management, Internal Audit, Quality Assurance, and Contractor oversight is required to help identify and minimize the potential for control violations.

Changes in Single/Sole Source Justification Documentation Practices

The Commission-ordered changes in single/sole source procurement documentation discussed regarding Turkey Point 6 & 7 also impact the EPU project procurement. In late 2007 and early 2008, much of the initial EPU project procurement of engineering services and long lead equipment items was completed through single and sole sourcing. While FPL had completed single/sole source justifications as required by its procedures, the detail provided by the justifications was questioned, during the Nuclear Cost Recovery Clause hearings held in 2008. In Order No. PSC-08-0749-FOF-EI, issued November 12, 2008, the Florida Public Service Commission ordered FPL to "increase its documentation and support for single source and sole source contracts for the EPU project and the Turkey Point units 6 & 7 project for future filings in the NCRC".

Since that time, FPL states that the company has continued to improve the documentation and approval process for single/sole source procurements. In response to the Florida Public Service Commission order, the company began to improve on the quality of its single/sole source documentation, by implementing additional personnel training on justifications at both the EPU and Turkey Point Units 6 & 7 projects. FPL states that its justifications have been improved to ensure compliance with Nuclear Policy NP-1100 instructions, and can be easily understood by a third party. Additionally, FPL states that the company improved single/sole source controls by placing the responsibility for the adequacy of single and sole source justification documentation within one position. These improvements were implemented during late 2008.

FPSC audit staff reviewed FPL training materials, listing of attendees, and single/sole source justifications for FPL contracts issued after November 2008 to determine whether changes in the detail of single and sole source justification documents improved since the November 12, 2008 Commission Order. FPSC audit staff found that the EPU organization began single/sole source contract training sessions in October and November 2008, and completed the training in March 2009.

FPSC audit staff examined EPU single/sole source justifications completed after November 2008 and found that additional improvement can be made to justification documentation. Justifications should contain expanded explanation of why single/sole sourcing was used, and more fully support the reasonableness of cost/price. FPL explained that because the EPU group did not complete single/sole source justification documentation training until March 2009, justifications prior to that time would not yet reflect improvements. Staff expects that any EPU single/sole source justifications completed after March 2009 will contain more detailed documentation that can be easily retraced by a third party and include reasonableness of cost/price analysis. FPSC audit staff believes FPL should continue to monitor single/sole source justifications and ensure each reflects the Commission ordered changes.

What is the current schedule for the St. Lucie and Turkey Point uprate projects?

FPL states that EPU project licensing and permitting activities are ongoing. In 2009, the company adjusted the federal licensing submission schedule, but claims it will not cause a project schedule delay. **EXHIBIT 2** shows licensing activities and other schedule items which may impact the Uprate project schedule in 2009-2010.

St. Lucie and Turkey Point Uprates Key Activities for 2009-2010	
Activity	Target Date
St. Lucie	
License Amendment Request Submission to NRC - Unit 1	Fourth Quarter 2009
Unit 2 Gantry Crane Upgrade completed	December 2009
Engineering Modification Packages Supporting Uprates Completed for 2010 Outages	December 2009
License Amendment Request Submission to NRC - Unit 2	First Quarter 2010
Unit 1 Gantry Crane Upgrade completed	First Quarter 2010
Unit 1 Outage for Refueling and Uprate Construction	April 2010
Unit 2 Outage for Refueling and Uprate Construction	November 2010
Turkey Point	
License Amendment request Submission to NRC - Alternate Source Term for both units	Second Quarter 2009
Engineering Modifications Supporting Uprates Completed	December 2009
License Amendment Request Submission to NRC - Extended Power Uprate for both units	Second Quarter 2010
Conditions of Certification for Turkey Point Units	Ongoing
Unit 3 Outage for Refueling and Uprate Construction	September 2010
Unit 4 Outage for Refueling and Uprate Construction	March 2011

EXHIBIT 2 *Source: FPL Response to DR-8.7, 8.8, DR-9.1*

Federal Approvals

In 2008, FPL completed engineering evaluations and analyses supporting its required Uprate License Amendment Requests to the NRC. The company originally intended to submit the License Amendment Requests in third and fourth quarter 2009. In April 2009, EPU project management adjusted its original regulatory submittal dates, and extended the schedule into

second quarter 2010. FPL believes these adjustments do not impact the project implementation schedule or costs.

A 2008 policy change constrains utilities from filing more than a single application before the NRC at one time. This decision means that FPL cannot "link" its license amendment request submittals for NRC review. This has effectively lengthened the timing required for regulatory review by spreading out the Uprate submittals. The NRC action delinking an Alternate Source Term license amendment request from the EPU license amendment request has caused FPL to reevaluate its licensing timeline.

FPL will submit four individual and separate license amendment requests to the NRC during 2009-2010. Requests will be submitted for St. Lucie in the fourth quarter 2009 (Unit 1) and the first quarter 2010 (Unit 2). There will be two license amendment requests for Turkey Point, each applicable to both Units 3 & 4. An Alternate Source Term request will be submitted in second quarter 2009, and an EPU request in second quarter 2010.

State Approvals

The Site Certification Application for the St. Lucie phase of the EPU project was submitted to the Florida Department of Environmental Protection in December 2007. The application for the Turkey Point phase was submitted in January 2008. Approval orders were received in September 2008 for St. Lucie and in October 2008 for Turkey Point. The Site Certification Applications contained conditions of certification, requiring additional work with the South Florida Water Management District, Miami Dade County, and Florida DEP for the Turkey Point Units. Minimal activities of this type are expected for the St. Lucie application.

Other Schedule Items

Procurement contracts for long-lead items such as the moisture separator reheaters, feedwater heaters, main condensers, heat exchangers, and generator step-up transformers were competitively bid and awarded in 2008. Engineering modification packages supporting the planned outages will be completed in 2009, with construction to occur in 2010-2011. FPL states that the company is on target to meet outages for refueling and concurrent uprate work currently scheduled in 2010 for St. Lucie Unit 1 (April), Turkey Point Unit 3 (September), and St. Lucie Unit 2 (November). The refueling and uprate work for Turkey Point Unit 4 is currently on target for 2011 (March).

Current St. Lucie and Turkey Point gantry crane capabilities were identified as a project risk in 2008. The FPL risk mitigation plan recommended hiring the original equipment manufacturer to perform an assessment of the cranes and provide recommendations for modification and improvements. Modifications to the gantry cranes are considered critical to the success of St. Lucie and Turkey Point outages.

In November 2008, FPL issued a single source, lump sum contract to American Crane and Equipment for [redacted]. American Crane is the original manufacturer of the St. Lucie Unit 1 gantry crane. The contract scope includes gantry crane upgrades for both St. Lucie Units 1 and 2. FPL states that the St. Lucie Unit 2 gantry crane upgrade is expected to be completed in 2009 and the Unit 1 upgrade in 2010. FPL believes it is impossible to perform the required

project work, consistent with current outage schedules, without these upgrades. The actual amount expended on the American Crane contract thus far is [redacted], per FPL's Schedule AE-8 submitted in May 2009.

FPL states that similar gantry crane modifications for Turkey Point Units 3 & 4 will be necessary. FPL also anticipates using the original equipment manufacturer to complete the Turkey Point 3 & 4 refurbishments in support of the Uprate. Costs for upgrading Turkey Point Units 3 & 4 gantry cranes have not yet been determined.

DRAFT

3.0 Project Oversight & Controls

What is the current Project Management organization for each project?

Turkey Point 6 & 7

The Turkey Point 6 & 7 project organization has not changed significantly from last year. While the organization has increased slightly in the number of personnel, the organizational structure remains much the same. As shown in **EXHIBIT 3**, the Turkey Point 6 & 7 project organization consists of two key groups, Project Development and New Nuclear Projects.

The Chief Development Officer is responsible for overall control of the Project Development group. This group has primary responsibility for project management, state regulatory processes, environmental services, transmission planning, and non-NRC licenses and approvals.

Turkey Point 6 & 7 Organization

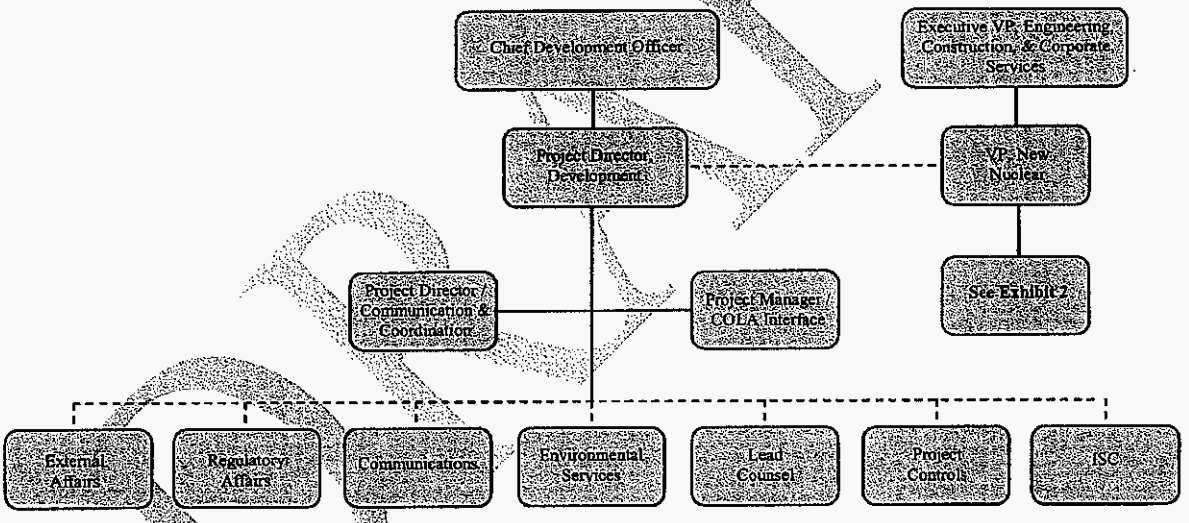


EXHIBIT 3

Source: FPL response, DR-1.35

The Project Director–Development manages the Project Manager/COLA Interface and the Project Director/Communications and Coordination. He also directs supporting activities with external affairs, regulatory affairs, project communications, environmental services, FPL legal, project controls, and procurement.

