



Jessica Cano
Principal Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5226
(561) 691-7135 (Facsimile)

September 6, 2013

VIA HAND DELIVERY

Ms. Ann Cole
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

RECEIVED-FPSC
13 SEP - 6 PM 12: 00
COMMISSION
CLERK

Re: Docket No. 130009-EI; Nuclear Cost Recovery Clause

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") is a Request for Confidential Classification of Work Papers for Audit Report PA-13-01-001. Seven copies of FPL's request, including Exhibits C and D, are included. Also included are one copy of Exhibit A and two copies of Exhibit B.

Exhibit A consists of the confidential documents, and all information that FPL asserts is entitled to confidential treatment has been highlighted. Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been redacted. Exhibit C consists of FPL's justification table supporting its Request for Confidential Classification. Exhibit D contains four affidavits in support of FPL's Request for Confidential Classification. Also included in this filing is a compact disc containing FPL's Request for Confidential Classification and Exhibit C in Microsoft Word format.

Please contact me if there are any questions regarding this filing.

Sincerely,

Jessica Cano
Jessica A. Cano

Enclosures
cc: Parties of Record

COM	
AFD	1
APA	1
ECO	1
ENG	1
GCL	1
IDM	2+ICD
TEL	
CLK	

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost)
Recovery Clause)

Docket No. 130009-EI
Filed: September 6, 2013

**FLORIDA POWER & LIGHT COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION OF
WORK PAPERS FOR AUDIT REPORT PA-13-01-001**

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of certain information included in the Florida Public Service Commission Office of Auditing and Performance Analysis ("Audit Staff") work papers developed for Audit Report PA-13-01-001. In support of its request, FPL states as follows:

1. On August 16, 2013, Audit Staff indicated its intent to retain certain work papers which include confidential information provided by FPL. Consistent with Rule 25-22.006(3)(a)2, FPL is filing this Request for Confidential Classification to maintain continued confidential handling of the information contained in those work papers.

2. The following exhibits are included with and made a part of this request:

a. Exhibit A includes a copy the confidential work papers, on which all information that is entitled to confidential treatment under Florida law has been highlighted.

b. Exhibit B consists of a copy of the confidential work papers on which all information that is entitled to confidential treatment has been redacted.

c. Exhibit C is a table containing the specific line, column, and page references to the confidential information, and references to the specific statutory basis or bases for the claim of confidentiality and to the affidavit in support of the requested confidential classification.

d. Exhibit D includes the affidavits of Steven Scroggs, Bruce Beisler, Antonio Maceo, and James Voorhees in support of FPL's request.

3. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3), Florida Statutes. This information is intended to be and is treated by FPL as private in that the disclosure of the information would cause harm to customers or FPL's business operations, and its confidentiality has been maintained. Pursuant to Section 366.093, such information is entitled to confidential treatment and it is exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As the affidavits included in Exhibit D indicate, certain information contained in the work papers is information related to reports of internal auditors. This information is protected by Section 366.093(3)(b), Florida Statutes. The work papers also contain information related to bids or contractual data, such as pricing or other terms, the public disclosure of which would violate nondisclosure provisions of FPL's contracts with certain vendors and impair FPL's ability to contract for goods or services on favorable terms in the future. Such information is protected from public disclosure by Section 366.093(3)(d), Florida Statutes. The work papers also include competitively sensitive information which, if disclosed, could impair the competitive interests of the provider of the information. Such information is protected from public disclosure by Section 366.093(3)(e), Florida Statutes. Finally, certain information relates to FPL's Employee Concerns Program ("ECP"), the disclosure of which would affect FPL's competitive interests by impairing the effectiveness of the program itself. It also relates to

employee personnel information unrelated to compensation, duties, qualifications, and responsibilities. Accordingly, the ECP information is protected from public disclosure by Sections 366.093(3)(e) and (f), Florida Statutes.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified for a period of at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), Fla. Stat.

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavits included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted

Respectfully submitted,

Jessica A. Cano
Principal Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
Telephone: (561) 304-5226
Facsimile: (561) 691-7135

By: Jessica Cano
Jessica A. Cano
Fla. Bar No. 0037372

CERTIFICATE OF SERVICE
DOCKET NO. 120009-EI

I HEREBY CERTIFY that a true and correct copy of FPL's Request for Confidential Classification of Work Papers for Audit Report PA-13-01-001* was served via hand delivery** or U.S. mail this 6th day of September, 2013 to the following:

Michael Lawson, Esq.**
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
MLAWSON@PSC.STATE.FL.US

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Charles Rehwinkel, Esq.
Joseph McGlothlin, Esq.
Erik L. Sayler, Esq.
Office of Public Counsel
c/o The Florida Legislature
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mcglothlin.joseph@leg.state.fl.us
Sayler.Erik@leg.state.fl.us

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By: Jessica Cano
Jessica A. Cano
Fla. Bar No. 0037372

* Exhibits to this Request are not included with the service copies, but copies of Exhibits B, C, and D are available upon request.

EXHIBIT B

1. Table of Contents

Audit Work Papers

Review of

*Florida Power and Light Company's Project
Management*

Internal Controls for

Nuclear Plant Upstate and Construction Projects

2013

PA-13-01-001

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- 9. INTERVIEW SUMMARIES*
- 10. ANALYSIS / SAMPLING*
- 11. FINDINGS*
- 12. MISCELLANEOUS*

2. Company Contacts

Company Contacts

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(561) 676-0326 (cell)

Mr. Travis Contratto
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(561) 691-7091 (fax)

Mrs. Tiffany Cordes-Cohen
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(561) 635-8187 (cell)
(561) 691-7577 (fax)

Ms. Lynne D. Adams
lynne_adams@fpl.com
(850) 521-3900
(850) 521-3939 (fax)

3. Administrative

COMMISSIONERS:
RONALD A. BRISE, CHAIRMAN
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



DALE MAILHOT, DIRECTOR
OFFICE OF AUDITING & PERFORMANCE
ANALYSIS
(850) 413-6854

Public Service Commission

November 15, 2012

Mr. Kenneth A. Hoffman
VP, Regulatory Affairs
Florida Power & Light Company
215 South Monroe Street, Suite 810
Tallahassee, FL 32301

Dear Mr. Hoffman:

The Office of Auditing and Performance Analysis is initiating the annual audit of project management internal controls for Florida Power & Light Company's nuclear plant uprate and new construction projects. This audit will assist technical staff in the Nuclear Cost Recovery Clause docket (130009-EI).

The focus of this audit will be the review of the internal controls for contract management, contractor oversight, and overall project management efforts for completing the St. Lucie and Turkey Point uprates and the planned new units at Turkey Point 6&7. These topics, as well as new project developments, risks and challenges, and current project status will also be reviewed.

Mr. David Rich is designated as project manager for this review, which is estimated to be completed by May 31, 2013. Mr. Rich is responsible for making you aware of our progress and ensuring that our review is independent and accurate. At the conclusion of the review, you will have an opportunity to review and respond to the report draft prior to release.

In preparation for the review, we request that the following actions be taken by FPL:

- ▶ Designate an FPL official to liaison with staff. This individual should be capable of rendering an opinion on the proprietary or confidential nature of information responsive to staff requests. Please advise Mr. Rich of the FPL designee by November 27, 2012.
- ▶ Provide staff the disks returned to FPL control at the conclusion of the last annual review. An attachment lists the disks (numbered 1 to 68).
- ▶ Provide responses to the attached initial data requests no later than January 11, 2013. For clarity and ease of tracking, separate requests are provided for the uprate (EPU) and Turkey Point 6&7 (PTN) projects. Staff encourages partial company responses prior to the due date. New or additional information may be supplemented when available.
- ▶ Provide future monthly management reports, through April 2013, when available.

Details of providing responses to document requests can be coordinated between the designated FPL liaison and Mr. Rich. Should the need arise to claim confidential treatment of

material requested during this audit, please follow the procedure outlined in *Chapter 25-22.006 Florida Administrative Code*.

During the audit, please use the Document Request/Notice of Intent form to transmit each set of responses and request potential confidentiality. To maintain continued confidential handling of these documents at the conclusion of the audit, FPL must file a request for confidential classification with the Office of Commission Clerk. This request must be filed in writing within 21 days of receipt of the draft audit report or the audit exit conference.

Thank you in advance for your cooperation and the efforts of all company personnel toward the satisfactory and expeditious completion of this review. Staff will make every effort to minimize interruptions to your schedule and provide a fair and impartial review.

Please contact David Rich (850) 413-6830, or Lynn Fisher (850) 413-6822 if you have any questions regarding this review.

Sincerely,

Dan Hoppe
Assistant Director
Office of Auditing and Performance Analysis

Attachments

cc: Dale Mailhot
Office of Public Counsel
Carl Vinson
Jim Breman
Mark Laux

COMMISSIONERS:
RONALD A. BRISÉ, CHAIRMAN
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



DALE MAILHOT, DIRECTOR
OFFICE OF AUDITING & PERFORMANCE
ANALYSIS
(850) 413-6854

Public Service Commission

May 29, 2013

Ms. Lynne Adams
Regulatory Issues Manager, Regulatory Affairs
Florida Power & Light Company
215 S. Monroe Street, Suite 810
Tallahassee, FL 32301-1859

Dear Ms. Adams:

Enclosed is a draft electronic copy of the staff audit report, *Florida Power & Light's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects*. This audit report documents the controls associated with the FPL Extended Power Uprate and New Nuclear construction projects. It is anticipated that staff will file the report as an exhibit to testimony in the Nuclear Cost Recovery Clause in Docket No. 130009-EI.

The draft report is provided to allow FPL the opportunity to review the report for factual accuracy and confidentiality. The transfer of this draft report serves as a preliminary exit conference. At the conclusion of hearings for Docket No. 130009-EI, audit staff will schedule a final exit conference to address the remaining staff-created and FPL-provided documents.

You may file a request for confidential classification on portions of the report, in accordance with *Chapter 25-22.006(3) Florida Administrative Code*.

Absent good cause shown, failure to file a request shall constitute a waiver. Staff is available to discuss the factual accuracy of the report over the next two weeks during the review period. A teleconference can be arranged to discuss potential corrections.

Please be mindful that the report must be published and staff testimony must be filed by June 20, 2013. Thank you for the cooperation extended by FPL and all employees who participated in this review. If you have any questions, please contact the Project Manager, David Rich, at (850) 413-6830 or, in his absence, Lynn Fisher at (850) 413-6822.

Sincerely,

Dan Hoppe
Assistant Director

Enclosure

cc: Dale Mailhot

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 14, 2013
TO: Dale Mailhot, Director, Office of Auditing and Performance Analysis
FROM: David Rich, Public Utilities Analyst IV
RE: Copying of Confidential Information— FPL Nuclear Draft Report

Pursuant to APM 11.04(C), I request permission to make four copies of the 2013 draft audit report *Review of Florida Power & Light Company's Project Management Internal Controls for Nuclear Plant Upstate and Construction Projects*. The draft report contains information the company has claimed confidential under a Notice of Intent. Two copies will be provided to the Office of General Council and two copies to the Office of Industrial Development. Audit staff will collect the copies after review in accordance with the APM.

state of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 18, 2013
TO: Michael T. Lawson, Senior Attorney, Office of the General Counsel
FROM: David F. Rich, Public Utility Analyst IV, Office of Auditing and Performance Analysis
RE: FPL Request for Confidential Classification of Portions of Audit Report PA-13-01-001, title *Review of Project Management Internal Controls for Nuclear Plant Upstate and Construction Projects* – Docket No. 130009-EI

Commission audit staff has reviewed FPL's confidentiality request filing dated June 17, 2013 (DN# 03378-13).

Staff believes the request meets the requirements of Florida Statute 366.093(3) for proprietary confidential business information and should be protected as requested. If you have any questions related to this memo please e-mail or call me.

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 18, 2013
TO: Michael T. Lawson, Senior Attorney, Office of the General Counsel
FROM: David F. Rich, Public Utility Analyst IV, Office of Auditing and Performance Analysis
RE: FPL Request for Confidential Classification of Portions of Audit Report PA-13-01-001, title *Review of Project Management Internal Controls for Nuclear Plant Upstate and Construction Projects* – Docket No. 130009-EI

Commission audit staff has reviewed FPL's confidentiality request filing dated June 17, 2013 (DN# 03378-13).

Staff believes the request meets the requirements of Florida Statute 366.093(3) for proprietary confidential business information and should be protected as requested. If you have any questions related to this memo please e-mail or call me.

FPL DATA REQUEST RESPONSE LOG -2013

As of 06.06.13

Supercedes all others with an earlier date

Disk	DR	Project	Questions	Date Rec'd	Confidential Items
1	DR-1	EPU	EPU DR-1.6	01/09/13	All
2	DR-1	EPU	EPU DR-1.6a	01/09/13	All
3	DR-1	PTN	PTN –DR-1.1 thru 1.6, 1.8 thru 1.19, 1.21, 1.22, 1.24, 1.26 thru 1.29, 1.31, 1.33 thru 1.48, 1.51, 1.53 thru 1.55, & 1.57 thru 1.68	01/09/13	None
4	DR-1	PTN	PTN DR-1.7, 1.20, 1.23, 1.25, 1.30, 1.32, 1.49, 1.50, 1.52, & 1.56	01/09/13	All
5	DR-2	EPU	EPU DR-2.1 thru 2.12	01/04/13	All
6	DR-1	EPU	EPU DR-1.1, 1.4, 1.7, 1.8, 1.9, 1.10, 1.14, 1.15, & 1.20	01/14/13	All
7	DR-1	EPU	EPU DR-1.5, 1.11, 1.16 thru 1.18 & 1.22	01/14/13	None
8	DR-1	EPU	EPU DR-1.2	01/16/13	None
9	DR-1	EPU	EPU DR-1.12, 1.13, 1.19, 1.21, & 1.23	01/16/13	All
10	DR-1	PTN	PTN –DR-1.30 (partial, new reports)	01/17/13	All
11	DR-1	PTN	PTN –DR-1.16, 1.22, 1.31, 1.44e, & 1.68	01/17/13	None
12	DR-1	EPU	EPU DR-1.3	01/25/13	All
13	DR-1	EPU	EPU DR-1.10 a thru d	01/25/13	All
14	DR-1	EPU	EPU DR-1.4f; 1.6a&b; 1.7b; 1.10b&d; 1.15b; 1.16a; 1.20a,b,&c; 1.21a; 1.23d	01/30/13	All
15	DR-1	EPU	EPU DR-1.1c; 1.4b,c,e,g,&h; 1.5b; 1.6d, 1.11c&d; 1.12a,b,&c; 1.131,c,&g; 1.14a,b,&c; 1.15a; 1.16a	01/30/13	None
16	DR-1	PTN	PTN DR-1.38	01/30/13	None
17	DR-3	EPU	EPU DR-3.1, 3.2, 3.3, & 3.10	02/13/13	All
18	DR-3	EPU	EPU DR-3.6, 3.11, 3.12	02/14/13	All
19	DR-3	EPU	EPU DR-3.4, 3.5, 3.7, 3.8, 3.9, 3.13	02/15/13	All
20	DR-1	PTN	PTN –DR-1.30 (partial, 01/2012 report s)	02/18/13	All
21	DR-1	PTN	PTN –DR-1.16, 1.22, 1.31, 1.44e, & 1.68	02/18/13	None

22	DR-1	EPU	EPU DR- 1.4f; 1.6a&b; 1.7b; 1.10b&d; 1.12c; 1.14a; 1.15b; 1.16a; 1.20a,b,&c; 1.21a; 1.23d	02/27/13	All
23	DR-1	EPU	EPU DR-1.1c; 1.4b,c,e,g,&h; 1.5b; 1.6d, 1.11c&d; 1.12a &b, 1.13a,c,&g; 1.14b&c; 1.15a; 1.16c (January update)	02/27/13	None
24	DR-1	EPU	EPU DR- 1.1a revised & 1.8c revised	02/28/13	All
25	DR-1	EPU	EPU DR- 1.7b revised	03/07/13	All
26	DR-4	EPU	EPU DR-4.1	03/07/13	None
27	DR-1	EPU	EPU DR- 1.16c revised	03/13/13	None
28	DR-1	PTN	EPU DR- 1.16 (Feb), 1.22, 1.31, 1.44, & 1.68	03/18/13	None
29	DR-1	PTN	EPU DR- 1.30 revised	03/18/13	All
30	DR-1	EPU	EPU DR-1.4f; 1.6a-b; 1.7b; 1.10 b & d; 1.12b-c; 1.14a; 1.15b; 1.20a-c; 1.21a (February updates)	03/18/13	All
31	DR-1	EPU	EPU DR-1.1c; 1.4b,c,e,g,&h; 1.5b; 1.6d, 1.11c&d; 1.12a, 1.13a,c,&g; 1.14b&c; 1.15a; 1.16a&c; 1.23b (February update)	03/18/13	None
32	DR-1	EPU	DR-1.1c; 1.4b, c, e, g, & h; 1.5b; 1.6d; 1.10b; 1.11 c&d; 1.12a, b, &c; 1.13a, c,& g; 1.14b; 1.15a; 1.16a&c; 1.23d	4/16/13	None
33	DR-1	EPU	DR-1.4f; 1.6a&b; 1.7b; 1.10d; 1.14a&c; 1.15b; 1.20a,b,c; 1.21a (March updates)	4/16/13	All
34	DR-1	PTN	DR-1.16; 1.22; 1.31; 1.44e; 1.68 (March updates)	4/16/13	None
35	DR-1	PTN	DR-1.30 (March updates)	4/16/13	All
36	DR-2	PTN	DR-2.1; 2.2; 2.3; 2.4; 2.7	5/09/13	All
37	DR-2	PTN	DR-2.5; 2.6; 2.8	5/09/13	None
38	DR-5	EPU	DR-5.2 thru 5.7 and DR-5.9 thru 5.13	5/10/13	All
39	DR-5	EPU	DR-5.1; 5.5, 5.8	5/10/13	None
40	DR-3	PTN	DR-3.1 thru 3.4; 3.6 thru 3.8; 3.10 thru 3.12	5/13/13	None
41	DR-3	PTN	DR-3.5 & 3.9	5/13/13	All
42	DR-4	PTN	DR-4.1 thr 4.4; 4.6, & 4.7	5/13/13	None
43	DR-5	EPU	DR-5.7 Supplemental	5/13/13	All

44	DR-5	EPU	DR-5.12 Supplemental	5/14/13	All
45	DR-6	EPU	DR-6.6	5/14/13	All
46	DR-6	EPU	DR-6.1 & 6.2	5/14/13	All
47	DR-6	EPU	DR-6.7	5/15/13	All
48	DR-1	PTN	DR-1.30 (April updates)	5/16/13	All
49	DR-1	PTN	DR-1.16;1.22;1.31;1.44e; 1.68 (April updates)	4/16/13	None
50	DR-1	EPU	DR-1.4c&f; 1.7b;1.10b&d;1.14a; 1.15b; 1.21a (April updates)	5/20/13	All
51	DR-1	EPU	DR-1.1c; 1.4b, c, g, & h; 1.5b; 1.6d; 1.11c&d; 1.12a, b, & c; 1.13a, c & g; 1.14a, b, & c; 1.15b, 1.16a&c; 1.23d; (April updates)	5/20/13	None
52	DR-1	EPU	DR-1.6a&b; 1.20a&b; 3.5 (April updates)	5/21/13	All
53	DR-1	EPU	DR-1.33; 1.20c; (April updates)	5/21/13	None
54	DR-6	EPU	DR-6.3; 6.4; 6.5	5/21/13	All
55	DR-5	EPU	DR-5.10 (Supplemental)	5/22/13	All
56	DR-1	EPU	DR-1.6b (Revised)	5/24/13	All
57	DR-7	EPU	DR-7.1; 7.3; 7.4; 7.5	6/03/13	All
58	DR-7	EPU	DR-7.2	6/03/13	None
59	DR-5	EPU	DR-5.6 Supplemental	5/30/13	All

4. Workload Control Form

UNDOCKETED PROJECT

This schedule is an internal planning document and subject to revision.

Control No:	PA-13-01-001	Date Prepared:	01/15/13
Source of Project:	ECR	Title:	2013 Nuclear Controls Review for FPL Cost Recovery Clause
Section 1			
Type:	<input checked="" type="checkbox"/> E - Energy	<input type="checkbox"/> T - Telecommunications	<input type="checkbox"/> G - Generic
		<input type="checkbox"/> W - Water and Wastewater	
OPR:	<input type="checkbox"/> CCA	<input type="checkbox"/> RCP	<input checked="" type="checkbox"/> ECR
		<input type="checkbox"/> RCA	<input type="checkbox"/> SCR
		<input type="checkbox"/> SGA	<input type="checkbox"/> GCL
Section 2			
What is to be done: A review of Florida Power & Light cost management controls for nuclear uprates and new construction projects.			
Why it is to be done: To assure FPL has established effective internal controls for management of nuclear plant construction costs, and that it complies with applicable standards, rules, laws and regulations for nuclear plant uprates and new construction projects.			
OPR Staff Assigned	Task	Staff	Due Date
David Rich/Lynn Fisher - FPL	Preliminary Survey and Initial Document Request	DR/LF	02/01/13
	March Filings by Companies (2012 Truc-up)	DR/LF	03/01/13
	Field Visits and Interviews Completed	DR/LF	04/05/13
	May Filings by Companies (Feasibility/Current Year)	DR/LF	05/01/13
	Draft to Company	DR/LF	05/30/13
	Report Published	DR/LF	06/18/13
	Staff Testimony Filed	DR/LF	06/20/13
	Hearing	DR/LF/CV	08/05-09/13
Director/Project Leader			
Carl Vinson			
Staff Counsel (GCL)			
Michael Lawson			
OCR Staff			
Mark Laux, Jim Breman			
(OPR Director/Date)			
Dale Mailhot			
(OCR Director/Date)			
Marshall Willis			

6. Document Requests

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-1 EPU DATE OF REQUEST: November 15, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 11, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION: Please Provide:

Project Planning and Risk Assessment

EPU DR1.1

- a) Provide a written summary of the work accomplished on the St. Lucie and Turkey Point uprate projects since January 2012 and planned activities through April 2013.
- b) Provide the most current copy of the Project Plan for St. Lucie and Turkey Point uprate projects.
- c) Provide a written summary of monthly EPC contractor KSI performance measures, and monthly EPC project report updates since January 2012, and provide ongoing reports through April 2013 by the 15th of each month.
- d) Provide a copy of the most current project implementation plan (PIP) for St. Lucie and Turkey Point uprate projects.

EPU DR1.2

- a) Provide a written summary of pending NRC and other regulatory applications, approvals, and certifications for the St. Lucie and Turkey Point uprate projects, including the current status and timeline for completing each.
- b) Provide a written summary of major project risks identified and company mitigation programs undertaken to address each risk, from January 2012 and planned through April 2013.
- c) Summarize the results of the Turkey Point site certification monitoring wells and sampling to date and describe any potential impacts to the project during 2012 through April 2013.
- d) Describe the current status of FPL's EPU efforts to satisfy DEP site "certification conditions" for the uprates and any potential impacts to the project during 2012 through April 2013.
- e) Describe any current cooling water conditions or requirements that remain as possible challenges to the uprate projects and any potential impact on project schedule and costs.
- f) Describe any transmission conditions or electric grid requirements remaining as possible challenges to the uprate project's schedule and costs.
- g) Describe the actions taken by FPL since January 2012, and any planned through April 2013, to complete its LAR requirements for the uprate projects.
- h) Describe any pending LAR requirements and a current timeline showing when the requirements will be fulfilled.
- i) Describe any other conditions or requirements that remain as possible challenges to the uprate project's schedule and costs.

- j) Provide a status of the progress for upgrading the gantry cranes at each uprate unit since January 2012, and include: a description of the equipment being changed, timeframes for completion, salvageable materials and estimated costs for each crane upgrade through April 2013.
- k) Provide a summary of all engineering design packages completed during 2012-2013 for each unit and outage, showing the unit, number of packages completed, and items initiated to 30% complete, 90% complete, and final.
- l) Discuss how FPL has implemented the October 31, 2011 amendments approved by the NRC to FPL's Turkey Point 3&4 Spent Fuel Criticality Analysis to support the uprates, and provide a description of work completed, final completion date, and estimated dollars for completing the amendments.
- m) Discuss the impact of the use of a higher enriched fuel on the spent fuel pool and dry cask storage requirements for the Turkey Point Units 3&4 uprates.
- n) Discuss FPL's transition timeline for using fuel with enrichments up to 5.0 weight percent U-235 at Turkey Point Units 3&4.
- o) Discuss whether any further FPL analysis of storage capacity or additional information is required prior to using fuel with enrichments up to 5.0 weight percent U-235.
- p) Discuss any other requests for change, approval, or amendment necessary for approvals to store more highly enriched fuel.

EPU DRI.3

- a) Please describe any changes made to project planning, engineering, or implementation of the uprates since January 2012, due to potential project risks or other project management concerns.
- b) Please describe any new changes, challenges, or project delays, impacting project planning, engineering, or implementation for the uprates, since January 2012. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor/contractor issues, site logistics, and regulatory issues.
- c) Identify the corrective actions undertaken for any new changes, challenges, project delays, stand downs, or work stoppages, the timeframes involved, and the estimated impacts on project costs and scheduling.
- d) Please describe all mitigation strategies developed or considered for each problem or challenge, indicate which strategy the company is deploying, and provide the reasoning for choosing that strategy.
- e) Provide a current status of any commercial negotiations to settle damages and costs associated with stand downs or work stoppages for the period January 2012 through April 30, 2013 where damages or additional costs were incurred as a result the events.

Project Organization and Procedures

EPU DRI.4

- a) Provide a current organizational chart of project management and work units currently responsible for completing the nuclear uprate project.
- b) Describe any EPU senior/executive managerial changes made during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- c) Describe any EPU staff changes occurring during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- d) Explain the company's rationale and expected benefits for making the organizational changes in b and c above.
- e) Describe any company disciplinary actions of EPU project employees during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- f) Provide a readable copy (8 pt. or larger) of the company's staffing plan for the EPU uprates, during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.

- g) Describe any staffing requirements not met during the period January 2012 through April 2013, the reasons for not implementing staffing as planned, as well as any potential project schedule and cost impacts due to incomplete staffing. Provide monthly 2013 changes by the 15th of each month.
- h) Describe the actions necessary, and expected timeframe, for meeting all incomplete planned staffing levels, and provide monthly 2013 changes by the 15th of each month.
- i) Provide any staffing plan corrective actions undertaken, timeframes involved, and estimated impacts on project costs and scheduling during the period January 2012 through April 2013.

EPU DR1.5

- a) Provide copies of EPU Project Management policies and procedures newly-created or revised since January 2012, and any planned revisions through April 30, 2013.
- b) Provide a listing of Project Management policies and procedures deleted since January 2012, and the company's reason for deleting each. Provide monthly 2013 changes by the 15th of each month.

Project Cost Estimates and Schedules

EPU DR1.6

- a) Provide copies of all periodic or adhoc reports discussing St. Lucie and Turkey Point project updates with the Board of Directors, FPL senior management, or project management, including but not limited to briefings, minutes, recommendations, findings, handouts, and Power Point slides for the period January 1, 2012 through April 30, 2013, and on an ongoing basis by the 15th of each month.
- b) Please provide copies of the following EPU project and management reports for the period January 1, 2012 through April 30, 2013 on an ongoing basis by the 15th of each month:
 - 1. EPU Monthly Operating Report
 - 2. Internal and external audit engagements
 - 3. FPL Executive Steering Committee reports
 - 4. Monthly EPU Project Risk Matrix
 - 5. Monthly Risk Mitigation Plan Review
 - 6. Key Supplier Meetings
 - 7. EPU Executive Steering Committee Report
 - 8. Bi-Weekly Updates (CNO Updates) PSL & PTN
 - 9. EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports)
 - 10. Disciplinary actions against contractors
 - 11. Provide copies of the Weekly Contract Compliance Matrix
- c) Identify any new uprate project controls introduced since January 1, 2012 and describe any planned for implementation going forward through April 30, 2013.
- d) Provide a copy of the Key Performance Indicators report to monitor the status of the uprate projects for the period January 2012 through April 30, 2013, on a going forward basis by the 15th of each month.

EPU DR1.7

- a) Please provide the most currently available project schedule and cost estimates approved by senior management to complete the uprate projects going forward through April 30, 2013.
- b) Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point uprate projects since January 2012 going forward through April 30, 2013, by the 15th of each month.
- c) Provide the most currently available list of surplus or disposable equipment as a result of the uprate, for each unit, and the estimated value of the asset.
- d) Provide the company's current timeline for disposing of the surplus or disposable equipment associated with the uprate projects.
- e) Provide a current list of all surplus or disposable equipment transferred as a result of the uprate, for each unit, and the estimated value of the asset.

EPU DR1.8

- a) Provide a current status and written 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.
- b) Provide, by unit, a listing of any remaining long-lead equipment yet to be purchased, the estimated lead time necessary for procurement and installation, the estimated timeline for procurement, and the estimated costs to procure the equipment.
- c) 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 since January 2012, and/or planned for 2013.

EPU DR1.9

- a) Please provide any internal or external St. Lucie and Turkey Point uprate scoping and/or feasibility studies conducted, by or for the company since January 2012, and list any studies planned to be undertaken in 2013.
- b) Provide a listing of all Six Sigma work activities, hours, and costs for the St. Lucie and Turkey Point uprates executed since January 2012, and/or planned for 2013.
- c) Provide a copy of all "White Paper" summaries completed since January 2012, documenting the company's rationale for key decision making related to the St. Lucie and Turkey Point uprate projects.

Contractor Selection and Management

EPU DR1.10

- a) Provide a summary of new contracts in excess of \$250,000, in the T-7 format, for the period January 2012 through April 2013. Please list the contracts in order of value from highest to lowest (i.e. those \$1million and greater down through \$250,000).
- b) Provide all RFPs issued, and bid evaluation summary sheets (financial and technical) supporting any St. Lucie and Turkey Point contracts competitively bid in excess of \$250,000, for the period January 2012 and ongoing through April 2013 by the 15th of each month.
- c) For all contracts in excess of \$1 million, since January 2012, provide a listing of change orders, by contract and by uprate unit, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order.
- d) Provide copies of all single and sole source justifications completed by the company for all contracts and change orders since January 2012 and ongoing through April 2013 by the 15th of each month.
- e) Describe any efforts the company has made since January 2012 to ensure single and sole source justifications have been improved to meet FPSC Order No. PSC-08-0749-FOF-EI.

EPU DR1.11

- a) Provide a copy of the company's current Contract Audit Policies and Procedures applicable to the St. Lucie and Turkey Point uprate projects.
- b) Provide a listing of all internal or external contract audits conducted for the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013.
- c) Provide copies of any internal or external contract audit results, including all recommendations and actions taken as a result of these audits since January 2012 going forward through April 2013 by the 15th of each month.
- d) Provide copies of any internal or external contract investigations including all findings, recommendations, and actions taken as a result of these investigations since January 2012 going forward through April 2013 by the 15th of each month.

EPU DR1.12

- a) Provide any changes to the EPC oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all EPC contract modifications and revisions made since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a listing of all change orders for the EPU EPC contract since January 2012 and planned through April 2013, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order. Provide 2013 actions by the 15th of each month.

EPU DR1.13

- a) Provide a summary of any disciplinary actions taken, pending, or planned, by FPL or the EPC, on any contractors working for the uprate projects since January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the St. Lucie and Turkey Point projects.
- c) List and describe all contractor Recovery Plans requested by FPL during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- d) Provide all memos, letters, and associated correspondence between FPL and the contractor, along with a copy of each Recovery Plan.
- e) Discuss whether EPC difficulties experienced in keeping engineering design packages on schedule for the uprate outages improved during 2012 and 2013 as a result of EPU management efforts.
- f) Explain specifically what these changes did to keep design packages on schedule for the 2012 and 2013 outages.
- g) Describe any changes in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects since January 2012, and any planned for 2013. Provide 2013 actions by the 15th of each month.

Internal Audits and Quality Assurance Reports

EPU DR1.14

- a) Please provide a current listing of all internal and external audits completed for the St. Lucie and Turkey Point uprate projects since January 2012 and any planned through 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of any internal or external audit results, including all recommendations, management responses, and actions made as a result of these audits since January 2012 through 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a current listing of all investigations of EPU related actions or activities for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.15

- a) Provide a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of all quality assurance, observations, reviews, and audits including all recommendations, management responses, and actions taken during January 2012 through April 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.16

- a) Please provide current copies of all contractor evaluations completed for the St. Lucie and Turkey Point uprate projects since January 2012, and ongoing through April 2013 by the 15th of each month.
- b) Describe any corrective actions taken as a result of these evaluations and their actual or potential impact to the uprate project's schedules or costs.
- c) List and describe any Quality Assurance actions (holds, delays, stops, etc.) recommended or taken, pending or planned by FPL, on manufacturers or contractors for the St. Lucie and Turkey Point projects during the period January 2012 through April 2013. Include a description of the events surrounding the action, the date the action was taken, a description of the Quality Assurance actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the project. Provide 2013 actions by the 15th of each month.

EPU DR1.17

Describe any new project controls implemented by owner organizations as a result of quality assurance reviews, internal auditing, or external audit findings, since January 2012, and any planned to be implemented through April 2013.

EPU DR1.18

- a) Explain any information gained from equipment failures of any recent uprates (e.g. San Onofre) caused changes to the FPL uprate plans, costs, or schedules.
- b) Please describe how the company studied other uprates for lessons learned/problems encountered and what impacts this analysis may have had on the FPL uprate(s)?

EPU DR1.19

Provide summaries of the implementation of the following outages during 2012 and 2013, and identify any unscheduled delays and additional costs experienced as a result of an outage extension:

- a) St. Lucie Unit 1
- b) St. Lucie Unit 2
- c) Turkey Point Unit 4

EPU DR1.20

- a) Provide a listing of all Siemens invoices and billing greater than \$1 million during January 2012 through April 2013, and include a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million, for work completed during 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a list of all accruals for Siemens during the period January 2012 through April 2013 greater than \$1 million. Provide 2013 actions by the 15th of each month.

EPU DR1.21

- a) Provide a listing of all EPU related Condition Reports issued during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Identify all reports contributing to delays in EPU scheduling or additional project costs, including total estimated days for each delay and estimated dollars associated with those reports.

EPU DR1.22

- a) Discuss any impact the November 9, 2012 meeting re:NRC additional inspection findings for St. Lucie Unit 1 may have had on the EPU project schedule or costs.

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-2 EPU DATE OF REQUEST: December 11, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 4, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR2.1 Was FPL contacted by or regarding a contractor employee named [REDACTED] regarding falsification of training records at the St. Lucie site? If so, please 1

- a. Provide all FPL and contractor documentation regarding the allegation.
- b. Provide a copy of the original complaint.
- c. Provide details of the contractor administrative response(s) to the complaint.
- d. Provide details of the contractor investigative response(s) to the complaint.
- e. Provide details of the FPL administrative response(s) to the complaint.
- f. Provide details of the FPL investigative response(s) to the complaint.
- g. Provide copies of notes, emails, letters, or personnel actions regarding disposition of the complaint

DR2.2 Did FPL receive an Employee Concern or any other employee input regarding

- a. Any employee alleging that a contractor or contractors requested employees to falsely claim training, certification, or expertise?
- b. If so, please explain each allegation, date initiated, findings, and disposition,

DR2.3 Regarding [REDACTED] 2

- a. By which contractor was [REDACTED] employed? 3
- b. Is he still employed in any capacity in the EPU project(s)?
- c. Please provide the dates of his employment.
- d. Please provide an explanation of his job requirements.
- e. Please explain his qualifications, training, and certifications specific to the job requirements.
- f. If no longer employed, provide the circumstances under which his employment terminated.
- g. Please provide copies of any FPL disciplinary or personnel actions regarding [REDACTED] 4
- h. Please provide copies of any contractor disciplinary or personnel actions regarding [REDACTED] 5

DR2.4 Did the NRC contact FPL regarding allegations by [REDACTED] or any other FPL or contractor employees that an FPL contractor or contractors were using falsified training documentation or information at the Saint Lucie site? Please explain. 6

DR2.5 Has the NRC notified FPL that:

- a. an allegation has been made about such an event or events,
- b. that an investigation is underway.
- c. or that an investigation is anticipated?

DR 2.6 If an NRC investigation is ongoing, please provide copies of all correspondence between FPL and the NRC pertinent to this matter to date.

DR 2.7 If an NRC investigation has been completed, please provide all correspondence, final report, findings, dispositions, and FPL remediation plans and/or completed actions.

DR2.8 Has FPL identified any instance of St. Lucie contractors using unqualified personnel to complete tasks for which they had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.

DR2.9 Has FPL identified any instance of St. Lucie contractors using unqualified personnel to provide testing to others, for which the instructors had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.

DR2.10 Please explain the programs, practices, and procedures that FPL and contractors have in place to ensure that St. Lucie site contract employees are fully and properly trained, certified, and qualified for the work they are expected to perform.

DR2.11 Please explain how FPL and contractors "circle back" to sample and/or verify that contract employees on the St. Lucie site remain proficient, fully trained and qualified for the work they are expected to perform.

DR2.12 During 2011 and to date in 2012, is FPL aware of any NRC investigations of contractors working on the St. Lucie site since 2011.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-3 EPU DATE OF REQUEST: February 1, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: February 12, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR-3.1 Provide a copy of the FPSC Staff Visit presentation dated January 23, 2013 (provided on-site).

DR-3.2 Provide a copy of the Daily 3R26 Outage Earned Value Package dated May 6, 2012 (provided on-site).

DR-3.3 Provide a copy of the Daily 4R27 Outage Earned Value Package dated January 20, 2013 (provided on-site).

DR-3.4 On page 22 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Spring 2012 outage exceeded the planned cost by \$50M (45%).

a. Provide a summary breakdown of each driver causing the \$50M additional costs, by category, additional hours, and additional costs.

b. Provide a summary breakdown of the primary driver ("additional human capital") by category, added hours, and cost.

c. Explain why Siemens received a [REDACTED] for the SL1-24 outage.

d. Provide a copy of the Siemens contract provisions identifying the [REDACTED] requirements for the SL1-24 outage.

e. Provide a summary of all contractors receiving [REDACTED] for the SL1-24 outage, the amount of [REDACTED] description of why the [REDACTED], and a copy of the contract provisions identifying the [REDACTED] requirements.

DR-3.5 Provide a summary of all contractor [REDACTED] by FPL during the period January 2012 through April 2013 on an ongoing basis, including contractor name, outage for which the [REDACTED] the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements.

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- DR-3.6** Please explain the following from FPL's response to DR-1.20:
- a. Invoice no. 96059291 dated 8/10/12 for PO 2303735 shows no payment for Unit 3 Siemens Labor and Tool Rental/Purchases.
 - b. Invoices 96059836, 96059837, 96061093, and 96061094 paid [REDACTED] each for Unit 3 initial synchronization of the HP turbine and generator and Unit 4 site mobilization and breaker opening for the fall 2012 outage. 1
 - c. Invoice 2970008686 dated 9/17/12 for U4 prepayment (70.76%) PTN
- DR-3.7**
- a. Describe the challenges encountered during the PSL2 outage completed ahead of schedule on November 23, 2012 (page 31 of the FPSC Staff Visit presentation dated January 23, 2013).
 - b. Provide the number of days lost production experienced for lightning and rain as a result of Tropical Storm Isaac.
 - c. Provide a summary of all contractors receiving [REDACTED] for the SL2 Fall 2012 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements. 2
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- DR-3.8** On page 32 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Fall 2012 outage exceeded the planned cost by \$2M (2%).
- a. Provide a summary breakdown of each driver causing the \$2M additional costs, by category, additional hours, and additional costs.
 - b. Provide a summary breakdown of the primary driver ("additional human capital") by category, added hours, and cost.
- DR-3.9** On page 67 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PTN Spring 2012 outage exceeded the planned cost by \$133M (53%).
- a. Provide a summary breakdown of each driver causing the \$133M additional costs, by category, additional hours, and additional costs.
 - b. Explain any performance [REDACTED] for the PTN Spring 2012 outage. 5
 - c. Provide a summary of all contractors receiving [REDACTED] for the PTN Spring 2012 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements. 6
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 - d. Explain why the PTN 3 outage was completed on September 5, 2012 (pg. 45 of the FPSC Staff Visit presentation dated January 23, 2013), but the increased power capacity for PTN 3 will not be finalized until approximately seven months later, in March 2013 (pg. 67 of the FPSC Staff Visit presentation dated January 23, 2013)
 - e. What was the planned timeframe for Unit 3 ascension after the EPU work was completed?
 - f. Please explain any differences in planned and actual timeframes for the Unit 3 ascension.
- DR-3.10** Please provide hard copies to staff of the following audits completed by FPL during 2012:
- a. July 17, 2012 PSL Contract Workers [REDACTED] (NEE-NUC-EX-00-2012-0006) 9
 - b. August 8, 2012 Turkey Point and St. Lucie [REDACTED] (NEE-NUC-EX-00-2012-005) 10
 - c. December 20, 2012 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX-00-2012-0010) 11
- DR-3.11** Please answer the following regarding the December 20, 2012 Additional FPL Contractors [REDACTED] Review: 12
- a. Is the December 20, 2012 review a follow-up to the July 17, 2012 PSL Contract Workers [REDACTED] 13
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- b. Do the amounts of [REDACTED] to [REDACTED] in the December review include amounts reported as [REDACTED] in the July 17, 2012 review or are they separate [REDACTED]? 1
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- c. Describe what FPL has done or intends to do to recover the [REDACTED] from [REDACTED]. 3
- d. Describe FPL efforts to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED]. 4
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- e. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests? 6
- f. Does FPL intend to claim any of these [REDACTED] in future proceedings? 7
- DR-3.12** Regarding the internal audit report entitled "PTN Contractor [REDACTED] Review", dated September 10, 2012. Internal Audit recommended that an action plan be implemented. 8
- a. Please explain whether the action plan was implemented and what steps have been taken relevant to the IA recommendation.
- b. Provide a copy of the action plan implemented in response to the audit.
- c. Has FPL [REDACTED] to [REDACTED] the amount described in the audit? If so, explain. 9
- d. Describe what FPL has done or intends to do to [REDACTED] the [REDACTED] from [REDACTED]. 10
- e. Describe FPL [REDACTED] to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED]. 11
12
- f. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests? 13
- g. Does FPL intend to claim any of these [REDACTED] in future proceedings? 14
- DR-3.13** Regarding a [REDACTED] vendor audit to determine billing compliance for installation of upgraded turbine/generator equipment to support PSL-1 EPU, IA [REDACTED] 15
16
17
18
- a. Has FPL [REDACTED] to [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] 19
20
- b. Are [REDACTED] for [REDACTED] and [REDACTED] incorporated into vendor contracts so that Project Controls personnel can review and validate billing rates for appropriateness? 21

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: EPSC

REQUEST NUMBER: DR-4 EPU DATE OF REQUEST: March 4, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: March 11, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR-4.1 Please furnish a copy of the briefing slides and photos as presented to PSC Chairman Brise and Public Counsel J. R. Kelly during their recent visit to Turkey Point.

TO: AUDIT MANAGER _____ DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

PTN EPU Project	PSL EPU Project
a. Westinghouse: 1. January 2012 2. February 2012 3. May 2012 4. September 2012	a. Shaw/SWEC: 1. February 2012 2. May 2012 3. August 2012 4. October 2012
b. Bechtel: 1. February 2012 2. April 2012 3. May 2012 4. November 2012	b. Long Lead Material: 1. March 2012 2. June 2012 3. August 2012 4. December 2012
c. Long Lead Materials: 1. February 2012 2. April 2012 3. August 2012 4. October 2012	c. Siemens Material: 1. March 2012 2. April 2012 3. August 2012 4. December 2012
d. Siemens Material: 1. January 2012 2. May 2012 3. August 2012 4. September 2012	d. Bechtel: 1. January 2012 2. March 2012 3. April 2012 4. September 2012
e. Siemens T/G Installation: 1. March 2012 2. April 2012 3. May 2012 4. September 2012	e. Siemens Labor: 1. January 2012 2. February 2012 3. August 2012 4. September 2012
f. Implementation Support: 1. March 2012 2. May 2012 3. July 2012 4. December 2012	f. Implementation Support: 1. February 2012 2. April 2012 3. August 2012 4. November 2012

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-5 EPU DATE OF REQUEST: April 25, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 6, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

1. Provide a copy of the Terry Jones April 16th EPU update presentation (already received).
2. Provide a copy of the Recoverable Cost Justification Log for 2012 (separate and apart).
3. Provide the [REDACTED] Application Summary completed by Don Fleetwood. 1
4. Provide a Bechtel Contract Breakdown for 2012, including:
 - a. Bechtel work completed by unit
 - b. Amounts paid per unit for work completed in 2012
 - c. [REDACTED] per unit/outage during 2012 2
 - d. A list of contract changes made during 2012, with copies of the text revisions made to the contract
5. Provide a summary of EPU Benchmarking to other Uprate projects comparing completion timeframes and cost.
6. Provide FPL's EPU analysis comparing limited scope taken from Bechtel vs. the use of other contractors for PTN 3&4 outages.
7. Provide a list of 2012 EPU contract changes, and copies of the text revisions (other than the Bechtel contract requested in 4a-d).
8. Provide a copy of the Industrial Safety Events Notebook (already received).
9. Provide the EPU 2012 Invoice Tie-Out (please see attached for contractors and months requested).
10. Provide a copy of the Final [REDACTED] Audit Report when completed. 3
11. Provide a copy of the PTN 2013-009 ECP Report and ECP 2012 Annual Report discussed with Jim Voorhees.
12. Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).
13. Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-6 EPU

DATE OF REQUEST: May 3, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 13, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
 - ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)
1.
 - a. Provide copies of any vendor performance scorecard completed during 2012-2013 to date for Bechtel, and its subcontractors.
 - b. Explain any delays in EPU outages during 2012-2013 to date, attributed to Bechtel, and its subcontractors, error or non-performance.
 - c. Provide the estimated costs associated with Bechtel, and its subcontractors, error, non-performance, or project delays during 2012-2013 to date.
 - d. Describe any rework required during 2012-2013 to date due to Bechtel or its subcontractors.
 - e. Provide the 2012-2013 to date estimated costs associated with any Bechtel, or its subcontractors rework.
 - f. Describe EPU management efforts during 2012-2013 to date, used to improve or assist Bechtel performance, or reduce outage delays (other than using limited-scope contractors for Bechtel work during PTN 3&4 outages).
 - g. Provide the estimated costs for EPU management efforts attributed to correct or improve Bechtel or its subcontractors, errors, non-performance, rework, or project delays.
 2.
 - a. Explain whether Bechtel's PTN3 work scope was adjusted similarly to the limited scope adjustments made in PTN4, and if not, why FPL decided not to make the adjustments during PTN3.
 - b. Were FPL Planners and resident engineers used to design or develop any reduced work scope packages for PTN3?
 - c. If not, explain why FPL chose to use this option for PTN4, but not for PTN3.
 - d. Explain what impact Bechtel's delay in completing engineering design packages for PTN3 had on the outage being extended?
 - e. Explain what impact Bechtel's delay in completing PTN3 engineering packages had on completing those for PTN4.
 - f. Provide an estimate of costs associated with the delay in pre-outage preparation for PTN4, caused by Bechtel, in the extended PTN3 outage.
 3.
 - a. Please explain Bechtel's substantial 3R26 variances from budgeted hours and dollars in craft (45% of the total variance hours, and 30.6 % of variance dollars) provided in response to DR-3.9 and why these variances were not anticipated by FPL project management prior to the outage..
 - b. Explain the Bechtel 3R26 Seconded Craft (10.2 % of variance hours and 13.4% of variance dollars) and FNM variances (12% of total variance hours and 14.6% of variance dollars) from budgeted hours and dollars and why these variances were not anticipated by FPL project management prior to the outage.
 - c. Explain Shaw's 3R26 variances (15.5% of total variance hours and 10.7% of variance dollars) from budgeted and why these variances were not anticipated by FPL project management prior to the outage..
 - d. Explain the 3R26 Siemens T&M variances from budget (4.4% of variance hours and 8.5% of variance dollars) and why the variance was over 50% higher than budget. Explain why these variances were not anticipated by FPL project management prior to the outage.
 - e. Explain the 3R26 Williams variance from budget, why the hour and cost variance was substantially more than budgeted, and why these variances were not anticipated by FPL project management prior to the outage.

- f. Explain the 3R26 Plant Support variance costs and hours (avg. cost per variance hour [REDACTED]?)
- g. Explain what is included in the Plant Support charges to the 3R26 variance hours and costs to make the amount so sizeable.
- h. Explain why the variances for Plant Support were not anticipated by FPL project management prior to the outage.
- i. Explain the 3R26 variance for Weldtec (3.7% of variance hours and 6% of variance dollars) and why these variances were not anticipated by FPL project management prior to the outage.
- j. In the response to DR-3.9, explain the 3R26 variances in the average actual dollars per hour and the average variance dollars per hour for:
1. Bechtel Craft
 2. Bechtel Seconded
 3. Bechtel FNM
 4. Shaw
 5. Siemens T&M
 6. Plant Support
4. a. Did EPU Project Management perform any gate log audits for the above mentioned contractors during the 3R26 outage?
b. Provide the results of all gate log audits, surveys, investigations, or reviews performed during the 3R26 outage by EPU Project Management, Controls Group, Internal Audit or other entity.
5. Please provide a listing of all outstanding EPU warranty claims, for 2012-2013 to date, by unit, and include:
- a. Contractor Name
 - b. Type of Warranty claim
 - c. Reason for making warranty claim
 - d. Description of equipment or service under warranty claim
 - e. Timeframe of warranty claim filing
 - f. Dates and description of any resolution or negotiations
 - g. Total estimated dollars of warranty claim(s)
 - h. Estimated payment/resolution date
6. a. Provide a listing of all EPU vendor concessions received during 2012-13 to date (other than the ones provided in response to DR-1.3, and in Mr. Jones testimony).
b. Discuss the reasoning for each concession received.
c. Discuss whether the concessions were related to safety, performance, or other purpose, and detail the purpose for the concessions being paid.
d. Provide the percentage each contractor concession represents of the total contractor dollars billed on the project.
7. Provide copies of the required Turkey Point contractors First Time Quality Plans discussed in DR-1.3.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-7 EPU

DATE OF REQUEST: May 16, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 28, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
 - ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)
1. a. Provide copies of all root cause analyses completed by or for the EPU project or any of its contractors during 2012-2013 to date.
b. For each root cause analysis, provide a summary that includes:
 1. Description of each incident studied in the root cause analysis
 2. Dates of each incident
 3. The contractor(s) and contracts involved
 4. Actions reviewed
 5. Primary and contributing causes
 6. Estimated costs of incident
 7. Other costs due to schedule delay, or any other impact to the project
 2. a. Describe when FPL first implemented the First Time Quality program for EPU outages.
b. Provide copies of written First Time Quality program plans completed for outages prior to the PTN-4 outage.
c. If the First Time Quality program was not implemented before PTN-4 please explain why the program was not used during each of the prior EPU outages.
 3. a. Provide a copy of any warranty issues identified for the PTN-3 outage and start-up, and provide the information in the same format as requested in DR-6.5.
b. Provide a copy of AR 179662108 for damage related to the Main Feed Pump in the 3R26 outage.
c. Provide any other ARs documenting damages or delays incurred in the 3R26 outage.
d. Provide a copy of the Sargent and Lundy independent review to validate work order wiring to design drawings and set points for PTN-3 and PTN-4 planning, as described in EPU-PTN-12-0859, page 2 of 12 Rev 0, Bates 079786.
e. Please describe the Ames, Siemens, and Bechtel gaps in performance discussed in EPU-PTN-12-0859, page 6 of 12 Rev 0, and associated costs for the outage caused by each vendor's performance.
f. Provide a copy of the Change Management Plan for PTN-3 and PTN-4 work allocations among Bechtel, Siemens, Shaw, PCI/Westinghouse, and Weldtech as discussed in EPU-PTN-12-0859, page 7 of 12 Rev 0, if not previously provided.
g. Provide a copy of the evaluation of 3R26 testing, and the problems and issues observed, as discussed in the Testing section of EPU-PTN-12-0859, page 7 of 12 Rev 0
h. Provide a copy of the apparent cause and corrective actions related to improper socket welds in the PTN-3 EHC system vent and drain pipe, as discussed on page 2 of 4 of the Turkey Point 4 EPU First Time Quality 2/1 Weld Taper (Vents and Drains) for DR-6.7 Bates 079751.

- i. Explain what management did to prevent incorrect orientation of specific equipment and component tubing prior to the PTN-3 outage, as described on page 2 of 5 of the Turkey Point 4 EPU First Time Quality Action Plan (Direction Specific Equipment Orientation and Component Tubing) for DR-6.7 Bates 079755.
 - j. Estimate the costs associated with the issues and delays causing the PTN-3 outage extension, and resulting in the Lessons Learned
4. a. Provide a copy of the PTN team evaluation of areas where first time quality did not meet department standards and expectations for the 3R26 outage.
b. Provide a list of the individuals completing the PTN team evaluation for the PTN-3 outage.
 5. Provide a copy of the Lessons Learned compiled from the Unit 3 outage.
-

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich

DATE: 2/28/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.1a - revised, 1.8c - revised
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.1a - revised, 1.8c - revised 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)

Tom C. Lutto
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich

DATE: 3/15/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY February Monthly Updates (EPU)
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.6a,b, 1.15b, 1.20a,b,c, 1.21a, 1.14a, 1.4f, 1.7b, 1.10b,d, 1.12b,c 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)

SIGNATURE AND TITLE OF RESPONDENT

TO: AUDIT MANAGER David Rich

DATE: 4/17/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY March Monthly Updates (PTN)
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.30 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)

T. C. Lutto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DRI.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

David Rich

DATE:

1/15/13

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY
- (2) ☒ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY ASAP
- (3) ☐ AND IN MY OPINION, ITEMS(S) 1.12, 1.13, 1.14, 1.24, 1.23 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 Cohen
SIGNATURE AND TITLE OF RESPONDENT

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich

DATE: 5/17/2013

THE REQUESTED RECORD OR DOCUMENTATION:

EPU DR-1 update

- (1) ☒ HAS BEEN PROVIDED TODAY *April Monthly Updates*
1.1c, 1.4b egh, 1.5b, 1.6d, 1.11cd, 1.12abc, 1.13acg, 1.14abc, 1.15a, 1.16ac, 1.23d, 1.4c, 1.4f, 1.10bd, 1.14a, 1.15b, 1.21a, 1.7b
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) *1.4c, 1.4f, 1.10b, 1.10d, 1.14a, 1.15b, 1.21a, 1.7b* 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)

T C Ho

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-1 EPU DATE OF REQUEST: November 15, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 11, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION: Please Provide:

Project Planning and Risk Assessment

EPU DR1.1

- a) Provide a written summary of the work accomplished on the St. Lucie and Turkey Point uprate projects since January 2012 and planned activities through April 2013.
- b) Provide the most current copy of the Project Plan for St. Lucie and Turkey Point uprate projects.
- c) Provide a written summary of monthly EPC contractor KSI performance measures, and monthly EPC project report updates since January 2012, and provide ongoing reports through April 2013 by the 15th of each month.
- d) Provide a copy of the most current project implementation plan (PIP) for St. Lucie and Turkey Point uprate projects.

EPU DR1.2

- a) Provide a written summary of pending NRC and other regulatory applications, approvals, and certifications for the St. Lucie and Turkey Point uprate projects, including the current status and timeline for completing each.
- b) Provide a written summary of major project risks identified and company mitigation programs undertaken to address each risk, from January 2012 and planned through April 2013.
- c) Summarize the results of the Turkey Point site certification monitoring wells and sampling to date and describe any potential impacts to the project during 2012 through April 2013.
- d) Describe the current status of FPL's EPU efforts to satisfy DEP site "certification conditions" for the uprates and any potential impacts to the project during 2012 through April 2013.
- e) Describe any current cooling water conditions or requirements that remain as possible challenges to the uprate projects and any potential impact on project schedule and costs.
- f) Describe any transmission conditions or electric grid requirements remaining as possible challenges to the uprate project's schedule and costs.
- g) Describe the actions taken by FPL since January 2012, and any planned through April 2013, to complete its LAR requirements for the uprate projects.
- h) Describe any pending LAR requirements and a current timeline showing when the requirements will be fulfilled.
- i) Describe any other conditions or requirements that remain as possible challenges to the uprate project's schedule and costs.

- j) Provide a status of the progress for upgrading the gantry cranes at each uprate unit since January 2012, and include: a description of the equipment being changed, timeframes for completion, salvageable materials and estimated costs for each crane upgrade through April 2013.
- k) Provide a summary of all engineering design packages completed during 2012-2013 for each unit and outage, showing the unit, number of packages completed, and items initiated to 30% complete, 90% complete, and final.
- l) Discuss how FPL has implemented the October 31, 2011 amendments approved by the NRC to FPL's Turkey Point 3&4 Spent Fuel Criticality Analysis to support the uprates, and provide a description of work completed, final completion date, and estimated dollars for completing the amendments.
- m) Discuss the impact of the use of a higher enriched fuel on the spent fuel pool and dry cask storage requirements for the Turkey Point Units 3&4 uprates.
- n) Discuss FPL's transition timeline for using fuel with enrichments up to 5.0 weight percent U-235 at Turkey Point Units 3&4.
- o) Discuss whether any further FPL analysis of storage capacity or additional information is required prior to using fuel with enrichments up to 5.0 weight percent U-235.
- p) Discuss any other requests for change, approval, or amendment necessary for approvals to store more highly enriched fuel.

EPU DR1.3

- a) Please describe any changes made to project planning, engineering, or implementation of the uprates since January 2012, due to potential project risks or other project management concerns.
- b) Please describe any new changes, challenges, or project delays, impacting project planning, engineering, or implementation for the uprates, since January 2012. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor/contractor issues, site logistics, and regulatory issues.
- c) Identify the corrective actions undertaken for any new changes, challenges, project delays, stand downs, or work stoppages, the timeframes involved, and the estimated impacts on project costs and scheduling.
- d) Please describe all mitigation strategies developed or considered for each problem or challenge, indicate which strategy the company is deploying, and provide the reasoning for choosing that strategy.
- e) Provide a current status of any commercial negotiations to settle damages and costs associated with stand downs or work stoppages for the period January 2012 through April 30, 2013 where damages or additional costs were incurred as a result the events.

Project Organization and Procedures

EPU DR1.4

- a) Provide a current organizational chart of project management and work units currently responsible for completing the nuclear uprate project.
- b) Describe any EPU senior/executive managerial changes made during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- c) Describe any EPU staff changes occurring during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- d) Explain the company's rationale and expected benefits for making the organizational changes in b and c above.
- e) Describe any company disciplinary actions of EPU project employees during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- f) Provide a readable copy (8 pt. or larger) of the company's staffing plan for the EPU uprates, during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.

- g) Describe any staffing requirements not met during the period January 2012 through April 2013, the reasons for not implementing staffing as planned, as well as any potential project schedule and cost impacts due to incomplete staffing. Provide monthly 2013 changes by the 15th of each month.
- h) Describe the actions necessary, and expected timeframe, for meeting all incomplete planned staffing levels, and provide monthly 2013 changes by the 15th of each month.
- i) Provide any staffing plan corrective actions undertaken, timeframes involved, and estimated impacts on project costs and scheduling during the period January 2012 through April 2013.

EPU DR1.5

- a) Provide copies of EPU Project Management policies and procedures newly-created or revised since January 2012, and any planned revisions through April 30, 2013.
- b) Provide a listing of Project Management policies and procedures deleted since January 2012, and the company's reason for deleting each. Provide monthly 2013 changes by the 15th of each month.

Project Cost Estimates and Schedules

EPU DR1.6

- a) Provide copies of all periodic or adhoc reports discussing St. Lucie and Turkey Point project updates with the Board of Directors, FPL senior management, or project management, including but not limited to briefings, minutes, recommendations, findings, handouts, and Power Point slides for the period January 1, 2012 through April 30, 2013, and on an ongoing basis by the 15th of each month.
- b) Please provide copies of the following EPU project and management reports for the period January 1, 2012 through April 30, 2013 on an ongoing basis by the 15th of each month:
 - 1. EPU Monthly Operating Report
 - 2. Internal and external audit engagements
 - 3. FPL Executive Steering Committee reports
 - 4. Monthly EPU Project Risk Matrix
 - 5. Monthly Risk Mitigation Plan Review
 - 6. Key Supplier Meetings
 - 7. EPU Executive Steering Committee Report
 - 8. Bi-Weekly Updates (CNO Updates) PSL & PTN
 - 9. EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports)
 - 10. Disciplinary actions against contractors
 - 11. Provide copies of the Weekly Contract Compliance Matrix
- c) Identify any new uprate project controls introduced since January 1, 2012 and describe any planned for implementation going forward through April 30, 2013.
- d) Provide a copy of the Key Performance Indicators report to monitor the status of the uprate projects for the period January 2012 through April 30, 2013, on a going forward basis by the 15th of each month.

EPU DR1.7

- a) Please provide the most currently available project schedule and cost estimates approved by senior management to complete the uprate projects going forward through April 30, 2013.
- b) Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point uprate projects since January 2012 going forward through April 30, 2013, by the 15th of each month.
- c) Provide the most currently available list of surplus or disposable equipment as a result of the uprate, for each unit, and the estimated value of the asset.
- d) Provide the company's current timeline for disposing of the surplus or disposable equipment associated with the uprate projects.
- e) Provide a current list of all surplus or disposable equipment transferred as a result of the uprate, for each unit, and the estimated value of the asset.

EPU DR1.8

- a) Provide a current status and written 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.
- b) Provide, by unit, a listing of any remaining long-lead equipment yet to be purchased, the estimated lead time necessary for procurement and installation, the estimated timeline for procurement, and the estimated costs to procure the equipment.
- c) 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 since January 2012, and/or planned for 2013.

EPU DR1.9

- a) Please provide any internal or external St. Lucie and Turkey Point uprate scoping and/or feasibility studies conducted, by or for the company since January 2012, and list any studies planned to be undertaken in 2013.
- b) Provide a listing of all Six Sigma work activities, hours, and costs for the St. Lucie and Turkey Point uprates executed since January 2012, and/or planned for 2013.
- c) Provide a copy of all "White Paper" summaries completed since January 2012, documenting the company's rationale for key decision making related to the St. Lucie and Turkey Point uprate projects.

Contractor Selection and Management

EPU DR1.10

- a) Provide a summary of new contracts in excess of \$250,000, in the T-7 format, for the period January 2012 through April 2013. Please list the contracts in order of value from highest to lowest (i.e. those \$1million and greater down through \$250,000).
- b) Provide all RFPs issued, and bid evaluation summary sheets (financial and technical) supporting any St. Lucie and Turkey Point contracts competitively bid in excess of \$250,000, for the period January 2012 and ongoing through April 2013 by the 15th of each month.
- c) For all contracts in excess of \$1 million, since January 2012, provide a listing of change orders, by contract and by uprate unit, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order.
- d) Provide copies of all single and sole source justifications completed by the company for all contracts and change orders since January 2012 and ongoing through April 2013 by the 15th of each month.
- e) Describe any efforts the company has made since January 2012 to ensure single and sole source justifications have been improved to meet FPSC Order No. PSC-08-0749-FOF-EI.

EPU DR1.11

- a) Provide a copy of the company's current Contract Audit Policies and Procedures applicable to the St. Lucie and Turkey Point uprate projects.
- b) Provide a listing of all internal or external contract audits conducted for the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013.
- c) Provide copies of any internal or external contract audit results, including all recommendations and actions taken as a result of these audits since January 2012 going forward through April 2013 by the 15th of each month.
- d) Provide copies of any internal or external contract investigations including all findings, recommendations, and actions taken as a result of these investigations since January 2012 going forward through April 2013 by the 15th of each month.

EPU DR1.12

- a) Provide any changes to the EPC oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all EPC contract modifications and revisions made since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a listing of all change orders for the EPU EPC contract since January 2012 and planned through April 2013, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order. Provide 2013 actions by the 15th of each month.

EPU DR1.13

- a) Provide a summary of any disciplinary actions taken, pending, or planned, by FPL or the EPC, on any contractors working for the uprate projects since January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the St. Lucie and Turkey Point projects.
- c) List and describe all contractor Recovery Plans requested by FPL during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- d) Provide all memos, letters, and associated correspondence between FPL and the contractor, along with a copy of each Recovery Plan.
- e) Discuss whether EPC difficulties experienced in keeping engineering design packages on schedule for the uprate outages improved during 2012 and 2013 as a result of EPU management efforts.
- f) Explain specifically what these changes did to keep design packages on schedule for the 2012 and 2013 outages.
- g) Describe any changes in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects since January 2012, and any planned for 2013. Provide 2013 actions by the 15th of each month.

Internal Audits and Quality Assurance Reports

EPU DR1.14

- a) Please provide a current listing of all internal and external audits completed for the St. Lucie and Turkey Point uprate projects since January 2012 and any planned through 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of any internal or external audit results, including all recommendations, management responses, and actions made as a result of these audits since January 2012 through 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a current listing of all investigations of EPU related actions or activities for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.15

- a) Provide a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of all quality assurance, observations, reviews, and audits including all recommendations, management responses, and actions taken during January 2012 through April 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.16

- a) Please provide current copies of all contractor evaluations completed for the St. Lucie and Turkey Point uprate projects since January 2012, and ongoing through April 2013 by the 15th of each month.
- b) Describe any corrective actions taken as a result of these evaluations and their actual or potential impact to the uprate project's schedules or costs.
- c) List and describe any Quality Assurance actions (holds, delays, stops, etc.) recommended or taken, pending or planned by FPL, on manufacturers or contractors for the St. Lucie and Turkey Point projects during the period January 2012 through April 2013. Include a description of the events surrounding the action, the date the action was taken, a description of the Quality Assurance actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the project. Provide 2013 actions by the 15th of each month.

EPU DR1.17

Describe any new project controls implemented by owner organizations as a result of quality assurance reviews, internal auditing, or external audit findings, since January 2012, and any planned to be implemented through April 2013.

EPU DR1.18

- a) Explain any information gained from equipment failures of any recent uprates (e.g. San Onofre) caused changes to the FPL uprate plans, costs, or schedules.
- b) Please describe how the company studied other uprates for lessons learned/problems encountered and what impacts this analysis may have had on the FPL uprate(s)?

EPU DR1.19

Provide summaries of the implementation of the following outages during 2012 and 2013, and identify any unscheduled delays and additional costs experienced as a result of an outage extension:

- a) St. Lucie Unit 1
- b) St. Lucie Unit 2
- c) Turkey Point Unit 4

EPU DR1.20

- a) Provide a listing of all Siemens invoices and billing greater than \$1 million during January 2012 through April 2013, and include a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million, for work completed during 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a list of all accruals for Siemens during the period January 2012 through April 2013 greater than \$1 million. Provide 2013 actions by the 15th of each month.

EPU DR1.21

- a) Provide a listing of all EPU related Condition Reports issued during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Identify all reports contributing to delays in EPU scheduling or additional project costs, including total estimated days for each delay and estimated dollars associated with those reports.

EPU DR1.22

- a) Discuss any impact the November 9, 2012 meeting re:NRC additional inspection findings for St. Lucie Unit 1 may have had on the EPU project schedule or costs.

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich

DATE: 2/22/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY January Monthly Updates
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.12, 1.44, 1.6 a, b, 1.7 b, 1.10 b, d, 1.14 a, 1.15 b, 1.16 a, 1.20 a, b, c, 1.21 a, 1.23 d 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)

T. C. Tto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

David Rich

DATE:

5/20/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.20b, 1.3c, 1.10a, 1.20c, 1.20a, 1.6a, 1.6b
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
1.6a, 1.6b, 1.10a, 1.20b, 1.20a
- (3) ☒ AND IN MY OPINION, ITEMS(S) _____ 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)

T C Tto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

David Rich

DATE:

1/28/13

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) *1.4f, 1.6a, b, 1.7b, 1.10b, d, 1.15b, 1.16a, 1.20a, b, c, 1.21a, 1.23d* 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)

Jeffrey Cole
SIGNATURE AND TITLE OF RESPONDENT

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich

DATE: 3/12/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.16 c - San Update - Revised
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☐ AND IN MY OPINION, ITEMS(S) _____ 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)

Tom C. Hutto
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

David Rick

DATE:

1/8/13

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.6
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 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 Cohen

SIGNATURE AND TITLE OF RESPONDENT

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich EPU DATE: 5/23/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.6b April Update - Revised
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.6b - revised 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)

T. C. Tto
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER David Rich DATE: 3/06/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.7b - revised
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.7b - revised 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)

T C Ho
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-1 EPU DATE OF REQUEST: November 15, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 11, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION: Please Provide:

Project Planning and Risk Assessment

EPU DR1.1

- a) Provide a written summary of the work accomplished on the St. Lucie and Turkey Point uprate projects since January 2012 and planned activities through April 2013.
- b) Provide the most current copy of the Project Plan for St. Lucie and Turkey Point uprate projects.
- c) Provide a written summary of monthly EPC contractor KSI performance measures, and monthly EPC project report updates since January 2012, and provide ongoing reports through April 2013 by the 15th of each month.
- d) Provide a copy of the most current project implementation plan (PIP) for St. Lucie and Turkey Point uprate projects.

EPU DR1.2

- a) Provide a written summary of pending NRC and other regulatory applications, approvals, and certifications for the St. Lucie and Turkey Point uprate projects, including the current status and timeline for completing each.
- b) Provide a written summary of major project risks identified and company mitigation programs undertaken to address each risk, from January 2012 and planned through April 2013.
- c) Summarize the results of the Turkey Point site certification monitoring wells and sampling to date and describe any potential impacts to the project during 2012 through April 2013.
- d) Describe the current status of FPL's EPU efforts to satisfy DEP site "certification conditions" for the uprates and any potential impacts to the project during 2012 through April 2013.
- e) Describe any current cooling water conditions or requirements that remain as possible challenges to the uprate projects and any potential impact on project schedule and costs.
- f) Describe any transmission conditions or electric grid requirements remaining as possible challenges to the uprate project's schedule and costs.
- g) Describe the actions taken by FPL since January 2012, and any planned through April 2013, to complete its LAR requirements for the uprate projects.
- h) Describe any pending LAR requirements and a current timeline showing when the requirements will be fulfilled.
- i) Describe any other conditions or requirements that remain as possible challenges to the uprate project's schedule and costs.

- j) Provide a status of the progress for upgrading the gantry cranes at each uprate unit since January 2012, and include: a description of the equipment being changed, timeframes for completion, salvageable materials and estimated costs for each crane upgrade through April 2013.
- k) Provide a summary of all engineering design packages completed during 2012-2013 for each unit and outage, showing the unit, number of packages completed, and items initiated to 30% complete, 90% complete, and final.
- l) Discuss how FPL has implemented the October 31, 2011 amendments approved by the NRC to FPL's Turkey Point 3&4 Spent Fuel Criticality Analysis to support the uprates, and provide a description of work completed, final completion date, and estimated dollars for completing the amendments.
- m) Discuss the impact of the use of a higher enriched fuel on the spent fuel pool and dry cask storage requirements for the Turkey Point Units 3&4 uprates.
- n) Discuss FPL's transition timeline for using fuel with enrichments up to 5.0 weight percent U-235 at Turkey Point Units 3&4.
- o) Discuss whether any further FPL analysis of storage capacity or additional information is required prior to using fuel with enrichments up to 5.0 weight percent U-235.
- p) Discuss any other requests for change, approval, or amendment necessary for approvals to store more highly enriched fuel.

EPU DRI.3

- a) Please describe any changes made to project planning, engineering, or implementation of the uprates since January 2012, due to potential project risks or other project management concerns.
- b) Please describe any new changes, challenges, or project delays, impacting project planning, engineering, or implementation for the uprates, since January 2012. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor/contractor issues, site logistics, and regulatory issues.
- c) Identify the corrective actions undertaken for any new changes, challenges, project delays, stand downs, or work stoppages, the timeframes involved, and the estimated impacts on project costs and scheduling.
- d) Please describe all mitigation strategies developed or considered for each problem or challenge, indicate which strategy the company is deploying, and provide the reasoning for choosing that strategy.
- e) Provide a current status of any commercial negotiations to settle damages and costs associated with stand downs or work stoppages for the period January 2012 through April 30, 2013 where damages or additional costs were incurred as a result the events.

Project Organization and Procedures

EPU DRI.4

- a) Provide a current organizational chart of project management and work units currently responsible for completing the nuclear uprate project.
- b) Describe any EPU senior/executive managerial changes made during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- c) Describe any EPU staff changes occurring during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- d) Explain the company's rationale and expected benefits for making the organizational changes in b and c above.
- e) Describe any company disciplinary actions of EPU project employees during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.
- f) Provide a readable copy (8 pt. or larger) of the company's staffing plan for the EPU uprates, during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month.

- g) Describe any staffing requirements not met during the period January 2012 through April 2013, the reasons for not implementing staffing as planned, as well as any potential project schedule and cost impacts due to incomplete staffing. Provide monthly 2013 changes by the 15th of each month.
- h) Describe the actions necessary, and expected timeframe, for meeting all incomplete planned staffing levels, and provide monthly 2013 changes by the 15th of each month.
- i) Provide any staffing plan corrective actions undertaken, timeframes involved, and estimated impacts on project costs and scheduling during the period January 2012 through April 2013.

EPU DR1.5

- a) Provide copies of EPU Project Management policies and procedures newly-created or revised since January 2012, and any planned revisions through April 30, 2013.
- b) Provide a listing of Project Management policies and procedures deleted since January 2012, and the company's reason for deleting each. Provide monthly 2013 changes by the 15th of each month.

Project Cost Estimates and Schedules

EPU DR1.6

- a) Provide copies of all periodic or adhoc reports discussing St. Lucie and Turkey Point project updates with the Board of Directors, FPL senior management, or project management, including but not limited to briefings, minutes, recommendations, findings, handouts, and Power Point slides for the period January 1, 2012 through April 30, 2013, and on an ongoing basis by the 15th of each month.
- b) Please provide copies of the following EPU project and management reports for the period January 1, 2012 through April 30, 2013 on an ongoing basis by the 15th of each month:
 - 1. EPU Monthly Operating Report
 - 2. Internal and external audit engagements
 - 3. FPL Executive Steering Committee reports
 - 4. Monthly EPU Project Risk Matrix
 - 5. Monthly Risk Mitigation Plan Review
 - 6. Key Supplier Meetings
 - 7. EPU Executive Steering Committee Report
 - 8. Bi-Weekly Updates (CNO Updates) PSL & PTN
 - 9. EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports)
 - 10. Disciplinary actions against contractors
 - 11. Provide copies of the Weekly Contract Compliance Matrix
- c) Identify any new uprate project controls introduced since January 1, 2012 and describe any planned for implementation going forward through April 30, 2013.
- d) Provide a copy of the Key Performance Indicators report to monitor the status of the uprate projects for the period January 2012 through April 30, 2013, on a going forward basis by the 15th of each month.

EPU DR1.7

- a) Please provide the most currently available project schedule and cost estimates approved by senior management to complete the uprate projects going forward through April 30, 2013.
- b) Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point uprate projects since January 2012 going forward through April 30, 2013, by the 15th of each month.
- c) Provide the most currently available list of surplus or disposable equipment as a result of the uprate, for each unit, and the estimated value of the asset.
- d) Provide the company's current timeline for disposing of the surplus or disposable equipment associated with the uprate projects.
- e) Provide a current list of all surplus or disposable equipment transferred as a result of the uprate, for each unit, and the estimated value of the asset.

EPU DR1.8

- a) Provide a current status and written 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.
- b) Provide, by unit, a listing of any remaining long-lead equipment yet to be purchased, the estimated lead time necessary for procurement and installation, the estimated timeline for procurement, and the estimated costs to procure the equipment.
- c) 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 since January 2012, and/or planned for 2013.