The Vice President, New Nuclear Projects, within Construction and Corporate Services, is responsible for managing the Combined Operating License Application, project engineering, procurement, site preparation, and construction activities. As shown in **EXHIBIT 4**, the Project Director and License Director report directly to the Vice President, New Nuclear Projects. Activities for procurement, quality assurance, legal assistance, and financial analysis provide

support to the project and have indirect reporting responsibility to the Vice President New Nuclear Projects.

New Nuclear Projects Organization

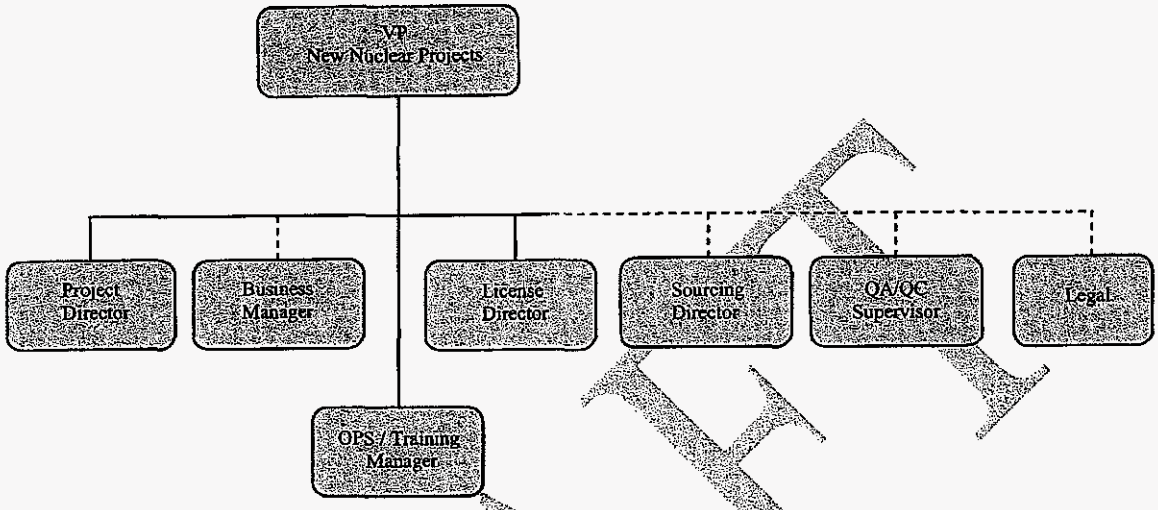


EXHIBIT 4 *Source: FPL response, DR-1.35*

The Project Development and New Nuclear Projects organizations share the same controls group, legal assistance, and procurement support. The Project Controls Group provides project schedule and budget updates, as well as monthly project dashboard views for management use. Legal support is necessary in the areas of cost recovery, land use, and NRC licensing. The Integrated Supply Chain organization provides support for contract development, RFP bid processing, procurement, contract negotiations, contract administration, and contractor evaluation.

St. Lucie and Turkey Point Uprates

Until late 2008, the Extended Power Uprate (EPU) Project Director and Engineering Director had oversight responsibility for the uprate projects at the St. Lucie and Turkey Point sites. These Directors reported to the Vice President, Nuclear Power Uprates, who is responsible for completing the uprate projects on schedule and budget. Project Managers at each site directed EPU project activities to complete the uprates, and Project Engineers for each site supported the project with on-site engineering.

In late 2008, FPL reorganized the EPU project and believes this reorganization marks a clear transition from the design and licensing phase of the project to the construction phase. **EXHIBIT 5** shows that the new organization still reports to the Vice President, Nuclear Power Uprate. The new structure incorporates several direct reports to the Vice President, Nuclear Power Uprate, including the Vice President, Implementation of EPU/Projects. This Vice President is responsible for providing oversight of the EPC contractor and project construction activities necessary to complete the uprates. A Project Director at each plant site reports directly to this Vice President. Each site Director has responsibility for the uprates at their assigned plant

site and coordinates EPC construction activities. FPL believes that Directors at each site will lead to greater company oversight, more efficient internal coordination, and better application of resources during the construction phase.

St. Lucie and Turkey Point Uprates Organization

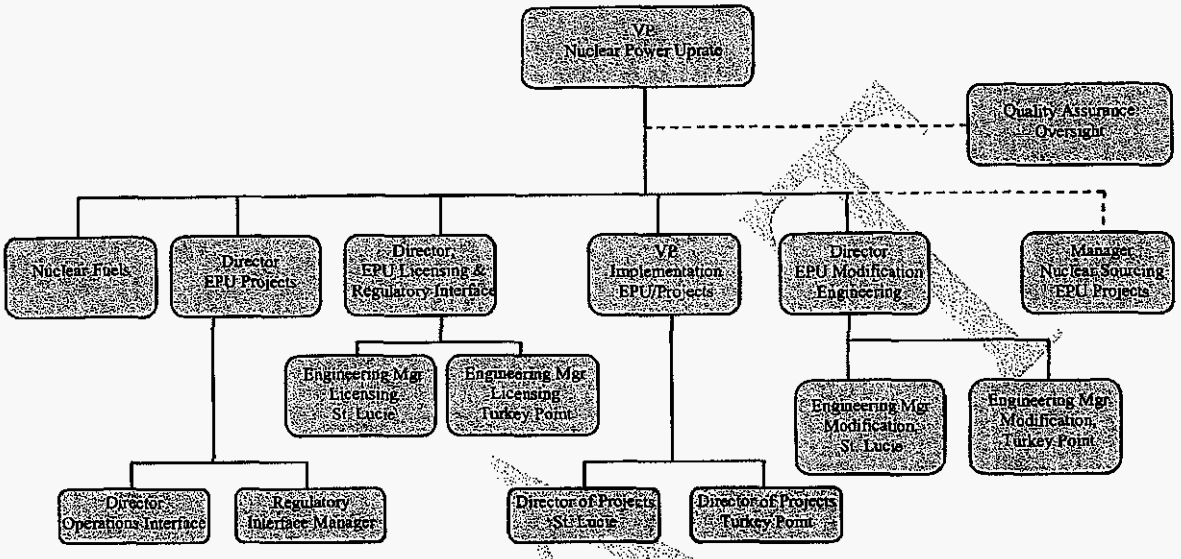


EXHIBIT 5 *Source: FPL response, DR-6*

Other direct reports to the Vice President Nuclear Power Uprate include Nuclear Fuels and the Directors of EPU Projects, Licensing and Regulatory Interface, and EPU Modification Engineering. The Manager, Nuclear Sourcing EPU Projects has a dashed line reporting relationship with the Vice President, Nuclear Power Uprate.

The organization also includes a Quality Assurance Oversight group. Assigned to the Quality Assurance Supervisor, the group is dedicated to EPU and has a dashed line relationship with the Vice President, Nuclear Power Uprate. The Quality Assurance Task Plan calls for surveillance of major equipment suppliers at least three times each year and holds them to the same standards used for other operating nuclear plant activities. Quality Assurance also provides oversight of Bechtel supplier inspections and of contractor activities at each uprate site.

What is the current Project Management controls environment for each project?

Turkey Point 6 & 7

FPL believes the proper Turkey Point 6 & 7 management structure is in place, with dedicated teams possessing the requisite subject matter expertise. Teams provide information flow in both directions while assisting oversight and accountability. FPL maintains that

comprehensive project oversight and accountability is rendered by the current organization, appropriately applying assets to issues and encouraging open, effective communication.

The company states that Turkey Point 6 & 7 oversight is synergistic and mutually supportive at all levels, comprised of organizational management and leadership elements, professional disciplines, and subject matter experts. Oversight is provided by:

- Executive management
- Subordinate managers
- Subject matter experts (SME) within the project team(s)
- Mutually reinforcing schedules and cost controls
- Regular updates on risk, cost, and schedule

FPL's Project Controls Group provides project management reports containing the project schedule, budget costs, vendor performance and risk concerns. The Controls Group monitors and updates the ongoing project schedule with Primavera software that also allows production of customized management reports.

On-site Project Managers, Technical Representatives, and Quality Assurance personnel monitor vendor performance to ensure activities are completed on time and within budget. ISC Sourcing Specialists and Contract Managers also monitor vendors and assist in assessing contract changes and contractor performance. If schedule or budget variances occur, they report potential risk to management. These reports help management to identify and prioritize risk, develop mitigation strategies, and implement resolutions addressing schedule and budget variances.

FPL also conducts an annual feasibility study which is presented to executive management. This study reviews costs and affirms economic viability of the nuclear projects and, in doing so, provides additional oversight and accountability control. The 2008 and 2009 feasibility studies determined that construction of Turkey Point 6 & 7 is economically viable and offers substantial benefit over alternatives. The studies supported continuation of the project. Through each annual feasibility study FPL regularly evaluates the continuing benefits of the project. Based on project schedule, budget, and alternative actions, FPL determines whether the project should continue.

FPL is an active participant in several nuclear industry associations. The company believes these offer valuable perspectives on the nuclear industry as a whole and on current nuclear projects worldwide. These insights help FPL manage project schedule and costs. Additionally, such affiliations provide FPL with pricing discounts or other alternatives that are not available to non-members. Among the organizations FPL is currently affiliated with include:

- NuStart Consortium, LLC
- AP-1000 Owners Group (APOG)
- AP-1000 Design Centered Working Group
- Advanced Nuclear Technology Group (ANT)

St. Lucie and Turkey Point Uprates

FPL management believes that systems and controls currently in place provide the requisite oversight. These include elements to oversee project planning, management, and execution. FPL states that a comprehensive Project Management Plan is in place, providing adequate project information and guidance. Each EPU site has its own specific EPU Project Plan for reference, offering a management framework to help complete the Uprate projects.

The company states that its EPU oversight combines a variety of organizational management and leadership elements, professional disciplines, and subject matter experts to provide project oversight and accountability. Those elements include:

- Executive management
- Subordinate managers
- Expertise within the project team(s)
- Mutually reinforcing schedules and cost controls
- Subject matter experts from Nuclear Business Operations (NBO)
- EPU-specific procedural guidelines and references
- Regular updates on risks, cost, and schedule

FPL conducts an annual project economic feasibility study. This completed study is presented to executive management who use it to review costs and evaluate economic viability of the project, as well as provide another means of oversight and accountability control. The 2008 feasibility study concluded that the Uprate project is economically viable and cost effective for producing additional generating capacity for anticipated customer need. The 2009 study determined that the EPU continues to offer substantial economic benefit over other resource and generation alternatives, and concluded by supporting continuation of the EPU project.

What are the information and communication controls for each project?

Turkey Point 6 & 7

FPL states that the system of regular reports and meetings currently in place for Turkey Point 6 & 7 enhances effective information and communication. Reports have differing purposes but, as a group, they are intended to assess progress and ensure key personnel are well informed on key issues. Each meeting also provides a forum for the exchange of problem solving ideas. Recurring meetings and reports are displayed in **EXHIBIT 6**.

Turkey Point 6 & 7 Information and Communication Controls	
Frequency	***Description***
Weekly	COLA team status update meeting
Weekly	Site Certification Application (SCA) team update meeting
Weekly	Transmission Siting team update meeting
Monthly	Project Team Meeting
Monthly	Engineering & Corporate Services Executive Summary
Monthly	Project Report
Monthly	New Nuclear Executive Update
Monthly	NRC Meeting
Quarterly	Due Diligence Report
Quarterly	Westinghouse Update – Status of Chinese AP-1000 Project

EXHIBIT 6 *Source: March 2009 Testimony, S. Scroggs, Exhibit SDS-5*

St. Lucie and Turkey Point Uprates

FPL states that regularly scheduled meetings are held for the Uprate projects, each designed to further effective project management. The intent of each meeting is to succinctly communicate performance and gauge progress as measured against quality, schedule, and cost milestones or projections. FPL contends that each meeting also provides a forum for the exchange of ideas regarding issues common to multiple sites. Recurring meetings include those shown in **EXHIBIT 7.**

St. Lucie and Turkey Point Uprates Information and Communication Controls	
Frequency	**Description**
Daily	Morning Update Meeting
Weekly	Risk Mitigation Meeting
Biweekly	Chief Nuclear Officer, Project Vice Presidents, Directors, and Managers Meeting
Monthly	Executive Steering Committee Meeting
Monthly	Management Review Meeting
Monthly	Monthly Technical Steering Committee Meeting
Monthly	Major Vendor Meeting
Monthly	Project Report
Quarterly	Project Meeting with Major Vendors
As Needed	Project Steering Committee Meeting

EXHIBIT 7 *Source:DR-1.6*

What are the current controls for monitoring project schedule and cost?

Turkey Point 6 & 7

FPL believes the company has an array of reports and meetings capable of monitoring project cost and schedule. These reports help discern and evaluate performance trends while providing near real time assessments of project schedule, staffing, and costs. Additionally, they

assure that appropriate levels of management are informed and take action to resolve issues. Reports and meetings key to monitoring project cost and schedule are shown in **EXHIBIT 8.**

Turkey Point 6 & 7 Schedule and Cost Monitoring Controls	
Frequency	**Description**
Weekly	6-week Look Ahead
Weekly	Environmental Final Review Schedule
Weekly	License Review Board (LRB) Final Review Schedule
Weekly	Schedule Resource Profiles
Weekly	Performance Indicators Meeting
Monthly	New Nuclear Executive Update
Monthly	Project Team Meeting
Monthly	Engineering & Corporate Services Executive Summary
Monthly	Project Dashboard Review
Monthly	Corporate Variance (Cost)
Monthly	New Nuclear Units Cost Update
Monthly	Annual Forecast Analysis (Cost)
Monthly	Nuclear Filing Requirement (NFR) Cost Summary
Monthly	One Page Cost Summary
Monthly	Project Cost Summary
Monthly	Cost Recovery by Detail
As Needed	Project Team Meeting With Corporate Risk Committee
Annual	Feasibility Study

EXHIBIT 8 *Source: March 2009 Testimony, S. Scroggs, Exhibit SDS-5*

St. Lucie and Turkey Point Uprates

Among the most important and integral controls for monitoring the Uprate schedule and cost are the many meetings and management reports. Meetings occur regularly – from morning phone conferences between key management personnel to a system of weekly, biweekly, and monthly meetings and reports, including those shown in **EXHIBIT 9**.

St. Lucie and Turkey Point Uprates Schedule and Cost Monitoring Controls	
Frequency	**Description**
Weekly	Site Schedule Update Meeting (controls, schedule, status, costs)
Weekly	Project Controls Meeting
Weekly	Contracts Administration Meeting
Weekly	Integrated Supply Chain Meeting
Weekly	Licensing & Engineering Meeting
Weekly	Key Progress Indicators Report
Biweekly	St. Lucie and Turkey Point Update Meeting
Monthly	Executive Steering Committee Meeting
Monthly	Vendor Integration Meeting
Monthly	Project Steering Committee Meeting
Monthly	Major Vendor Meeting
Monthly	Budget Variance and Project and Contract Deviation Report
Annual	Feasibility Study

EXHIBIT 9 *Source:DR-1.6*

The Controls Group has responsibility to monitor project schedule and costs, providing regular status reports to EPU management. Controls Group also provides management reports to executive management. Primavera scheduling software is used to monitor and track the project schedule. Revisions may be made using the software and Primavera is utilized to produce project schedule summaries and risk management reports.

Nuclear Business Operations group specialists have been recently integrated at each site. These on-site representatives provide independent cost review, prepare monthly cost reports, and monitor the accounting code structure in a real-time, ongoing manner, for management.

An annual feasibility study also functions as a critical periodic check. The study reviews current expenditures and reconfirms the economic viability of the project compared to available alternative production methods and projections of future costs.

How does the company assess the risk of each project?

General

The FPL Corporate Risk Committee is a primary oversight body for risk management. This committee is made up of FPL directors and senior employees whose responsibility is to periodically review the project and associated risks.

Turkey Point 6 & 7

FPL states that it continually monitors and evaluates risk for Turkey Point 6 & 7 and proactively seeks mitigation strategies, increasing its situational control. The company monitors and assesses risk using a system of internal controls, meetings, management reports, internal and external audits and the feasibility study. Together these provide Turkey Point 6 & 7 management at all levels with insight on risk and mitigation strategies.

FPL states that the Turkey Point 6 & 7 Project Team meets periodically with the Corporate Risk Committee, providing them an assessment of project risk.

In conjunction with its annual Nuclear Cost Recovery Filing, FPL also analyzes the continued feasibility of the project. Based upon assumptions for construction costs and projections of future natural gas prices, FPL reexamines whether nuclear generation remains the most cost-effective option. FPL also takes market demand forecasts into consideration, verifying that timing and customer need for the projected megawatts has not changed.

FPL introduced or revised several risk assessment and management tools during 2008. Newly introduced or revised risk assessment and management tools are shown in **EXHIBIT 10**.

Turkey Point 6 & 7 Risk Assessment and Management Tools	
Type	**Title**
Procedure / Guide	Electronic Invoice Scan Process
Procedure / Guide	New Nuclear Project (NNP) Desktop Guide
Procedure / Guide	NNP Regulatory Items & Commitments Database
Procedure / Guide	NNP Regulatory Items & Commitment Database Control
Procedure / Guide	NNP Combined License Application Submittal
Procedure / Guide	NNP Correspondence
Procedure / Guide	COLA Submittal – NNP Desktop Guide
Procedure / Guide	COLA Review and Acceptance Process
Report	Updated Monthly Cost Report

EXHIBIT 10 *Source:DR-1.6*

FPL also evaluates Turkey Point 6 & 7 project risk using a variety of regularly scheduled meetings and reports. These include those shown in **EXHIBIT 11**.

Turkey Point 6 & 7 Risk Management Meetings and Reports	
Frequency	**Description**
Weekly	New Nuclear Small Team Meetings
Weekly	Performance Indicators Report
Monthly	Project Team Meeting
Monthly	Project Dashboard Review
Monthly	New Nuclear Units Cost Report
Quarterly	Due Diligence Report

EXHIBIT 11 *Source:DR-2.1*

The magnitude and long term nature of the schedule for Turkey Point 6 & 7 increases risk potential. Though the company monitors a variety of areas for potential risk through use of the tools mentioned above, three areas of particular FPL concern are:

- The national economic downturn
- Nuclear industry events which could impact vendor negotiations
- The political and regulatory environments

FPL's primary response to impacts from the recent economic downturn is to ensure that, whenever possible, competition is encouraged and that any potential risk is adequately addressed in every contract. Protective language is included in contracts, maintaining what the company believes is a reasonable balance of cost effectiveness and risk.

Florida and the federal government are considering generation standards that promote clean energy. Passage of stricter standards could change the current Nuclear Cost Recovery system. If standards change, FPL would reevaluate the overall viability of the Turkey Point 6 & 7 project compared to available alternatives.