EPU DR1.9

- a) Please provide any internal or external St. Lucie and Turkey Point uprate scoping and/or feasibility studies conducted, by or for the company since January 2012, and list any studies planned to be undertaken in 2013.
- b) Provide a listing of all Six Sigma work activities, hours, and costs for the St. Lucie and Turkey Point uprates executed since January 2012, and/or planned for 2013.
- c) Provide a copy of all "White Paper" summaries completed since January 2012, documenting the company's rationale for key decision making related to the St. Lucie and Turkey Point uprate projects.

Contractor Selection and Management

EPU DR1.10

- a) Provide a summary of new contracts in excess of \$250,000, in the T-7 format, for the period January 2012 through April 2013. Please list the contracts in order of value from highest to lowest (i.e. those \$1million and greater down through \$250,000).
- b) Provide all RFPs issued, and bid evaluation summary sheets (financial and technical) supporting any St. Lucie and Turkey Point contracts competitively bid in excess of \$250,000, for the period January 2012 and ongoing through April 2013 by the 15th of each month.
- c) For all contracts in excess of \$1 million, since January 2012, provide a listing of change orders, by contract and by uprate unit, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order.
- d) Provide copies of all single and sole source justifications completed by the company for all contracts and change orders since January 2012 and ongoing through April 2013 by the 15th of each month.
- e) Describe any efforts the company has made since January 2012 to ensure single and sole source justifications have been improved to meet FPSC Order No. PSC-08-0749-FOF-EI.

EPU DR1.11

- a) Provide a copy of the company's current Contract Audit Policies and Procedures applicable to the St. Lucie and Turkey Point uprate projects.
- b) Provide a listing of all internal or external contract audits conducted for the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013.
- c) Provide copies of any internal or external contract audit results, including all recommendations and actions taken as a result of these audits since January 2012 going forward through April 2013 by the 15th of each month.
- d) Provide copies of any internal or external contract investigations including all findings, recommendations, and actions taken as a result of these investigations since January 2012 going forward through April 2013 by the 15th of each month.

EPU DR1.12

- a) Provide any changes to the EPC oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all EPC contract modifications and revisions made since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a listing of all change orders for the EPU EPC contract since January 2012 and planned through April 2013, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order. Provide 2013 actions by the 15th of each month.

EPU DR1.13

- a) Provide a summary of any disciplinary actions taken, pending, or planned, by FPL or the EPC, on any contractors working for the uprate projects since January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the St. Lucie and Turkey Point projects.
- c) List and describe all contractor Recovery Plans requested by FPL during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- d) Provide all memos, letters, and associated correspondence between FPL and the contractor, along with a copy of each Recovery Plan.
- e) Discuss whether EPC difficulties experienced in keeping engineering design packages on schedule for the uprate outages improved during 2012 and 2013 as a result of EPU management efforts.
- f) Explain specifically what these changes did to keep design packages on schedule for the 2012 and 2013 outages.
- g) Describe any changes in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects since January 2012, and any planned for 2013. Provide 2013 actions by the 15th of each month.

Internal Audits and Quality Assurance Reports

EPU DR1.14

- a) Please provide a current listing of all internal and external audits completed for the St. Lucie and Turkey Point uprate projects since January 2012 and any planned through 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of any internal or external audit results, including all recommendations, management responses, and actions made as a result of these audits since January 2012 through 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a current listing of all investigations of EPU related actions or activities for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.15

- a) Provide a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through April 2013. Provide 2013 actions by the 15th of each month.
- b) Provide copies of all quality assurance, observations, reviews, and audits including all recommendations, management responses, and actions taken during January 2012 through April 2013. Provide 2013 actions by the 15th of each month.

EPU DR1.16

- a) Please provide current copies of all contractor evaluations completed for the St. Lucie and Turkey Point uprate projects since January 2012, and ongoing through April 2013 by the 15th of each month.
- b) Describe any corrective actions taken as a result of these evaluations and their actual or potential impact to the uprate project's schedules or costs.
- c) List and describe any Quality Assurance actions (holds, delays, stops, etc.) recommended or taken, pending or planned by FPL, on manufacturers or contractors for the St. Lucie and Turkey Point projects during the period January 2012 through April 2013. Include a description of the events surrounding the action, the date the action was taken, a description of the Quality Assurance actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the project. Provide 2013 actions by the 15th of each month.

EPU DR1.17

Describe any new project controls implemented by owner organizations as a result of quality assurance reviews, internal auditing, or external audit findings, since January 2012, and any planned to be implemented through April 2013.

EPU DR1.18

- a) Explain any information gained from equipment failures of any recent uprates (e.g. San Onofre) caused changes to the FPL uprate plans, costs, or schedules.
- b) Please describe how the company studied other uprates for lessons learned/problems encountered and what impacts this analysis may have had on the FPL uprate(s)?

EPU DR1.19

Provide summaries of the implementation of the following outages during 2012 and 2013, and identify any unscheduled delays and additional costs experienced as a result of an outage extension:

- a) St. Lucie Unit 1
- b) St. Lucie Unit 2
- c) Turkey Point Unit 4

EPU DR1.20

- a) Provide a listing of all Siemens invoices and billing greater than \$1 million during January 2012 through April 2013, and include a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid. Provide 2013 actions by the 15th of each month.
- b) Provide a listing of all Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million, for work completed during 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- c) Provide a list of all accruals for Siemens during the period January 2012 through April 2013 greater than \$1 million. Provide 2013 actions by the 15th of each month.

EPU DR1.21

- a) Provide a listing of all EPU related Condition Reports issued during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month.
- b) Identify all reports contributing to delays in EPU scheduling or additional project costs, including total estimated days for each delay and estimated dollars associated with those reports.

EPU DR1.22

- a) Discuss any impact the November 9, 2012 meeting re:NRC additional inspection findings for St. Lucie Unit 1 may have had on the EPU project schedule or costs.

- b) Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment Inservice Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs.
- c) Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.

Employee Concerns Program (ECP)

EPU DR1.23

- a) Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- b) Please list and describe any changes planned for the remainder of 2012 or in 2013.
- c) Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- d) In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

David Rios

DATE:

1/11/13

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) *1.4, 1.7, 1.8, 1.9, 1.10, 1.14, 1.15, 1.20* 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)

Sydney Cohen
SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-2 EPU DATE OF REQUEST: December 11, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 4, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR2.1 Was FPL contacted by or regarding a contractor employee named [REDACTED] regarding falsification of training records at the St. Lucie site? If so, please 1

- a. Provide all FPL and contractor documentation regarding the allegation.
- b. Provide a copy of the original complaint.
- c. Provide details of the contractor administrative response(s) to the complaint.
- d. Provide details of the contractor investigative response(s) to the complaint.
- e. Provide details of the FPL administrative response(s) to the complaint.
- f. Provide details of the FPL investigative response(s) to the complaint.
- g. Provide copies of notes, emails, letters, or personnel actions regarding disposition of the complaint

DR2.2 Did FPL receive an Employee Concern or any other employee input regarding

- a. Any employee alleging that a contractor or contractors requested employees to falsely claim training, certification, or expertise?
- b. If so, please explain each allegation, date initiated, findings, and disposition,

DR2.3 Regarding [REDACTED]: 2
3

- a. By which contractor was [REDACTED] employed?
- b. Is he still employed in any capacity in the EPU project(s)?
- c. Please provide the dates of his employment.
- d. Please provide an explanation of his job requirements.
- e. Please explain his qualifications, training, and certifications specific to the job requirements.
- f. If no longer employed, provide the circumstances under which his employment terminated.
- g. Please provide copies of any FPL disciplinary or personnel actions regarding [REDACTED]
- h. Please provide copies of any contractor disciplinary or personnel actions regarding [REDACTED] 4
5

DR2.4 Did the NRC contact FPL regarding allegations by [REDACTED] or any other FPL or contractor employees that an FPL contractor or contractors were using falsified training documentation or information at the Saint Lucie site? Please explain. 6

DR2.5 Has the NRC notified FPL that:

- a. an allegation has been made about such an event or events,
- b. that an investigation is underway.
- c. or that an investigation is anticipated?

DR 2.6 If an NRC investigation is ongoing, please provide copies of all correspondence between FPL and the NRC pertinent to this matter to date.

DR 2.7 If an NRC investigation has been completed, please provide all correspondence, final report, findings, dispositions, and FPL remediation plans and/or completed actions.

DR2.8 Has FPL identified any instance of St. Lucie contractors using unqualified personnel to complete tasks for which they had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.

DR2.9 Has FPL identified any instance of St. Lucie contractors using unqualified personnel to provide testing to others, for which the instructors had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.

DR2.10 Please explain the programs, practices, and procedures that FPL and contractors have in place to ensure that St. Lucie site contract employees are fully and properly trained, certified, and qualified for the work they are expected to perform.

R2.11 Please explain how FPL and contractors "circle back" to sample and/or verify that contract employees on the St. Lucie site remain proficient, fully trained and qualified for the work they are expected to perform.

DR2.12 During 2011 and to date in 2012, is FPL aware of any NRC investigations of contractors working on the St. Lucie site since 2011.

TO: AUDIT MANAGER

David Rich

DATE:

1/3/12

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) 2.1 - 2.1.2 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)

Mary Cohen

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-3 EPU

DATE OF REQUEST:

February 1, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: February 12, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

X **OUTSIDE OF AN INQUIRY**

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR-3.1 Provide a copy of the FPSC Staff Visit presentation dated January 23, 2013 (provided on-site).

DR-3.2 Provide a copy of the Daily 3R26 Outage Earned Value Package dated May 6, 2012 (provided on-site).

DR-3.3 Provide a copy of the Daily 4R27 Outage Earned Value Package dated January 20, 2013 (provided on-site).

DR-3.4 On page 22 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Spring 2012 outage exceeded the planned cost by \$50M (45%).

a. Provide a summary breakdown of each driver causing the \$50M additional costs, by category, additional hours, and additional costs.

b. Provide a summary breakdown of the primary driver ("additional human capital") by category, added hours, and cost.

c. Explain why Siemens received a [REDACTED] for the SL1-24 outage.

d. Provide a copy of the Siemens contract provisions identifying the [REDACTED] requirements for the SL1-24 outage.

e. Provide a summary of all contractors receiving [REDACTED] for the SL1-24 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements.

DR-3.5 Provide a summary of all contractor [REDACTED] by FPL during the period January 2012 through April 2013 on an ongoing basis, including contractor name, outage for which the [REDACTED] the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements.

DR-3.6

Please explain the following from FPL's response to DR-1.20:

- a. Invoice no. 96059291 dated 8/10/12 for PO 2303735 shows no payment for Unit 3 Siemens Labor and Tool Rental/Purchases.
- b. Invoices 96059836, 96059837, 96061093, and 96061094 paid [REDACTED] each for Unit 3 initial synchronization of the HP turbine and generator and Unit 4 site mobilization and breaker opening for the fall 2012 outage. 1
- c. Invoice 2970008686 dated 9/17/12 for U4 prepayment (70.76%) PTN

DR-3.7

- a. Describe the challenges encountered during the PSL2 outage completed ahead of schedule on November 23, 2012 (page 31 of the FPSC Staff Visit presentation dated January 23, 2013).
- b. Provide the number of days lost production experienced for lightning and rain as a result of Tropical Storm Isaac.
- c. Provide a summary of all contractors receiving [REDACTED] for the SL2 Fall 2012 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements. 2
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4

DR-3.8

On page 32 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Fall 2012 outage exceeded the planned cost by \$2M (2%).

- a. Provide a summary breakdown of each driver causing the \$2M additional costs, by category, additional hours, and additional costs.
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DR-3.9

On page 67 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PTN Spring 2012 outage exceeded the planned cost by \$133M (53%).

- a. Provide a summary breakdown of each driver causing the \$133M additional costs, by category, additional hours, and additional costs.
- b. Explain any performance [REDACTED] for the PTN Spring 2012 outage. 5
- c. Provide a summary of all contractors receiving [REDACTED] for the PTN Spring 2012 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements. 6
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- d. Explain why the PTN 3 outage was completed on September 5, 2012 (pg. 45 of the FPSC Staff Visit presentation dated January 23, 2013), but the increased power capacity for PTN 3 will not be finalized until approximately seven months later, in March 2013 (pg. 67 of the FPSC Staff Visit presentation dated January 23, 2013)
- e. What was the planned timeframe for Unit 3 ascension after the EPU work was completed?
- f. Please explain any differences in planned and actual timeframes for the Unit 3 ascension.

DR-3.10

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- b. August 8, 2012 Turkey Point and St. Lucie [REDACTED] (NEE-NUC-EX-00-2012-005) 10
- c. December 20, 2012 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX-11-00-2012-0010) 11

DR-3.11

Please answer the following regarding the December 20, 2012 Additional FPL Contractors [REDACTED] Review: 12
13

- a. Is the December 20, 2012 review a follow-up to the July 17, 2012 PSL Contract Workers [REDACTED]? 14
15

- b. Do the amounts of [REDACTED] to [REDACTED] in the December review include amounts reported as [REDACTED] in the July 17, 2012 review or are they separate [REDACTED]? 1
c. Describe what FPL has done or intends to do to recover the [REDACTED] from [REDACTED]. 2
d. Describe FPL efforts to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED]. 3
e. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests? 4
f. Does FPL intend to claim any of these [REDACTED] in future proceedings? 5

DR-3.12 Regarding the internal audit report entitled "PTN Contractor [REDACTED] Review", dated September 10, 2012. Internal Audit recommended that an action plan be implemented. 8
a. Please explain whether the action plan was implemented and what steps have been taken relevant to the IA recommendation.

- b. Provide a copy of the action plan implemented in response to the audit.
c. Has FPL [REDACTED] to [REDACTED] the amount described in the audit? If so, explain. 9
d. Describe what FPL has done or intends to do to [REDACTED] the [REDACTED] from [REDACTED]. 10
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f. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests? 12
g. Does FPL intend to claim any of these [REDACTED] in future proceedings? 13

DR-3.13 Regarding a [REDACTED] vendor audit to determine billing compliance for installation of upgraded turbine/generator equipment to support PSL-1 EPU, IA [REDACTED] for [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] and [REDACTED]. 15
a. Has FPL [REDACTED] to [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED]. 16
b. Are [REDACTED] for [REDACTED] and [REDACTED] incorporated into vendor contracts so that Project Controls personnel can review and validate billing rates for appropriateness? 17

TO: AUDIT MANAGER David Rich DATE: 2/12/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 3.1, 3.2, 3.3, 3.10
(2) ☒ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY ASAP
(3) ☒ AND IN MY OPINION, ITEMS(S) 3.1, 3.2, 3.3, 3.10 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)

Tom Canto
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-3 EPU DATE OF REQUEST: February 1, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: February 12, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

-
- DR-3.1** Provide a copy of the FPSC Staff Visit presentation dated January 23, 2013 (provided on-site).
- DR-3.2** Provide a copy of the Daily 3R26 Outage Earned Value Package dated May 6, 2012 (provided on-site).
- DR-3.3** Provide a copy of the Daily 4R27 Outage Earned Value Package dated January 20, 2013 (provided on-site).
- DR-3.4** On page 22 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Spring 2012 outage exceeded the planned cost by \$50M (45%).
- a. Provide a summary breakdown of each driver causing the \$50M additional costs, by category, additional hours, and additional costs.
 - b. Provide a summary breakdown of the primary driver ("additional human capital") by category, added hours, and cost.
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 - e. Provide a summary of all contractors receiving [REDACTED] for the SL1-24 outage, the amount of [REDACTED] description of why the [REDACTED] and a copy of the contract provisions identifying the [REDACTED] requirements. 3
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- DR-3.5** Provide a summary of all contractor [REDACTED] by FPL during the period January 2012 through April 2013 on an ongoing basis, including contractor name, outage for which the [REDACTED] the amount of [REDACTED] description of why the [REDACTED], and a copy of the contract provisions identifying the [REDACTED] requirements. 6
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DR-3.6

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- c. Invoice 2970008686 dated 9/17/12 for U4 prepayment (70.76%) PTN

DR-3.7

- a. Describe the challenges encountered during the PSL2 outage completed ahead of schedule on November 23, 2012 (page 31 of the FPSC Staff Visit presentation dated January 23, 2013).
- b. Provide the number of days lost production experienced for lightning and rain as a result of Tropical Storm Isaac.
- c. Provide a summary of all contractors receiving [REDACTED] for the SL2 Fall 2012 outage, the amount of [REDACTED] description of why the [REDACTED], and a copy of the contract provisions identifying the [REDACTED] requirements. 2
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DR-3.8

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- a. Provide a summary breakdown of each driver causing the \$2M additional costs, by category, additional hours, and additional costs.
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DR-3.9

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- a. Provide a summary breakdown of each driver causing the \$133M additional costs, by category, additional hours, and additional costs.
- b. Explain any performance [REDACTED] for the PTN Spring 2012 outage. 5
- c. Provide a summary of all contractors receiving [REDACTED] for the PTN Spring 2012 outage, the amount of [REDACTED] description of why the [REDACTED], and a copy of the contract provisions identifying the [REDACTED] requirements. 6
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- d. Explain why the PTN 3 outage was completed on September 5, 2012 (pg. 45 of the FPSC Staff Visit presentation dated January 23, 2013), but the increased power capacity for PTN 3 will not be finalized until approximately seven months later, in March 2013 (pg. 67 of the FPSC Staff Visit presentation dated January 23, 2013)
- e. What was the planned timeframe for Unit 3 ascension after the EPU work was completed?
- f. Please explain any differences in planned and actual timeframes for the Unit 3 ascension.

DR-3.10

Please provide hard copies to staff of the following audits completed by FPL during 2012:

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- c. December 20, 2012 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX-11-00-2012-0010)

DR-3.11

Please answer the following regarding the December 20, 2012 Additional FPL Contractors [REDACTED] Review: 12
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- a. Is the December 20, 2012 review a follow-up to the July 17, 2012 PSL Contract Workers [REDACTED]? 14
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- b. Do the amounts of [REDACTED] to [REDACTED] in the December review include amounts reported as [REDACTED] in the July 17, 2012 review or are they separate [REDACTED]? 1
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c. Describe what FPL has done or intends to do to recover the [REDACTED] from [REDACTED] 3
d. Describe FPL efforts to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED] 4
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e. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests? 6
f. Does FPL intend to claim any of these [REDACTED] in future proceedings? 7

- DR-3.12** Regarding the internal audit report entitled "PTN Contractor [REDACTED] Review", dated September 10, 2012. Internal Audit recommended that an action plan be implemented. 8
a. Please explain whether the action plan was implemented and what steps have been taken relevant to the IA recommendation.
b. Provide a copy of the action plan implemented in response to the audit.
c. Has FPL [REDACTED] to [REDACTED] the amount described in the audit? If so, explain. 9
d. Describe what FPL has done or intends to do to [REDACTED] the [REDACTED] from [REDACTED] 10
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[REDACTED] for [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] and [REDACTED] 16
[REDACTED] 17
a. Has FPL [REDACTED] to [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] 18
[REDACTED] or [REDACTED]? 19
b. Are [REDACTED] for [REDACTED] and [REDACTED] incorporated into vendor contracts so that Project Controls personnel can review and validate billing rates for appropriateness? 20
21

TO: AUDIT MANAGER

David Rich

DATE:

2/14/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 3.4, 3.5, 3.7, 3.8, 3.9, 3.13
(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
(3) ☒ AND IN MY OPINION, ITEMS(S) 3.4, 3.5, 3.7, 3.8, 3.9, 3.13 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)

T. C. Tto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

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TO: AUDIT MANAGER

David Rich

DATE:

5/20/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 3.5 April Update
(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
(3) ☒ AND IN MY OPINION, ITEMS(S) 3.5 April Update (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.
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T. C. Tto
SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-3 EPU DATE OF REQUEST: February 1, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: February 12, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

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- c. December 20, 2012 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX-00-2012-0010) 11

DR-3.11

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- a. Is the December 20, 2012 review a follow-up to the July 17, 2012 PSL Contract Workers [REDACTED] Review? 14
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- b. Do the amounts of [REDACTED] to [REDACTED] in the December review include amounts reported as [REDACTED] in the July 17, 2012 review or are they separate [REDACTED]? 1
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a. Please explain whether the action plan was implemented and what steps have been taken relevant to the IA recommendation.
b. Provide a copy of the action plan implemented in response to the audit.
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[REDACTED] 17
a. Has FPL [REDACTED] to [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] 18
[REDACTED] or [REDACTED] 19
b. Are [REDACTED] for [REDACTED] and [REDACTED] incorporated into vendor contracts so that Project Controls personnel can review and validate billing rates for appropriateness? 20
21

TO: AUDIT MANAGER David Rich

DATE: 2/13/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 3.6, 3.11, 3.12
(2) ☒ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY ASAP
(3) ☒ AND IN MY OPINION, ITEMS(S) 3.6, 3.11, 3.12 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)

Tom Cutho
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-4 EPU DATE OF REQUEST: March 4, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: March 11, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

NOTE: Please provide responses in electronic format whenever possible, one original and one copy of each CD required to respond to the items in this DR.

DR-4.1 Please furnish a copy of the briefing slides and photos as presented to PSC Chairman Brise and Public Counsel J. R. Kelly during their recent visit to Turkey Point.

TO: AUDIT MANAGER David Rich

DATE: 3/06/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 4.1
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☐ AND IN MY OPINION, ITEM(S) _____ 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)

Travis Contratto
SIGNATURE AND TITLE OF RESPONDENT
Regulatory Analyst

EPU DR-5.12 Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).

EPU DR-5.13 Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

TO: AUDIT MANAGER

David Rich

DATE:

5/22/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 5.10 - Supplemental
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 5.10 - Supplemental 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)

T C Tto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

EPU DR-5.12 Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).

EPU DR-5.13 Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

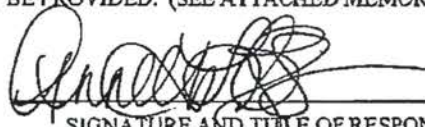
TO: AUDIT MANAGER

David Rich

DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 5.12 Supplemental
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 5.12 Supplemental IS/ARE PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.094, 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)



SIGNATURE AND TITLE OF RESPONDENT
Regulatory Specialist

EPU DR-5.12 Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).

EPU DR-5.13 Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

TO: AUDIT MANAGER

David Rich

DATE:

5/31/2013

THE REQUESTED RECORD OR DOCUMENTATION:

EPU

- (1) ☒ HAS BEEN PROVIDED TODAY 5.6 Supplemental
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 5.6 Supplemental 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)


SIGNATURE AND TITLE OF RESPONDENTRegulatory Analyst

EPU DR-5.12 Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).

EPU DR-5.13 Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

TO: AUDIT MANAGER

David Rich

DATE:

5/13/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 5.7 - Supplemental
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 5.7 Supplemental ~~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)

T. C. Hto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis ContrattoUTILITY: Florida Power & Light CompanyDavid Rich
AUDIT MANAGERFROM: FPSCREQUEST NUMBER: DR-5 EPU DATE OF REQUEST: April 25, 2013AUDIT PURPOSE: Project Management Internal ControlsREQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 6, 2013REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRYX OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
- ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

EPU DR-5.1 Provide a copy of the Terry Jones April 16th EPU update presentation (already received).**EPU DR-5.2** Provide a copy of the Recoverable Cost Justification Log for 2012 (separate and apart).**EPU DR-5.3** Provide the Siemens Discount Application Summary completed by Don Fleetwood.**EPU DR-5.4** Provide a Bechtel Contract Breakdown for 2012, including:

- a. Bechtel work completed by unit
- b. Amounts paid per unit for work completed in 2012
- c. Bonuses paid per unit/outage during 2012
- d. A list of contract changes made during 2012, with copies of the text revisions made to the contract

EPU DR-5.5 Provide a summary of EPU Benchmarking to other IJprate projects comparing completion timeframes and cost.**EPU DR-5.6** Provide FPL's EPU analysis comparing limited scope taken from Bechtel vs. the use of other contractors for PTN 3&4 outages.**EPU DR-5.7** Provide a list of 2012 EPU contract changes, and copies of the text revisions (other than the Bechtel contract requested in 4a-d).**EPU DR-5.8** Provide a copy of the Industrial Safety Events Notebook (already received).**EPU DR-5.9** Provide the EPU 2012 Invoice Tie-Out (please see attached for contractors and months requested)**EPU DR-5.10** Provide a copy of the Final Per Diem Audit Report when completed.**EPU DR-5.11** Provide a copy of the PTN 2013-009 ECP Report and ECP 2012 Annual Report discussed with Jim Voorhees.

EPU DR-5.12 Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report).

EPU DR-5.13 Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.

TO: AUDIT MANAGER

David Rich

DATE:

5/08/2013

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) 5.2, 5.3, 5.4, 5.6, 5.7, 5.9, 5.10, 5.11, 5.12, 5.13 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)

T. C. Little

SIGNATURE AND TITLE OF RESPONDENT

- f. Explain the 3R26 Plant Support variance costs and hours (avg. cost per variance hour [REDACTED])
- g. Explain what is included in the Plant Support charges to the 3R26 variance hours and costs to make the amount so sizeable. 1
- h. Explain why the variances for Plant Support were not anticipated by FPL project management prior to the outage.
- i. Explain the 3R26 variance for Weldtec (3.7% of variance hours and 6% of variance dollars) and why these variances were not anticipated by FPL project management prior to the outage.
- j. In the response to DR-3.9, explain the 3R26 variances in the average actual dollars per hour and the average variance dollars per hour for:
1. Bechtel Craft
 2. Bechtel Seconded
 3. Bechtel FNM
 4. Shaw
 5. Siemens T&M
 6. Plant Support
4. a. Did EPU Project Management perform any gate log audits for the above mentioned contractors during the 3R26 outage?
b. Provide the results of all gate log audits, surveys, investigations, or reviews performed during the 3R26 outage by EPU Project Management, Controls Group, Internal Audit or other entity.
5. Please provide a listing of all outstanding EPU warranty claims, for 2012-2013 to date, by unit, and include:
- a. Contractor Name
 - b. Type of Warranty claim
 - c. Reason for making warranty claim
 - d. Description of equipment or service under warranty claim
 - e. Timeframe of warranty claim filing
 - f. Dates and description of any resolution or negotiations
 - g. Total estimated dollars of warranty claim(s)
 - h. Estimated payment/resolution date
6. a. Provide a listing of all EPU vendor concessions received during 2012-13 to date (other than the ones provided in response to DR-1.3, and in Mr. Jones testimony).
b. Discuss the reasoning for each concession received.
c. Discuss whether the concessions were related to safety, performance, or other purpose, and detail the purpose for the concessions being paid.
d. Provide the percentage each contractor concession represents of the total contractor dollars billed on the project.
7. Provide copies of the required Turkey Point contractors First Time Quality Plans discussed in DR-1.3.

TO: AUDIT MANAGER

David Rich

DATE:

5/21/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 6.3, 6.4, 6.5
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 6.3, 6.4, 6.5 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)

T. C. Tto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

- f. Explain the 3R26 Plant Support variance costs and hours (avg. cost per variance hour [REDACTED]?) 1
- g. Explain what is included in the Plant Support charges to the 3R26 variance hours and costs to make the amount so sizeable.
- h. Explain why the variances for Plant Support were not anticipated by FPL project management prior to the outage.
- i. Explain the 3R26 variance for Weldtec (3.7% of variance hours and 6% of variance dollars) and why these variances were not anticipated by FPL project management prior to the outage.
- j. In the response to DR-3.9, explain the 3R26 variances in the average actual dollars per hour and the average variance dollars per hour for:
1. Bechtel Craft
 2. Bechtel Seconded
 3. Bechtel FNM
 4. Shaw
 5. Siemens T&M
 6. Plant Support
4. a. Did EPU Project Management perform any gate log audits for the above mentioned contractors during the 3R26 outage?
b. Provide the results of all gate log audits, surveys, investigations, or reviews performed during the 3R26 outage by EPU Project Management, Controls Group, Internal Audit or other entity.
5. Please provide a listing of all outstanding EPU warranty claims, for 2012-2013 to date, by unit, and include:
- a. Contractor Name
 - b. Type of Warranty claim
 - c. Reason for making warranty claim
 - d. Description of equipment or service under warranty claim
 - e. Timeframe of warranty claim filing
 - f. Dates and description of any resolution or negotiations
 - g. Total estimated dollars of warranty claim(s)
 - h. Estimated payment/resolution date
6. a. Provide a listing of all EPU vendor concessions received during 2012-13 to date (other than the ones provided in response to DR-1.3, and in Mr. Jones testimony).
b. Discuss the reasoning for each concession received.
c. Discuss whether the concessions were related to safety, performance, or other purpose, and detail the purpose for the concessions being paid.
d. Provide the percentage each contractor concession represents of the total contractor dollars billed on the project.
7. Provide copies of the required Turkey Point contractors First Time Quality Plans discussed in DR-1.3.

TO: AUDIT MANAGER David RichDATE: 5/14/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 6.7
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 6.7 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)

T L Ho
SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis ContrattoUTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSCREQUEST NUMBER: DR-6 EPUDATE OF REQUEST: May 3, 2013AUDIT PURPOSE: Project Management Internal ControlsREQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 13, 2013REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRYX OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
 - ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)
1.
 - a. Provide copies of any vendor performance scorecard completed during 2012-2013 to date for Bechtel, and its subcontractors.
 - b. Explain any delays in EPU outages during 2012-2013 to date, attributed to Bechtel, and its subcontractors, error or non-performance.
 - c. Provide the estimated costs associated with Bechtel, and its subcontractors, error, non-performance, or project delays during 2012-2013 to date.
 - d. Describe any rework required during 2012-2013 to date due to Bechtel or its subcontractors.
 - e. Provide the 2012-2013 to date estimated costs associated with any Bechtel, or its subcontractors rework.
 - f. Describe EPU management efforts during 2012-2013 to date, used to improve or assist Bechtel performance, or reduce outage delays (other than using limited-scope contractors for Bechtel work during PTN 3&4 outages).
 - g. Provide the estimated costs for EPU management efforts attributed to correct or improve Bechtel or its subcontractors, errors, non-performance, rework, or project delays.
 2.
 - a. Explain whether Bechtel's PTN3 work scope was adjusted similarly to the limited scope adjustments made in PTN4, and if not, why FPL decided not to make the adjustments during PTN3.
 - b. Were FPL Planners and resident engineers used to design or develop any reduced work scope packages for PTN3?
 - c. If not, explain why FPL chose to use this option for PTN4, but not for PTN3.
 - d. Explain what impact Bechtel's delay in completing engineering design packages for PTN3 had on the outage being extended?
 - e. Explain what impact Bechtel's delay in completing PTN3 engineering packages had on completing those for PTN4.
 - f. Provide an estimate of costs associated with the delay in pre-outage preparation for PTN4, caused by Bechtel, in the extended PTN3 outage.
 3.
 - a. Please explain Bechtel's substantial 3R26 variances from budgeted hours and dollars in craft (45% of the total variance hours, and 30.6 % of variance dollars) provided in response to DR-3.9 and why these variances were not anticipated by FPL project management prior to the outage..
 - b. Explain the Bechtel 3R26 Seconded Craft (10.2 % of variance hours and 13.4% of variance dollars) and FNM variances (12% of total variance hours and 14.6% of variance dollars) from budgeted hours and dollars and why these variances were not anticipated by FPL project management prior to the outage.
 - c. Explain Shaw's 3R26 variances (15.5% of total variance hours and 10.7% of variance dollars) from budgeted and why these variances were not anticipated by FPL project management prior to the outage..
 - d. Explain the 3R26 Siemens T&M variances from budget (4.4% of variance hours and 8.5% of variance dollars) and why the variance was over 50% higher than budget. Explain why these variances were not anticipated by FPL project management prior to the outage.
 - e. Explain the 3R26 Williams variance from budget, why the hour and cost variance was substantially more than budgeted, and why these variances were not anticipated by FPL project management prior to the outage.

- f. Explain the 3R26 Plant Support variance costs and hours (avg. cost per variance hour [REDACTED]) 1
 g. Explain what is included in the Plant Support charges to the 3R26 variance hours and costs to make the amount so sizeable.
 h. Explain why the variances for Plant Support were not anticipated by FPL project management prior to the outage.
 i. Explain the 3R26 variance for Weldtec (3.7% of variance hours and 6% of variance dollars) and why these variances were not anticipated by FPL project management prior to the outage.
 j. In the response to DR-3.9, explain the 3R26 variances in the average actual dollars per hour and the average variance dollars per hour for:
 1. Bechtel Craft
 2. Bechtel Seconded
 3. Bechtel FNM
 4. Shaw
 5. Siemens T&M
 6. Plant Support
4. a. Did EPU Project Management perform any gate log audits for the above mentioned contractors during the 3R26 outage? Provide the results of all gate log audits, surveys, investigations, or reviews performed during the 3R26 outage by EPU Project Management, Controls Group, Internal Audit or other entity.
5. Please provide a listing of all outstanding EPU warranty claims, for 2012-2013 to date, by unit, and include:
 a. Contractor Name
 b. Type of Warranty claim
 c. Reason for making warranty claim
 d. Description of equipment or service under warranty claim
 e. Timeframe of warranty claim filing
 f. Dates and description of any resolution or negotiations
 g. Total estimated dollars of warranty claim(s)
 h. Estimated payment/resolution date
6. a. Provide a listing of all EPU vendor concessions received during 2012-13 to date (other than the ones provided in response to DR-1.3, and in Mr. Jones testimony).
 b. Discuss the reasoning for each concession received.
 c. Discuss whether the concessions were related to safety, performance, or other purpose, and detail the purpose for the concessions being paid.
 d. Provide the percentage each contractor concession represents of the total contractor dollars billed on the project.
7. Provide copies of the required Turkey Point contractors First Time Quality Plans discussed in DR-1.3.

TO: AUDIT MANAGER

David Rich

DATE:

5/13/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 6.1, 6.2, 6.6
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 6.6 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.003, 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)

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Specialist

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-7 EPU DATE OF REQUEST: May 16, 2013

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 28, 2013

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY.

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
 - ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)
-
1. a. Provide copies of all root cause analyses completed by or for the EPU project or any of its contractors during 2012-2013 to date.
b. For each root cause analysis, provide a summary that includes:
 1. Description of each incident studied in the root cause analysis
 2. Dates of each incident
 3. The contractor(s) and contracts involved
 4. Actions reviewed
 5. Primary and contributing causes
 6. Estimated costs of incident
 7. Other costs due to schedule delay, or any other impact to the project
 2. a. Describe when FPL first implemented the First Time Quality program for EPU outages.
b. Provide copies of written First Time Quality program plans completed for outages prior to the PTN-4 outage.
c. If the First Time Quality program was not implemented before PTN-4 please explain why the program was not used during each of the prior EPU outages.
 3. a. Provide a copy of any warranty issues identified for the PTN-3 outage and start-up, and provide the information in the same format as requested in DR-6.5.
b. Provide a copy of AR 179662108 for damage related to the Main Feed Pump in the 3R26 outage.
c. Provide any other ARs documenting damages or delays incurred in the 3R26 outage.
d. Provide a copy of the Sargent and Lundy independent review to validate work order wiring to design drawings and set points for PTN-3 and PTN-4 planning, as described in EPU-PTN-12-0859, page 2 of 12 Rev 0, Bates 079786.
e. Please describe the Ames, Siemens, and Bechtel gaps in performance discussed in EPU-PTN-12-0859, page 6 of 12 Rev 0, and associated costs for the outage caused by each vendor's performance.
f. Provide a copy of the Change Management Plan for PTN-3 and PTN-4 work allocations among Bechtel, Siemens, Shaw, PCI/Westinghouse, and Weldtech as discussed in EPU-PTN-12-0859, page 7 of 12 Rev 0, if not previously provided.
g. Provide a copy of the evaluation of 3R26 testing, and the problems and issues observed, as discussed in the Testing section of EPU-PTN-12-0859, page 7 of 12 Rev 0
h. Provide a copy of the apparent cause and corrective actions related to improper socket welds in the PTN-3 EHC system vent and drain pipe, as discussed on page 2 of 4 of the Turkey Point 4 EPU First Time Quality 2/1 Weld Taper (Vents and Drains) for DR-6.7 Bates 079751.

- i. Explain what management did to prevent incorrect orientation of specific equipment and component tubing prior to the PTN-3 outage, as described on page 2 of 5 of the Turkey Point 4 EPU First Time Quality Action Plan (Direction Specific Equipment Orientation and Component Tubing) for DR-6.7 Bates 079755.
- j. Estimate the costs associated with the issues and delays causing the PTN-3 outage extension, and resulting in the Lessons Learned
4. a. Provide a copy of the PTN team evaluation of areas where first time quality did not meet department standards and expectations for the 3R26 outage.
b. Provide a list of the individuals completing the PTN team evaluation for the PTN-3 outage.
5. Provide a copy of the Lessons Learned compiled from the Unit 3 outage.

TO: AUDIT MANAGER David RichDATE: May 30, 2013

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) 7.1, 7.2, 7.4, 7.5 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)

T. C. Ho

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-1 PTN DATE OF REQUEST: November 15, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 11, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 X OUTSIDE OF AN INQUIRY

Project Management

- PTN DR1.1 Please explain the FPL philosophy toward its commitment to construct Turkey Point 6&7.
- PTN DR1.2 Please explain how Fukushima nuclear incident and subsequent NRC actions (or anticipated actions) have impacted or may impact Turkey Point 6&7 construction plans or planning. Discuss any developments from January 2012 to date in the areas of:
- a. Regulatory requirements
 - b. Safety requirements
 - c. Additional or new required inspections and reporting criteria
- PTN DR1.3 Define the 'window of opportunity' to sign a project construction contract (EPC / EP & C), in order to avoid negatively impacting project schedule. Please explain:
- a. Whether FPL has determined to use an EPC or an EP and C contract. If so, which?
 - b. The current projected timeframe (month / year) for signing a construction contract.
 - c. If preliminary talks or negotiations have begun with a prospective EPC contractor.
 - d. If preliminary talks or negotiations have begun with prospective EP and C contractors.
 - e. Impacts of sign a contract by 2013-2014 will impact the project for schedule and cost.
- PTN DR1.4 Please recap work accomplished from January 1, 2012 to date, and work anticipated through December 31, 2012. Clearly differentiate accomplished work and that anticipated.
- PTN DR1.5 Please provide an itemized list, description, and timeline of Turkey Point 6&7 milestones achieved from January 1, 2012 to date, and those anticipated through December 31, 2012. Clearly differentiate those that have occurred and those anticipated.
- PTN DR1.6 Please provide an itemized list, description, date (month) and timeline of activities and/or milestones anticipated from January 1, 2013 through April 30, 2013.
- PTN DR1.7 Please provide a copy of all white papers used to capture project decisions during 2012.
- PTN DR1.8 Please describe and provide the dates of federal-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications granted to Turkey Point 6&7 since January 1, 2012.

- PTN DR1.9 Please describe pending federal-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications required, the anticipated completion date, and a timeline depicting the events.
- PTN DR1.10 Please provide a description of pending state-level applications, approvals, licenses, and certifications required, the anticipated dates of completion, and a timeline depicting the events.
- PTN DR1.11 Please provide a description of pending local-level (municipal or county) applications, approvals, licenses, and certifications required, the anticipated dates of completion, and a timeline depicting the events.
- PTN DR1.12 What is the current NRC COLA review schedule from the NRC?
- PTN DR1.13 Please provide an overview of 2012 NRC decisions impacting the Turkey Point 6&7 project.
- PTN DR1.14 Please explain how NRC changes and announced delays (e.g. COLA, FSER, FEIS, and hearing dates) impact Turkey Point 6&7 project decision making and critical path timeline. Please provide the project critical path timelines depicting before and after these changes.
- PTN DR1.15 How will FPL manage NRC changes (e.g. FSER, FEIS, and hearing dates) to preserve planning schedule margins?
- PTN DR1.16 Please provide a list and narrative description of NRC requests for additional information (RAI) received since January 1, 2012. Provide the RAI number, date received, NRC due date, and the actual or anticipated date of each FPL response. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion and provide the list to staff.
- PTN DR1.17 Please update current status and plan for Turkey Point 6 & 7 cooling water. In addition to a general description, please provide critical dates, milestones, required actions, regulatory approvals required, information on contracts let and progress of work.
- PTN DR1.18 For cooling water, please describe:
- a. The milestones achieved or anticipated in 2012.
 - b. The in-service daily estimated requirement.
 - c. A recap of the current plan to provide sufficient quantities.
 - d. Potential challenges to obtaining sufficient quantities.
 - e. Possible impacts to project schedule and cost.
 - f. The sourcing agreements reached and their dates.
 - g. Discharge standards and FPL's planning to meet these standards.
 - h. A description of any construction contracts signed in 2012 (vendor, amount, due dates, scope of work, etc).
 - i. A description of any construction work accomplished to date in 2012 and anticipated through year-end.
 - j. Milestones anticipated in 2013.
- PTN DR1.19 For transmission issues, please describe:
- a. The milestones achieved to date or anticipated through year-end 2012.
 - b. A recap of the current plan for corridor acquisition.
 - c. Remaining challenges to acquiring adequate corridors.
 - d. Possible impacts to project schedule and cost.
 - e. Transmission project milestones anticipated in 2013.
- PTN DR1.20 Regarding benchmarking of domestic new nuclear construction programs:
- a. Identify and describe the project(s) that FPL completed benchmarking in 2012.

- b. Identify and describe the project(s) that FPL is currently benchmarking.
- c. Describe the FPL staffing and scope for each project benchmarked.
- d. Provide any FPL reports and/or studies from each benchmarking.
- e. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking.
- f. Identify and describe construction issues that may impact FPL project schedule or cost.
- g. Identify and describe operational issues that may impact FPL project schedule or cost.
- h. Identify the project(s) that FPL plans to benchmark in 2013.
- i. Have any legal issues or challenges to the project been identified via benchmarking?

- PTN DR1.21 Regarding benchmarking of foreign new nuclear construction programs:
- a. Identify and describe the project(s) that FPL completed benchmarking in 2012.
 - b. Identify and describe the project(s) that FPL is currently benchmarking.
 - c. Describe the FPL staffing and scope for each project benchmarked.
 - d. Provide any FPL reports and/or studies from each benchmarking.
 - e. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking.
 - f. Identify and describe construction issues that may impact FPL project schedule or cost.
 - g. Identify and describe operational issues that may impact FPL project schedule or cost.
 - h. Identify the project(s) that FPL plans to benchmark in 2013.
- PTN DR1.22 Please list all risk assessment and/or mitigation meetings or reviews, and their dates, held in 2012 to date. Please provide all meeting briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Going forward, after each subsequent meeting and until the completion of the current NCRC review in late May 2013, please provide staff the briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Notify staff upon completion.
- PTN DR1.23 Please describe:
- a. Changes to project planning, timeline, or budget occurring in 2012.
 - b. A description of the impact of each on project schedule and costs.
 - c. Which changes were due to perceived risk and/or attempts to mitigate that risk?
 - d. Risk mitigation strategies considered, developed, or adopted, and the result if completed.
- PTN DR1.24 Please describe:
- a. All problems or challenges to the project identified during 2012.
 - b. Potential impact(s) to project schedule and cost, including but are not limited to marketplace, domestic economic, and capital market conditions, FPL demand projections, vendor and contractor issues, site infrastructure planning, project logistics, and regulatory changes.
 - c. FPL analysis of potential impacts to project schedule and cost.
 - d. Mitigation strategies considered, developed, adopted, and the result if completed. For each, indicate whether it is under development, developed and under consideration for deployment, currently deployed, or completed.
 - e. Any problems or challenges anticipated or identified for the remainder of 2012
 - f. Any problems or challenges anticipated or identified for 2013.

Project Organization & Procedures

- PTN DR1.25 For FPL or Turkey Point 6&7 project management, please provide:
- a. A list of new policies, procedures, and controls created in 2012.
 - b. A list of policies, procedures, or controls revised in 2012 or currently under revision.
 - c. A list of policies, procedures, or controls deleted during 2012 and a rationale for deletion.
 - d. A list of policies, procedures, or controls scheduled for revision in 2013.
 - e. A copy of new or revised policies, procedures, and controls.
 - f. A copy of policies, procedures, and controls currently under revision, when available.

- PTN DR1.26 Please provide or identify for the Turkey Point 6&7 project:
- A current by-name project organizational chart, showing FPL project management, work unit staffing, and reporting linkages.
 - A by-name list of project personnel changes made in 2012, supervisor and above, outgoing and incoming. Please include the reason and date for each change.
 - Personnel changes that resulted from FPL succession planning.
 - Personnel changes anticipated for the remainder of 2012.
 - Anticipated personnel changes for 2013.

PTN DR1.27 Please provide a copy of the company's staffing plan for the Turkey Point 6&7 project.

PTN DR1.28 Please provide a summary of organization changes made during 2012, those planned for the remainder of 2012, those planned for 2013, and the rationale for each.

- PTN DR1.29 Please provide:
- A summary of 2012 disciplinary actions taken or pending for FPL project employees.
 - A description of the event(s) leading to discovery of the incident(s).
 - A description of the cause, date, management response, timetable for remedial action(s), and whether the employees was allowed to continue work.

Project Cost Estimates & Schedules

PTN DR1.30 Please provide copies of all project management reports/status updates during 2012. These would include reports issued by and for project middle, senior, and executive management. Topics would include, but not be limited to briefings, minutes, findings, handouts, PowerPoint slides, and reports. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion.

PTN DR1.31 Please provide a copy of the Key Performance Indicators used by FPL management to monitor the status of Turkey Point 6&7 projects and sub-projects. Please provide the 2012 monthly results for each indicator. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion.

PTN DR1.32 Please provide the current schedule and timeline for completing the Turkey Point 6&7 project.

PTN DR1.33 Please provide description of **schedule** variances compared to projections contained in the FPL May 2012 filing.

PTN DR1.34 Please provide the current cost estimate for completing the Turkey Point 6&7 project.

PTN DR1.35 Please provide a recap and description of **cost** variances compared to projections contained in the FPL May 2012 filing.

PTN DR1.36 Please provide all Turkey Point 6&7 feasibility studies and feasibility analyses conducted by or for FPL during 2012.

PTN DR1.37 Please describe all efforts or initiatives undertaken by FPL in 2012 or planned for the remainder of 2012 and through 2013 to secure power purchase agreements or joint-owner agreements for the project.

PTN DR1.38 Did FPL hold quarterly meetings with potential joint owners in 2012? Please provide briefing slides, notes, handouts, minutes, recaps, or reports produced from each meeting. If not already held, please upon completion the same information for the 4Q12 meeting.

- PTN DR1.39 Please provide all white papers completed in 2012 for project cost estimation and scheduling. Identify any white papers currently in production and provide a copy when completed.
- PTN DR1.40 Please describe the FPL outlook on participation in the DOE Loan Guarantee program. Please describe the FPL efforts or planning for this possibility during 2012.
- PTN DR1.41 What are the company expectations or anticipated/planned actions regarding the DOE Loan Guarantee program in 2013?

Contractor Selection & Management

- PTN DR1.42 Please describe any revisions made during 2012 for contractor selection and management policies or procedures for the Turkey Point 6&7 project.
- PTN DR1.43 Provide any revisions made to contractor oversight and management policies and procedures for the Turkey Point 6&7 project made during 2012.
- PTN DR1.44 Provide:
- a. A summary of 2012 disciplinary actions taken, pending, or planned on project contractors.
 - b. A description of the event(s) leading to discovery of the incident(s).
 - c. A description of the cause, date, FPL response, timetable for remedial action(s), and whether the contractor was allowed to continue work.
 - d. Copies of contractor and vendor "report cards" or evaluations completed in 2012 to date.
 - e. Ongoing, by the 15th of the following month until the conclusion of this audit, provide contractor or vendor "report cards" or evaluations completed in the preceding month.
- PTN DR1.45 Provide the status, terms, conditions, and expiration date of the current long lead forging agreement.
- PTN DR1.46 Are negotiations ongoing to further extend terms or expiration date for long lead forgings? Please explain.
- PTN DR1.47 What is the current no-later-than date that FPL believes forging must begin for long lead items in order to meet the project in-service timeline date?
- PTN DR1.48 Please provide a current status in the purchase and provision of other major items of equipment required for Turkey Point 6&7.
- PTN DR1.49 Provide all RFPs issued and bid evaluations prepared (both financial and technical) in 2012 to support Turkey Point 6&7 project contracts in excess of \$100,000.
- PTN DR1.50 Please provide a description and status of **new contracts in excess of \$100,000** executed in 2012. Please summarize the scope of work, terms, length of the contract, total contract dollars, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc) dollars spent to date, all change orders or amendments, the cost change of each change order or amendment and copies of single or sole source justifications.
- PTN DR1.51 Please provide a description of Turkey Point 6&7 **new contracts in excess of \$100,000** anticipated through the remainder of 2012 and until April 30, 2012. Please delineate between 2012 and 2013. Summarize the scope of work, terms, length of the contract, total contract dollars anticipated, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc), and copies of single or sole source justifications.
- PTN DR1.52 Please provide a description and status of all contract **change orders in excess of \$100,000** executed for the project in 2012 to date. Please provide a summary describing the scope of work, changes to the contract term, change to total contract dollars, pricing/costing

methodology (T&M, fixed price, fixed w/incentives, etc.), dollars spent to date and, if applicable, copies of single or sole source justification.

Internal Audits & Quality Assurance (QA) Reports

- PTN DR1.53 Please list all on-site manufacturer visits conducted or planned by FPL QA in 2012.
- PTN DR1.54 Please list all FPL QA on-site visits to manufacturers planned in 2013.
- PTN DR1.55 Please list all **internal** audits completed for Turkey Point 6&7 in 2012.
- PTN DR1.56 Please provide all **internal** audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.
- PTN DR1.57 Please provide a list and schedule of **internal** audits planned for the remainder of 2012.
- PTN DR1.58 Please provide a list and schedule of **internal** audits planned for 2013.
- PTN DR1.59 Please list all **external** audits completed for Turkey Point 6&7 in 2012.
- PTN DR1.60 Please provide all **external** audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.
- PTN DR1.61 Please provide a list and schedule of **external** audits planned for the remainder of 2012.
- PTN DR1.62 Please provide a list and schedule of external audits planned for 2013.
- PTN DR1.63 Please describe any changes in project management controls implemented as a result of quality assurance reviews or internal/external audit findings.
- PTN DR1.64 Please list and describe any other internal investigations conducted during 2012.

Employee Concerns Program (ECP)

- PTN DR1.65 Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- PTN DR1.66 Please list and describe any changes planned for the remainder of 2012 or in 2013.
- PTN DR1.67 Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- PTN DR1.68 In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-2 PTN DATE OF REQUEST: April 25, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 6, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
- ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

PTN DR-2.1 Please provide an electronic copy of the PowerPoint entitled *New Nuclear Update – April 2013* presented to staff by PTN 6&7 leadership on April 18, 2013. Staff was given a physical copy.

PTN DR-2.2 Please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al), for the following PTN 6&7 contractors for the 2012 months shown:

Company	Months - 2012
Bechtel	January, March, April, June, July, August, November
Layne Christensen (milestone)	February, April, July, August
Layne Christensen	June
McNabb (#4500536449)	January, March, July, November
McNabb (#4500517152)	July, December
Golder	February, June, September, December
ECT	January, April, September, December

PTN DR-2.3 For the same contractors and/or contracts shown above in PTN DR-2.2, please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al) for the month of the highest invoiced dollar amount during the first quarter of 2013.

PTN DR-2.4 Please complete the chart below with the dollar amount invoiced monthly in 2012:

2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Bechtel												
LayneChristensen												
McNabb												
Golder												
ECT												

PTN DR-2.5 Please provide a detailed summary of the PTN 6&7 RFI, to include:

- a) Total number received by the project to date
- b) Total number received in 2012
- c) Number completed in 2012
- d) Number outstanding from 2012
- e) Number overdue from 2012
- f) Total number received to date in 2013
- g) Number completed to date in 2013
- h) Number outstanding to date in 2013
- i) Number overdue to date in 2013

PTN DR-2.6 Regarding witness John J. Reed's direct testimony of March 31, 2013, lines 3-11 page 51, please provide insight into FPL's consideration and response to his comments, including the recommendation for "fall back" or "Plan B" options to improve the Quarterly Risk Assessment.

PTN DR-2.7 Please provide the PTN 6&7 2012-2013 Change Order document listing change orders greater than \$100K for the period January 2012 through December 2012, and January 2013 through the end of April 2013.

PTN DR-2.8 Please provide a list of Next Era corporate procedures used by PTN 6&7 Project Controls to conduct operations 2012-2013.

TO: AUDIT MANAGER _____ DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contratto

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-3 PTN DATE OF REQUEST: April 30, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 10, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ♦ Please provide a signed Notice of Intent with responses.
- ♦ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

NOTE: All questions below pertain to revisions required for FASR 2.5.1, FASR 2.5.2 and FASR 2.5.4

PTN DR-3.1 Please describe the action(s) taken by FPL to determine if there would be any PTN 6&7 project delay or additional costs associated with revision preparation and submission.

PTN DR-3.2 Was there project delay?

PTN DR-3.3 Was there additional project costs? If so, please provide a dollar amount.

PTN DR-3.4 Describe the FPL action(s) taken to date toward recovering costs from the contractor.

PTN DR-3.5 To date, how much has FPL recovered from the contractor?

PTN DR-3.6 If any warranty negotiations are still ongoing between FPL and the contractor regarding these revisions, what is the dollar amount involved and when does FPL anticipate resolution?

PTN DR-3.7 Does FPL intend to pass any of these additional costs through the NCRC process?

PTN DR-3.8 As a result of the NRC request for significant revisions, FPL conducted a dual review of the contractor's RAI QA/QC process. Please describe the reviews, the responsible third party or FPL department involved, and any findings, recommendations, and/or corrective action(s) that resulted from each review.

PTN DR-3.9 What was the total cost for the FPL and third party QA/QC reviews?

PTN DR-3.10 Does FPL intend to pass any of the costs associated with these reviews through NCRC?

PTN DR-3.11 Please provide a copy of the audit report(s) referenced in PTN DR-3.9 above.

PTN DR-3.12 As a result of the need for these revisions, has FPL contracted third party SMEs (e.g. AMEC) to oversee QA/QC for current and/or future work associated with RAIs?

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis Contraffo

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-4 PTN

DATE OF REQUEST: May 3, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 13, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ◆ Please provide a signed Notice of Intent with responses.
- ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

PTN DR-4.1 Several times in May testimony (Scroggs), the PTN 6&7 current project estimated cost is described in a range from \$12.7 billion to \$18.5 billion. This appears to be a change to both endpoints of the estimate from a year ago but the project cost estimate was described as "unchanged" during recent staff interviews. Please explain.

PTN DR-4.2 Please provide the PTN 6&7 current project estimated cost range. Provide the low end and high end of the estimate, in billions of dollars, to three decimal places.

PTN DR-4.3 Please provide the date that Development and NNP began reporting directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.4 Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.5 Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive Vice-President of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.6 Please explain the date the decision was made that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.7 During recent staff interviews, no changes or impending changes to Development and NNP reporting linkages were described to staff. Please explain.

TO: AUDIT MANAGER _____

DATE: _____

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) _____ 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)

SIGNATURE AND TITLE OF RESPONDENT

TO: AUDIT MANAGER

David Rich

DATE:

2/15/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.16, 1.22, 1.30, 1.31, 1.44, 1.68 - Monthly Updates
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.30 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)

Tom L. Hutto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

TO: AUDIT MANAGER

David Rich

DATE:

3/14/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY 1.16, 1.22, 1.30, 1.31, 1.44e, 1.68 - Monthly Updates
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.30 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)

Tom C. Hto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

TO: AUDIT MANAGER

David Rich

DATE:

4/17/2013

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY March Monthly Updates (PTN)
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.30 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)

T. C. Lento

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

TO: AUDIT MANAGER

David Rich

DATE:

5/15/2013

THE REQUESTED RECORD OR DOCUMENTATION:

(PTN)

- (1) ☒ HAS BEEN PROVIDED TODAY

April Monthly Updates

- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

- (3) ☒ AND IN MY OPINION, ITEMS(S) 1.30 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)

T. C. Hutto

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

TO: AUDIT MANAGER

Daniel Rich

DATE:

1/16/13

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY Dr 1 December update
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☒ AND IN MY OPINION, ITEMS(S) 1,30 (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)

Alfany Cohen

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Tiffany Cordes-Cohen / Johnnie Coleman

UTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSC

REQUEST NUMBER: DR-1 PTN

DATE OF REQUEST: November 15, 2012

AUDIT PURPOSE: Project Management Internal Controls

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: January 11, 2012

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

Project Management

PTN DR1.1 Please explain the FPL philosophy toward its commitment to construct Turkey Point 6&7.

PTN DR1.2 Please explain how Fukushima nuclear incident and subsequent NRC actions (or anticipated actions) have impacted or may impact Turkey Point 6&7 construction plans or planning. Discuss any developments from January 2012 to date in the areas of:

- a. Regulatory requirements
- b. Safety requirements
- c. Additional or new required inspections and reporting criteria

PTN DR1.3 Define the 'window of opportunity' to sign a project construction contract (EPC / EP & C), in order to avoid negatively impacting project schedule. Please explain:

- a. Whether FPL has determined to use an EPC or an EP and C contract. If so, which?
- b. The current projected timeframe (month / year) for signing a construction contract.
- c. If preliminary talks or negotiations have begun with a prospective EPC contractor.
- d. If preliminary talks or negotiations have begun with prospective EP and C contractors.
- e. Impacts of sign a contract by 2013-2014 will impact the project for schedule and cost.

PTN DR1.4 Please recap work accomplished from January 1, 2012 to date, and work anticipated through December 31, 2012. Clearly differentiate accomplished work and that anticipated.

PTN DR1.5 Please provide an itemized list, description, and timeline of Turkey Point 6&7 milestones achieved from January 1, 2012 to date, and those anticipated through December 31, 2012. Clearly differentiate those that have occurred and those anticipated.

PTN DR1.6 Please provide an itemized list, description, date (month) and timeline of activities and/or milestones anticipated from January 1, 2013 through April 30, 2013.

PTN DR1.7 Please provide a copy of all white papers used to capture project decisions during 2012.

PTN DR1.8 Please describe and provide the dates of federal-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications granted to Turkey Point 6&7 since January 1, 2012.

- PTN DR1.9 Please describe pending federal-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications required, the anticipated completion date, and a timeline depicting the events.
- PTN DR1.10 Please provide a description of pending state-level applications, approvals, licenses, and certifications required, the anticipated dates of completion, and a timeline depicting the events.
- PTN DR1.11 Please provide a description of pending local-level (municipal or county) applications, approvals, licenses, and certifications required, the anticipated dates of completion, and a timeline depicting the events.
- PTN DR1.12 What is the current NRC COLA review schedule from the NRC?
- PTN DR1.13 Please provide an overview of 2012 NRC decisions impacting the Turkey Point 6&7 project.
- PTN DR1.14 Please explain how NRC changes and announced delays (e.g. COLA, FSER, FEIS, and hearing dates) impact Turkey Point 6&7 project decision making and critical path timeline. Please provide the project critical path timelines depicting before and after these changes.
- PTN DR1.15 How will FPL manage NRC changes (e.g. FSER, FEIS, and hearing dates) to preserve planning schedule margins?
- PTN DR1.16 Please provide a list and narrative description of NRC requests for additional information (RAI) received since January 1, 2012. Provide the RAI number, date received, NRC due date, and the actual or anticipated date of each FPL response. Going forward, until the completion of the current NRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion and provide the list to staff.
- PTN DR1.17 Please update current status and plan for Turkey Point 6 & 7 cooling water. In addition to a general description, please provide critical dates, milestones, required actions, regulatory approvals required, information on contracts let and progress of work.
- PTN DR1.18 For cooling water, please describe:
- a. The milestones achieved or anticipated in 2012.
 - b. The in-service daily estimated requirement.
 - c. A recap of the current plan to provide sufficient quantities.
 - d. Potential challenges to obtaining sufficient quantities.
 - e. Possible impacts to project schedule and cost.
 - f. The sourcing agreements reached and their dates.
 - g. Discharge standards and FPL's planning to meet these standards.
 - h. A description of any construction contracts signed in 2012 (vendor, amount, due dates, scope of work, etc).
 - i. A description of any construction work accomplished to date in 2012 and anticipated through year-end.
 - j. Milestones anticipated in 2013.
- PTN DR1.19 For transmission issues, please describe:
- a. The milestones achieved to date or anticipated through year-end 2012.
 - b. A recap of the current plan for corridor acquisition.
 - c. Remaining challenges to acquiring adequate corridors.
 - d. Possible impacts to project schedule and cost.
 - e. Transmission project milestones anticipated in 2013.
- PTN DR1.20 Regarding benchmarking of domestic new nuclear construction programs:
- a. Identify and describe the project(s) that FPL completed benchmarking in 2012.

- b. Identify and describe the project(s) that FPL is currently benchmarking.
- c. Describe the FPL staffing and scope for each project benchmarked.
- d. Provide any FPL reports and/or studies from each benchmarking.
- e. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking.
- f. Identify and describe construction issues that may impact FPL project schedule or cost.
- g. Identify and describe operational issues that may impact FPL project schedule or cost.
- h. Identify the project(s) that FPL plans to benchmark in 2013.
- i. Have any legal issues or challenges to the project been identified via benchmarking?

- PTN DR1.21 Regarding benchmarking of foreign new nuclear construction programs:
- a. Identify and describe the project(s) that FPL completed benchmarking in 2012.
 - b. Identify and describe the project(s) that FPL is currently benchmarking.
 - c. Describe the FPL staffing and scope for each project benchmarked.
 - d. Provide any FPL reports and/or studies from each benchmarking.
 - e. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking.
 - f. Identify and describe construction issues that may impact FPL project schedule or cost.
 - g. Identify and describe operational issues that may impact FPL project schedule or cost.
 - h. Identify the project(s) that FPL plans to benchmark in 2013.

- PTN DR1.22 Please list all risk assessment and/or mitigation meetings or reviews, and their dates, held in 2012 to date. Please provide all meeting briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Going forward, after each subsequent meeting and until the completion of the current NCRC review in late May 2013, please provide staff the briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Notify staff upon completion.

- PTN DR1.23 Please describe:
- a. Changes to project planning, timeline, or budget occurring in 2012.
 - b. A description of the impact of each on project schedule and costs.
 - c. Which changes were due to perceived risk and/or attempts to mitigate that risk?
 - d. Risk mitigation strategies considered, developed, or adopted, and the result if completed.

- PTN DR1.24 Please describe:
- a. All problems or challenges to the project identified during 2012.
 - b. Potential impact(s) to project schedule and cost, including but are not limited to marketplace, domestic economic, and capital market conditions, FPL demand projections, vendor and contractor issues, site infrastructure planning, project logistics, and regulatory changes.
 - c. FPL analysis of potential impacts to project schedule and cost.
 - d. Mitigation strategies considered, developed, adopted, and the result if completed. For each, indicate whether it is under development, developed and under consideration for deployment, currently deployed, or completed.
 - e. Any problems or challenges anticipated or identified for the remainder of 2012
 - f. Any problems or challenges anticipated or identified for 2013.

Project Organization & Procedures

- PTN DR1.25 For FPL or Turkey Point 6&7 project management, please provide:
- a. A list of new policies, procedures, and controls created in 2012.
 - b. A list of policies, procedures, or controls revised in 2012 or currently under revision.
 - c. A list of policies, procedures, or controls deleted during 2012 and a rationale for deletion.
 - d. A list of policies, procedures, or controls scheduled for revision in 2013.
 - e. A copy of new or revised policies, procedures, and controls.
 - f. A copy of policies, procedures, and controls currently under revision, when available.

- PTN DR1.26 Please provide or identify for the Turkey Point 6&7 project:
- A current by-name project organizational chart, showing FPL project management, work unit staffing, and reporting linkages.
 - A by-name list of project personnel changes made in 2012, supervisor and above, outgoing and incoming. Please include the reason and date for each change.
 - Personnel changes that resulted from FPL succession planning.
 - Personnel changes anticipated for the remainder of 2012.
 - Anticipated personnel changes for 2013.
- PTN DR1.27 Please provide a copy of the company's staffing plan for the Turkey Point 6&7 project.
- PTN DR1.28 Please provide a summary of organization changes made during 2012, those planned for the remainder of 2012, those planned for 2013, and the rationale for each.
- PTN DR1.29 Please provide:
- A summary of 2012 disciplinary actions taken or pending for FPL project employees.
 - A description of the event(s) leading to discovery of the incident(s).
 - A description of the cause, date, management response, timetable for remedial action(s), and whether the employees was allowed to continue work.

Project Cost Estimates & Schedules

- PTN DR1.30 Please provide copies of all project management reports/status updates during 2012. These would include reports issued by and for project middle, senior, and executive management. Topics would include, but not be limited to briefings, minutes, findings, handouts, PowerPoint slides, and reports. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion.
- PTN DR1.31 Please provide a copy of the Key Performance Indicators used by FPL management to monitor the status of Turkey Point 6&7 projects and sub-projects. Please provide the 2012 monthly results for each indicator. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion.
- PTN DR1.32 Please provide the current schedule and timeline for completing the Turkey Point 6&7 project.
- PTN DR1.33 Please provide description of **schedule** variances compared to projections contained in the FPL May 2012 filing.
- PTN DR1.34 Please provide the current cost estimate for completing the Turkey Point 6&7 project.
- PTN DR1.35 Please provide a recap and description of **cost** variances compared to projections contained in the FPL May 2012 filing.
- PTN DR1.36 Please provide all Turkey Point 6&7 feasibility studies and feasibility analyses conducted by or for FPL during 2012.
- PTN DR1.37 Please describe all efforts or initiatives undertaken by FPL in 2012 or planned for the remainder of 2012 and through 2013 to secure power purchase agreements or joint-owner agreements for the project.
- PTN DR1.38 Did FPL hold quarterly meetings with potential joint owners in 2012? Please provide briefing slides, notes, handouts, minutes, recaps, or reports produced from each meeting. If not already held, please upon completion the same information for the 4Q12 meeting.

PTN DR1.39 Please provide all white papers completed in 2012 for project cost estimation and scheduling. Identify any white papers currently in production and provide a copy when completed.

PTN DR1.40 Please describe the FPL outlook on participation in the DOE Loan Guarantee program. Please describe the FPL efforts or planning for this possibility during 2012.

PTN DR1.41 What are the company expectations or anticipated/planned actions regarding the DOE Loan Guarantee program in 2013?

Contractor Selection & Management

PTN DR1.42 Please describe any revisions made during 2012 for contractor selection and management policies or procedures for the Turkey Point 6&7 project.

PTN DR1.43 Provide any revisions made to contractor oversight and management policies and procedures for the Turkey Point 6&7 project made during 2012.

PTN DR1.44 Provide:

- a. A summary of 2012 disciplinary actions taken, pending, or planned on project contractors.
- b. A description of the event(s) leading to discovery of the incident(s).
- c. A description of the cause, date, FPL response, timetable for remedial action(s), and whether the contractor was allowed to continue work.
- d. Copies of contractor and vendor "report cards" or evaluations completed in 2012 to date.
- e. Ongoing, by the 15th of the following month until the conclusion of this audit, provide contractor or vendor "report cards" or evaluations completed in the preceding month.

PTN DR1.45 Provide the status, terms, conditions, and expiration date of the current long lead forging agreement.

PTN DR1.46 Are negotiations ongoing to further extend terms or expiration date for long lead forgings? Please explain.

PTN DR1.47 What is the current no-later-than date that FPL believes forging must begin for long lead items in order to meet the project in-service timeline date?

PTN DR1.48 Please provide a current status in the purchase and provision of other major items of equipment required for Turkey Point 6&7.

PTN DR1.49 Provide all RFPs issued and bid evaluations prepared (both financial and technical) in 2012 to support Turkey Point 6&7 project contracts in excess of \$100,000.

PTN DR1.50 Please provide a description and status of **new contracts in excess of \$100,000** executed in 2012. Please summarize the scope of work, terms, length of the contract, total contract dollars, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc) dollars spent to date, all change orders or amendments, the cost change of each change order or amendment and copies of single or sole source justifications.

PTN DR1.51 Please provide a description of Turkey Point 6&7 **new contracts in excess of \$100,000** anticipated through the remainder of 2012 and until April 30, 2012. Please delineate between 2012 and 2013. Summarize the scope of work, terms, length of the contract, total contract dollars anticipated, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc), and copies of single or sole source justifications.

PTN DR1.52 Please provide a description and status of all contract **change orders in excess of \$100,000** executed for the project in 2012 to date. Please provide a summary describing the scope of work, changes to the contract term, change to total contract dollars, pricing/costing

methodology (T&M, fixed price, fixed w/incentives, etc.), dollars spent to date and, if applicable, copies of single or sole source justification.

Internal Audits & Quality Assurance (QA) Reports

- PTN DR1.53 Please list all on-site manufacturer visits conducted or planned by FPL QA in 2012.
- PTN DR1.54 Please list all FPL QA on-site visits to manufacturers planned in 2013.
- PTN DR1.55 Please list all **internal** audits completed for Turkey Point 6&7 in 2012.
- PTN DR1.56 Please provide all **internal** audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.
- PTN DR1.57 Please provide a list and schedule of **internal** audits planned for the remainder of 2012.
- PTN DR1.58 Please provide a list and schedule of **internal** audits planned for 2013.
- PTN DR1.59 Please list all **external** audits completed for Turkey Point 6&7 in 2012.
- PTN DR1.60 Please provide all **external** audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.
- PTN DR1.61 Please provide a list and schedule of **external** audits planned for the remainder of 2012.
- PTN DR1.62 Please provide a list and schedule of external audits planned for 2013.
- PTN DR1.63 Please describe any changes in project management controls implemented as a result of quality assurance reviews or internal/external audit findings.
- PTN DR1.64 Please list and describe any other internal investigations conducted during 2012.

Employee Concerns Program (ECP)

- PTN DR1.65 Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities.
- PTN DR1.66 Please list and describe any changes planned for the remainder of 2012 or in 2013.
- PTN DR1.67 Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
- PTN DR1.68 In an ongoing basis, by the 15th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.

TO: AUDIT MANAGER

Lynn Mitchell / Dan D. Pick

DATE:

1/4/12

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, 20, 23, 25, 30, 32, 49, 50, 52, 56 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)

Affany Carter

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis ContrattoUTILITY: Florida Power & Light Company

David Rich
AUDIT MANAGER

FROM: FPSCREQUEST NUMBER: DR-2 PTN DATE OF REQUEST: April 25, 2012AUDIT PURPOSE: Project Management Internal ControlsREQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 6, 2012REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRYX OUTSIDE OF AN INQUIRY**INSTRUCTIONS**

- ◆ Please provide a signed Notice of Intent with responses.
- ◆ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

PTN DR-2.1 Please provide an electronic copy of the PowerPoint entitled *New Nuclear Update – April 2013* presented to staff by PTN 6&7 leadership on April 18, 2013. Staff was given a physical copy.

PTN DR-2.2 Please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al), for the following PTN 6&7 contractors for the 2012 months shown:

Company	Months - 2012
Bechtel	January, March, April, June, July, August, November
Layne Christensen (milestone)	February, April, July, August
Layne Christensen	June
McNabb (#4500536449)	January, March, July, November
McNabb (#4500517152)	July, December
Golder	February, June, September, December
ECT	January, April, September, December

PTN DR-2.3 For the same contractors and/or contracts shown above in PTN DR-2.2, please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al) for the month of the highest invoiced dollar amount during the first quarter of 2013.

PTN DR-2.4 Please complete the chart below with the dollar amount invoiced monthly in 2012:

2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Bechtel												
Layne Christensen												
McNabb												
Golder												
ECT												

PTN DR-2.5 Please provide a detailed summary of the PTN 6&7 RFI, to include:

- a) Total number received by the project to date
- b) Total number received in 2012
- c) Number completed in 2012
- d) Number outstanding from 2012
- e) Number overdue from 2012
- f) Total number received to date in 2013
- g) Number completed to date in 2013
- h) Number outstanding to date in 2013
- i) Number overdue to date in 2013

PTN DR-2.6 Regarding witness John J. Reed's direct testimony of March 31, 2013, lines 3-11 page 51, please provide insight into FPL's consideration and response to his comments, including the recommendation for "fall back" or "Plan B" options to improve the Quarterly Risk Assessment.

PTN DR-2.7 Please provide the PTN 6&7 2012-2013 Change Order document listing change orders greater than \$100K.

PTN DR-2.8 Please provide a list of Next Era corporate procedures used by PTN 6&7 Project Controls to conduct operations 2012-2013.

TO: AUDIT MANAGER

David Rich

DATE:

5/08/2013

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) 2.1, 2.2, 2.3, 2.4, 2.7 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)

T C Hto

SIGNATURE AND TITLE OF RESPONDENT

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis ContrattoUTILITY: Florida Power & Light CompanyDavid Rich

AUDIT MANAGER

FROM: EPSCREQUEST NUMBER: DR-3 PTNDATE OF REQUEST: April 30, 2012AUDIT PURPOSE: Project Management Internal ControlsREQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 10, 2012REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRYX OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- Please provide a signed Notice of Intent with responses.
- Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

NOTE: All questions below pertain to revisions required for FASR 2.5.1, FASR 2.5.2 and FASR 2.5.4

PTN DR-3.1 Please describe the action(s) taken by FPL to determine if there would be any PTN 6&7 project delay or additional costs associated with revision preparation and submission.

PTN DR-3.2 Was there project delay?

PTN DR-3.3 Was there additional project costs? If so, please provide a dollar amount.

PTN DR-3.4 Describe the FPL action(s) taken to date toward recovering costs from the contractor.

PTN DR-3.5 To date, how much has FPL recovered from the contractor?

PTN DR-3.6 If any warranty negotiations are still ongoing between FPL and the contractor regarding these revisions, what is the dollar amount involved and when does FPL anticipate resolution?

PTN DR-3.7 Does FPL intend to pass any of these additional costs through the NCRC process?

PTN DR-3.8 As a result of the NRC request for significant revisions, FPL conducted a dual review of the contractor's RAI QA/QC process. Please describe the reviews, the responsible third party or FPL department involved, and any findings, recommendations, and/or corrective action(s) that resulted from each review.

PTN DR-3.9 What was the total cost for the FPL and third party QA/QC reviews?

PTN DR-3.10 Does FPL intend to pass any of the costs associated with these reviews through NCRC?

PTN DR-3.11 Please provide a copy of the audit report(s) referenced in PTN DR-3.9 above.

PTN DR-3.12 As a result of the need for these revisions, has FPL contracted third party SMEs (e.g. AMEC) to oversee QA/QC for current and/or future work associated with RAIs?

TO: AUDIT MANAGER David RichDATE: 5/10/2013

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) 3.5, 3.9 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)

T. C. Hto
SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Travis ContrattoUTILITY: Florida Power & Light CompanyDavid Rich
AUDIT MANAGERFROM: FPSCREQUEST NUMBER: DR-4 PTN DATE OF REQUEST: May 3, 2012AUDIT PURPOSE: Project Management Internal ControlsREQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: May 13, 2012REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRYX OUTSIDE OF AN INQUIRY

INSTRUCTIONS

- ♦ Please provide a signed Notice of Intent with responses.
- ♦ Please furnish items in electronic format, via CD (two copies each, confidential and non-confidential)

PTN DR-4.1 Several times in May testimony (Scroggs), the PTN 6&7 current project estimated cost is described in a range from \$12.7 billion to \$18.5 billion. This appears to be a change to both endpoints of the estimate from a year ago but the project cost estimate was described as "unchanged" during recent staff interviews. Please explain.

PTN DR-4.2 Please provide the PTN 6&7 current project estimated cost range. Provide the low end and high end of the estimate, in billions of dollars, to three decimal places.