Ongoing commercial negotiations with Westinghouse/Shaw for the possible Engineering and Procurement contract presents risk. Management states that because of contracting challenges unique to new nuclear deployment and the current market, the company may not be able to win favorable terms, conditions, scope, and payment schedules in light of the present economic, legislative, and regulatory environment. Because of volatility in the marketplace, contracts are very sensitive to timing. The company states that tradeoffs between the competing objectives of low expenditures and maintaining schedule will be routinely and regularly considered. If expenditures above current forecasts are required to keep to the schedule, FPL would evaluate whether such expenditures are warranted and cost-effective.

FPL further states that there is regulatory risk associated with Turkey Point 6 & 7 due to the incremental nature of the processes involved. The state Power Plant Siting Act has a statutory timeline for review and this must be completed before federal applications. Then, the State Site Certification and Army Corps of Engineer wetland permits must be received before any clearing or construction commences. The NRC's Combined Operating License is required before any nuclear safety-related construction, such as the plant basemat. Federal permits and licenses are evaluated on a non-statutory timeline but once the NRC COLA is docketed, a non-binding schedule is produced which furnishes an estimated completion date. Throughout each process, there exists the opportunity for challenges that could result in delays. Therefore, FPL maintains that it is difficult for the company to determine whether site preparation activities such as clearing, construction of access roads, and preliminary fill can be initiated timely enough to support the current schedule.

FPL believes that the company has robust mitigation strategies for regulatory, commercial negotiations, and permitting. The company reviews and assesses applicable draft legislation and considers potential impacts and risks. FPL monitors the progress of commercial negotiations throughout the nuclear industry, incorporating advantageous, publicly available information into the dialog with vendors. Management routinely monitors other companies' licensing and permitting activities. Lessons learned are used to produce a more complete FPL application and reduce the risk of delays caused by review agencies seeking additional information. Management engages permitting agencies in regular discussions, incorporating feedback into creating a more complete application.

St. Lucie and Turkey Point Uprates

FPL evaluates risk in an ongoing basis for the St. Lucie and Turkey Point Uprate projects. To do this, the company states it employs an overlapping mix of internal controls, meetings, communications tools, reports, internal and external audits and an annual feasibility study.

FPL uses these meetings, reports, and mitigation strategies to identify, assess, quantify and mitigate EPU risk. FPL internal instruction EPPI-340, *EPU Project Risk Management Program*, provides organizational guidance and expectations for risk management. It assigns responsibilities and provides instructions for identifying, reviewing, assessing, tracking, mitigating, and closing risk. EPPI-340 was revised in November 2008.

Through the feasibility study, done in conjunction with the annual Nuclear Cost Recovery Filing, FPL analyzes the continued feasibility of the project. Based upon its cost assumptions for the Uprates and the future cost of natural gas, FPL reexamines whether nuclear generation remains the most cost effective option. FPL also considers marketplace demand forecasts, determining that demand still exists for the anticipated additional capacity and that the timing for this need has not changed.

FPL evaluates EPU project risk using a variety of regularly scheduled meetings and reports. These include those shown in **EXHIBIT 12**.

St. Lucie & Turkey Point Uprates
Risk Management Meetings and Reports

Frequency	Description
Daily	Conference Call – EPU management & vendors
Weekly	EPU Indicators Meeting
Biweekly	Update & Risk Identification Meeting
Biweekly	Port St. Lucie & Turkey Point Updates
Biweekly	EPU Progress Review
Monthly	EPU Monthly Operating Report
Monthly	EPU Project Risk Matrix
Monthly	Project Steering Committee
Monthly	Technical Steering Committee
Monthly	Executive Steering Committee
Monthly	Risk Mitigation Plan Review
Quarterly	Project Meeting

EXHIBIT 12 *Source:DR-2.1*

Each of these meetings and reports speaks to one or more critical aspects of the Uprate project. Combined, FPL believes the system to be complete, comprehensive, responsive, and synergistic, leveraging every facet of project management.

The daily morning conference call between key EPU management personnel and vendors provides the latest project updates and status report. Every meeting has as its basis the standardized Extended Power Uprate Daily Report which helps keep meetings on track and allows participants to quickly and easily identify salient items.

Each weekly EPU indicators meeting begins with a review of an organizational self-improvement tenet. Management states that as a company FPL embraces the "self-improving culture" of a "learning organization" and depicts this principle on the cover page of each weekly meeting report. Every meeting features a discussion of the Key Performance Indicators (KPI) for each unit. Information is captured on a weekly basis and trended across the two preceding weeks so that trends might be identified. Uprate project KPI discussed each week include:

- Cost
- Schedule
- Engineering Deliverables
- Project Management

- Long Lead Materials
- Installation Planning
- Station Integration

Color-coded charts show schedule allowances for subsections within each KPI category. The charts use a simple green-white-yellow-red scheme depicting whether each KPI variable is ahead, meeting or behind schedule. Appendices for each KPI provide more detail. Following the color coded KPI report is a summary of the results for the Risk Management Report, a Cost Report and Summary, a Variance Report, Cost Profile Projections for 2009, Cost Profiles by Category for 2009, an Invoice Report, Deviation Log, a comparison of planned and actual EPU LAR work hours for vendors and a Major Long Lead Equipment Milestones report.

The biweekly update and risk meeting takes place with the Chief Nuclear Officer, project Vice Presidents, Project Directors and managers. Central to each meeting is a project progress update, assessment of identified risks, and discussion of mitigation strategies for those risks.

FPL also monitors and performs risk assessment for the State of Florida's siting approval process. This oversight remains in place, from pre-filing briefings to the issuance of the final Order of Certification.

Since April 2008, FPL has identified sixty items or events in the EPU Project Risk Management report. Five items at St. Lucie and three at Turkey Point are relatively new and await further assessment. Twenty-seven items were mitigated successfully and closed. Twenty-five other items remain open and ongoing, twelve at St. Lucie and 13 at Turkey Point. Four open items have a high expected probability of occurrence (one at St. Lucie, three at Turkey Point), 16 items have a medium probability (ten at St. Lucie, six at Turkey Point), and five ranked as low probability (one at St. Lucie, four at Turkey Point).

Probability of occurrence is further clarified by an indication of potential project impact if the event occurs – critical, significant, and marginal. Of the four high-probability items mentioned above, two are critical and two are significant.

Both identified high-critical risks occur at the Turkey Point site. In one, an error was discovered in the containment integrity design analysis which might significantly reduce containment margin pressure. A mitigation plan is under development. The other high-critical item identifies the potential for corrosion due to the increased water flow requirements. According to FPL, this concern could cause delays in the LAR schedule, increase costs, lead to loss of generating capacity, or possibly require derating the units to stop the problem.

The St. Lucie and Turkey Point sites each have a "high-significant" concern, that vendor staffing may be insufficient. FPL instructed vendors to provide a recovery plan. Mitigation actions are being implemented and FPL is monitoring the effectiveness of the vendors' actions.

What are the current auditing and quality assurance controls?

General

FPL's Quality Assurance organization is a participant in the Nuclear Procurement Issues Committee (NUPIC) and supports the organization's audits of industry suppliers. Formed in 1989, the organization is a partnership of all US and several international nuclear utilities. NUPIC conducts audits and surveys of nuclear utility suppliers. The audits and surveys are performed using an industry-wide standardized approach. The results are beneficial to all member utilities, providing oversight of nuclear vendors. Many project vendors have undergone NUPIC audits in the last four years, providing FPL with additional oversight.

Turkey Point 6 & 7

FPL management states that the auditing and quality assurance controls in place during last year's review remain intact. The company states that project controls are continually monitored, reviewed, revised, and strengthened. FPL states that auditing and quality assurance activities remain a vital part of the project controls for Turkey Point 6 & 7.

Six external audits concluded during 2008. Two others are ongoing. In the spring of 2008 and again in early 2009, FPL engaged Concentric Energy Advisors, an economic advisory and management consulting firm, to review Turkey Point 6 & 7 project controls. At the conclusion of the review, Concentric provided recommendations for improvement but noted that none should raise concerns. The Concentric review concluded that:

- Turkey Point 6 & 7 had complied with the FPL system of internal controls
- Established an appropriate organizational structure,
- Implemented and adhered to FPL policies and procedures,
- Developed project-specific instructions and guidelines,
- Oversight ensure compliance with the system of internal controls,
- Sought review by FPL and external experts, and
- Turkey Point 6 & 7 is well positioned to execute the project.

Internal audits play a major role in oversight. FPL completed two internal audits for Turkey Point 6 & 7 in 2008. The New Nuclear Project Review report was issued in November 2008, with recommendations for improvement. FPL conducted additional training based on the recommendations. No changes to project management structure or controls resulted from the audit recommendations. A second audit, the *New Nuclear Project Review – Phase II*, began in early 2009 and the report was issued in June 2009. Minor discrepancies were noted and corrections made by FPL. No changes to structure or controls resulted from the recommendations.

The Project Controls Group conducted an audit on Bechtel practices at Turkey Point 6 & 7. [redacted]

The Quality Assurance group completes vendor audits for safety-related products and contractor performance evaluations for safety-related contractors. FPL's vendor audits target manufacturing quality and controls. When vendors are contracted, FPL's Quality Assurance group audits the vendor's Quality Assurance Plan to ensure it meets NRC and FPL Quality Assurance requirements. FPL Quality Assurance also performs quality surveillances to ensure the work completed by the vendor meets contract specifications. Activities are compiled in an annual Quality Assurance Plan for management review and input. The Quality Assurance Manager also completes a daily project quality summary for management review, reporting any concerns. Quality Assurance can undertake audits or surveillances upon management request.

An example of Quality Assurance oversight and quality control is a surveillance conducted in October 2008. It examined instrumentation installed on drilled wells used to provide precise measurements of underground water characteristics. The surveillance identified failures with water salinity and level change instrumentation. Closer scrutiny revealed incorrect calibration. The calibrations were corrected and all previous measurements were recalculated.

In September of 2008, NUPIC issued audit results of Westinghouse Nuclear Power Plants, evaluating the adequacy and effectiveness of the Westinghouse Nuclear Power Plant Quality Assurance Program. The audit examined compliance of the AP1000 with 10CFR50, Appendix B, and requirements of 10CFR, Part 21. A total of 11 findings were reported. Findings involved the design verification and change process, document change proposals, and an inability of the supply chain to identify design changes for corresponding purchase orders. In addition, the audit found that the Westinghouse corrective action program for implementing internal audit findings was insufficient. FPL states that Westinghouse took the NUPIC audit findings seriously and implemented corrective actions. FPL further noted that the NRC conducted a subsequent audit without findings.

St. Lucie and Turkey Point Uprates

During first quarter 2008, FPL conducted an internal audit reviewing the appropriateness of charges made against the uprate (*Extended Power Uprate (EPU) Review*). Some discrepancies were noted and corrected but, overall, FPL found that charges were appropriately made against the FPL uprates. In the first quarter of 2009, FPL conducted a follow-on review (*Extended Power Uprate (EPU) Review – Phase II*). Completed in June 2009, this second phase again found minor discrepancies which FPL corrected.

In 2008 and again in early 2009, FPL engaged Concentric Energy Advisors to review EPU internal controls, management processes, and procedures. Concentric provided recommendations for improvement at the conclusion of the review but pointed out that none raised concerns about the effectiveness of EPU management, processes, procedures, or internal controls. The review indicated that, in general, the Uprate project complied with the FPL system of internal controls and further found that:

- EPU has an appropriate organizational structure,
- Internal oversight mechanisms ensure compliance with internal controls,
- A system of adequate and timely reporting of project developments exists, and
- EPU seeks to leverage lessons learned and industry experience

In the third and fourth quarters of 2008, FPL noted recurring schedule variances by the major contractors, [redacted] Seeking to avoid significant schedule delays, or "negative float", FPL sought a root cause report from the vendors. FPL also requested explanations and remediation plans. The plans were reviewed and subsequently implemented, bringing the vendors back onto the contract timeline. FPL also imposed rigorous reporting requirements to better monitor the situation on a going forward basis.

As previously discussed in Chapter 2.0, an internal audit was also completed in response to an FPL employee complaint regarding hiring of temporary labor (*Hiring Temporary Labor Through Guidant*). The matter was investigated and a report with findings was issued in December 2008. Remediation actions addressed the employee's specific concern. [redacted] were included in the remediation plan. There has been no recurrence; the Employee Concerns Program worked as intended for reporting possible misconduct and in identifying, investigating, and remediating the underlying circumstances.

In 2009, FPL audits of contractor time sheets determined that falsification had occurred. One contractor was dismissed and FPL is attempting monetary recovery. As a result of the EPU management reorganization, an internal review was also conducted to verify contractor experience and skills. This internal review resulted in the dismissal of two contractors. The hiring manager of the three individuals discussed above was also dismissed.

Are the project control activities documented?

Turkey Point 6 & 7

FPL manuals, policies and procedures provide a set of processes and guidelines applicable to the Turkey Point 6 & 7 project. These identify individual and collective responsibilities and further the understanding of training, standards, reporting, and roles. Key Turkey Point 6 & 7 policies, procedures and controls include those in **EXHIBIT 13.**

Turkey Point 6 & 7 Policies and Procedures	
Reference Number	**FPL**
General Operations - O2	FPL Group Internal Control Policy
General Operations - 700	Integrated Supply Chain – Policy
General Operations - 705	Purchasing Goods and Services – Policy and Definitions
NP-1100	Nuclear Division Procurement Controls, Rev 16
Engineering & Construction	Project Controls Process Overview (04/24/08)
Engineering & Construction	Project Controls Monthly Deliverables (2009)
-	Desktop Online Authorization Process, Rev 17, 12/17/06
-	Work Breakdown Structure, 01/2009
-	Project Control Guidelines Memo, 3/21/08
Reference Number	**New Nuclear Plant Specific**
NNP-PI-03	NNP Project Document Retention (04/28/08)
NNP-PI-04	COLA Configuration Control (1/20/09)
NNP-PI-07	NN Department Training (4/17/08)
NPP-PI-08	NN COLA Review & Approval Process (05/21/08)
NPP-PI-09	NN COLA Submittal (7/26/08)
NNP-PI-10	NNP PTN COLA Related Project Management Briefs and COLA Related Document Reviews (3/11/08)
NNP-AA-01	NNP Regulatory Items & Commitments Database Control (0/25/08)

EXHIBIT 13 *Source: March 2009 Testimony, S. Scroggs, and Exhibits SDS-4 & SDS-6*

St. Lucie and Turkey Point Uprates

FPL uses EPU Project Instructions (EPPI) to assist with project oversight and accountability by documenting control activities. EPPIs completed since staff's 2008 review are listed in **EXHIBIT 14** below.

St. Lucie & Turkey Point Uprates Policies and Procedures		
Title	**EPPI**	**Issued**
Project Instruction, Preparation, Revision, and Cancellation	100	9/29/08
EPU Project Expectations & Conduct of Business	110	1/22/09
EPU Project Contractor Staffing	130	2/3/09
Roles and Responsibilities	140	9/15/08
Project Invoices	230	8/28/08
EPU Contract Compliance Program	240	11/20/08
Project Scope Control Process	300	8/28/08
Development, Maintenance, and Update of Schedules	310	1/12/09
EPU Project Risk Management Program	340	12/1/08
Project Plans and Task Plans	410	10/7/08
EPU Project Personnel Training Requirements	520	12/19/08
EPU Project Qualification Guidelines	560	12/19/08
EPU Uprate License Amendment Request	610	12/3/08
Regulatory Communications Guideline	630	11/20/08

EXHIBIT 14 *Source: March 2009 Testimony, R. Kundalkar*

4.0 Contract Selection & Contractor Management

How does the company ensure that its contracts are priced appropriately?

FPL states that to ensure its contracts are appropriately priced for materials, services, and equipment, the company uses market knowledge, experience, technical resources, and contract strategies to select the most favorable terms. For competitively bid contracts, FPL believes that because of its purchasing volume, relative marketplace position, and vendor competition, it has historically been able to achieve favorable pricing and terms. FPL maintains that it negotiates vigorously to ensure bid contracts provide the best overall value.

Prior to the issuance of a Request for Proposal FPL establishes evaluation criteria and plans. The company believes this ensures that vendors provide all relevant bid information, and that new factors favoring a specific bidder are not introduced after bids are received. Bid factors are weighted on a case-by-case basis and separate technical and commercial evaluations are performed. The FPL business unit requesting the procurement performs a technical evaluation to ensure bid requirements are met. The Integrated Supply Chain performs a commercial evaluation to review the company's financial stability. An evaluation team, comprised of subject matter experts and representatives from the requesting business unit, considers the results of both evaluations and makes a joint procurement decision. Procurements greater than $2 million are also briefed to senior supply chain management for critique and feedback.

FPL states that it aggressively negotiates with the identified vendors for single and sole source procurements. FPL reports that an evaluation of costs and benefits is conducted to ensure contract prices offer the best value available. This evaluation includes potential benefits that would be lost if the company competitively bid the contract. FPL policies require single or sole source justifications to identify the value advantages to the company in these instances.

FPL states that its focus in single and sole source procurements is value and how the company can be assured that best total value is being obtained despite the fact that bids are not obtained. The following reasons are documented in company policies and procedures as examples of reasonable justification for a single/sole source procurement:

- A proven supplier with a record of success achieved an advantage over other similar vendors such that no other supplier could possibly provide the work as cheaply,
- The unique ability to meet short schedule requirements, not the result of starting the procurement process late, but instead stemming from short-term commercial opportunity, or newly imposed factors such as legal or regulatory requirements, or
- For items underway, if buying from a non-OEM vendor would void valuable warranty provisions.

FPL states that existing contracts are also subject to additional negotiations, whether bid, single, or sole sourced. FPL reports that these periodic and ongoing negotiations help to stabilize or reduce ongoing contract costs associated with increased rate adjustments. Examples of FPL procurements for the Turkey Point Units 6 & 7 Units and St. Lucie and Turkey Point Uprates for 2008 are described below.

Turkey Point Units 6 & 7

As discussed earlier, FPL has been negotiating the engineering and procurement agreement with Westinghouse during 2008, and FPL believes there is considerable potential savings in competitively bidding a construction contract separately. FPL states, however, that it has not excluded the potential for a Westinghouse and Shaw, Stone & Webster EPC package. Still, FPL believes it has identified other qualified and knowledgeable candidates to construct the new AP1000 units, should it elect to pursue this approach.

FPL signed a reservation agreement with Westinghouse Electric Company, effective April 21, 2008. The reservation was for the necessary manufacturing capacity of the long lead time forgings associated with the two AP1000 units scheduled to be built at the company's Turkey Point site. FPL has negotiated this agreement with Westinghouse since April 2008, and has until December 31, 2009 before the agreement would expire. At that time, FPL would potentially lose a portion of the $10.8 million reservation fee. [redacted]

St. Lucie and Turkey Point Uprates

In 2008, FPL competitively bid the EPC contract for the Uprate projects. The scope of work for these contracts includes the provision of project and corporate technical services and resources to plan, engineer, and implement the project modifications for the EPU project through 2012.