PTN DR-4.3 Please provide the date that Development and NNP began reporting directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.4 Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.5 Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive Vice-President of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.6 Please explain the date the decision was made that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).

PTN DR-4.7 During recent staff interviews, no changes or impending changes to Development and NNP reporting linkages were described to staff. Please explain.

TO: AUDIT MANAGER

David Rich

DATE:

5/10/2013

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) _____ 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)

T. C. Ho

SIGNATURE AND TITLE OF RESPONDENT

Regulatory Analyst

7. Document Summaries & Control Logs

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company
Area: Nuclear Cost Recovery Clause
Auditor(s): D. Rich and L. Fisher

Workload Control #: PA-
File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS
AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries
EPU\3.3.8 DR-1 DCL.doc

Document #: DR-1.1
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Disk 6
Disk 15 Update 1.1c
Disk 23 Update 1.1c
Disk 24 Revised Update 1.1a
Disk 31 Update 1.1c
Disk 32 Update 1.1c
Disk 51 Update 1.1c

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Document Title and Purpose of Review: a. Provide a written summary of the work accomplished on the St. Lucie and Turkey Point uprate projects since January 2012 and planned activities through April 2013. b. Provide the most current copy of the Project Plan for St. Lucie and Turkey Point uprate projects. c. Provide a written summary of monthly EPC contractor KSI performance measures, and monthly EPC project report updates since January 2012, and provide ongoing reports through April 2013 by the 15th of each month. d. Provide a copy of the most current project implementation plan (PIP) for St. Lucie and Turkey Point uprate projects.

Summary of Contents: a. Attached is a **summary of St. Lucie and Turkey Point EPU work accomplished in 2012 and planned activities through April 2013.**

Disk 24 Revised Update 1.1a - Attached is a **revised summary of St. Lucie and Turkey Point EPU work accomplished in 2012 and planned activities through April 2013.**

b. Attached are the following EPU Project Plans:

- ☐ **Fleet EPU Project Plan**, revision 2, dated **September 14, 2011**
- ☐ **PSL EPU Project Plan**, revision 2, dated **November 17, 2011**
- ☐ **PTN EPU Project Plan**, revision 2, dated **November 8, 2011**

c. Bechtel uses Cost Performance Index (CPI) and Schedule Performance Index (SPI) to measure progress and performance versus a budget and target schedule. **Generally, these performance indicators have been less than 1.0, which indicates performance less than planned.** Many factors can affect these performance indicators, such as changes in work scope, additional engineering analyses required, additional regulatory requirements, constructability reviews needing additional implementation considerations, and estimates based on conceptual design information. **These performance indicators are contained in the periodic Bechtel reports.** Attached are the following EPC project reports for each site:

St. Lucie

- ☐ **Bechtel leadership reports**, one per month, for **January, February, and March 2012. March report is the final report** created for St. Lucie.
- ☐ **EPU Director's Report**, one per month, for **March through July 2012. July report is the final report** created for St. Lucie.
- ☐ **Daily Bechtel Cost / Progress Review** meeting, one per month for **August through October 2012. October is the final report** created for PSL.

Turkey Point

- ☐ **Bechtel weekly reports**, one from each month, for **January 2012 through November 2012.**

Disk 15 Update - December 2012 update: Bechtel uses Cost Performance Index (CPI) and Schedule Performance Index (SPI) to measure progress and performance versus a budget and target schedule. **Generally, these performance indicators have been less than 1.0, which indicates performance less than planned.** Many factors can affect these performance indicators, such as changes in work scope, additional engineering analyses required, additional regulatory requirements, constructability reviews needing additional implementation considerations, and estimates based on conceptual design information. These performance indicators are contained in the periodic Bechtel reports.

St. Lucie - The EPU project has completed the extended power uprates at St. Lucie Units 1 and 2. The EPC vendor Bechtel was demobilized in December 2012, as project closeout continued.

Turkey Point - Turkey Point Unit 4 outage continued in December 2012. See FPL's response to DR-1.6a-DEC for the key performance indicators in the Bechtel Earned Value reports for December 2012.

Disk 23 Update 1.1c - Bechtel uses Cost Performance Index (CPI) and Schedule Performance Index (SPI) to measure progress and

	<p>performance versus a budget and target schedule. Generally, these performance indicators have been less than 1.0, which indicates performance less than planned. Many factors can affect these performance indicators, such as changes in work scope, additional engineering analyses required, additional regulatory requirements, constructability reviews needing additional implementation considerations, and estimates based on conceptual design information. These performance indicators are contained in the periodic Bechtel reports.</p> <p>St. Lucie The EPU project has completed the extended power uprates at St. Lucie Units 1 and 2 in 2012; therefore, there were no EPC key performance indicators in January 2013.</p> <p>Turkey Point Turkey Point Unit 4 outage continued in January 2013. See FPL's response to DR-1.6a-JAN for the key performance indicators in the Bechtel Earned Value reports for January 2013.</p> <p>Disk 31 Update 1.1c - February 2013 update: Bechtel uses Cost Performance Index (CPI) and Schedule Performance Index (SPI) to measure progress and performance versus a budget and target schedule. Generally, these performance indicators have been less than 1.0, which indicates performance less than planned. Many factors can affect these performance indicators, such as changes in work scope, additional engineering analyses required, additional regulatory requirements, constructability reviews needing additional implementation considerations, and estimates based on conceptual design information. These performance indicators are contained in the periodic Bechtel reports.</p> <p>St. Lucie The EPU project completed the extended power uprate installation at St. Lucie Units 1 and 2 in 2012; therefore, there were no EPC key performance indicators in February 2013.</p> <p>Turkey Point Turkey Point Unit 4 outage continued in February 2013. See FPL's response to DR-1.6a-Feb for the key performance indicators in the Bechtel Earned Value reports for February 2013.</p> <p>Disk 32 Update 1.1c - Bechtel uses Cost Performance Index (CPI) and Schedule Performance Index (SPI) to measure progress and performance versus a budget and target schedule. In 2013, these performance indicators have been at or above 1.0 which indicates performance better than planned. Many factors can affect these performance indicators, such as changes in work scope, additional engineering analyses required, additional regulatory requirements, constructability reviews needing additional implementation considerations, and estimates based on conceptual design information.</p> <p>St. Lucie The EPU project completed the extended power uprate installation at St. Lucie Units 1 and 2 in 2012; therefore, there were no EPC key performance indicators in March 2013.</p> <p>Turkey Point The Turkey Point Unit 4 outage EPC work was essentially complete in March 2013; therefore, there were no EPC key performance indicators issued for March 2013.</p> <p>Disk 51 Update 1.1c - There were no EPC key performance indicators issued for April 2013.</p> <p>d. Attached are the current project integration plans (PIP) for St. Lucie and Turkey Point EPU:</p> <p><input type="checkbox"/>Project Integration Plan, St. Lucie Extended Power Uprate (EPU) Project, Bechtel Power Corporation, May 3, 2011, Rev. 3</p> <p><input type="checkbox"/>Project Integration Plan, Turkey Point Extended Power Uprate (EPU) Project, Bechtel Power Corporation, November 8, 2010, Rev. 4</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>
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Document #: DR-1.2
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Disk 8

Document Title and Purpose of Review: a. Provide a written summary of pending NRC and other regulatory applications, approvals, and certifications for the St. Lucie and Turkey Point uprate projects, including the current status and timeline for completing each. b. Provide a written summary of major project risks identified and company mitigation programs undertaken to address each risk, from January 2012 and planned through April 2013. c. Summarize the results of the Turkey Point site certification monitoring wells and sampling to date and describe any potential impacts to the project during 2012 through April 2013. d. Describe the current status of FPL's EPU efforts to satisfy DEP site "certification conditions" for the uprates and any potential impacts to the project during 2012 through April 2013. e. Describe any current cooling water conditions or requirements that remain as possible challenges to the uprate projects and any potential impact on project schedule and costs. f. Describe any transmission conditions or electric grid requirements remaining as possible challenges to the uprate project's schedule and costs. g. Describe the actions taken by FPL since January 2012, and any planned through April 2013, to complete its LAR requirements for the uprate projects. h. Describe any pending LAR requirements and a current timeline showing when the requirements will be fulfilled. i. Describe any other conditions or requirements that remain as possible challenges to the uprate project's schedule and costs. j. Provide a status of the progress for upgrading the gantry cranes at each uprate unit since January 2012, and include: a description of the equipment being changed, timeframes for completion, salvageable materials and estimated costs for each crane upgrade through April 2013. k. Provide a summary of all engineering design packages completed during 2012-2013 for each unit and outage, showing the unit, number of packages completed, and items initiated to 30% complete, 90% complete, and final. l. Discuss how FPL has implemented the October 31, 2011 amendments approved by the NRC to FPL's Turkey Point 3&4 Spent Fuel Criticality Analysis to support the uprates, and provide a description of work completed, final completion date, and estimated dollars for completing the amendments. m. Discuss the impact of the use of a higher enriched fuel on the spent fuel pool and dry cask storage requirements for the Turkey Point Units 3&4 uprates. n. Discuss FPL's transition timeline for using fuel with enrichments up to 5.0 weight percent U-235 at Turkey Point Units 3&4. o. Discuss whether any further FPL analysis of storage capacity or additional information is required prior to using fuel with enrichments up to 5.0 weight percent U-235. p. Discuss any other requests for change, approval, or amendment necessary for approvals to store more highly enriched fuel.

Summary of Contents: a) There are no pending NRC license amendments for FPL's extended power uprate project. All NRC license amendments required to implement extended power uprate at the St. Lucie and Turkey Point nuclear plants have been approved by the NRC. There are no pending regulatory permit applications for FPL's extended power uprate project. All regulatory permits required to implement the extended power uprate at the St. Lucie and Turkey Point nuclear plants have been approved. The current status of FPL's License Amendment Requests (LARs) for extended power uprate is:

LAR	Date Submitted to the NRC	Date Accepted By the NRC	Date Approved by the NRC
PSL-1 EPU LAR	November 22, 2010	March 9, 2011	July 9, 2012
PSL-2 EPU LAR	February 25, 2011	June 23, 2011	September 24, 2012
PTN Alternative Source Term (AST) LAR	June 25, 2009	September 25, 2009	June 23, 2011
PTN Spent Fuel Criticality (SFC) LAR	August 5, 2010	August 27, 2010	October 31, 2011
PTN EPU LAR	October 21, 2010	March 11, 2011	June 15, 2012
PTN Core Operating Limits Report (COLR) LAR	February 21, 2011	March 29, 2011	February 24, 2012

b) The EPU risk assessments and risk mitigation plans are documented in the EPU Risk Registers. See the PSL and PTN Risk Registers provided in response to DR-1.6b4.

c) FPL completed installation of the Turkey Point monitoring wells and associated infrastructure in October 2010. Sampling of the monitoring stations began in June 2010. The sampling data gathered to date is considered pre-EPU baseline data and intended to be

used to compare to the post-EPU data to be gathered after the uprate of both Units. FPL prepared and submitted a Comprehensive Pre-Uprate Report that summarized the data collected from June 2010 through June 2012. Sampling is expected to continue for at least two years after the uprate of both Units is achieved. Currently, the monitoring program is on schedule and there are no expected impacts on the cost or schedule for the Turkey Point Uprate project. The costs associated with the monitoring program are being recovered through the environmental cost recovery clause (ECRC).

d) The current St. Lucie Industrial Wastewater Facility (IWF) Permit issued in September 2011 requires FPL to perform ambient monitoring, thermal monitoring, and biological monitoring in the Atlantic Ocean in accordance with a previously issued Administrative Order (AO). In August 2011, the FDEP approved FPL's monitoring plans for implementation. FPL initiated biological monitoring in August 2011. Eight pre-uprate baseline biological monitoring events have since been completed. The pre-uprate baseline monitoring results will be used to compare aquatic biological species at the St. Lucie Plant with similar post-uprate monitoring data. The post-uprate biological monitoring is scheduled to begin in January 2013 and will continue for a minimum of 2 years. Thermal monitoring equipment is in place and monitoring is currently scheduled to commence in January 2013. Thermal monitoring will be performed for a minimum of two years. Currently, the monitoring programs are on schedule and there are no expected impacts on the cost or schedule for the St. Lucie uprate project. The costs associated with the monitoring programs are recovered through the ECRC.

e) Currently, there are no known cooling water conditions or requirements that remain as possible challenges to the Turkey Point Unit 3 & 4 Uprate work. FPL is continuing to monitor the Turkey Point cooling canal as part of the Turkey Point Power Plant Groundwater, Surface Water and Ecological Monitoring Plan, in accordance with Condition IX and X of the site "certification conditions". There are no expected impacts on the Turkey Point EPU cost or schedule. Currently, there are no known cooling water conditions or requirements that remain as possible challenges to the St. Lucie Units 1 & 2 Uprate work. There are no expected impacts on the St. Lucie EPU cost or schedule.

f) From a transmission planning perspective, FPL has not identified any specific transmission conditions or requirements at this time that remain as challenges or would otherwise impact the St. Lucie and Turkey Point Uprate project's schedule and costs. From a transmission line and substation construction perspective all significant transmission line and substation equipment clearances have been executed according to schedule and the work that remains poses minimal challenges to the St. Lucie and Turkey Point uprate project's schedule and costs.

g) In 2012, FPL continued to meet with the NRC periodically to discuss the status of the NRC's review of FPL's outstanding license amendment requests (LARs), continued to respond to NRC questions in a timely manner, continued to support related meetings with the NRC's Advisory Committee on Reactor Safeguards (ACRS), received NRC approval of the last four license amendments necessary to implement extended power uprate at the St. Lucie and Turkey Point nuclear plants, and implemented the requirements of the PSL-1, PTN-3, and PSL-2 EPU license amendments. In 2013, FPL will implement the requirements of the PTN-4 EPU license amendment.

h) As noted in response to DR-1.2a, the NRC has approved all the license amendments necessary to implement FPL's extended power uprate project. As noted in response to DR-1.2g, the only pending license amendment requirement is to implement the plant modifications necessary to uprate the reactor power levels for PTN-4, which FPL plans to complete in early 2013.

i) Conditions or requirements that remain as possible challenges to the Uprate project schedule and costs are documented in the Risk Registers for St. Lucie and Turkey Point. Generally the risk register is used to document potential risks to the project schedule and an order of magnitude potential cost impact to the project. The risk registers are provided in response 1.6b4.

j) The three EPU gantry cranes were upgraded and placed in service prior January 2012 (the PSL2 gantry crane was placed in service in 2009, the PSL1 gantry crane was placed in service in 2010, and the PTN gantry crane was placed in service in December 2011). Since January 2012, only punch list items were performed that were not required for the crane to be in service. The PTN gantry crane costs booked in 2012 were approximately [REDACTED] and included costs for work performed in 2011 and punch list items completed in 2012.

k) In 2012, FPL completed 76 engineering design packages (3 at PSL1, 21 at PSL2, 23 at PTN3, and 29 at PTN4). The current status of number of engineering design packages is shown below.

1

	Engineering Design Status				
		Currently Identified	Initiated	90%	Final
	St. Lucie - 1	49	49	48	48
	St. Lucie - 2	51	51	50	50
	Turkey Point - 3	69	61	69	69
	Turkey Point - 4	51	51	51	51
	Total	220	220	218	218
	Percent		100%	99.1%	99.1%
	Spent Fuel Handling Machine modifications remain to be issued. (One EC for each Unit; previously identified as a single EC				
	l) A significant number of fuel assembly and component moves were made in both Turkey Point Unit 3 and 4 to arrive at configurations compliant with the October 31, 2011 amendments (Amendment 246 for Unit 3, Amendment 242 for Unit 4). After the moves were completed, calculations were generated documenting that the new spent fuel pool fuel configurations were in compliance with the new amendments. The Unit 3 calculation was approved 2/22/2012, whereas the Unit 4 calculation was approved on 2/29/2012. The estimated cost for fuel pool implementation for 2011 was \$1.4M and for 2012 was \$2.3M for a total of approximately \$3.7M.				
	m) For spent fuel pool storage, the use of a higher enriched fuel would require either that the fuel accumulate additional burn up to be stored in the same configuration as fuel of lower enrichment, or that the fuel be treated as a higher reactivity category (e.g., as fresh fuel). Note that if the fuel must be treated as a different reactivity category, there would be different configurations and requirements for storage (e.g., additional Metamic inserts and/or empty locations). For dry cask storage, the use of a higher enriched fuel would require a higher soluble boron concentration in the spent fuel pool during cask loading, as well as using different dry cask storage baskets that allow storage of the higher enriched fuel.				
	n) Transition to higher enrichments at Turkey Point Units 3&4 depends on several factors such as cycle length for the design, safety margins, and past cycle unit operations. Transition to higher enrichments at Turkey Point Units 3&4 will be a gradual process.				
	o) No additional analyses or information is required prior to using fuel with enrichments up to 5.0 weight percent U-235.				
	p) At this time, FPL does not foresee the need for any additional requests for change, approval or amendments necessary to store more highly enriched fuel (up to 5.0 weight percent U-235).				
	Conclusions:				
	Data Request(s) Generated:				
	No. _____ Description:				
	No. _____ Description:				
	Follow-up Required:				
Document #: DR-1.3 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 12 Disk 53 Update 1.3e	Document Title and Purpose of Review: a. Please describe any changes made to project planning, engineering, or implementation of the uprates since January 2012, due to potential project risks or other project management concerns. b. Please describe any new changes, challenges, or project delays, impacting project planning, engineering, or implementation for the uprates, since January 2012. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor/contractor issues, site logistics, and regulatory issues. c. Identify the corrective actions undertaken for any new changes, challenges, project delays, stand downs, or work stoppages, the timeframes involved, and the estimated impacts on project costs and scheduling. d. Please describe all mitigation strategies developed or considered for each problem or challenge, indicate which strategy the company is deploying, and provide the reasoning for choosing that strategy. e. Provide a current status of any commercial negotiations to settle damages and costs associated with stand downs or work stoppages for the period January 2012				

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through April 30, 2013 where damages or additional costs were incurred as a result the events.

Summary of Contents: a) The following is a description of changes made to project planning, engineering, or implementation of the uprates **since January 2012**, due to potential project risks or other project management concerns:

1. FPL implemented the change to **move the start of the Turkey Point Unit 3 EPU outage from January 30, 2012 to February 26 2012.**
 2. FPL implemented the **change to move the start of the St. Lucie Unit 2 EPU outage from July 9, 2012 to August 6, 2012.**
 3. **FPL adjusted Bechtel's Turkey Point Unit 4 EPU scope of project planning, engineering and implementation by reducing the original scope to achieve better certainty of completion of EPU modifications** per the planned schedule and estimated costs. Development of the reduced work scope packages was assigned to the FPL Planners and resident engineering was assigned to Shaw Engineering. The balance of the implementation work scope was assigned to other contractors. Procurement of material not already completed by Bechtel was assigned to FPL's procurement team.
 4. Additional Bechtel planners were added to develop work packages for EPU modifications for Bechtel's Work scope.
 5. FPL made arrangements with major equipment suppliers to keep their expertise on standby during the outages to mitigate the risk of potential delays in case of equipment issues.
 6. **FPL project controls prepared and maintained schedules for the work scope of other contractors with their input.** The contractors were accountable for their schedule performance.
 7. The NRC did not approve the St. Lucie Unit 1 LAR prior to the completion of the St. Lucie Unit 1 EPU outage in April 2012. Therefore, **a Unit 1 LAR outage was added and successfully implemented in July 2012** resulting in the increased power output of St. Lucie Unit 1.
 8. As a lesson learned from previous outages, the project team conducted additional horizontal and vertical schedule reviews to achieve more certainty.
 9. As a lesson learned from previous outages, the project team reorganized material storage plans to expedite material retrieval. Also logistic of material handling improved with additional equipment and a polar tower crane for Turkey Point Unit 4 4R27 outage activities.
 10. The project team completed the engineering for modifications well in advance of the Turkey Point 4R27 outage thereby enhancing the quality and comprehensiveness of the associated test procedures.
 11. The EPU project established procedures for additional cable termination verification, electrical conductivity checks, and de-energized circuit checks.
 12. **FPL increased the emphasis on "first time quality" during implementation.** Turkey Point contractors were required to submit First Time Quality Plans.
 13. The project team placed additional emphasis on reviewing "Plan of the Day" (POD), "Daily Cost Report" and "Daily Earned Value Report" with the management teams of the major contractors.
- b) In addition to the changes listed in response to DR-1.3a, the following new changes, challenges, or project delays, impacting project planning, engineering, or implementation for the uprates, occurred since January 2012. During the first month of the SL2-20 outage (August 2012), the average rainfall in St Lucie County was greater than normal with Tropical Storm Isaac contributing to a large part of this aberration. During rain storms, the project team continued to work activities that could be worked despite the rain. **However, the increased rainfall adversely affected craft productivity and outage schedule adherence. Safety stand downs continued to be implemented on the EPU project in 2012.** Safety stand downs are imposed to emphasize the importance for employees to follow safe work practices in order to prevent more significant safety events, injuries or damage to equipment. During a safety stand down, supervisors revisit work plans, inspect surrounding areas of work, and provide additional training to the applicable work force if required to make further improvements for safe work practices. **See the response to DR-1.7c for a summary of 2012 EPU stand downs.** Plant procedures required one fire watch personnel for each welding and or cutting activity.

The EPU project has extensive modification work requiring welding and cutting to remove and replace equipment, piping, and structural supports. The **EPU project management worked with plant management to revise the requirement to allow the EPU**

project to assign one fire watch for multiple welders within viewing control. The Turkey Point EPU project was challenged by site logistics to accommodate storage of removed equipment, lay out of new EPU equipment and materials, and parking facilities for the increased work force required to implement EPU. FPL increased temporary facilities by clearing available real estate, increased parking facilities by renting space near the Homestead Race Track, and utilized bus services to expedite ingress and egress of the workforce from the work site.

c) Corrective actions for new changes, challenges, and project delays discussed above are included within FPL's response to Data Request 1.3b. Stand downs and work stoppages are described further below:

The EPU project team implemented safety stand downs in 2012 to correct worker practices and mitigate safety events. Personnel involved are coached and retrained regarding the importance of following safe work practices in preventing more significant safety events.

On February 15, 2012, Siemens workers were performing staging work in the PSL turbine crane bay in preparation to move equipment to the turbine deck. The workers were not signed onto the associated equipment Work Order or the associated Equipment Clearance Orders. At no time were the workers in danger of injury in that they were signed onto other Work Orders with the same associated Equipment Clearance Orders. A stand down was conducted for all Siemens personnel to clarify the requirements for signing onto Work Orders and their associated Equipment Clearance Orders. There was no schedule impact to critical path or cost impact to EPU. There was no schedule impact to critical path or cost impact to EPU because the stand down was performed during regularly scheduled shift briefings.

On February 25, 2012, a Bechtel Quality Control (QC) Inspector was injured while performing reach rod functional testing on the PSL-1 Gas Decay valves. While performing the test the QC Inspector's left index finger was pinched between the valve stop and bolt resulting in a laceration to the index finger. The injury was classified as an OSHA Recordable event. A stand-down was conducted with all Bechtel personnel to reinforce the importance of maintaining situational awareness and body placement in regards to pinch points and hazards. The stand down involved [REDACTED] man-hours at a cost of approximately [REDACTED]. There was no impact to the project critical path schedule.

On April 11, 2012, Siemens conducted a safety stand down after a near miss incident involving Siemens PTN craft personnel. A mobile crane hook pulled a chain fall out of a worker's hand and caught on an unknown object. Before hoisting could be stopped, the chain broke into 3 pieces. This stand down involved the day shift crew for 4 hours. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On June 20, 2012, Siemens conducted a stand down due to a Siemens employee's left foot slipping on wet conditions, his body twisting, resulting in a sprain to his right triceps, while he was working at PTN Unit 3, electrical generator. **Siemens provided safety training for working in wet conditions of the plant and how to keep areas clean and dry to prevent slip hazards.** There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On July 24, 2012, Bechtel held a safety stand down of iron workers because of a safety event involving a Bechtel iron worker. While working on top of the PTN Reactor Auxiliary Building roof preparing to drill holes for supports for the CREV modification project, the worker accidentally engaged the drill trigger with his right hand causing his left gloved hand to become entangled around the bit. The safety stand down was held to review safe work practices when using a drill. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On August 1, 2012, while loading a 10' scaffold pole onto the top level of a scaffold storage rack on the PSL-1 62' level Turbine Deck, a Bechtel Laborer lost control of the pole. The pole went through the fall protection barrier and fell to the center Turbine Crane Bay at the 19.5' level. No injuries or damage to plant equipment occurred. A stand down was conducted with all Bechtel personnel to review the event and stress the importance of pre-job briefings and job hazard analysis. Additional fall protection barriers were installed as needed for all scaffold storage racks. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On August 2, 2012, Bechtel conducted a stand down for all PSL craft personnel after a bridle assembly fell to the ground. The Moisture Separator Reheater 2A Drain Collector bridle assembly was being temporarily rigged onto a support stand, in the Bechtel fabrication shop, when the tack welds on the temporary supports broke causing the assembly to fall. No injury

occurred. The safety stand down was held to review safe rigging practices. The stand down involved [REDACTED] man-hours at a cost of approximately [REDACTED]. There was no impact to the project critical path schedule.

On August 10, 2012, Siemens workers were using a HYTORC and a slugging wrench to remove PSL main steam inlet piping flange bolts. While removing one of the bolts, the bolt bent such that the slug wrench slipped off the nut and ejected it from the area. The wrench was tethered for drop protection purposes, but this lanyard was not intended to restrain the force generated by the HYTORC. One Millwright received a bruise on the wrist from the event. The Siemens leadership team conducted a stand down to review the event and identify a different method to remove the bolting. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On August 15, 2012, Bechtel conducted a safety stand down after Bechtel electricians were involved in an arc flash event while working on a motor control center. The electricians removed the leads from the load side of the PSL MCC breaker, and secured them in a safe position. The electricians then began the determination of the line side leads, when an inadvertent contact and subsequent arc occurred. One worker suffered burns resulting in an OSHA recordable injury. The stand down was performed with all Bechtel craft and subcontractors to review the event and to focus on procedure adherence and place-keeping. The stand down involved approximately [REDACTED] of the 1527 EPU workers on site that day at an estimated cost of [REDACTED]. The stand down resulted in no impact to the project critical path schedule.

On September 6, 2012, during a Bechtel supervisor's walk-down of a PSL Equipment Clearance Order (ECO) for ongoing work, boundary valve V18347 was found open with the tags plus device removed and the danger tag attached to the valve hand wheel indicating the valve should be in the closed position. V18347 was an isolation valve for instrument air to LC-11-30C and was a boundary valve for ECO HV510 and ECO HV 520. The AR investigation was unable to determine the cause of the event. A stand down was conducted with all Bechtel personnel to reinforce the importance of equipment configuration management to personnel and equipment safety. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On September 14, 2012, Bechtel conducted a safety stand down after a scaffold pole fell through an access opening. A Bechtel carpentry crew was performing a modification to an existing scaffolding platform on the 39.5' elevation of the PSL Unit 2 Turbine Building north of the 4A Feedwater Heater, when a scaffold pole fell through an access opening. The crew had performed the same modification on the 4B Feedwater Heater the previous shift without incident. Gaps in the access opening on the 4B side were covered, but not the 4A side. The pole's free fall did not lead to any injuries. A craft stand down was performed to discuss effective job site reviews and emphasize hazards of dropped objects. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On September 21, 2012, Bechtel conducted a safety stand down after a bridle assembly fell forward. Bechtel pipefitters were staging a bridle assembly in preparation to move the assembly into the PSL Unit 2 Turbine Building. As the assembly was being loading onto a forklift, the tack welds of the support plate broke and assembly fell forward. Two employees were treated with first aid as a result. Bechtel work was stopped and a review of material handling procedures was performed. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On September 25, 2012, a PSL Oversight Evaluator identified that Bechtel electricians had not installed some electrical conduit seal tight connectors as designed. The installation configurations compromised the Underwriters Laboratory certification and created a foreign material concern. A stand down was conducted to discuss the issue and ensure all electricians understood the proper method to install the conduit seals. All the identified conduit seal issues were immediately corrected. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On September 25, 2012, a Bechtel fire watch laborer opened a PSL sprinkler system pull station cover. The worker action caused the normally dry pipe sprinkler system in the 2B electrical penetration room to be filled with water. No sprinkler heads activated as no solder joints melted. A small amount of water was spilled from the systems control valve on the fire protection piping riser in the drumming room. A stand down was conducted with Bechtel Fire Watch personnel to discuss the issue. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.

On November 6, 2012, Bechtel conducted a safety stand down of its PTN material handling crews after a teamster employee fell

	<p>backward while descending a ladder on a flat bed truck and received contusions to his back and hip. Bechtel reviewed operating experience and lessons learned on proper usage and accessing flat bed trailers and best practices for securing loads. There was minimal cost impact due to the limited nature of the stand down and no impact to the project critical path schedule.</p> <p>On November 22, 2012, Bechtel conducted a safety stand down following two safety events at PTN. An employee was positioning himself to look at a dial indicator when he placed his hand on a structural I-beam. A piece of rotating machinery made contact with the employee's thumb causing a laceration which resulted in an OSHA recordable injury. Also, in the North Condenser box a 2"x10"x41" plank fell to the floor of the hot well. As a result of these two incidents a stand down was ordered to review work practices. The stand down involved approximately [REDACTED] of the 2760 EPU workers on site that day. The result was approximately [REDACTED] hours of distributed craft hours at an estimated cost of [REDACTED]. There was no impact to the project critical path schedule.</p> <p>On November 25, 2012, Shaw conducted a safety stand down after a Shaw worker was carrying 2 seven foot scaffold poles up an equipment hatch stairway inside the PTN containment building. When he attempted to reposition the poles on the 58' elevation, one pole dropped to the 30'6" elevation. The Shaw crew stand down lasted for 36 hours and involved [REDACTED] man-hours. The crew was trained in the importance of following safe work practices to prevent safety events. The worker involved was released. The cost of the safety stand down is estimated to be [REDACTED]. There was no impact to the project critical path schedule.</p> <p>On December 6, 2012, Bechtel imposed a safety stand down on the PTN condenser work group. A carpenter was struck by a magnetic light inside the B Condenser. The magnetic light was dislodged by a scaffold being relocated and fell approximately 20 feet before striking the carpenter on the back of his hard hat. As a result, the condenser project craft team was included in the 10 hour stand down. The stand down involved approximately [REDACTED] of the 3044 EPU workers on site that day at an estimated cost of [REDACTED]. There was no impact to the critical path activities.</p> <p>d) Please see the responses to DR-1.3a, b, and c.</p> <p>e) Despite all the training, coaching, observing, and procedural requirements, human performance issues occur on large construction projects with millions of man-hours expended. As part of its nuclear safety culture, FPL employs safety stand downs as a means to correct worker behaviors and preclude further events.</p> <p>In 2012, FPL leveraged the safety performance, productivity performance, and quality performance of the major contractors to negotiate and finalize concessions from Bechtel (approximately \$46 million), [REDACTED] (approximately [REDACTED]), and [REDACTED] (approximately [REDACTED]). See FPL's response to DR-1.20a for the status of 2012 commercial negotiations regarding Siemens.</p> <p>Disk 53 Update 1.3e - Despite all the training, coaching, observing, and procedural requirements, human performance issues occur on large construction projects with millions of man-hours expended. As part of its nuclear safety culture, FPL employs safety stand downs as a means to correct worker behaviors and prevent further events.</p> <p>As explained in Terry Jones' May 1, 2013 testimony (p. 12), the concessions negotiated in 2012 yielded further savings in 2013. Additionally, FPL is continuing to work on final negotiations with Bechtel to close out the contract.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.4</p> <p>Date Requested:</p> <p>Date Received:</p> <p>Comments: (i.e., Confidential)</p> <p>Disk 6</p> <p>Disk 14 Update to 1.4f</p>	<p>Document Title and Purpose of Review: a. Provide a current organizational chart of project management and work units currently responsible for completing the nuclear uprate project. b. Describe any EPU senior/executive managerial changes made during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month. c. Describe any EPU staff changes occurring during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month. d. Explain the company's rationale and expected benefits for making the organizational changes in b and c above. e. Describe any company disciplinary actions of EPU project employees during the period January 2012 through April 2013, and provide 2013 changes by the 15th of each month. f. Provide a readable copy (8 pt. or larger) of the company's staffing plan for the EPU uprates, during the period</p>

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<p>Disk 15 Update to 1.4b,c,e,g,h Disk 22 Update to 1.4f Disk 23 Update of 1.4b,c,e,g,h Disk 30 Update to 1.4f Disk 31 Update to 1.4b,c,e,g,h Disk 32 Update to 1.4b,c, e,g,h Disk 33 Update 1.4f Disk 50 Update 1.4c,f Disk 51 Update 1.4b,e,g,h</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>January 2012 through April 2013, and provide 2013 changes by the 15th of each month. g. Describe any staffing requirements not met during the period January 2012 through April 2013, the reasons for not implementing staffing as planned, as well as any potential project schedule and cost impacts due to incomplete staffing. Provide monthly 2013 changes by the 15th of each month. h. Describe the actions necessary, and expected timeframe, for meeting all incomplete planned staffing levels, and provide monthly 2013 changes by the 15th of each month. i. Provide any staffing plan corrective actions undertaken, timeframes involved, and estimated impacts on project costs and scheduling during the period January 2012 through April 2013.</p> <p>Summary of Contents: a. Attached are the following current organization charts of project management and work units currently responsible for completing the St. Lucie and Turkey Point nuclear uprate projects: JB EPU Organization 2012-06-13 PSL EPU Site Organization 2012-11-30 PTN EPU Site Organization 2012-11-07</p> <p>b. There have been no EPU executive management changes made since January 2012. See FPL's response to DR-1.4c for EPU management changes. (Listing provided and description of position changes) <u>Disk 15 Update 1.4b</u> - There were no EPU executive management changes made in December 2012. <u>Disk 23 Update 1.4b</u> - There were no EPU executive management changes made in January 2013 <u>Disk 31 Update 1.4b</u> - There were no EPU executive management changes made in February 2013. <u>Disk 32 Update 1.4b</u> - There were no EPU executive management changes made in March 2013. <u>Disk 50 Update 1.4b</u> - There were no EPU project senior/executive managerial changes made in April 2013</p> <p>c. Attached is a listing of EPU management staffing changes that occurred in 2012. <u>Disk 15 Update for 1.4c</u> - No further changes occurred during December 2012. <u>Disk 23 Update 1.4c</u> - There were no EPU management staff changes in January 2013. General staff reductions continued in January 2013 as planned. <u>Disk 31 Update 1.4c</u> - There were no EPU management staff changes in February 2013. General staff reductions continued in February 2013 as planned. <u>Disk 32 Update 1.4c</u> - There were no EPU management staff changes in March 2013. General staff reductions continued in March 2013 as planned. <u>Disk 50 Update 1.4c</u> - In April 2013, the St. Lucie EPU Site Director, Jack Hoffman, was reassigned to a new position and the Turkey Point EPU Project Manager, David Kruegel, was reassigned to a new position, both changes were per the staffing plan. General staff reductions continued in April 2013 as planned</p> <p>d. The 2012 organizational changes were made primarily to fill positions vacated by personnel leaving the project of their own volition. Some changes were made to retain or add resources where appropriate. Other changes were made as part of the planned process to reduce staff as the project nears completion. These changes are expected to ensure the project is successfully completed with qualified resources.</p> <p>e. On 07/26/12, an EPU Project Director received a Report of Discipline (ROD) and Condition of Employment letter related to unprofessional behaviors. <u>Disk 15 Update for 1.4e</u> -There have been no company disciplinary actions of EPU project employees since the last DR 1-4e provided. <u>Disk 23 Update 1.4e</u> - There have been no company disciplinary actions of EPU project employees since the last DR-1.4e was provided. <u>Disk 31 Update 1.4e</u> - There have been no company disciplinary actions of EPU project employees since the last DR-1.4e was provided. <u>Disk 32 Update 1.4e</u> - There have been no company disciplinary actions of EPU project employees since the last DR 1-4e was provided. <u>Disk 51 Update 1.4c</u> - There have been no company disciplinary actions of EPU project employees since the last DR 1-4e was provided</p>
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<p>f. Attached are copies of the current PSL and PTN EPU staffing plans for the period January 2012 through April 2013. FPL will provide 2013 changes to these plans by the 15th of each month.</p> <p>Disk 14 Update – Attached are copies of the PSL and PTN EPU staffing plans as of December 2012. Shows PSL Demobilization staffing levels January through June 2013 with release dates for demobilization through May 31, 2013; Levels drop from 65 in January to 1 in June; Shows PTN Staffing levels from January through December 2013; EPU levels go from 47 in January to 0 in June of 2013; Plant Support staffing levels go from 36 in January to 0 in September; Construction Management goes from 39 in January to 0 in November; Start-Up goes from 45 in January to 0 in July 2013; Planners EPU SOTO go from 28 in January to 0 in September; Other Planners Station Support go from 15 in January to 0 in June 2013;</p> <p>Disk 22 Update - Attached is a copy of the PSL EPU staffing plan as of January 2013. There were no changes to the PTN EPU staffing plan in January 2013. (includes PSL closeout team ramp down)</p> <p>Disk 30 Update 1.4f - Attached are copies of the PSL and PTN EPU staffing plans as of February 2013. At end of April the EPU staffing at PSL drops to approx. 15 people in May and drops further to three in June 2013; PTN has just over 275 in February, drops to approx. 90 in June and to 26 in December.</p> <p>Disk 33 Update 1.4f - Attached are copies of the PSL and PTN EPU staffing plans as of March 2013. PTN has just over 243 in April, drops to approx. 167 in May and to 26 in December.</p> <p>Disk 50 Update 1.4f - Attached are copies of the company's staffing plans for the EPU, during the period May 2013 through December 2013.</p> <p>g. All staffing requirements were met for the EPU Project for the time period of January through December 2012. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing will be made.</p> <p>Disk 15 Update for 1.4g All staffing requirements were met for the EPU Project in December 2012. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing are being made.</p> <p>Disk 23 Update 1.4g - All staffing requirements were met for the EPU Project in January 2013. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing are being made.</p> <p>Disk 31 Update 1.4g - All staffing requirements were met for the EPU Project in February 2013. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing are being made.</p> <p>Disk 32 Update 1.4g -All staffing requirements were met for the EPU Project in March 2013. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing are being made.</p> <p>Disk 51 Update 1.4g - All staffing requirements were met for the EPU Project in April 2013. There were no schedule or cost impacts due to incomplete staffing. As the EPU Project nears completion, appropriate reductions in staffing are being made.</p> <p>h. All EPU Project staffing levels were met for 2012 and presently there are no incomplete planned staffing levels through 2013.</p> <p>Disk 15 Update for 1.4h - All EPU Project staffing levels were met in December 2012.</p> <p>Disk 23 Update for 1.4h - All EPU Project staffing levels were met in January 2013.</p> <p>Disk 31 Update 1.4 h - All EPU Project staffing levels were met in February 2013</p> <p>Disk 32 Update for 1.4h - All EPU Project staffing levels were met in March 2013.</p> <p>Disk 51 Update 1.4h -All EPU Project staffing levels were met in April 2013.</p> <p>i. No staffing plan corrective actions were necessary or undertaken in 2012. EPU Project staffing levels were met and there were no impacts on project costs and scheduling during the period January through December 2012 or planned for through April 2013.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>
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<p>Document #: DR-1.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 7 Disk 15 Update 1.5b Disk 23 Update 1.5b Disk 31 Update 1.5b Disk 32 Update 1.5b</p>	<p>Document Title and Purpose of Review: a. Provide copies of EPU Project Management policies and procedures newly-created or revised since January 2012, and any planned revisions through April 30, 2013. b. Provide a listing of Project Management policies and procedures deleted since January 2012, and the company's reason for deleting each. Provide monthly 2013 changes by the 15th of each month</p> <p>Summary of Contents: a. Attached are copies of the following EPU Project Management policies and procedures newly-created or revised since January 2012, and a list of planned revisions through April 30, 2013:</p> <p>Newly-created EPPIs: EPPI-190, Rev. 0, Human Performance EPPI-235, Rev. 0, Work Hours Validation Sampling Program</p> <p>Revised EPPIs and Procedures: EPPI-100, Rev. 6, Project Instructions – Preparation, Revision and Cancellation EPPI-110, Rev. 26, EPU Project Expectations and Conduct of Business EPPI-140, Rev. 11, Roles and Responsibilities EPPI-150, Rev. 3, EPU Project-Nuclear Business Operations Interface and Variance Reporting EPPI-180, Rev. 2, EPU Nuclear Cost Recovery EPPI-220, Rev. 6, Funding Request / Single or Sole Source Justification EPPI-230, Rev. 8, EPU Project Invoice Process Instructions EPPI-240, Rev. 4, Contract Compliance Program EPPI-300, Rev. 11, EPU Project Change Control EPPI-320, Rev. 3, Cost Estimating EPPI-370, Rev. 5, Extended Power Uprate Project – FPL Accrual Process EPPI-810, Rev. 4, St. Lucie EPU Project Severe Weather Preparations Rev. 4, Extended Power Uprate Project Governance and Oversight Protocol</p> <p>Planned Revisions: EPPI-140, Rev. 11, Roles and Responsibilities EPPI-810, Rev. 4, St. Lucie EPU Project Severe Weather Preparations</p> <p>b. The following EPU project management policies and procedures have been deleted since January 2012 as described: <input type="checkbox"/> EPPI 920, EPU Project Environmental Control Program for Construction Activities – Turkey Point Plant, was cancelled on 4/26/12 since it was replaced by Turkey Point procedure 0-ENV-601, Environmental Control Program for Construction Activities. <input type="checkbox"/> EPPI 170, Time and Expense Reporting for NextEra Support, was cancelled on 5/7/12 since the Point Beach EPU project is complete and no further FPL support is expected, this EPPI is no longer necessary. <input type="checkbox"/> EPPI 250, Project Target Project Control Process, was cancelled on 10/22/12 since the Target Price concept has been removed from the PSL Bechtel Contract and there is no longer a need for this instruction. <input type="checkbox"/> EPPI 820, EPU Project Environmental Control Program – St. Lucie Plant, was cancelled on 11/12/12 since it was replaced by site-wide administrative procedure ADM-27.19, Environmental Control Program for St. Lucie Plant Construction Activities.</p> <p>Disk 15 Update of 1.5b - There were no Project Management policies deleted in December 2012. Disk 23 Update of 1.5b - The following EPU project management policies and procedures were deleted in January 2013: <input type="checkbox"/> EPPI 810, St. Lucie EPU Project Severe Weather Preparation, was cancelled on 1/2/13 since the construction and demobilization activities at St. Lucie are complete.</p> <p>Disk 31 Update 1.5b - No Project Management policies or procedures were deleted in February 2013. Disk 32 Update 1.5b - No Project Management policies or procedures were deleted in March 2013. Disk 51 Update 1.5b - No EPU Project Management policies or procedures were deleted in April 2013.</p> <p>Conclusions: a. Two newly created EPPIs, 12 revised EPPIs, and two planned revisions to EPPIs</p>
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	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1) What form of bonus/incentive is being used for the Bechtel EPC contracts (PSL and PTN) since the Target Price concept has been removed? 2) When was target pricing removed from each Bechtel EPC contract? 3) How has this change impacted EPC bonuses paid to the contractor since the change was made? 4) Review the Turkey Point procedure 0-ENV-601, Environmental Control Program for Construction Activities. 5) ADM-27.19, Environmental Control Program for St. Lucie Plant Construction Activities.</p>
<p>Document #: DR-1.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 1 includes 1.6b (1,3,4,6,8,9,10,11) Disk 2 includes 1.6a Disk 14 includes 1.6a Updates – Dec 2012 Disk 15 Update 1.6d Disk 22 Update 1.6a (some additional and previously omitted), 1.6b Disk 23 Update 1.6d Disk 28 Update 1.6a Disk 30 Update 1.6b Disk 31 Update 1.6d Disk 32 Update 1.6d Disk 33 Update 1.6a,b Disk 51 Update 1.6d Disk 52 Update 1.6a,b Disk 56 Update 1.6b</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Provide copies of all periodic or adhoc reports discussing St. Lucie and Turkey Point project updates with the Board of Directors, FPL senior management, or project management, including but not limited to briefings, minutes, recommendations, findings, handouts, and Power Point slides for the period January 1, 2012 through April 30, 2013, and on an ongoing basis by the 15th of each month. b. Please provide copies of the following EPU project and management reports for the period January 1, 2012 through April 30, 2013 on an ongoing basis by the 15th of each month:</p> <ol style="list-style-type: none"> 1. EPU Monthly Operating Report 2. Internal and external audit engagements 3. FPL Executive Steering Committee reports 4. Monthly EPU Project Risk Matrix 5. Monthly Risk Mitigation Plan Review 6. Key Supplier Meetings 7. EPU Executive Steering Committee Report 8. Bi-Weekly Updates (CNO Updates) PSL & PTN 9. EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports) 10. Disciplinary actions against contractors 11. Provide copies of the Weekly Contract Compliance Matrix <p>c. Identify any new uprate project controls introduced since January 1, 2012 and describe any planned for implementation going forward through April 30, 2013. d. Provide a copy of the Key Performance Indicators report to monitor the status of the uprate projects for the period January 2012 through April 30, 2013, on a going forward basis by the 15th of each month. December 2012 Key Performance Indicators are included in the Earned Value and Closeout reports provided in response to DR-1.6a - DEC.</p> <p>Disk 51 Update 1.6d - Implementation work by the EPC contractor was substantially complete for the PTN 4R27 Outage on February 27, 2013 so Key Performance Indicator Report (Earned Value Report) was suspended after this date. A Key Performance Indicator report was not issued in the month of April 2013.</p> <p>Summary of Contents: a. Attached are copies of the following documents: (1,522 Reports) Board of Directors (BOD) (6 Reports) 1. BOD 2-17-12 (2 pgs) 2. BOD 3-16-12 3. BOD 5-26-12 4. BOD 6-13-12 5. BOD 7-27-12 6. BOD 10-12-12 Nuclear Board Committee (3 Reports) 1. 03-15-12 Nuclear Board Committee 2. 07-20-12 Nuclear Board Committee</p>

3. 10-05-12 Nuclear Board Committee
Other Reports (3 Reports)
1. 03-25-12 PTN EPU Project NESOC for March 25, 2012 Bechtel Iron Worker Injury Probable OSHA Recordable
2. Nuclear Uprates (Draft Input for NBO)
3. 03-02-12 EPU Cost Analysis (DRAFT 3/02/12 – 13:00)
PSL1-24 Outage (188 Reports)
St. Lucie Outage Status Report **Day 36 1-3-12 through Day 145 04-20-12** (78 Reports)
Bechtel Outage Reporting:
St. Lucie EPU Project SL 1-24 Daily Outage Report **1-3-12 through 02-24-12** (53 Reports)
SL1-24 QURR Reports, **1-10-12 through 2-23-12** (7 Reports)
SL1-24 Daily Outage Cost Reviews 1-11-12 through 3-2-12 (50 Reports)
PSL2-20 Outage (140 Reports)
SL2-20 Bechtel EPP Reports 3-23-12 through 6-22-12 (20 Reports)
SL2-20 Daily Cost Report 9-12-12 through 11-13-12 (36 Reports)
SL2-20 Daily Outage Report, Day 1 08-06-12 through Day 108 11-21-12 (77 Reports)
SL2-20 Milestone Analysis, 11-27-12, 11-29-12, 11-30-12 (3 Reports)
Startup Secondary Chemistry Monitoring 11-26-12, through 11-30-12 (4 Reports)
PSL1 – LAR Outage (5 Reports)
PSL1 LAR Outage Status Report 071912
PSL1 LAR Outage Status Report 072012
PSL1 LAR Outage Status Report 072312
PSL1 LAR Outage Status Report 072412
PSL1 LAR Outage Status Report 072512
PTN 3R26 Outage (489 Reports)
PTN3 Outage Status Report 022712 through 090712 (127 Reports)
Outage Earned Value Report 01-22-12 through 07-19-12 (151 Reports)
PTN 4R27 Outage (52 Reports)
Outage 4R27 EV 11-05-12 through 11-30-12 (27 Reports)
Outage Status Reports Day 0 – 110512 through Day 25 – 113012 (18 Reports)
4R27 Pre-Outage Earned Value Report 09-16-12 through 10-28-12 (7 Reports)
PSL Daily Reports (138 Reports)
PSL EPU Daily Fleet Report **03-20-12 through 04-30-12** (29 Reports)
Extended Power Uprate Daily Report **01-02-12 through 03-19-12** (56 Reports)
PSL EPU Daily Quantity Report **01-02-12 through 03-16-12** (53 Reports)
PTN Daily Reports (468 Reports)
PTN EPU Daily Quantity and Metric Package **01-03-12 through 11-30-12** (230 Reports)
PTN EPU Daily Report **01-03-12 through 11-30-12** (238 Reports)
Siemens Reports (27 Reports)
Siemens Status Summary 01-03-12 through 07-05-12 (27 Reports) (through 6/26 not 7/12)
Disk 14 Update - Attached are copies of the following documents, most of which were issued in December 2012 and some of which were issued prior to December 2012 but were inadvertently omitted from the initial response to this request (115 reports total):
Board of Directors (BOD) (1 Report)
BOD 12-14-12
Nuclear Board Committee (1 Report)

12-12-12 Nuclear Board Committee
PSL2-20 Outage (11 Reports)
SL2-20 Milestone Report, 12-03-12 through 12-17-12 (11 Reports)
 PSL EPU Close Out (13 Reports)
PSL EPU Closeout Dashboard 10-30-12 through 12-18-12 (6 Reports)
PSL Closeout metrics 10-24-12 through 12-19-12 (7 Reports)
PTN 4R27 Outage (50 Reports)
 Outage 4R27 Bechtel EV 12-01-12 through 12-31-12 (31 Reports)
Day 27– 12/03/12 through Day 56 – 12/31/12 (19 Reports)
PTN Daily Reports (39 Reports)
 PTN EPU Daily Quantity and Metric Package 12-03-12 through 12-31-12 (19 Reports)
 PTN EPU Daily Report 12-03-12 through 12-31-12 (20 Reports)
Disk 22 Update - Attached are copies of the following documents most of which were issued in January 2013 and some of which were issued prior to January 2013 but were inadvertently omitted from the prior response to this request:
 EPU Metric Packages issued January 2012 – January 2013 (13 reports) (2/2/12-2/1/13)
 EPU Vital Statistics April 25, 2012 – January 29, 2013 (39 reports)
 PSL EPU Closeout Metrics issued in January 2013 (4 reports)
 PSL EPU Closeout Dashboards issued in January 2013 (4 reports)
 PTN4 Outage Earned Value Reports issued in January 2013 (31 reports)
 PTN4 Outage Status Reports issued in January 2013 (21 reports)
 PTN EPU Daily Report issued in January 2013 (22 reports)
 PTN EPU Daily Quantity and Metric Reports issued in January 2013 (22 reports)
Disk 28 Update 1.6a - Attached are copies of the following documents which were issued in February 2013:
Board of Directors – Nuclear Division Presentation, dated February 15, 2013
EPU Metric Packages issued in February 2013 (1 report)
EPU Vital Statistics issued in February 2013 (4 reports)
PSL EPU Closeout Metrics issued in February 2013 (4 reports)
PSL EPU Closeout Dashboards issued in February 2013 (4 reports)
PTN4 Outage Earned Value Reports issued in February 2013 (25 reports)
PTN4 Outage Status Reports issued in February 2013 (20 reports)
PTN EPU Daily Report issued in February 2013 (20 reports)
PTN EPU Daily Quantity and Metric Reports issued in February 2013 (19 reports)
Disk 33 Update 1.6a - Attached are copies of the following documents which were issued in March 2013:
☐ Nuclear Board Committee Presentation dated March 08, 2013 (1 report)
☐ Board of Directors Presentation dated March 15, 2013 (1 report)
☐ EPU Vital Statistics issued in March 2013 (4 reports)
☐ PSL EPU Closeout Metrics issued in March 2013 (4 reports)
☐ PSL EPU Closeout Dashboards issued in March 2013 (4 reports)
☐ PTN4 Outage Status Reports issued in March 2013 (20 reports)
☐ PTN EPU Closeout Metrics issued in March 2013 (4 reports)
☐ PTN EPU Closeout Dashboards issued in March 2013 (2 reports)
☐ PTN EPU Daily Reports issued in March 2013 (21 reports)
☐ PTN EPU Daily Quantity and Metric Reports issued in March 2013 (11 reports)
Disk 52 Update 1.6a - Attached are copies of the following EPU reports issued in April 2013:
 EPU Vital Statistics issued in April 2013 (5 reports)

PSL EPU Closeout Metrics issued in April 2013 (4 reports)
 PSL EPU Closeout Dashboards issued in April 2013 (4 reports)
 PTN4 Outage Status Reports issued in April 2013 (13 reports)
 PTN EPU Closeout Metrics issued in April 2013 (4 reports)
 PTN EPU Closeout Dashboards issued in April 2013 (4 reports)
 PTN EPU Daily Report issued in April 2013 (22 reports)

b. Attached are the following documents:

1. EPU Monthly Operating Performance Reports (MOPRs) for **January 2012 through November 2012.**
2. See response to DR-1.14b for internal and external audit engagements.
3. EPU Executive Steering Committee Reports dated **April 16, 2012, July 9, 2012, and October 15, 2012.**
4. EPU Risk Registers for **January 2012 through November 2012.**
5. See response to DR-1.6b4 for risk mitigation plans.
6. Key Supplier Meeting reports dated **January 11, 2012, April 5, 2012, and May 2, 2012.**
7. See response to DR-1.6b3 for EPU Executive Steering Committee reports.
8. See attached CNO Updates from January 2012 through November 2012.
9. Attached are copies of the EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports) for **January 2012 through October 2012.**
10. 2012 disciplinary actions against contractors from **January 2012 through November 2012**
11. The **St. Lucie and Turkey Point Contract Compliance Matrix** is attached. This document is updated (and overwritten) on an as-needed basis; therefore is not issued weekly.

Disk 14 Update - Attached are the following documents:

1. EPU Monthly Operating Performance Reports (MOPRs) for December 2012.
2. See response to DR-1.14b for internal and external audit engagements.
3. There were **no Executive Steering Committee meetings held in December 2012.**
4. **Risk Registers for December 2012.**
5. See response to DR-1.6b4 for risk mitigation plans.
6. There were **no Key Supplier Meetings held in December 2012.**
7. See response to DR-1.6b3 for EPU Executive Steering Committee reports.
8. See attached CNO Update dated **December 18, 2012.**
9. Attached are copies of EPU Project and Individual Unit Cost Data (**Monthly Cost Review Reports**) for **November 2012.**
10. There were no PSL EPU disciplinary actions against contractors in December 2012. Attached is a list of PTN EPU disciplinary actions against contractors for December 2012.
11. EPU Contract Compliance Matrix. This document is updated (and overwritten) on an as-needed basis; therefore is not issued weekly.

Disk 22 Update - Attached are the following documents:

1. EPU Monthly Operating Performance Reports (MOPRs) for **January 2013.**
2. See response to DR-1.14b for internal and external audit engagements.
3. Executive Steering Committee meeting held **January 15, 2013.**
4. Risk Registers for **January 2013.**
5. See response to DR-1.6b4 for risk mitigation plans.
6. There were **no Key Supplier Meetings held in January 2013.**
7. See response to DR-1.6b3 for the EPU Executive Steering Committee report.
8. There were **no CNO Updates for January 2013.**
9. EPU Project and Individual Unit Cost Data (**Monthly Cost Review Reports**) for **January 2013.**
10. There were **no PSL EPU disciplinary actions against contractors in January 2013.** Attached is a list of PTN EPU

disciplinary actions against contractors for January 2013.

11. EPU Contract Compliance Matrix for PSL EPU and PTN EPU. These documents are updated (and overwritten) on an as-needed basis; therefore they are not issued weekly.

Disk 30 Update of 1.6b - The following reports apply to EPU activities in February 2013:

1. Attached is the EPU Monthly Operating Performance Reports (MOPRs) for February 2013.

2. See response to DR-1.14b for internal and external audit engagements.

3. There were no Executive Steering Committee meetings held in February 2013.

4. Attached are the PTN Risk Registers for February 2013. There were no PSL Risk Registers for February 2013.

5. See response to DR-1.6b4 for risk mitigation plans.

6. There were no Key Supplier Meetings held in February 2013.

7. See response to DR-1.6b3 for EPU Executive Steering Committee reports.

8. There were no CNO Updates in February 2013.

9. Attached are copies of EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports) issued in February 2013.

10. There were no PSL EPU disciplinary actions against contractors in February 2013.

Attached is a list of PTN EPU disciplinary actions against contractors for February 2013.

11. Attached are the EPU Contract Compliance Matrices for February 2013. This document is updated (and overwritten) on an as-needed basis; therefore is not issued weekly.

Disk 33 Update 1.6b - Attached are the following documents:

1. EPU Monthly Operating Performance Reports (MOPRs) for March 2013.

2. See response to DR-1.14b for internal and external audit engagements.

3. There were no Executive Steering Committee reports issued in March 2013.

4. The final PTN EPU Risk Register dated March 7, 2013.

5. See response to DR-1.6b4 for risk mitigation plans.

6. There were no Key Supplier Meetings held in March 2013.

7. There were no Executive Steering Committee reports issued in March 2013.

8. There were no CNO Updates issued in March 2013.

9. Attached are copies of the PSL and PTN EPU Cost Review Reports issued for March 2013.

10. There were no EPU disciplinary actions against contractors in March 2013.

11. EPU Contract Compliance Matrices. These documents are updated (and overwritten) on an as-needed basis; therefore is not issued weekly.

Disk 52 Update 1.6b - Attached are the following documents:

1. EPU Monthly Operating Performance Reports (MOPRs) for April 2013.

2. See response to DR-1.14b for internal and external audit engagements.

3. There were no Executive Steering Committee meetings held in April 2013.

4. There were no Risk Registers for April 2013.

5. See response to DR-1.6b4 for risk mitigation plans.

6. There were no Key Supplier Meetings held in April 2013.

7. See response to DR-1.6b3 for EPU Executive Steering Committee reports.

8. There were no CNO Updates for April 2013.

9. Attached is a copy of PTN's EPU Project and Individual Unit Cost Data (Monthly Cost Review Reports) issued in April 2013 and PSL summary cash flow.

10. There were no PSL or PTN EPU disciplinary actions against contractors in April 2013

11. EPU Contract Compliance Matrix is attached. This document is updated (and overwritten) on an as-needed basis; therefore is not issued weekly.

Disk 56 Update 1.6b - Attached is a revised copy of the weekly contract compliance matrix for St. Lucie and Turkey Point (the

	<p>Turkey Point information previously had not been updated).</p> <p>c. In 2012, FPL continued to enhance focus meetings which resulted in improved timeliness of engineering design packages. EPU Project Controls performed a detailed labor billing evaluation for the Siemens Turbine / Generator Installation Services Contract. Beginning in the second quarter of 2012, Project Controls also implemented random gate log audits for all contractors. New EPPI-235, Work Hours Validation Sampling program was issued on 8/20/2012. The purpose of the new EPPI is to provide a mechanism for performing random validation of contractor invoiced hours versus hours actually worked on the project to ensure labor billing accuracy. Also, a Project Closeout Metrics package was added for PSL EPU in October 2012. As the need arises, FPL will continue to enhance project controls.</p> <p>d. See FPL's response to DR-1.1c for copies of periodic Key Performance Indicator reports.</p> <p><u>Disk 15 Update 1.6d</u> - December 2012 Key Performance Indicators are included in the Earned Value and Closeout reports provided in response to DR-1.6a - DEC.</p> <p><u>Disk 23 Update 1.6d</u> - January 2013 Key Performance Indicators are included in the Earned Value and Closeout reports provided in response to DR-1.6a.</p> <p><u>Disk 31 Update 1.6d</u> - February 2013 Key Performance Indicators are included in the Earned Value and Closeout reports provided in response to DR-1.6a.</p> <p><u>Disk 32 Update 1.6d</u> - Due to the stage of the EPU project, there were no EPC key performance indicators issued in March 2013. See FPL's response to DR-1.6a for other EPU performance metrics issued in March 2013.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1. Ask why the completion date for PTN-4 was moved from March to April 2013 and when that decision was made, as shown in the 12-12-12 Nuclear Board Committee (Bates 022844) 2. If Lessons Learned from PTN-3 have improved processes for PTN-4 and FPL is ahead of schedule, why was the schedule moved from March to April; 3. What is the current status of the non-binding estimate described as 2% over as of 10/31/12? (Bates 022845) 4.</p>
<p>Document #: DR-1.7 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 6 Disk 14 Update 1.7b Disk 22 Update 1.7b Disk 25 Update 1.7b Disk 30 Update 1.7b Disk 33 Update 1.7b Disk 50 Update 1.7b</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Please provide the most currently available project schedule and cost estimates approved by senior management to complete the uprate projects going forward through April 30, 2013. b. Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point uprate projects since January 2012 going forward through April 30, 2013, by the 15th of each month. c. Provide the most currently available list of surplus or disposable equipment as a result of the uprate, for each unit, and the estimated value of the asset. d. Provide the company's current timeline for disposing of the surplus or disposable equipment associated with the uprate projects. e. Provide a current list of all surplus or disposable equipment transferred as a result of the uprate, for each unit, and the estimated value of the asset.</p> <p>Summary of Contents: a. The current approved EPU project schedule going forward includes implementing the necessary EPU modifications during the ongoing PTN4 outage scheduled to complete in April 2013, followed by project close-out activities. All the other EPU outages have been completed and the units have been returned to service. The current senior management approved non-binding cost estimate remains that which was provided in Docket 120009-EL. FPL is in the process of assessing whether a revision to the non-binding cost estimate is appropriate. The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Reports (MOPRs) provided in response to DR-1.6b1.</p> <p>b. EPU Schedule Variances: The St. Lucie Unit 1 EPU outage was scheduled to complete 4/1/12 and actually completed 4/21/12. The St. Lucie Unit 2 EPU outage was scheduled to complete 11/26/12 and actually completed 11/23/12. The Turkey Point Unit 3 EPU outage was scheduled to complete 8/4/12 and actually completed 9/5/12.</p> <p>EPU Cost Variances:</p>

The 2012 figures indicate the variance between the 2012 estimated costs included in the AE Schedules filed with the FPSC in April 2012 and the actual 2012 EPU project costs. The 2013 figures are the current budget and current forecast for 2013 expenditures which are under revision and will be revised for the 2013 AE schedules to be filed with the FPSC by May 1, 2013.

Cost Type	2012 Estimated (\$000)	2012 Actual (\$000)	2012 Variance (\$000)	2013 Budget (\$000)	2013 Forecast (\$000)	2013 Variance (\$000)
PSL	381,801	447,025	-65,224	10,979	10,979	0
PTN	688,349	1,022,020	-333,671	125,928	125,928	0
O&M	15,283	7,782	7,501	12,978	12,978	0

Disk 14 Update 1.7b - There were no PSL EPU schedule variances in December 2012, and the PTN Unit 4 outage is expected to complete ahead of schedule. FPL's answer to 1.7b included information through December 2012. The January 2013 variance will be provided in the February 2013 update to this data request.

Disk 22 Update 1.7b - There were no PSL EPU schedule variances in January 2013 and the PTN Unit 4 outage is expected to complete ahead of schedule.

Below is a summary of the EPU project cost variances for January 2013.

Plant (\$000)	January 2013 Plan	January 2013 Actual	January 2013 Variance
PSL Capital	\$4,639	\$1,326	\$3,313
PTN Capital	\$69,316	\$74,005	(\$4,689)
Total O&M	\$1,399	\$175	\$1,225

Disk 25 Update 1.7b - Below is a recap of the 2012 cost variances between the estimated costs included in the AE Schedules filed with the FPSC in April 2012 and the actual 2012 EPU project costs. These figures exclude removal costs.

Cost variances for 2013 will be provided with the monthly updates in 2013.

Cost Type	2012 Estimated (\$000)	2012 Actual (\$000)	2012 Variance (\$000)
PSL	370,669	415,987	-45,318
PTN	688,349	975,425	-287,076
O&M	15,283	7,789	7,494
Transmission	27,388	29,715	-2,327
TOTAL	1,101,689	1,428,916	-327,227

Disk 30 Update 1.7b - Below is a summary of the EPU project cost variances for February 2013.

EPU Cost Type	February 2013 Plan (\$000)	February 2013 Actual (\$000)	2013 Variance (\$000)
PSL Capital	\$2,453	\$2,452	\$1
PTN Capital	\$19,365	\$43,329	(\$23,964)
Total O&M	\$2,735	\$1,102	\$1,633

Disk 33 Update 1.7b - There were no PSL EPU schedule variances in March 2013 and as of March 2013 the PTN Unit 4

outage was on target to complete as scheduled.

Below is a summary of the EPU project cost variances for March 2013.

EPU Cost Type	March 2013 Plan (\$000)	March 2013 Actual (\$000)	March 2013 Variance (\$000)
PSL Capital	\$2,017	\$3,165	(\$1,147)
PTN Capital	\$11,967	\$40,456	(\$28,489)
Total O&M	\$0	\$3,806	(\$3,806)

Disk 50 Update 1.7b - There were **no PSL EPU schedule variances in April 2013** and **as of April 17, 2013 the PTN Unit 4 outage was completed.** Below is a summary of the EPU project cost variances for April 2013.

EPU Cost Type	April 2013 Plan (\$000)	April 2013 Actual (\$000)	April 2013 Variance (\$000)
PSL Capital	\$1,231	\$2,827	(\$1,595)
PTN Capital	\$11,258	\$5,347	\$5,911
Total O&M	\$2,484	\$910	\$1,575

c. Attached are the most currently available listings of St. Lucie and Turkey Point surplus and disposable equipment and materials as a result of the uprate, for each unit, and the estimated value of the asset. These estimates are based on the best estimate available according to market and past recovery trends and are not meant to be taken as final due to shifting commodity markets and industry changes. FPL's Investment Recovery and NBO groups establish final values as agreed upon by established contracts and credits received.

The current total estimated value of the surplus or disposable equipment and materials is provided below. The **PSL estimates represent latest available data. The PTN estimates are based on budget estimates for 2013.**

PSL-1 \$679,155

PSL-2 \$756,306

PTN-3 \$1,209,147

PTN-4 \$1,351,682

d. The PSL EPU timeline for disposing of surplus or disposable equipment and materials is December 2012 through March 2013. The PTN EPU timeline for disposing of surplus or disposable equipment and materials is April 2013 through July 2013.

e. See the listings provided in response to DR 1.7c. The estimated values of equipment transferred to date are provided below. The PSL estimated values are the latest available data. The PTN estimated values will be realized following the PTN 4-27 outage.