FPL developed the EPC Request for Proposal and invited six major vendors to provide bids in May 2008. Ultimately four firms submitted bids that were evaluated separately and independently by four subject matter expert team members using a matrix of pre-determined technical criteria. These bids were rated by each evaluator. A preliminary commercial assessment of each vendor was considered to ensure all vendors met FPL's commercial criteria.

During July 2008, the four remaining vendors were given a risk template to provide FPL an assessment of the primary risk assumptions that each vendor believed would impact their implementation of the project and a rating of the highest risk to the lowest. In August 2008, FPL met separately with vendors to discuss their responses to the risk template and to answer vendor questions.

After these meetings, another round of independent evaluations of the original bid information and the additional information from the risk template were completed by the four subject matter experts. At the same time, the Integrated Supply Chain team completed a final

commercial evaluation of the vendors, and examined vendor changes to contract terms and conditions, the cost associated with each vendor's proposal, and the financial capabilities of each vendor. These commercial considerations were given numerical scores as well, and the combined commercial and technical evaluation scores were totaled into a vendor overall score.

Using the overall vendor scores, considering the vendor's changes to contract terms and conditions, the vendor's reliance on other contractors, and historical performance issues with vendors on previous work, FPL eliminated two of the four vendors. FPL continued on with two of the highest scoring vendors. In September, FPL asked the two remaining vendors to supply additional qualifying information, and to provide their best and final offer for the projects.

According to FPL, one vendor proved to have the most favorable overall proposal in terms of cost, contract terms and conditions, and ability to meet the project's technical needs. FPL began negotiations with this vendor and completed the contract in November 2008. FPL management and Bechtel Power Corporation signed the EPC contracts for the St. Lucie and Turkey Point Uprate projects in November 2008. Bechtel began staffing the project in December 2008, and is continuing to mobilize resources for the Uprate projects during early 2009. The two competitively bid EPC contracts totaled over [redacted] in total contract value.

What are the company's current process and controls for soliciting and evaluating contractor bid selection?

FPL's Integrated Supply Chain personnel provide support to both the Turkey Point 6 & 7 project and the St. Lucie and Turkey Point Uprate projects. Sourcing Specialists provide assistance in contract development, administration, contract bidding, and bid evaluation.

Integrated Supply Chain personnel supporting Turkey Point 6 & 7 use Nuclear Administrative Procedure (NAP) 420 to guide contract development and administration efforts. For single and single source justifications Nuclear Policy NP-1100 is used.

Contract bid selection procedures governing the Uprate projects are found in FPL's General Operating Procedure 705 and in Nuclear Policy NP-1100 Procurement Control. In addition to General Operating Procedures and Nuclear Policy procedures, the Uprate projects have implemented Extended Power Project Instructions (EPPI). EPPI series 200 procurement procedures specifically address contract administration, project requisition and purchase order processing, project invoicing, the EPU contract compliance program, and the preparation of installation services specifications.

Both nuclear projects use Sourcing Specialists as an independent agent to assist FPL nuclear departments in contract development by:

- Identifying potential bidders
- Developing the Request For Proposal
- Coordinating all communications and confidentiality agreements with bidders
- Ensuring proper approval authorizations are obtained

FPL Nuclear Division policy NP-301 documents expenditure authorization limits for management approvals within FPL's Nuclear Fleet. **EXHIBIT 15** shows the authorized nuclear approval levels for both Turkey Point 6 & 7 and the St. Lucie and Turkey Point Uprate projects.

FPL Nuclear Division Expenditure Authorization Limits Nuclear Procedure NP-301	
Management Title	**Dollar Approval Level**
Chief Executive Officer, Chief Financial Officer and Chief Operating Officer	*> $20 million*
Chief Nuclear Officer	$20 million
Nuclear Chief Operating Officer	$10 million
Nuclear Vice Presidents	$5 million
Senior Managers/Directors and Senior Directors	$1 million
Managing Professionals and Lead Professionals	$250,000
Senior Professionals (in supervisory position)	$10,000

EXHIBIT 15 *Source: DR-1.19*

Upon receipt of bid responses, the Sourcing Specialist separates proposals by technical and commercial information. A technical evaluation determines whether the vendor has responded to all aspects of the technical requirements. A commercial evaluation confirms the financial stability of all bidders. If necessary, the Sourcing Specialist coordinates written requests for additional technical or commercial information from bidders.

Upon completion of the evaluation, the Sourcing Specialist and originating department meet to determine a recommended vendor. If evaluations find more than one qualified bidder, the originating department determines whether to request a Best and Final Offer.

If a best and final offer yields additional information, an added technical and commercial evaluation is completed. The Sourcing Specialist prepares recommendations to the originating department, and receives concurrence of the Department Head in selecting the best qualified vendor. The Sourcing Specialist is responsible for ensuring procurement documents are maintained in accordance with approved procedures and processes, developing key commercial issues for negotiations, and coordinates the negotiating subject matter team experts.

The Sourcing Specialist also notifies the recommended vendor of the intent to negotiate a contract, and coordinates the timing and location of negotiation meetings and exchange of information for the negotiating process. Upon completion of successful negotiations, the Sourcing Specialist develops a final set of commercial terms and conditions, scope of work, compensation, and specifications as applicable.

What is the company's current process and controls for single/sole source selection?

As mentioned previously in Chapter 2, the Commission issued Order No. PSC-08-0749-FOF-EI in November 2008. This requires FPL to improve documentation and support for sole source contracts for future filings in the Nuclear Cost Recovery Clause.

FPL states that EPU project management follows established company guidelines for sole source selection. The processes and controls governing selection are contained in NP-1100, Nuclear Policy Procurement Control.

FPL's nuclear procurement policy is to competitively bid all material and service contracts with an estimated value over $25,000. NP-1100 specifies that sole sourcing is for use only on a limited basis and when justified. Written justification is required to substantiate need.

NP-1100 defines single/sole source purchases as those for which no other reasonable supplier exists, and must be from a vendor that for quantifiable, technical, or business reasons, has a unique capacity to meet procurement requirements. If FPL determines it is not in the best interests of the company to solicit competitive bids, it may use single/sole source procurement with appropriate justification. Such justifications are prepared by the department requesting or authorizing the procurement, and must be completed in advance of the purchase.

NP-1100 also states that for situations in which the OEM is the only available provider, or when procurement from an OEM is deemed to be in the best interest of FPL, a sole source justification is not needed. However, if the OEM is the preferred provider among others available, justification is required.

Turkey Point Units 6 & 7

Turkey Point Units 6 & 7 single and sole sourcing procedures adhere to guidelines found in NP-1100, as mentioned above. In addition, the Turkey Point 6 & 7 project managements also follows FPL General Operating Procedure 705.3, Purchasing Goods and Services Using Purchase Orders and Contracts, for sole sourcing. General Operating Procedure -705.3 differs from NP-1100 in that it does not address scheduling as a mitigating factor in single/sole source selection. General Operating Procedure 705.3 states that two exceptions exist to competitive bidding, but are to be strictly limited to situations where no other suppliers exist for specific goods or services, and where it is clearly not in the company's best interest to attempt to competitively bid.

FPL states that it has improved its process of single/sole source documentation and approval. The company says that justification documentation facilitates review by independent third parties and that additional training on properly justifying was implemented in late 2008. FPL further noted that the company has increased emphasis on verifying single/sole source justifications and has changed the format to include more information. FPL believes justification documents are being written with greater attention to explanation and support of costs and single/sole source selections. The company states it is also attempting to reduce downstream problems by involving reviewers earlier in the process.

To determine whether FPL's single/sole source justification documentation improved, FPSC audit staff reviewed training materials, training attendee lists, and a sampling of justification documents produced after November 2008. FPSC audit staff found that justification documentation completed for Turkey Point 6 & 7 contained expanded support for single/sole sourcing, that explanations were easily understood by a third party, and that some cost/price analysis was present.

FPSC audit staff believes single/sole source justification documentation could be improved by providing additional cost/price detail documentation, such as avoided costs, anticipated savings over alternatives, projected man-hour savings, estimated cost of bid versus sole sourcing, anticipated cost of project delays, and similar data that affirms single/sole sourcing as the most reasonable financial business decision. The added information should provide evidence that it is clearly not in the company's best financial interest to attempt to competitively bid. The company needs to show that it has considered the financial costs of alternative sourcing, and reasonably selected single/sole sourcing as the most financially sound selection. Otherwise, nuclear procurement policies and procedures indicate that competitive bidding should be selected as the most financially sound alternative for procurements greater than $25,000.

St. Lucie and Turkey Point Uprates

EPU managers and personnel use NP-1100, as mentioned above. EPU personnel also use the EPU Project Requisition and Purchase Order Process (EPPI-220) as an additional guideline.

In late 2007 and early 2008, much of the initial EPU project procurement of engineering services and long lead equipment items was sole sourced. While FPL had completed single/sole source justification documents, as required by its procedures, the Commission ordered FPL to improve its future documentation.

FPL states that it has improved the process to insure justification documents are in compliance with Nuclear Policy NP-1100 instructions and to facilitate review by independent third parties. The company has implemented additional training and states that FPL improved controls by focusing responsibility for justification adequacy under one position. These improvements began to be implemented in late 2008.

FPSC audit staff reviewed training materials, instruction attendee lists, and justifications produced after November 2008 to determine whether changes had improved the process. FPSC audit staff found that the EPU organization began additional training in November and December 2008, and completed the training program in March 2009. FPSC audit staff also found that EPU management had revised its procedure, EPU Project Requisition and Purchase Order Process (EPPI-220), effective April 1, 2009. This revision included additional self-instruction, sections on cost and pricing reasonableness, and more comprehensive examples of justification documentation.

Because FPL did not complete EPU single/sole source justification training until March 2009, most contracts executed after November 2008 did not have the level of detail the Commission ordered. FPSC audit staff would expect to see that EPU single/sole source justifications, after March 2009, would have more detailed justifications, in compliance with the

Commission ordered changes. Justifications after March 2009 should be easily understood by an independent third party and include a reasonableness of cost/price analysis.

What are the current controls for contractor management?

FPL's contractor management controls for the EPU project are similar in many respects. The Project Manager is responsible for the completion of project activities and assuring contractors perform as contractually required.

The Technical Representative is responsible for day-to-day administration, coordination, timeliness, quality, and on-site performance of assigned contractors. The Integrated Supply Chain Contract Manager maintains vendor performance statistics for selected major vendors, and manages non-safety-related contracts. If FPL experiences challenges with a non-safety-related vendor, Integrated Supply Chain personnel work closely with the Risk Department to remedy the challenge. Contractor reviews are conducted quarterly for newer vendors and semi-annually for longer-term vendors.

Additionally, the Project Controls Group conducts weekly and monthly meetings to review contractors' progress and adherence to the project schedule. Weekly contractor update calls are conducted to identify anticipated contractor schedule challenges for the week. Critical path events and scope changes affecting the schedule are also monitored and reported through the Project Controls Group. FPL has previously established procedures for monitoring and evaluating contractor performance on the plant site.

To ensure safety-related contractors provide quality products, and complete quality work, FPL Quality Assurance completes Vendor Audits, on-site surveillances, and safety-related Contractor Performance Evaluation Reports. FPL has separate Quality Assurance Managers responsible for Turkey Point Units 6 & 7 and the St. Lucie and Turkey Point Uprate projects. Quality Assurance audits examine whether the vendor's Quality Assurance program for on-site operations is compliant with the NRC and FPL Quality Assurance requirements. If the contractor program is not in compliance, it must be revised accordingly before beginning any work on site.

Quality Assurance Managers identify and report key operational risks at each plant to management. A daily Quality Summary Report documents Quality Assurance Manager concerns. Meetings to discuss these concerns are scheduled with FPL site and executive management as necessary. FPL's Quality Assurance organization also participates in Nuclear Procurement Issues Committee (NUPIC) sponsored supplier audits. NUPIC is a nuclear procurement issues organization that conducts audits with member companies to evaluate suppliers furnishing safety related products and services to the industry. Many of the same vendors that FPL uses at the new Turkey Point Units 6 & 7 site have been the subject of a NUPIC audit in the last four years.

Turkey Point Units 6 & 7

In August 2008, FPL contractor management controls identified that Bechtel Corporation was behind schedule for completing sections of the Final Safety Analysis Report, as part of the Combined Operating License Application submission. As a result of weekly and monthly reviews of the project schedule, FPL requested a Recovery Plan from Bechtel, explaining the reasons for schedule delays and the company's plan for getting work back onto the project schedule. Bechtel promptly responded to FPL with a Recovery Plan and worked with FPL to make necessary corrections to get back on project schedule.

In December 2008, FPL also asked Bechtel to submit a Recovery Plan outlining its plan to meet the scheduled date for hydrology activities associated with the COLA. Bechtel informed FPL that resources for the hydrology activities had been temporarily diverted to work for another utility submitting a COLA prior to FPL. FPL reminded Bechtel that the company's contractual agreement included providing sufficient staffing to complete FPL's COLA on time and on budget. According to FPL, Bechtel promptly responded with a Recovery Plan and provided additional hydrological staffing to support the FPL schedule.

FPL notes that the delays were partially caused because FPL had aggressively planned the COLA completion in fifteen months, with no float for potential delays. Both of these situations displayed FPL's contractor management controls at work, and effectively led to a prompt resolution of potential contractor and project schedule delays.

St. Lucie and Turkey Point Uprates

While FPL EPU contractor management controls are currently in place, the Engineering Procurement and Construction (EPC) vendor (Bechtel) will interface with both Juno EPU Management and EPU site management to provide contractor oversight during the remainder of the project. With the completion of the EPC contract, in December 2008, Bechtel and FPL will jointly provide the EPU Quality Assurance function for the St. Lucie and Turkey Point Uprates. Essentially, Bechtel will perform the lower tier quality control work and FPL will perform the top tier quality assurance work. Bechtel will assume the on site contractor Quality Assurance role and FPL will closely monitor Bechtel Quality Assurance performance.

As the Uprate EPC contractor, Bechtel will coordinate the work of contractors toward the completion of the construction and testing portion of the EPU projects. Bechtel will also provide improved procedures, performance indicators, and monitoring, for on site contractors. These procedures and performance indicators will be implemented during 2009. Bechtel brings over 100 work process procedures to guide the engineering, procurement, and construction, required to complete the EPU project.

What are the current controls for managing contractor costs and performance?

Turkey Point Unit 6 & 7 Controls Group reports project cost and schedule variances to FPL management in weekly and monthly management reports. The Controls Group tracks contractor progress via weekly meetings and reviews, monitoring project scope changes and

tracking key performance indicators. The Senior Scheduler oversees contractor schedule status, produces weekly performance indicators, and analyzes project schedule critical path. This information is reported to management in a mix of meetings and reports. Several reporting formats are used to identify potential project risks and challenges to the schedule and budget.

FPL requires contractors to provide reports on contractor and subcontractor performance. By requiring vendors to track and report performance indicators, and trend performance, FPL is able to know weekly where contractors are in the work schedule, and can keep close control over additional costs that might arise. Regular budgetary reports are provided and management reviews are conducted to assure project costs are within budget.

On-site Technical Representatives provide oversight of activities to ensure contractors complete work per contract provisions and on schedule. Technical representatives also determine whether deliverables have been completed and whether contractor invoices are payable. If contractor performance is not satisfactory, the technical representative reports this to site management, the Integrated Supply Chain, the Contract Manager, and the Controls Group. In most cases, identification and reporting of potential impacts to the project schedule and costs occur at the Controls Group level.

If contractor performance causes schedule delay, the Contract Manager requests a Recovery Plan from the contractor. This plan outlines the timeline and activities to remedy performance and return to schedule. The contractor's performance is reviewed weekly and monthly against the Recovery Plan. If contractor performance does not improve, the issue is escalated to higher management. As described above, in late 2008, Turkey Point Units 6 & 7 project management experienced two events requiring Bechtel Corporation to produce a Recovery Plan. According to FPL, both events were of short duration and resolved without any long term impact to the project schedule.

St. Lucie and Turkey Point Uprates

FPL notes that the EPU Controls Group also helps protect the projects from substandard contractor work, by monitoring project scheduling and cost performance. This group holds weekly meetings with contractors to identify potential roadblocks to the schedule, monitors and trends contractor work scope changes, and monitors and reports overall project costs. The EPU Controls Group completes a monthly project report that presents a comprehensive look at the project schedule, budget costs, contractor key reporting indicators, and potential project risks. This report provides key project information for FPL's EPU management team and executive management. FPL states that through close monitoring of contractor performance indicators, project scheduling, and project costs, the Controls Group helps manage contractor costs and substandard performance.

The company states that the EPU Site Project Manager, and the EPC team, help protect the project from substandard contractor work by monitoring contractor performance, scheduling delays, and cost performance. FPL's EPU Site Project Manager will coordinate all contractor work completed on the Uprate project with the EPC team. Together with the EPC team, The Site Project Manager reports potential project risks, delays, or work stoppage issues, upward to the EPU Site Director. If project scheduling or budgeting are seriously jeopardized by contractor

non-performance, the EPU Site Director may request the removal of non-performing contractors and secure other contractors to perform the scope of work. Based on the scope of work and seriousness of contractor non-performance, FPL senior management may become involved with the non-performing contractor's company, or may choose to replace the contractor.

As mentioned in Chapter 3, EPU project management dealt with two contractors having difficulty staffing the project. [redacted] have continued to have problems with staffing and have submitted recovery plans to EPU project management. FPL states that contractor staffing levels have improved somewhat, but require further monitoring for potential project impacts. FPL states while these events have caused delays, the long term project schedule is intact.

What contracts are in place for the Turkey Point 6 & 7 project?

During 2008, FPL implemented eight new contracts and twelve change orders greater than $200,000 for services and materials relevant to the Turkey Point 6 & 7 new units. These contracts represent an estimated $62 million at the completion of the project. Contracts less than $1 million represent 8.6 percent of the total dollars contracted for in 2008. Approximately 55 percent of the contract dollars were bid competitively and 45 percent were single/sole source procurements. The competitively bid and single/sole source contracts greater than $1 million are discussed below.

Competitively Bid Contracts

To date, the Avirom and Bechtel contracts are the only two contracts initially competitively bid for the Turkey Point 6 & 7 project. The Avirom contract was initially valued at [redacted] for right-of-way survey work related to the Turkey Point-Levee transmission line. The original Bechtel COLA contract was signed in November 2007 for [redacted]. Based on FPL's Final True-up Filing in March 2009, the Bechtel COLA contract was valued at [redacted] as of December 31, 2008.

During 2008, FPL completed ten change orders to the original Bechtel COLA contract, totaling over [redacted]. These contract change orders were single-sourced to Bechtel under the original competitively bid contract, and are treated by FPL as competitive additions to the contract. The work description for each of the contract changes during 2008 relate to the completion of the COLA submittal to the Nuclear Regulatory Commission, and are time and materials contracts with incentives. Five of the change orders submitted for Bechtel during 2008 were over $1 million, and are listed in **EXHIBIT 16.**

Change Order 3 added the Site Certification Application scope to the existing COLA project. FPL single sourced this work to Bechtel because much of the technical analysis completed for the COLA could be used in preparing the Site Certification Application for Units 6 &7.

Change Order 6 was for the preparation and submittal of the Site Certification Application, the Army Corps of Engineers permit, and other required environmental permits for the Turkey point 6 & 7 project.