PSL-1 \$417,932

PSL-2 \$847,927

PTN-3 \$30,992

PTN-4 \$42,192

Conclusions:

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

Document #: DR-1.8

Date Requested:

Date Received:

Document Title and Purpose of Review: **a.** Provide a current status and written 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. **b.** Provide, by unit, a listing of any remaining long-lead equipment yet to be purchased, the estimated lead time necessary for procurement and

<p>Comments: (i.e., Confidential)</p> <p>Disk 6 Disk 24 Revised Update 1.8c</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>installation, the estimated timeline for procurement, and the estimated costs to procure the equipment. c. 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 since January 2012, and/or planned for 2013.</p> <p>Summary of Contents: a. There are no 2012 changes in the purchase of EPU equipment that may impact the St. Lucie and Turkey Point uprate projects. A listing of contracts issued in 2012 is provided in response to DR 1.8c. b. All long-lead equipment for the EPU project has been purchased. c. Attached is a listing of EPU service and material contracts issued from January 1, 2012 through November 15, 2012. Contracts planned for 2013 include: PSL engineering services contract to complete design packages required for the EPU work to be implemented during the SL1-25 outage in the fall 2013, and any PSL or PTN EPU contract revisions necessary for final project closeout, as required in accordance with corporate procedures. Disk 24 Revised Update 1.8c - Attached is a listing of EPU service and material contracts issued from January 1, 2012 through November 15, 2012. Contracts planned for 2013 include any PTN contracts necessary to complete the PTN-4 outage in 2013 and any PSL or PTN EPU contract revisions necessary for final project closeout, as required in accordance with corporate procedures.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1) were there any contracts signed in December 2012? If so, provide.</p>
<p>Document #: DR-1.9 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 6</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Please provide any internal or external St. Lucie and Turkey Point uprate scoping and/or feasibility studies conducted, by or for the company since January 2012, and list any studies planned to be undertaken in 2013. b. Provide a listing of all Six Sigma work activities, hours, and costs for the St. Lucie and Turkey Point uprates executed since January 2012, and/or planned for 2013. c. Provide a copy of all "White Paper" summaries completed since January 2012, documenting the company's rationale for key decision making related to the St. Lucie and Turkey Point uprate projects.</p> <p>Summary of Contents: a. Scoping studies – No specific scoping studies have been conducted by or for the company since January 2012 and none are planned for 2013. However, project scope is continuously reviewed as engineering analyses and designs are completed. Feasibility analysis - The results of the economic feasibility analyses/studies conducted by FPL regarding the St. Lucie and Turkey Point uprate project during 2012 were filed with the Florida Public Service Commission (FPSC) in the NCRC 2012 docket on April 27, 2012. No further feasibility analyses are currently planned due to the fact that the Uprate project will be complete or nearly complete at the time of the annual feasibility filing (the feasibility of completing the project will be self-evident). b. There were no Six Sigma work activities, hours, or costs for the Uprate project since January 2012, and none are planned for 2013. c. One 'white paper' was issued by the EPU project team in 2012 which was titled <i>Impact on Balancing of the Control Room Emergency Ventilation System following Installation of Modifications EC 242497 & EC 249140.</i> A copy of this white paper is attached.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.10 Date Requested: Date Received:</p>	<p>Document Title and Purpose of Review: a. Provide a summary of new contracts in excess of \$250,000, in the T-7 format, for the period January 2012 through April 2013. Please list the contracts in order of value from highest to lowest (i.e. those \$1million and greater down through \$250,000). b. Provide all RFPs issued, and bid evaluation summary sheets (financial and technical) supporting</p>

<p>Comments: (i.e., Confidential)</p> <p>Disk 6 Disk 13 Update Disk 14 Update 1.10b,d Disk 22 Update 1.10b,d Disk 30 Update 1.10b,d Disk 32 Update 1.10b Disk 33 Update 1.10d Disk 50 Update 1.10b,d Disk 52 Update 1.10a</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>any St. Lucie and Turkey Point contracts competitively bid in excess of \$250,000, for the period January 2012 and ongoing through April 2013 by the 15th of each month. c. For all contracts in excess of \$1 million, since January 2012, provide a listing of change orders, by contract and by uprate unit, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order. d. Provide copies of all single and sole source justifications completed by the company for all contracts and change orders since January 2012 and ongoing through April 2013 by the 15th of each month. e. Describe any efforts the company has made since January 2012 to ensure single and sole source justifications have been improved to meet FPSC Order No. PSC-08-0749-FOF-EI.</p> <p>Summary of Contents: a. Attached is a summary of contracts in excess of \$250,000 in the T-7 format for the period January 2012 through November 15, 2012. November 16, 2012 - December 31, 2012 will be provided in the first monthly update due to Staff on January 15, 2013.</p> <p><u>Disk 13 Update November 15, 2012 through December 2012</u> Attached is a summary of contracts in excess of \$250,000 in the T-7 format for the period January 2012 through November 15, 2012. November 16, 2012 - December 31, 2012 will be provided in the first monthly update due to Staff on January 15, 2013.</p> <p><u>Disk 52 Update 1.10a</u> - Attached is the summary of new contracts in excess of \$250,000, in the T-7 format for November 16, 2012 through April 2013. The contracts are in order of value from highest to lowest (i.e. those \$1 million and greater down through \$250,000).</p> <p>b. Attached are the procurement documents for the following contracts competitively bid in excess of \$250,000 for the period January 2012 through November 15, 2012:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Aggreko contract 2314744 <input type="checkbox"/> Andersen Chavet contract 2311019 <input type="checkbox"/> Arc Energy Services contract 2313195 <input type="checkbox"/> Feedforward contract 2303882 <input type="checkbox"/> Givoo Consultants contract 2309442 <input type="checkbox"/> PCI Energy contract 2309693 <input type="checkbox"/> Sargent & Lundy contract 2311831 <input type="checkbox"/> Sims Crane contract 2313411 <input type="checkbox"/> Structural Preservation Systems 2303097 <p><u>Disk 14 1.10b Update</u> - Attached are the requested documents for the following contracts competitively bid in excess of \$250,000 during December 2012:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Land and Sea contract 2315305 <input type="checkbox"/> Magnetrol contract 2315016 <input type="checkbox"/> Magnetrol contract 2315379 <p><u>Disk 22 Update 1.10b</u> - Attached are the requested documents for the following contract competitively bid in excess of \$250,000 during January 2013:</p> <ul style="list-style-type: none"> <input type="checkbox"/> GE Mobile Water Contract 2316596 <p><u>Disk 30 Update 1.10b</u> - Attached are the requested documents for the following contract competitively bid in excess of \$250,000 during February 2013:</p> <ol style="list-style-type: none"> 1. PTN-3 Condenser Tube Cleaning contract 2317235 <p><u>Disk 32 Update 1.10b</u> - There were no EPU contracts competitively bid in excess of \$250,000 during March 2013.</p> <p><u>Disk 50 Update- 1.10b</u> - Attached is a copy of the RFP issued with bid evaluation summary sheets (financial and Technical) supporting the Turkey Point (PTN) contract competitively bid in excess of \$250,000 in April 2013.</p> <ol style="list-style-type: none"> 1. Zachary Nuclear Engineering Inc. Contract No. 2318864 <p>c. Attached is a listing of contract change orders issued for EPU contracts in excess of \$1million for the period January 2012 through November 15, 2012.</p>
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	<p>d. Attached are copies of EPU single and sole source justifications issued from January 2012 through November 2012. <u>Disk 14 Update 1.10d</u> - Attached are copies of EPU single and sole source justifications issued in December 2012. <u>Disk 22 Update 1.10d</u> - Attached are copies of EPU single and sole source justifications issued in January 2013. <u>Disk 30 Update 1.10d</u> - Attached are copies of the EPU single and sole source justifications issued in February 2013. <u>Disk 33 Update 1.10d</u> - Attached are copies of EPU single and sole source justifications issued in March 2013. <u>Disk 50 Update 1.10d</u> - Attached are copies of EPU single and sole source justifications issued in April 2013</p> <p>e. FPL made efforts in 2009 to ensure single and sole source justifications were improved to meet FPSC direction provided in Order No. PSC-08-0749-FOF-EL. These controls remain in effect today and include continued focus on the process of documenting and approving single and sole source procurements, to ensure compliance with BO-AA-102-1008, Procurement Control and BO-AA-01, Authorization Limits, and to facilitate review by personnel who are not directly involved in the nuclear procurement process. Training is provided to personnel responsible for having Single and Sole Source Justifications (SSJs) prepared, the SSJ expectations are included in appropriate project instructions, EPPI-220, Funding Request/Single or Sole Source Justification, and applicable new personnel assigned to the EPU Project are required to review and understand the SSJ expectations. To ensure the expected standards are maintained, SSJs originating from St. Lucie or Turkey Point continue to be reviewed by a designated individual familiar with the expectations of FPSC Order No. PSC-08-0749-FOF-EL.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.11 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 7 Disk 15 Update 1.11c,d Disk 23 Update 1.11c,d Disk 31 Update 1.11c,d Disk 32 Update 1.11c,d Disk 51 Update 1.11c,d</p>	<p>Document Title and Purpose of Review: a. Provide a copy of the company's current Contract Audit Policies and Procedures applicable to the St. Lucie and Turkey Point uprate projects. b. Provide a listing of all internal or external contract audits conducted for the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013. c. Provide copies of any internal or external contract audit results, including all recommendations and actions taken as a result of these audits since January 2012 going forward through April 2013 by the 15th of each month. d. Provide copies of any internal or external contract investigations including all findings, recommendations, and actions taken as a result of these investigations since January 2012 going forward through April 2013 by the 15th of each month.</p> <p>Summary of Contents: a. Although FPL periodically performs audits of select contracts, FPL does not have specific Contract Audit Policies or Procedures. Any such audits would be performed consistent with general corporate or project policies, as applicable. b. Please see FPL's response to Internal Controls Data Request 1.14a. c. Please see FPL's response to Internal Controls Data Request 1.14b. <u>Disk 15 Update 1.11c</u> - Although FPL periodically performs audits of select contracts, FPL does not have specific Contract Audit Policies or Procedures. Any such audits would be performed consistent with general corporate or project policies, as applicable. Please see FPL's response to Internal Controls Data Request 1.14a - DEC. <u>Disk 23 Update 1.11c</u> - Please see FPL's response to Internal Controls Data Request 1.14a - JAN. <u>Disk 31 Update 1.11c</u> - Please see FPL's response to Internal Controls Data Request 1.14a - FEB <u>Disk 51 Update 1.11c</u> - Please see FPL's response to Internal Controls Data Request 1.14b-April d. Please see FPL's response to Internal Controls Data Request 1.14b. <u>Disk 15 Update 1.11d</u> - Please see FPL's response to Internal Controls Data Request 1.14b - DEC. <u>Disk 23 Update 1.11d</u> - Please see FPL's response to Internal Controls Data Request 1.14b - JAN <u>Disk 31 Update 1.11d</u> - Please see FPL's response to Internal Controls Data Request 1.14b-FEB. <u>Disk 32 Update 1.11d</u> - Please see FPL's response to Internal Controls Data Request 1.14b - March. <u>Disk 51 Update 1.11d</u> - Please see FPL's response to Internal Controls Data Request 1.14b-April.</p>

	<p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.12 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 9 Disk 15 Update 1.12a,b,c (non-confidential) Disk 22 Update 1.12c Disk 23 Update 1.12a,b Disk 30 Update 1.12b,c Disk 31 Update 1.12a Disk 32 Update 1.12a,b,c Disk 51 Update 1.12a</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Provide any changes to the EPC oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month. b. Provide a listing of all EPC contract modifications and revisions made since January 2012 and planned through April 2013. Provide 2013 actions by the 15th of each month. c. Provide a listing of all change orders for the EPU EPC contract since January 2012 and planned through April 2013, including the change order number, date the change was executed, whether the change was company or contractor requested, a description of the change in work scope, the dollar value of the change order, and the completion date of the change order. Provide 2013 actions by the 15th of each month.</p> <p>Summary of Contents: a. At St. Lucie, improvements in the EPC engineering package design process and performance were experienced in 2012. More integration of Owner / EPC resources and emphasis on schedule fidelity were primarily responsible for the improvements. This was accomplished through the detailed comprehensive review of approximately 1,000 previous unit 1 engineering changes for unit 2 applicability. This provided the vehicle for rigor and formality of the engineering process which allowed the team to execute the pre-outage plan and focus on outage execution to deliver cost and schedule certainty. Several improvements were made to improve the execution of the outages. A few of these improvements were: <u>More clearly defined division of responsibilities between major constructors for each modification; the use of specialty subcontractors which were assigned discrete scopes of work, electrical (Isophase Bus), welding (large bore pipe welds, fiber optics connections (DEH/Ovation); work package improvements included consolidating the number of work packages from approximately 900 to 600 thereby reducing the administrative burden in the field and the centralized document control center; the scheduling teams were merged into one group providing a total modification concept; and developed more detailed outage metrics to better monitor resources, earned value by modification, and costs which added value to the daily team meetings.</u> At Turkey Point, similar improvements were made in planning and execution. A few of these were: <u>incorporating lessons learned into the planning of work packages which reduced the administrative burden in the field and document control which included better planning to support closure of the modifications and system return to service and station operations; implemented a more formalized First Time Quality program to minimize errors; incorporated Unit 3 engineering change request notices into Unit 4 modification designs reducing the number of engineering change requests for Unit 4; used specialty subcontractors which were assigned discrete scopes of work (including electrical valve technicians performing final terminations to components instead of construction personnel), increased deenergized testing which allowed for earlier discovery and resolution of technical issues, welding large bore pipe welds, and fiber optics connections (DEH/Ovation); brought in an FPL manager to address logistics and consolidate EPC materials lay-down and storage areas; and reassigned EPC work scope of the 4R27 fall 2012 outage with four major contractors to get better certainty of outage completion and cost performance.</u> The scope assignments were as follows: WeldTech – Steam Jet Air Ejector installation and piping installation for the Condensate System Bechtel – All other secondary side scope PCI, Inc. – Spent Fuel Cooling Upgrade Shaw – All other Radiation Control Area work Also see FPL's response to DR-1.6c <u>Disk 15 Update 1.12a</u> - In December 2012, the EPC vendor demobilized from St. Lucie and the EPC vendors at Turkey Point continued to safely and effectively implement the Unit 4 EPU outage. No significant changes were made to the EPC oversight and management plan for contractors working on the St. Lucie and Turkey Point uprate projects in December 2012. <u>Disk 23 Update 1.12a</u> - At PSL, there was no EPC contractor work in January 2013. At PTN, the EPC contractors continued to safely and effectively implement the Unit 4 EPU outage. No significant changes were made to the EPC oversight and</p>

	<p>management plan for contractors working on the EPU project at Turkey Point in January 2013.</p> <p>Disk 31 Update 1.12a - At PSL, there was no EPC contractor work in February 2013. At PTN, the EPC contractors continued to safely and effectively implement the Unit 4 EPU outage. No significant changes were made to the EPC oversight and management plan for contractors working on the EPU project at Turkey Point in February 2013.</p> <p>Disk 32 Update 1.12a - At PSL, there was no EPC contractor work in March 2013. At PTN, the EPC contractors continued to safely and effectively implement the Unit 4 EPU outage. No significant changes were made to the EPC oversight and management plan for contractors working on the EPU project at Turkey Point in March 2013.</p> <p>Disk 51 Update 1.12a - Please see FPL's response to Internal Controls Data Request 1.14b-April.</p> <p>b. Attached is a listing of all EPC contract modifications and revisions made for the period January 2012 through November 30, 2012. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 15 Update 1.12b -There were no EPC contract modifications in December 2012. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 30 Update 1.12b - Attached is a listing of EPC contract modifications issued in February 2013. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract closeout process.</p> <p>Disk 32 Update 1.12b - There were no EPC contract modifications issued in March 2013. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract closeout process.</p> <p>c. Attached is a listing of change orders for the EPU EPC contracts for the period January 2012 through November 2012. FPL plans to issue final change orders for the EPU EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 23 Update of 1.12b - Attached is a listing of EPC contract modifications issued in January 2013. FPL plans to make final modifications to the EPC contracts in 2013 as part of the normal contract close out process.</p> <p>Disk 30 Update 1.12b - Attached is a listing of EPC contract modifications issued in February 2013. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract closeout process.</p> <p>Disk 15 Update 1.12c -There were no change orders for the EPU EPC contract in December 2012. FPL plans to make final modifications to the EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 22 Update 1.12c - Attached is a listing of change orders for the EPU EPC contracts in January 2013. FPL plans to make final changes to the EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 30 Update 1.12c - Attached is a listing of change orders for the EPU EPC contracts in February 2013. FPL plans to make final changes to the EPC contract in 2013 as part of the normal contract close out process.</p> <p>Disk 32 Update 1.12c - There were no change orders for the EPU EPC contracts in March 2013. FPL plans to make final changes to the EPC contracts in 2013 as part of the normal contract close out process.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1) What is meant by no "significant changes to mgmt. oversight plan (what were changes made?)</p>
<p>Document #: DR-1.13 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 9 Disk 15 Update 1.13a,c,g Disk 23 Update 1.13a, c, g Disk 31 Update 1.13a,c,g</p>	<p>Document Title and Purpose of Review: a. Provide a summary of any disciplinary actions taken, pending, or planned, by FPL or the EPC, on any contractors working for the uprate projects since January 2012 through April 2013. Provide 2013 actions by the 15th of each month. b. Describe the events causing the action taken, the date the action was taken by the company, the disciplinary actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the St. Lucie and Turkey Point projects. c. List and describe all contractor Recovery Plans requested by FPL during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month. d. Provide all memos, letters, and associated correspondence between FPL and the contractor, along with a copy of each Recovery Plan. e. Discuss whether EPC difficulties experienced in keeping engineering design packages on schedule for the uprate outages improved during 2012 and 2013 as a result of EPU management efforts. f. Explain specifically what these changes did to keep design packages on schedule for the 2012 and 2013 outages. g.</p>

Disk 32 Update 1.13a,c,g
Disk 51 Update 1.13a,c,g

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Describe any changes in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects since January 2012, and any planned for 2013. Provide 2013 actions by the 15th of each month.

Summary of Contents: a) PSL: A contractor employed by FPL was removed from the PSL site during the SL2-20 outage in relation to an investigation referenced in the response to DR 1.14c. There have been no other disciplinary actions taken, pending, or planned, by FPL on any contractors working for the uprate projects since January 2012 through April 2013. Disciplinary actions taken by the EPC vendor are confidential and solely the responsibility of the EPC Vendor. **PTN: Two (2) contractors employed by FPL were removed from the PTN site in relation to an investigation referenced in the response to DR 1.14c.** There have been no other disciplinary actions taken, pending, or planned, by FPL on any contractors working for the uprate projects since January 2012 through April 2013. Disciplinary actions taken by the EPC vendor are confidential and solely the responsibility of the EPC Vendor.

Disk 15 Update 1.13a - There were **no disciplinary actions taken by FPL in December 2012.** Disciplinary actions taken by the EPC vendor are confidential and solely the responsibility of the EPC Vendor.

Disk 23 Update 1.13a - One FPL field non-manual seconded contractor was dismissed from the PTN EPU project in January 2013. Disciplinary actions taken by the EPC contractors are confidential and solely the responsibility of the EPC contractors.

Disk 31 Update 1.13a - There were **no disciplinary actions taken,** pending, or planned by FPL on any contractors for the EPU project. Disciplinary actions taken by the EPC contractors are confidential and solely the responsibility of the EPC contractors. **See FPL's response to DR-1.6b10-FEB for liquidated damages against contractors in February 2013.**

Disk 32 Update 1.13a - There were **no disciplinary actions taken,** pending, or planned by FPL on any contractors for the EPU project. Disciplinary actions taken by the EPC contractors are confidential and solely the responsibility of the EPC contractors.

Disk 51 Update 1.13a - There were **no disciplinary actions taken,** pending, or planned by FPL on any contractors for the EPU project. Disciplinary actions taken by the EPC contractors are confidential and solely the responsibility of the EPC contractors.

b) See response to a) above.

c) PSL: FPL did not request any contractor Recovery Plans for the PSL uprate work between January 2012 and November 2012. FPL does not anticipate requesting any contractor Recovery plans through April 2013.

PTN: A Pre-Outage Milestone Completion Plan was prepared for Turkey Point Unit 4, 4R27 Outage. A recovery plan was prepared to ramp up pre-outage work activities for the 4R27 outage since the 3R26 refueling outage duration was longer than originally planned and many of the resources being used on the 3R26 outage could not be released to ramp up 4R27 pre-outage activities. Overall, all milestones will be completed by milestone date.

Disk 15 Update 1.13c - There were **no recovery plans requested or issued in December 2012.**

Disk 23 Update 1.13c - There were **no EPU recovery plans requested or issued in January 2013.**

Disk 31 Update 1.13c - There were **no EPU recovery plans requested or issued in February 2013.**

Disk 32 Update 1.13c - There were **no EPU recovery plans requested or issued in March 2013.**

Disk 51 Update 1.13c - There were **no EPU recovery plans requested or issued in April 2013.**

d) FPL did not request any contractor Recovery Plans for the PSL uprate project between January 2012 and November 2012. FPL does not anticipate requesting any contractor Recovery plans through April 2013.

PTN: Communication between FPL and the contractors regarding recovery plans typically occurs through verbal discussion in meetings. Date changes are applied to the schedules as discussed in these meetings and recovery plans are transmitted from FPL EPU Project Management to FPL Station Management for approval. Attached is a copy of the recovery plan for Pre-outage, Turkey Point Unit 4, 4R27 outage.

e) Yes. At St. Lucie improvements in the EPC engineering package design progress and performance were experienced in 2012. More integration of Owner / EPC resources and emphasis on schedule fidelity were primarily responsible for the improvements. **At Turkey Point, the last of the Turkey Point Unit 4 design packages were issued in June of 2012, some four (4) plus months in advance of that unit's 4R27 major EPU implementation outage.** This represents a major improvement with lessons learned from Turkey point Unit 3 work activities.

f) At St. Lucie, FPL initiated a daily engineering design meeting with the EPC engineering discipline department heads to

	<p>flush out any barriers to progress. The integrated team developed solutions and applied the lessons learned from past efforts. Additionally, a more detailed engineering design schedule was developed by the EPC engineering group and reviewed and approved by FPL. At Turkey Point, FPL attended a daily schedule meeting and assisted the EPC engineering group with third party inputs and Plant support. Positive results are already being evidenced by the vastly improved implementation efforts ongoing at this time just (1) month into the 4R27 implementation outage. The outage schedule metric provides evidence that lessons learned have been put to effective use. Critical Path activities on both the primary and secondary sides of the unit remain on schedule. Early delivery of design packages enabled work planning and field materials procurement and staging of modifications in advance of the start of the 4R27 outage.</p> <p>g) See response to IC DR-1.6c and 1.13e.</p> <p><u>Disk 15 Update 1.13g</u> - There were no formal changes made in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects in December 2012.</p> <p><u>Disk 23 Update 1.13g</u> - One contract scheduler was added in January 2013 to oversee Shaw's scheduling efforts on the PTN EPU work. No other formal changes were made in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects in January 2013.</p> <p><u>Disk 31 Update 1.13g</u> - No formal changes were made in project controls to improve the oversight and management of contractor work at the St. Lucie and Turkey Point uprate projects in February 2013.</p> <p><u>Disk 32 Update 1.13g</u> - No formal changes were made in project controls to improve the oversight and management of contractor work on the St. Lucie and Turkey Point Uprate project in March 2013.</p> <p><u>Disk 51 Update 1.13g</u> - No formal changes were made in EPU project controls to improve the oversight and management of contractor work at St. Lucie and Turkey Point in April 2013</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>After Document #: DR-1.14 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 6 Disk 15 Update 1.14a,b,c Disk 22 Update 1.14a Disk 23 Update 1.14b,c Disk 30 Update 1.14a Disk 31 Update 1.14b,c Disk 32 Update 1.14b, Disk 33 Update 1.14a,c Disk 50 Update 1.14a Disk 51 Update 1.14a, b,c</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Please provide a current listing of all internal and external audits completed for the St. Lucie and Turkey Point uprate projects since January 2012 and any planned through 2013. Provide 2013 actions by the 15th of each month. b. Provide copies of any internal or external audit results, including all recommendations, management responses, and actions made as a result of these audits since January 2012 through 2013. Provide 2013 actions by the 15th of each month. c. Provide a current listing of all investigations of EPU related actions or activities for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through 2013. Provide 2013 actions by the 15th of each month.</p> <p>Summary of Contents: a. 2012 Internal Audits 1. The Extended Power Uprate Projects 2011 Expenditures audit was performed by Experis under FPL Internal Auditing direction and supervision and was completed on 5/17/12. 2. The [REDACTED] Vendor Audit performed by FPL Internal Auditing was completed on 9/13/12. There were no external audits completed for the Extended Power Uprate Projects in 2012.</p> <p>2013 Planned Internal Audits 1. The Extended Power Uprate 2012 Expenditures audit will be performed by Experis under FPL Internal Auditing's direction and supervision. The report is expected to be completed in the 2nd quarter 2013. 2. [REDACTED] Vendor Audit (not a specific EPU audit but will likely include EPU charges). 3. [REDACTED] Audit – FPL Bargaining Employees (not a specific EPU audit but may include EPU charges). There are no external audits planned for the Extended Power Uprate Projects in 2013.</p> <p><u>Disk 15 Update 1.14a</u> - There were no internal or external audits completed for the St. Lucie and Turkey Point uprate project</p>

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since the last submission of DR 1-14a.

Disk 22 Update - The 2012 Expenditure audit being performed by Experis is currently underway. Additionally, as stated in FPL's responses to Data Requests 3.11 and 3.12, FPL is continuing its review related to [REDACTED] FPL plans to conduct a [REDACTED] vendor audit in 2013 that will review EPU charges.

Disk 30 Update 1.14a - The 2012 Expenditure audit being performed by Experis is currently underway. Additionally, as stated in FPL's responses to Data Requests 3.11 and 3.12, FPL is continuing its review related to [REDACTED] FPL plans to conduct a [REDACTED] vendor audit in 2013 that will review EPU charges.

Disk 33 Update 1.14a - The 2012 Expenditure audit being performed by Experis is currently underway. Additionally, as stated in FPL's responses to Data Requests 3.11 and 3.12, FPL is continuing its review related to [REDACTED] FPL plans to conduct a [REDACTED] vendor audit in 2013 that will review EPU charges.

Disk 50 Update 1.14a - The 2012 Expenditure audit being performed by Experis is currently underway. Additionally, FPL is continuing its review related to [REDACTED]

FPL plans to conduct a [REDACTED] vendor audit in 2013 that will review EPU charges

b. Audits are available for review at FPL's Tallahassee office located at 215 S. Monroe Street Tallahassee, FL 32301. There were no external audits completed for the Extended Power Uprate Project in 2012.

Disk 15 Update 1.14b - There were no internal or external audits completed for the St. Lucie and Turkey Point uprate project since the last submission of DR 1-14b.

Disk 32 Update 1.14b - There were no internal or external audits completed for the St. Lucie and Turkey Point Uprate project since the last submission of DR- 1-14b FEB.

c. 1. St. Lucie EPU [REDACTED] completed on 2/21/12.

2. PSL Contract Workers [REDACTED] completed on 7/17/12.

3. PSL & PTN [REDACTED] completed on 8/8/12.

4. PTN Contractor [REDACTED] Review, completed on 9/10/12.

5. Additional PSL & PTN [REDACTED] Review, completed 12/20/12.

[REDACTED] are not planned. Therefore, no [REDACTED] are planned for 2013. We will provide monthly updates to keep audit staff apprised if such [REDACTED] commence.

Disk 23 Update 1.14b - There were no internal or external audits completed for the St. Lucie and Turkey Point Uprate project since the last submission of DR 1-14b DEC.

Disk 31 Update 1.14b - There were no internal or external audits completed for the St. Lucie and Turkey Point Uprate project since the last submission of DR- 1-14b JAN.

Disk 51 Update 1.14 b - There were no internal or external audits completed for the St. Lucie and Turkey Point Uprate project since the last submission of Data Request 1.14b-MARCH.

Disk 15 Update 1.14c - There are currently no open [REDACTED] of EPU related actions or activities for the St. Lucie and Turkey Point uprate. [REDACTED] are not planned. Therefore, no [REDACTED] are planned for 2013. We will provide monthly updates if such investigations commence.

Disk 23 Update 1.14c - FPL currently has [REDACTED] in progress that is being conducted at the request of [REDACTED] that is [REDACTED]

Disk 31 Update 1.14c - FPL currently has [REDACTED] in progress that is being conducted at the request of [REDACTED] that is [REDACTED]

Disk 33 Update 1.14c - One [REDACTED] report related to FPL's ongoing [REDACTED] review was issued on March 29, 2013 ("St. Lucie Nuclear Plant [REDACTED] There are currently no open [REDACTED] of EPU related actions or activities for the St. Lucie and Turkey Point uprate [REDACTED] are not planned. Therefore, no [REDACTED] are planned for 2013. FPL will provide monthly updates if such [REDACTED] commence.

On 1/31/13 staff reviewed several audits completed after last years hearings concluded. These scheduled audits were made available in FPL's Tallahassee office for review. Staff requested copies of three audits for closer examination and follow-up

	<p>based on the initial review:</p> <ul style="list-style-type: none"> • PSL Contract Workers [REDACTED] completed on 7/17/12 • PSL & PTN [REDACTED], completed on 8/8/12 • Additional PSL & PTN [REDACTED] Review, completed 12/20/12 <p>Audit staff included this request in document request DR-3. Responses to this data request are due 2/12/13.</p> <p><u>Below are summaries of staff initial reviews of FPL Internal Audit reviews and [REDACTED]</u></p> <p><u>2/21/12 PSL [REDACTED]</u> was reviewed by Commission audit staff last year (NEE-NUC-EX-00-2012-0004); <u>5/17/12 EPU Review of 2011 Expenditures</u> 1/1/11-12/31/11 (12039) FPL IA tested [REDACTED] of the [REDACTED] total expenditures for 2011 [REDACTED]; FPL IA concluded controls over EPU projects are good: <u>5/17/12 New Nuclear Review of 2011 Expenditures (12040)</u> 1/1/11-12/31/11 expenditures totaled [REDACTED] and IA reviewed [REDACTED] ([REDACTED] of total expenses; IA concluded that the controls over the New Nuclear Project are good; one employee [REDACTED] in [REDACTED] IA had adjustments made during audit and verified; <u>7/17/12 PSL [REDACTED]</u> (NEE-NUC-EX-00-2012-0006; In Dec. 2011 received [REDACTED] pertaining to PSL [REDACTED] was that contract [REDACTED] to [REDACTED] an assignment to [REDACTED]; was [REDACTED] that [REDACTED] to [REDACTED] the site for [REDACTED] and [REDACTED] to the [REDACTED] to [REDACTED] thus making the [REDACTED] a [REDACTED] and making the [REDACTED] to [REDACTED] for [REDACTED] to the [REDACTED] In addition, it was questioned whether some [REDACTED] had [REDACTED] within [REDACTED] of the [REDACTED] which would make them [REDACTED] for [REDACTED]; per [REDACTED] once an assignment becomes [REDACTED] or will [REDACTED] than [REDACTED] it becomes [REDACTED] as [REDACTED] per FPL Nuclear business unit policy, re: [REDACTED] with a [REDACTED] from a [REDACTED] on [REDACTED] which they are [REDACTED] may [REDACTED] if the [REDACTED] from the [REDACTED] the [REDACTED] is [REDACTED] for [REDACTED] policy for [REDACTED] also requires that [REDACTED] must [REDACTED] for fulfilling a [REDACTED] assignment to [REDACTED] these requirements are based on [REDACTED] rules and address [REDACTED] of [REDACTED] but not [REDACTED] FPL IA reviewed business unit and [REDACTED] policies re: [REDACTED] and [REDACTED] IA also reviewed [REDACTED] of the [REDACTED] IA identified [REDACTED] of [REDACTED] sampled [REDACTED] who [REDACTED] but doo [REDACTED]; IA estimated [REDACTED] total [REDACTED] to the [REDACTED] identified; [REDACTED] identified [REDACTED] who appeared [REDACTED] for [REDACTED] in IA's sample review testing, totaling [REDACTED] IA found an [REDACTED] appearing to be [REDACTED] of about [REDACTED] IA recommended FPL develop a comprehensive action plan to understand the extent of [REDACTED] paid to establish [REDACTED] the period reviewed by IA was [REDACTED] to [REDACTED] 12/20/12 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX-00-2012-0010) IA's conclusions are documented in reports dated 12/15/11, 7/17/12 and 9/10/12;</p> <p><u>Disk 51 Update 1.14c</u> - There are currently no open [REDACTED] of EPU related actions or activities for the St. Lucie and Turkey Point uprate. [REDACTED] are not planned. Therefore, no [REDACTED] are planned for 2013.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. [REDACTED] Description: [REDACTED]</p> <p>No. [REDACTED] Description: [REDACTED]</p> <p>Follow-up Required: 1) Is the 12/20/12 audit a follow-up to the 7/17/12 audit? 2) were the figures in the 12/20/12 review cumulative to the 7/17/12 review? 3) What has been done to [REDACTED] 4) Has the comprehensive plan been completed, and if so, provide a copy 5) Have any of the [REDACTED] costs been included in the annual NCRC cost recovery filings? 5) follow-up to determine the type of audit under [REDACTED] 6)</p>
<p>Document #: DR-1.15</p> <p>Date Requested:</p> <p>Date Received:</p> <p>Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: a. Provide a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects since January 2012, and any planned through April 2013. Provide 2013 actions by the 15th of each month. b. Provide copies of all quality assurance, observations, reviews, and audits including all recommendations, management responses, and actions taken during January 2012 through April 2013. Provide 2013 actions by the</p>

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<p>Disk 6 Disk 14 Update 1.15b Disk 15 Update 1.15a, Disk 22 Update 1.15b Disk 23 Update 1.15a Disk 30 Update 1.15b Disk 31 Update 1.15a Disk 32 Update 1.15a Disk 33 Update 1.15b Disk 50 Update 1.15b Disk 51 Update 1.15a</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>15th of each month.</p> <p>Summary of Contents: a. See FPL's response to DR-1.15b for a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during the period January 2012 through November 2012 (Daily Quality Summary reports). FPL plans to perform similar quality assurance surveillances and observations through the end of the EPU project. See FPL's response to DR-1.14a for a listing of internal audits.</p> <p><u>Disk 15 Update 1.15a</u> -See FPL's response to DR-1.15b for a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during December 2012 (Daily Quality Summary reports). FPL plans to perform similar quality assurance surveillances and observations through the end of the EPU project. See FPL's response to DR-1.14a for a listing of internal audits</p> <p><u>Disk 23 Update 1.15a</u> - See FPL's response to DR-1.15b for a listing of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during January 2013 (Daily Quality Summary reports). FPL plans to perform similar quality assurance surveillances and observations through the end of the EPU project. See FPL's response to DR-1.14a for a listing of internal audits.</p> <p><u>Disk 31 Update 1.15a</u> - See FPL's response to DR-1.15b-FEB for a listing of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during February 2013 (Daily Quality Summary reports). FPL plans to perform similar quality assurance surveillances and observations through the end of the EPU project. See FPL's response to DR-1.14a for a listing of internal audits.</p> <p><u>Disk 32 Update 1.15a</u> - See FPL's response to DR-1.15b-MAR for a listing of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during March 2013 (Daily Quality Summary reports). FPL plans to perform similar quality assurance surveillance and observations through the end of the EPU project. See FPL's response to DR-1.14a for a listing of internal audits.</p> <p><u>Disk 51 Update</u> - See FPL's response to DR-1.15b-APR for a listing of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during April 2013 (Daily Quality Summary reports). See FPL's response to DR-1.14a for a listing of internal audits.</p> <p>b. Attached is a list and content of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during the period January 2012 through November 2012 (Daily Quality Summary reports). See FPL's response to DR-1.14b for copies of internal audits.</p> <p><u>Disk 14 Update 1.15b</u> - Attached is a list and content of all quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during December 2012 (Daily Quality Summary reports). See FPL's response to DR-1.14b for copies of internal audits.</p> <p><u>Disk 22 Update 1.15b</u> - Attached is a listing and content of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during January 2013 (Daily Quality Summary reports). See FPL's response to DR-1.14b for copies of internal audits.</p> <p><u>Disk 30 Update 1.15b</u> -Attached is a listing and content of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during February 2013 (Daily Quality Summary reports). See FPL's response to DR-1.14b for copies of internal audits.</p> <p><u>Disk 33 Update 1.15b</u> - Attached is a listing and content of quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during March 2013 (Daily Quality Summary reports). See FPL's response to DR-1.14b for copies of internal audits.</p> <p><u>Disk 50 Update 1.15b</u> - Attached is a listing and content of quality assurance, observations, reviews, and audits completed for the Turkey Point uprate project during April 2013 (Daily Quality Summary reports). There were no quality assurance observations or reviews for St. Lucie for April 2013. See FPL's response to DR-1.14b for copies of internal audits.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p>
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	No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-1.16 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 7 Disk 14 Update 1.16a Disk 15 Update 1.16c Disk 22 Update 1.16a Disk 23 Update 1.16c Disk 27 Revised 1.16c Disk 31 Update 1.16a,c Disk 32 Update 1.16a,c Disk 51 Update 1.16a,c	<p>Document Title and Purpose of Review: a. Please provide current copies of all contractor evaluations completed for the St. Lucie and Turkey Point uprate projects since January 2012, and ongoing through April 2013 by the 15th of each month. b. Describe any corrective actions taken as a result of these evaluations and their actual or potential impact to the uprate project's schedules or costs. c. List and describe any Quality Assurance actions (holds, delays, stops, etc.) recommended or taken, pending or planned by FPL, on manufacturers or contractors for the St. Lucie and Turkey Point projects during the period January 2012 through April 2013. Include a description of the events surrounding the action, the date the action was taken, a description of the Quality Assurance actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the project. Provide 2013 actions by the 15th of each month.</p> <p>Summary of Contents: a. FPL continuously evaluated contractor performance and provided feedback on an almost daily basis in 2012. This feedback was provided through daily focus meetings during outages with major contractors to evaluate earned value and cost performance, daily work plans, and any impacts to schedule and cost. Additionally, FPL held project integration meetings with major contractors generally weekly to discuss schedule compliance of work activities, organization and management issues, safety issues, etc. (See DR 1.1c). <u>Disk 14 Update 1.16a</u> - As explained in FPL's previous to DR 1.16, FPL continuously evaluated contractor performance and provided feedback on an almost daily basis in 2012. Also attached is the Siemens Scorecard for the PSL 1-24 outage dated November 9, 2012, inadvertently omitted from FPL's previous response. <u>Disk 22 Update 1.16a</u> - Attached is a contractor performance evaluation report issued in January 2013. <u>Disk 31 Update 1.16a</u> - There were no contractor evaluations completed for the uprate project in February 2013. <u>Disk 32 Update 1.16a</u> - There were no contractor evaluations completed for the uprate project in March 2013. <u>Disk 51 Update 1.16a</u> - There were no contractor evaluations completed for the uprate project in April 2013. b. Examples of actions taken as a result of the evaluation and feedback process described in part (a) include performing a comprehensive review of previous engineering changes to enhance remaining modifications, resolving engineering hold points prior to the start of the outage, establishing an integrated I&C and Start-up test team, enhancing work packages to better support work package closure and system return to service, and implementing a first time quality program. Please see also FPL's response to DR 1.12a discussing enhancements generally to contractor management and FPL's response to DR 1.3c for description of contractor stand downs that were conducted to correct personnel behaviors and to mitigate more significant human errors and safety events. c. No Quality Assurance stop work activities were generated for the EPU project in 2012, nor are any such activities pending or planned. <u>Disk 15 Update 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in December 2012, nor are any such activities pending or planned. <u>Disk 23 Update 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in January 2012, nor are any such activities pending or planned. <u>Disk 27 Revised 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in January 2013, nor are any such activities pending or planned. <u>Disk 31 Update 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in February 2013, nor are any such activities pending or planned. <u>Disk 32 Update 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in March 2013, nor are any such activities pending or planned. <u>Disk 51 Update 1.16c</u> - No Quality Assurance stop work activities were generated for the EPU project in April 2013, nor are any such activities pending or planned. </p>

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1) Review, evaluate and discuss contractor evaluations completed by FPL 2) Discuss Bechtel improved performance.
	Document Title and Purpose of Review: Describe any new project controls implemented by owner organizations as a result of quality assurance reviews, internal auditing, or external audit findings, since January 2012, and any planned to be implemented through April 2013.
Document #: DR-1.17 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 7	Summary of Contents: Project Controls added a detailed labor billing evaluation for Siemens Turbine / Generator Installation Services Contract for SL2-20 and Turkey Point Unit 4, 4R27 outage. This labor billing evaluation consisted of a detailed comparison of the pre invoice labor records of the vendor versus the Owner Security Gate Log. Any deviations were brought to the attention of the vendors and adjustments were made, if required.
	EPPI-235, Work Hours Validation Sampling program, Rev. 0, was developed to perform random validation of contractor invoiced hours versus hours actually worked on project to ensure labor billing accuracy.
	Project Controls implemented a random quarterly gate log audit for all contractors beginning in the second quarter of 2012. A random selection process was applied to all onsite contractor vendor personnel. A Remote Support Authorization Approval Process was implemented.
	EPPI-110, EPU Project Expectations and Conduct of Business, R 26, was revised to include Attachment 6, Extended Power Uprate Contractor Remote Support Authorization. A Project Closeout Metrics package was added for PSL EPU in October 2012. Designed to assist the control of the remaining work after SL2-20 breaker closure, the metrics package tracks the remaining engineering, work package close out, procedure update, drawing update and construction demobilization among other items. A closeout matrix will be prepared for Turkey Point.
Document #: DR-1.18 Date Requested: Date Received: Comments: (i.e., Confidential) DISK 7	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
	Document Title and Purpose of Review: a. Explain any information gained from equipment failures of any recent uprates (e.g. San Onofre) caused changes to the FPL uprate plans, costs, or schedules. b) Please describe how the company studied other uprates for lessons learned/problems encountered and what impacts this analysis may have had on the FPL uprate(s)?
	Summary of Contents: a. The FPL EPU project evaluated nuclear industry operating experience (OE) throughout the duration of the project. The EPU design engineering procedure requires that industry equipment failures be addressed and factored into the EPU design products; however, no changes were made to uprate plans due to information gained from equipment failures relating to recent uprates at other nuclear units. Thus, there was no impact on costs and/or schedules. Lessons learned on the industry's earlier uprate projects were factored into the original scoping studies completed for FPL's uprate project and thus were included as part of original project scope.
	b. FPL entered the Florida EPU process having already completed EPU Projects at NextEra Energy Resources-owned plants in New Hampshire (Seabrook Station) and Iowa (Duane Arnold). Key personnel from those projects were assigned to the Florida EPU project in key positions. Additionally, FPL retained the Shaw Group to complete EPU scoping studies for the units. Shaw had already completed a multitude of scoping studies for other nuclear plant owners as well as implemented and completed a number of uprate implementation projects. Their input to the planning (scoping) phase of the project enabled FPL to take advantage of Shaw's lessons learned prior to contracting to FPL for the uprate project. Benchmarking visitations to other

	<p>nuclear sites and vendor shops were made by project personnel as well. An example of a significant benchmarking effort undertaken by FPL relates to the main generator uprate project. For that project, key FPL personnel visited Dominion's North Anna site to take advantage of lessons learned by Dominion on both their Surrey and North Anna generator uprate projects.</p> <p>The two Surrey uprates had been completed by that time while the second North Anna unit was undergoing preparations for their major uprate outage. Subsequent to the visit to the North Anna site, additional lessons were learned through contacts made on that benchmarking trip. Finally, considerable effort was expended researching industry experience with stator iron high energy loop test current levels. Valuable lessons were learned and incorporated in the FPL EPU project.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.19 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 9</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Provide summaries of the implementation of the following outages during 2012 and 2013, and identify any unscheduled delays and additional costs experienced as a result of an outage extension: a) St. Lucie Unit 1 b) St. Lucie Unit 2 c) Turkey Point Unit 4</p> <p>Summary of Contents: Summaries of the implementation of the EPU outages during 2012 and 2013 are provided below. The major modifications are listed for each outage. Unscheduled outage delays can impact overall outage durations. As detailed below, the 4 major EPU outages scheduled to commence in 2012 were started as planned, 2 of these outages were completed after the scheduled completion date and one outage (PSL-2) was completed before the scheduled completion date. Generally, planned outage completion dates are based on estimates of activity durations developed using information available before the outage starts (e.g., design engineering, construction planning, constructability reviews, and coordination of logistics). There are numerous factors that can impact the schedule of a large complex EPU outage such as scope increases due to discovery during implementation of planned modifications, interference removal and restoration being more complex than anticipated, environmental influences such as weather, personnel safety issues, plant equipment safety issues, human performance issues, and technical difficulties associated with design and construction. In general, the second major EPU outage at each station was shorter than the first major EPU uprate outage at each station due to lessons learned from the first outages and better understanding of the constructability challenges and technical complexities encountered during implementation of the required modifications. Additional costs incurred during a major EPU outage can be caused by many different factors including craft productivity factors, environmental influences such as weather, scope increases due to discovery during implementation of planned modifications, design changes identified during component removal and installation, complexities involving interference removal and reinstallation, personnel safety issues, plant equipment safety issues, human performance issues, and technical difficulties associated with design and construction. FPL tracks project costs daily by contractor, by discipline, and by modification. The additional costs incurred during the outages were driven by fact that more personnel were needed for a longer period of time to complete implementation of the required modifications which, in some cases, resulted in a longer outage than originally planned. Thus, the outage extension is a result of completing the work and there is not a specific cost number tied to the outage extension, rather the costs are tied to each modification and to the infrastructure required to perform the work.</p> <p>a) St. Lucie Unit 1 The following modifications were completed during the SL1-24 outage: <input type="checkbox"/> Condenser Material Upgrades includes air removal <input type="checkbox"/> Containment Mini-Purge <input type="checkbox"/> Feedwater Digital Modifications</p>

- ☐ Leading Edge Flow Meter (LEFM) Measurement Uncertainty Recapture (MUR)
- ☐ Digital Electro-Hydraulic (DEH) Computer System Upgrade
- ☐ Electrical Bus Margin Upgrades
- ☐ Piping Vibration Modifications
- ☐ Main Generator Exciter Coolers/Blower
- ☐ Feedwater Heater Replacement (#5)
- ☐ Feedwater Regulating Valves Upgrade
- ☐ Main Generator Current Transformers (CT) and Bushing Replacement
- ☐ Main Generator Hydrogen Seal Oil Pressure Increase
- ☐ Generator Core Replacement
- ☐ Main Generator Hydrogen Coolers
- ☐ Main Generator Rotor Replacement and Stator Rewind
- ☐ Moisture Separator Drain Control Valves Replacement
- ☐ Heater Drain Control Valves
- ☐ Feedwater Heater Drains/MSR Digital Controls
- ☐ Heater Drain Pump Replacement
- ☐ Hot Leg Injection Flow Improvements
- ☐ High Pressure (HP) Turbine Rotor
- ☐ Iso-Phase Bus Duct Cooling
- ☐ Low Pressure (LP) Turbine Rotors
- ☐ Main Feedwater Pump Replacement
- ☐ Main Steam Isolation Valve (MSIV) Upgrade
- ☐ Main Transformer Cooler Upgrade
- ☐ Main Steam, Condensate and Feedwater Piping Supports Modifications
- ☐ Moisture Separator Reheater (MSR) Replacement
- ☐ Control Element Drive Mechanism (CEDM) System Upgrades
- ☐ Balance of Plant (BOP) Instrumentation
- ☐ Nuclear Steam Supply System (NSSS) Plant Instrumentation
- ☐ Safety Injection Tank (SIT) Pressure Increase
- ☐ Steam Bypass Control System Unit 1 (DCS)
- ☐ Steam Bypass Flow to Condenser-Increase
- ☐ Turbine Cooling Water (TCW) Heat Exchanger Replacement
- ☐ Transmission and Substation Modifications
- ☐ Equipment Qualification (EQ) Modifications
- ☐ Diesel Oil Storage Tank (DOST) Operating Margin Modification
- ☐ Construction Temporary Power

SL1-24 Outage dates:

SL1-24 Outage

Outage Start Planned 11/26/11 Actual 11/26/11

Outage Finish Planned 04/01/12 Actual 04/21/12 (extended 20 days)

FPL also implemented a PSL-1 LAR Outage in July 2012 in order to adjust instruments and implement necessary procedure changes to permit operating at the uprate power levels.

PSL1 LAR Outage Dates: (mid cycle)

PSL1 LAR Outage

Outage Start Planned 07/21/12 Actual 07/19/12

Outage Finish Planned 07/31/12 Actual 07/25/12

b) St. Lucie Unit 2

The following modifications were completed during the SL2-20 outage:

- ☐ CCW Pipe support Mod
- ☐ Charging Pump SIAS circuit change
- ☐ Condensate Pump Replacement
- ☐ Condenser air removal Upgrade
- ☐ Control Room AC Margin Improvement
- ☐ CS Pump Flow Impacts
- ☐ DCS Mods for LEFM and FW Ctrl's
- ☐ DEH Computer & Controls Replacement
- ☐ DOST Operating Margin Modification
- ☐ Electrical Bus Margin Improvement
- ☐ EPU Piping Vibration Modifications
- ☐ EQ Equipment modifications
- ☐ Feedwater Heater No. 4 Replacement
- ☐ Feedwater Heater No. 5 Replacement
- ☐ Feedwater Heater Vent Orifice re-size
- ☐ Feedwater Reg Valve Modifications
- ☐ Charging System Gas Venting
- ☐ Heater Drain / MSR Drain Control Valves
- ☐ Heater Drain / MSR Digital Controls
- ☐ Heater Drain Pumps Replacement
- ☐ HP Turbine Rotor
- ☐ Iso Phase Bus Duct Cooling
- ☐ Isophase Bus Supports
- ☐ LEFM - Measurement Uncertainty Recapture
- ☐ LP Turbine Torsional Tuning
- ☐ Main Feedwater Pump Replacement & Spare
- ☐ Main Transformer Replacement
- ☐ MS, Condensate & FW Pipe support Modifications
- ☐ MSR Replacement
- ☐ Rod Control
- ☐ Set points and Scaling for BOP & NSSS
- ☐ Steam Bypass Flow to Condenser - Increase
- ☐ TCW Heat Exchanger Replacement
- ☐ Umbrella Mod
- ☐ Simulator Modifications
- ☐ Spent Fuel Pool Metamic Inserts

SL2-20 Outage dates:

SL2-20 Outage

Outage Start Planned 08/05/12 Actual 08/05/12

Outage Finish Planned 11/26/12 Actual 11/23/12

c) Turkey Point Unit 3:

The following modifications were completed during the 3R26 outage:

- ☐ Install NaTB Baskets for pH control
- ☐ Switchyard Upgrades
- ☐ Feedwater Heater Drains Digital Upgrades (partial)
- ☐ Turbine Digital Controls Upgrades
- ☐ LEFM Digital Upgrades tie-in
- ☐ BOP Instrumentation, Control and Valve Set Point, Rescaling & Hardware Mods
- ☐ Fast Acting Feedwater Isolation Valve Addition
- ☐ Feedwater Regulating Trim Upgrade
- ☐ Heater Drain Valve Replacements - remaining
- ☐ Feedwater Heater #5 Drain Piping Upgrade
- ☐ U4 Main Steam Isolation Valve Assemblies (MSIV/MSCV) Replacement
- ☐ Main Steam Safety Valves set point change
- ☐ HP Turbine Upgrade (Wrap Around) Hi Lift Mod
- ☐ Main Generator Upgrades (Rewind) and Interface Mods (Exciter, H2 coolers, CT's Bushing) & Generator Neutral "Wye" Connection / tap change
- ☐ Electro Hydraulic Controls Upgrade
- ☐ MSR Replacement (MSR's, Control Drain Valves)
- ☐ Main Condenser Replacement
- ☐ Condenser Tube Cleaning System (Amertap)
- ☐ Normal Containment Cooling Mods
- ☐ SFP Cooling HX Replacement - Electrical tie-in
- ☐ ECF Removal
- ☐ Condensate Pumps and Motors Replacement
- ☐ Main Feedwater Pump Rotating Element Replacement
- ☐ TPCW HX Replacement
- ☐ Replace #5, #6 A/B Feedwater Heaters
- ☐ Unit 4 EPU Main Steam Pressure L/L Module Install and Eagle 21 Changes
- ☐ Pressurizer set point/control/indication changes
- ☐ Installation of Snubber on Main Steam line
- ☐ HP Turbine Supply/Spillover piping replacement (3.5'), spillover station undersized - upstream, downstream piping mod's
- ☐ Unit 4 EPU Secondary Instrument Setpoint/Indication Changes
- ☐ Containment Aluminum Reduction
- ☐ Hot Leg Injection Alternate Flow Path - MOV-869 single point vulnerability
- ☐ Plant Doc Changes Resulting from Westinghouse Set point and Scaling Changes
- ☐ Removal of Main Steam Flow Elements and modify Steam Pressure input to DCS calorimetric
- ☐ Steam Generator Blow down Flow Instrumentation
- ☐ U4 CCW Pipe Support / Structural Attachments
- ☐ SJAЕ Tube Replacement
- ☐ Heater Drain System Pressure Rerate
- ☐ U4 Replacement of CRDM Fan Motors and coolers (purchased by FPL)
- ☐ MS Pipe Supports / Structural Attachment
- ☐ ECC - Restore Automatic Actuation of Third ECC to Reduce Containment Pressure
- ☐ EPU Piping Vibration Modifications
- ☐ Unit 4 - Turbine Building & Feedwater Platform Structure
- ☐ LLRT

- ☐ Add Valve Operator Extension and Hand wheel for ¾-867 Valves
- ☐ Amertap - post EPU completion
- ☐ Unit 4 Condensate Polishing - MSP – POWER
- 3R26 Outage Dates:**
- 3R26 Outage
- Outage Start Planned 02/26/12 Actual 02/26/12
- Outage Finish Planned 08/04/12 Actual 09/05/12
- d) Turkey Point Unit 4:**
- The following modifications will be completed during the ongoing 4R27 outage:
- ☐ Install NaTB Baskets for pH control
- ☐ Switchyard Upgrades
- ☐ Feedwater Heater Drains Digital Upgrades (partial)
- ☐ Turbine Digital Controls Upgrades
- ☐ LEFM Digital Upgrades tie-in
- ☐ BOP Instrumentation, Control and Valve Set Point, Rescaling & Hardware Mods
- ☐ Fast Acting Feedwater Isolation Valve Addition
- ☐ Feedwater Regulating Trim Upgrade
- ☐ Heater Drain Valve Replacements - remaining
- ☐ Feedwater Heater #5 Drain Piping Upgrade
- ☐ U4 Main Steam Isolation Valve Assemblies (MSIV/MSCV) Replacement
- ☐ Main Steam Safety Valves set point change
- ☐ HP Turbine Upgrade (Wrap Around) Hi Lift Mod
- ☐ Main Generator Upgrades (Rewind) and Interface Mods (Exciter, H2 coolers, CT's Bushing) & Generator Neutral "Wye" Connection / tap change
- ☐ Electro Hydraulic Controls Upgrade
- ☐ MSR Replacement (MSR's, Control Drain Valves)
- ☐ Main Condenser Replacement
- ☐ Condenser Tube Cleaning System (Amertap)
- ☐ Normal Containment Cooling Mods
- ☐ SFP Cooling HX Replacement - Electrical tie-in
- ☐ ECF Removal
- ☐ Condensate Pumps and Motors Replacement
- ☐ Main Feedwater Pump Rotating Element Replacement
- ☐ TPCW HX Replacement
- ☐ Replace #5, #6 A/B Feedwater Heaters
- ☐ Unit 4 EPU Main Steam Pressure L/L Module Install and Eagle 21 Changes
- ☐ Pressurizer set point/control/indication changes
- ☐ Installation of Snubber on Main Steam line
- ☐ HP Turbine Supply/Spillover piping replacement (3.5'), spillover station undersized - upstream, downstream piping mod's
- ☐ Unit 4 EPU Secondary Instrument Setpoint/Indication Changes
- ☐ Containment Aluminum Reduction
- ☐ Hot Leg Injection Alternate Flow Path - MOV-869 single point vulnerability
- ☐ Plant Doc Changes Resulting from Westinghouse Set Point and Scaling Changes
- ☐ Removal of Main Steam Flow Elements and modify Steam Pressure input to DCS calorimetric
- ☐ Steam Generator Blow down Flow Instrumentation

	<input type="checkbox"/> U4 CCW Pipe Support / Structural Attachments <input type="checkbox"/> SJAE Tube Replacement <input type="checkbox"/> Heater Drain System Pressure Rerate <input type="checkbox"/> U4 Replacement of CRDM Fan Motors & Coolers (purchased by FPL) <input type="checkbox"/> MS Pipe Supports / Structural Attachment <input type="checkbox"/> ECC - Restore Automatic Actuation of Third ECC to Reduce Containment Pressure <input type="checkbox"/> EPU Piping Vibration Modifications <input type="checkbox"/> Unit 4 - Turbine Building & Feedwater Platform Structure <input type="checkbox"/> Evaluation - Feed Water Heater 5A & 5B Safe Load Path <input type="checkbox"/> Integrated Leak Rate testing (ILRT) <input type="checkbox"/> Amertap - post EPU completion <input type="checkbox"/> Unit 4 Condensate Polishing - MSP – POWER 4R27 Outage Dates: 4R27 Outage Planned Start 11/05/12 Actual 11/05/12 Outage Finish Planned 04/12/13 Actual TBD (4/17/13) Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-1.20 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 6 Disk 14 Update 1.20a, b, c Disk 22 Update 1.20a,b,c Disk 30 Update 1.20a,b,c Disk 33 Update 1.20a,b,c Disk 52 Update 1.20a,b Disk 53 Update 1.20c REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: a. Provide a listing of all Siemens invoices and billing greater than \$1 million during January 2012 through April 2013, and include a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid. Provide 2013 actions by the 15 th of each month. b). Provide a listing of all Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million, for work completed during 2012 through April 2013. Provide 2013 actions by the 15 th of each month. c. Provide a list of all accruals for Siemens during the period January 2012 through April 2013 greater than \$1 million. Provide 2013 actions by the 15 th of each month. Summary of Contents: a. Attached is a listing of PSL and PTN EPU Siemens invoices greater than \$1 million during the period January 2012 through November 2012. <u>Disk 14 Update 1.20a</u> - Attached is a listing of Siemens invoices greater than \$1 million for December 2012. <u>Disk 22 Update 1.20a</u> - Attached is a listing of Siemens invoice activity greater than \$1 million for PSL EPU during January 2013. There was no Siemens invoice activity greater than \$1 million for PTN EPU in January 2013. <u>Disk 30 Update 1.20a</u> - Attached are listings of Siemens invoice activity for PSL and PTN EPU in February 2013. <u>Disk 33 Update 1.20a</u> - Attached is a list of Siemens invoice activity for EPU in March 2013. <u>Disk 52 Update 1.20a</u> - Attached is a listing of all Siemens invoices and billing greater than \$1 million during April 2013 which includes a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid. b. On July 9, 2012, FPL and Siemens agreed to a negotiated settlement resulting in a Siemens [REDACTED] for EPU work performed or to be performed. Attached is a copy of the agreement dated 7-9-12. The agreement is summarized below. <input type="checkbox"/> Siemens agrees to [REDACTED] for FPL's EPU costs and expenses related to Siemens' core iron damage repair work that were incurred by FPL. <input type="checkbox"/> Siemens agrees to [REDACTED] an amount of [REDACTED] as a [REDACTED] <u>Disk 14 Update 1.20b</u> - There were no additional Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million realized in December 2012. <u>Disk 22 Update 1.20b</u> - There were no new Siemens discounts, credits, or other reductions in invoicing or billing greater than

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\$1 million realized in January 2013. However, FPL did process an amendment to Siemens Contract 116088 for PSL components to reflect the Siemens discount negotiated in 2012. The following changes were made to Contract 116088:

1. Release 001, Revision 001 issued 01-18-13 for a [REDACTED] in price of \$ [REDACTED]
2. Release 003, Revision 003 issued 01-18-13 for a [REDACTED] in price of \$ [REDACTED]
3. Release 022, Revision 001 issued 01-18-13 for a [REDACTED] in price of \$ [REDACTED]
4. Release 000, Revision 007 issued 01-18-13 for a [REDACTED] in price of \$ [REDACTED]

(Internal Only, issued to update the total Blanket Purchase Order value to reflect the total reductions in Releases listed in 1-3 above).

Disk 30 Update 1.20b - There were no new Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million realized in February 2013.

Disk 33 Update 1.20b - There were no new Siemens discounts, credits, or other reductions in invoicing or billing greater than \$1 million realized in March 2013.

Disk 52 Update 1.20b - FPL processed the following amendments and releases in April 2013 to reflect the Siemens discount negotiated in 2012 and discussed in Terry Jones' supplemental 2012 testimony (p. 2):

1. Contract for Turbine Generator Installation Services for St. Lucie Plant's Extended Power Uprate Project (PSL 2-20) Between Florida Power & Light Company and Siemens Energy, Inc. dated August 7, 2012, as amended, and Contract #2310927 as follows:

☐ Amendment #2 issued 4/05/13 for a total [REDACTED] in price of \$ [REDACTED] which resulted in a [REDACTED] in the amount of [REDACTED]

2. Contract for Turbine and Generator Upgrades for St. Lucie Nuclear Plant's Extended Power Uprate Project Between Florida Power & Light Company and Siemens Power Generation, Inc. - dated September 22, 2008, as amended and Purchase Order 116090 as follows:

☐ Release 001, Revision 004 issued 4/12/13 for a [REDACTED] in price of \$ [REDACTED]

☐ Release 002, Revision 002 issued 4/12/13 for a [REDACTED] in price of \$ [REDACTED]

☐ Release 003, Revision 002 issued 4/12/13 for a [REDACTED] in price of \$ [REDACTED]

☐ Release 000, Revision 006 issued 04/29/13 for a [REDACTED] in price of \$ [REDACTED] (Internal Only, issued to update the total Blanket Purchase Order value to reflect the total reductions in Releases 001, 002, and 003 above).

c. Attached are listings of PSL and PTN EPU Siemens accruals during the period January 2012 through November 2012.

Disk 14 Update 1.20c - Attached is a listing of PSL and PTN EPU Siemens accruals during the period January 2012 through November 2012.

Disk 22 Update 1.20c - Attached are listings of PSL EPU Siemens accruals for January 2013. There were no Siemens accruals greater than \$1 million for PTN EPU in January 2013.

Disk 30 Update 1.20c - The following Siemens EPU accruals greater than \$1 million were processed in February 2013:

Accrual Month	Accrual Description	Internal Order	Accrual Amount
February 2013	SL2-20 MW Output	PB0000021072	[REDACTED]
February 2013	SL2-20 Siemens Alliance	PB0000002104	[REDACTED]

Note: there were no PTN EPU Siemens accruals greater than \$1 million in February 2013

Disk 33 Update 1.20c - The following Siemens EPU accruals (reaccruals) greater than \$1 million were processed in March 2013:

Accrual Month	Accrual Description	Internal Order	Accrual Amount
March 2013	SL2-20 MW Output	PB0000021072	[REDACTED]
March 2013	SL2-20 Siemens Alliance	PB0000002104	[REDACTED]

Note: there were no PTN EPU Siemens accruals greater than \$1 million in March 2013

Disk 53 Update 1.20c - See response to DRI.120a-APR for a list of all accruals for Siemens during April 2013 greater than \$1 million.

	<p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1. Review invoices and discuss any needing clarification or explanation 2) Determine whether the reductions in pricing in Disk 22 1.20b above, were evaluated as true reductions in billed charges and how reductions were determined</p>
<p>Document #: DR-1.21 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 9 Disk 14 Update 1.21a Disk 22 Update 1.21a Disk 30 Update 1.21a Disk 33 Update 1.21a Disk 50 Update 1.21a</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Provide a listing of all EPU related Condition Reports issued during the period January 2012 through April 2013. Provide 2013 actions by the 15th of each month. b. Identify all reports contributing to delays in EPU scheduling or additional project costs, including total estimated days for each delay and estimated dollars associated with those reports.</p> <p>Summary of Contents: a) Attached is a listing of EPU related condition reports issued during the period January 2012 through November 30, 2012. <u>Disk 14 Update 1.21a</u> - Attached is a listing of EPU-related Condition Reports issued during the period November 1, 2012 through December 31, 2012. <u>Disk 22 Update 1.21a</u> - Attached is a listing of EPU-related Condition Reports issued during January 2013 <u>Disk 30 Update 1.21a</u> - Attached is a listing of EPU-related Condition Reports issued in February 2013. <u>Disk 33 Update 1.21a</u> - Attached is a listing of EPU-related Condition Reports issued in March 2013. <u>Disk 50 Update 1.21a</u> - Attached is a listing of EPU-related Condition Reports issued in April 2013. b) The reporting and disposition of condition reports are considered to be a normal and expected part of project management. Additionally, none of the issues presented in these Condition Reports delayed the overall EPU project schedule. As such, FPL has not identified any additional EPU project costs associated with these Condition Reports.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-1.22 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 7</p>	<p>Document Title and Purpose of Review: a. Discuss any impact the November 9, 2012 meeting re:NRC additional inspection findings for St. Lucie Unit 1 may have had on the EPU project schedule or costs. b. Discuss the Turkey Point Unit 3&4 Withdrawal of Concrete Containment In-service Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) and any potential impacts to the EPU project schedule or costs. c. Explain any potential impact the FPL whistleblower complaint filed by an ex-employee, regarding a November 21, 2009 incident at St. Lucie Unit 2, may have on the EPU project schedule or costs.</p> <p>Summary of Contents: a) The November 9, 2012 meeting between FPL and the NRC discussed the results of a supplemental inspection related to unplanned shutdowns of St. Lucie Unit 1. The inspection was conducted to assure that the causes of the shutdowns were understood, that the extent of condition was identified, and to ensure FPL's corrective actions were sufficient. Insights from the corrective actions were utilized to enhance the reliability of the EPU modifications implemented during the fall 2012 St. Lucie Unit 2 outage. These enhancements had no significant impact on the EPU project schedule or costs. b) FPL withdrew the Turkey Point Unit 3&4 Concrete Containment In-service Inspection Program Exempt Tendon Inspection Relief Request No. 7 (TAC NO. ME8835) because the NRC schedule for approving such relief was not consistent with FPL's tendon inspection implementation schedule. This relief request was unrelated to the EPU project and therefore has no impact to the EPU project schedule or costs. c) The event date of November 21, 2009, in DR 1.22c is not correct. The St. Lucie 2 event date in question is September 21, 2009, and there was no impact to the EPU project schedule or costs.</p> <p>Conclusions:</p>

	Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-1.23 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 9 Disk 14 Update 1.23d Disk 22 Update 1.23d Disk 31 Update 1.23d Disk 32 Update 1.23d Disk 51 Update 1.23d REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: a. Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities. b. Please list and describe any changes planned for the remainder of 2012 or in 2013. c. Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition. d. In an ongoing basis, by the 15 th of the following month until the conclusion of this audit, provide any new allegations or complaints received regarding the EPU project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition. Summary of Contents: a) There have been no organizational changes or changes in responsibilities within the ECP in 2012. b) There are currently no organizational changes or changes in responsibilities planned for the ECP for the remainder of 2012 or 2013. c) The response to this question includes concerns raised by EPU employees and contractors to ECP regarding nuclear safety and hostile work environment which were investigated by ECP. The requested information is contained in the attached report. The FPL ECP does not record the method of receipt for issues submitted to the program; however, the majority of issues are received through face-to-face contact with ECP personnel. d) This information will be provided as requested. Disk 14 Update - The response to this question includes concerns raised by EPU employees and contractors to ECP regarding nuclear safety and hostile work environment which were investigated by ECP. The requested information is contained in the attached report. The FPL ECP does not record the method of receipt for issues submitted to the program; however, the majority of issues are received through face-to-face contact with ECP personnel. Disk 22 Update 1.23d - The response to this question includes concerns raised by EPU employees and contractors to ECP regarding nuclear safety and hostile work environment which were investigated by ECP. The requested information is contained in the attached report. The FPL ECP does not record the method of receipt for issues submitted to the program; however, the majority of issues are received through face-to-face contact with ECP personnel. Disk 31 Update 1.23d - There have been no new allegations or complaints received by ECP regarding the EPU project since the last DR 1-23d - JAN was provided. Disk 32 Update 1.23d - There have been no new allegations or complaints received by ECP regarding the EPU project since the last DR 1-23d-FEB was provided. Disk 51 Update 1.23d - There have been no new allegations or complaints received by ECP regarding the EPU project since the last DR 1-23d-MAR was provided Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company
Area: Nuclear Cost Recovery Clause
Auditor(s): D. Rich and L. Fisher

Workload Control #: PA-
File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS
AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries
EPU\3.3.8 DR-2 DCL.doc

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

**REQUESTED CONFIDENTIAL
BY NOI**

Document Title and Purpose of Review: Was FPL contacted by or regarding a contractor employee named [REDACTED] regarding falsification of training records at the St. Lucie site? If so, please
a. Provide all FPL and contractor documentation regarding the allegation.
b. Provide a copy of the original complaint.
c. Provide details of the contractor administrative response(s) to the complaint.
d. Provide details of the contractor investigative response(s) to the complaint.
e. Provide details of the FPL administrative response(s) to the complaint.
f. Provide details of the FPL investigative response(s) to the complaint.
g. Provide copies of notes, emails, letters, or personnel actions regarding disposition of the complaint

Summary of Contents: [REDACTED] has made one or more allegations substantially similar to the one described both to FPL as well as to a number of other persons, agencies, and organizations. FPL initially investigated [REDACTED] allegations in response to a concern raised to the on site Employee Concerns Program (ECP), and the Company has also cooperated with both the Occupational Safety and Health Administration's (OSHA's) and the Nuclear Regulatory Commission's (NRC's) independent investigations into these same allegations. The NRC investigation remains open, but both FPL and OSHA found [REDACTED] allegations to be unsupported.

a. Provide all FPL and contractor documentation regarding the allegation. FPL's record of [REDACTED] first contact is documented in ECP-11-119, a copy of which attached hereto as Attachment 1. Following subsequent contact with [REDACTED] this contact was later re-opened as a concern, documented in ECP-11-130. FPL was later contacted by NRC Region II and made aware that [REDACTED] made essentially the identical allegation to the NRC. A copy of FPL's report ECP-11-130, which served as the Company's response to NRC Allegation RII-2011-A-0197, is attached hereto as Attachment 2. [REDACTED] also copied FPL on a series of e-mails he sent using the name [REDACTED] to numerous recipients which contained a sweeping array of claims against FPL, the St. Lucie County Sheriff's Office, the NRC, the FBI and others. Copies of these e-mails are attached hereto as Attachment 3.

b. Provide a copy of the original complaint. Please see FPL's response to DR2.1.a above, and Attachments 1, 2, and 3.

Provide details of the contractor administrative response(s) to the complaint.

c. A copy of American Maintenance Engineering Group, LLC's (AMES's) response to OSHA, including exhibits, is attached hereto as Attachment 4.

d. Provide details of the contractor investigative response(s) to the complaint. Please see FPL's response to DR2.1.c above, and Attachment 4.

e. Provide details of the FPL administrative response(s) to the complaint. A copy of FPL's response to OSHA, including exhibits, which was also provided to the NRC, is attached hereto as Attachment 5.

f. Provide details of the FPL investigative response(s) to the complaint. Please see FPL's response to DR2.1.e above and Attachment 5.

g. Provide copies of notes, emails, letters, or personnel actions regarding disposition of the complaint OSHA's dismissal of [REDACTED] complaint is attached hereto as Attachment 6. Please also see FPL's response to DR2.1.a-f above and Attachments 1-5.

Conclusions:

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

	Follow-up Required:	
Document #: DR-2.2 Date Requested: Date Received: Comments: (i.e., Confidential) REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Did FPL receive an Employee Concern or any other employee input regarding a. Any employee alleging that a contractor or contractors requested employees to falsely claim training, certification, or expertise? b. If so, please explain each allegation, date initiated, findings, and disposition Summary of Contents: a. Any employee alleging that a contractor or contractors requested employees to falsely claim training, certification, or expertise? Other than the allegation made by [REDACTED] as set out in FPL's response to DR2.1 above, the Company has received no input or allegation as described. b. If so, please explain each allegation, date initiated, findings, and disposition, n/a Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:	1
Document #: DR-2.3 Date Requested: Date Received: Comments: (i.e., Confidential) REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Regarding [REDACTED] a. By which contractor was [REDACTED] employed? b. Is he still employed in any capacity in the EPU project(s)? c. Please provide the dates of his employment. d. Please provide an explanation of his job requirements. e. Please explain his qualifications, training, and certifications specific to the job requirements. f. If no longer employed, provide the circumstances under which his employment terminated. g. Please provide copies of any FPL disciplinary or personnel actions regarding [REDACTED]. h. Please provide copies of any contractor disciplinary or personnel actions regarding [REDACTED]. Summary of Contents: a. By which contractor was [REDACTED] employed? At the time of [REDACTED] November 2011 allegation, he was an employee of AMES. b. Is he still employed in any capacity in the EPU project(s)? No. The Company is unaware of [REDACTED] employment status since he left the employ of AMES in November 2011. However, [REDACTED] has not been admitted to any FPL facility for any reason since his unescorted access was terminated on November 21, 2011. c. Please provide the dates of his employment. [REDACTED] has never been an employee of FPL. On information and belief, [REDACTED] employment with AMES was terminated on November 28, 2011, retroactive to November, 21, 2011, the date of his arrest by the St. Lucie County Sheriff's Office. [REDACTED] held unescorted access at the following FPL sites during the periods indicated: Turkey Point 3-16-09 to 4-18-09 St Lucie 4-22-09 to 5-30-09; 4-06-10 to 5-16-10; 12-15-10 to 2-19-11; and 11-07-11 to 11-21-11 d. Please provide an explanation of his job requirements. [REDACTED] was retained by AMES to fulfill AMES' contractual obligation to FPL to perform certain work related to the maintenance and testing of valves at the Company's St. Lucie and Turkey Point Nuclear Power plants. The required qualification for the various job classification levels generally vary by responsibility (e.g., Junior Tester vs. Sr. Tester, and Air Operated vs. Motor Operated). A copy of FPL's evaluation of [REDACTED] qualifications for certain tasks related to his work during the winter 2011 outage at St. Lucie is attached hereto as Attachment 7. FPL's evaluation was based on a review of [REDACTED] resume, together with a printout of [REDACTED] training and qualification record, attached hereto as Attachment 8. e. Please explain his qualifications, training, and certifications specific to the job requirements. Please see Attachment 8. f. If no longer employed, provide the circumstances under which his employment terminated. [REDACTED] was never employed by FPL. The circumstances of his termination from AMES are detailed in Attachment 4. g. Please provide copies of any FPL disciplinary or personnel actions regarding [REDACTED] was never an employee of FPL. Accordingly, there are no records responsive to the request.	2 3 4 5 6 7 8 9 10 11 12 13 14 15

	<p>h. Please provide copies of any contractor disciplinary or personnel actions regarding [REDACTED]. Based on reasonable inquiry and diligent search, there are no records responsive to the request.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	1
<p>Document #: DR-2.4 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Did the NRC contact FPL regarding allegations by [REDACTED] or any other FPL or contractor employees that an FPL contractor or contractors were using falsified training documentation or information at the Saint Lucie site? Please explain.</p> <p>Summary of Contents: Yes. On December 8, 2011, FPL was notified by the NRC of an allegation substantially like the one described. The NRC requested FPL to investigate the concern and to provide a written response. FPL's response to the NRC is attached to FPL's response to DR 2.1 as Attachment 2. On or about November 22, 2012, NRC Office of Investigation contacted certain FPL employees asking the employees to agree to voluntary interviews under oath concerning certain aspects of [REDACTED] allegations. Consistent with NRC rules of practice, the interviewees were informed that they were witnesses (and not targets) of the investigation. These interviews were conducted on December 5, 2012. FPL understands that the NRC's investigation into [REDACTED] allegations is substantially complete but that the NRC's internal post-investigation review/approval process is still on-going.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	2 3 4
<p>Document #: DR-2.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Has the NRC notified FPL that: a. an allegation has been made about such an event or events, b. that an investigation is underway, c. or that an investigation is anticipated?</p> <p>Summary of Contents: a.-c. Please see FPL's response to DR 2.4 above, and Attachment 2 to FPL's response to DR 2.1.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	
<p>Document #: DR-2.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: If an NRC investigation is ongoing, please provide copies of all correspondence between FPL and the NRC pertinent to this matter to date.</p> <p>Summary of Contents: Please see Attachment 2 to FPL's response to DR 2.1.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>	

	Follow-up Required:
Document #: DR-2.7 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: If an NRC investigation has been completed, please provide all correspondence, final report, findings, dispositions, and FPL remediation plans and/or completed actions.
REQUESTED CONFIDENTIAL BY NOI	Summary of Contents: The NRC investigation into [REDACTED] allegations has not yet been completed. Please see FPL's response to DR 2.4 above.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-2.8 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Has FPL identified any instance of St. Lucie contractors using unqualified personnel to complete tasks for which they had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.
REQUESTED CONFIDENTIAL BY NOI	Summary of Contents: FPL has not identified any such instances.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. What efforts has FPL made to determine whether contractors have used unqualified personnel to complete tasks for which they had not been properly trained?
Document #: DR-2.9 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Has FPL identified any instance of St. Lucie contractors using unqualified personnel to provide testing to others, for which the instructors had not been properly trained and/or for which they were not themselves fully qualified? If so, please explain and provide investigative summaries, reports, findings, dispositions, and FPL remediation plans.
REQUESTED CONFIDENTIAL BY NOI	Summary of Contents: FPL has not identified any such instances.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. What efforts has FPL made to determine whether contractors have used unqualified personnel to provide testing to others, for which the instructors had not been properly trained?
Document #: DR-2.10 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain the programs, practices, and procedures that FPL and contractors have in place to ensure that St. Lucie site contract employees are fully and properly trained, certified, and qualified for the work they are expected to perform.
REQUESTED CONFIDENTIAL BY NOI	Summary of Contents: A copy of procedure ADM-22.01, "Verification of Training/Certification for Temporarily Employed Personnel" is attached hereto as Attachment 9.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

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Document #: DR-2.11 Date Requested: Date Received: Comments: (i.e., Confidential) REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Please explain how FPL and contractors "circle back" to sample and/or verify that contract employees on the St. Lucie site remain proficient, fully trained and qualified for the work they are expected to perform.
	Summary of Contents: Please see FPL's response to DR 2.10 above, and Attachment 9 thereto.
	Conclusions:
	Data Request(s) Generated: No. ____ Description: No. ____ Description:
	Follow-up Required:
Document #: DR-2.12 Date Requested: Date Received: Comments: (i.e., Confidential) REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: During 2011 and to date in 2012, is FPL aware of any NRC investigations of contractors working on the St. Lucie site since 2011.
	Summary of Contents: FPL understands this request to pertain to investigation by the NRC into the activities of companies under contract to FPL for work at St. Lucie. Other than the on-going investigation into [REDACTED] allegations concerning his AMES training records, FPL is unaware of any such investigation by NRC.
	Conclusions:
	Data Request(s) Generated: No. ____ Description: No. ____ Description:
	Follow-up Required:

1

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company Area: Nuclear Cost Recovery Clause Auditor(s): D. Rich and L. Fisher		Workload Control #: PA- File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries EPU\3.3.8 DR-3 DCL.doc
Document #: DR-3.1 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 17 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the FPSC Staff Visit presentation dated January 23, 2013 (provided on-site).	
	Summary of Contents: see attachment of January 2013 Visit Presentation pdf.	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-3.2 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 17 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the Daily 3R26 Outage Earned Value Package dated May 6, 2012 (provided on-site).	
	Summary of Contents: A copy of the Daily 3R26 Outage Earned Value Package dated May 6, 2012 was provided.	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-3.3 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 19 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the Daily 4R27 Outage Earned Value Package dated January 20, 2013 (provided on-site).	
	Summary of Contents: A copy of the Daily 4R27 Outage Earned value Package dated January 20, 2013 was provided;	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-3.4 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: On page 22 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Spring 2012 outage exceeded the planned cost by \$50M (45%).	
	a. Provide a summary breakdown of each driver causing the \$50M additional costs, by category, additional hours, and additional costs.	

<p>Disk 19</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>b. Provide a summary breakdown of the primary driver ("additional human capital") by category, added hours, and cost. c. Explain why Siemens received a [REDACTED] of [REDACTED] for the SL1-24 outage. d. Provide a copy of the Siemens contract provisions identifying the bonus payment requirements for the SL1-24 outage. e. Provide a summary of all contractors receiving bonuses for the SL1-24 outage, the amount of bonus paid, description of why the bonus was due, and a copy of the contract provisions identifying the bonus payment requirements.</p> <p>Summary of Contents: a. Attached is a summary breakdown of the SL1-24 approximate \$50M additional cost over the "outage budget". The outage budget shown on the attached summary breakdown represents FPL's estimate of the PSL-1 outage prior to commencing the outage in November 2011 and does not represent FPL's view of the PSL-1 outage costs reflected in the Actual Estimated schedules filed on April 27, 2012. b. Please see the summary breakdown provided in response to part (a) describing the breakdown of the additional human capital required to implement the PSL-1 outage. The additional human capital includes approximately \$24 million of additional craft costs which represents approximately 400,000 additional craft hours. c. Siemens received a [REDACTED] for the St. Lucie Unit 1 [REDACTED] in accordance with the contract (not [REDACTED] FPL accrued the [REDACTED] liability after FPL confirmed the [REDACTED] had been earned by Siemens. In accordance with accrual processes, the accrual is reversed and re-accrued the following month and each subsequent month until the associated invoice is received and paid. In this case the [REDACTED] was accrued 4 times in 2012. d. Please See FPL's response to DR-3.5. e. Please see FPL's response to DR-3.5 which includes a listing of contractors receiving bonuses for the SL2-24 outage and copies of the associated contract provisions.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p>
<p>Document #: DR-3.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 19 Disk 52 Update 3.5</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Provide a summary of all contractor bonuses earned/or paid by FPL during the period January 2012 through April 2013 on an ongoing basis, including contractor name, outage for which the bonus was earned, the amount of bonus earned/or paid, description of why the bonus was due, and a copy of the contract provisions identifying the bonus payment requirements.</p> <p>Summary of Contents: Attached is an summary of EPU contractor performance bonuses earned and/or paid by FPL during the period January 2012 through December 2012. FPL will provide a summary of any additional contractor bonuses earned and/or paid by FPL through April 2013 on an ongoing basis. Consistent with standard industry practices, FPL incorporates performance bonuses into contracts where appropriate to incentivize vendors to ensure optimal performance, thereby minimizing overall costs. Attached are copies of the following contract provisions identifying performance bonus payment requirements: [REDACTED] contract [REDACTED] Release [REDACTED] (references Blanket PO [REDACTED] containing the applicable compensation terms); [REDACTED] component contract [REDACTED] document delivery (Appendix 4, Supplemental Terms - Compensation and Performance Guarantees, Rev 3, 9-12-12- A.7.5.1.3); [REDACTED] contract [REDACTED] - Performance Fee PTN 3 (Appendix 4, Supplemental Terms - Compensation and Performance Guarantees, Rev 3, 9-12-12 Section A.8.1); [REDACTED] contract [REDACTED] Performance Fee for Management Implementation Services earned in 2011 paid in 2012 (Appendix 2, Comp. and Payment Rev. 1 as incorporated via Amendment #2 to the BPO); [REDACTED] contract [REDACTED] Rev [REDACTED] and Attachment A to PO [REDACTED] Rev. [REDACTED] (refer to Attachment A - Rev. 1, Line item 4 for PSL 1-24); [REDACTED] contract [REDACTED] Release [REDACTED] - Amend #4, and Compensation [REDACTED] Release 000 Amend #5 (Performance Metrics); [REDACTED] Scorecard Bonus, Exhibit B Comp PSL 2-20 Final 8-7-12 Ref. Sections 8.0 and 10.0, and Attach 2 Exh B SL2-20 (Scorecard); [REDACTED] contract [REDACTED] (Guaranteed Installation Date Incentive - Appendix 4, Section A.7.5.1.1); [REDACTED] contract [REDACTED] (Electrical Output Guarantee - Appendix 4, Section</p>	<p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p>

	<p>A.8.2); and [REDACTED] contract [REDACTED] (Doc. Delivery Performance Incentive Appendix 4, Section A.7.5.1.3).</p> <p>Response includes:</p> <p>[REDACTED] Blanket PO [REDACTED] w/comp for 2262301</p> <p>[REDACTED] Contract [REDACTED] Rel [REDACTED] Mod 004</p> <p>[REDACTED] Contract [REDACTED] Rel [REDACTED]</p> <p>[REDACTED] Contract [REDACTED] Rls [REDACTED] Amd 1</p> <p>[REDACTED] Contract [REDACTED] Rls 000 Amd 5 Perf Metrics</p> <p>[REDACTED] Amend 2 to [REDACTED] Contract [REDACTED]</p> <p>EPU Contractor Bonus Payments 2012</p> <p>Exhibit B – Attachment 2 Scorecard PSL-1-24 Rev 11/18/11</p> <p>Exhibit B – Supplemental Terms and Compensation PSL-1-24 11/18/11</p> <p>[REDACTED] PC [REDACTED] Rev [REDACTED]</p> <p>[REDACTED] BPC [REDACTED] Comp Amend 2</p> <p>[REDACTED] Contract [REDACTED] Rls [REDACTED] Amd 01</p> <p>[REDACTED] Contract [REDACTED] Appendix 4 PTN Rev [REDACTED] Final 9/12/12</p> <p>[REDACTED] Contract [REDACTED] Exhibit B Comp PSL 2-20 Final 8/7/12</p> <p>[REDACTED] Contract, Appendix 4 PSL Suppl Terms Final Rev [REDACTED], 8/20/12</p> <p>Disk 52 Update 3.5 - Attached is a listing of all Siemens invoices and billing greater than \$1 million during April 2013 which includes a work order number, description of work completed, date work completed, invoice number, invoice date, dollars invoiced, date of payment, and amount paid.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>	1 2 3 4 5 6 7 8 9 10 11 12 13
<p>Document #: DR-3.6</p> <p>Date Requested:</p> <p>Date Received:</p> <p>Comments: (i.e., Confidential)</p> <p>Disk 18</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please explain the following from FPL's response to DR-1.20:</p> <p>a. Invoice no. 96059291 dated 8/10/12 for PO 2303735 shows no payment for Unit 3 Siemens Labor and Tool Rental/Purchases.</p> <p>b. Invoices 96059836, 96059837, 96061093, and 96061094 paid [REDACTED] each for Unit 3 initial synchronization of the HP turbine and generator and Unit 4 site mobilization and breaker opening for the fall 2012 outage.</p> <p>c. Invoice 2970008686 dated 9/17/12 for U4 prepayment (70.76%) PTN</p> <p>Summary of Contents: a. Siemens' Invoice no. 96059291 dated 8/10/12 for PO 2303735 was paid in full on 12/17/12.</p> <p>b. Siemens' Invoices 96059836, 96059837, 96061093, and 96061094 were paid at [REDACTED] each in order to show the invoices were paid in FPL's accounting system and to avoid duplication of payment since an accelerated PTN payment of [REDACTED] had previously been paid against Siemens' Invoice No. 2970008686.</p> <p>c. Siemens' Invoice 2970008686 dated 9/17/12 for U4 (70.76% PTN) was paid as an accelerated payment and recognized credits for work to be performed at PTN from October 1, 2012 through the completion of the EPU Turbine Generator scope which is anticipated Spring of 2013. This reflects the terms of the agreement entered into by FPL and Siemens dated July 9, 2012, and provided as Exhibit TOJ-28 to the August 1, 2012 supplemental testimony of Terry Jones.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>	14 15 16

<p>Document #: DR-3.7 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 19</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Describe the challenges encountered during the PSL2 outage completed ahead of schedule on November 23, 2012 (page 31 of the FPSC Staff Visit presentation dated January 23, 2013). b. Provide the number of days lost production experienced for lightning and rain as a result of Tropical Storm Isaac. c. Provide a summary of all contractors receiving bonuses for the SL2 Fall 2012 outage, the amount of bonus paid, description of why the bonus was due, and a copy of the contract provisions identifying the bonus payment requirements.</p> <p>Summary of Contents: a. The largest single challenge to the SL2-20 outage was the impact of the weather during August and September of 2012, including Tropical Storm Isaac detailed in FPL response 3.7b. Bechtel indicated and issued a trend for an approximate \$2.4M impact due to the weather related delays affecting progress during August and September 2012. Typically, FPL nuclear unit outages occur in the spring and fall seasons when rainfall averages are significantly less than the August and September totals and the daytime temperatures are more conducive to peak outdoor construction productivity. Additionally, humidity and warmer temperatures creates reduced worker productivity rates due to hydration issues. The Occupational Safety and Health Administration (OSHA) regulatory guidelines provide for necessary worker rest periods when humidity and temperature are at issue. Craft workers are typically sent home if significant rainfall is expected in order to reduce costs. This, in turn, impacts progress and productivity with additional “stops and starts” as opposed to a work condition in which there is a continuous flow of activities from beginning to end of scheduled shift. The SL2-20 outage was also challenged by a craft resource shortfall at the outset of the outage. Bechtel subcontractors did not immediately reach the planned staffing levels and this had an impact on progress. b. Storm preparation, direct impact, and restoration affected approximately four days of production during the SL2-20 fall 2012 Outage. The impact is experienced due to the interference with normal daily construction productivity associated with placement of tooling and equipment in a safe condition and other storm preparedness activities. These actions not only protect employees but also equipment. During the period Friday August 24th through Monday August 27th 2012, the PSL Uprate Project was in a state of readiness / recovery or being directly affected by rainfall and winds related to Tropical Storm Isaac. This weather event reduced some costs, since workers were sent home, but also was a contributing factor to the loss of overall actual construction progress versus planned progress during this time frame. For example, an evaluation of the planned Bechtel Power Corporation direct work progress during this four day period indicates that only 56% of the plan was achieved based upon the Earned Value Progress Measurement system. Despite these weather impacts, the PSL-2 EPU outage was completed ahead of schedule, essentially on budget, and resulted in significantly greater megawatt increase than originally estimated. c. See FPL’s response to DR-3.5 for a list of performance bonuses received by contractors for the SL2-20 fall 2012 outage and copies of the contract provisions identifying the associated bonus payment requirements.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.8 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 19</p>	<p>Document Title and Purpose of Review: On page 32 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PSL Fall 2012 outage exceeded the planned cost by \$2M (2%). a. Provide a summary breakdown of each driver causing the \$2M additional costs, by category, additional hours, and additional costs. b. Provide a summary breakdown of the primary driver (“additional human capital”) by category, added hours, and cost.</p> <p>Summary of Contents: a. Attached is a summary breakdown of each driver causing the \$2 million additional cost of the SL2-20 outage versus the outage budget. The outage budget shown on the attached summary breakdown represents FPL’s estimate of the PSL-2 outage prior to commencing the outage in August 2012 and does not represent FPL’s view of the PSL-2 outage costs reflected in the Actual Estimated schedules filed on April 27, 2012.</p>

<p align="center">REQUESTED CONFIDENTIAL BY NOI</p>	<p>b. See the summary breakdown provided in response to part (a) for a summary breakdown of the additional human capital required to complete the PSL-2 EPU outage. The additional human capital (craft and field non manual) translates to approximately 34,000 additional man-hours. Although the EPC costs were greater than planned due to the additional man-hours necessary to complete the work, these costs were partially offset by the turbine generator work which cost less than budgeted, and resulted in an actual outage cost of \$132 million compared to a plan of \$130 million, which is within 2% of plan.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.9 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 19</p> <p align="center">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: On page 67 of the FPSC Staff Visit presentation dated January 23, 2013, the actual costs for the PTN Spring 2012 outage exceeded the planned cost by \$133M (53%).</p> <p>a. Provide a summary breakdown of each driver causing the \$133M additional costs, by category, additional hours, and additional costs.</p> <p>b. Explain any performance bonuses earned/paid for the PTN Spring 2012 outage.</p> <p>c. Provide a summary of all contractors receiving bonuses for the PTN Spring 2012 outage, the amount of bonus paid, description of why the bonus was due, and a copy of the contract provisions identifying the bonus payment requirements.</p> <p>d. Explain why the PTN 3 outage was completed on September 5, 2012 (pg. 45 of the FPSC Staff Visit presentation dated January 23, 2013), but the increased power capacity for PTN 3 will not be finalized until approximately seven months later, in March 2013 (pg. 67 of the FPSC Staff Visit presentation dated January 23, 2013)</p> <p>e. What was the planned timeframe for Unit 3 ascension after the EPU work was completed?</p> <p>f. Please explain any differences in planned and actual timeframes for the Unit 3 ascension.</p> <p>Summary of Contents: a. Attached is a summary breakdown of the \$133 million additional cost of the PTN-3 outage over the outage budget. The outage budget shown on the attached summary breakdown represents FPL's estimate of the PTN-3 outage prior to commencing the outage in February 2012 and does not represent FPL's view of the PTN-3 outage costs reflected in the Actual Estimated schedules filed on April 27, 2012.</p> <p>b. Details of performance bonuses earned and/or paid for the PTN Spring 2012 outage are provided in FPL's response to DR-3.5</p> <p>c. A summary of contractors receiving bonuses for the PTN Spring 2012 outage is included in FPL's response to DR-3.5, including copies of the contract provisions for the bonus payments.</p> <p>d. Due to fouling of the PTN-3 condenser tubes, FPL can only estimate the increased efficiency of the uprated unit to determine the increased power capacity. The current estimate is 115 to 123 megawatts. FPL intends to finalize the increased power capacity of Unit 3 after the Unit 4 uprate is completed, Unit 4 achieves 100% stable uprated power, and the Unit 4 performance test is completed with clean condenser tubes, which is currently expected in late April or early May 2013.</p> <p>e. The original planned duration of the PTN-3 power ascension was 21 days. However, based on the tremendous amount of new metal installed during the PTN-3 outage, passivation of the new metal took longer than anticipated and required that we limit power ascension until passivation was substantially complete and water chemistry parameters met industry requirements.</p> <p>f. The breaker was closed on 9/5/12 following the PTN-3 EPU outage. PTN Unit 3 achieved the 98% power ascension plateau on 11/9/2012, which was later than expected. The primary constraint on increasing unit power was due to chemistry holds. The longest chemistry hold was at 30% power for approximately 4 weeks. When PTN-3 approached 100% power, the control room started experiencing control alarms which caused the operators to back down to approximately 98% power. Following a series of troubleshooting activities, FPL concluded that the control alarms were caused by process noise exhibited by the increased steam and feed water flows produced under EPU conditions. The EPU engineering team determined that the appropriate corrective action was to install noise filter modules to filter out the process noise. This change required an analysis by</p>

	<p>Westinghouse and a revision to an engineering change package (EC 247048). The engineering change revision was approved on 2/1/13.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1) Follow-up on the Unit 3 and 4 fouling of condensor tubes, when and how the fouling occurred, and the schedule and cost impacts. 2) What type of alarms were experienced in the control room? 3) Explain the passivation of metal and water chemistry parameters required by industry standards 4) What is the normal timing of passivation for an uprated nuclear unit? 5) Why was the Unit 3 chemistry hold for four weeks? 6) Were any delays due to incorrect or improper contractor or FPL employee activities? 7) Why is Unit 3 being brought to ascension after Unit 4 achieves 100% stable uprated power? 8) explain how the process noise exhibited by the increased steam and feedwater flows caused the control room alarms. 9) explain the need for the Westinghouse analysis, the results of the analysis, and the total extra costs and schedule impacts to the project. 10) what was the engineering change required by the Westinghouse analysis? 11) what were the impacts to the Unit 3 outage schedule and costs to implement the engineered change approved on 2/1/13?</p>
<p>Document #: DR-3.10 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 17 Disk 19</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please provide hard copies to staff of the following audits completed by FPL during 2012: a. July 17, 2012 PSL Contract Workers [REDACTED] (NEE-NUC-EX-00-2012-0006) b. August 8, 2012 Turkey Point and St. Lucie [REDACTED] (NEE-NUC-EX-00-2012-005) c. December 20, 2012 Additional FPL Contractors [REDACTED] Review (NEE-NUC-EX- 00-2012-0010)</p> <p>Summary of Contents: Documents provided as requested.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.11 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 18</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please answer the following regarding the December 20, 2012 Additional FPL Contractors [REDACTED] Review:</p> <p>a. Is the December 20, 2012 review a follow-up to the July 17, 2012 PSL Contract Workers [REDACTED]?</p> <p>b. Do the amounts of [REDACTED] to [REDACTED] in the December review include amounts reported as [REDACTED] the July 17, 2012 review or are they separate [REDACTED]?</p> <p>c. Describe what FPL [REDACTED] or [REDACTED] to [REDACTED] the [REDACTED]</p> <p>d. Describe FPL [REDACTED] to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED]</p> <p>e. Has FPL claimed any of these [REDACTED] as part of previous NCRC recovery requests?</p> <p>f. Does FPL intend to claim any of these [REDACTED] in future proceedings?</p> <p>Summary of Contents: a. [REDACTED] However, the December 20, 2012 review relates to different [REDACTED] at PSL who were [REDACTED] in the July 17, 2012 review. It also includes testing of PTN [REDACTED] PTN was not [REDACTED] in the July 17, 2012 review).</p> <p>b. [REDACTED] the amounts addressed in the December 2012 review relate to the [REDACTED] tested during that review. These amounts are [REDACTED] from those [REDACTED] identified in the July 2012 review. However, through a journal entry dated December 27, 2012, FPL reversed charges totaling \$1.5 million identified by FPL Internal Audit as [REDACTED] charged to the EPU project. This amount includes all [REDACTED] charges from both the July 17, 2012 and December 20, 2012</p>

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	<p>reviews.</p> <p>c. FPL has begun [REDACTED] from the [REDACTED]. The [REDACTED] is sufficient to [REDACTED] the \$1.5 million that has been reversed. FPL will [REDACTED] to [REDACTED] in an [REDACTED] to [REDACTED] the [REDACTED]</p> <p>d. See response to 3.11(c) above.</p> <p>e. Yes. However, through a journal entry dated December 27, 2012, FPL reversed \$1.5 million in charges identified as [REDACTED] charged to the EPU project. FPL is continuing its review.</p> <p>f. No, FPL intends to make any further adjustments based on its review in the May 1, 2013 filing.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>	1 2 3
<p>Document #: DR-3.12</p> <p>Date Requested:</p> <p>Date Received:</p> <p>Comments: (i.e., Confidential)</p> <p>Disk 18</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Regarding the internal audit report entitled "PTN Contractor [REDACTED] Review", dated September 10, 2012. Internal Audit recommended that an action plan be implemented.</p> <p>a. Please explain whether the action plan was implemented and what steps have been taken relevant to the IA recommendation.</p> <p>b. Provide a copy of the action plan implemented in response to the audit.</p> <p>c. Has FPL [REDACTED] to [REDACTED] the amount described in the audit? If so, explain.</p> <p>d. Describe what FPL has [REDACTED] or [REDACTED] to [REDACTED] the [REDACTED] from [REDACTED]</p> <p>e. Describe FPL [REDACTED] to [REDACTED] through [REDACTED] or [REDACTED] from [REDACTED] that employed the [REDACTED]</p> <p>f. Has FPL claimed any of these [REDACTED] as part of previous NCRC [REDACTED]?</p> <p>g. Does FPL intend to claim any of these [REDACTED] in future proceedings?</p> <p>Summary of Contents: a. The September 10, 2012 Internal Audit Report stated that an action plan had previously been developed. This statement was referring to the July 17, 2012 Internal Audit Report recommendations. FPL has [REDACTED] a number of [REDACTED] identified in the July 17, 2012 Internal Audit Report. Those [REDACTED] that have been completed by [REDACTED] include the following:</p> <p><input type="checkbox"/> Worked with IA to confirm IA's [REDACTED] results and communicated the final conclusions to management;</p> <p><input type="checkbox"/> [REDACTED] to [REDACTED] identified as [REDACTED] as of the date of IA's testing;</p> <p><input type="checkbox"/> Worked with [REDACTED] to reinforce and enhance [REDACTED] certification and [REDACTED] review process; and</p> <p><input type="checkbox"/> See also FPL's responses to Data Request No. 3.11(c) and 3.12 (c). FPL [REDACTED] to [REDACTED] to [REDACTED] the other IA [REDACTED]</p> <p>b. Please see FPL's response to part (a) above.</p> <p>c. FPL has begun [REDACTED] from the [REDACTED]. The [REDACTED] is sufficient to [REDACTED] the \$1.5 million that has been reversed. FPL will [REDACTED] to [REDACTED] in an [REDACTED] to [REDACTED] the [REDACTED]</p> <p>d. See response to 3.12(c) above.</p> <p>e. See response to 3.12(c) above.</p> <p>f. Yes. However, through a journal entry dated December 27, 2012, FPL reversed \$1.5 million in charges identified as [REDACTED] charged to the EPU project. FPL is continuing its review.</p> <p>g. No, FPL intends to make any further adjustments based on its review in the May 1, 2013 filing.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p>	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

<p>Document #: DR-3.13 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 19</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Follow-up Required:</p> <p>Document Title and Purpose of Review: Regarding a Siemens vendor audit to determine billing compliance for installation of upgraded turbine/generator equipment to support PSL-1 EPU, IA [REDACTED] for [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] and [REDACTED]</p> <p>a. Has FPL [REDACTED] to [REDACTED] it is [REDACTED] to [REDACTED] or [REDACTED] or [REDACTED]</p> <p>b. Are [REDACTED] for [REDACTED] and [REDACTED] incorporated into vendor contracts so that Project Controls personnel can review and validate billing rates for appropriateness?</p> <p>Summary of Contents: a. FPL has [REDACTED] its [REDACTED] to [REDACTED] with [REDACTED] [REDACTED] in the [REDACTED] of [REDACTED] and [REDACTED] [REDACTED] on [REDACTED] and [REDACTED] for [REDACTED] and [REDACTED]</p> <p>b. Yes, [REDACTED] for [REDACTED] and [REDACTED] are [REDACTED] incorporated into vendor contracts when appropriate.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
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Office of Auditing and Performance Analysis
Document Summary and Control Log

Company: Florida Power & Light Company Area: Nuclear Cost Recovery Clause Auditor(s): D. Rich and L. Fisher	Workload Control #: PA- File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries EPU\3.3.- DR-5 DCL.doc
Document #: DR-4.1 Date Requested: Date Received: Comments: (i.e., Confidential) <div style="text-align: center; padding: 10px;"> REQUESTED CONFIDENTIAL BY NOI </div>	Document Title and Purpose of Review: Please furnish a copy of the briefing slides and photos as presented to PSC Chairman Brise and Public Counsel J. R. Kelly during their recent visit to Turkey Point. Summary of Contents: Before and after pictures with short descriptions of work being performed (25 pgs.); Operations Briefing Turkey Point 2/11/13(25 pgs); Economic Impact (pg.3), NRC Commissioner (pg.4), impact on local economy from Turkey point construction (pg. 5), Status of the project and Turkey Point (pg. 6-7), What fuels a nuclear plant and safely using fuel (pg.8-9), Closed Loop system, putting radiation into perspective (10-12), new units location (pg. 13), Economic Benefits (pg.14), Regional Benefits (pg. 15), Turkey 6&7 Licensing process (pgs. 16-17), Water Plan for 6&7 Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company Area: Nuclear Cost Recovery Clause Auditor(s): D. Rich and L. Fisher		Workload Control #: PA- File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries EPU\3.3.- DR-5 DCL.doc
Document #: DR-5.1 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide a copy of the Terry Jones April 16 th EPU update presentation (already received).	
	Summary of Contents: Attached is a copy of the April 16, 2013 EPU update presentation; Presentation consists of 16 pgs.; Project Summary pg. 3, Timeline Overview of Project pg. 4, Expected/Actual Mwe gain pg. 5, Timing of added Mwe pg. 6, EPU Project Estimate Forecast pg. 8, comparisons of second outage efficiencies and lessons learned impact pg. 9, Outage Implementation Schedule pg. 11, Project Closeout activities pg. 13, Conclusion pg. 15-16;	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-5.2 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the Recoverable Cost Justification Log for 2012 (separate and apart).	
	Summary of Contents: Attached is the log of Recoverable Cost Justification Forms approved in 2012. Five items considered for separate and apart, 2 in 2011 and 3 in 2012; all approved as separate and apart;	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-5.3 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide the Siemens Discount Application Summary completed by Don Fleetwood.	
	Summary of Contents: Attached is the Siemens Discount Application Summary and supporting spreadsheets; Accelerated Payment Drawdown spreadsheet and Account Distributions spreadsheet; Siemens Accelerated Payment narrative explanation of transactions for Siemens rotor stator repair agreement;	
	Conclusions:	
	Data Request(s) Generated: No. _____ Description: No. _____ Description:	
	Follow-up Required:	
Document #: DR-5.4 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide a Bechtel Contract Breakdown for 2012, including: a. Bechtel work completed by unit b. Amounts paid per unit for work completed in 2012 c. Bonuses paid per unit/outage during 2012 d. A list of contract changes made during 2012, with copies of the text revisions made to the contract	
	Summary of Contents: a. Attached is a listing of EPU work completed by Bechtel in 2012 by unit.(3 pgs)	

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<p>Disk 38</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>b. The amounts paid to Bechtel per unit in 2012 for EPU work are as follows: PSL-1 [REDACTED] PSL-2 [REDACTED] PTN-3 [REDACTED] PTN-4 [REDACTED]</p> <p>c. [REDACTED] were paid to Bechtel in 2012 under the PSL EPU Bechtel contract. According to the PTN EPU Bechtel contract, [REDACTED]. However, the following [REDACTED] fees earned in 2011 were paid in 2012. Management [REDACTED] Fee for 2011: [REDACTED] Implementation [REDACTED] Fee (2011): [REDACTED]</p> <p>d. The following Bechtel contract changes were made in 2012. Attached are copies of the text revisions made to these contracts. Item Plant Contract No. Revision/Release Date (PO 117809-27 pgs)(PO 117820-48 pgs) 1 PTN 00117809 Revision 005/Release 000 02/24/2012 2 PTN 00117809 Revision 006/Release 000 05/04/2012 3 PTN 00117809 Revision 007/Release 000 09/05/2012 4 PTN 00117809 Revision 008/Release 000 11/21/2012 5 PTN 00117809 Revision 006/Release 002 02/24/2012 6 PTN 00117809 Revision 007/Release 002 05/04/2012 7 PTN 00117809 Revision 008/Release 002 09/05/2012 8 PTN 00117809 Revision 009/Release 002 11/21/2012 9 PSL 00117820 Revision 006/Release 000 02/17/2012 10 PSL 00117820 Revision 007/Release 000 05/08/2012 11 PSL 00117820 Revision 008/Release 000 06/22/2012 12 PSL 00117820 Revision 009/Release 000 07/31/2012 13 PSL 00117820 Revision 010/Release 000 09/05/2012 14 PSL 00117820 Revision 011/Release 000 10/25/2012 15 PSL 00117820 Revision 005/Release 002 02/24/2012 16 PSL 00117820 Revision 006/Release 002 05/08/2012 17 PSL 00117820 Revision 007/Release 002 06/22/2012 18 PSL 00117820 Revision 008/Release 002 09/05/2012 19 PSL 00117820 Revision 009/Release 002 10/25/2012</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-5.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 38</p>	<p>Document Title and Purpose of Review: Provide a summary of EPU Benchmarking to other Uprate projects comparing completion timeframes and cost.</p> <p>Summary of Contents: FPL has performed benchmarking with other EPU projects at plants such as Ginna, Beaver Valley, Point Beach, Seabrook, Browns Ferry, and Grand Gulf. While some aspects of these projects were similar to the FPL EPU project at St. Lucie and Turkey Point, many aspects were not similar. The scope varies greatly from one EPU project to another. There are no other EPU projects at pressurized water reactors comparable to the FPL EPU project. However, two large projects currently being performed at existing nuclear facilities that are similar in magnitude to the FPL EPU project are the Watts Bar Unit 2 Completion Project in Tennessee and the construction of a Mixed Oxide Fuel Fabrication Facility at Savannah River.</p>

	<p><u>The Watts Bar Unit 2 Completion Project</u> was commenced in October 2007 by the Tennessee Valley Authority at an estimated cost to complete of \$2.49 billion and estimated completion in 2012. In 2012, the revised estimated cost to complete ranged from \$4.0 to \$4.5 billion with an estimated completion date of December 2015. As of March 2013, the project was on track and expected to complete by December 2015 for \$4.0 to \$4.5 billion.</p> <p><u>The Mixed Oxide Fuel Fabrication Facility</u> was commenced in 2005 by the Department of Energy at an estimated cost of \$1.7 billion and an estimated completion date of October 2016. In 2013, the estimated cost increased to \$7.7 billion and the completion date extended to November 2019, with the project approximately 60% complete and \$4.0 billion spent to date.</p> <p><u>The FPL EPU project</u> commenced in 2008 at an estimated cost of approximately \$1.8 billion and an estimated completion date of late 2012. As of May 1, 2013, the estimated cost is approximately \$3.4 billion, and the last of the four units was placed in service on April 17, 2013.</p> <p>Therefore, the cost and schedule of the FPL EPU project compare favorably to the Watts Bar Unit 2 Completion Project and the Mixed Oxide Fuel Fabrication Facility.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-5.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 38 DISK 59 SUPPLEMENTAL</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Provide FPL's EPU analysis comparing limited scope taken from Bechtel vs. the use of other contractors for PTN 3&4 outages.</p> <p>Summary of Contents: After careful consideration of the complexity and magnitude of the EPU work scope and the lessons learned from the 2012 Unit 3 outage, FPL elected to redistribute a portion of the EPU work scope for the Unit 4 outage. FPL solicited competitive bids for Unit 4 Spent Fuel Pool Cooling Heat Exchanger replacement and several engineering change modifications for Unit 4 secondary side mechanical implementation. FPL reviewed the technical and commercial terms and negotiated the cost and schedule details necessary to redistribute the Unit 4 implementation scope. Ultimately, the work scope was distributed among four vendors including the original EPC contractor. This change allowed the EPC contractor to focus on execution of the remaining EPU modifications while specialty contractors focused on specific scopes of work. Bechtel retained the bulk of the EPC implementation scope on the secondary side of the plant including Turbine Plant Cooling Water Heat Exchangers, while Shaw's scope within the radiological control area (RCA) was expanded. WeldTech was the successful bidder and was awarded the contract for work scope including the high pressure turbine supply/spillover piping replacement, gland steam condenser installation, condensate pump piping installation, and steam jet air ejector, based on their experience performing similar work during the Unit 3 outage. Additionally, PCI was the successful bidder and was awarded the contract to perform the spent fuel pool cooling heat exchanger replacement based on their proven track record for radiological work. This strategy of redistributing work was employed to gain better certainty of outage implementation and completion. Attached is a chart depicting the redistribution of Unit 4 direct labor hours. FPL believes this decision was one of the reasons why the Unit 4 outage was completed 15% faster and at a 21% lower cost than the Unit 3 outage.</p> <p>A pie chart of FPL's reallocation of Bechtel's PTN4 original scope to PCI, WeldTech and Shaw; PCI took SFP cooling mods (3%), WeldTech took condensate piping, HP turbine instruments, HP turbine gland steam, and steam jet air injector (7%), and Shaw took 13 mods for (7%); Bechtel maintained (83%) of the mod work for PTN-4; direct labor hours are shown as well;</p> <p>Disk 59 – Supplemental Response to DR-5.6 Attached are the PTN-3 and PTN-4 analyses of EPU work scope based on actual direct craft hours; two pie charts show Bechtel, Shaw, and WeldTech actual direct labor hours expended and mods performed for PTN-3; and Bechtel, Shaw, Westinghouse, and WeldTech actual direct labor hours expended and mods performed for PTN-4.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description:</p>

	No. _____ Description:
	Follow-up Required:
Document #: DR-5.7 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a list of 2012 EPU contract changes, and copies of the text revisions (other than the Bechtel contract requested in 4a-d). Summary of Contents: Attached is a listing of 1,079 EPU contract revisions issued in 2012. Of those 1,079 EPU contract revisions, 205 were made to contracts valued at \$250,000 or more. Per discussion with PSC Internal Controls Audit Staff, attached are copies of the purchase order revisions for the 205 contracts valued at \$250,000 or more. FPL is continuing to gather the requested cost data for the remaining 874 contract revisions valued at less than \$250,000 and will provide that information when it has been compiled. 2012 Contract Revisions Listing (44 pgs.); Contract and PO w/cumulative value of changes >\$250k 1 of 7 (196 pgs), 2 of 7 (206 pgs), 3 of 7 (186), 4 of 7 (167 pgs), 5 of 7 (193), 6 of 7 (185 pgs), 7 of 7 (92 pgs); Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-5.8 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide a copy of the Industrial Safety Events Notebook (already received). Summary of Contents: Attached is an electronic copy of the Safety Events Notebook (already provided in hard copy). Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-5.9 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide the EPU 2012 Invoice Tie-Out (please see attached for contractors and months requested). Summary of Contents: Attached are copies of the invoice tie-out documentation for the following invoice categories and months. As previously agreed, only invoices greater than \$25,000 are provided for the Implementation Support category due to the large quantity of contracts in this category. PSL EPU Project a. Shaw/SWEC: 1. February 2012 2. May 2012 3. August 2012 4. October 2012 b. Long Lead Material: 1. March 2012 2. June 2012 3. August 2012 4. December 2012 c. Siemens Material: 1. March 2012 2. April 2012

	<ul style="list-style-type: none"> 3. August 2012 4. December 2012
	<ul style="list-style-type: none"> d. Bechtel: <ul style="list-style-type: none"> 1. January 2012 2. March 2012 3. April 2012 4. September 2012 e. Siemens Labor: <ul style="list-style-type: none"> 1. January 2012 2. February 2012 3. August 2012 4. September 2012 f. Implementation Support (>\$25k): <ul style="list-style-type: none"> 1. February 2012 2. April 2012 3. August 2012 4. November 2012
	PTN EPU Project
	<ul style="list-style-type: none"> a. Westinghouse: <ul style="list-style-type: none"> 1. January 2012 2. February 2012 3. May 2012 4. September 2012 b. Bechtel: <ul style="list-style-type: none"> 1. February 2012 2. April 2012 3. May 2012 4. November 2012 c. Long Lead Materials: <ul style="list-style-type: none"> 1. February 2012 2. April 2012 3. August 2012 4. October 2012 d. Siemens Material: <ul style="list-style-type: none"> 1. January 2012 2. May 2012 3. August 2012 4. September 2012 e. Siemens T/G Installation: <ul style="list-style-type: none"> 1. March 2012 2. April 2012 3. May 2012 4. September 2012 f. Implementation Support (>\$25k): <ul style="list-style-type: none"> 1. March 2012

	2. May 2012 3. July 2012 4. December 2012 Conclusions: Data Request(s) Generated: No. ____ Description: No. ____ Description: Follow-up Required:
Document #: DR-5.10 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 Disk 55 Supplemental 5.10 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the Final [REDACTED] Audit Report when completed. Summary of Contents: Attached please find an [REDACTED] prepared by FPL to summarize the [REDACTED] and [REDACTED] for the [REDACTED] made to FPL's May 1, 2013 Nuclear Cost Recovery filing. FPL's approach to [REDACTED] the [REDACTED] was shared and discussed with Concentric in advance of making the May 1, 2013 [REDACTED] Concentric concluded that FPL's approach was reasonable. Disk 55 Supplemental - FPSC Staff has asked FPL to provide an additional response [REDACTED] the [REDACTED] identified in the December 20, 2012 Internal Audit report, the December 27, 2012 journal entry (See DR 3.11b), and the total calculated [REDACTED] EPU [REDACTED] as provided in the [REDACTED] testing summary in DR 5.10. The following reconciliation shows the [REDACTED] (and related explanations) between the December 20, 2012 Internal Audit report, the December 27, 2012 journal entry, and the total [REDACTED] EPU [REDACTED] as provided in the [REDACTED] testing summary included in DR 5.10. (See dr-5.10 Disk 55) Conclusions: Data Request(s) Generated: No. ____ Description: No. ____ Description: Follow-up Required:
Document #: DR-5.11 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the PTN 2013-009 ECP Report and ECP 2012 Annual Report discussed with Jim Voorhees. Summary of Contents: Attached is a copy of the PTN 2013-009 ECP Report and a copy of the ECP 2012 Annual Report.; 2012 Annual Report for ECP (12 pgs); PTN ECP Concern report PTN 2013-009 which recorded investigation of welding complaint and found no confirmation of concerns reported ; Conclusions: Data Request(s) Generated: No. ____ Description: No. ____ Description: Follow-up Required:
Document #: DR-5.12 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 38 Disk 44 Supplemental 5.12	Document Title and Purpose of Review: Provide a copy of the 2012 QA Report Completed the week of April 12, as well as the latest Executive Annual report (if different from the April 12 QA Report). Summary of Contents: Attached is the QA Surveillance Report approved April 16, 2013 which is applicable to the Turkey Point 6 & 7 project and not to the EPU project. The Nuclear Oversight group does not issue Executive Annual reports. Conclusions: Data Request(s) Generated: No. ____ Description:

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<p align="center">REQUESTED CONFIDENTIAL BY NOI</p>	No. _____ Description:
	Follow-up Required:
<p>Document #: DR-5.13 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 38</p> <p align="center">REQUESTED CONFIDENTIAL BY NOI</p>	Document Title and Purpose of Review: Provide a list of 2012/2013 outstanding warranty issues, including description, status, and final estimated costs of listed issues.
	Summary of Contents: Attached is a listing of EPU warranty issues for 2012 and 2013. EPU Warranty Issues in 2012 and 2013 total 12; eight of the warranty issues remain TBD, while four have had repairs completed or been provided replacement parts; estimated costs have not yet been determined by FPL.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: 1. Has FPL held payment back on all of these issues? 2. Expected resolution? 3. Dollars involved?

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company
Area: Nuclear Cost Recovery Clause
Auditor(s): D. Rich and L. Fisher

Workload Control #: PA-
File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS
 AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries
 EPU\3.3.- DR-6 DCL.doc

Document #: DR-6.1

Date Requested:

Date Received:

Comments: (i.e., Confidential)

Disk 46

Document Title and Purpose of Review: a. Provide copies of any vendor performance scorecard completed during 2012-2013 to date for Bechtel, and its subcontractors. b. Explain any delays in EPU outages during 2012-2013 to date, attributed to Bechtel, and its subcontractors, error or non-performance. c. Provide the estimated costs associated with Bechtel, and its subcontractors, error, non-performance, or project delays during 2012-2013 to date. d. Describe any rework required during 2012-2013 to date due to Bechtel or its subcontractors. e. Provide the 2012-2013 to date estimated costs associated with any Bechtel, or its subcontractors rework. f. Describe EPU management efforts during 2012-2013 to date, used to improve or assist Bechtel performance, or reduce outage delays (other than using limited-scope contractors for Bechtel work during PTN 3&4 outages). g. Provide the estimated costs for EPU management efforts attributed to correct or improve Bechtel or its subcontractors, errors, non-performance, rework, or project delays.

Summary of Contents:

a. There were no vendor performance scorecards completed for the 2012 - 2013 period since there is [REDACTED] work scope after May 31, 2011. However, please see the vendor performance evaluation report (generated for internal project management use only) provided in FPL's response to DR 1.16a (January).

b. Extensions to EPU outages during 2012-2013 were not attributed to Bechtel or subcontractor errors or non-performance. Rather, some outage durations were longer than planned due to the magnitude and complexities of the EPU work. The majority of the EPU modifications performed during these outages were not routine modifications; most of the modifications were first-of-a-kind complex modifications. These modifications affected many large pieces of equipment and systems where interferences had to be removed to provide necessary access. Conditions could not be revealed during the design phase of the project. During the implementation phase of component removal and installation, scope discoveries required changes to completed engineering designs and construction plans. These changes required more man hours and duration to implement the required modifications. In resolving these discovery challenges, FPL and its contractors needed to ensure that the modifications were completed safely and correctly, without events that could affect the operating nuclear plant. The complexities encountered were major cost and schedule drivers requiring additional human resources for longer durations to complete EPU modifications.

c. There were no associated costs since the longer-than-estimated EPU outages were not attributed to errors or non-performance by Bechtel or its subcontractors.

d. "Rework" is redoing work after the initial work was completed and accepted. In-process work is not "rework". Examples of in-process work include: drilling a hole in concrete for an expansion anchor, hitting a reinforcing bar before achieving the required embedment depth, revising the design, and drilling the hole at a different location; making a pipe weld, examining the pipe weld, and determining a portion of the weld must be removed and re-welded to meet industry code requirements; designing an equipment support feature based on available plant drawings, removing plant equipment to access the area where the new support is to be installed and discovering that the configuration is different, thus requiring a revised design. FPL does not track in-process work since it is part of the normal work process. Work that is delivered or turned over to FPL and subsequently found deficient requires "rework". Such deficiencies are typically remedied by the contractor at no additional cost to FPL under contract warranty provisions. See FPL's response to DR-6.5 for a listing of outstanding warranty items.

e. As noted in response to DR-6.1d, "rework" to correct work deficiencies are typically performed by the contractor at no additional cost to FPL under contract warranty provisions. Such costs are borne by the contractor and not available to FPL.

f. EPU management continued to apply a strong culture of safety and quality to the EPU project in 2012 and 2013, which

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	<p>helped improve or assist Bechtel performance and minimize outage extensions. Minor organizational changes continued to be implemented as required. No major change to the overall strategy to manage Bechtel was deemed necessary. Focus on FPL and Bechtel team integration and application of knowledge from lessons learned continued to be strongly promoted. EPU management recognized the size and complexity of the EPU project modifications and staffed an EPU team room during outages with EPU and major contract vendor representatives to mitigate schedule impacts due to discovery of issues during implementation. The members of the team room responded to these challenges by assessing the situation and providing direction and appropriate resources to resolve the issue along with keeping senior management informed. EPU management provided daily oversight and workers were coached and counseled to follow appropriate work practices to prevent significant events, injuries or damage to equipment that could have caused substantial cost impacts and delays. Please also see FPL's response to DR 1.12a.</p> <p>g. EPU management costs incurred to support Bechtel and other contractors are normal project management costs necessary to avoid additional costs associated with significant events; thus, FPL does not specifically track such costs.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-6.2 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 46</p>	<p>Document Title and Purpose of Review: a. Explain whether Bechtel's PTN3 work scope was adjusted similarly to the limited scope adjustments made in PTN4, and if not, why FPL decided not to make the adjustments during PTN3. b. Were FPL Planners and resident engineers used to design or develop any reduced work scope packages for PTN3? c. If not, explain why FPL chose to use this option for PTN4, but not for PTN3. d. Explain what impact Bechtel's delay in completing engineering design packages for PTN3 had on the outage being extended? e. Explain what impact Bechtel's delay in completing PTN3 engineering packages had on completing those for PTN4. f. Provide an estimate of costs associated with the delay in pre-outage preparation for PTN4, caused by Bechtel, in the extended PTN3 outage.</p> <p>Summary of Contents: a. During the PTN3 outage, EPU project management in discussion with Bechtel management adjusted Bechtel's EPU scope of implementation by reducing their original scope to achieve better certainty of completion of the PTN3 outage EPU modifications. The PTN3 outage Bechtel work scope transferred to other major contractors included installation of steam jet air ejector modification, condensate pump piping and support installation, high pressure spill over piping and instrumentation installation, piping and pipe supports, tubing installation for normal containment coolers C & D, all remaining work of B control rod drive mechanism, and piping and pipe support installation for gland steam condenser replacement. b. Yes. FPL engineers made necessary engineering design package changes that evolved from interferences and site conditions to the design packages which were already prepared by Bechtel. FPL planners modified work packages to meet FPL procedures and guidelines for work scope assigned to other major contractors. FPL planners also modified work packages to incorporate engineering design changes, and /or changes which were required as a result of constructability reviews and implementation complexities. c. FPL chose this option for both PTN3 and PTN4. d. Because FPL moved the start of the PTN3 outage date from January 30, 2012 to February 26, 2012, the engineering design packages for PTN3 were completed prior to the start of the outage. The duration of the outage was not due to the timing of the completion of design packages; rather it was due to the magnitude and complexity of the implementation work necessary to achieve the extended power uprate. e. As noted above, Bechtel completed the engineering design packages prior to the start of the PTN3 outage and Bechtel mobilized additional engineering resources to complete the PTN4 design engineering packages prior to the start of the PTN4</p>

	<p>outage. As noted in response to DR-1.3a, the project team completed the engineering for modifications well in advance of the PTN4 outage (accordingly, there were no costs associated with any delay in pre-outage preparation for PTN4), which enhanced the quality and comprehensiveness of the associated test procedures.</p> <p>f. As a lesson learned from the PTN 3R26 outage, EPU project management implemented a strategy with Bechtel and other major vendors to increase the number of critical resources to limit the burdens and mitigate potential delays in pre-outage preparation for the PTN4 outage. Additionally, EPU Project management adjusted the Bechtel work scope by transferring work scope from Bechtel to other major and specialty contractors as explained above in response to DR-6.2a. As a result, there were no significant cost impacts in the pre-outage preparation for the PTN4 outage caused by Bechtel in the extended PTN3 outage.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-6.3 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 54</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Please explain Bechtel's substantial 3R26 variances from budgeted hours and dollars in craft (45% of the total variance hours, and 30.6 % of variance dollars) provided in response to DR-3.9 and why these variances were not anticipated by FPL project management prior to the outage.. b. Explain the Bechtel 3R26 Seconded Craft (10.2 % of variance hours and 13.4% of variance dollars) and FNM variances (12% of total variance hours and 14.6% of variance dollars) from budgeted hours and dollars and why these variances were not anticipated by FPL project management prior to the outage. c. Explain Shaw's 3R26 variances (15.5% of total variance hours and 10.7% of variance dollars) from budgeted and why these variances were not anticipated by FPL project management prior to the outage. d. Explain the 3R26 Siemens T&M variances from budget (4.4% of variance hours and 8.5% of variance dollars) and why the variance was over 50% higher than budget. Explain why these variances were not anticipated by FPL project management prior to the outage. e. Explain the 3R26 Williams variance from budget, why the hour and cost variance was substantially more than budgeted, and why these variances were not anticipated by FPL project management prior to the outage. f. Explain the 3R26 Plant Support variance costs and hours (avg. cost per variance hour [REDACTED]?) g. Explain what is included in the Plant Support charges to the 3R26 variance hours and costs to make the amount so sizeable. h. Explain why the variances for Plant Support were not anticipated by FPL project management prior to the outage. i. Explain the 3R26 variance for Weldtec (3.7% of variance hours and 6% of variance dollars) and why these variances were not anticipated by FPL project management prior to the outage. j. In the response to DR-3.9, explain the 3R26 variances in the average actual dollars per hour and the average variance dollars per hour for:</p> <ol style="list-style-type: none"> 1. Bechtel Craft 2. Bechtel Seconded 3. Bechtel FNM 4. Shaw 5. Siemens T&M 6. Plant Support <p>Summary of Contents: Project cost group variances are the result of the actual cost group expenditures compared to the baseline estimate that was developed in October 2011, for the 2012 Turkey Point 3R26 outage. At the time of preparing the estimates approximately 50% of the engineering design change packages were 90% or greater complete and the detailed implementation schedules had not yet been finalized. This led to the need for numerous assumptions on the costs using unit rates that could not be ultimately achieved considering the final configuration of the modifications as well as the required coordination and sequencing needed to install them. Once the baseline estimate was established it was used by project management as the standard to measure the progress of the project. The baseline was adjusted as more details were known including the addition of materials and resources that were necessary to accomplish the implementation during the outage.</p>

	<p>Accordingly, FPL project management did anticipate a variance from the 2011 estimate. The challenges encountered and experiences gained from the Turkey Point 3R26 outage were applied to the 4R27 outage, which resulted in savings to the overall duration and cost of the 4R27 outage compared to the 3R26 outage.</p> <p>a. As mentioned in Terry Jones March 2013 testimony, Exhibit TOJ-7, many of the modifications implemented were not routine but first time evolution major modifications which affected many large pieces of equipment and components. During the implementation many unforeseen or unpredictable interference discoveries were encountered, because operational site condition requirements did not allow earlier detection. These conditions consumed many man-hours to modify designs which resulted in unplanned additional implementation activities, requiring additional scaffoldings and other supports, along with consumption of huge craft capital. It added shift hours for the craft and their supervision. Major contributors to the labor variances for EPU modifications are briefly described as follows:</p> <ol style="list-style-type: none"> 1. Control Room Emergency Ventilation System and Control Room Emergency Filtration System (CREVS/CREFS): The need for this modification was identified during the Alternative Source Term (AST) license amendment engineering analysis phase and it was not included in the original scope. There was significant emergent work, e.g., twice as much steel work, 5 times more Large Bore supports, changes required the Purge Room to be a Class I structure which required engineering design modifications and implementation of a control room damper missile shield structure etc. 2. Feedwater Heaters (FWH) and Moisture Separator Reheater (MSR) Replacement: FWH –Commodity increase of large bore hangers up to 70%, large bore welds up to 25 %. MSR – Commodity increase structural support steel up to 70%, large bore hangers up to 100 % and large bore welds up to 20%. 3. Turbine Digital Controls: Electrical conduit quantity increased by 91% and the amount of electrical cable up to 25%. Emergent work due to space considerations required the demolition and installation of a large quantity of conduit to allow the turbine digital controls installation. 4. Normal Containment Coolers (NCC): Due to the heavier weight of NCC, additional structural steel was required to strengthen the supporting structure. Due to the space limitation in the containment, cavity decking was installed for handling and storing materials. 5. Spent Fuel Pool Cooling Modification: Excessive interferences encountered during core drilling required rerouting of piping and relocation of base plates. 6. Turbine Electro-Hydraulic Control (EHC) tubing installation: Stainless steel tubing quantities and special welding quantities increased significantly to avoid existing equipment and component interferences. Also requirement of 2:1 welding scope added significant welding work. 7. Condenser Replacement: Emergent work of sparger upgrade / replacement was required following inspection when the condenser became accessible. This scope was added from lessons learned and the need to upgrade/replace spargers at St. Lucie plant. Large bore supports increased by 300%. Many equipment and system conditions were identified following shut down of the unit when access to the main condenser was available to engineers and planners for engineering and constructability reviews. It was only then that discovery of equipment and system conditions which required upgrades to complete EPU modifications such as east side intake circulation water flange repair, turbine basket tips, several structural member upgrades, along with deteriorated floor sections which required upgrades for operation at EPU conditions. Many of these issues required significant amounts of scaffolding and general support craft. 8. Feed Water Pumps: The number of welds increased by 35%, small bore welds increased 52%. These changes were needed to support the required design changes in the seal water line upgrades. 9. Support craft (distributable labor) increased in large proportion due to many increases of direct craft. Scaffolding installation to support component installation increased by many fold. Fire watch (labor) increased due to congestion and site visibility as well as the number of welding activities supported by Bechtel direct craft and seconded craft explained in 6.3b. As a lesson learned from 3R26 outage, Bechtel focused on design and construction reviews for 4R27 prior to the outage to minimize many of the interference issues, and were able to better organize materials, logistics of material handling, and the distribution of supervision which resulted in savings to the overall duration and cost of the 4R27 outage for their implementation work scope.
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b. Bechtel 3R26 Seconded Craft consists of specialty contractors such as WSI, Pinnacle and Custom Arc – called “Golden Arm Welding contractors”. These contractors retain trained welders or train them on their own facility specifically to work on welding on Nuclear Safety Related Systems at nuclear sites. Because of their specialty training, and years of experience, they qualify to earn premium wages and benefits compared to local welders since they travel from one nuclear facility to another and work away from their home. These specialty craft personnel and their supervision worked on all major welding scopes of work for modifications described in 6.3a. Their estimate (hours and cost) is considered separately on the 3R26 Cost Variance Report. Major contributors to the variance hours is the same as mentioned in 6.3a, except these costs include average higher rates than other crafts. In light of the complexities encountered, FPL project management did anticipate a variance to the 2011 estimate.

c. Shaw's 3R26 variances from budgeted cost was caused primarily by new scope added to the Shaw contract for completion of the Two Normal Containment Coolers (NCC) and one Control Rod Drive Mechanism (CRDM) cooling fan work for 3R26. This Radiological Control Area (RCA) work was assigned to Shaw to achieve greater schedule certainty and allow for EPC contractor (Bechtel) to focus on secondary side modifications and this strategy was developed by FPL management in the midst of 3R26 outage to mitigate schedule impacts to complete EPU modifications. Not only was this work being performed in a RCA where personnel protective clothing is required to prevent personal radioactive contamination, but was being done in the primary containment building where space is extremely limited. Additionally, more structural steel was required to support the new heavier Normal Containment Coolers which could not have been anticipated. The primary containment is not accessible during normal operations. The information acquired when design engineering and planners had access to the primary containment revealed the need for additional design for more structural steel than initially anticipated and logistics for moving and storing equipment and material in the confined areas of the primary containment building. In light of the complexities encountered, FPL project management did anticipate a variance to the 2011 estimate.

d. The Siemens variances are the result of emergent work as described here. Siemens 3R26 T&M variances from budgeted cost were primarily by unanticipated scopes covered under additional work authorizations and the actual outage duration lasting longer than anticipated. Major contributors to additional work included alignment of the Low Pressure and High Pressure turbine internals, replacement of the Generator building bolt and Electro-Hydraulic Controls, Power System Stabilizer and Voltage Regulator Specialist, and supporting equipment installation. Cost also increased due to added scope for exciter coupling work, lead abatement, insulating of large electrical leads, replacement of rotor flux probes, and replacement of iris slot couplers. Another contributor to the variance was the cost associated with keeping vendor personnel on site performing work for a longer period than planned to complete EPU work. In light of the complexities encountered, FPL project management did anticipate a variance to the 2011 estimate.

e. The flushing of piping performed by Williams resulted from lessons learned during the secondary water clean up at FPL affiliate, Point Beach, and the St. Lucie plant following their EPU outages. This was performed earlier at PTN before systems were returned to service to minimize the amount of flushing that would be necessary to meet water chemistry requirements. The Williams 3R26 variance from budgeted cost included added scope to abate lead based paint prior to demolition of existing systems, components and structures which requires specially trained hazardous materials workers and handlers. Additional scope was added for cleaning and coating of all pipe spools and equipment to wash down prior to all piping installed for the modification to meet chemistry requirements. Water chemistry specifications are required on the secondary systems because contaminants entering the steam generator can speed the erosion and corrosion of the steam generator tubes and limit heat transfer performance life expectancy of the steam generators. In light of the complexities encountered, FPL project management did anticipate a variance to the 2011 estimate.

f. The cost of Plant support was trued up on July 31, 2012 and Aug 26, 2012 for additional amount of \$6,844,268 without an associated adjustment to man hours. Approximately 57,000 man hours should have been added for Plant Support for total actual hours of approximately 124,000.

g. Plant Support charges to the 3R26 outage includes services from PTN Plant personnel to support the EPU outage. The plant provides services on an as needed basis for EPU modifications and allocates charges accordingly. Services include but are not limited to equipment clearances, testing, reviewing and approving Engineering Change modification packages, reviewing Licensing Amendment Request document, support for flushing of secondary side equipment, warehousing and logistics of material movement,

	<p>plant change document control services, coordination of plant outage schedules etc. The following is a listing of the types of plant personnel providing support:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Plant Operational personnel <input type="checkbox"/> Plant Engineering Personnel <input type="checkbox"/> Plant Chemistry Personnel <input type="checkbox"/> Plant Maintenance Personnel including electrical, mechanical, and instrumentation & controls <input type="checkbox"/> Nuclear Material Management <input type="checkbox"/> Operations Control Center Coverage <input type="checkbox"/> Plant Change Control <input type="checkbox"/> Plant Radiation Protection Personnel <input type="checkbox"/> Plant Logistic Personnel <input type="checkbox"/> Plant Safety Personnel <input type="checkbox"/> Plant Fire Department Personnel <input type="checkbox"/> Plant Work Control personnel <p>Also, additional contributors to the variance were the costs associated with utilizing services of plant support personnel performing work for a longer period than planned to complete EPU work, due to longer duration of outage.</p> <p>h. Typically, each of the activities listed in DR-6.3a-g had some type of plant support services associated with it. During the execution of the project, many complexities were encountered which required additional engineering effort to make changes respecting site conditions. This required additional reviews and unanticipated changes for the respective disciplines of the support organizations. Accordingly, FPL project management did anticipate a variance to the 2011 estimate.</p> <p>i. This work scope was assigned to WeldTech during the 3R26 outage. WeldTech 3R26 variances from budgeted cost was primarily for additional work scope for completion of the Steam Jet Air Ejector modification, Gland Steam Piping, Condensate piping and supports, and Sparger replacement work for Unit 3. This work was assigned to WeldTech to achieve greater schedule certainty and allow EPC contractor (Bechtel) to focus on secondary side modifications.</p> <p>j. The average variance dollar per hour is derived from variances between the "plan" and actual dollars as well as the "plan" and actual hours. It is important to remember that the "plan" was developed in 2011 without the benefit of substantial engineering work.</p> <p>1. Bechtel craft variance can be attributed to transferring welding scope to seconded craft causing a reduction of direct hire pipefitters. This increased the ratio of less expensive craft erecting scaffolds/performing fire watches and lowered the average dollars per hour.</p> <p>2. The Bechtel Seconded variance was caused by adding welders from the more expensive subcontractors during the outage. These firms had available qualified craft to meet the demand of the increased scope of work, which increased the average dollars per hour.</p> <p>3. FPL negotiated an [REDACTED] in staff billing rates for Bechtel field non-manuals that went into effect April 1, 2012.</p> <p>4. The actual costs for the Shaw staff support yielded a lower dollar per hour rate than the staff rate used in the original plan.</p> <p>5. The original plan was set up for 6 workdays per week with very little work scheduled on Sundays. As the outage evolved, it became necessary for Siemens to perform many tasks on Sundays due to weather constraints, congested work space on the turbine deck and to meet schedule, and their billing rates are substantially higher on that day. This caused the average dollar per hour rate to be higher.</p> <p>6. See DR-6.3f.</p> <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>
Document #: DR-6.4	<p>Document Title and Purpose of Review: a. Did EPU Project Management perform any gate log audits for the above mentioned</p>

<p>Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 54</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>contractors during the 3R26 outage? b. Provide the results of all gate log audits, surveys, investigations, or reviews performed during the 3R26 outage by EPU Project Management, Controls Group, Internal Audit or other entity.</p> <p>Summary of Contents: a. Yes. EPU Project Management performed gate log audits for Bechtel, Shaw and Guidant contractors during the 3R26 outage. b. Attached are copies of the following PTN quarterly gate log audits for the second and third quarters of 2012, performed during the 3R26 outage:</p> <p><input type="checkbox"/> PTN June 2012 Guidant Gate Log Audit Summary and Employee Selection. (20 pgs) <input type="checkbox"/> PTN July 2012 Gate Log Audit Summary Sheet with a listing of audits and their status. (1 pg) <input type="checkbox"/> PTN July 2012 Bechtel Craft Gate Log Audit with approval, audit sheet with comments. (3 pgs) <input type="checkbox"/> PTN July 2012 Bechtel FNM Gate Log Audit with approval, audit sheet with comments. (5 pgs) <input type="checkbox"/> PTN July 2012 Shaw Eng Gate Log Audit with approval, audit sheet and explanation sheet. (4 pgs)</p> <p>The results of the Shaw craft and staff gate log audit (noted on the July Gate Log Audit Summary Sheet as not being closed) will be provided when completed.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-6.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 54</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please provide a listing of all outstanding EPU warranty claims, for 2012-2013 to date, by unit, and include:</p> <ol style="list-style-type: none"> Contractor Name Type of Warranty claim Reason for making warranty claim Description of equipment or service under warranty claim Timeframe of warranty claim filing Dates and description of any resolution or negotiations Total estimated dollars of warranty claim(s) Estimated payment/resolution date <p>Summary of Contents: Attached is the listing of all outstanding EPU warranty claims for 2012-2013 to date, by unit, including Contractor name, type of warranty claim, reason for making warranty claim, description of equipment or service under warranty claim, time frame of warranty claim filing, dates and description of any resolution or negotiations, total estimated dollars of warranty, total FPL costs, and estimated payment/resolution date. "Closed" warranty claims have not been included on the attached list. It is important to recognize that every warranty claim is different, depending upon the underlying contract terms with the vendor at issue. Resolution of warranty claims is often a negotiated process. When FPL states "vendor costs not known to FPL," it is because the vendor is providing repairs/corrections at its own cost and not billing FPL for associated services or materials. When FPL states it "expects no cost to FPL," FPL is excluding minor administrative costs necessary to issue and process warranty claims and support activities necessary for the vendor to effect the requested repairs/corrections, which are expected project costs not ordinarily tracked separately.</p> <p>Where a cost to FPL is noted, those costs were separately tracked to support potentially including FPL's costs in its warranty claims, depending upon controlling contractual provisions. Such costs do not necessarily represent the costs that FPL will ultimately incur. When FPL states that a vendor has been put on notice, the vendor has been put on notice that it may be responsible for the cost of</p>

	<p>repairs/corrections incurred by FPL.</p> <p>Staff has also asked whether any costs associated with the warranty items or associated activities are being recovered through the NCRC. FPL's costs associated with the MSIV work included on this list were included in its May 1, 2013 actual/estimated filing. To the extent the warranty claim ultimately covers any of FPL's costs, this amount will be trued-up in FPL's March 1, 2014 filing.</p> <p>FPL prudently incurred these costs to return the uprated unit to service as expeditiously as possible. FPL's costs associated with the 4P1A and 4P1B pumps at Turkey Point Unit 4 included on this list were not included in any NCR filing, as they were not anticipated and not incurred until after the most recent (May 1, 2013) filing. FPL's actual costs cannot be determined until the warranty claims are resolved.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-6.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 45</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: a. Provide a listing of all EPU vendor concessions received during 2012-13 to date (other than the ones provided in response to DR-1.3, and in Mr. Jones testimony). b. Discuss the reasoning for each concession received. c. Discuss whether the concessions were related to safety, performance, or other purpose, and detail the purpose for the concessions being paid. d. Provide the percentage each contractor concession represents of the total contractor dollars billed on the project.</p> <p>Summary of Contents: a. All EPU vendor concessions received during 2012-2013 to date were provided in Mr. Jones's testimony. b. Please see response to part (a). c. Please see response to part (a). d. Please see response to part (a).</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-6.7 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 47</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Provide copies of the required Turkey Point contractors First Time Quality Plans discussed in DR-1.3.</p> <p>Summary of Contents: Attached is a copy of the PTN first time quality plan and the first time quality action plans prepared by Bechtel, Shaw and Weldtech. Bechtel First Time Quality Action Plans for PTN-4(35 pgs) EPU-PTN-12-0869-PTN First Time Quality PTN 4-27 Improvement Plan (12 pgs) Shaw-Stone & Webster First Time Quality Summary (1 pg) WeldTech First Time Quality Summary (6 pgs)</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: Florida Power & Light Company Area: Nuclear Cost Recovery Clause Auditor(s): D. Rich and L. Fisher	Workload Control #: PA- File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries EPU\3.3.- DR-7DCL.doc
Document #: DR-7.1 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 57 <div style="text-align: center; font-weight: bold; padding: 10px;"> REQUESTED CONFIDENTIAL BY NOI </div>	Document Title and Purpose of Review: a. Provide copies of all root cause analyses completed by or for the EPU project or any of its contractors during 2012-2013 to date. b. For each root cause analysis, provide a summary that includes: 1. Description of each incident studied in the root cause analysis 2. Dates of each incident 3. The contractor(s) and contracts involved 4. Actions reviewed 5. Primary and contributing causes 6. Estimated costs of incident 7. Other costs due to schedule delay, or any other impact to the project Summary of Contents: a. Attached are copies of the root cause evaluations completed for the EPU project in 2012 and through May 16, 2013. b. Attached is a summary of the root cause evaluations completed for the EPU project in 2012 and through May 16, 2013. Regarding estimated costs of the incident and other costs due to schedule delay, or any other impact to the project, FPL does not track the actual costs or estimate the costs of these types of incidents unless the contract with the associated vendor includes provisions for FPL to recover costs through a warranty claim with the associated vendor. Typically, if the vendor supplies a deficient component, the vendor provides a replacement component at no cost to FPL. Generally, there are no incremental EPU costs associated with delays for these incidents. If the incident occurred while the unit was on-line, or in an outage condition, EPU personnel were already mobilized and involved in other activities supporting the overall EPU project. Some management attention may be diverted to the issue, but no additional costs are incurred because the staffing levels do not change. Included are 14 RCEs completed during the period January 2012 through March 23, 2013. 1. RCE 1755493 Steam By-pass Control System Operational Failures (230 pgs) Action Request -1755493-01 2. RCE 01772644 Unit 1 Turbine Control System Failure – Reactor Trip (9/24/12) (81 pgs) Action Request -01772644 Rev. 02 3. RCE 1797040 480 Arc Flashing During Work Being Performed by Vendor (8/15/12) (87 pgs) CR1794070 U2 Control Rm. AC 4. RCE 0107646 Unit 1 Turbine DEH Flexible Hoses Not Compatible with DEH Fluid (11/14/12) (43 pgs) AR 1807646 Rev. 2 5. RCE 1831457 PSL 2A Cooler Drain Tube Leak (11/22-11/29/12) (68 pgs) CR 01831457 6. RCE 1796621 3A Steam Generator Feed Pump Shaft Bearing Damage (8/20/12) (57 pgs) CR 1796621 7. RCE 1830370 Contractor Supervisors Without Complete Qualifications (event 12/5/12) CR 1830370 (1/23/13) (49 pgs) PTN4 8. RCE AR 01835061 OSHA Leg Injury PTN event 12/25/12 (30 pgs) completed 1/24/13 9. RCE 1797236 PTN3 Main Steam Turbine Inlet Pressure Transmitters Found Isolated in Mode 2 (8/25/12) (55 pgs) AR 1797236 10. RCE 1852222 PTN3 Presurizer Level Change During MOV-3-866 A/B Surveillance Test (2/27/13) (29 pgs)AR-1852222 11. RCE 1856035 PTN3 Reactor Trip Due to PT-3-447 At Power Trip Signal (3/12/13) (63 pgs) AR1856035 12. RCE 1868533 PTN4 PCV-4-456 Power Operated Relief Valve (PORV) inoperable (3/18-3/24/13) (35 pgs) AR1868533 13. RCE AR1855626 PTN3LVDT Intermittent Operation Causing Auto Closure of Turbine Control Valve Requiring Manual Turbine Trip 3/11/13 (23 pgs) 14. RCE Turkey Point Inadvertent Partial Closure of RHR-MOV-4-750 (3/23/13; Rev 5/20/13) AR1859341(31 pgs) Summary sheet of EPU root cause evaluations; Conclusions:

	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-7.2 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 58</p>	<p>Document Title and Purpose of Review: a. Describe when FPL first implemented the First Time Quality program for EPU outages b. Provide copies of written First Time Quality program plans completed for outages prior to the PTN-4 outage. c. If the First Time Quality program was not implemented before PTN-4 please explain why the program was not used during each of the prior EPU outages.</p> <p>Summary of Contents: a. FPL has implemented a rigorous 10 CFR 50 Appendix B Quality Assurance Program for decades. The program is designed to ensure the quality of systems and components important to nuclear safety. In August of 2012, FPL management issued a directive to the major EPU implementation contractors to enhance existing quality processes by adding an independent verification signature to specific implementation steps in their existing work control processes. This directive was issued to enhance existing work control processes to further reduce human errors. The complex EPU modifications were implemented via work packages which can include numerous engineering changes due to unanticipated site conditions. Therefore, rigorous independent verifications were employed to minimize errors and deliver a high quality product to the startup organization for testing. b. The "first time quality" program implemented for the PTN-4 outage was not formally implemented on the prior EPU outages, although certain facets of the program were utilized informally to enhance quality. Prior to the Unit 4 outage, FPL relied on its existing 10 CFR 50 Appendix B Quality Assurance Program, the vendors' quality assurance programs, and specific EPU measures such as EPPIs, initial worker training, worker requalification training, human performance training, mock-up training, detailed pre-job briefs, numerous daily management field observations, extensive coaching, considerable management oversight, numerous QA surveillances and QC inspections, and appropriate safety stand downs. In the case of Bechtel, these programs were integrated via the Bechtel Project Integration Plan (PIP) - see DR 1.1. c. As noted in response to DR-7.2b above, FPL utilized an extensive quality program for the outages prior to the PTN-4 outage. The "first time quality" program implemented for the PTN-4 outage was essentially an enhancement to that existing quality program.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-7.3 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>Disk 57</p> <p>REQUESTED CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: a. Provide a copy of any warranty issues identified for the PTN-3 outage and start-up, and provide the information in the same format as requested in DR-6.5. b. Provide a copy of AR 179662108 for damage related to the Main Feed Pump in the 3R26 outage. c. Provide any other ARs documenting damages or delays incurred in the 3R26 outage. d. Provide a copy of the Sargent and Lundy independent review to validate work order wiring to design drawings and set points for PTN-3 and PTN-4 planning, as described in EPU-PTN-12-0859, page 2 of 12 Rev 0, Bates 079786. e. Please describe the Ames, Siemens, and Bechtel gaps in performance discussed in EPU-PTN-12-0859, page 6 of 12 Rev 0, and associated costs for the outage caused by each vendor's performance. f. Provide a copy of the Change Management Plan for PTN-3 and PTN-4 work allocations among Bechtel, Siemens, Shaw, PCI/Westinghouse, and Weldtech as discussed in EPU-PTN-12-0859, page 7 of 12 Rev 0, if not previously provided. g. Provide a copy of the evaluation of 3R26 testing, and the problems and issues observed, as discussed in the Testing section of</p>

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EPU-PTN-12-0859, page 7 of 12 Rev 0

h. Provide a copy of the apparent cause and corrective actions related to improper socket welds in the PTN-3 EHC system vent and drain pipe, as discussed on page 2 of 4 of the Turkey Point 4 EPU First Time Quality 2/1 Weld Taper (Vents and Drains) for DR-6.7 Bates 079751.

i. Explain what management did to prevent incorrect orientation of specific equipment and component tubing prior to the PTN-3 outage, as described on page 2 of 5 of the Turkey Point 4 EPU First Time Quality Action Plan (Direction Specific Equipment Orientation and Component Tubing) for DR-6.7 Bates 079755.

j. Estimate the costs associated with the issues and delays causing the PTN-3 outage extension, and resulting in the Lessons Learned

Summary of Contents:

a. Attached is a listing of warranty issues for the PTN-3 outage and startup in the DR-6.5 format, and copies of the following warranty letters:

☐ FPL Letter EPU-PTN-12-0675 to Siemens Energy Inc dated 6/1/12.

☐ FPL Letter EPU-PTN-12-0666 to Flowserve Corporation dated 6/7/12.

b. Attached is a copy of AR 179662108 for damage related to the Main Feed Pump in the 3R26 outage.

c. Attached is a listing of other EPU ARs documenting damages or delays incurred during the 3R26 outage (2/26/12 - 9/5/12) and copies of those other EPU ARs. Delays identified in these ARs did not impact the overall outage schedule. Level 3 ARs (those of the least significance, which do not require root cause or apparent cause evaluations) have not been included. See FPL's response to DR-1.21a for a listing of all EPU condition reports for the period January 2012 – October 2012.

d. Attached is a copy of the Sargent and Lundy independent review to validate work order wiring to design drawings and set points for PTN-3 and PTN-4 planning.

e. EPU-PTN-12-0869 – Turkey Point First Time Quality Improvement plan was developed when FPL management commissioned an assessment of 3R26 outage performance for areas where first time quality did not meet FPL standards and expectations. Quality requirements were imposed on FPL's contractors in the initial contracts. After assessing the PTN 3R26 outage performance, FPL management reemphasized the need for first time quality with all key contractors. Each contractor was instructed to review their work performance gaps and enhance their work control processes with verification checklists, walk down checklists, or critical attribute checklists, as applicable to their work. FPL oversight supervision ensured that assigned actions were discussed with peers and completed by each major contractor addressing performance gaps. The performance gaps are described in the first time quality plan provided in response to DR-6.7. There are no [REDACTED] or [REDACTED] performance gaps discussed in EPU-PTN-12-0859, page 6 of 12.

f. Attached is a copy of the Change Management Plan for PTN-3 and PTN-4 work allocation among Bechtel, Siemens, Shaw, PCI/Westinghouse, and WeldTech. (19. DR-7.3f EPU PTN-12-0860 Change Management Plan Review and Approval 8/24/12 (18pgs))

g. During the 3R26 EPU outage, control circuit issues and mechanical equipment issues were discovered resulting in corrective actions being generated along with troubleshooting plans to investigate the problems and correct the conditions. The EPC contractor had overall responsibility to verify that all engineering changes prepared were incorporated into their work control processes and executed during implementation. Performance gaps were observed in the work package review and in implementation of electrical control wiring. There was no formal evaluation of 3R26 testing documented, but First Time Quality concerns were discussed in the meeting with the contractors and it was agreed by contractors to independently verify electrical terminations and mechanical connections to address the concern of discovery during the startup process. From these lessons learned, FPL issued directives on August 14, 2012 to the major contractors to enhance their work control processes with an independent verification by signature on each implementation step. It required that the EC packages, work planning packages, and physical work steps were checked and verified for the remaining Unit 3 and Unit 4 activities. Once the implementers were complete with their work packages, the functional and system testing was then turned over to EPU's Startup Testing Group (SUT). The Startup Testing Group developed finite testing procedures to functionally test each of the modified components/systems. The procedures generated were prepared by SUT, while reviewed and approved by a

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rigorous process that included Project Engineering, System Engineering, SUT Peer, PTN Nuclear Operations, SUT Manager, EPU Director and, in some cases, the plant's senior management group.

h. The apparent cause and corrective actions related to improper socket welds in the PTN-3 EHC system vent and drain pipe are briefly mentioned on a note on page 2 of 4 of the Turkey Point 4 EPU First Time Quality 2/1 Weld Taper, (ICDR-6.7, Bates 079751). Details of apparent cause and corrective actions for Unit 3 are described in a package of Electro-Hydraulic Controls (EHC) – Unit 4 improvement Plant (ICDR 6.7, Bates 079766) in paragraph 3 (pages 5 thru 6).

i. EPU management took numerous steps to preclude human performance errors during the PTN-3 outage including: initial training, requalification training, human performance training, mock-up training, detailed pre-job briefs, numerous daily management field observations, extensive coaching, considerable management oversight, numerous QA surveillances and QC inspections, and appropriate safety stand downs. Despite all these efforts, human performance errors occurred during the PTN-3 outage.

j. FPL does not specifically track or estimate costs associated with human performance errors or delays prior to FPL's acceptance of the work and the warranty becoming effective. In accordance with the time and material contracts, all reimbursable costs incurred in connection with the performance of the work and performance of other obligations under the contract, including costs associated with the correction of deficiencies during execution of the work prior to the warranty period, must be compensated on a time and material basis.