1 2 3

Turkey Point 6 & 7 Competitively Bid Contracts Over $1 Million				
Bechtel Contract No.	Work	Original Contract	Estimate of Final Contract Amount	Payment
Change Order 3	COLA/SCA Preparation	[redacted]	[redacted]	[redacted]
Change Order 6	COLA/SCA Preparation	[redacted]	[redacted]	[redacted]
Change Order 7	COLA/SCA Preparation	[redacted]	[redacted]	[redacted]
Change Order 8	COLA/SCA Preparation	[redacted]	[redacted]	[redacted]
Change Order 9	COLA/SCA Preparation	[redacted]	[redacted]	[redacted]
TOTAL		[redacted]	[redacted]	[redacted]

EXHIBIT 16 *Source:DR-1.43, 1.44*

Change Order 7 added scope to provide COLA support for additional subsurface investigation and environmental characterizations necessary to answer NRC concerns identified in the Progress Energy COLA in preparation of the FPL submittal in June 2009.

Change Order 8 added scope to the Site Certification Application for review of the Environmental Report, Final Safety Analysis, and Requests for Information initiated for the COLA to ensure the information presented in the Site Certification Application and COLA are consistent.

Change Order 9 is to provide added scope work for dewatering and groundwater pump testing, hazards analysis for reclaimed water, transmission public open house meetings, and support for wetland survey work. Including the [redacted] in Bechtel contracts, FPL has competitively bid approximately [redacted] of the [redacted] contract dollars.

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Single/Sole Source Contracts

In 2008, the FPL Turkey Point Units 6 & 7 project issued four new single/sole source contracts greater than $1 million. Another existing sole source contract, for membership in NuStart Energy Development, received charges in 2008. **EXHIBIT 17** lists these contracts and shows the work performed, original contract amount, estimate of contract final amount, and the type of payment used.

1 2 3

Turkey Point 6 & 7 Single/Sole Source Contracts Over $1 Million				
Contractor / Contract No.	Work	Original Contract	Estimate of Final Contract Amount	Type Payment
Westinghouse Electric Co. / 4500419436	LLM Manufacturing reservation	$10,860,960	$10,860,960	Lump Sum
Black, Veatch & Zachary Power Partners-Nuclear / 4500452285	Preliminary Engineering & Planning	[redacted]	[redacted]	[redacted]
Hopping Green & Sams/4400002060	Legal Services	[redacted]	[redacted]	[redacted]
Pillsbury Winthrop / 440000207	Legal Services	[redacted]	[redacted]	[redacted]
NuStart Energy Development	Membership Fee	[redacted]	[redacted]	[redacted]
TOTAL		[redacted]	[redacted]	

EXHIBIT 17 *Source:DR-1.43, 1.44*

1 2 3 The four new single sourced contracts for 2008 totaled approximately [redacted] and total sole source expenditures for the project during 2008 were approximately [redacted]. The two largest contracts during 2008 totaled about [redacted], and were awarded to Westinghouse Electric Company and BVZ Power Partners-Nuclear. The contract to Westinghouse reserved a manufacturing space for AP1000 forgings and the BVZ Power Partners-Nuclear contract was for preliminary engineering and construction planning services. The other two new sole source contracts were for project legal services. The remaining sole source contract expenditure for 2008 was for membership dues in the NuStart Energy Development consortium. Including these contracts, FPL has single/sole sourced approximately 45.4 percent of the project contract dollars.

What contracts are in place for the St. Lucie and Turkey Point Uprate project?

4 5 6 During 2008, FPL implemented thirty new contracts greater than $200,000 for services and materials relevant to the St. Lucie and Turkey Point Uprates. These contracts represent an estimated [redacted] at the completion of the project. Contracts less than $1 million represent approximately .5 percent of the total contracts for 2008. Approximately [redacted] of the contracts were bid competitively and [redacted] were single/sole source procurements. The nineteen competitively bid and single/sole source contracts greater than $1 million are discussed below.

Competitively Bid Contracts

7 8 During 2008, FPL issued eight new competitively bid contracts for the EPU project greater than $1 million. The eight contracts totaled over [redacted], of which approximately [redacted] was spent in 2008. The two largest contracts were the Engineering Procurement

and Construction contracts for the EPU. These two contracts totaled [redacted]. **EXHIBIT 18** lists the contracts greater than $1 million for 2008, and shows the work performed, original contract amount, estimated final contract amount, and the type of payment.

1 2 3

St. Lucie & Turkey Point Uprates Competitively Bid Contracts Over $1 Million				
Contractor / Contract No.	Work	Original Contract	Estimate of Final Contract Amount	Type Payment
Bechtel / 117809	Turkey Point EPC	[redacted]	[redacted]	[redacted]
Bechtel / 117820	St. Lucie EPC	[redacted]	[redacted]	[redacted]
TEI / 118328	Turkey Point Condenser Tubes	[redacted]	[redacted]	[redacted]
TEI / 118206	Turkey Point Moisture Separator Reheaters	[redacted]	[redacted]	[redacted]
TEI / 118205	St. Lucie Moisture Separator Reheaters	[redacted]	[redacted]	[redacted]
TEI / 118241	Turkey Point Feedwater Heaters	[redacted]	[redacted]	[redacted]
TEI /118224	St. Lucie Feedwater Heaters	[redacted]	[redacted]	[redacted]
TEI / 118278	St. Lucie Turbine Cooling Water Heat Exchangers	[redacted]	[redacted]	[redacted]
TOTAL		[redacted]	[redacted]	

EXHIBIT 18 *Source:DR-1.15, 1.16*

The remaining competitively bid contracts were awarded to Thermal Engineering (TEI) for condenser tubes, moisture separator reheaters, and feedwater heaters. FPL noted that the competitive bid process for this purchase yielded savings for multiple pieces of equipment, spare parts, and installation services. Including these contracts, FPL has competitively bid 63.2 percent of the total EPU project contract dollars.

Single/Sole Source Contracts

In 2008, FPL issued 11 new single source EPU contracts greater than $1 million. **EXHIBIT 19** lists these contracts and shows the work performed, original contract amount, estimated final contract amount, and the type of payment. As shown in the exhibit, the 11 new
1 single sourced contracts totaled over [redacted]. Actual 2008 expenditures for the contracts
2 were just over [redacted]. Approximately [redacted] of the single/sole source contract dollars were for equipment and services from Original Equipment Manufacturers. The two largest EPU single source contracts were to provide the low pressure turbine, exciter, and
3 installation. These two contracts totaled [redacted].

1 2 3

St. Lucie & Turkey Point Uprates Single/Sole Source Contracts Over $1 Million				
Contractor / Contract No.	Work	Original Contract	Estimate of Final Contract Amount	Type Payment
Siemens / 116088	St. Lucie High & Low Pressure T/G, exciter, exciter install. Units 1 & 2	[redacted]	[redacted]	[redacted]
Siemens / 116090	St. Lucie High & Low Pressure T/G, generator/exciter upgrades & installation	[redacted]	[redacted]	[redacted]
Shaw-Stone & Webster / 112221	St. Lucie Licensing, Engineering, & BOP Specification Development	[redacted]	[redacted]	[redacted]
Shaw-Stone & Webster / 112177	Turkey Point Licensing, Engineering, & BOP Specification Development	[redacted]	[redacted]	[redacted]
American Crane & Equip. / 117272	St. Lucie Gantry Crane	[redacted]	[redacted]	[redacted]
Tampa Armature Works / 118003	St. Lucie Circulating Water Pumps	[redacted]	[redacted]	[redacted]
Proto Power / 115465	Engineering Services Turkey Point, NSS, BOP & LAR support	[redacted]	[redacted]	[redacted]
Siemens / 109843	LOI for Generator & Turbine Work for St. Lucie 1 & 2 and Turkey Point 3 2010-2012	[redacted]	[redacted]	[redacted]
Shaw-Stone & Webster / 105353	Initial BOP Scoping Support for EPU	[redacted]	[redacted]	[redacted]
Cameron / 116796	Turkey Point Ultrasonic Flow Meter Measuring System	[redacted]	[redacted]	[redacted]
Cameron / 116107	St. Lucie Ultrasonic Flow Meter Measuring System	[redacted]	[redacted]	[redacted]
TOTAL		[redacted]	[redacted]	

EXHIBIT 19 *Source: Source:DR-1.15, 1.16*

1 The licensing, engineering, and balance of plant specification ([redacted]) and gantry
2 crane modification ([redacted]) contracts are critical to the successful completion of the
3 Uprates. The 2008 expenditures for these contracts totaled [redacted] and [redacted] respectively.

The ultrasonic flow meter measurement contracts are also important to completing the measurement uncertainty recapture uprate. This improvement will reduce the degree of uncertainty in reactor power measurement, and can improve accuracy by up to two percent. The
4 total value of these contracts is [redacted] and the total 2008 expenditure is [redacted].
5 Including these contracts, FPL has single/sole sourced approximately [redacted] of the EPU project contract dollars.

5.0 Appendix

Acronyms and Abbreviations

ANT	Advanced Nuclear Technology
APOG	AP-1000 Owners Group
COLA	Combined Operating License Application
Commission	Florida Public Service Commission
EPC	Engineering, Procurement, and Construction
EPPI	EPU Project Instructions
EPU	Extended Power Uprate (or Uprate)
FPL	Florida Power & Light Company
KPI	Key Performance Indicators
LAR	License Amendment Requests
NAP	Nuclear Administrative Procedure
NNP	New Nuclear Project
NPP	Nuclear Power Plants
NRC	Nuclear Regulatory Commission
NUPIC	Nuclear Procurement Issues Committee
OEM	Original Equipment Manufacture
QA	Quality Assurance
QC	Quality Control
RFP	Request for Proposal
SCA	Site Certification Application
Westinghouse	Westinghouse Energy Corporation

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