Documents provided:

1. AR 1744213 SFP Cooling Mod Implementation and Turnover Weakness 3/13/12 (7pgs)
2. AR 1747652 Sparger Connection 78 Removed in Error 3/22/12 (2pgs)
3. AR 1752824 FME Recovered From Main Steam Line 4/6/12 (4pgs)
4. AR 1771549 Containment Crane Incident 5/30/12 (3pgs)
5. AR 1775199 Bechtel EPU Falling Object Results 6/12/12 (2pgs)
6. AR 1779325 Adverse Trend of Electrical Wiring Discrepancies 6/26/12 (5pgs)
7. AR 1783196 PTN326 Outage Delays 7/10/12(3pgs) outage not complete as of 8/28/12 (cancelled 4/10/13)
8. AR 1784404 FME Discovered In 38 Condensate Min-Recirc Flow Pipe 7/15/12 (6pgs)
9. AR 1786253 3B EDG Loss of Load During Testing 7/20/12(3pgs)
10. AR 1786900 Bechtel Workmanship Trend 7/23/12 (4pgs)
11. AR 1787015 Incomplete Information in Two ARs Hindered CAP 7/23/12(6pgs)
12. AR 1792913 Conduit Cable Damaged by Drill 8/11/12 (4pgs)
13. AR 1796167 EPU Start-up Unplanned LCO Entry 8/22/12 (3pgs)
14. AR 1797110 Bechtel's Implementation of 2:1 Welds on Small Bore Piping 8/24/12 (4pgs)
15. AR 1797404 Unanticipated Delays With Unit 3 in 6 Hr. T.S.A.S. 8/27/12(5pgs)
16. AR 1797427 U4 Uncontrolled Increase in Reactor Power 8/27/12 (5pgs)
17. AR 179662108 Damage to 3A Main Feedwater Pump 8/23/12 (8pgs)
18. EPU Significance Level 1 & 2 ARs from 3R26 Outage 3/13/12-8/27/12 (1 pg)
19. DR-7.3fEPU PTN-12-0860 Change Management Plan Review and Approval 8/24/12 (18pgs)
20. EPU PTN-12-0666 6/7/12 Letter regarding Notice of Warranty Claim to Flowserve Corporation
21. EPU PTN-12-0675 6/1/12 Letter regarding Notice of Warranty Claim for defective work provided on PTN3 #2 and #3 Turbine Control Valve Actuators
22. PTN-3R26 Warranty Issues Resolved Flowserve and Siemens used Unit 4 Turbine Control Valve Actuators for PTN3 and reworked the Unit 3 Valve Actuators for Unit 4 use.
23. SLFPL-4440 8/23/12 S&L Assessment of Select PTN Unit 3 Change Packages and I&C EPU Setpoints; four engineering change packages assessed;(25pgs)

Conclusions:

	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: DR-7.4 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 57 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: a. Provide a copy of the PTN team evaluation of areas where first time quality did not meet department standards and expectations for the 3R26 outage. b. Provide a list of the individuals completing the PTN team evaluation for the PTN-3 outage. Summary of Contents: a. The PTN Management team evaluated the engineering process from design through planning, installation, testing and return to service for Engineering Change (EC) Modifications including the potential impacts in other areas not directly related to ECs. The PTN team assessed the Unit 3 outage performance to understand and determine areas for improvement with a goal to have "Zero Error" quality products to be successful for forthcoming Unit 4 outage. The results of the evaluation were not documented in a separate document; rather, they were documented in the First Time Quality Plan previously provided in response to DR-6.7. b. The following Personnel were involved with PTN Team Evaluation for PTN-3 Outage <input type="checkbox"/> Steve Reuwer – Implementation Owner <input type="checkbox"/> Alan Katz – Site Director <input type="checkbox"/> Mike Jurmain – Sr. Project Manager <input type="checkbox"/> Andy Zielonka – EPU Engineering Manager <input type="checkbox"/> Nick Mangiamale – Construction Manager <input type="checkbox"/> Raul Febre – Procurement Lead <input type="checkbox"/> James Adams – Start Up Manager <input type="checkbox"/> Mike Robinson – Bechtel Project Manger <input type="checkbox"/> Andy Broussard – Bechtel Site Manager <input type="checkbox"/> Kirby Gordon – Shaw Site Manager <input type="checkbox"/> John Niles – Weld Tech Site Manager <input type="checkbox"/> Rick Brenner – Siemens Site Manager Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: DR-7.5 Date Requested: Date Received: Comments: (i.e., Confidential) Disk 57 REQUESTED CONFIDENTIAL BY NOI	Document Title and Purpose of Review: Provide a copy of the Lessons Learned compiled from the Unit 3 outage. Summary of Contents: Attached are the following lessons learned files: 1. PT3-26 Post-Outage Lessons Learned and Improvements (11 pgs) 2. Bechtel – PTN 3R26 Outage Lessons Learned (12 pgs) 3. WeldTech – U3 Lessons Learned Log (59 pgs) 4. PTN 3R26 Lessons Learned Log (4 pgs) Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description:

	Follow-up Required:
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Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: <u>Florida Power & Light Company</u> Area: <u>2013 Nuclear Controls Review</u> Auditor(s): <u>D. Rich, L. Fisher</u>	Workload Control #: PA-13-01-001 File Name: <u>i:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries NEW\ 3.3.1 DocSumLog PTN DR-1.doc</u>
Document #: NEW DR-1.1 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain the FPL philosophy toward its commitment to construct Turkey Point 6&7. Summary of Contents: <p>FPL states that the entered into the PTN 6&7 project because it "...recognized the economic, environmental and system reliability benefits provided by nuclear generation for FPL's customers." The company claims it has maintained close scrutiny on the potential benefits throughout the project, and continues to affirm that they are substantial, realistic and achievable.</p> <p>FPL says it remains committed to realizing those benefits for customers, which naturally entails ultimately constructing Turkey Point 6&7.</p> <p>Realizing those benefits is contingent on completing a series of important milestones, including:</p> <ul style="list-style-type: none"> ⊙ selecting a site and technology ⊙ obtaining all permits ⊙ developing an execution plan with committed contracts and schedule ⊙ then executing that plan. <p>FPL says that its philosophy is to maintain a diligent, risk-managed approach to accomplish each milestone so that the project and its benefits may be delivered at the earliest practicable time.</p> Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required: Yes. What does FPL now consider the "earliest practical time"
Document #: NEW DR-1.2 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain how the Fukushima nuclear incident and subsequent NRC actions (or anticipated actions) have impacted or may impact Turkey Point 6&7 construction plans or planning. Discuss any developments from January 2012 to date in the areas of: <ul style="list-style-type: none"> a. Regulatory requirements b. Safety requirements c. Additional or new required inspections and reporting criteria Summary of Contents: FPL states that the Fukushima event resulted in "...significant introspective review by FPL..." as well as the nuclear industry as a whole and the NRC, in the areas of design and operation during beyond-design-basis events. In what might be related development, during 2012 FPL received additional reviews and Requests for Additional Information (RAI) in seismology, geology and geotechnical engineering. These additional activities contributed to the NRC placing FPL's review schedule "on hold" pending resolution of these items. FPL states that these developments and the "on hold" status from the NRC has had an as yet undetermined impact on the PTN licensing process but the company further claims that there has been no direct impact to FPL's construction plans or project planning. Specifically:

	<p>a. Regulatory Requirements - Applicant's actions in response to NRC questions on the incident at Fukushima have not impacted any construction plans or planning.</p> <p>b. Safety Requirements - As a result of the NRC Task Force recommendations and RAI's, FPL is working with APOG to ensure any hardware and analysis requirements are consistent for all AP1000 utilities and in keeping with NRC guidance and requirements. FPL has also initiated an analysis of the new central eastern United States (CEUS) seismic source model for impact against the seismic source model used in the COL.</p> <p>c. Additional or new required inspections and reporting criteria - There are no additional or new inspections required for COL applicants. The NRC indicates that while it is reasonable that some future requirements may be developed, that possibility is not a reason to stop current processes. NRC processes are available to incorporate future requirements, once developed. No other specific actions are anticipated at this time.</p> <p>FPL claims that to date there has been no impact from the Fukushima event on PTN 6&7 construction plans or planning.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.3 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Define the 'window of opportunity' to sign a project construction contract (EPC or EP and C), in order to avoid negatively impacting project schedule. Please explain:</p> <ul style="list-style-type: none"> a. Whether this remains the project planning timeframe for signing a construction contract. b. Whether FPL has decided to use an EPC or an EP and C contract. If so, which? c. If preliminary talks or negotiations have begun with a prospective EPC contractor. d. If preliminary talks or negotiations have begun with prospective EP and C contractors. e. How failure to sign a contract by 2014-2015 will impact the project for schedule and cost. <p>Summary of Contents: FPL states that the "window of opportunity" is that time period by which an EPC contract (or EP and C contracts) can be initiated that will result in engineering, procurement and construction activities being conducted on terms that are beneficial to FPL's customers and on a schedule that can meet the projected in-service dates.</p> <ul style="list-style-type: none"> a. No b. Current schedule (Rev 6) targets signing an EP contract by 9/30/14 and the C by 4/1/15. If an EPC contract is chosen, FPL states that it would be done by the EP contract milestone date of 9/30/14. c. Preliminary discussions have been conducted, but no substantive talks have been initiated. d. Preliminary discussions have been conducted, but no substantive talks have been initiated. e. Assuming an EPC (or EP and C) is initiated per the current schedule, current projected cost and schedule would be the expected result. <p>Conclusions:</p>

	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.4 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please recap work accomplished from January 1, 2012 to date, and work anticipated through December 31, 2012. Clearly differentiate accomplished work and that anticipated.
	Summary of Contents: FPL states that during 2012 the company's focus was to maintain progress in the licensing and permitting processes. In the state Site Certification process, several key milestones were achieved:
	TRANSMISSION TRACK: In the Transmission track, the project received the transmission portion of the Florida Department of Environmental Protection (FDEP) Project Analysis Report. Reviews of two alternative corridors were conducted. Additionally, the project team has maintained an ongoing interaction with multiple agencies and Non-Governmental Organizations to support the Environmental Impact Statement for the federally authorized land exchange.
	PLANT TRACK: In the Plant track, the project received agency reports from all agencies, except Miami-Dade County (MDC) and FDEP. The plant agency reports that have been received recommend approval of the project with certain conditions. A draft Site Certification Agreement (SCA) amendment was developed and was submitted on November 16, 2012 to ensure the SCA contains the most current data. A UIC well construction permit application will be submitted in December 2012 to allow the next steps to be taken in that process. The project also continued to respond to NRC staff RAIs as they develop the NRC Environmental Impact Statement and Safety Evaluation Report; two reports that will be the subject of the Atomic Safety Licensing Board hearings in 2014. On May 4, 2012 the NRC identified two areas in the COLA that require revision to complete their review. As a result, the NRC placed the Review Schedule for the FPL COLA on hold, awaiting revisions and requiring FPL to conduct specific quality reviews. The quality reviews of FPL internal and contractor programs were conducted and communicated to the NRC in a public meeting in July 2012. FPL estimates these revisions will be complete in February 2013. Following that milestone, FPL expects a revised Review Schedule to be issued. The licensing team incorporated numerous RAIs and other changes into Rev 4 of the COLA, that will be submitted in December 2012.
	LOCAL LEVEL: FPL continued to pursue clarification with Miami-Dade County (MDC) regarding two specific facilities that were defined following the 2007 zoning approval. MDC staff indicated that additional zoning approvals were required for the Radial Collector Wells and the Reclaimed Water Treatment Facility. FPL applied for these approvals in July 2012 and will seek approvals in December 2012 from the Board of County Commissioners. A Land Use determination is also scheduled for late December, 2012. FPL project staff continued to monitor industry milestones and events to identify potential impacts to the overall project cost or schedule and provide indicators as to when initiating Preparation phase activities is warranted.
	Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes. Was the UIC well construction permit submitted per schedule (S: 12.2012)? Is FPL's estimated completion of the COLA revisions by the NRC still 02.2013? Does FPL anticipate schedule impact when the revised Review Schedule is issued by the NRC? Was the COLA Rev 4 submitted (S:12.2012)? At the local level, were the additional zoning approvals for the Radial Collector Wells and the Reclaimed Water Treatment Facility approved by MDC (S: 12.2012)? Has the Land Use Determination been approved (S:12.2012)?
Document #: NEW DR-1.5	Document Title and Purpose of Review: Please provide an itemized list, description, and timeline of Turkey Point 6&7 milestones

Date Requested: Date Received: Comments: (i.e., Confidential)	<p>achieved from January 1, 2012 to date, and those anticipated through December 31, 2012. Clearly differentiate those that have occurred and those anticipated.</p> <p>Summary of Contents:</p> <table border="1" data-bbox="556 240 1871 654"> <thead> <tr> <th>PROCESS</th> <th>MILESTONE</th> <th>DATE ACHIEVED</th> </tr> </thead> <tbody> <tr> <td>SCA</td> <td>ALJ declines FPL Motion to define Land Use scope</td> <td>January 2012</td> </tr> <tr> <td>COLA</td> <td>2 of 3 admitted contentions dismissed</td> <td>February 2012</td> </tr> <tr> <td>COLA</td> <td>Review letter on Seismic and Alternative Sites received</td> <td>May 2012</td> </tr> <tr> <td>SCA</td> <td>Plant Agency Reports</td> <td>July 2012</td> </tr> <tr> <td>Zoning</td> <td>Filed Zoning Application</td> <td>July 2012</td> </tr> <tr> <td>Underground Injection Control</td> <td>Exploratory well completed</td> <td>September 2012</td> </tr> <tr> <td>Project</td> <td>Ownership Participation MOU signed with OUC</td> <td>September 2012</td> </tr> <tr> <td>SCA</td> <td>Reopen process for submitting Alternate Corridors</td> <td>November 2012</td> </tr> <tr> <td>FPSC</td> <td>2012 Order</td> <td>November 2012</td> </tr> <tr> <td>Zoning</td> <td>Board hears zoning application</td> <td>December 2012</td> </tr> <tr> <td>SCA</td> <td>MD issues Land Use consistency determination</td> <td>December 2012</td> </tr> <tr> <td>NRC</td> <td>COLA Revision 4</td> <td>December 2012</td> </tr> </tbody> </table> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	PROCESS	MILESTONE	DATE ACHIEVED	SCA	ALJ declines FPL Motion to define Land Use scope	January 2012	COLA	2 of 3 admitted contentions dismissed	February 2012	COLA	Review letter on Seismic and Alternative Sites received	May 2012	SCA	Plant Agency Reports	July 2012	Zoning	Filed Zoning Application	July 2012	Underground Injection Control	Exploratory well completed	September 2012	Project	Ownership Participation MOU signed with OUC	September 2012	SCA	Reopen process for submitting Alternate Corridors	November 2012	FPSC	2012 Order	November 2012	Zoning	Board hears zoning application	December 2012	SCA	MD issues Land Use consistency determination	December 2012	NRC	COLA Revision 4	December 2012
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Document #: NEW DR-1.6 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please provide an itemized list, description, date (month) and timeline of activities and/or milestones anticipated from January 1, 2013 through April 30, 2013.</p> <p>Summary of Contents:</p> <table border="1" data-bbox="556 930 1835 1052"> <thead> <tr> <th>PROCESS</th> <th>MILESTONE</th> <th>ESTIMATED DATE</th> </tr> </thead> <tbody> <tr> <td>SCA</td> <td>Miami Dade Plant Agency Report</td> <td>February 2013</td> </tr> <tr> <td>COLA</td> <td>Draft Environmental Impact Statement</td> <td>February 2013</td> </tr> <tr> <td>SCA</td> <td>FDEP Project Analysis Report (Plant)</td> <td>March 2013</td> </tr> </tbody> </table> <p>The estimated date for the draft EIS is currently under review by FPL. Changes to the estimated date TBD.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Yes. Has there been a change to the estimated date for the draft EIS?</p>	PROCESS	MILESTONE	ESTIMATED DATE	SCA	Miami Dade Plant Agency Report	February 2013	COLA	Draft Environmental Impact Statement	February 2013	SCA	FDEP Project Analysis Report (Plant)	March 2013																											
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Document #: NEW DR-1.7 Date Requested: Date Received:	<p>Document Title and Purpose of Review: Please provide a copy of all white papers used to capture project decisions in 2012</p> <p>Summary of Contents: FPL provided a copy of the white paper entitled FPL Reclaimed Water Treatment Facility location Analysis, dated 02/28/12</p>																																							

<p>Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>In summation, FPL believes its option is the best of all alternative proposals. See attachment to this document summary. Information contained in the attachment is CONFIDENTIAL.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>											
<p>Document #: DR-1.8 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please describe and provide the dates of <u>federal</u>-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications granted to Turkey Point 6&7 since January 1, 2012.</p> <p>Summary of Contents:</p> <table border="1" data-bbox="554 586 1833 735"> <thead> <tr> <th>JURISDICTIONAL AGENCY</th> <th>DESCRIPTION</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>Federal Aviation Agency</td> <td>FAA Obstruction Permit for Unit 6 containment bldg</td> <td>Permit issued on: 08/24/2012</td> </tr> <tr> <td>Federal Aviation Agency</td> <td>FAA Obstruction Permit for Unit 7 containment bldg</td> <td>Permit issued on: 08/24/2012</td> </tr> </tbody> </table> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>			JURISDICTIONAL AGENCY	DESCRIPTION	STATUS	Federal Aviation Agency	FAA Obstruction Permit for Unit 6 containment bldg	Permit issued on: 08/24/2012	Federal Aviation Agency	FAA Obstruction Permit for Unit 7 containment bldg	Permit issued on: 08/24/2012
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<p>Document #: DR-1.9 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please describe pending <u>federal</u>-level (e.g. NRC, EPA, DOE, etc) applications, approvals and certifications required for PTN 6&7, the anticipated dates of completion, and a timeline depicting the events.</p> <p>Summary of Contents: FPL submitted its COLA to the NRC for construction and operation of PTN 6&7. This application seeks, through the inclusion of appropriate provisions, authorization to possess and use such quantities of source material, by-product material, and special nuclear material as needed to construct and operate the new units. The NRC review process includes the preparation of a Safety Evaluation Report (SER) and an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act. Following completion of the SER and EIS, the NRC will hold hearings before making a decision on granting the license. In addition, a Joint Application for Environmental Resource Permit/Authorization to Use Sovereign Submerged Lands/Federal Dredge and Fill Permit (ERP) has been submitted separately to the U.S. Army Corps of Engineers (ACOE). The ACOE will use the EIS developed in the NRC process as the record of decision to support the ERP. The most current timeline for the project is provided below.</p> <table border="1" data-bbox="554 1235 1839 1372"> <thead> <tr> <th>JURISDICTIONAL AGENCY</th> <th>DESCRIPTION</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>NRC</td> <td>Final SER issued</td> <td>Expected November 2013*</td> </tr> <tr> <td>NRC</td> <td>Final EIS issued</td> <td>Expected February 2014*</td> </tr> </tbody> </table>			JURISDICTIONAL AGENCY	DESCRIPTION	STATUS	NRC	Final SER issued	Expected November 2013*	NRC	Final EIS issued	Expected February 2014*
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	NRC	COLA issued	Estimated June 2014*
	ACOE	Permit	Estimated June 2014*
	* Dates under review as of may 4, 2012		
	Conclusions:		
Document #: DR-1.10 Date Requested: Date Received: Comments: (i.e., Confidential)	Data Request(s) Generated:		
	No. _____ Description:		
	No. _____ Description:		
	Follow-up Required:		
Document #: DR-1.10 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide a description of pending <u>state</u> -level applications, approvals, licenses, and certifications required for the Turkey Point 6&7 project, the anticipated dates of completion, and a timeline depicting the events.		
	Summary of Contents:		
	JURISDICTIONAL AGENCY	DESCRIPTION	STATUS
	FDEP Siting Board	Power Plant Site Certification	Decision expected 01.13.14
	FDEP USEPA Region IV review	NPDES storm water operations permit for industrial activities	Application: 06.30.09; Expected consistent with SCA
	FDEP. USEPA Region IV review	Modification of Industrial Wastewater Treatment Facility (IWW) Permit	Application: 06.30.09; Expected consistent with SCA
	FDEP / USEPA	NPDES construction storm water permit	Application to be submitted two days prior to beginning construction
	FDEP	UIC well construction permit	Application date 12.14.12. Expected in 2013.
	FDEP	Class I well operation permit	TBD. Decision to move forward and submit application will be made after conversion of the exploratory well to an injection well is completed.
	FDEP	Title V Air Permit	Application to be submitted 90 days prior to expiration of the Prevention of Significant Deterioration (PSD) permit, but no later than 180 days after commencing operations.
	Conclusions:		
	Data Request(s) Generated:		
	No. _____ Description:		
	No. _____ Description:		
Document #: DR-1.11 Date Requested: Date Received: Comments: (i.e., Confidential)	Follow-up Required:		
	Document Title and Purpose of Review: Please provide a description of pending <u>local</u> -level (municipal or county) applications, approvals, licenses, and certifications required, the anticipated dates of completion, and a timeline depicting the events.		
	Summary of Contents:		

JURISDICTIONAL AGENCY	DESCRIPTION	STATUS
Miami Dade County	Zoning approvals for ancillary facilities	Application date 07/07/2012 Decision expected 12/13/2012
Miami Dade County	Land Use Consistency Determination	Decision expected 12/21/2012
Miami Dade County	Unusual Use	Decision expected 12/13/2012

Conclusions:

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

Follow-up Required: Yes. What unusual use? Were the decisions received or delayed? If received what are they?

Document #: DR-1.12
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Document Title and Purpose of Review: What is the current NRC COLA review schedule from the NRC?

The NRC COLA review schedule is officially "under review". FPL has provided responses to the NRC's requests, and an updated COLA review schedule is anticipated in 2013. The most recent complete schedule, published October 27, 2011 is attached.

PHASE OF SAFETY REVIEW	TARGET COMPLETION DATE	
	Existing	Revised
Phase A - RAIs and Supplemental RAIs	5/2011	3/2012
Phase B - Advanced Safety Evaluation Report (SER) with no Open Items (OIs)	5/2012	1/2013
Phase C - ACRS review of Advanced Final SER	9/2012	7/2013
Phase D - Final SER	12/2012	11/2013
PHASE OF ENVIRONMENTAL REVIEW		
Phase 1 - Environmental Impact Statement scoping report issued	Completed 12/01/10	
Phase 2 - Draft Environmental Impact Statement (DEIS)	10/2011	02/2013
Phase 3 - Final Environmental Impact Statement	10/2012	2/2014
HEARING		
Mandatory Hearings	06/2014*	

* Target date for completion is based on guidance in the SRM for SECY-10-0082, dated 12/23/10. The SRM states that the objective

	for completing the mandatory hearing will be four months after the issuance of the FSER or Final Environmental Impact Statement.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes. Update all information if possible. Particularly, is the draft EIS due date (02/13) rescheduled? What is the new tentative date?
Document #: DR-1.13 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide an overview of 2012 NRC decisions impacting the Turkey Point 6&7 project.
	Summary of Contents: FPL states that several 2012 NRC decisions have effected the project directly and indirectly.
	Direct: 1. On 02/10/12, NRC issued the COL for the Vogtle Units 3 & 4 AP1000 project. This is reference COL (R-COL) for the PTN project. Approval of the R-COL is a necessary step to the approval of the PTN 6 & 7 COL. 2. In 02/12, Atomic Safety Licensing Board (ASLB) dismissed two of three allowed contentions, significantly narrowing the scope of the future contested hearing for the PTN project. Only one contention, related to certain chemicals in the plant discharge stream, remains. 3. In 05/12, NRC issued a letter placing the COLA review schedule "under review" pending revisions of two specific sections of the COLA. FPL has responded to NRC requests and a revised COLA review schedule is anticipated in early 2013.
	Indirect: 1. In 07/12, NRC determined to conduct an Environmental Impact Statement to address the long term storage of used fuel, commonly referred to as Waste Confidence. NRC also identified that it would take no final licensing actions until this issue was resolved. Completion of this activity does not impact the NRC's ability to proceed with COLA review, but must be resolved before the final licensing decision can be made. 2. Because of pending federal fiscal issues and an unresolved 2013 federal budget, NRC is considering re-allocation of limited resources. Review of COLAs is a relatively low priority. If sequester occurs, or if NRC operating budget is affected, additional delays may result.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes. Any update on the revised COLA review schedule? Has additional delay been introduced into the process due to NRC reallocation of resources or federal budgeting issues? Are COLA reviews underway? When will reviews begin again?
Document #: DR-1.14 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain how how NRC changes and announced delays (e.g. COLA, FSER, FEIS, and hearing dates) impact Turkey Point 6&7 project decision making and critical path timeline. Please provide project critical path timelines depicting before and after these changes.
	Summary of Contents: FPL states that it is unable to fully evaluate the potential impact of the current NRC schedule review until a revised COLA Review Schedule is provided. Additional time will be required in the COLA review schedule to accommodate review of the revised sections required by the 05/04/12 NRC letter to FPL. This additional time does not preclude meeting the currently scheduled date for receipt of the COL (09/30/14). Additional factors related to federal budgeting and the progress of the Waste Confidence rule will be evaluated to determine what factor or factors will be the critical path to COL issuance. The 2012 schedule review indicated that the commercial operation dates included in the current project schedule (2022/2023) were still achievable. FPL believes that remains the case.

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes. COD still achievable? Does FPL anticipate a change to COD dates (2022/2023) in 2013?
	Document #: DR-1.15 Date Requested: Date Received: Comments: (i.e., Confidential)
	Document Title and Purpose of Review: How will FPL manage recent NRC changes (e.g. FSER, FEIS, and hearing dates) to preserve planning schedule margins?
	Summary of Contents: FPL states that its ability to "manage recent NRC changes" to FSER, FEIS, and hearing dates is limited. FPL went on to state that in addition to the execution of the required reviews, the federal process is impacted by external events which may affect FPL's planning schedule margins. However, FPL can take actions and develop strategies to mitigate and minimize the impacts of these changes. FPL says it maintains a continuous communication with federal regulators to ensure all questions and concerns are fully answered in a timely manner. However, the primary means of mitigating the impact of these changes on FPL customers is to engage in a stepwise development process that limits capital outlays during the licensing period. In terms of the federal review process, FPL endeavors to answer NRC requests for information within the timeframes assumed by the NRC when developing its review schedule.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
	Document #: DR-1.16 Date Requested: Date Received: Comments: (i.e., Confidential)
	Document Title and Purpose of Review: Please provide an itemized list and narrative description of NRC requests for additional information (RAI) received since January 1, 2012. Provide the RAI number, date received, NRC due date, and the actual or anticipated date of each FPL response. Going forward, until the completion of the current NCRC review, please update this list no later than the 15 th day of each month (or the next business day if a weekend). Notify staff upon completion.
	Summary of Contents: FPL anticipates it will respond to each request by or on the NRC due date. FPL furnished a line-by-line of eighty-one (81) current RAIs. Of those, nine (9) remain outstanding as of 01/2013. See DR-1.16 for the full RAI listing. Going forward, FPL will furnish staff a monthly line-by-line update.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
	Document #: DR-1.17 Date Requested: Date Received: Comments: (i.e., Confidential)
	Document Title and Purpose of Review: Please update current status and plan for the Turkey Point 6&7 cooling water. In addition to general description, please provide critical dates, milestones, required actions, regulatory approvals required, information on contracts let, and progress of work.
	Summary of Contents: In its SCA and COLA documents, FPL outlined its PTN water resource plan. This plan identifies the intent to utilize reclaimed water as the primary cooling water makeup source. A commitment to provide reclaimed water and an outline of the commercial arrangement was approved by FPL and the MDC Board of County Commissioners in 2010, the Joint Participation Agreement (JPA). Since, parties have maintained communications while the precedent conditions are achieved. As a part of this JPA, and to ensure operational reliability of the future project, FPL is also pursuing approval of a backup water supply. This source and method was also

	<p>explicitly described in the SCA and COLA documents. FPL's initial analysis was augmented with responses to additional RAIs and completeness responses including an extensive revision to the groundwater model.</p> <p>During 2012 the Florida Fish and Wildlife Conservation Commission and the South Florida Water Management District issued plant agency reports in the SCA process recommending approval of FPL's water resource plan. Miami-Dade County has required FPL to apply for zoning approval for the Radial Wells and a treatment facility associated with the reclaimed water source. Milestones: ning approvals are pending review in December 2012. Other milestones include:</p> <ul style="list-style-type: none"> ⊙ Zoning approval pending for the radial wells. S: 12/2012 ⊙ Land Use consistency determination by MDC. S:12/2012 ⊙ Plant Agency Report MDC. 02/2013 ⊙ Project Analysis Report FDEP. S: 03/2013 ⊙ Site Certification Hearing FDEP. S: 07/2013 ⊙ Siting Board Hearing Governor. S: 12/2013 <p>Several conceptual design activities were undertaken in 2012, including a more detailed engineering analysis exploring the layout of the well caissons and laterals. No construction activity would begin until several years into the construction cycle.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Yes – get an updated status on pending issues scheduled to occur 12/2012 to 03/2013. Determine whether FPL expects on time decisions or further delays on all other pending issues 07/2013 to 12/2013.</p>
<p>Document #: DR-1.18 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: For cooling water, please describe:</p> <ul style="list-style-type: none"> a. The milestones achieved or anticipated in 2012. b. The in-service daily estimated requirement. c. A recap of the current plan to provide sufficient quantities. d. Potential challenges to obtaining sufficient quantities. e. Possible impacts to project schedule and cost. f. The sourcing agreements reached and their dates. g. Discharge standards and FPL's planning to meet these standards. h. Description of any construction contracts signed in 2012 (e.g. vendor, amount, due dates, scope of work) i. Description of any construction work accomplished to date in 2012 and anticipated through year end. j. The milestones anticipated in 2013. <p>Summary of Contents:</p> <ul style="list-style-type: none"> a. Please see response to DR-1.17. b. 59,000,000 gallons per day (MGD) for PTN6&7. c. Reclaimed water will be the primary source from MDC South District Waste Water Treatment Plant. Saline water from Biscayne Bay will be provided via Radial Collector Wells (RCWs) as a backup source. d. MDC has indicated capacity to provide up to 90 MGD of reclaimed water. The South Florida Water Management District (SFWMD) has recommended that the RCW source be limited to 60 days in a 12-month period, with a 90-day emergency allotment subject to SFWMD

	<p>authorization.</p> <p>c. Project cost and schedule includes the permitting, design, construction and operation of the water resource plan as submitted in SCA and COLA. Modifications to this plan, as potentially required by MDC land use compliance, are not included and could increase cost by up to \$100M. No significant schedule impacts are noted.</p> <p>f. FPL has executed a Joint Participation Agreement (development agreement) with MDC. A Reclaimed Water Services Agreement (RWSA), providing specific operating terms and conditions, will be executed prior to commencing construction.</p> <p>g. The cooling tower blowdown and other Site wastewater streams, except stormwater, will be collected in a lined blowdown sump and will be discharged to the deep injection wells. For further information on wastestreams, characterization, and disposal methods please refer to Table 4.6-1 Rev. 1 submitted with the SCA Amendment on 11/15/12. The deep injection wells will meet the requirements established by FDEP and Chapter 62-528, F.A.C. These wells will be installed in accordance with the FDEP and any other local requirements. The wastewater discharged to the deep injection wells will not be hazardous as defined by Chapter 62-730, F.A.C. The quality of water that will be discharged via the deep injection wells was submitted with the SCA Amendment on 11/15/12, Tables 4.6-2 Rev. 1 and 4.6-3 Rev.1.</p> <p>h. No construction contracts were signed in 2012.</p> <p>i. Work was completed on the installation of Exploratory and Dual Zone Monitoring wells for the UIC program in July 2012. This work is related to achieving the permits for construction and operation of the UIC well system.</p> <p>j. Please see response to DR-1.17.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required: Yes. On a 0 to 100 percentage scale, how does FPL see the potential for increased cost from having to modify it's SCA and COLA water resourcing plans? What dollar amounts?</p>
<p>Document #: NEW DR-1.19 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: For transmission issues, please describe:</p> <ul style="list-style-type: none"> a. The milestones achieved or anticipated thru year-end 2012. b. A recap of the current plan for corridor acquisition. c. Remaining challenges to acquiring adequate corridors. d. Possible impacts to project schedule and cost. e. The milestones anticipated in 2013. <p>Summary of Contents:</p> <ul style="list-style-type: none"> a. <ul style="list-style-type: none"> ⊙ 01/06/12 – Proponents of alternate corridors provided corrective data after FDEP's determination of incompleteness ⊙ 01/17/12 – MDC issued agency report on FPL's transmission line portion of its Site Certification Application ⊙ 01/26/12 – Reviewing agencies filed with FDEP any remaining issues concerning completeness of alternate corridor data ⊙ 02/01/12 – FDEP issued 2nd determination of completeness of alternate corridors, found complete ⊙ 02/27/12 – FDEP filed Notice of Filing Proof of Publication for notice of filing of alternate corridor ⊙ 03/12/12 – Agencies filed with FDEP supplementary reports on alternate corridors for which submitted data has been determined complete ⊙ 08/07/12 – FDEP issued Project Analysis Report on FPL's transmission line portion of its Site Certification Application

	<ul style="list-style-type: none"> ⊙ 08/14/12 – FDEP filed Supplemental Project Analysis Report on alternate corridors ⊙ 11/11/12 – Alternate corridor proponents published newspaper notice of new schedule for filing alternate ⊙ 12/10/12 – Reopened deadline for filing notice of a proposed alternate corridor ⊙ 12/17/12 – Deadline for FPL and DEP to file notice of acceptance/rejection of alternate corridors <p>b. The proposed corridors must be certified through the state's Power Plant Siting Act process which is currently underway, and is not scheduled to be final until late 2013. Once FPL has a certified corridor, the necessary land rights (fee or easement) for the right-of-way within that corridor can then be identified and acquired. FPL's Site Certification Application for the TP 6 & 7 Project briefly mentions this process in Sections W9.3.2, W9.3.5, E9.3.2, and E9.3.5.</p> <p>c. FPL's West Preferred Corridor proposes use of a congressionally authorized land exchange corridor to that currently owned by FPL within the expansion area of Everglades National Park. Recent delay in the schedule for the required EIS will place the completion of the land exchange after state certification of the Project. In addition, if one of the new west alternate corridors were to be selected for certification for the Turkey Point Units 6 & 7 transmission lines, FPL would need to acquire the land rights necessary to use that corridor in the areas east of the land exchange right-of-way at a significant cost to customers. In addition to the cost to customers, another concern is the uncertainty of FPL's ability to secure all of the necessary property interests in a new west alternate corridor because much of the land is in government ownership. FPL's East Preferred Corridor is almost entirely located within existing FPL rights-of-way or public transportation rights-of-way. The conditions under which FPL will be allowed to use those public transportation rights-of-way will be established as part of the ongoing state PPSA certification proceeding. The remaining challenges to FPL's successful state certification of the proposed transmission line corridors include: (a) obtaining a recommendation regarding the corridors from the Administrative Law Judge based on the evidence to be presented at the certification hearing, and (b) obtaining a Final Order regarding certification from the Power Plant Siting Board (consisting of the Governor and Cabinet), and subject to conditions of certification.</p> <p>d. The current certification schedule as adopted by the Administrative Law Judge is the Thirteenth Revised Schedule, available at www.doah.state.fl.us, in the docket for Case No. 09-3575EPP, ordered by the judge on August 21, 2012. On November 30, 2012, DEP and FPL requested the Judge to establish additional review/processing deadlines for any new alternate transmission line corridors timely filed by December 20, 2012; an Order on this request should be forthcoming in the near future. Possible impacts to the project schedule and cost that may occur include potential schedule delays due to requests by other entities, and such schedule delays may impact project schedule and cost. There are no known anticipated impacts to project schedule or cost going forward at this time. However, another potential impact to project cost could occur if a new west alternate transmission line corridor is certified over land that is not owned by or available to FPL.</p> <p>e.</p> <ul style="list-style-type: none"> ⊙ 01/07/13 – Proponents of new alternate transmission line corridors to submit supporting data ⊙ 01/09/13 – Proponents of alternate corridors to notify local landowners within ¼ mile of the corridors ⊙ 01/22/13 – Agencies to file with DEP any issues concerning completeness of alternate corridor data ⊙ 01/24/13 – Proponents of alternate corridors to file list of landowners/residences notified ⊙ 01/29/13 – DEP issues 1st determination of completeness of alt corridor data (schedule assumes incomplete) ⊙ 02/12/13 – Proponents of alternate corridors to submit corrective data ⊙ 02/22/13 – Agencies to file with DEP any issues concerning completeness of alternate corridor data ⊙ 02/26/13 – DEP issues 2nd determination of completeness of alt corridors (if not complete, deemed withdrawn) ⊙ 03/22/13 – Agencies to file with DEP supplementary reports on alternate corridors ⊙ 03/29/13 – Agencies headed by a collegial body to file with DEP supplementary report on alternate corridors ⊙ 04/15/13 – DEP to file its Project Analysis on alternate corridors ⊙ 05/24/13 – Proponents of alternate corridors to publish newspaper notice of filing of the alternate corridor ⊙ 07/08 to 08/09/13 – Administrative Law Judge conducts certification hearing
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	<ul style="list-style-type: none"> ⊙ 12/03/13 – Siting Board hearing on land use and/or certification <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Yes; Were the following achieved per FPL's estimation at the time of DR responses?</p> <ul style="list-style-type: none"> ⊙ 12/10/12 – Reopened deadline for filing notice of a proposed alternate corridor ⊙ 12/17/12 – Deadline for FPL and DEP to file notice of acceptance/rejection of alternate corridors ⊙ 01/07/13 – Proponents of new alternate transmission line corridors to submit supporting data ⊙ 01/09/13 – Proponents of alternate corridors to notify local landowners within ¼ mile of the corridors ⊙ 01/22/13 – Agencies to file with DEP any issues concerning completeness of alternate corridor data ⊙ 01/24/13 – Proponents of alternate corridors to file list of landowners/residences notified ⊙ 01/29/13 – DEP issues 1st determination of completeness of alt corridor data (schedule assumes incomplete) ⊙ 02/12/13 – Proponents of alternate corridors to submit corrective data ⊙ 02/22/13 – Agencies to file with DEP any issues concerning completeness of alternate corridor data ⊙ 02/26/13 – DEP issues 2nd determination of completeness of alt corridors (if not complete, deemed withdrawn) <p>And are the following still on time / on plan for completion or execution:</p> <ul style="list-style-type: none"> ⊙ 03/22/13 – Agencies to file with DEP supplementary reports on alternate corridors ⊙ 03/29/13 – Agencies headed by a collegial body to file with DEP supplementary report on alternate corridors ⊙ 04/15/13 – DEP to file its Project Analysis on alternate corridors ⊙ 05/24/13 – Proponents of alternate corridors to publish newspaper notice of filing of the alternate corridor ⊙ 07/08 to 08/09/13 – Administrative Law Judge conducts certification hearing ⊙ 12/03/13 – Siting Board hearing on land use and/or certification
<p>Document #: NEW DR-1.20 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Regarding benchmarking of <u>domestic</u> new nuclear construction programs:</p> <ul style="list-style-type: none"> a. Identify the project(s) that FPL completed benchmarking in 2012. b. Identify the project(s) that FPL is currently benchmarking. c. Describe the FPL staffing and scope for each project benchmarked. d. Provide any FPL reports and/or studies from each benchmarking. e. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking. f. Identify construction issues that may impact Turkey Point 6&7 schedule or cost. g. Identify operational issues that may impact Turkey Point 6&7 schedule or cost. h. Identify the project(s) that FPL plans to benchmark in 2013. i. Have any legal issues or challenges to the project been identified via benchmarking? <p>Summary of Contents: a. FPL assumes "benchmarking" to refer to the full range of activities undertaken by the company to obtain knowledge, insight and lessons learned by preceding new nuclear construction projects. In that sense, benchmarking is an ongoing activity. Below is a description of the activities FPL engages in to benchmark other projects.</p>

	<ul style="list-style-type: none"> ◎ FPL is a member of the APOG Construction Committee formed by US utilities pursuing development of the Westinghouse AP1000 Nuclear design. Members of the APOG Construction committee include engineering and construction personnel from Southern Services, Duke Energy, SCANA, and FPL. The main objectives of the APOG construction committee is to benchmark the construction of all AP1000 units in order to provide a quality final product for all end-users. The APOG construction committee was established to provide input and experience from 5 Utilities with a Technology in Common, 5 Independent Construction Experience (CE)/Operating Experience (OE) Programs, 2 Supplier "CE" Programs (Westinghouse & Shaw Construction), and the INPO Program (recently provided online). ◎ The APOG construction committee meets bi-weekly (through teleconferences) to discuss and screen new/developing issues. Face-to-face quarterly meetings are held; these provide walkdowns of sites under construction or in planning. An items/issues list is maintained by the APOG committee. The AP1000 projects under construction, or planned for construction, that provide representation for the group are: <ul style="list-style-type: none"> Vogtle Units 3 & 4 (Southern Services) VC Summer Units 2 & 3 (SCANA) Levy County Project Units 1 & 2 (Duke Energy) William States Lee III, Units 1 and 2 (Duke Energy) Turkey Point Units 6 & 7 (Florida Power & Light) Shearon Harris, Units 2 and 3 (Duke Energy) Additionally, Shaw shares information and lessons learned from the construction of the Sanmen and Haiyang projects in China. <p>b. FPL will continue to monitor the following projects:</p> <ul style="list-style-type: none"> Sanmen and Haiyang (China National Nuclear Corporation) Vogtle Units 3 & 4 (Southern Services) VC Summer Units 2 & 3 (SCANA) Levy Project Units 1 & 2 (Duke Energy) William States Lee III, Units 1 and 2 (Duke Energy) Shearon Harris, Units 2 and 3 (Duke Energy) <p>c. FPL provides a total of five people on six committees:</p> <ul style="list-style-type: none"> APOG Executive - 2 APOG Construction – 1 APOG Electrical – 1 APOG Licensing – 1 APOG I&C – 1
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	<p style="text-align: center;">APOG Engineering - I</p> <p>d. Please see FPL's response to item (c) below.</p> <p>e. Please see the DR 1.20 (c) Trip Reports (dated 9-19-12, 9-21-12, and 9-25-12) and DR 1.20 (c) APOG CE List on DISK 4.</p> <p>f. Each item in the attachment has a potential to impact cost and schedule. However, no PTN-specific evaluations have been performed.</p> <p>g. No operational issues to date have been identified that may impact the project schedule or cost.</p> <p>h. Benchmarking activities identified in item (b) above will continue in 2013.</p> <p>i. A wide range of information has been provided through formal and informal monitoring of preceding projects. These include the legal issues and challenges unique to initiating ultra large-scale construction of US nuclear generation. FPL believes that these observations (legal, commercial, construction planning, regulatory interface, quality assurance, etc.) substantiate the value of proceeding in a deliberate and stepwise manner to maximize project development certainty prior to committing to specific project expenditures.</p> <p>FPL also appended trip reports (CONFIDENTIAL) undertaken by company personnel to inspect/benchmark the ongoing Vogtle project. See DISK 4, DR-1.20 response for the reports.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.21 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Regarding benchmarking of <u>foreign</u> new nuclear construction programs:</p> <ol style="list-style-type: none"> Identify the project(s) that FPL completed benchmarking in 2012. Identify the project(s) that FPL is currently benchmarking. Describe the FPL staffing and scope for each project benchmarked. Provide any FPL reports and/or studies from each benchmarking. Provide briefing recaps, briefing slides, and lessons learned from each benchmarking. Identify construction issues that may impact Turkey Point 6&7 schedule or cost. Identify operational issues that may impact Turkey Point 6&7 schedule or cost. Identify the project(s) that FPL plans to benchmark in 2013. <p>Summary of Contents:</p> <p>Items responsive to this question are included in FPL response to DR-1.20, above. CONFIDENTIAL</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>

Document #: NEW DR-1.22 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list all risk assessment and/or mitigation meetings or reviews, and their dates, held in 2012 to date. Please provide all meeting briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Going forward, after each subsequent meeting and until the completion of the current NCRC review in late May 2013, please provide staff the briefing slides, post-meeting recaps, meeting reports, and meeting minutes produced from each meeting. Notify staff upon completion.
	Summary of Contents: <p>FPL states in response that tracking and characterization of project risk is a central principle behind all PTN 6&7 project reports. This holds for monthly reports, including accounting variance, vendor status, or quarterly risk assessments.</p> <p>Formal risk management is centered in two specific reports. Monthly, a project specific dashboard was developed to track key project aspects representing major risk areas. Quarterly, FPL conducts a broader review to determine significant risk areas and the associated trends. This leads to a Quarterly Risk Assessment. Also on a monthly basis, the project team reports status to an executive team via scheduled meetings and presentations. When specific situations or decisions warrant, the project has the option of presenting this information to, and obtaining the advice of the FPL Risk Committee. No presentations were made to the Risk Committee in 2012.</p> <p>Monthly dashboards are included in response to DR-1.30. Quarterly Risk Assessments are included in response to DR-1.23. The following reports are included in response to DR-1.30:</p> <ul style="list-style-type: none"> ⊙ 2011 01 PTN 6 and 7 Dashboard ⊙ 2011 02 PTN 6 and 7 Dashboard ⊙ 2011 03 PTN 6 and 7 Dashboard ⊙ 2011 04 PTN 6 and 7 Dashboard ⊙ 2011 05 PTN 6 and 7 Dashboard ⊙ 2011 06 PTN 6 and 7 Dashboard ⊙ 2011 07 PTN 6 and 7 Dashboard ⊙ 2011 08 PTN 6 and 7 Dashboard ⊙ 2011 09 PTN 6 and 7 Dashboard ⊙ 2011 10 PTN 6 and 7 Dashboard ⊙ 2011 11 PTN 6 and 7 Dashboard ⊙ 2011 Q1 PTN 6 and 7 Due Diligence ⊙ 2011 Q2 PTN 6 and 7 Due Diligence ⊙ 2011 Q3 PTN 6 and 7 Due Diligence ⊙ The December 2011 Reports will be provided by January 15, 2012, as requested by staff.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:

<p>Document #: NEW DR-1.23 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Follow-up Required: Yes, were the 12/2011 reports received by 01/15/12?</p> <p>Document Title and Purpose of Review: Please describe:</p> <ul style="list-style-type: none"> a. Changes to project planning, timeline, or budget occurring in 2012 b. A description of the impact of each on project schedule and costs. c. Which changes were due to perceived risk and/or attempts to mitigate that risk? d. Risk mitigation strategies considered, developed, or adopted, and the result if completed. <p>Summary of Contents:</p> <ul style="list-style-type: none"> a. In 2012 FPL states that the company conducted a schedule review, the results of which were described in the April 27th testimony of Witness Scroggs. FPL analyzed a revised COLA review schedule (received 10/11) for potential impacts to project planning, timeline and budget. While some intermediate milestones were impacted, the overall project timeline was not effected. CODs remain 2022 for PTN6 and 2023 for PTN7. FPL noted that (schedule) margin is reduced. No budget impact was identified b. See a. above. c. No changes were made to project planning, timeline or budget due to perceived risk and/or attempts to mitigate that risk. d. PTN uses quarterly and monthly risk monitoring programs to ID and document potential risk management issues and actions. FPL believes that these monthly dashboards and quarterly risk assessments provide a comprehensive documentation of risk monitoring activities. Quarterly Risk Assessments are included in responses to DR-1.23. See DR-1.22 for monthly dashboards. <p>Conclusions:</p> <p>Data Request(s) Generated:</p> <p>No. _____ Description:</p> <p>No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.24 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please describe:</p> <ul style="list-style-type: none"> a. All problems or challenges to the project identified during 2012. b. Potential impact(s) to project schedule and cost, including but are not limited to marketplace, domestic economic, and capital market conditions, FPL demand projections, vendor and contractor issues, site infrastructure planning, project logistics, and regulatory changes. c. FPL analysis of potential impacts to project schedule and cost. d. Mitigation strategies considered, developed, adopted, and the result if completed. For each, indicate whether it is under development, developed and under consideration for deployment, currently deployed, or completed. e. Any problems or challenges anticipated or identified for the remainder of 2012. f. Any problems or challenges anticipated or identified for 2013. <p>Summary of Contents:</p> <ul style="list-style-type: none"> a. Witness Scroggs' May 2012 testimony provides a summary of issues potentially affecting the project and key decisions and milestones for 2012. These have not changed. Through the course of the year additional information related to these issues was developed. Examples of this information include further progress on activities (e.g. UIC exploratory well and application for additional MDC zoning approvals.) These events will again discussed in the March 1, 2013 filing and pursued during staff's on-site interview trip in March and/or April. b. Market, economic, and demand projections will be reviewed in the 2013 annual feasibility analysis in the May 2013 filing. FPL states that conditions appear similar to those analyzed in 2012. No significant vendor/contractor, site infrastructure planning, logistical, or regulatory issues, other than those discussed in the April 27, 2012 testimony of Witness Scroggs, were identified in 2012. c. A schedule and logistics review is anticipated in 2013 following receipt of a revised NRC COLA review schedule. FPL continues to

	<p>monitor NRC progress on the Waste Confidence rule, which has the potential to impact the issuance of the COL.</p> <p>d. The Quarterly Risk Assessment and Monthly Project Dashboard track risk areas and identify mitigation strategies for the ongoing management of project issues. These documents are provided in response to DR 1.23 and 1.30.</p> <p>e. Progress towards completing the NRC RAIs will be the primary focus for the balance of 2012 at the federal level. Resolution of MDC zoning approvals and land use consistency will be the primary focus at the state level. The 2012 issues will carry into 2013.</p> <p>f. Problems and challenges anticipated for 2013 are of the same nature and magnitude as those experienced by the project to date.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.25 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review:</p> <p style="text-align: center;"><u>Project Organization & Procedures</u></p> <p>For FPL or Turkey Point 6&7 project management, please provide:</p> <ol style="list-style-type: none"> a. A list of new policies, procedures, and controls created in 2012. b. A list of policies, procedures, or controls revised in 2012 or currently under revision. c. A list of policies, procedures, or controls deleted during 2012 and a rationale for deletion. d. A list of policies, procedures, or controls scheduled for revision in 2013. e. A copy of new or revised policies, procedures, and controls. f. A copy of policies, procedures, and controls currently under revision, when available. <p>Summary of Contents:</p> <p>a & b. PTN 6&7 new and/or revised policies, procedures, or controls are in the table below. Those without document numbers are internal procedures not identified in this manner.</p>

	TITLE	NUMBER	REV / CREATE DATE	NEW / REVISED
	Request for Information (RFI) and RFI Response	NNP-PI-01	10/04/12	Revised
	COLA Configuration Control and Responses to Requests for Additional Information for Project Applications	NNP-PI-04	07/20/12	Revised
	NNP NRC Correspondence	NNP-PI-06	10/15/12	Revised
	NNP Department Training	NNP-PI-07	02/29/12	New
	NNP COLA Review & Approval Process	NNP-PI-08	07/20/12	Revised
	Exploratory and Dual Zone Monitoring Well Project Incident Response Instructions	NNP-PI-15	07/03/12	New
	Payroll Distr Review Process	n/a	06/11/12	New
	Monthly Cost Report Process	n/a	06/11/12	New
	Invoice Review	n/a	05/24/12	New
	Expense Report Review	n/a	07/24/12	New
	c. None			
	d. None. FPL states that project policies, procedures and/or controls are updated as needed.			
	e. All PTN 6&7 Policies and Procedures listed in the attached DR 1.25 (a) and (b) Policies and Procedures with a creation or revision date in 2012 are provided.			
	f. Going forward until the completion of the current NCRC review, PTN 6&7 policies will be provided as they are revised by the 15th day of each month (or the next business day if a weekend).			
	Conclusions:			
	Data Request(s) Generated: No. _____ Description: No. _____ Description:			
	Follow-up Required:			
Document #: NEW DR-1.26 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide or identify: <ul style="list-style-type: none"> a. A current by-name project organizational chart, showing FPL project management, work unit staffing, and reporting linkages. b. A by-name list of project personnel changes made in 2012, supervisor and above, outgoing and incoming. Please include the reason and date for each change. c. Any personnel changes that resulted from FPL succession planning. d. Personnel changes anticipated for the remainder of 2012. e. Any anticipated personnel changes for 2013. 			
	Summary of Contents: a. FPL furnished two organizational charts:			

	<p> <input type="radio"/> "PTN Units 6 & 7 Project Organization – New Nuclear Projects" <input type="radio"/> "Turkey Point 6 & 7 Development Project Organization – Licensing Phase" </p> <p>b. There were no changes made in 2012, at the supervisor or above levels on the Turkey Point 6&7 Project.</p> <p>c. There were no project personnel changes resulting from FPL succession planning on the Turkey Point 6&7 Project.</p> <p>d. No personnel changes are anticipated for 2012 on the Turkey Point 6&7 Project.</p> <p>e. Robert Regan transferred from the PTN6&7 project to the Nuclear Division January 1, 2013. FPL will add a Construction Director, with a current target of August 2013.</p> <p>VP, New Nuclear Projects position remains open (New Nuclear Projects org chart). That effort is headed by License Director, Bill Maher.</p> <p>Steve Scroggs is the Senior Director – Development (Licensing Phase org chart) with a dashed horizontal line to Bill Maher, New Nuclear Projects.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.27 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a copy of the company's staffing plan for the Turkey Point 6&7 project.</p> <p>Summary of Contents: FPL staffing plan for the current phase of the project is reflected in its current organizational chart. See DR-1.26</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.28 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a summary of organization changes made during 2012, those planned for the remainder of 2012, those planned for 2013, and the rationale for each change or projected change.</p> <p>Summary of Contents: See response to DR-1.26 above. No other changes.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>

<p>Document #: NEW DR-1.29 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Follow-up Required:</p> <hr/> <p>Document Title and Purpose of Review: Please provide:</p> <ul style="list-style-type: none"> a. A summary of 2011 disciplinary actions taken or pending for FPL project employees. b. A description of the event(s) leading to discovery of the incident(s). c. A description of the cause, date, management response, timetable for remedial action(s), and whether the employees was allowed to continue work. <hr/> <p>Summary of Contents: a. See answer to item c.</p> <p>b. May 2012, there was a spill of drilling fluid (on the ground) due to lack of containment.</p> <p>c. Containment around the UIC well was removed in anticipation of completion of drilling activities. One of the final activities resulted in a spill of drilling fluid onto the ground. The individual that was scheduled to be there during these evolutions was not. The site of the spill was remediated and notifications were made. After an investigation, the individual was reprimanded on 6/14/12 and allowed to return to work.</p> <hr/> <p>Conclusions:</p> <hr/> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <hr/> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.30 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: <u>Project Cost Estimates & Schedules</u></p> <p>Please provide copies of all project management reports/status updates during 2012. These would include reports issued by and for project middle, senior, and executive management. Topics would include, but not be limited to briefings, minutes, findings, handouts, PowerPoint slides, and reports. Going forward, until the completion of the current NCRC review, please update this list no later than the 15th day of each month (or the next business day if a weekend). Notify staff upon completion.</p> <hr/> <p>Summary of Contents:</p> <p>FPL provided Weekly NNP Staff Meeting Attachments, Pre-construction graph, Bechtel Progress Reports, Bechtel Weekly Agendas, Monthly Cost Reports, Project Dashboards, and ECCS Corporate Due Diligence reports. Going forward the reports will be provided on a monthly basis as requested. Includes full reports for the following:</p> <ul style="list-style-type: none"> ⊙ PTN6&7 Monthly Dashboards (Jan - Nov 2012) ⊙ PTN 6&7 Construction Cumulative Spending graphs (Jan - Nov 2012) ⊙ PTN 6&7 Monthly Cost Reports (Jan - Nov 2012) ⊙ Engineering, Construction, & Corp Svcs (ECCS) Due Diligence Reports (Q1, Q2, Q3, Q4) ⊙ Bechtel Monthly Progress Report (Jan - Nov 2012) ⊙ PTN New Nuclear Update Report (Jan - Feb, Apr - Jun, Aug - Nov 2012) (No update in March or July) ⊙ Bechtel Weekly Status Conference Call Agenda & Report <ul style="list-style-type: none"> January - 3, 10, 17, 24 February - 7, 14, 21, 28 March - 6, 13, 20, 27 April - 3, 10, 17, 24

	<p>May – 1, 8, 22, 29 June – 5, 12, 19, 23 July – 3, 10, 17, 25, 31 August – 7, 14, 21, 28 September – 4, 11, 18, 25 October – 2, 9, 16, 23, 30 November – 6, 13, 27 December – 3, 7, 10, 17</p> <p>⊙ Weekly NNP Staff Meeting Minutes January – 3, 9, 17, 23, 30 February – 6, 13, 20, 27 March – 5, 12, 19, 26 April – 2, 9, 16, 23, 30 May – 7, 14, 21, 29 June – 4, 11, 18, 25 July – 2, 9, 16, 23, 30 August – 6, 13, 20, 27 September – 3, 10, 17, 24 October – 1, 8, 15, 22, 29 November – 6, 12, 20, 27 December – 2, 4, 11, 18</p> <p>⊙ New Nuclear (monthly) Update January February March – None April May June July – None August September October November December</p>
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Get PTN recurring reports in monthly packets, as they become available in 2013 until the conclusion of this year's audit. FPL is aware of this requirement.
	Document Title and Purpose of Review: Please provide a copy of the Key Performance Indicators used by FPL management to monitor the status of Turkey Point 6&7 projects and sub-projects. Please provide the 2012 monthly results for each indicator. Going forward, until the completion of the current NCRC review, please update this list no later than the 15 th day of each month (or the next business day if a weekend). Notify staff upon completion.
Document #: NEW DR-1.31 Date Requested: Date Received: Comments: (i.e., Confidential)	

	<p>Summary of Contents: Furnished in responses to data requests DR-1.30</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>																												
<p>Document #: NEW DR-1.32 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please provide the current schedule and timeline for completing the Turkey Point 6&7 project.</p> <p>Summary of Contents: FPL provided the latest Project Timeline (Rev 6), attached to this summary log.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description:</p> <p>Follow-up Required:</p>																												
<p>Document #: NEW DR-1.33 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a recap and description of schedule variances compared to projections contained in the FPL May 2012 filing.</p> <p>Summary of Contents:</p> <table border="1" data-bbox="583 946 1822 1320"> <thead> <tr> <th>PROCESS</th> <th>MILESTONE</th> <th>EXPECTED AS OF MAY 1 2012</th> <th>ACTUAL/ESTIMATED DATE</th> </tr> </thead> <tbody> <tr> <td>SCA</td> <td>Plant Agency Report</td> <td>Mid-2012</td> <td>Mid-2012 / MDC Feb 2013*</td> </tr> <tr> <td>SCA</td> <td>Land Use Determination</td> <td>Mid-2012</td> <td>Late-2012</td> </tr> <tr> <td>SCA</td> <td>Land Use Hearing</td> <td>Early-2013</td> <td>Mid-2013</td> </tr> <tr> <td>SCA</td> <td>Site Certification Hearing</td> <td>Early-2013</td> <td>Mid-2013</td> </tr> <tr> <td>COLA</td> <td>Complete RAI</td> <td>Late-2012</td> <td>Mid-2013</td> </tr> <tr> <td>Land Exchange</td> <td>Draft EIS</td> <td>Late-2012</td> <td>Mid-2013</td> </tr> </tbody> </table> <p>SCA milestones based on 13th Revised SCA Schedule. MDC Plant Agency Report is due February 2013.</p>	PROCESS	MILESTONE	EXPECTED AS OF MAY 1 2012	ACTUAL/ESTIMATED DATE	SCA	Plant Agency Report	Mid-2012	Mid-2012 / MDC Feb 2013*	SCA	Land Use Determination	Mid-2012	Late-2012	SCA	Land Use Hearing	Early-2013	Mid-2013	SCA	Site Certification Hearing	Early-2013	Mid-2013	COLA	Complete RAI	Late-2012	Mid-2013	Land Exchange	Draft EIS	Late-2012	Mid-2013
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Land Exchange	Draft EIS	Late-2012	Mid-2013																										

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.34 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide the current cost estimate for completing the Turkey Point 6&7 project.
	Summary of Contents: The current cost to complete the project was previously provided to the Commission as part of the FPL filing on April 27, 2012. See the TOR-2 schedule. Range is \$12.81B to 18.69B
	<u>Current Cost Estimates</u> Site Selection: \$6,118,105 (Low & High) Pre-Construction: \$197,281,318 (Low & High) Construction: \$9,024,351,705 (Low) to \$13,234,812,242 (High) AFUDC: \$3,583,932,972 (Low) to \$5,256,076,173 (High) TOTAL: \$12,811,684,100 (Low) to \$18,694,287,838 (High)
	<u>Need Determination Petition Cost Estimates</u> Site Selection: \$8,000,000 (Low & High) Pre-Construction: \$465,000,000 (Low & High) Construction: \$8,149,000,000 (Low) to \$12,124,000,000 (High) AFUDC: \$3,461,000,000 (Low) to \$5,160,000,000 (High) TOTAL: \$12,083,000,000 (Low) to \$17,757,000,000 (High)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.35 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide a recap and description of cost variances compared to projections contained in the FPL April 2012 filing.
	Summary of Contents: FPLS provided variance information and explanations for variances, thru October 2012. The company had budgeted approximately \$34.9M to that point in the year for NNP and had expended approximately \$31.5. There is an underspend or positive variance of approximately \$3.34M.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-1.36 Date Requested:	Follow-up Required: Yes, Continue to monitor. Obtain November-December 2012 reports and 2013 monthlies as they are available.
	Document Title and Purpose of Review: Please provide all Turkey Point 6&7 feasibility studies and feasibility analyses conducted by or for FPL during 2012.

Date Received: Comments: (i.e., Confidential)	Summary of Contents: The results of all of the economic feasibility analyses/studies conducted by FPL regarding PTN 6&7 project during 2012 were filed with the Florida Public Service Commission (FPSC) on April 27, 2012 in the NCRC 2012 docket. No additional feasibility studies were conducted by FPL.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.37 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please describe all efforts or initiatives undertaken by FPL in 2021 or planned in 2012 and through 2013 to secure power purchase agreements or joint-owner agreements for the project.
	Summary of Contents: FPL states the company maintains contact with a group of utilities that have expressed interest in potential ownership of a portion of the eventual PTN 6&7 capacity. FPL holds an annual meeting with interested parties and reports the status of discussions quarterly to the FPSC through a separate docket (080271-EI). There was an annual update meeting for potential owners in May 2012 (2Q12). During 2012, FPL and OUC held discussions related to participation by OUC, with an option agreement executed identifying the terms and conditions related to potential (partial) ownership by OUC. FPL reported this is its October 2012 joint ownership report, filed in Docket No. 080271-EI .
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-1.38 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Did FPL hold quarterly meetings with potential joint owners in 2012? Please provide the briefing slides, notes, handouts, minutes, recaps, reports, or white papers produced from each meeting. Please provide the scheduled date, time, and probably attendees for the 4Q12 meeting if not already held.
	Summary of Contents: No. FPL states that the company holds an <u>annual</u> meeting (see DR-1.37above). However, FPL reports the status of meetings and discussions on a quarterly basis, as required by Order No. PSC-08-0237-FOF-EI, in Docket 080271-EI. The presentation for the 2012 meeting was attached.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-1.39 Date Requested: Date Received: Comments: (i.e., Confidential)	Follow-up Required:
	Document Title and Purpose of Review: Please provide a copy of all white papers completed in 2012 for project cost estimation and scheduling. Identify any white papers currently in production and provide a copy when completed.
	Summary of Contents: FPL developed a white paper to provide additional information related to the function and siting of the Reclaimed Water Treatment Facility. (see DR 1.7) The company did not initiate or produce any white papers for project cost estimation and scheduling. No additional white papers are currently in production.
	Conclusions:

	Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.40 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please describe the FPL outlook on participation in the DOE Loan Guarantee program. Please describe the FPL efforts or planning for this possibility during 2012. FPL's participation in the DOE Loan Guarantee program is subject to the expected costs, benefits and terms of participation that would apply. As of December 2012 there are no open solicitations in which FPL's Turkey Point 6&7 project can participate. FPL states that the company maintains a dialogue with the DOE Loan Guarantee Office (LGO) to understand the timing and process by which future solicitations will be made available. During 2012 FPL monitored the ongoing discussions between Southern Company and the DOE LGO regarding potential loan guarantees for Vogtle 3 & 4. Southern has indicated that the terms offered at the present time may not be in the best interests of its customers and may not be compelling. In the event that a loan guarantee is not agreed upon, Southern expresses confidence that they will be able to obtain financing under favorable terms through traditional financing outlets. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.41 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: What are the company expectations or anticipated/planned actions regarding the DOE Loan Guarantee program in 2013? Summary of Contents: FPL plans to monitor the DOE LG program, and evaluate any opportunities as they are identified. FPL does not expect significant preparatory work is needed to be in a position to respond should a new solicitation be opened. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.42 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: <u>Contractor Selection & Management</u> Please describe any revisions made during 2012 for contractor selection and management policies or procedures for the Turkey Point 6&7 project. Summary of Contents:

	<p>The Turkey Point 6&7 project follows corporate purchasing guidelines. In 2012, those guidelines were revised as follows:</p> <ul style="list-style-type: none"> • Bidding and Evaluations - The bid threshold was revised from \$25k to \$50k. • Single Source Justifications - SSJ threshold was revised from \$25k to \$50k. • Pre-Determined Sources - Requires ISC Director level or higher approval. Previously, Management level approval was permitted. <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.43 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Provide any revisions made to contractor oversight and management policies and procedures for the Turkey Point 6&7 project made during 2012.</p> <p>Summary of Contents: None</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: NEW DR-1.44 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Provide:</p> <ul style="list-style-type: none"> a. A summary of 2012 disciplinary actions taken, pending, or planned on project contractors. b. A description of the event(s) leading to discovery of the incident(s). c. A description of the cause, date, FPL response, timetable for remedial action(s), and whether the contractor was allowed to continue work. d. Copies of contractor and vendor "report cards" or evaluations completed in 2012 to date. e. Ongoing, by the 15th of the following month until the conclusion of this audit, provide contractor or vendor "report cards" or evaluations completed in the preceding month. <p>Summary of Contents:</p> <ul style="list-style-type: none"> a. No disciplinary actions were taken, pending or planned. (Please note that warranty claims are not considered disciplinary actions). b. N/A c. N/A d. N/A e. Will provide a monthly update by the 15th of every month.

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.45 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide the status, terms, conditions, and expiration date of the current long lead forging agreement.
	Summary of Contents: The manufacturing space reservation agreement between FPL and Westinghouse Electric Company is currently valid through April 1, 2013. nse (see Disk 4). The current amendment is signed by Bill Maher (FPL) and Mark Lloyd (Westinghouse). The agreement was first signed 5/22/08 and has been amended six (6) times:
	<ul style="list-style-type: none"> ▪ 11/01/09 ▪ 04/06/10 ▪ 03/09/11 ▪ 05/12/11 ▪ 07/14/11 ▪ 09/15/11
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: YES. Get new extension dates and termss..
Document #: NEW DR-1.46 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Are negotiations ongoing to further extend terms or expiration date for long lead forgings? Please explain.
	Summary of Contents: Yes. The current agreement is in force until April 1, 2013 with no changes to terms or conditions. Staff expects a new agreement to be in place when we make our interview trip.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: YES. Inquire about new agreement, spe cifics and terms.
Document #: NEW DR-1.47 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: What is the current no-later-than date that FPL believes forging must begin for long lead items in order to meet the project in-service timeline date?
	Summary of Contents: Based on a COD of 2022, the forgings would need to commence sometime in 2015 .

	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.48 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide a current status in the purchase and provision of other major items of equipment required for Turkey Point 6&7.
	Summary of Contents: All other procurement for major items will be accomplished through an EPC or EP agreement. No current substantive negotiations are underway, as such an agreement is not envisioned until Q4 2014.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.49 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide all RFPs issued and bid evaluations prepared (both financial and technical) in 2012 to support Turkey Point 6&7 project contracts in excess of \$100,000.
	Summary of Contents: <u>US1 Transmission Corridor Conceptual Planning RFP No. JMR011312;</u> <ul style="list-style-type: none"> ▪ Bid due date was 6/FEB12 ▪ Three bidders – [REDACTED], [REDACTED], and [REDACTED]. ▪ [REDACTED] was selected after a Technical & Commercial Bid Evaluation <u>Preliminary Design of the Radial Collector Well System; RFP No. JMR110411</u> Bid due date 11/30/11; FPL invited companies to submit a proposal to provide engineering services for preliminary design of the radial collector well system at PTN 6&7. The purpose of this project is to determine optimized design and construction considerations, features, and configuration options for the radial collector well system being considered as a backup water supply for the new units. Specific details regarding the scope of work are described in Attachment 1 to this RFP. This entire scope of work is classified as Not-Nuclear Safety. The system will be located within an area currently controlled by Turkey Point plant security; all bidder personnel in the area will require escort by FPL personnel. FPL may subsequently determine that selected Contractor personnel are to be authorized for unescorted access. Bidder's proposal were based on the following FPL milestone dates: <ul style="list-style-type: none"> ▪ Bids Due 11/30/11 ▪ Project Award 12/12/11 (approximately) ▪ Project Kickoff Meeting 12/2011 (tentative*) ▪ Issue Draft Report -- Project Award plus 16 weeks ▪ FPL Provide Comments on Draft Report -- Draft Report receipt plus 2 weeks ▪ Issue Final Documents -- FPL comments receipt plus 2 weeks ▪ Final date for Project Kickoff Meeting to be established upon Project Award.

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<p>Document #: NEW DR-1.50 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<ul style="list-style-type: none"> ■ The RFP included the following attachments (available on the FPL FTP site) ■ Att 1- Scope of Work (including References) ■ Att 2- RFP JMR110411 Bid Form ■ Att 3- FPL Standard Terms and Conditions for Services ■ Att 4- Site Specific Requirements for Turkey Point Units 6&7 ■ Att 5- FPL FEDI Agreement Form ■ Att 6- Form of Lien Release 																																																																								
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	<p>Follow-up Required: Yes. Re Exploratory / UIC Well Installation; RFP No. JMR081710; lease explain the reasoning for recommending Layne Christensen when Youngquist had a better score. Did the recommendation to award come down to dollars?</p>																																																																								
<p>Document #: NEW DR-1.50 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please provide a description and status of new contracts in excess of \$100,000 executed in 2012. Please summarize the scope of work, terms, length of the contract, total contract dollars, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc) dollars spent to date, all change orders or amendments, the cost change of each change order or amendment and copies of single or sole source justifications.</p> <p>Summary of Contents: There were seven contracts in excess of \$100,000 executed in 2012. Of the seven, two were competitively bid and five were single sourced. A description of the contracts and the five single source justifications are attached. The RFPs and bid evaluations for the remaining two contracts were provided in response to DR 1.49.</p>																																																																								
	<p style="font-size: 0.8em;">Turkey Point 6&7 ICDR 1.50</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>PO</th> <th>Vendor</th> <th>Description</th> <th>Pricing</th> <th>Amount</th> <th>Issued</th> <th>Expires</th> <th>CO Total</th> <th>Spent Thru 11/30/2012*</th> </tr> </thead> <tbody> <tr> <td>2000060695</td> <td>Burns & McDonnell</td> <td>PTN 6&7 Prelim Design RCW System</td> <td>T&M</td> <td>██████</td> <td>2/15/2012</td> <td>12/31/2012</td> <td>\$0.00</td> <td>██████</td> </tr> <tr> <td>200006420</td> <td>Layne Christensen Company</td> <td>PTN 6&7 Expert Witness Jack Wittman</td> <td>T&M</td> <td>██████</td> <td>3/30/2012</td> <td>4/30/2013</td> <td>\$0.00</td> <td>██████</td> </tr> <tr> <td>2000066827</td> <td>Curtis Rogers Design Studio Inc.</td> <td>PTN 6&7 US1 Trans Corridor CEP</td> <td>T&M</td> <td>██████</td> <td>3/30/2012</td> <td>4/30/2013</td> <td>\$0.00</td> <td>██████</td> </tr> <tr> <td>2000086250</td> <td>University of Miami</td> <td>PTN 6&7 Expert Witness Support</td> <td>T&M</td> <td>██████</td> <td>11/5/2012</td> <td>5/5/2013</td> <td>\$0.00</td> <td>-</td> </tr> <tr> <td>2000069628</td> <td>Schlumberger</td> <td>PTN 6&7 Expert Legal Services</td> <td>T&M</td> <td>██████</td> <td>5/3/2012</td> <td>6/30/2013</td> <td>\$0.00</td> <td>██████</td> </tr> <tr> <td>2000077470</td> <td>Tetra Tech Geo (former GeoTrans)</td> <td>PTN 6&7 3 Dimensional Density Model</td> <td>T&M</td> <td>██████</td> <td>8/1/2012</td> <td>3/31/2012</td> <td>\$0.00</td> <td>██████</td> </tr> <tr> <td>2000086690</td> <td>Pace Analytical</td> <td>PTN 6&7 ReclaimedWater Analysis</td> <td>Fixed</td> <td>██████</td> <td>11/13/2012</td> <td>12/31/2014</td> <td>\$0.00</td> <td>-</td> </tr> </tbody> </table> <p style="font-size: 0.8em;">*Spent amounts are the total amount received against the PO from inception through 11/30/2012</p> <p>Letters of justification were present and in compliance with FPL internal policies and procedures.</p>	PO	Vendor	Description	Pricing	Amount	Issued	Expires	CO Total	Spent Thru 11/30/2012*	2000060695	Burns & McDonnell	PTN 6&7 Prelim Design RCW System	T&M	██████	2/15/2012	12/31/2012	\$0.00	██████	200006420	Layne Christensen Company	PTN 6&7 Expert Witness Jack Wittman	T&M	██████	3/30/2012	4/30/2013	\$0.00	██████	2000066827	Curtis Rogers Design Studio Inc.	PTN 6&7 US1 Trans Corridor CEP	T&M	██████	3/30/2012	4/30/2013	\$0.00	██████	2000086250	University of Miami	PTN 6&7 Expert Witness Support	T&M	██████	11/5/2012	5/5/2013	\$0.00	-	2000069628	Schlumberger	PTN 6&7 Expert Legal Services	T&M	██████	5/3/2012	6/30/2013	\$0.00	██████	2000077470	Tetra Tech Geo (former GeoTrans)	PTN 6&7 3 Dimensional Density Model	T&M	██████	8/1/2012	3/31/2012	\$0.00	██████	2000086690	Pace Analytical	PTN 6&7 ReclaimedWater Analysis	Fixed	██████	11/13/2012	12/31/2014	\$0.00	-
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	Change orders were not included.																																																															
	Conclusions:																																																															
	Data Request(s) Generated: No. _____ Description: No. _____ Description:																																																															
	Follow-up Required:																																																															
Document #: NEW DR-1.51 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide a description of Turkey Point 6&7 new contracts in excess of \$100,000 anticipated through the remainder of 2012 and until April 30, 2013. Please delineate between 2012 and 2013. Summarize the scope of work, terms, length of the contract, total contract dollars anticipated, pricing/costing methodology (e.g. T&M, fixed price, fixed w/incentives, etc), and copies of single or sole source justifications.																																																															
	Summary of Contents: There are no anticipated new contracts exceeding \$100,000 for the remainder of 2012. There are no anticipated new contracts exceeding \$100,000 through April 2013.																																																															
	Conclusions:																																																															
	Data Request(s) Generated: No. _____ Description: No. _____ Description:																																																															
	Follow-up Required: Yes. Has the contract for RFP JMR110411 been let? To which company? What terms? What amount?																																																															
Document #: NEW DR-1.52 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: A list of all contract change orders in excess of \$100,000 are attached, as well as the applicable single source justifications. The remaining change orders are for companies designated as predetermined sources, therefore, single source justifications are not required.																																																															
	Summary of Contents: <div style="text-align: center; font-size: small;">Turkey Point 6&7 ICDR 1.52</div> <table border="1"> <thead> <tr> <th>PO</th><th>CO</th><th>Vendor</th><th>Description</th><th>Pricing</th><th>CO Amt</th><th>Issued</th><th>Expires</th><th>Spent YTD Thru 11/30/2012*</th></tr> </thead> <tbody> <tr> <td>4500425707</td><td>8</td><td>HDR Engineering, Inc.</td><td>Conceptual Engineering for Cooling Water</td><td>T&M</td><td>████████</td><td>10/3/2012</td><td>12/31/2013</td><td>████████</td></tr> <tr> <td>4500652043</td><td>2</td><td>Layne Christensen Company</td><td>Exploratory/UIC Well Installation</td><td>T&M</td><td>████████</td><td>1/30/2012</td><td>12/31/2012</td><td>████████</td></tr> <tr> <td>4500518167</td><td>7</td><td>Environmental Consulting & Tech</td><td>SCA Ph2 Support</td><td>T&M</td><td>████████</td><td>1/19/2012</td><td>12/31/2012</td><td>████████</td></tr> <tr> <td>4500518167</td><td>8</td><td>Environmental Consulting & Tech</td><td>SCA Ph2 Support</td><td>T&M</td><td>████████</td><td>7/11/2012</td><td>12/31/2012</td><td>████████</td></tr> <tr> <td>4500681284</td><td>3</td><td>Atkins North America, Inc. (PBS&J)</td><td>Expert Scientific Analysis</td><td>T&M</td><td>████████</td><td>5/9/2012</td><td>12/31/2012</td><td>████████,1</td></tr> <tr> <td>4500443122</td><td>4</td><td>Eco Metrics Inc.</td><td>Environmental Consulting Services</td><td>T&M</td><td>████████</td><td>9/24/2012</td><td>1/31/2014</td><td>████████</td></tr> </tbody> </table>	PO	CO	Vendor	Description	Pricing	CO Amt	Issued	Expires	Spent YTD Thru 11/30/2012*	4500425707	8	HDR Engineering, Inc.	Conceptual Engineering for Cooling Water	T&M	████████	10/3/2012	12/31/2013	████████	4500652043	2	Layne Christensen Company	Exploratory/UIC Well Installation	T&M	████████	1/30/2012	12/31/2012	████████	4500518167	7	Environmental Consulting & Tech	SCA Ph2 Support	T&M	████████	1/19/2012	12/31/2012	████████	4500518167	8	Environmental Consulting & Tech	SCA Ph2 Support	T&M	████████	7/11/2012	12/31/2012	████████	4500681284	3	Atkins North America, Inc. (PBS&J)	Expert Scientific Analysis	T&M	████████	5/9/2012	12/31/2012	████████,1	4500443122	4	Eco Metrics Inc.	Environmental Consulting Services	T&M	████████	9/24/2012	1/31/2014	████████
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	4500404639	7	Westinghouse Elec. Co	COLA Support	T&M	████████	9/12/2012	8/31/2015	████████
	4500518160	6	Golder Associates, Inc.	SCA Ph2 Support	T&M	████████	3/20/2012	12/31/2012	████████
	4500518160	7	Golder Associates, Inc.	SCA Ph2 Support	T&M	████████	8/14/2012	1/31/2013	████████
	*Spent amounts are the total amount received against the PO from inception through 11/30/2012. *Value of Spent YTD includes Change Orders.								
Letters of justification were present and in compliance with FPL internal policies and procedures.									
Conclusions:									
Data Request(s) Generated: No. _____ Description: No. _____ Description:									
Follow-up Required:									
Document #: NEW DR-1.53 1.54 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list all on-site manufacturer visits conducted or planned by FPL QA in 2012. (DR1.53) Please list all on-site manufacturer visits conducted or planned by FPL QA in 2013 (DR1.54)								
	Summary of Contents: None conducted; none planned								
	Conclusions:								
	Data Request(s) Generated: No. _____ Description: No. _____ Description:								
	Follow-up Required:								
Document #: NEW DR-1.55 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list all internal audits completed for Turkey Point 6&7 in 2012.								
	Summary of Contents: <i>The E & C – New Nuclear Projects – 2011 Expenditures</i> audit was performed by Experis under FPL Internal Auditing's direction and supervision. Available in the T:H FPL offices								
	Conclusions:								
	Data Request(s) Generated: No. _____ Description: No. _____ Description:								
	Follow-up Required: Yes, request FPL to make it available to us during interview trip.								
Document #: NEW DR-1.56 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide all internal audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.								
	Summary of Contents: The E & C – New Nuclear Projects – 2011 Expenditures audit completed on 5/17/12 is available								

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REQUESTED CONFIDENTIAL BY NOI	for review at FPL's Tallahassee office located at 215 S. Monroe Street Tallahassee, FL 32301.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes, request FPL to make it available to us during interview trip.
Document #: NEW DR-1.57 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide a list and schedule of internal audits planned for 2013.
	Summary of Contents: None planned
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.58 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list all external audits completed for Turkey Point 6&7 in 2011.
	Summary of Contents: <i>E&C – New Nuclear Projects – 2012 Expenditures</i> audit will commence in February 2013 and the report is expected to be issued in May 2013.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Yes; get report when available.
Document #: NEW DR-1.59 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list all external audits completed for Turkey Point 6&7 in 2012.
	Summary of Contents: None
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-1.60	Document Title and Purpose of Review:

Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Please provide all external audit reports for audits completed in 2012. Include audit findings or recommendations, FPL management responses, remedial actions, and results of the actions.</p> <p>Summary of Contents: There were no external audits completed for Turkey Point 6&7 in 2012.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
Document #: NEW DR-1.61 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please provide a list and schedule of external audits planned for the remainder of 2012.</p> <p>Summary of Contents: There are no external audits planned for Turkey Point 6&7 for the remainder of 2012.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
Document #: NEW DR-1.62 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please provide a list and schedule of external audits planned for 2013.</p> <p>Summary of Contents: There are no external audits planned for Turkey Point 6&7 in 2013.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
Document #: NEW DR-1.63 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please describe any changes in project management controls implemented as a result of quality assurance reviews or internal/external audit findings.</p> <p>Summary of Contents: No changes in project management controls have been implemented as a result of quality assurance reviews or internal/external audit findings.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>

Document #: NEW DR-1.64 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list and describe any other internal investigations conducted during 2012. Summary of Contents: There were no internal investigations conducted during 2012. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.65 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list and describe any changes made to date in 2012 to the ECP organization, reporting, or responsibilities. Summary of Contents: There were no changes to the ECP organization, reporting, or responsibilities in 2012. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.66 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list and describe any changes planned for the remainder of 2012 or in 2013. Summary of Contents: There are no changes planned to the ECP organization, reporting, or responsibilities for the remainder of 2012 or in 2013. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.67 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please list ECP allegations or complaints about hostile work environment or safety issues received in 2012 for the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition. Summary of Contents: No ECP allegations were received in 2012. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:
Document #: NEW DR-1.68 Date Requested:	Document Title and Purpose of Review: In an ongoing basis, by the 15th of the following month until the conclusion of this audit,

Date Received: Comments: (i.e., Confidential)	provide any new allegations or complaints received regarding the Turkey Point 6 & 7 project. Describe the allegation or complaint, date received, method of receipt (walk-in, telephonic, under the door, or Red Letter referral), summary of allegation, investigator assigned, investigation results, and disposition.
	Summary of Contents: See response to DR No. 1.67. FPL updates this response monthly as requested.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

Office of Auditing and Performance Analysis Document Summary and Control Log

Company: FPL Area: 2013 Controls Review Auditor(s): D. Rich, L. Fisher	Workload Control #: PA-13-01-001 File Name: i:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries NEW\ 3.3.2 DocSumLog PTN DR-1.doc																
Document #: NEW DR-2.1 Date Requested: Date Received: Comments: (i.e., Confidential) <div style="text-align: center; font-weight: bold; font-size: 1.2em;"> REQUESTED CONFIDENTIAL BY NOI </div>	Document Title and Purpose of Review: Please provide an electronic copy of the PowerPoint entitled <i>New Nuclear Update – April 2013</i> presented to staff by PTN 6&7 leadership on April 18, 2013. Staff was given a physical copy. Summary of Contents: FPL provided the PowerPoint presentation to staff. See Disk 36 for electronic copy. Conclusions: Data Request(s) Generated: No. _____ Description: No. _____ Description: Follow-up Required:																
Document #: NEW DR-2.2 Date Requested: Date Received: Comments: (i.e., Confidential) <div style="text-align: center; font-weight: bold; font-size: 1.2em;"> REQUESTED CONFIDENTIAL BY NOI </div>	Document Title and Purpose of Review: Please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al), for the following PTN 6&7 contractors for the 2012 months shown: <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th style="width: 50%;">Company</th> <th style="width: 50%;">Months - 2012</th> </tr> </thead> <tbody> <tr> <td>Bechtel</td> <td>January, March, April, June, July, August, November</td> </tr> <tr> <td>Layne Christensen (milestone)</td> <td>February, April, July, August</td> </tr> <tr> <td>Layne Christensen</td> <td>June</td> </tr> <tr> <td>McNabb (#4500536449)</td> <td>January, March, July, November</td> </tr> <tr> <td>McNabb (#4500517152)</td> <td>July, December</td> </tr> <tr> <td>Golder</td> <td>February, June, September, December</td> </tr> <tr> <td>ECT</td> <td>January, April, September, December</td> </tr> </tbody> </table> Summary of Contents: FPL provided the following number of invoices for each company: <ul style="list-style-type: none"> • Bechtel 8 • ECT 5 • Golder 10 • Layne 7 • McNabb 11 <p>Audit staff reviewed Turkey Point 6&7 project invoices as an integral part of Commission oversight of FPL contract controls and processes. The population set consisted of invoices for five contractors and represented seven separate contracts. The sample period was January through December 2012. Staff reviewed \$8.03M, or 72.1 percent, of the \$11.13M invoiced in 2012 by these contractors.</p> <p>Staff's evaluation checked authorizations, approval signatures, and uniform application of invoicing and control procedures. FPL</p>	Company	Months - 2012	Bechtel	January, March, April, June, July, August, November	Layne Christensen (milestone)	February, April, July, August	Layne Christensen	June	McNabb (#4500536449)	January, March, July, November	McNabb (#4500517152)	July, December	Golder	February, June, September, December	ECT	January, April, September, December
Company	Months - 2012																
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McNabb (#4500517152)	July, December																
Golder	February, June, September, December																
ECT	January, April, September, December																

	<p>challenges and appropriate push back of questionable charges was also reviewed.</p> <p>Conclusions: FPL invoicing policies and procedures are well understood and invoice personnel follow established practices, procedures, and protocols. The revision of expense report review procedures contributed to more efficient and accurate handling of expense reports.</p> <p>No major amount disputes were noted. Authorizations and signatures were present. Totals were properly reconciled. Supporting documentation and invoiced amounts were challenged appropriately and payment withheld until issues reconciled.</p> <p>Memos documented communication with the contractor regarding questionable submissions or supporting documentation.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>																																																																																																								
<p>Document #: NEW DR-2.3 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: For the same contractors and/or contracts shown above in PTN DR-2.2, please provide copies of paid invoices and all supporting documentation (e.g. authorizations, letters of justification, evidence of disputed charges/pushback, resolution of disputed charges, et al) for the month of the highest invoiced dollar amount during the first quarter of 2013.</p> <p>Summary of Contents: see staff Summary of Contents and Conclusions for DR-2.2, above.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>																																																																																																								
<p>Document #: NEW DR-2.4 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please complete the chart below with the dollar amount invoiced monthly in 2012:</p> <table border="1" data-bbox="539 862 1906 1101"> <thead> <tr> <th>2012</th><th>JAN</th><th>FEB</th><th>MAR</th><th>APR</th><th>MAY</th><th>JUN</th><th>JUL</th><th>AUG</th><th>SEP</th><th>OCT</th><th>NOV</th><th>DEC</th></tr> </thead> <tbody> <tr><td>Bechtel</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>LayneChristensen</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>LayneChristensen</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>McNabb</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>McNabb</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>Golder</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>ECT</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table> <p>Summary of Contents: TOTAL: (in the chart below, those amounts nad months highlighted in yellow were selected for review by staff)</p> <ul style="list-style-type: none"> • Bechtel - [REDACTED] • Layne Christensen: [REDACTED] (# 4500652043) • Layne Christensen: [REDACTED] (#2000066240) • McNabb: [REDACTED] (# 4500536449) • McNabb: [REDACTED] (#4500517152) • Golder: [REDACTED] (#4500518160) 	2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Bechtel													LayneChristensen													LayneChristensen													McNabb													McNabb													Golder													ECT												
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McNabb												
McNabb												
Golder												
ECT												

Conclusions: FPL invoicing policies and procedures are well understood and invoice personnel follow established practices, procedures, and protocols. The revision of expense report review procedures contributed to more efficient and accurate handling of expense reports.

No major amount disputes were noted. Authorizations and signatures were present. Totals were properly reconciled. Supporting documentation and invoiced amounts were challenged appropriately and payment withheld until issues reconciled.

Memos documented communication with the contractor regarding questionable submissions or supporting documentation.

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

Document #: NEW DR-2.5

Date Requested:

Date Received:

Comments: (i.e., Confidential)

Document Title and Purpose of Review: Please provide a detailed summary of the PTN 6&7 RFI, to include:

- Total number received by the project to date
- Total number received in 2012
- Number completed in 2012
- Number outstanding from 2012
- Number overdue from 2012
- Total number received to date in 2013
- Number completed to date in 2013
- Number outstanding to date in 2013
- Number overdue to date in 2013

Summary of Contents:

- Total number received by the project to date -- 622
- Total number received in 2012 -- 79
- Number completed in 2012 -- 65
- Number outstanding from 2012 - 4
- Number overdue from 2012 - 0
- Total number received to date in 2013 -- 6
- Number completed to date in 2013 - 16

	<p>h) Number outstanding to date in 2013 - 6*</p> <p>i) Number overdue to date in 2013 - 0</p> <p>* FPL stated that supplemental responses were not included in the total outstanding to date for 2013. The supplements are due to the NRC requesting additional information after submission of the initial RAI responses. There is an additional 61 RAIs to be supplemented.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>																																																												
<p>Document #: NEW DR-2.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Regarding witness John J. Reed's direct testimony of March 31, 2013, lines 3-11 page 51, please provide insight into FPL's consideration and response to his comments, including the recommendation for "fall back" or "Plan B" options to improve the Quarterly Risk Assessment.</p> <p>Summary of Contents: FPL stated in its reply that the company "...values the input from Concentric on the project, and specifically the opportunities to improve the Quarterly Risk Assessment (QRA). Primarily, the QRA functions to identify and assess risks in a systematic manner so that efforts can be prioritized and issues tracked. The recommendation for a more explicit recommendation of backup planning activities is warranted in some areas. To that end future QRA will go through an additional step to specifically consider such activities."</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Yes. Has there been a change to the estimated date for the draft EIS?</p>																																																												
<p>Document #: NEW DR-2.7 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: Please provide the PTN 6&7 2012-2013 Change Order document listing change orders greater than \$100K for the period January 2012 through December 2012, and January 2013 through the end of April 2013.</p> <p>Summary of Contents: FPL provided the following information – contract #, vendor name, year of CO, CO#, and value. There were nine (9) CO's in 2012 and five (5) to date in 2013.</p> <table border="1" data-bbox="678 943 1791 1382"> <thead> <tr> <th>Contract</th><th>Vendor</th><th>Year</th><th>CO #</th><th>CO Value</th></tr> </thead> <tbody> <tr><td>4500681284</td><td>Atkins North America</td><td>2012</td><td>3</td><td>██████</td></tr> <tr><td>4500518167</td><td>ECT</td><td>2012</td><td>7</td><td>██████</td></tr> <tr><td>4500518167</td><td>ECT</td><td>2012</td><td>8</td><td>██████</td></tr> <tr><td>4500652043</td><td>Layne Christensen Co.</td><td>2012</td><td>2</td><td>██████</td></tr> <tr><td>4500518160</td><td>Golder Associates Inc.</td><td>2012</td><td>7</td><td>██████</td></tr> <tr><td>4500518160</td><td>Golder Associates Inc.</td><td>2012</td><td>6</td><td>██████</td></tr> <tr><td>4500425707</td><td>HDR Engineering</td><td>2012</td><td>8</td><td>██████</td></tr> <tr><td>4500443122</td><td>Eco Metrics, Inc.</td><td>2012</td><td>4</td><td>██████</td></tr> <tr><td>4500404639</td><td>Westinghouse Electric Co.</td><td>2012</td><td>7</td><td>██████</td></tr> <tr><td>4500518160</td><td>Golder Associates Inc.</td><td>2013</td><td>9</td><td>██████</td></tr> <tr><td>4500518167</td><td>ECT</td><td>2013</td><td>10</td><td>██████</td></tr> </tbody> </table>	Contract	Vendor	Year	CO #	CO Value	4500681284	Atkins North America	2012	3	██████	4500518167	ECT	2012	7	██████	4500518167	ECT	2012	8	██████	4500652043	Layne Christensen Co.	2012	2	██████	4500518160	Golder Associates Inc.	2012	7	██████	4500518160	Golder Associates Inc.	2012	6	██████	4500425707	HDR Engineering	2012	8	██████	4500443122	Eco Metrics, Inc.	2012	4	██████	4500404639	Westinghouse Electric Co.	2012	7	██████	4500518160	Golder Associates Inc.	2013	9	██████	4500518167	ECT	2013	10	██████
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		4500667205	Curtis Group	2013	6		
		2000084100	Normandeau	2013	3		
		2000090210	Ammon	2013	1		
	<p>Conclusions: Change orders are useful and common components of the change management process in which changes to the scope or terms of the original contract are made and agreed to by the parties involved. Changes include work, added or deleted, which alters the original contract amount or completion date. Fourteen change orders (CO) with values over \$100,000 were executed with various vendors in 2012 and to date in 2013.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Continue to monitor</p>						
<p>Document #: DR-2.8 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a list of Next Era corporate procedures used by PTN 6&7 Project Controls to conduct operations 2012-2013.</p>						
	<p>Summary of Contents: The company provided the following list of procedures used to conduct operations in 2012-13</p> <p>FPL PROCEDURES</p> <p>Accounting (ACG) FPL-ACG-005 - Capitalization of Software - General FPL-ACG-008 - Capitalization of Software - Specific ER Guidelines FPL-ACG-011 - Cash Disbursement FPL-ACG-020 - Documentation Required for Payment of Permit FPL-ACG-023 - Employee-Owned Safety Equipment and Tool Purchase/Replacement FPL-ACG-029 - Expense Advance - Policy and Responsibilities FPL-ACG-032 - Expense Advance - Requesting/Processing/Clearing Advance FPL-ACG-035 - FPL Documents - Monthly Closing Schedule FPL-ACG-038 - FPL Documents - Preparation FPL-ACG-041 - General Ledger - Stores Expense Account 2301500 FPL-ACG-044 - Inter Company Transactions for Parts or Assets FPL-ACG-047 - Internal Orders - 070 Work Order Types in Power Plant - General FPL-ACG-050 - Internal Orders - Capital Order Types FPL-ACG-056 - Petty Cash Fund - Disbursements/Adjustments FPL-ACG-059 - Petty Cash Fund - Establishing/Safeguarding Fund FPL-ACG-062 - Processing Internal Orders - 070 Work Order Types in Power Plant FPL-ACG-065 - Property Records and Internal Order System - General FPL-ACG-068 - Property Records and Internal Order System - Internal Order Estimating FPL-ACG-071 - Property Records and Internal Order System - Utility Plant Accounts by Functional Groups FPL-ACG-080 - Reimbursement of Employee-Related Business Expenses - Employee Expense Report Preparation (for FPL & FPLES) FPL-ACG-086 - SAP Transaction Register FPL-ACG-089 - Transportation Freight Payments FPL-ACG-092 - Unauthorized Signature as Endorsement on FPL Check</p> <p>Administration - Corporate (ADM) FPL-ADM-114 - Corporate Mail Services/UPS Shipping and Verification FPL-ADM-130 - FPL Investment Recovery FPL-ADM-138 - Intercompany Resource Allocation - General FPL-ADM-158 - Recycling</p> <p>Customer Service (CUS) FPL-CUS-440 - Meter Sealing Program - General FPL-CUS-444 - Meter Sealing Program - Inventory and Control</p> <p>Development and External Affairs (EXT) FPL-EXT-520 - Community Activity/Sponsorship Expenses FPL-EXT-550 - Membership and Industry Association Dues</p> <p>Emergency Restoration (ER) FPL-ER-708 - CEA Storm Response - Organization and Responsibilities FPL-ER-711 - CEA - Responsibilities for EOC FPL Representatives FPL-ER-717 - Critical Infrastructure Functions - Definition and Classification Codes</p>						

FPL-ER-721 - Customer Service Field Operations (CSFO) Organization and Accountabilities
 FPL-ER-726 - Customer Service Field Operations Critical Infrastructure Functions - Customer Services Field Operations Control Center Liaison
 FPL-ER-729 - Emergency Preparedness Plan Overview
 FPL-ER-732 - Forms and Supplies
 FPL-ER-735 - Funds For Storm Service Restoration - General
 FPL-ER-738 - Storm Restoration - Petty Cash Fund
 FPL-ER-741 - Payroll Reporting - Daily Variable Time
 FPL-ER-744 - Payroll Reporting - Weekly Record of Storm Restoration Hours, Form S-102 - Transmitting/Processing/Changing
 FPL-ER-747 - Personnel Resource Emergency Preparedness System - General Information and Planning
 FPL-ER-750 - Personnel Resource Emergency Preparedness System - Storm Imminent and Post Storm
 FPL-ER-753 - Radio Procedure
 FPL-ER-756 - Service Restoration Accounting - General
 FPL-ER-759 - Property Unit Replacement
 FPL-ER-762 - Service Restoration Accounting - Vehicle Expenses
 FPL-ER-765 - Storm Communication and Training
 FPL-ER-768 - Storm Organization and Responsibilities
 FPL-ER-771 - Storm Restoration Program Dry Run
 FPL-ER-774 - Storm Service Restoration Plan - Employee Notification Process
 FPL-ER-777 - Storm Service Restoration Plan - General
 FPL-ER-780 - Storm Service Restoration Plan - Guidelines for Employee Storm Activation
 FPL-ER-783 - Storm Training - General Accounting

Finance (FIN)

FPL-FIN-825 - Financial Business Applications & Systems

Human Resources (HR)

FPL-HR-950 - Overtime Meal Reimbursement for Non-Bargaining, Non-Nuclear Employees
 FPL-HR-953 - Policy for Employee Transfer from Non-Bargaining to Bargaining Unit
 FPL-HR-959 - Reporting Missing Paychecks

Information Management (IM)

FPL-IM-1025 - Intelligent Tandem Network (ITN) Network Usage Policy

Legal (LAW)

FPL-LAW-1208 - Damage to FPL Property - Claims Billing
 FPL-LAW-1211 - Damage to FPL Property - General
 FPL-LAW-1214 - Damage to FPL Property - Referral to Outside Collection Agency
 FPL-LAW-1217 - Damage to Non-FPL Property
 FPL-LAW-1255 - Negotiable Securities - Bankruptcy Settlements
 FPL-LAW-1275 - Vehicle Accident Assistance/Reporting - Commercial Motor Vehicles
 FPL-LAW-1280 - Vehicle Accident Assistance/Reporting - General

Nuclear Operations (NUC)

FPL-NUC-1360 - Nuclear Plants - Switchyards
 FPL-NUC-1370 - Reporting Nuclear Power Plant Deficiencies

Procurement (PRO)

FPL-PRO-1475 - Small Business Concerns, Women-Owned, and Minority-Owned Purchasing Policy
 FPL-PRO-1480 - Utilization of Small Business Concerns

Records Management (REC)

FPL-REC-1530 - Documents Not Imaged Report for Invoices and Journal Entries
 FPL-REC-1555 - Preparing and Transmitting SAP Records for Imaging

Security (SEC)

FPL-SEC-1772 - Supervisor Responsibilities for Nuclear Site Access

Transmission - Distribution (TRD)

FPL-TRD-1810 - Clearances - Clearance Order and Distribution Clearance Record
 FPL-TRD-1814 - Clearances - General
 FPL-TRD-1817 - Division of Responsibility - General
 FPL-TRD-1820 - Division of Responsibility - Special Situations
 FPL-TRD-1840 - FPL Standard Distribution and Substation Lock and Key Program
 FPL-TRD-1850 - Operation/Maintenance Responsibility Diagrams
 FPL-TRD-1870 - Switching - General
 FPL-TRD-1873 - Switching - Use of Caution and Hold Tags

Transportation (TRA)

FPL-TRA-1920 - FPL (Company) - owned Vehicles
 FPL-TRA-1923 - FPL Owned Vehicles - Monthly FPL Vehicle Time Reporting
 FPL-TRA-1980 - Wright Express (WEX) Fuel Credit Card Policy and Requirements

NEXT ERA PROCEDURES

Accounting (ACG)

NEE-ACG-014 - Corporate Procurement Card

NEE-ACG-017 - Corporate Travel and Expense (T&E) Card

NEE-ACG-074 - Recording Liabilities for Goods and Services Received - Accruals

NEE-ACG-077 - Reimbursement of Employee-Related Business Expenses - Documentation Requirements for Record of Charge/Invoice/Receipt

NEE-ACG-083 - Reimbursement of Employee-Related Business Expenses - Policies, Responsibilities, and Requirements

Administration - Corporate (ADM)

NEE-ADM-122 - Corporate Policies, Procedures eWeb Site

NEE-ADM-126 - Engraving - General

NEE-ADM-134 - Hiring Policy Regarding Personnel of Firms Providing Audit Services

NEE-ADM-142 - NEE Corporate Policies/Procedures/Forms

NEE-ADM-146 - NextEra Energy Investment Recovery

NEE-ADM-150 - NextEra Energy, Inc. Internal Control Policy

NEE-ADM-154 - Policy for Pre-Approval of Auditing Firms

NEE-ADM-182 - Transporting Mail Via the Helicopter

Communications (COM)

NEE-COM-210 - Electronic Communications

NEE-COM-250 - Requests/Inquiries Received from News Media or Other Parties

Compliance (CRO)

NEE-CRO-340 - International Anti-Bribery Policy and Procedures

NEE-CRO-370 - Policy for Reporting Concerns

Emergency Planning (EP)

NEE-EP-610 - Business Continuity Management Policy

Finance (FIN)

NEE-FIN-865 - NextEra Energy, Inc. Regulation FD Policy

Human Resources (HR)

NEE-HR-905 - Advance Pay

NEE-HR-908 - Business Travel - Foreign Travel Expenses

NEE-HR-911 - Business Travel Policy

NEE-HR-914 - Business Travel Responsibilities

NEE-HR-917 - College Intern Program and High School Intern Program

NEE-HR-923 - Controlled Substances and Alcohol Abuse - Notification of Test Results

NEE-HR-926 - Controlled Substances and Alcohol Abuse - Testing Procedure

NEE-HR-932 - Employee Commendations and Disciplinary Action

NEE-HR-935 - Employee Practices for Public Duties and Citizenship Activities

NEE-HR-938 - Employee Termination

NEE-HR-941 - Federal Income Tax Withholding

NEE-HR-944 - General Employee Policies

NEE-HR-947 - Making Business Travel Arrangements

NEE-HR-956 - References/Links to Business Travel Information

NEE-HR-962 - Schedule of Pay Period Ending Dates, Paydays, and Authorized Deductions

NEE-HR-965 - Serious Incident Notification Process

Information Management (IM)

NEE-IM-1005 - Cyber Access Policy

NEE-IM-1009 - Budgeting for Telecommunications Systems and Services

NEE-IM-1011 - Cellular Phone, Blackberry, Smartphone and Data Card/MiFi Communication Policy and Requirements

NEE-IM-1013 - Control Networks and Systems Usage Policy

NEE-IM-1015 - Hardware Relocation Policy

NEE-IM-1017 - Home Computer Use

NEE-IM-1019 - Incident Response for Cyber Attacks

NEE-IM-1021 - Information Protection Policy

NEE-IM-1023 - Information Security Violations

NEE-IM-1027 - Internet Connections Policy

NEE-IM-1029 - Laptop Policies

NEE-IM-1031 - Malware Protection and Requirements

NEE-IM-1033 - Malware/Anti-Virus Testing and Installation

NEE-IM-1035 - Modem Usage

NEE-IM-1037 - NERC CIP Cyber Asset Disposal and Redeployment Policy

NEE-IM-1039 - NERC Cyber Security Policy

NEE-IM-1041 - Network Security

NEE-IM-1043 - Network Security - NextEra Energy, Inc. Network Access and Connectivity Policy

NEE-IM-1045 - Network Security - Scanning and Vulnerability Assessment Policy

NEE-IM-1047 - Network Security - Wireless Networks

	<p>NEE-IM-1049 - Non-employee Access to NextEra Energy, Inc. Computer Systems NEE-IM-1051 - OnDemand Report Archival System NEE-IM-1053 - Remote (Dial-Up) Access NEE-IM-1055 - Remote Control Capability - Policy NEE-IM-1057 - Requesting Hardware NEE-IM-1059 - Requesting Telecommunications Services and Equipment NEE-IM-1063 - Software on NEE Computer Systems NEE-IM-1067 - Standard User Identification Code - Inactive Mainframe/SAP ID Removal NEE-IM-1071 - System Password Policy/Requirements NEE-IM-1073 - Telecommunications at NextEra, Energy, Inc. NEE-IM-1075 - Vulnerability and Patch Risk Management Policy NEE-IM-1077 - Workstation Policies</p> <p>Insurance (INS) NEE-INS-1160 - Rental Car Insurance and Accident/Claim Reporting</p> <p>Legal (LAW) NEE-LAW-1220 - Documents Subject to Litigation Hold Employee/Non-employee NEE-SEC-1756 - Policies for a Safe and Secure Workplace NEE-SEC-1760 - Responding to Bomb Threats NEE-SEC-1764 - Sabotage and Vandalism Reporting (NERC CIP-001 and EOP-004) NEE-SEC-1768 - Safe & Secure Workplace Policies and Guidelines for Supervisors NEE-SEC-1770 - Supplier Safe and Secure Workplace Policy</p> <p>Transportation (TRA) NEE-TRA-1905 - Aircraft Policy and Flight Request Information NEE-TRA-1930 - Helicopter Stairway Safety NEE-TRA-1960 - Renting Car for Business Use NEE-TRA-1970 - Using Vehicles for Business Purposes</p>
	Conclusions:
	Data Request(s) Generated:
	No. _____ Description:
	No. _____ Description:
	Follow-up Required:

Office of Auditing and Performance Analysis Document Summary and Control Log

Company: FPL Area: 2013 Controls Review Auditor(s): <u>D. Rich, L. Fisher</u>	Workload Control #: PA-13-01-001 File Name: i:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries NEW\ 3.3.3 DocSumLog PTN DR-3.doc <i>NOTE: All questions below pertain to revisions required for FASR 2.5.1, FASR 2.5.2 and FASR 2.5.4</i>
Document #: NEW DR-3.1 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please describe the action(s) taken by FPL to determine if there would be any PTN 6&7 project delay or additional costs associated with revision preparation and submission.</p> <p>Summary of Contents: The company states that it has recognized since inception that the pace of the COLA review, including the pace of the RAI process, is different for each project and that a lengthier review process does not necessarily mean project delay. FPL explains that the NRC's process is extensive and evolutionary during a project and that there may be many reasons for an RAI. These include evolution of the investigation over time, changes in reviewers, responses judged deficient (incompleteness or errors), and external developments that generate heightened concerns (Fukushima). All of these influenced RAIs requested by the NRC. A varying level of RAI costs are expected in the course of the COLA review. FPL does not consider these to be "additional" project costs. To insure this, FPL stated that it conducted several reviews, including vendor audits, third party expert reviews, and QA reviews specifically requested by the NRC. FPL determined some RAIs related to vendor deficiencies. These are the subject of warranty claims that have been made against Bechtel. FPL claims that careful review of project vendor costs -- and challenging them whenever appropriate is part of good project management.</p> <p>FPL claims that because of the project complexity and magnitude it is not possible to determine if a specific RAI issue is responsible for extending review schedule, or if so, how much of that extension is attributable to a given individual RAI issue.</p> <p>The company claims that, at present, there are several issues impacting the NRC COLA review schedule, including issues not specific to the PTN6&7 project (i.e., federal budgeting issues).</p> <p>After a revised COLA review schedule is issued, FPL will conduct a full schedule review to determine what, if any, impacts materialize.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
Document #: NEW DR-3.2 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Was there project delay?</p> <p>Summary of Contents: See FPL's response to DR 3.1</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
Document #: NEW DR-3.3	<p>Document Title and Purpose of Review: Was there additional project costs? If so, please provide a dollar amount.</p>

Date Requested: Date Received: Comments: (i.e., Confidential)	Summary of Contents: See FPL's response to DR 3.1 and DR 3.5 for a quantification of the related warranty claims.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-3.4 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Describe the FPL action(s) taken to date toward recovering costs from the contractor.
	Summary of Contents: FPL has issued a warranty claims against the vendor, withholding payment on contested amounts. Therefore, the company claims that there are no costs to recover from the contractor.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-3.5 Date Requested: Date Received: Comments: (i.e., Confidential) <div style="text-align: center;"> REQUESTED CONFIDENTIAL BY NOI </div>	Document Title and Purpose of Review: To date, how much has FPL recovered from the contractor?
	Summary of Contents: Also refer to response to DR-3.4, above. Total of warranty claims for Bechtel costs associated with FSAR 2.5.1, 2.5.2 and 2.5.4 is \$463,164.14. FPL has agreed that [REDACTED] is <u>not</u> associated with the warranty claims and has since remitted payment. This leaves a balance of [REDACTED] for Bechtel costs associated with FSAR 2.5.1, 2.5.2 and 2.5.4 net withheld through April 30th 2013.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-3.6 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: If any warranty negotiations are still ongoing between FPL and the contractor regarding these revisions, what is the dollar amount involved and when does FPL anticipate resolution?
	Summary of Contents: See the FPL response to DR 3.5. The company states that resolution may be achieved during 2013, or it may remain unresolved until the contract is completed (upon receipt of the COL). FPL claims it is not unusual for warranty claims to be held for final negotiation and resolution until the completion of the related contract scope.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
Document #: NEW DR-3.7 Date Requested: Date Received:	Document Title and Purpose of Review: Does FPL intend to pass any of these additional costs through the NCRC process?
	Summary of Contents: FPL responded that it intends to seek recovery of all prudently incurred project costs, including those incurred to satisfy NRC requirements (e.g. RAI revisions). FPL has not sought cost recovery for the amounts subject to warranty claims against

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	<p>As of January 2013, all corrective actions as a result of this audit were completed.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.9 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;">REQUESTED CONFIDENTIAL BY NOI</p>	<p>Document Title and Purpose of Review: What was the total cost for the FPL and third party QA/QC reviews?</p> <p>Summary of Contents: FPL states that it incurred \$19,655 in labor and travel expenses from the QA/QC audit of Bechtel. The AMEC purchase order was issued at a value of [REDACTED] of which [REDACTED] was spent through April 2013. FPL maintains that costs of such reviews are a common and appropriate part of the COLA and not as a direct or sole result of any alleged contractor deficiencies.</p> <p>FPL had engaged a third party reviewer before the NRC requested revisions to these RAIs, and FPL expects to utilize third party reviewers until the RAI process is complete. These expert reviews are considered necessary, required to meet NRC RAIs in a highly specialized field.</p> <p>Utilization of third party reviews is an FPL management decision, made to ensure that the overall product meets or exceeds NRC requirements and to avoid costs associated with full-time, in-house technical staff that could perform such reviews.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.10 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Does FPL intend to pass any of the costs associated with these reviews through NCRC?</p> <p>Summary of Contents: Yes. Costs associated with QA/QC reviews of vendors on nuclear projects on a routine and on an as-needed basis are expected and appropriate costs for recovery through the NCRC process.</p> <p>Costs associated with third party experts necessary to ensure that work in specialized areas of expertise meet NRC requirements are likewise appropriate. FPL believes it is prudent for the company to do QA/QC reviews and to retain the services of third party experts.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.11 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a copy of the audit report(s) referenced in PTN DR-3.9 above.</p> <p>Summary of Contents: Nuclear Oversight evaluators performed an audit of FPL management oversight and QA processes in the areas of Geology, Seismology, and Geotechnical Engineering. The audit addressed issues raised in the NRC letter of May 2012. The audited area (FSAR Chapter 2.5), represents a small, but important portion of the overall COLA Project. The audit found the following:</p> <ul style="list-style-type: none"> • FPL submittals of September and October 2011 associated with FSAR Chapter 2.5 Requests for Additional Information (RAI) were of poor quality. FPL review and approval processes that were in place at the time failed to detect and correct the problems.

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Corrective Action - In January 2012, FPL hired additional technical resources to assist in review of RAI submittals, to improve quality and prevent problems previously noted. Additional reviewers were technically qualified. The company anticipates that this additional layer of technical review will remain in place.

- Overall, FPL has a satisfactory framework for compliance with regulatory requirements. The integration of the NNP process with existing QA is satisfactory.

- Compliance with requirements of the Bechtel NNP Quality Assurance Project Plan (QAPP) is satisfactory. Deficiencies were identified in the following areas:

- No independent Bechtel QA oversight of responses to FSAR Chapter 2.5 RAIs.

- Issues contained in the May 2012 letter re quality of Chapter 2.5 RAI submittals had not been entered into the Bechtel Corrective Action Program.

Corrective Action - Bechtel has provided a response to the issues identified and corrective action is planned and in progress.

- Administrative compliance with the FPL process for the preparation of responses to RAIs is satisfactory. One deficiency was noted:

- Failed to identify the need for additional measures to confirm accuracy of answers to questions associated with FSAR 2.5

Corrective Action - In January 2012, FPL hired additional technical resources to review RAIs submitted, with the a goal of improving quality and preventing problems previously noted.

- Unsatisfactory: Execution of the Bechtel RAI response process. Deficiencies were identified in the following specific areas:

- Independence between document preparers and reviewers was not maintained.

- The Technical Advisory Group, convened to address issues, was stood down before all the relevant questions were answered.

Corrective Action - Bechtel is performing a review of the conditions that led to the poor quality RAI responses. The need for a review of the Technical Advisory Group minutes to ensure that all areas were addressed is tracked in FPL Condition Report (CR) 01784625.

- Unsatisfactory: Bechtel QA NNP Project Oversight. It did not include a review of RAI response activities in the area with the greatest number of RAIs (Section 2.5, Geological, Seismic, and Geotechnical).

Corrective Action - FPL reports that a satisfactory response is now in place for future oversight by Bechtel QA who will conduct additional reviews of safety related portions of the COLA to verify that submissions are responsive and satisfactorily justified.

- Unsatisfactory: FPL Project Oversight of the issues associated with FSAR Chapter 2.5. Although consistent with current industry practice, the FPL QA oversight approach failed to detect deficient responses provided to the NRC.

Corrective Action - In January 2012, FPL hired additional technical resources to review RAIs submitted, with the a goal of improving quality and preventing problems previously noted. A review of FPL oversight activities is being performed IAW FPL Procedure NA-AA-213-1000, "Missed Opportunity Review"

	<ul style="list-style-type: none"> • An extent of condition review found that the FPL and Bechtel preparation and review processes for COLA documents (beyond those associated with FSAR 2.5) also experienced some problems. Lower level review activities have not always satisfactorily detected and addressed errors that have occurred during the COLA application process. <p><i>Corrective Action - Lessons learned from Chapter 2.5 have been used to improve the sensitivity to all technical areas of the application.</i></p> <p>The evaluators concluded that, on an overall basis, management oversight and quality assurance processes in the areas of Geology, Seismology, and Geotechnical Engineering have <u>not</u> been performed in a satisfactory manner.</p> <p>Deficiencies were noted in connection with the level of independent technical review provided both on the part of FPL and Bechtel. Deficiencies associated with the preparation and review of submittals in other areas were also noted. FPL Vendor Finding PQA 12-171 (Attachment 2), Internal Finding 1 (Attachment 3), and Condition Reports 01784625, 01784632 and 01784639 were written to address the issues that were identified.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-3.12 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: As a result of the need for these revisions, has FPL contracted third party SMEs (e.g. AMEC) to oversee QA/QC for current and/or future work associated with RAIs?</p> <p>Summary of Contents: As in DR-3.8 above, FPL has retained third party experts to assist in the preparation of RAI responses on geology, seismology and geotechnical engineering. FPL states that these experts are likely to be retains, to be part of any future RAI preparation.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>

Office of Auditing and Performance Analysis

Document Summary and Control Log

Company: FPL Area: 2013 Controls Review Auditor(s): D. Rich, L. Fisher	Workload Control #: PA-13-01-001 File Name: i:\Performance Analysis Section\00 PERFORMANCE ANALYSIS AUDITS\Nuclear Controls Review 2013\FPL\3.0 Work Papers\3.3 Document Summaries NEW\ 3.3.4 DocSumLog PTN DR-4.doc																				
Document #: NEW DR-4.1 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Several times in May testimony (Scroggs), the PTN 6&7 current project estimated cost is described in a range from \$12.7 billion to \$18.5 billion. This appears to be a change to both endpoints of the estimate from a year ago but the project cost estimate was described as "unchanged" during recent staff interviews. Please explain.</p> <p>Summary of Contents: FPL responds that project non-binding cost estimate range is unchanged. The basic assumptions for project cost (overnight cost, escalation, AFUDC, project timeline) have not changed. However, updates have been made to the project spend curve to reflect actual costs for the past year, the actual/estimated costs for the current year and the projected costs for the subsequent year.</p> <p>FPL states that accommodating these revisions usually results in deferring costs into future years, a revision that has two effects on the calculation of the total project cost, or TPC --- deferring costs exposes them to further escalation, tending to increase TPC, while avoiding interest charges (tending to decrease TPC). In the current calculation, the latter factor dominates, thereby causing a net reduction in TPC. A similar impact has occurred in past years (2011 and 2012), however given the practice of rounding the estimate, the impact was not as noticeable.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Docket</th> <th style="text-align: left;">Low End</th> <th style="text-align: left;">High End</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>100009-EI</td> <td>12,854,294,106</td> <td>18,746,643,845</td> </tr> <tr> <td>2011</td> <td>110009-EI</td> <td>12,852,519,298</td> <td>18,750,480,995</td> </tr> <tr> <td>2012</td> <td>120009-EI</td> <td>12,811,684,100</td> <td>18,694,287,838</td> </tr> <tr> <td>2013</td> <td>130009-EI</td> <td>12,666,267,770</td> <td>18,487,022,695</td> </tr> </tbody> </table> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>	Year	Docket	Low End	High End	2010	100009-EI	12,854,294,106	18,746,643,845	2011	110009-EI	12,852,519,298	18,750,480,995	2012	120009-EI	12,811,684,100	18,694,287,838	2013	130009-EI	12,666,267,770	18,487,022,695
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2013	130009-EI	12,666,267,770	18,487,022,695																		
Document #: NEW DR-4.2 Date Requested: Date Received: Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Please provide the PTN 6&7 current project estimated cost range. Provide the low end and high end of the estimate, in billions of dollars, to three decimal places.</p> <p>Summary of Contents: covered in the company response to DR-4.1, above.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>																				
Document #: NEW DR-4.3	<p>Document Title and Purpose of Review: Please provide the date that Development and NNP began reporting directly to Mano Nazar,</p>																				

Date Requested: Date Received: Comments: (i.e., Confidential)	Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).
	Summary of Contents: The transition was first discussed on January 14, 2013 with Mano Nazar, Bill Yeager, Bill Maher and Steve Scroggs. The shift was planned and coordinated over the subsequent months. The change was formally made on March 30, 2013.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-4.4 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).
	Summary of Contents: In 2013 the project is scheduled to complete local approvals and state certification. Actions necessary to obtain the NRC license will be the primary focus of the project in 2013 and going forward. Mano Nazar, as Chief Nuclear Officer, is the executive responsible for all interactions with the NRC. It was determined that the Turkey Point 6 & 7 project would benefit from a closer relationship with the resources of the Nuclear Division and the CNO in achieving the final license approvals.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-4.5 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain the reasoning behind the decision that Development and NNP should report directly to Mano Nazar, Executive Vice-President of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).
	Summary of Contents:
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-4.6 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please explain the date the decision was made that Development and NNP should report directly to Mano Nazar, Executive VP of Nuclear and Chief Nuclear Officer. (Scroggs, May testimony, pg. 12).
	Summary of Contents: covered in the company response to DR-4.3, above.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document #: NEW DR-4.7 Date Requested: Date Received:	Document Title and Purpose of Review: During recent staff interviews, no changes or impending changes to Development and NNP reporting linkages were described to staff. Please explain.
	Summary of Contents: While the reporting change will further align nuclear division resources with the project, there is no functional

Comments: (i.e., Confidential)	impact to the internal project structure or its relationship with contractors, regulators or any other substantive facet of the project's operation. The project had previously maintained a dashed line reporting relationship with the CNO, so the change in reporting does not affect the flow of information between the project directors and senior management. In this light, the reporting change was not considered to be a significant item for discussion.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

5. Work Plan

Auditing and Performance Analysis

2013 Work Plan

FPL's Turkey Pt. and St. Lucie Uprates

Task	Subtask	Auditor Notes	Findings
2013 Uprate Projects Status			
<p>1. Review the status of all federal, state and local regulatory approvals</p> <p>2. Identify any potential schedule delays due to regulatory approvals and company actions to mitigate risk</p> <p>3. Review all updated project schedule and cost related information</p> <p>4. Determine whether the project is within the established budget and schedule completion timeframes</p> <p>5. Determine whether the EPC contractor is meeting contract, performance, schedule and cost measurements</p> <p>6. Identify key events and risks that may delay construction completion or increase project costs.</p> <p>7. Create a forward looking timeline of key project events and timeframes for project completion</p>	<p>1. Update the status of state and federal license approvals for the project. Obtain and document studies performed relating to the company meeting regulatory environmental challenges to approval. (i.e., cooling water requirements)</p>	<p>1. Currently no pending NRC license amendments for EPU project.</p> <p>2. All LARs required to implement EPU's at St. Lucie and Turkey Point nuclear plants have been approved by the NRC.</p> <p>3. Sampling of monitoring wells began in June 2010. The sampling data to date is considered pre-EPU baseline and will be used to compare to the post-EPU data after the uprate for both Units.</p> <p>4. FPL prepared and submitted a Comprehensive Pre-Uprate Report summarizing the data collected from June 2010 through June 2012.</p> <p>5. Post-EPU sampling will be continued for at least two years after the uprates are completed. The monitoring program is on schedule and there are no expected impacts on the cost or schedule for the Turkey Point Uprate project.</p> <p>6. The current St. Lucie Industrial Wastewater Facility (IWF) Permit issued in September 2011 requires FPL to perform ambient monitoring, thermal monitoring, and biological monitoring in the Atlantic Ocean in accordance with a previously issued Administrative Order (AO).</p> <p>7. The FDEP approved FPL's monitoring plans and the company began biological monitoring in August 2011. Eight pre-uprate baseline biological events have been monitored since. Results will be used to compare pre-uprate aquatic species at the St. Lucie Plant with similar post-uprate data. Post-uprate biological monitoring is scheduled to begin in January 2013 and will continue for a minimum of 2 years.</p> <p>8. Thermal monitoring equipment is in place and is currently scheduled to commence in January 2013. Thermal monitoring will continue for a minimum of two years post-uprate.</p> <p>9. Currently, there are no known cooling water conditions or requirements that remain as possible challenges to the St. Lucie Units 1 & 2 Uprate work.</p> <p>10. There are no expected impacts on St. Lucie or</p>	

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FPL's Turkey Pt. and St. Lucie Upgrades

		Turkey Point EPU project costs or schedule.	
	<p>2. Determine future scheduled dates for project regulatory approvals. Document future scheduled dates for project regulatory approvals Determine any identified project impact(s). Determine potential/possible/likely project impact(s)</p>	<p>1. PSL-1 EPU LAR was approved by NRC 7/9/12. 2. PSL-2 EPU LAR was approved 9/24/12. 3. PTN EPU LAR was approved 6/15/12. 4. FPL completed a mid-cycle outage because the NRC had not approved the St. Lucie Unit 1 LAR prior to the completion of the outage in April 2012. Therefore, a Unit 1 outage was added, and successfully implemented in July 2012, to reach the full increased power output at St. Lucie Unit 1.</p>	
	3. Document number, type, dates received/answered, and whether RAIs are answered completely, comprehensive, and timely.	All RAIs for uprate were completed prior to NRC approvals in 2012.	
	4. Review and update the tracking of the project's schedule and costs. Document the status of long-lead equipment acquisition timeline and its impact on the project schedule	In January 2012, EPU project management implemented schedule revisions for the PSL-2 and PTN-3 final outages.	
	<p>5. Update and describe project <i>planning</i> made since the last review for the project and its effect on the project schedule and costs. Obtain and document any external reviews performed relative to <i>planning</i> since the last review. Review any detailed internal feasibility studies completed relative to project/<i>planning</i> scope changes. 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.</p>	<p>1. EPU project management continued to receive final NRC EPU-LAR approvals and complete EPU project outage construction for the remaining four outages. 2. Additional LAR license engineering and support costs, from changing NRC requirements modified project design. 3. Construction and implementation costs increased, as outages were begun. 4. FPL changed the start of the Turkey Point Unit 3 EPU outage from January 30, 2012 to February 26 2012. 5. FPL changed the start of the St. Lucie Unit 2 EPU outage from July 9, 2012 to August 6, 2012. 6. The timeline for the EPU project is shown on page 6 of the report.</p>	
Risks to Scheduling and Costs			
<p>1. Review project management reports for any potential risks to project scheduling and costs 2. Review company assessments and mitigation planning for project associated risks 3. Identify any potential project risks associated with ITAAC documentation, revision, and completion, and any associated company risk mitigation efforts</p>	<p>1. Document the ongoing risk analyses being performed on the project and identify any changes to the process. Determine whether the company expects any impact on LAR approval process from the Fukushima accident. 2. Review and update any changes made to the site Project Management and reporting process since the last review. 3. Document current processes for senior management oversight responsibilities and reporting.</p>	<p>1. FPL identifies significant EPU project risks weekly in the Risk Registers and includes them in the Monthly Operating Performance Report. The probability of each risk occurring and estimated cost impact determine the weighted cost value assigned. Mitigation activities and strategies are developed and assigned to specific team individuals for risk resolution. When each risk is mitigated, it is closed in the Risk Registers</p>	

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<p>4. Identify any procurement and long lead equipment that may impact project scheduling or costs</p> <p>5. Provide a forward looking timeline of events related to project risk assessment and mitigation</p>		<p>and removed from the total risk potential estimated for the project.</p> <p>2. In May 2012, FPL revised the non-binding cost estimate upward to a range between \$2.95 billion and \$3.15 billion.</p> <p>3. The estimate increased further in May 2013, to an estimated final project cost of \$3.39 billion. Exhibit 4 in the report shows the estimated costs for the EPU project from 2007 to the present.</p>	
	<p>4. Document any project risk challenges and mitigation strategies implemented since the last review.</p>	<p>1. PSL-1 and PTN-3 outages extended beyond the planned outage schedule. PSL-1 was extended 19 days longer than expected, and PTN-3 was extended 32 days beyond the expected completion date, causing additional project costs.</p> <p>2. FPL continued to use stand downs during the outages to ensure safe project work conditions and quality work. Stand downs are generally short in nature, reinforcing certain aspects of work safety. FPL noted that it had no work stoppages of significant delay to the project during 2012.</p> <p>3. Additional resources had to be used to keep the PTN-3 and PTN-4 outages on schedule. Bechtel was behind schedule for PTN. and additional contractor support was engaged to keep the outages on schedule.</p>	
	<p>5. Document the status of long-lead equipment acquisition timeline and its impact on the project schedule</p>	<p>Long lead procurement was completed for EPU in 2Q 2011.</p>	
<p><i>Project Management Systems and Controls</i></p>			
<p>1. Review changes to management organization made to more effectively manage the project</p> <p>2. Review project management methods and procedural changes made to strengthen controls</p> <p>3. Review project management reports provided to executive and senior management for project oversight of schedule and cost controls</p> <p>4. Review project and contractor staffing levels for potential delays due to inadequate staffing</p> <p>5. Review systems used to manage the project schedule and costs, and contractor systems interface for performance reporting</p>	<p>1. Review and update any changes made to support organization teams.</p> <p>Review and update any changes made to the Project Management Organization since the last review.</p> <p>Document current processes for senior management oversight responsibilities and reporting.</p> <p>Document current processes for project management, oversight, and accountability.</p> <p>Document the current process for reporting project status to internal boards and committees.</p>	<p>1. Overall, the EPU internal controls are responsive to project needs, and have continued to be revised to meet future project issues.</p> <p>2. EPU management has revised, deleted and modified EPPI and other procedures to reflect process changes during the year.</p> <p>3. Monthly Operating Reports and other project reports provide internal boards and committees regular updates of project schedule and cost changes;</p> <p>4. Daily fleet-wide CNO calls also keep the CNO aware of current situations and conditions at each nuclear plant and provide a forum to discuss lessons learned and current issues.</p>	

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	<p>2. Review and update any changes made to the site Project Management and reporting process since the last review.</p> <p>Document current processes for senior management oversight responsibilities and reporting.</p>	<p>1. FPL adjusted Bechtel's Turkey Point Unit 4 EPU scope of project planning, engineering and implementation by reducing the original scope to achieve better certainty of completion of EPU modifications per the planned schedule and estimated costs.</p> <p>2. Development of the reduced work scope packages was assigned to the FPL Planners and resident engineering was assigned to Shaw Engineering. The balance of the implementation work scope was assigned to other contractors. Procurement of material not already completed by Bechtel was assigned to FPL's procurement team.</p> <p>3. Additional Bechtel planners were added to develop work packages for EPU modifications for Bechtel's Work scope.</p> <p>4. FPL made arrangements with major equipment suppliers to keep their expertise on standby during the outages to mitigate the risk of potential delays in case of equipment issues.</p> <p>5. FPL project controls prepared and maintained schedules for the work scope of other contractors with their input. The contractors were accountable for their schedule performance.</p> <p>6. The NRC did not approve the St. Lucie Unit 1 LAR prior to the completion of the St. Lucie Unit 1 EPU outage in April 2012. Therefore, a Unit 1 LAR outage was added and successfully implemented in July 2012 resulting in the increased power output of St. Lucie Unit 1.</p> <p>7. As a lesson learned from previous outages, the project team conducted additional horizontal and vertical schedule reviews to achieve more certainty.</p> <p>8. As a lesson learned from previous outages, the project team reorganized material storage plans to expedite material retrieval. Also logistic of material handling improved with additional equipment and a polar tower crane for Turkey Point Unit 4 4R27 outage activities.</p> <p>9. The project team completed the engineering for modifications and associated test procedures in advance of the Turkey Point 4R27 outage.</p>	
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		<p>10. The EPU project established procedures for additional cable termination verification, electrical conductivity checks, and de-energized circuit checks.</p> <p>11. FPL increased the emphasis on "first time quality" during implementation. Turkey Point contractors were required to submit First Time Quality Plans.</p> <p>12. The project team placed additional emphasis on reviewing "Plan of the Day" (POD), "Daily Cost Report" and "Daily Earned Value Report" with the management teams of the major contractors.</p>	
	<p>3. Review and update any changes made to the site Project Management and reporting process since the last review.</p> <p>Document current processes for senior management oversight responsibilities and reporting.</p> <p>Document current processes for providing and disseminating informational and status reports on the project.</p> <p>Document the process for continuing review of project viability and milestone events.</p>	<p>1. The EPU VP Upgrades announced December 21, 2011, organizational changes effective January 10, 2012: a Supplier Oversight person reports directly to VP Upgrades; an EPU Implementation Owner North for PSL reports to VP Upgrades and is over EPU Site Director; an EPU Owner South for PTN will report directly to VP Upgrades and EPU Site Director will report to Implementation Owner; a second Engineering Mgr. for PTN reports to the PTN EPU Site Director;</p> <p>2. Staffing changes planned for 2012 include release or reassignment of project personnel after their assigned duties are completed (e.g., LAR personnel after the LARs are approved by the NRC).</p> <p>3. The 2012 organizational changes were made primarily to fill positions vacated by personnel leaving the project of their own volition. Some changes were made to retain or add resources where appropriate. Other changes were made as part of the planned process to reduce staff as the project nears completion. These changes are expected to ensure the project is successfully completed with qualified resources.</p> <p>4. The Project Controls group provides management with regular reports on schedule, budget, costs, vendor performance, and risks.</p> <p>5. Primavera scheduling software, capable of real time updating and monitoring, is used to track project schedule. Primavera can also sort data by need, producing customized status reports.</p> <p>6. In the March 2013 filing of 2012 data, FPL noted that the last outage was being completed and the EPU project closeout would be completed by year end 2013.</p>	

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4. Review and update the company's process for monitoring project schedule and cost updates.

See 4 & 5 above.

New Contracts and Contract Revisions

1. Review the EP/C contract conditions, and any change orders, scope changes, or contract modifications completed during 2012.
 2. Identify and describe how the company evaluated new contracts.
 3. Review any internal or external checklists or evaluations completed for major contracts.
 4. Identify all newly awarded contracts greater than \$250,000, and greater than \$1 million.
 5. Develop a chart of contract information including: contract date, vendor, term, purpose, type contract (T&M, lump sum, fixed cost, target w/ incentives, or other), whether single source, sole source, or bid, and the contract amount.
 6. Characterize contracts relative scope, size, type, percent of total contracts, etc.
 7. Determine whether the company evaluates contractor costs before and after project work is completed.
 8. Determine whether single and sole source justifications were completed where applicable, and are in compliance with Commission Order No. PSC-08-0749-FOF-EL, issued November 12, 2008.
 9. Evaluate company actions completed to improve single and sole source justifications during the year.

1. Review and document company methods and procedures for issuing a request for proposal.

Review and update any changes made to company solicitation policies and procedures since the last review.

Document what level of management oversight and approval are required for each contract tier.

1. A listing of contracts issued in 2012 is provided in response to DR 1.8c. See DR-1.10a for contracts >\$250K and DR-1.10c for contracts >\$1M for 2012.

2. All long-lead equipment for the EPU project has been purchased.

3. Attached is a listing of EPU service and material contracts issued from January 1, 2012 through November 15, 2012.

4. Procurement documents for the following contracts competitively bid in excess of \$250,000 for the period January 2012 through November 15, 2012 were reviewed: (DR-1.10 b)

☐ Aggreko contract 2314744

☐ Andersen Chavet contract 2311019

☐ Arc Energy Services contract 2313195

☐ Feedforward contract 2303882

☐ Givoo Consultants contract 2309442

☐ PCI Energy contract 2309693

☐ Sargent & Lundy contract 2311831

☐ Sims Crane contract 2313411

☐ Structural Preservation Systems 2303097

Attached are the requested documents for the following contracts competitively bid in excess of \$250,000 during December 2012:

☐ Land and Sea contract 2315305

☐ Magnetrol contract 2315016

☐ Magnetrol contract 2315379

6. Contracts planned for 2013 include: PSL engineering services contract to complete design packages required for the EPU work to be implemented during the SL1-25 outage in the fall 2013, and any PSL or PTN EPU contract revisions necessary for final project closeout, as required in accordance with corporate procedures.

Attached are the requested documents for the following contract competitively bid in excess of \$250,000

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		<p>during January 2013:</p> <p><input type="checkbox"/> GE Mobile Water Contract 2316596</p> <p>Attached are the requested documents for the following contract competitively bid in excess of \$250,000 during February 2013:</p> <p>PTN-3 Condenser Tube Cleaning contract 2317235</p> <p>Attached is a copy of the RFP issued with bid evaluation summary sheets (financial and Technical) supporting the Turkey Point (PTN) contract competitively bid in excess of \$250,000 in April 2013.</p> <p>Zachary Nuclear Engineering Inc. Contract No. 2318864</p> <p>7. DR-1.10c is a listing of contract change orders issued for EPU contracts in excess of \$1million for the period January 2012 through November 15, 2012 and reviewed by audit staff.</p> <p>8. Copies of EPU single and sole source justifications issued from January 2012 through November 2012 were reviewed by audit staff (DR-1.10d). November 2012-April 2013 were reviewed as available through monthly supplements. FPL made efforts in 2009 to ensure single and sole source justifications were improved to meet FPSC direction provided in Order No. PSC-08-0749-FOF-EI. These controls remain in effect today and include continued focus on the process of documenting and approving single and sole source procurements, to ensure compliance with BO-AA-102-1008, Procurement Control and BO-AA-01, Authorization Limits, and to facilitate review by personnel who are not directly involved in the nuclear procurement process.</p>	
	<p>2. Review and update any changes made to company solicitation policies and procedures since the last review.</p> <p>Review and document company methods and procedures for selecting project contractors and vendors.</p> <p>Determine how the evaluation of a contractor's qualifications is considered in the contract selection decision.</p>	<p>1. Changes to the EPC contract scope are handled through project scope change requests or negotiated contract revisions. Change requests are submitted to the FPL Site Project Managers by Bechtel.</p> <p>2. These change requests are reviewed and vetted by the site managers and the Site Director for approval or denial.</p> <p>3. Approved project scope change requests become part of the increased scope documents for the contract. Contract revisions also revise major project scope, contract provisions, and revised conditions for the</p>	

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		<p>project.</p> <p>4. In 2012, FPL reported 197 EPU contracts with values \$250,000 or greater. During the year, 37 contracts closed, one was cancelled, and 22 were inactive, but remained open.</p> <p>5. The EPU project initiated 50 new contracts in 2012, originated at \$294.8 million. Eighteen new contracts in 2012 were valued at greater than one million dollars, and totaled \$283.2 million in planned spending. These contracts represent 96 percent of the total new contract dollars in 2012.</p>	
	<p>3. Review and update any changes made to company solicitation policies and procedures since the last review.</p> <p>Review project contracts greater than \$250,000 and document the type of contract, scope of work, contract amount, work completion timeframes, and whether necessary justification is provided.</p>	<p>Ten contracts over one million dollars were single sourced (\$169 million), one was original equipment manufacturer, three were competitive (\$16.5 million), three were replacement contracts for others (\$18.5 million), and one was a Predetermined Source Supplier contract.</p>	
	<p>4. Determine whether the company uses industry and other cost comparisons to validate contract amounts.</p> <p>Obtain and review contract bid evaluation summaries.</p> <p>Document what levels of management oversight and approval are required for different contract amounts.</p>	<p>1. The results of FPSC staff's invoice review showed that FPL's handling of EPU contract invoices for the project followed established project practices and procedures.</p> <p>2. Proper approval signatures were present for invoices reviewed, invoice amounts were reconciled, data was challenged where necessary, and questionable amounts were held for payment until researched.</p> <p>3. Invoice support documentation sufficiently evidenced the amounts invoiced, and any amounts under question. Supporting memos documented communications between FPL and the contractor invoicing agent regarding questionable submissions and information.</p>	
	<p>5. Review and document the process for evaluation and justification of sole-source contractors used by the company since the last review.</p> <p>Determine whether the company has revised its sole source procedures and compliance verification efforts.</p> <p>Obtain and review sole and single-source contracts and justifications since the last review to determine whether proper justification criteria are included.</p>	<p>1. FPSC audit staff reviewed EPU single/sole source justifications completed in 2012 for the St. Lucie and Turkey Point sites.</p> <p>2. Based on the justifications reviewed, staff observed that the overall volume and quality of information supplied in FPL single/sole sourcing justifications comply with FPL and FPSC procedural requirements.</p>	

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Contract Risk Sharing and Controls

<p>1. Review contract provisions for risk/reward incentives to determine risk levels assumed by the company and contractor</p> <p>2. Evaluate incentives and risk sharing provisions within the EPC and other major contract arrangements to determine the degree of assigned risk allocation for the company and contractor</p> <p>3. Determine how the EP/C contract minimizes financial risk exposure to the company and ratepayers.</p>	<p>1. Obtain and review company procedures for verifying contractor work performed and amounts payable.</p> <p>Review contract structure and provisions to protect the company from substandard contractor performance.</p> <p>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.</p> <p>Determine how the company evaluates contractor costs before/after the project work is completed.</p>	<p>1. Contract management responsibilities, processes, and oversight are shared responsibilities of the EPU Project Site Manager and Technical Representatives/Contract Coordinators who administer site services.</p> <p>2. At the completion of authorized work, the Technical Representative/Contract Coordinator is responsible for verifying that the contractor met all obligations and determines if any outstanding contract deliverables exist.</p> <p>3. These representatives determine whether billed work is completed satisfactorily, make sure the level of approval necessary for invoice payment is present, and close out the contract when all work is completed.</p> <p>4. If contract work has not been completed as specified in the contract, the vendor invoice is denied and the work must be completed before payment is made.</p>
	<p>2. Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.</p> <p>Determine whether the company has paid incentives for meeting or exceeding contract provisions and how the company has benefitted from contract incentives.</p>	<p>1. Consistent with standard industry practices, FPL incorporates performance bonuses into contracts where appropriate to incentivize vendors to provide optimal performance and minimize overall project costs.</p> <p>2. Bonuses were paid during 2012-2013 to the following contractors:</p> <p>Blanket PO [redacted] w/comp for 2262301</p> <p>Contract [redacted] Rel [redacted] Mod 004</p> <p>Contract [redacted] Rel [redacted]</p> <p>Contract [redacted] Rls [redacted] Amd 1</p> <p>Contract [redacted] Rls 000 Amd 5 Perf Metrics</p> <p>[redacted] Amend 2 to PTN EPC Contract [redacted]</p> <p>EPU Contractor Bonus Payments 2012</p> <p>Exhibit B – Attachment 2 Scorecard PSL-1-24 Rev 11/18/11</p> <p>Exhibit B – Supplemental Terms and Compensation PSL-1-24 11/18/11</p> <p>[redacted] PO [redacted] Rev [redacted]</p> <p>BPO [redacted] Comp Amend 2</p> <p>Contract [redacted] Rls [redacted] Amd 01</p> <p>Contract [redacted] Appendix 4 PTN Rev [redacted]</p>

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		<p>Final 9/12/12 Contract Exhibit B Comp PSL 2-20 Final 8/7/12 Contract, Appendix 4 PSL Suppl Terms Final Rev 8/20/12</p> <p>3. As the EPU project comes to completion, closeout activities in 2013 will include resolution of outstanding warranty issues. Exhibit 17 in the report lists unresolved EPU warranty claims for 2012 through May 2013. The largest remaining unresolved, warranty claim involves four EPU contractors totaling \$3.1 million. The FPL share of that claim may be as much as \$1.1 million. Audit staff will review the resolution of these warranty claims in the next NCRC cycle.</p> <p>4. Siemens' Invoice 2970008686 dated 9/17/12 for U4 (70.76% PTN) was paid as an accelerated payment and recognized credits for work to be performed at PTN from October 1, 2012 through the completion of the EPU Turbine Generator scope which is anticipated Spring of 2013. This reflects the terms of the a FPL and Siemens agreement dated July 9, 2012, and was provided in the August 1, 2012 supplemental testimony of Terry Jones as Exhibit TOJ-28.</p> <p>5. Siemens' Invoices 96059837, 96061093, and 96061094 were paid at \$ each in order to show the invoices were paid in FPL's accounting system and to avoid duplication of payment since an accelerated PTN payment of had previously been paid against Siemens' Invoice No. 2970008686.</p>	
	<p>3. Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.</p> <p>Determine how the company has changed its contract structure and provisions since the last review to further prevent contractor overruns and substandard performance.</p>	<p>1. Bechtel interfaced with both EPU Project and site management to provide contract oversight during the project for its subcontractors.</p> <p>2. As the EPC contractor, Bechtel coordinated the work of contractors toward the completion of the construction and testing portion of the EPU project. Bechtel also provided work procedures, performance indicators, and on-site monitoring of its subcontractors. FPL states that it ensured Bechtel procedures conformed to FPL procedures and requires them to be updated when necessary.</p> <p>3. As a result of FPL and Bechtel EPC contractual negotiations during 2012, the contract no longer</p>	

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		required target pricing or annual contractor evaluations. Therefore, a contractor report card was not prepared as in previous years. FPL also negotiated contractual concessions with Bechtel during 2012, totaling approximately \$60 million, which served to reduce overall project costs.	
1. Review RFP information for bid contracts and single or sole source justification where applicable 2. Determine whether contract selection policies and procedures were followed for each new contract 3. Review any contract policy revisions during the year 4. Review any contract audits performed during the year and management responses to any findings or recommendations	1. Update and document a current listing of major contractors and their responsibilities and scope of work for the project. 2. Document current project management responsibilities for contractor oversight and performance on the project. Document current contractor oversight and performance responsibilities of support services, such as purchasing and procurement, after the contractor completes work on the project. Document current QA/Audit responsibilities for contractor oversight and performance while on the project. Obtain and review company procedures for verifying contractor work performed and amounts payable. Review and document contract structure and provisions to protect the company from substandard contractor performance. Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.	1. For the final phase of the PSL and PTN upgrades additional new contracts were necessary. In 2012, FPL reported 197 EPU contracts with values \$250,000 or greater. During the year, 37 contracts closed, one was cancelled, and 22 were inactive, but remained open. 2. The EPU project initiated 50 new contracts in 2012, originated at \$294.8 million. Eighteen new contracts in 2012 were valued at greater than one million dollars, and totaled \$283.2 million in planned spending. These contracts represent 96 percent of the total new contract dollars in 2012. Exhibit 16 in the report provides a listing of new EPU contracts greater than one million dollars for 2012. 1. Contract management responsibilities, processes, and oversight are shared responsibilities of the EPU Project Site Manager and Technical Representatives/Contract Coordinators who administer site services. 2. At the completion of authorized work, the Technical Representative/Contract Coordinator is responsible for verifying that the contractor met all obligations and determines if any outstanding contract deliverables exist. These representatives determine whether billed work is completed satisfactorily, make sure the level of approval necessary for invoice payment is present, and close out the contract when all work is completed. 3. Bechtel interfaced with both EPU Project and site management to provide contract oversight during the project for its subcontractors. As the EPC contractor, Bechtel coordinated the work of contractors toward the completion of the construction and testing portion of the EPU project. Bechtel also provided work procedures, performance indicators, and on-site monitoring of its subcontractors.	

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	<p>Determine how the company evaluates contractor costs before/after the project work is completed.</p>	<p>4. Changes to the EPC contract scope are handled through project scope change requests or negotiated contract revisions. Change requests are submitted to the FPL Site Project Managers by Bechtel. These change requests are reviewed and vetted by the site managers and the Site Director for approval or denial. Approved project scope change requests become part of the increased scope documents for the contract. Contract revisions also revise major project scope, contract provisions, and revised conditions for the project.</p>	
	<p>4. Obtain FPL contractor performance incentive policies and procedures.</p> <p>Use these policies and procedures to determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.</p>	<p>1. FPL continuously evaluated contractor performance and provided feedback on an almost daily basis in 2012.</p> <p>2. Feedback was provided through daily focus meetings during outages with major contractors to evaluate earned value and cost performance, daily work plans, and any impacts to schedule and cost.</p> <p>3. FPL also held project integration meetings weekly with major contractors discussing schedule compliance with work activities, organization and management issues, safety issues, and other actions necessary to completing scheduled project activities.</p> <p>of actions taken as a result of the evaluation and feedback process described in part (a) include performing a comprehensive review of previous engineering changes to enhance remaining modifications, resolving engineering hold points prior to the start of the outage, establishing an integrated I&C and Start-up test team, enhancing work packages to better support work package closure and system return to service, and implementing a first time quality program.</p>	
	<p>5. Document current QA/Audit responsibilities for contractor oversight and performance.</p> <p>Obtain and review company QA/Audit policies and procedures related to verifying contractor work performed, contractor, oversight, and evaluation/ of amounts payable.</p> <p>Obtain and review FPL QA contractor audits.</p>	<p>1. All quality assurance, observations, reviews, and audits completed for the St. Lucie and Turkey Point uprate projects during the period January 2012 through November 2012 (Daily Quality Summary reports) were reviewed by audit staff.</p> <p>2. FPL QA has performed regular quality assurance surveillances and observations throughout the EPU project and audit staff will continue to review any newly completed reviews and observations.</p>	

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	Review FPL QA contractor audit to determine audit findings and FPL management response(s).		
1. Review Contract Management policies and procedures, and determine whether policies and procedures are followed 2. Review any contract policy revisions during the year 3. Review any contract audits completed during the year and management responses to any findings or recommendations 4. Review and evaluate contractor KPI and contract performance compliance during the year 5. Review all contract change orders issued by the company and requested by the contractor 6. Trend change orders and work authorizations and identify any associated project risks 7. Summarize contract change orders made in perspective to total project changes and costs 8. Determine whether current contractor cost management controls are effective	<p>1. Document current QA/Audit responsibilities for contractor oversight and performance while on the project.</p> <p>2. Determine whether company performance incentives for meeting or exceeding contract provisions have changed.</p> <p>Determine whether the company policy for completing vendor performance evaluations after major projects has changed and document any changes.</p> <p>Determine how the company has changed its contract structure and provisions since the last review to further prevent contractor overruns and substandard performance.</p> <p>3. Review FPL contractor audit plan and rationale for audits.</p> <p>Determine when future audits are scheduled/planned but not currently scheduled.</p> <p>Obtain and review any Quality Assurance contractor evaluations completed since the last review.</p> <p>Use audits to determine FPL management responses to correct findings/issues/concerns and risks</p> <p>Quantify/measure FPL management response(s).</p> <p>Evaluate FPL management response(s).</p>		
	4. Perform a sample analysis of scope changes, work authorizations and related invoices to determine proper approvals have been obtained and that contractor is not being paid for corrective rework or work outside of approved scope.		

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1. Update and document a current listing of major contractors and their scope of work for the project
 2. Review changes made to more effectively manage contractors for the project
 3. Review Contractor Management policy and procedure revisions, and determine whether policies and procedures are followed
 4. Review contractor management reports provided to executive and senior management
 5. Review and evaluate contractor KPI Performance during the year
 6. Review contractor audits and results during the year
 7. Review contractor observation and evaluation results for the year

1. Review and update the company's process for monitoring project schedule and cost updates.

Review and update the company's process for trending and managing scope changes.

Review and update work planning and scheduling changes made to the project since the last review.

Review the company's staffing plan and whether it has met staffing requirements for the project schedule

1. Project Controls added a detailed labor billing evaluation for Siemens Turbine / Generator Installation Services Contract for SL2-20 and Turkey Point Unit 4, 4R27 outage. This labor billing evaluation consisted of a detailed comparison of the pre invoice labor records of the vendor versus the Owner Security Gate Log. Any deviations were brought to the attention of the vendors and adjustments were made, if required.

2. EPPI-235, Work Hours Validation Sampling program, Rev. 0, was developed to perform random validation of contractor invoiced hours versus hours actually worked on project to ensure labor billing accuracy.

3. Project Controls implemented a random quarterly gate log audit for all contractors beginning in the second quarter of 2012. A random selection process was applied to all onsite contractor vendor personnel.
 4. A Remote Support Authorization Approval Process was implemented.

5. EPPI-110, EPU Project Expectations and Conduct of Business, R 26, was revised to include Attachment 6, Extended Power Uprate Contractor Remote Support Authorization.

6. A Project Closeout Metrics package was added for PSL EPU in October 2012. Designed to assist the control of the remaining work after SL2-20 breaker closure, the metrics package tracks the remaining engineering, work package close out, procedure update, drawing update and construction demobilization among other items. A closeout matrix was prepared for Turkey Point.

7. Audit staff reviewed the organization charts and staffing plans for project management and work units currently responsible for completing the St. Lucie and Turkey Point nuclear uprate projects:

JB EPU Organization 2012-06-13

PSL EPU Site Organization 2012-11-30

PTN EPU Site Organization 2012-11-07

Staffing plans showed levels of project management and field supervision for PSL and PTN as outages were

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		completed; and contractors and FPL employees were reduced as outages were completed and site restoration was complete.	
	2. Obtain and review any external and nuclear industry (NUPIC) contractor reviews and evaluations completed since the last review.	None were reviewed by audit staff during this review	
	3. Obtain and review any Quality Assurance contractor evaluations completed since the last review. Use such reviews to identify and report any audit or QA risks that may impact project scheduling or costs	Only the Siemens contractor review was provided; the review was positive in most all measures, with an overall satisfactory score.	
1. Review FPL Annual Internal Audit Plan and Annual QA Plan and results to date 2. Review any organizational changes to internal audit or QA that may impact the frequency of project review 3. Obtain and review all internal, external, and industry (NUPIC) audits related to the project 4. Identify and report any audit or QA risks that may impact project scheduling or costs 5. Evaluate FPL management responses to correct any project issues and risks	1. Review the current internal audit plan and rationale for audits. Review all completed audits and determine when future audits are planned for the project.	1. A list of 2012 EPU related internal audits are listed in Exhibit 14 of the report. 2. A list of 2013 EPU related internal audits are listed in Exhibit 15 of the report 3. At the time of publication the three remaining scheduled audits for 2013 were not yet completed. Commission audit staff will review the audit reports when available, or in the 2014 review.	

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Task	Subtask	Auditor Notes	Findings
<i>What is the current status of the Turkey Point 6 & 7 project?</i>			
<p>1. Review the status of all federal, state and local regulatory approvals</p> <p>2. Identify any potential schedule delays due to regulatory certification of the AP1000, COLA, RAIs, State Site Certification, county and local licenses, and other regulatory approvals and company risk mitigation actions</p> <p>3. Identify any RAIs issued on FPL's COLA application and potential impacts to the schedule</p> <p>4. Review all project schedule and cost related information</p> <p>5. Determine whether the project is within the established budget target and completion timeframes</p> <p>6. Review expected completion date of signing an EPC or EP&C agreement</p> <p>7. Determine how the project build timeline for the New Units compares to that for the Vogtle project</p> <p>8. Create a forward looking timeline of key project events and timeframes for project completion</p>	<p>1. Update the status of any federal and state license approvals. Obtain and document studies performed relating to the company meeting regulatory environmental challenges to regulatory approval. (i.e. cooling water requirements)</p>	<p>FPL says that local, county, and state licensing continuing within forecast but in some cases taking longer than anticipated</p> <p>FPL is in the LICENSING phase.</p> <p>The NRC licensing process defines the project critical path and will remain FPL's primary focus through late 2014.</p> <p>The current project timeline targets completion of Unit 6 construction in 2021 and Unit 7 in 2022, with start-up following a year later for each unit.</p> <p>NRC COLA approval review is underway. State Site Certification Application (SCA) and local permitting are taking longer than expected. Uncertainty in licensing schedule & intermediate milestone target dates. Some additional schedule shift may occur, but timing and extent cannot be foreseen. Majority of project execution, construction, and expenditures remain 2014+.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>
	<p>2.</p> <p>Determine projected dates for project regulatory approvals.</p> <p>Document future scheduled dates for regulatory approvals</p> <p>Determine potential regulatory impact from Fukushima accident. Determine whether FPL may slow down its pursuit</p>		

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	of COLA approval.		
	Determine any identified project impact(s).		
	Determine potential/possible/likely project impact(s)		
	3. Document number, type, dates received/answered, and whether RAI's are answered completely, comprehensive, and timely.		
	4. Review and update the tracking of project schedule and cost. Document status of long-lead item timeline and impact on project schedule	Reviewed cost/schedule. FPL has revised cost estimate range, down for both low and high ends of the range, now \$12.67B to 18.49B. FPL believes that economic and regulatory uncertainties make expenditures beyond those to complete licensing are unwise and premature at this point.	
	5. Update / describe project <i>planning</i> since the last review for the project and its effect on project schedule / costs. Obtain and document any external reviews performed relative to <i>planning</i> since the last review. Review any detailed internal feasibility studies completed relative to project/ <i>planning</i> scope changes. Review and update the status of project planning, engineering, equipment modification, and phasing of work schedules to complete the project; identify potential project delays.	Project is no longer within original Determination of Need schedule or cost estimates. FPL slipped in-service dates from 2018/2020 (original. Need Determination filing) to 2022/2023 for PTN 6&7, respectively. The project is within all constraints of the new or revised cost/schedule estimates.	Need Determination timeline and budget are no longer valid for determination whether project is "...within established budget target and completion timeframes.." None. Continue to monitor in remainder of 2013 and following years.
	6. N/A; FPL has not completed an EPC or EP/C for new construction. Determine timeline and when FPL will focus on setting conditions for entering into such a contract.	EPC or EP/C to be set in the 2014 timeframe	
	7. No subtasks; N/A; FPL has not completed an EPC or EP/C for new construction. Determine timeline and when FPL will focus on setting conditions for entering into such a contract.	FPL has not signed an EPC or EP/C contract. FPL realizes the window of opportunity is there, but closing and, barring a revision	Signing an EPC or EP&C largely dependent on whether NRC revises current COLA review schedule

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		<p>of the COLA review schedule by the NRC, FPL must decide EPC or EP/C and enter into negotiations before end-2014 to avoid schedule impact.</p> <p>Bechtel is the largest contractor to this point in the.</p> <p>All CO's are documented and justifications on hand as required. Some CO's add cost or scope and others addressing administrative issues without increases in cost/scope.</p>	
	<p>8. Determine key project dates. Use dates to construct timeline.</p>		

What risks have the greatest potential impact on the Turkey Point 6 & 7 project scheduling and costs?

<p>1. Review project management reports for any potential risks to project scheduling and costs</p> <p>2. Review company assessments and mitigation planning for project associated risks</p> <p>3. Identify any potential project risks associated with ITAAC documentation, revision, and completion, and any associated company risk mitigation efforts</p> <p>4. Identify any procurement and long lead equipment that may impact project scheduling or costs</p>	<p>1. Document the ongoing risk analyses being performed on the project and identify any changes to the process.</p> <p>Determine potential impacts of Fukushima accident on plans for Turkey 6&7 in terms of strategy, timing, feasibility and other decisions under FPL's control.</p> <p>Review and update any changes made to the site Project Management and reporting process since the last review.</p> <p>Document current processes for senior management oversight responsibilities and reporting.</p> <p>2. Document any project risk challenges and mitigation strategies implemented since the last review.</p>	<p>No potential risks to project scheduling and/or costs are associated with project management reporting.</p> <p>Reports currently in use were reviewed. Periodic risk assessments appear adequate to the current status of the project.</p> <p>A complement of daily, weekly, monthly and quarterly reports furnishes managers and executives with a thorough review of identified (and potential) risks.</p> <p>Staff reviewed current FPL risk assessment reports from 1Q2012 through 4Q2012.</p> <p>FPL made no major changes to its project management oversight. But the systems, procedures, reports, and policies used in</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p> <p>None. Continue to monitor in remainder of 2013 and following years.</p>
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5. Provide a forward looking timeline of events related to project risk assessment and mitigation		management oversight continue to evolve in an ongoing process.	
	3. Document the status/timeline of long-lead equipment acquisition and impact to project schedule	<p>FPL extended resolution of long lead forging reservation agreement with Westinghouse. Date for resolution (whether to go ahead or dissolve) is now October 2013.</p> <p>Continuing negotiations to extend the reservation agreement terminal date. TBD</p> <p>Cancellation could cause FPL to lose a portion of its \$10.8 million reservation fee. Agreement specifies FPL to forfeit 15% -- if Westinghouse can remarket the reservation slot. How much to be lost if WH cannot remarket the slot is not specifically addressed. FPL believes it would be a negotiated amount, higher than 15% but lower than the entire \$10.8M</p>	None. Continue to monitor in remainder of 2013 and following years.

Do Project Management systems and controls provide oversight for the project?

1. Review changes to management organization made to more effectively manage the project	1. Review and update any changes made to support organization teams.	No major changes to organizational structure.	
2. Review project management methods and procedural changes made to strengthen controls	Review and update any changes made to the Project Management Organization since the last review.	Some personnel have temporarily been reassigned to EPU as a result of the timeline revision. FPL believes this will control PTN 6&7 costs in the short term. These personnel will be brought back to when PTN 6&7 transitions to construction.	
3. Review project management reports provided to executive and senior management for project oversight of schedule and cost controls	Document current processes for senior management oversight responsibilities and reporting.		None. Continue to monitor in remainder of 2013 and following years.
	Document current processes for project management, oversight, and accountability.		
	Document the current process for reporting project status to internal boards and committees.		
4. Review project and contractor staffing levels for potential delays due to inadequate staffing	2. Review and update any changes made to the site Project Management and reporting process since the last review.	FPL continues to use "white papers" to memorialize/explain key decisions. Each memorandum is a record of the thought process(es) and decision architecture in place and used at the time of decision. Greatly increases documentation	None. Continue to monitor in remainder of 2013 and following years.

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5. Review systems used to manage the project schedule and costs, and contractor systems interface for performance reporting	Document current processes for senior management oversight responsibilities and reporting.	of decisions. FPL believes white papers provide higher transparency for, to, and of project the company's management process. In 2013, Experis audited 2012 project expenditures. Staff reviewed the audit report, noting few, very few (minor) exceptions. All findings were corrected. The audit found controls adequate and costs appropriately charged.	
	3. Review and update any changes made to the site Project Management and reporting process since the last review. Document current processes for senior management oversight responsibilities and reporting. Document current processes for providing and disseminating project information and status reports. Document the process for continuing review of project viability and milestone events.		
	4. Review and update the company's process for monitoring project schedule and cost updates.	Project and contractor staffing appears adequate.	None. Continue to monitor in remainder of 2013 and following years.
	<i>Have new contracts been awarded for the Turkey Point 6 & 7 project?</i>		
1. Review the EP/C contract conditions, if one has been signed, and any change orders, scope changes, or contract modifications completed since April 2009.	1. Review and document company methods and procedures for issuing a request for proposal. Review and update any changes made to company solicitation policies and procedures since the last review.	N/A; FPL has not entered into an EPC or EP/C contract for PTN 6&7. Staff reviewed all change orders for adherence to FPL internal controls, processes, and content. No anomalies were discovered. Staff is satisfied that all change orders were necessary for COLA and SCA preparation and support, and that they do not result from poor performance or errors by parties.	N/A
2. Identify and describe how the company evaluated the EP/C and other major contracts.	Document what level of management oversight and approval are required for each contract tier.		
3. Review any internal or	2. Review and update any changes made to company solicitation policies and procedures since the last	N/A; FPL has not entered into an EPC or EP/C contract for PTN 6&7.	N/A

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external checklists or evaluations completed for the EP/C and other major contracts prior to, or after, contract approval.	review.		
4. Identify and describe all newly awarded contracts greater than \$250,000, and less than \$1 million	Review and document company methods and procedures for selecting project contractors and vendors. Determine how contractors' qualifications are evaluated in the contract selection decision.		
5. Develop a chart of contract information including: contract date, vendor, term, purpose, type contract (T&M, lump sum, fixed cost, target w/ incentives, or other), whether single source, sole source, or bid, and the contract amount	3. Review and update any changes made to company solicitation policies and procedures since the last review. Review project contracts greater than \$250,000 and document the type of contract, scope of work, contract amount, work completion timeframes, and whether necessary justification is provided.	N/A; FPL has not entered into an EPC or EP/C contract for PTN 6&7.	N/A
6. Identify and describe all newly awarded contracts greater than \$1 million	4. Determine whether the company uses industry and other cost comparisons to validate contract amounts. Obtain and review contract bid evaluation summaries. Document what levels of management oversight and approval are required for different contract amounts.	Staff reviewed contract bid evaluation summaries for adherence to FPL internal controls, processes, and content. No anomalies were discovered.	
7. Develop a chart of contract information including: contract date, vendor, term, purpose, type contract (T&M, lump sum, fixed cost, target w/ incentives, or other), whether single source, sole source, or bid, and the contract amount	5. Review and document the process for evaluation and justification of sole-source contractors used by the company since the last review. Determine whether the company has revised its sole source procedures and compliance verification efforts. Obtain and review sole and single-source contracts and justifications since the last review to determine whether proper justification criteria are included.	Sole Source procedures are unchanged. Justifications are in place and follow company establish procedures.	None. Continue to monitor.
8. Characterize contracts relative scope, size, type, percent of total contracts, etc.	Obtain and review company's written justification of contracted amounts.		

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<p>9. Determine whether FPL evaluates contractor costs before & after work completed</p> <p>10. Determine if single/sole source justifications were done where applicable, and in compliance with FPSC Order PSC-08-0749-FOF-EL11/12/08.</p> <p>11. Evaluate FPL actions to improve single and sole source justifications during the year</p>	<p>6. 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.</p> <p>Use the information derived to construct a chart depicting as much of the following as is available: contract date, vendor, term, purpose, type contract (T&M, lump sum, fixed cost, target w/ incentives, or other), single or sole source, predetermined source, competitively bid, and amount</p>	<p>There are nineteen (19) contracts with value greater than \$250,000. See Exhibit 11, staff report</p> <p>There are seven (7) new contracts greater than \$100K. See Exhibit 9, staff report.</p> <p>There were fourteen (14) CO's greater than \$100,000. See Exhibit 10, staff report.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>
	<p>7. Determine whether the company uses industry and other cost comparisons to validate contract amounts.</p> <p>Obtain and review contract bid evaluation summaries.</p> <p>Document what levels of management oversight and approval are required for different contract amounts.</p>	<p>FPL evaluates contract costs before, during, and after project work is completed.</p> <p>Changes to contract management have been predominantly evolutionary, with FPL refining existing controls and procedures rather than creating new ones.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>
	<p>8. Review and document the FPL process for use, evaluation criteria, and justification of sole-source contractors.</p> <p>Determine whether the company has revised its sole source procedures and compliance verification efforts.</p> <p>Obtain and review sole and single-source contracts and justifications since the last review to determine whether proper justification criteria are included.</p> <p>Use information derived to describe FPL actions to improve single and sole source justifications during the year.</p> <p>Use information derived to quantify FPL actions to improve single and sole source justifications during the year.</p>	<p>Managers state (invoicing) anomalies are quickly discerned by the current review system. Each invoice is reviewed by at least two specialists. Appropriate signatures are obtained for expenditures exceeding established amounts.</p> <p>Monthly, every invoice received during that month is reviewed against prevailing labor rates. Hours are tallied by sub-job. All travel expenses are reviewed for appropriateness, applicability, and justifications.</p> <p>FPL states it retains the option to review its contractors/vendors. Bechtel, because of the size of the current contract would be the likely company.</p> <p>Invoices are also reviewed for sufficiency as they come in, control specialists ensuring proper documents and adherence to company/regulatory requirements.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>

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	Use information derived to evaluate FPL actions to improve single and sole source justifications during the year.		
<i>How do contract incentives and provisions allocate risk between the Company and Contractors?</i>			
1. Review contracts for risk/reward; det'm levels for FPL and contractors	1. Obtain/review company procedures for verifying contractor work performed and amounts payable.	FPL includes provisions for risk/reward sharing, on a graduated basis, with contractors.	None. Continue to monitor in remainder of 2013 and following years.
2. Evaluate incentives and risk sharing in the EP/C or other contracts; determine risk allocation for FPL & contractor	Review contract structure and provisions to protect the company from substandard contractor performance.		
3. Determine how the EP/C contract minimizes financial risk to FPL and/or ratepayers.	Determine whether the company includes risk sharing in contracts, and how effective it has been to help manage contractor costs and overruns on the project.		
4. Develop a risk chart contracts showing risk levels shared by FPL and contractors.	Determine how the company evaluates contractor costs before/after the project work is completed.		
	2. Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.	N/A; FPL has not signed an EPC or EP/C contract for the project. Earliest projected time for signing is 3Q14...but likely later.	None. Continue to monitor in remainder of 2013 and into 2014.
	Determine whether the company has paid incentives for meeting or exceeding contract provisions and how the company has benefitted from contract incentives.		
	3. Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.	N/A; FPL has not signed an EPC or EP/C contract for the project. Earliest projected time for signing is 3Q14...but likely later.	None. Continue to monitor in remainder of 2013 and into 2014.
	Determine how FPL has changed its contract structure and provisions since the last review to further prevent contractor overruns and substandard performance.		
<i>Have FPL procurement policies / procedures been followed in awarding contracts?</i>			
1. Review RFPs for bid contracts and single or sole	1. Update and document a current listing of major contractors, their responsibilities, and scope of work.	Largest contract (Bechtel) competitively bid. Others a mix of comp bid, single/sole sourcing, or Predetermined Source. Justifications completed.	None. Continue to monitor in remainder of 2013 and following years.

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<p>source justifications</p> <p>2. Determine whether contract selection policies and procedures were followed for each new contract</p> <p>3. Identify any conditions where policies and procedures were not followed</p> <p>4. Determine why policies and procedures were not followed by the company</p> <p>5. Review any contract policy revisions during the year</p> <p>6. Review any contract audits performed during the year and management responses to any findings or recommendations</p>	<p>2. Document current project management responsibilities for contractor oversight and performance on the project.</p> <p>Document current contractor oversight and performance responsibilities of support services, such as purchasing and procurement, after the contractor completes work on the project.</p> <p>Document current QA/Audit responsibilities for contractor oversight and performance while on the project.</p> <p>Obtain and review company procedures for verifying contractor work performed and amounts payable.</p> <p>Review and document contract structure and provisions to protect the company from substandard contractor performance.</p> <p>Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.</p> <p>Determine whether the company has paid incentives for meeting or exceeding contract provisions and how the company has benefitted from contract incentives.</p> <p>Determine whether FPL policy for completing vendor performance evaluations after major projects has changed since the last review. Document any changes.</p> <p>Determine how the company has changed its contract structure and provisions since the last review to further prevent contractor overruns/substandard performance.</p> <p>Determine whether the company includes risk sharing</p>	<p>Company contract selection policies and procedures were adhered to for current contracts.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>
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	<p>in contracts, and how effective it has been to help manage contractor costs and overruns on the project.</p> <p>Determine how the company evaluates contractor costs before/after the project work is completed.</p>		
	<p>3. Update and document a current listing of major contractors and their responsibilities and scope of work for the project.</p> <p>Document current project management responsibilities for contractor oversight and performance. Use this information to identify any conditions where policies and procedures were not followed.</p> <p>Document current contractor oversight and performance responsibilities for support services (e.g. purchasing and procurement). Use this to identify policies/procedures were not followed.</p> <p>Document current QA/Audit responsibilities for contractor project oversight and performance. Use this information to identify any conditions where policies and procedures were not followed.</p> <p>Obtain and review company procedures for verifying contractor work performed and amounts payable. Use this information to identify any conditions where policies and procedures were not followed.</p>	N/A	None. Continue to monitor in remainder of 2013 and following years.
	<p>4. Obtain FPL contractor performance incentive policies and procedures.</p> <p>Use these policies and procedures to determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.</p>	N/A	None. Continue to monitor in remainder of 2013 and following years.

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	<p>5. Document current QA/Audit responsibilities for contractor oversight and performance.</p> <p>Obtain and review company QA/Audit policies and procedures related to verifying contractor work performed, contractor, oversight, and evaluation/ of amounts payable.</p> <p>Obtain and review FPL QA contractor audits.</p> <p>Review FPL QA contractor audit to determine audit findings and FPL management response(s).</p>	N/A	None. Continue to monitor in remainder of 2013 and following years.
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Were contract management policies/procedures followed to provide oversight of contracts?

<p>1. Review Contract Management policies and procedures, and determine whether policies and procedures are followed</p> <p>2. Review any contract policy revisions during the year</p> <p>3. Review any contract audits completed during the year and management responses to any findings or recommendations</p> <p>4. Review and evaluate contractor KPI and contract performance compliance during the year</p> <p>5. Review all contract change orders issued by the company and requested by the contractor</p>	<p>1. Update and document a current listing of major contractors and their responsibilities and scope of work for the project.</p> <p>Document current project management responsibilities for contractor oversight and performance on the project.</p> <p>Document current contractor oversight and performance responsibilities of support services, such as purchasing and procurement, after the contractor completes work on the project.</p> <p>Document current QA/Audit responsibilities for contractor oversight and performance while on the project.</p> <p>Obtain and review company procedures for verifying contractor work performed and amounts payable.</p> <p>Review and document contract structure and provisions to protect the company from substandard contractor performance.</p>	<p>FPL believes a continuation of their "stepwise approach to management" (a deliberate, cautious methodology) provides the greatest ability and best odds of controlling costs, mitigating known and unknown/anticipated risk, and ensuring an eventual, safe, and successful implementation.</p> <p>Current policies / procedures are being followed and FPL monitors contractors to ensure compliance.</p>	None. Continue to monitor in remainder of 2013 and following years.
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6. Trend change orders and work authorizations and identify any associated project risks	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.		
7. Summarize contract change orders made in perspective to total project changes and costs	<p>Determine how the company evaluates contractor costs before/after the project work is completed.</p> <p>2. Determine whether company performance incentives for meeting or exceeding contract provisions have changed since the last review.</p> <p>Determine whether the company policy for completing vendor performance evaluations after major projects has changed since the last review and document any changes.</p> <p>Determine how FPLy has changed its contract structure and provisions since the last audit to further prevent vendor overruns and substandard performance.</p> <p>3. Document current QA/Audit responsibilities for project contractor oversight and performance.</p> <p>Review contractor audit plan and rationale for audits.</p> <p>Determine when future audits are scheduled or planned but not currently scheduled.</p> <p>Obtain and review any Quality Assurance contractor evaluations completed since the last review.</p> <p>Use audits to determine FPL management responses to correct findings/issues/concerns and risks</p> <p>Quantify/measure FPL management response(s).</p> <p>Evaluate FPL management response(s).</p>		None. Continue to monitor in remainder of 2013 and following years.
	4. Review and document contract change orders issued since the last staff review.	<p>FPL has established a detailed review process of Bechtel invoices for PTN 6&7 incorporating the following processes:</p> <ul style="list-style-type: none"> • Bechtel labor costs are reviewed for consistency • Bechtel employee rates are verified • Bechtel employee expenses are reviewed • Sub-contractor invoices are reviewed • Geolab and IST charges are verified • Sub-contractor invoices are tracked cumulatively • Management is notified of invoice anomalies • Periodic FPL-Bechtel conference call. • Bechtel invoices are reviewed by Project Controls Analyst, Licensing Engineer Supervisor and a Licensing Engineer Principal. Prior to payment all Bechtel invoices are approved by Director of the Licensing Project. <p>Staff reviewed all change orders for adherence to FPL internal controls, processes, and content.</p>	None. Continue to monitor in remainder of 2013 and following years.

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	<p>Determine if the structure and provisions of change orders protect the company, share risk, and are competitively/fairly priced.</p> <p>Determine whether the company includes risk sharing within contracts (or change orders, as applicable), and how effective risk sharing has been to help manage contractor costs and overruns.</p> <p>Determine how FPL evaluates fairness and competitiveness of change order costs.</p> <p>5 Summarize contract change orders made in perspective to total project changes and costs</p>	<p>No anomalies were noted; staff is satisfied that all change orders were necessary for licensing support and do not result from poor performance or errors by either party. Policies/procedures were followed.</p> <p>See Exhibit 10, staff report.</p> <p>There are currently fourteen (14) CO's over \$100K with various vendors. Change orders executed to this point total substantially less than 1 percent of the overall estimated project cost.</p>	
Determine whether current contractor cost management controls are effective	1. Sample scope changes, work authorizations, and related invoices to determine if proper approvals were obtained and that contractor is not being paid for corrective rework or work outside of approved scope.		
<i>Were contractor management policies/procedures followed in providing contractor oversight?</i>			
1. Update and document a current listing of major contractors and their scope of work for the project	1. Review and update the company's process for monitoring project schedule and cost updates.		
2. Review changes made to more effectively manage contractors for the project	Review and update the company's process for trending and managing scope changes.		
3. Review Contractor Management policy and procedure revisions, and determine whether policies and procedures are followed	Review and update work planning and scheduling changes made to the project since the last review.		
	Review the company's staffing plan and whether it has met staffing requirements for the project schedule		
	2. Determine whether any changes to Audit/QA structure have been made since the last review.		
	Review the current internal audit plan and rationale for		

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4. Review contractor management reports provided to executive and senior management	audits. Review all completed audits and determine when future are planned for the project.		
	3. Review Contractor Management policy and procedure revisions, and determine whether policies and procedures are followed.		
5. Review and evaluate contractor KPI Performance during the year	4. Obtain contractor management reports.		
6. Review contractor audits and results during the year	5. Review and evaluate contractor KPI Performance during the year	Performance indicators were reviewed in regular, periodic reports. No anomalies noted. FPL appears to have an adequate process in place to capture and evaluate contractor performance indicators. System is in place, well understood, used regularly, and provides 'ownership' to/for project stakeholders.	None. Continue to monitor in remainder of 2013 and following years.
	6. Obtain and review any external and nuclear industry (NUPIC) contractor reviews and evaluations completed since the last review.		Continue to monitor in remainder of 2013 and following years.
	7. Review the current internal audit plan and rationale for audits. Review all completed audits and determine when future audits are planned for subject contractors. Obtain and review any Quality Assurance contractor evaluations completed since the last review.	During oversight observations of vendor activity, QA assesses vendor compliance with contract terms and conditions as well as with FPL procedures.	None. Continue to monitor in remainder of 2013 and following years.

Have auditing and quality assurance activities identified potential risks to the project?

1. Review FPL Annual Internal Audit Plan and Annual QA Plan and results to date	1. Review the current internal audit plan and rationale for audits. Review all completed audits and determine when future are planned for the project.		
2. Review any organizational changes to internal audit or QA that may impact the frequency of project review	Obtain and review any Quality Assurance contractor evaluations completed since the last review.		
3. Obtain and review all internal, external, and industry (NUPIC) audits related to the	2. Determine whether any changes to Audit/QA structure have been made since the last review.	QA organization / goals remain the same.	
		FPL's primary operating reference for QA is the Quality Assurance Oversight Plan . This document holds vendors accountable for process and product quality. QA is budgeted and directed by NPP, with	None. Continue to monitor in remainder of 2013 and following years.

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<p>project</p> <p>4. Identify and report any audit or QA risks that may impact project scheduling or costs</p> <p>5. Evaluate FPL management responses to correct any project issues and risks</p>		<p>procedures and process control exercised by Nuclear Assurance group.</p> <p>QA program is independent, its manager reporting directly to the Director of Nuclear Assurance.</p> <p>FPL project management is aware of the importance of such assessments and as a result focuses attention on it. Initiatives in 2013 include:</p> <p style="padding-left: 40px;">Oversight of vendors' on-site activities Responding to NRC inspection/findings Contractor procedure review Development of new QA programs Reviewing NNP project procedures</p>	
	<p>3. Obtain and review any external and nuclear industry (NUPIC) contractor reviews and evaluations completed since the last review.</p>	<p>FPL is a member of NUPIC and participates either as audit leader or audit member for vendor audits.</p> <p>Monitored 2012 & 2013-to date NUPIC Audit Report logs.</p> <p><i>Source: NUPIC website</i></p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p>
	<p>4. Obtain and review any Quality Assurance contractor evaluations completed since the last review.</p> <p>Use such reviews to identify and report any audit or QA risks that may impact project scheduling or costs</p>	<p>FPL QA holds vendors accountable for process / quality while under contract to FPL. Providing oversight of quality, manufacturing, & control procedures. Accomplished through inspections at the vendor offices and/or manufacturing sites. In 2013, FPL Quality Assurance assessors noted no areas of vendor non-compliance related to the Turkey Point 6&7 project.</p> <p>FPSC audit staff believes that FPL Turkey Point 6&7 QA oversight is adequate and properly focused. The oversight plan and schedule is responsive to current project needs.</p>	<p>None. Continue to monitor in remainder of 2013 and following years.</p> <p>As the project expands dramatically in the transition from licensing to construction, scale and tempo will correspondingly accelerate. At that point, an FPL reassessment of its QA oversight plan, schedule, and structure will be warranted and restructuring may be necessary.</p>

8. Interview Schedule

FPSC STAFF VISIT 04/16/13 - 04/18/13					
Date	Time	LOCATION	Event	TOPICS	FPL Personnel
4/16/2013	8:00AM - 9:00AM	JB-C1334	NBO UPDATE		PAM METZ, STEPHANIE CASTANEDA, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	9:30AM - 12:00PM	JB-C1334	EPU UPDATE		TERRY JONES, DON FLEETWOOD, STEVE HALE, STEVE REUWER, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	1:00PM - 2:00PM	JB-C1334	EPU CONTRACTS/INVOICES		MARK WARONICKI, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
4/17/2013	8:00PM - 9:00PM	JB-C1334	INTERNAL AUDIT		TONY MACEO, JENNIFER CAMPOS, SORIA TALBOT, TRAVIS CONTRATTO
	9:30PM - 10:00PM	JB-C1334	ECP ITEMS		JIM VORHEES, DAVE LOWENS, SORIA TALBOT, TRAVIS CONTRATTO
	11:30AM - 12:00AM	JB-C1334	EPU PROJECT CONTROLS/FOLLOW-UP WITH DON		DON FLEETWOOD, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
4/18/2013	8:00AM - 10:00AM	JB-C1334	PTN 6&7 UPDATE		STEVE SCROGGS, BILL MAHER, SORIA TALBOT, TRAVIS CONTRATTO
	10:30AM - 11:30AM	JB-C1334	Q/A MEETING		RICK WEIS, BILL MAHER, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	12:30PM - 1:30PM	JB-C1334	PTN 6&7 CONTRACTS/INVOICES		LISA JAMES, MIKE REYNOLDS, MIKE WARONICKI, SORIA TALBOT, TRAVIS CONTRATTO

Interview 1
Pam Metz (NBO) Manager
Stephanie Castaneda NBO (Supervisor)
April 16, 2013
8:00 am-9:00 am

1. Has the NBO organization and reporting structure changed any since last year? If so, explain. (VP Finance, Nuclear Fleet (Goldstein) reports to EVP Nuclear Division & CNO (Nazar) along w/ VP Nuclear Power Uprate)
2. Have any of the NBO duties and responsibilities related to the EPU project changed since last year? If so, explain. (1) Processes and procedures, 2) SOX compliance, 3) Balance Sheet reporting & accruals and FERC account reporting, 4) Regulatory interface-Rate Case, Clauses, Decommissioning Funds, and 5) Spent Fuel Claim.)
3. Please explain NBO responsibility for tracking and reporting EPU scope modifications and change costs relative to projected budget. (variances)
4. Please explain NBO responsibility for identifying and accounting for EPU contractor rework costs.
5. Are there fleet or FPL procedures related to proper tracking and accounting of contractor rework activities separately? (such as a special work order issued for contractor rework costs)
6. Would these costs be included into the project or separately charged back against the contractor?
7. Have there been any contractor rework costs identified for the EPU projects during 2012-2013?
8. Please explain NBO responsibility for tracking and reporting obsolete equipment and surplus inventory items for the EPU project. (DR-1.7 Investment Recovery and NBO establish final values) (Discuss responses to DR-1.7)
9. Please explain the process to ensure the reclamation or other revenues are credited back to the project.
10. Is NBO still a member of the Nuclear Cost Recovery Team dealing with separate and apart decisions?
11. Have there been any EPU project issues identified with separate and apart considerations during 2012-2013?
12. Have there been any changes to the make-up of the Nuclear Cost Recovery Team since last year?
13. Please explain any issues identified during 2012-2013, related to EPU project transactions and proper accounting of costs.
14. During 2012-2013, did NBO provide any additional guidance or training to the EPU project regarding proper/improper project accounting?
15. Was NBO involved, in any way, in an investigation of improper costs attributed to the EPU project during 2012-2013? (per diem)
16. Did NBO make any corrections or journal entries to reflect improper costs to the EPU project for per diem during 2012-2013? Explain how those are reported when they occur.
17. Does NBO monitor short payments to contractors and the reasons for short payment? How is this recorded and reported for the EPU project?

Interview 2
Terry Jones, Don Fleetwood, Steve Hale, Steve Reuwer,
Bruce Beisler, Clyde Newson, Soria Talbot, Travis Contrato
April 16, 2013
9:30 am- 12:00 pm

1. Discuss the status of PTN 4 outage. (Outage should have completed early per DR responses; completed on time? estimated completion? delays? additional costs?)
2. Please discuss the EPU Scheduled timeline to complete close-out work for all the outages. (3rd quarter in 2012 report, but 1st trip 2013 Jones stated execs. want close-out by YE 2013)
3. Based on the completion of the PTN4 outage, and expected closeout work, what is the potential for increasing or meeting non-binding estimate final costs? (has FPL completed its assessment of the non-binding estimate?)
4. Please explain the conditions surrounding FPL's contract with Siemens provided as supplemental testimony by Mr. Jones in last year's NCRC testimony.
 - a. Explain when and how FPL applied the discounts to Siemens work and booked the discounts.
 - b. Explain what FPL did to expedite payments identified in the contract, when the payments were made, and which contract work totaled the amount expedited.
5. Discuss the PSL Unit 1 outage scheduled to complete 4/1/12 and actually completed 4/21/12:
 - a. Was the 20 day difference caused by EPU?
 - b. Was the delay caused by a contractor problem or work stoppage event?
 - c. Had FPL or the ECP foreseen the potential scope increase or need for additional time and personnel?
 - d. What was the most costly and least foreseen scope change impacting the outage?
 - e. Was there a root cause analysis performed for the outage delays and costs of the Unit 1 outage?
 - f. Did FPL have to purchase or use replacement fuel during the 20 day extension?
 - g. Did the Unit 1 uprate capacity test out to the expected capacity?
6. Discuss the PTN Unit 3 outage scheduled to complete 4/1/12 and actually completed 4/21/12:
 - a. Was the 31 day difference caused by EPU?
 - b. Was the delay caused by a contractor delay or work stoppage event?
 - c. Had FPL or the ECP foreseen the potential scope increase or need for additional personnel?
 - d. What was the most costly and least foreseen scope change impacting the outage?
 - e. Was the delay in start-up caused by faulty existing plant, EPU changes to existing equipment, or the equipment failure under higher pressures caused by the uprate?
 - f. Was there a root cause analysis performed for the outage delays and costs associated with the Unit 3 outage?
 - g. Did FPL have to purchase or use replacement fuel during the 31 day extension?
 - h. Did the Unit 3 uprate capacity test out to the 115-123 MWe discussed in the 1/23/13 presentation? (page 67)
7. In 2012, FPL used limited scope contractors to complete work originally assigned to the EPC.
 - a. Were there any analyses conducted of the expected versus actual costs for using limited scope contractors to perform portions of Bechtel's EPC work, during the Turkey Point Unit 3 and Unit 4 outages? (explain the results)
 - b. Did using other contractors to complete some of Bechtel's scope reduce the potential bonus amount Bechtel could earn?
8. Discuss bonuses from contractors for 2012-2013 and how those are decided upon and paid.

9. Mr. Jones has stated in testimony that certain concessions were received from Siemens and other contractors to reduce the overall cost of the project.
 - a. How does FPL identify those concessions?
 - b. How are those concessions booked to the EPU project to reduce the project cost?
 - c. How does FPL ensure it has received all the concessions and reductions in project costs?

Interview 3
EPU Contracts/Invoices
Mark Warnecki, Bruce Beisler, Clyde Newson, Soria Talbot, Travis Contrato
April 16, 2013
1:00 pm- 2:00 pm

1. Have there been any changes to EPU contract procedures and processes during 2012-2013 to date?
2. Have your job responsibilities related to EPU changed any during 2012-2013 to date?
3. What form of bonus/incentive is being used for the Bechtel EPC contracts (PSL and PTN) since the Target Price concept has been removed?
4. When was target pricing removed from each Bechtel EPC contract?
5. How has this change impacted EPC bonuses paid to the contractor since the change was made?
6. Were bonuses paid out to the EPC contractor in 2012? If so, how much and for what outages?
7. Were other bonuses paid out during 2012 to meet contractor contractual provisions?
8. If so, can a summary be provided by outage, contractor, amount paid, and contract provision?
9. How does the EPU Contracts group interface with FPL's Investment Recovery and NBO groups to establish final values for obsolete and surplus assets, as agreed upon by established contracts?
10. How does the EPU Contracts group ensure that the established final values are credited back to the EPU project?
11. What is the normal timeframe for closing out contracts after the contractor's work activity is completed?
12. Please discuss the number of contracts involved in the SL1-25 fall 2013 outage, and potential contract revisions necessary for final closeout.
13. Which corporate procedure provides the requirements for use in final project close-out? (referenced in DR-1.8, Disk 24 update) (request a copy)
14. Please explain the following regarding the contracts listed on the T7A schedule included within the NCRC filings:
 - a. Line 42 contract 130579 – Explain why the contract was held open since 5/10 and cancelled in 2012.
 - b. Line 45 contract number 131356 – Explain the [REDACTED] for 2012.
 - c. Line 101 contract 2293950 same as above
 - d. Line 105 contract 2294221 same as above
 - e. Line 122 contract 2298894 open two years w/no charges (trailer support svcs)
 - f. Line 142 contract 2302164 original contract [REDACTED] and estimated value of [REDACTED]
 - g. Line 152 contract 2304432 original contract [REDACTED] and estimated value of [REDACTED]
 - h. Scaffolding originally leased then purchased due to contamination PSL
 - i. Line 175 contract 2310927 – Explain the [REDACTED] for 2012.
 - j. Line 177 contract 2312358 – Explain accelerated payment (PSL and PTN)(opened 9/13/12 and closed 9/25/12.

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Interview 4
Internal Audit
Tony Macco, Soria Talbot, Travis Contratto
April 17, 2013
8:00 am - 9:00 am

1. Have there been any changes to Internal Audit's organization , methodology, or scope that has changed for annual EPU audits?
2. Have your job responsibilities related to EPU changed any during 2012-2013 to date?
3. Please briefly discuss the audits conducted for the EPU project during 2012, and any IA follow-up audits or activities related to those audits. (██████████ audit) (See DR-1.14)
4. Discuss the ██████████ journal entries made for EPU audits completed during 2012.
5. Were any additional ██████████ expected to be rolled into 2012 or 2013 audits, as was the case with the EPU audit in 2011? (2011 ██████████ expenses from EPU audit were made late in 2011 after initial ██████████ had been made during the audit)
6. Discuss any new audits or ██████████ begun in 2012 that have been carried over to 2013?
7. What IA audits are planned to be performed in 2013 and when are the expected timeframes for completion?
8. Did IA use any contractors other than Experis to complete any audits or ██████████ during 2012?
9. Does IA plan to use any contractors other than Experis to complete any audits or ██████████ during 2013?
10. Have any ██████████ been ██████████ from the EPU project as a result of IA audits or ██████████ during 2012 or 2013 to date?
11. Have there been ██████████ or ██████████ of invoicing during 2012 or 2013 as a result of IA audits?
12. Has IA performed any other audits or ██████████ identifying ██████████ EPU ██████████ during 2012 and 2013 to date?
13. Has IA conducted any EPU audits that review ██████████ and ██████████ to contractors during 2012-2013?
14. Has IA been involved in any new ██████████ audits other than the one started in 2011 and expected to complete in 2012?

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Interview 6
Don Fleetwood, Bruce Biesler, Clyde Newson, Soria Talbot, Travis Contratto
April 17, 2013
11:30 am - 12:00 pm

1.
 - a. Explain why EPU decided to evaluate labor billing for the Siemens/Turbine/Generator Services Contract.
 - b. Explain the process EPU took in completing the detailed labor billing evaluation for the Siemens contract.
 - c. What was the outcome of the review?
 - d. Were there any adjustments made to the contract as a result of the review?
 - e. Were any adjustments made to procedures or processes as a result of the review?
2. Beginning in the second quarter of 2012 Project Controls implemented random gate log audits for contractors, and new EPPI-235 Work Hours Validation Sampling was issued 8/20/2012: (DR-1.6c)
 - a. How many of these gate log audits have been performed?
 - b. How have contractors received these audits?
 - c. Have contractor invoiced and actual worked hours improved since beginning these audits?
 - d. Have these audits been performed at both St. Lucie and Turkey Point?
3.
 - a. What part does Project Controls perform in identifying whether contractors review per diem requirements for their employees?
 - b. What part does Project Controls perform in reviewing and ensuring contractors are charging appropriately for per diem?
 - c. Has EPU performed any reviews or audits of the EPC or its contractors to ensure per diem is paid properly and is authorized appropriately for payment?
 - d. Was Project Controls involved in requesting FPL IA to audit per diem for contractors?
4.
 - a. Explain why Project Controls implemented the Project Closeout Metrics package in October 2012.
 - b. Explain what improvements have been received from the closeout package.
 - c. Was development of the Project Closeout Metrics a result of Lessons Learned, or is this the normal process for all FPL projects?
 - d. Are there specific procedures that document the use of the Project Closeout Metrics?
5.
 - a. Did Project Controls contribute to the management decision to use other contractors to complete limited scope portions of Bechtel's work at PTN3&4?
 - b. What were the main reasons for shifting the responsibilities for that work?
 - c. Did Bechtel have the technical expertise to complete the work that was re-assigned?
 - d. Could Bechtel have completed the design engineering packages on time and still have completed the limited scope work?
 - e. Were there other reasons for requiring Bechtel to assign the work to other contractors?
 - f. What were the reasons for FPL recommending the selected contractors?
 - g. Had those contractors worked at PTN3&4 before?
6. FPL responses to DR-1.13 indicate that a Pre-Outage Milestone Completion Plan was prepared for PTN4 to ramp up pre-outage work activities for 4R27 since the 3R26 refueling outage duration was longer than originally planned and many of the resources being used could not be released to ramp up activities for 4R27.
7.
 - a. Does this response indicate that the pre-outage work for 4R27 was delayed until FPL could complete the 3R26 refueling outage?
 - b. How long was the delay for the 4R27 pre-outage work?
 - c. Were their added costs to the 4R27 outage due to the delay?

Conference call with Terry Jones
May , 2013

1. NRC Letters and potential connection to EPU implementation, project delays, or additional costs.

2. Bechtel performance and the additional resources used to complete Bechtel scope of work for PTN 3&4.
 - a. Bechtel work remained behind during 2012, Key Project Issues Report
 - b. Bechtel vendor report card? Will one be completed? When?
 - c. Were there additional dollars spent to use other contractors than what Bechtel would have otherwise charged (hours and dollars comparison)
 - d. Bechtel Warranty issues on 3&4

3. Bechtel performance in PSL1 and the cause of 19 day delay?
Issues experienced included:
 - a. Reactor Rod Control (part of uprate work? who?)
 - b. Leaks from the Main Feed Pump (part of uprate work? who?)
 - c. Condensor (part of uprate work? who?)
 - d. Steam By-pass (part of uprate work? Who?)

4. Bechtel performance related to PTN3 and additional scope, costs and 31 day extension delays.

5. Bechtel performance related to PTN4 and early completion

Tuesday, April 16th

8:00AM – 9:00AM, Juno Beach

NBO Update

Metz, Casteneda, Beisler, Newson, Talbot, Contratto

Overall update brief, to include but not limited to:

- General NBO overview, mission
- Organization
- EPU-related responsibilities
- EPU variance reporting
- EPU accrual reporting
- Reports – content, audience, frequency
- Separate and Apart Analysis

9:30AM – 12:00AM, Juno Beach

EPU Update

Jones, Fleetwood, Beisler, Hale, Reuwer Newson, Talbot, Contratto

Overall update brief, to include but not limited to:

- General project overview and current status
- Organizational changes
- Management changes / succession planning
- Outages completed
- Remaining outages and schedules
- Mod package preparation
- Outage schedule changes
- Project cost estimate (by unit & total)
- Interfacing / Coordinating w/Plant Opns
- Project Cost Changes / Impacts (by unit & total)
- Settlement of work stoppage costs / liabilities
- Risk identification & remediation
- NRC – licensing, schedule, & RAI's
- State licensing & licensing schedule
- Local permitting & permitting schedule
- Vendor relations & contracts
- Vendor pushback & recovery plans
- Impact(s) from Fukushima
- Previous DR response follow-up
- March NCRC Testimony
- Pushback
- Invoicing

1:00PM – 2:00PM, Juno Beach

EPU Contracts / Invoices

Waronicki, Beisler, Newson, Talbot, Contratto

Overall update brief, to include but not limited to:

- General overview
- Policies practices, procedures, and process
- Contract administration and tracking
- Organization changes in 2012 and in 2013 to present
- T-Schedule contracts in 2012
- Contracts in 2013
- Change orders in 2012 greater than \$100K
- Change orders YTD 2013 greater than \$100K

Wednesday, April 17th

8:00AM – 9:00AM, Juno Beach

Internal Audit Update

Maceo, Campos, Talbot, Contratto

- General program overview

<ul style="list-style-type: none"> ▪ Policies practices, procedures, and process ▪ Organization / organizational changes ▪ Completed Audits 2012, PTN 6&7 and EPU ▪ Completed Audits 2013, PTN 6&7 and EPU ▪ Planned Audits 2013, PTN 6&7 and EPU
<p>9:30AM–10:00AM , Juno Beach</p> <p>ECP Upate</p> <p>Vorhees, Lowens, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ General program overview ▪ Policies practices, procedures, and process ▪ Open cases, PTN 6&7 and EPU ▪ Cases Jan – Dec 2012, PTN 6&7 and EPU ▪ Cases YTD 2013, PTN 6&7 and EPU ▪ Organizational changes
<p>11:30AM – 12:00PM , Juno Beach</p> <p>EPU Project Controls Update</p> <p>Fleetwood, Beisler, Newson, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ General overview ▪ Key control events 2012 ▪ Key control events YTD 2013 ▪ Key control changes (personnel, policy), 2012 ▪ Key control changes (personnel, policy), YTD 2013 ▪ Anticipated control events to year-end 2013 ▪ Anticipated personnel changes to yer-end 2013
<p>Thursday, April 18th</p>
<p>8:00AM – 10:00AM, Juno Beach</p> <p>PTN 6&7 Update</p> <p>Scroggs, Maher, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ General project overview ▪ Project status ▪ Schedule ▪ Cost estimate (total and by unit) ▪ Cost estimate changes (total and by unit) ▪ Infrastructure improvement update ▪ NRC – licensing & schedule ▪ RAI (update # answered, # outstanding, # overdue) ▪ Federal, state, local licensing & permitting ▪ DOE loan program – update ▪ ENP land swap update ▪ Transmission update ▪ Rights of way update ▪ Risk sharing / joint ownershiupdate ▪ Long lead forging agreement update ▪ Remaining / new Impact(s) from Fukushima ▪ Contracts \$250K and above ▪ CO's to contracts, over \$100K ▪ Vendor update / issues / selection ▪ The way forward – FPL plan / outlook ▪ “Off-ramps”/ decision point(s) timetable ▪ Pushback

<p>10:00AM – 10:30AM, Juno Beach</p> <p>PTN 6&7 Update</p> <p>Gidos, Jacques, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ Invoicing
<p>10:30AM – 11:30AM, Juno Beach</p> <p>Quality Assurance Update</p> <p>Weis, Maher, Beisler, Newson, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ General program overview ▪ Key QA events 2012 ▪ Key QA Events, Jan – Present, 2013 ▪ Planned QA Events, Present – Dec 2013 ▪ Vendor Quality Challenges ▪ Policies practices, procedures, and process
<p>1:00PM – 2:00PM, Juno Beach</p> <p>PTN 6&7 Contracts / Invoices</p> <p>James, Reynolds, Waronicki, Talbot, Contratto</p> <p>Overall update brief, to include but not limited to:</p> <ul style="list-style-type: none"> ▪ General overview ▪ Policies practices, procedures, and process ▪ Contract administration and tracking ▪ Organization changes in 2012 and in 2013 to present ▪ Planned personnel changes 2013 ▪ T-Schedule contracts in 2012 ▪ Contracts in 2013 ▪ Change orders in 2012 greater than \$100K ▪ Change orders YTD 2013 greater than \$100K

FPSC STAFF VISIT 04/16/13 - 04/18/13					
Date	Time	LOCATION	Event	TOPICS	FPL Personnel
4/16/2013	8:00AM - 9:00AM	JB-C1334	NBO UPDATE		PAM METZ, STEPHANIE CASTANEDA, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	9:30AM - 12:00PM	JB-C1334	EPU UPDATE		TERRY JONES, DON FLEETWOOD, STEVE HALE, STEVE REUWER, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	1:00PM - 2:00PM	JB-C1334	EPU CONTRACTS/INVOICES		MARK WARONICKI, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
4/17/2013	8:00PM - 9:00PM	JB-C1334	INTERNAL AUDIT		TONY MACEO, JENNIFER CAMPOS, SORIA TALBOT, TRAVIS CONTRATTO
	9:30PM - 10:00PM	JB-C1334	ECP ITEMS		JIM VORHEES, DAVE LOWENS, SORIA TALBOT, TRAVIS CONTRATTO
	11:30AM - 12:00AM	JB-C1334	EPU PROJECT CONTROLS/FOLLOW-UP WITH DON		DON FLEETWOOD, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
4/18/2013	8:00AM - 10:00AM	JB-C1334	PTN 6&7 UPDATE		STEVE SCROGGS, BILL MAHER, SORIA TALBOT, TRAVIS CONTRATTO
	10:30AM - 11:30AM	JB-C1334	Q/A MEETING		RICK WEIS, BILL MAHER, BRUCE BEISLER, CLYDE NEWSON, SORIA TALBOT, TRAVIS CONTRATTO
	12:30PM - 1:30PM	JB-C1334	PTN 6&7 CONTRACTS/INVOICES		LISA JAMES, MIKE REYNOLDS, MIKE WARONICKI, SORIA TALBOT, TRAVIS CONTRATTO

9. Interview Summaries

Bureau of Performance Analysis Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-1 File Name: 3.5.1 EPU IVS-1.doc
Name: Pam Metz (NBO) Manager Stephanie Castaneda NBO (Supervisor)	Date of Interview: 4/16/13 Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To understand the NBO responsibilities for tracking EPU costs and reporting of variances, accruals, and other accounting related activities for the project.	
(2) Interview Summary: a. The NBO organizational reporting structure has remained the same as last year. The Vice President Nuclear Fleet (Goldstein) reports to the EVP Nuclear Division & CNO (Nazar), as does the VP Nuclear Power Uprate (Jones). This structure places each VP separately, but reporting to the same executive officer. b. NBO duties and responsibilities related to the EPU project have remained essentially the same as last year. The duties and responsibilities of NBO include: (1) Processes and procedures, 2) SOX compliance, 3) Balance Sheet reporting & accruals and FERC account reporting, 4) Regulatory interface-Rate Case, Clauses, Decommissioning Funds, and 5) Spent Fuel Claims. c. For scope changes, the scope request is forwarded upward from the site. EPU submits the form to NBO to review scope change costs relative to projected budget, and proper approvals, for changes less than \$250k; If greater than \$250k, the requests go to Property Accounting to determine proper property units and potential separate and apart issues; Both NBO and Property Accounting are members of the NCRC Separate and Apart Team, which analyzes those conditions when necessary; the separate and apart decision looks at whether costs should be considered as capital or O&M, and whether those costs are plant or EPU project events; the scope change request is tracked by EPU Project Controls, and when proper review and budget approval is received for the scope change, the scope is included by Project Controls into the project schedule for completion; d. NBO has no responsibility for tracking project re-work; according to Stephanie, re-work is the responsibility of Don Fleetwood and the EPU Controls Group. She suggests follow-up with Mr. Fleetwood re: how re-work is tracked; e. NBO responsibility for tracking and reporting obsolete equipment and surplus inventory items for the EPU project includes establishing final values and facilitating the recovery of dollars for the EPU project from obsolete or surplus inventory and equipment pulled from service; NBO uses a New Nuclear Accounting White Paper specific to EPU that describes the appropriate steps for NBO in the recovery of inventory assets sold or scrapped through Investment Recovery; NBO reconciles expected dollars with actual revenues received, and investigates any discrepancies; NBO works with EPU (Mark Warneike) and Investment Recovery to establish proper value for assets and ensure those amounts are booked appropriately; NBO reviews general ledger entries against all EPU project related recovery items to ensure the project receives revenues for disposal of project assets; for GAAP purposes obsolete inventory >\$100k must be communicated to Nuclear Supply Chain (Warneike); f. NBO has not provided specific training in 2012 related to EPU processing of project costs; However, EPU was invited to attend an NBO general accounting training presentation provided for others, as a means of emphasizing proper accounting of project costs; g. NBO does not monitor short-pay invoices issued by the project; EPU would track those short payments to contractors to ensure contractors complete work scope, etc.; Project Controls would track those costs; h. With regard to the [REDACTED] audits and any journal entries, NBO may help internal audit define what [REDACTED] would be appropriate or not; NBO would also re-post if IA [REDACTED] a [REDACTED] to be [REDACTED] in December 2012 NBO reclassified (transferred out of the project) \$1.5 million in [REDACTED] costs (check w/IA re: figures); i. NBO has been posting true-ups for St. Lucie to reflect final close-out costs; FPL has reduced personnel in the NBO shop as the project winds down; however someone like her will need to be with the project until the end of 2013, when all closeout should be completed, or until next year's NCRC filings are completed;	
(3) Conclusions: 1. No new changes to NBO except for reductions of staff under Stephanie. 2. NBO duties and responsibilities related to the EPU project have remained essentially the same as last year. 3. NBO has no responsibility for tracking project re-work; according to Stephanie, re-work is the responsibility of Don Fleetwood and the EPU Controls Group. 4. NBO responsibility for tracking and reporting obsolete equipment and surplus inventory items for the EPU project includes establishing final values and facilitating the recovery of dollars for the EPU project from obsolete or surplus inventory and equipment pulled from service; for GAAP purposes obsolete inventory >\$100k must be communicated to Nuclear Supply Chain (Warneike) 5. NBO does not monitor short-pay invoices issued by the project; EPU would track those short payments to contractors to ensure contractors complete work scope, etc.; Project Controls would track those costs; 6. in December 2012 NBO reclassified (transferred out of the project) \$1.5 million in [REDACTED] costs 7. NBO has been posting true-ups for St. Lucie to reflect final close-out costs	
(4) Date Request(s) Generated: No.	

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(5) Follow-up Required:

1. Get explanation of the reclass for Guidant and any other EPU reclass costs during 2012 completed through NBO;

Project Manager

Bureau of Performance Analysis Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-2 File Name: 3.5.1 EPU IVS-2.doc
Name: EPU Project Update - Terry Jones, Don Fleetwood, Steve Hale, Steve Reuwer, Bruce Beisler, Clyde Newson, Soria Talbot, Travis Contrato	Date of Interview: 4/16/13 Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To get an update on the status of PTN4 and completion of the EPU outages; further, to discuss the outages completed during 2012 and the project activities and costs during 2012 through April 2013;	
<p>(2) Interview Summary:</p> <p>a. A presentation of the PTN4 outage was provided, titled FPSC Staff Visit EPU April 16, 2013 (16 pages); According to EPU management, the project is on track to be completed in 2013 (including close-out) and will yield 512 MWe (subject to final testing @PTN4); EPU implementation is complete on all four units and the expected project costs will be \$3.39B; Unit 4 power outage is complete and ascension and testing is in progress; the 2013 non-binding estimate will be filed May1 after detailed review and vetting; FPL is working on additional concessions from Bechtel over and above those already received in 2012; project close-out activities will continue through 2013, and are estimated to be complete by year end (pg.3); overall, the project has yielded 28% more power than the 399MWe originally estimated from the EPU(pg.5); EPU has provided at least 512 MWe net increase in capacity (pg.6); the project forecast is expected to complete at \$3.39B (pg.8); FPL noted that the second unit outage at St. Lucie was 18% lower in cost and 25% shorter in duration, compared to the first unit; the second unit outage at PTN was 21% lower in cost and 18% shorter in duration, compared to the first unit, as a result of lessons learned being employed in second outages (pg.9); Project Closeout activities are in progress to complete in 2013; These activities include: engineering package close-outs, Final Safety Analysis Report and Design Basis Documents updates, Updates of drawings and calculations, closeout of work orders, preventive maintenance requirements for new and modified components, complete procedure revisions, purchase of spare parts, complete and test control room simulator changes, update training materials, closeout POs and contracts, complete EPU related Action Requests and Condition Reports, demobilization and restoration of site facilities, and salvage recovery (pg.13); the project has been recognized by the Nuclear Energy Institute (NEI) for the top industry practice award; project exceeded increased generation goal by 28% or 113 MWe; project is expected to save customers over \$100M in fossil fuel costs in the first year and billions over the life of the plants; FPL believes that continuous improvement over the life of the project was achieved through capturing and implementing improvement opportunities with strong Project Management (pg.15); FPL notes the EPU investment created thousands of jobs (at the peak employing approx.3,500 full time workers), including 50% from Florida; FPL states that its 2012 safety record was exemplary (0.232 OSHA incidents) compared to the industry-wide injury rates of 3.9 for Construction and 3.5 for Utilities in general (pg.16);</p> <p>b. At PTN FPL replaced the condensers, and they are waiting to see if Unit 3 and Unit 4 condensers operate the same; closeout activities include documenting 70,000Bechtel records, 15,000 drawings, and three tiers of documentation are necessary to complete the site records from EPU; this includes project calculations, corrective actions, procedures, final work orders, etc.</p> <p>c. Mr. Jones brought up the importance of completing the job safely, and discussed an incident at Arkansas Unit One (ANO), that happened on Easter Sunday, during a stator rewind and reservice of the other stator (around 600 tons); while moving the stator the crane buckled and one person was killed; Mr. Jones noted that FPL chose to go the donut replacement route due to the danger involved in doing the work as was completed at ANO; he emphasized that FPL was very conservative in its decisions related to equipment lifts and moves, and reviewed ways to minimize the number of lifts completed and the safety concerns with each activity; FPL's worst work stoppage was in December 2012 when one iron worker lost his leg due to equipment falling on his leg; reportedly the iron workers were doing work that was not their job when the accident occurred (see DR-1.3c); work stoppages and stand downs are used to cause workers to re-focus on the danger of unsafe work habits, and to ensure safety; Management walk downs and QA observations are used to identify trends and ensure safety;</p> <p>d. Mr. Jones mentioned that Bechtel had already given FPL approx. \$12M in contractual concessions in [REDACTED] and other areas during 2012, and that FPL believed additional concession between \$2M-\$5M were to be negotiated during 2013; Mr. Jones noted that FPL looked at Watts Bar and other locations to compare EPU costs for generation capacity increases, and that FPL believes it did pretty good on its costs per additional MWe; Staff asked FPL to provide a comparison of other EPUs completed against the FPL uprates on an additional MWe basis;</p> <p>e. Discussion regarding the PSL2 outage that extended the outage 20 days revealed that issues related to the start-up of the unit included the steam bypass system; additionally the Spent Fuel Pool Heat Exchanger for PTN Unit 3 took longer than originally expected (4 weeks longer) due to the need to extend the concrete access area, including electrical and other modifications, beyond what was first planned; in addition, there was a vendor quality issue with the Feed water Heater that led to warranty claims with the vendor; Get information regarding the warranty issues, extra costs, and schedule delays to the outage; the water chemistry had to be resolved and took additional time and effort;</p> <p>f. Don Fleetwood explained that concessions of approximately \$63 million received in 2012 from vendors were used to adjust the forecast downward; concessions in cost of living allowance, incentive fees based on the scorecard, annual compensation adjustments, and other concessions were received from different vendors; Bechtel and Shaw gave FPL [REDACTED] based on</p>	

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(3) Conclusions:

(4) Date Request(s) Generated:

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(5) Follow-up Required:

1. a. Provide a description of the contractors involved, delay causes, delay impacts, and dollar amounts, of the 21 day extended outage for PSL2 during 2012.

b. Identify the costs of replacement fuel associated with the PSL2 21 day schedule delay in 2012.

c. Provide copies of any root cause or other analysis identifying the causes and management solutions for problem mitigation.

2. a. Provide a description of the contractors involved, delay causes, delay impacts, and dollar amounts, of the 31 day extended outage for the PTN3 outage during 2012.

b. Identify the costs of replacement fuel associated with the PTN3 31 day schedule delay in 2012.

c. Provide copies of any root cause or other analysis identifying the causes and management solutions for problem mitigation.

3. Provide the management analysis of costs and schedule, leading to the use of alternative vendors to complete limited scope work assignments that Bechtel would have otherwise completed.

4. Provide a summary of the concessions received by FPL from each contractor during 2012-13, by type and dollar amount.

5. Provide copies of contract changes indicating that the concessions agreed to were implemented within the contractor contract.

6. Provide FPL's benchmark analysis of EPU project costs with any comparable units uprated by other utilities.

7. Provide detailed information regarding the PTN3 warranty issues, amounts contested, extra costs to the outage, and schedule delays to the outage; explain the additional time and effort it took to resolve the water chemistry issue and the total additional costs to the outage;

8. Provide a summary of all contractual warranty claims (other than the one described for PTN3) encountered by FPL during 2012-2013 to date, including: a. contractor, b. date of claim, c. reference number of claim, d. warranty issues, e. amounts contested, f. extra costs to the outage, and g. schedule delays to the outage; explain the additional time and effort it took to resolve and the total additional costs to the outage;

Project Manager

Bureau of Performance Analysis Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-3 File Name: 3.5.1 EPU IVS-3.doc
Name: Mark Waronecki, Don Fleetwood, Bruce Beisler, Clyde Newson, Soria Talbot, Travis Contratto	Date of Interview: 4/16/13 1:00 pm- 2:00 pm Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To discuss contract management for the EPU and any changes to policies, procedures, or controls impacting the project during 2012 and 2013 to date.	
(2) Interview Summary: <p>a. Mr. Waronecki said that there had been no changes regarding contracting procedures or processes during 2012; however he has been promoted into a new position as Director of Nuclear Supply Chain with responsibilities for fleet procurement;</p> <p>b. The Bechtel contract does not use Target Pricing because FPL found it was spending a great deal of time debating with the EPC whether scope had been modified or was included in a change made to the work; each time a scope change was made the bonus band and dollars for the added scope would have to be re-negotiated; FPL found this to be impractical when it implemented Target Pricing for the PSL contract. Therefore, FPL and the EPC agreed to pay bonuses around timely and efficient completion of each outage; these changes were made to the Bechtel contracts and allow the contractor to receive bonuses upon successful completion of outages;</p> <p>c. Bonuses were paid out to Bechtel in 2012, but Bechtel did not often receive a bonus because it was within the dead band and not above the band for a bonus.</p> <p>d. EPU Controls Group monitors the payments and discounts received from contractors during the project; the Contracts group provides contractual assistance and makes changes to contracts when they are negotiated with the contractor; the Contracts group also provides assistance with blanket orders, work orders, and other contracting information is required;</p> <p>e. Mr. Fleetwood discussed the manner in which the Controls Group ensures contractor discounts and concessions are applied to EPU invoices and described the accelerated payments made to Siemens for the agreement filed in Mr. Jones supplemental testimony during last year's NCRC hearings. He said he would provide the documentation of the accelerated payments made to date if we wanted him to provide the spreadsheet. He noted that FPL had consulted with DeLoitte & Touche and used a [REDACTED] designation for the discounts used to satisfy the Siemens agreement;</p> <p>f. In 2012 the Controls Group began doing gate reviews of contractors timecards shown entering the site and the amount charged by contractors for employees working on the project; Concentrating primarily on Bechtel, EPU found that there were discrepancies in the timecard information and the amounts being charged for employee time by contractors; some discrepancies were explainable by contractor supervisors, while others could not be reconciled; EPU Controls Group continued gate audits throughout the year and identified approximately \$814,000 in incorrect charges that were later short billed to contractors or credits were received from FPL;</p> <p>g. Mr. Fleetwood mentioned St. Lucie will be completed this month, and that it was still on part of the alliance agreement for PSL2-20 outage;</p> <p>h. Mr. Warneicke discussed the vendor scorecard for Siemens provided in DR-1.16a; the scorecard is completed for each major vendor when completing an outage; The Siemens scorecard provided was for the PSL 1-24 outage as part of the Siemens Global Agreement;</p>	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____ No. _____	
(5) Follow-up Required: <ol style="list-style-type: none"> 1. Provide the document completed by Don Fleetwood identifying the Siemens discounts to FPL and how they were applied. 2. Provide a summary of the accelerated to go (23 invoices) contract payments made by FPL to Siemens as part of the contractual agreement to resolve the PSL 2 rotor stator core repair agreement identified in Mr. Jones supplemental testimony 3. Please explain the true-up of the entire component by \$5M and provide the back-up reasoning for the true-up. 4.a. Please explain why the St. Lucie PSL2-20 outage is completing this month (April 2013) and why there is part of the alliance remaining for PSL2-20. <ol style="list-style-type: none"> b. Please explain whether this work is related to the EPU work on PSL2-20, and if so, why it is only now being completed. 5. Provide a listing of all bonuses paid by FPL to contractors, including: a. the vendor scorecard assessment, b. calculation of bonus awarded, c. date bonus was paid, d. final bonus paid, d. reason for bonus award, e. a copy of the contract subsection describing the authorization and computation of the bonus. 6. Explain how the Siemens PSL1-24 bonus was computed and the amount of bonus paid to Siemens for the outage. 7. Provide copies of vendor scorecards completed for all contractors during 2012-2013. 	

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Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-4 File Name: 3.5.1 EPU IVS-4.doc
Name: Tony Maceo, Kate Stengle, Soria Talbot, Travis Contratto	Date of Interview: 4/17/13 Location: Juno Beach Headquarters Telephone Number:

(1) Purpose of Interview: To discuss FPL's Internal Audit organization and any changes in scope or process impacting auditing of the EPU project during 2012 or projected for 2013; further, to discuss the audits provided to staff completed in 2012 and the scheduled completion of EPU 2012 audits in 2013;

(2) Interview Summary:

a. Tony answered that there had been no changes to FPL Internal Audit's organization, methodology, or scope for annual EPU audits during 2012-13 to date; Tony Maceo's job responsibilities remained the same during 2012-13 to date; however, Kate Stengle took over as the Director of Auditing, with Maria Fogarty's promotion in 2012; Kate later explained the timing, process, and findings of FPL's audits in 2012-13;

b. Tony answered that FPL would continue to use Experis to complete the EPU/PTN annual audits, and that their contract had just been extended for the next year; Experis, previously Jefferson Wells, has completed the annual transaction audits the last four years (2009-2012);

c. The EPU audit is expected to be issued in May around the normal time for this audit; Tony answered that the PTN 6 & 7 audit is done at the same time as the EPU audit; when the annual planning process for IA begins in October the planning for any new audits for 6&7 are considered; if additional audits for PTN 6&7 are needed they will be discussed during the planning period;

d. A audit began in 4Q 2012 and should be completed in May-June 2013; this audit is general in scope but may have some application to EPU and other nuclear projects related to of

e. A vendor audit is expected to be initiated in 2Q or 3Q 2013 (similar to the audit of 2012);

f. is putting in a new Management Services Billing system for contractors and suppliers to input information; this audit should begin in Mid June, but is not specifically for EPU; the audit will look at the new system use by all FPL projects for which is the personnel resource vendor;

g. IA is also scheduled to complete a Fixed Asset Review to start during 3Q 2013; currently unsure whether EPU will be part of the scoping, but the audit is reviewing whether plant assets are being booked appropriately;

h. The audits began after surfaced in 2011 that were at St. Lucie by when they were FPL IA conducted regarding for (the company's of assigned to PSL; IA performed a review of at Turkey Point in 2012 as well; The three reports were issued on December 15, 2011, July 17, 2012, and September 10, 2012; FPL ended the contract for a and and as a result of the St. Lucie audit; The initial audit for St. Lucie brought to the and whether the could also be at Turkey Point. Further audits would address those risks;

performed a review (review") in March 2012 on all active as part of the Review each was required to complete a certification form of from the and and signatures.

At the request of the IA performed an additional review of focused on the remaining population (non-) at PSL and PTN considered as and not previously

The objective of IAs review was to determine whether there were additional at PSL and PTN with a "is one with a cumulative value greater than over the period or a currently that also in the period; Overall, the IA review identified of sampled at PSL and PTN who for which they to The December 20, 2012 audit looks at St. Lucie and PTN populations; In the December 20, 2012 audit report, IA estimated the total amount of was IA reported that a comprehensive action plan had been previously developed by the company to understand the of across the Nuclear fleet and to, and noted the Company was currently working on this plan; IA noted that non- had a similar amount of but the total dollar amount of ineligible payments made IA will report those when it completes the audit of non-;

i. FPL believes of their contract; FPL is working with to improve controls for and ensure is and from.

j. FPL is of the through and the the long-term contract with ends this year and will go through competitive bidding; ISC completes a supplier score card that would include performance ratings for that would be considered in any competitive bidding process;

(3) Conclusions:

1. FPL provided at PSL and PTN uprates and non- that were for

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<p>██████ FPL ultimately identified ██████ that ██████ in the NCRC attributed to ██████ from ██████</p>	1 2
<p>(4) Date Request(s) Generated:</p> <p>No. _____</p> <p>No. _____</p> <p>No. _____</p>	
<p>(5) Follow-up Required:</p> <p>1. What is the total ██████ of the ██████ EPU ██████ made by FPL during the period ██████</p> <p>2. Will the ██████ identified as ██████ be ██████ EPU NCRC costs during 2012? If not please explain.</p> <p>3. Provide any additional ██████ audits for staff review upon completion.</p>	3 4 5

Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-5 File Name: 3.5.1 EPU IVS-5.doc
Name: Jim Voorhees, Manager Nuclear Division ECP, Soria Talbot, Travis Contratto	Date of Interview: 4/17/13 Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To discuss FPL's Employee Concerns Program (ECP) and specifically the [REDACTED] concern regarding contractors requesting workers to falsify training records and the use of unqualified personnel to complete nuclear site work.	
(2) Interview Summary: a. Jim Voorhees explained that the FPL ECP provides an alternative way to submit employee concerns, other than their supervisor; ECP is a confidential program to offer another avenue; ECP users mailers, posters, the plant TV network, and an 800 line for use across the nuclear fleet (checked twice daily) to accept employee concerns; 90 percent of the ECP traffic is walk-in; employees come in and discuss different concerns in an anonymous environment; If employees wish they may also provide a concern to the NRC on-site rep; generally, however the employee is asked to go through ECP before contacting the NRC on-site rep; b. Jim said that Lisa Sullivan is the ethics person, dedicated to nuclear, who also work with ECP on issues of similar interest; the ethics and ECP personnel periodically meet with NRC on-site reps informally to stay in touch with on-site employee concerns that may have been filed with the NRC rep; NRC reps may also discuss employee concerns brought to them with ECP; c. Jim, is on the Board of the National Association of Employee Concerns Professionals; he also goes to different forums annually to network with ECP professionals at other nuclear sites; ECP has peer calls 2-3 times a month to stay aware of fleet-wide issues, talk among the different plants and benchmark what others are doing; ECP also completes self reviews against other utilities ECP programs to become aware of what other utilities do, and what may be useful to improve their own program; d. ECP uses other departments for assistance such as nuclear safety quality, technical issues, harassment retaliation, and safety conscious work environment to resolve the ECP issue; the goal is to resolve each issue w/in 30 days; ECP maintains contact with the complaint issuer (CI) during the investigation of the complaint; e. Dave Lowens is the Director of Nuclear Oversight and reports to Mano Nazar; Jim has one ECP person at each site (PTN and PSL) and reports to Dave Lowens; Jim Robo is also involved with ECP concerns some; f. The process normally taken for ECP complaints includes: 1. Intake - taking facts from the individual re: the concern 2. Triage - deciding the steps to take toward investigation and resolution 3. Investigation - determining the facts and assessing the allegations 4. Report Writing - documenting the facts into a report that will be filed for historical evidence and de-brief the CI regarding findings 5. Corrective Action - is taken when an issue is confirmed and change needs to take place g. Jim discussed the [REDACTED] complaint and the ECP investigation related to the case; Jim admitted that by researching the complaint, thy found some errors in quality and found that one MOV test was performed by a Jr. MOV tester, but the work was reviewed and was completed satisfactorily; h. Jim was unsure whether the claim was site or EPU related; i. Another issue discussed was the Bechtel Project Manager that had created a hostile work environment at PSL; he later showed up at PTN and continued to be hostile toward Bechtel workers there; reportedly Bechtel brought in an ECP representative from Bechtel's home office in Gaithersburg to address this issue with all Bechtel managers; the Bechtel Project Manager was removed from the site as well; the Project Manager was known to get results, but was caustic and his professionalism ws questioned; he was removed from the project by Bechtel;	
(3) Conclusions: 1. The [REDACTED] complaint was investigates by ECP, and later closed when he had his site access privileges removed at PSL, and was arrested by the St. Lucie Sheriff's Office for disorderly conduct, and interfering with the investigation of an officer;	
(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: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-6 File Name: 3.5.1 EPU IVS-6.doc
Name: Don Fleetwood, Kieran Durden, Bruce Biesler, Clyde Newson, Soria Talbot, Travis Contratto	Date of Interview: 4/17/13 11:30 am - 12:00 pm Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To discuss Project Controls changes made during 2012 and follow-up on issues related to the billing for Siemens, gate log audits, per diem responsibilities, separation of limited scope activities from Bechtel to other contractors for PTN3&4 outages, delays from the 3R26 outage and project closeout metrics.	
(2) Interview Summary: 1. Don Fleetwood provided an answer to a question in the Contracts interview related to the [REDACTED] contract for Weldtec; he noted that [REDACTED] of the [REDACTED] was for additional work, but all [REDACTED] was for Weldtec work completed at PTN and PSL; 1 2. Mr. Fleetwood noted that the Controls Group continued to build upon the already established internal controls during 2012; With the Bechtel engineering packages the earned value analysis got deeper; starting with the use of metrics from Point Beach the Controls Group improved on contractor reporting; to assist Siemens and other contractors used for limited scope work from Bechtel the Controls Group developed a template for reporting; Shaw had already worked on Unit 3 before additional work was assigned to them for Unit 4; EPU provided Shaw and other contractors completing the limited-scope work a copy of the Bechtel force report and asked them to report in the same manner; According to Mr. Fleetwood, Controls began checking Bechtel invoices against electronic clock records early in 2012; The Controls Group made Siemens and Shaw get clocks for all personnel in January 2012; as time went on during 2012, the Controls Group began completing random gate log checks compared to invoicing 3. Starting in 2Q 2012, the Controls Group began doing similar gate audits quarterly with all major vendors, not just Bechtel; the Controls Group also had weekly meetings in which they reviewed contractor time reporting to insure proper hours were charged; during this timeframe the Controls Group completed randomly sampled, 80% statistically-valid reviews of contractor time reporting; the Controls Group identified approximately \$814,000 in time card discrepancies during 2012; (NOTE: as a result of the Internal Audit, PTN & PSL Contract Worker Overtime Investigation (reported in August 2012), IA recommended that Management should periodically compare electronic time sheet hours to the gate log hours for a sample of contract workers with active badges as an added control; Mr. Jones responded that he would ensure periodic comparisons of the electronic time sheet records to the gate logs through a statistically-based random gate log review process, along with pre-authorized overtime and travel required as appropriate, and travel must be pre-approved by the Site Director or designee); EPPI-235 was created in August 2012 to document the requirement for quarterly gate log audits; 4. The Controls Group would not necessarily be responsible for determining per diem eligibility; the personnel vendor would normally determine per diem eligibility; EPU would approve the per diem based on invoice requests, believing the contractor was pre-qualified for per diem payment, unless a contract specifically called for per diem levels for certain job types or titles; Mr. Fleetwood noted that they never fathomed having to validate per diem eligibility for all three years, that is the contractor's responsibility; He also stated that not all contracts call for per diem to be paid; for instance, the [REDACTED] contract did not include per diem. 3 5. The EPU Close-out report was created to track the status of activities necessary to complete testing and documentation for the plant site; Mr. Fleetwood explained that a close-out package is generally used industry-wide for completing projects, but FPLs is more specific to its own needs. The specific activities and documentation needed to close-out the project differ from site to site; 6. Daily Outage Reports were used during the outage to ensure FPL knew where each contractor was in completing work activities, work completion, and earned value for the outage;	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____ No. _____	
(5) Follow-up Required: 1. Provide a comparison of the hours and dollars for other contractors completing limited scope work for Bechtel during PTN3&4 2. a. Provide copies of the results of each EPU gate log audit conducted for contractors working at PTN and PSL during January 2012-March 2013 b. Explain any conditions identified and any actions taken to strengthen controls c. Explain any invoice short payments or credits resulting from the gate log audits, the amount shorted or credited, which contractor was involved, and the dates associated with payment or credit.	

Project Manager

Bureau of Performance Analysis Interview Summary

Company: Florida Power & Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich, C. Vinson	Interview Number: IVS-7 File Name: 3.5.1 EPU IVS-7.doc
Name: Terry Jones, VP EPU, Steve Reuwer, Implementation Owner South, Bruce Beisler, Clyde Newson, Soria Talbot, Travis Contratto	Date of Interview: Location: Teleconference Telephone Number:
(1) Purpose of Interview: To discuss NRC letters to FPL re:PTN-3 plant trips during early 2013, Bechtel performance during PSL-1, PTN-3 and PTN-4 and causes of extended outages.	
(2) Interview Summary: 1. Auto Reactor Trip Due to Low Condenser Vacuum-002 – This was a control room deficiency- NRC requires a filing from the company regarding any reactor trip; in this case the plant had an activity to remove one of the control valves; while the plant maintenance was being completed a problem with maintaining seal pressure occurred; the gland seal leaked and lowered the vacuum pressure to an auto trip parameter before the Plant Operator could complete a manual trip; Plant Operators monitor pressures locally for heater drains and many other valves to ensure pressures are within parameters; THIS EVENT WAS NOT EPU RELATED; 2. Three Reactor Fuel Pumps- 003; NOTHING TO DO WITH EPU; EPU 3. Reach Rod Failure – EPU had installed the reach-rod on a manual isolation valve hat failed to completely close; breach of installation procedure occurred in which workers installed a set screw rather than a roll pin; design showed universal joint should be drilled by Supervisor in the drill detail; roll pin was later installed and there was no impact on schedule cost and did not impact the restart of the plant 4. May 23, 2013 NRC RAI TAC 0602 and 0603 – HAD NOTHING TO DO WITH EPU; 5. Bechtel Performance – Discussed Bechtel performance during 2012 and concessions negotiated between FPL and Bechtel; the concessions were applied for work completed during 2012 and 2013; in mid 2012 EPU management went to Bechtel, Shaw, and Siemens to renegotiate their contracts as a means to reduce overall estimated project costs; based on the November 2011 Bechtel end of project estimate, In 2012, FPL leveraged the safety performance, productivity performance, and quality performance of the major contractors to negotiate and finalize concessions from Bechtel (approximately \$46 million), Siemens (approximately [REDACTED]), and Shaw (approximately [REDACTED]). As explained in Terry Jones' May 1, 2013 testimony (p. 12), the concessions negotiated in 2012 yielded further savings (\$77M total). Additionally, FPL is continuing to work on final negotiations with Bechtel to close out the contract. Approximately [REDACTED] is being held back from [REDACTED] as a set aside for work through 3/31/13; Bechtel has agreed to approximately [REDACTED] in concessions, but a cooling off period has been called regarding the remainder; resolution at Sr. Management level is at an impasse; two Bechtel warranty issues remain to be resolved during 2013 as well; DR-1.16a January Update has Bechtel scorecard date 1/15/13; 6. The largest warranty issue remaining is approximately \$3.1 M involving several contractors other than Bechtel; \$1.1M of the claim is for FPL plant support, which is not often collected with warranty claims; the remaining warranty claim \$2.0 M is for parts and labor 7. Coming into the PTN3 outage EPU management began to realize the scope of Bechtel work was substantial enough to transfer portions of the work scope to ensure improved outage schedule performance; the transfer of work scope to other contractors Shaw, PCI (Westinghouse), WeldTech, Zachary, and Sargent & Lundy helped save costs and ensured schedule certainty; Mr. Jones noted that the scope for PTN3 was double that of PSL; he stated that there were no more problems with PTN3 than there were at Point Beach; he said taking longer is not a performance issue, it's a complexity issue; 8. Mr. Jones noted that Bechtel is a world class EPC and they completed one of the most complex uprates ever conducted on schedule; Mr. Jones said Bechtel is world class, with huge resources, and was the selected vendor from a competitive bid process, and that he would pick them again, based on their performance of the EPU uprate project; He asked, Did Bechtel commit errors? A: Yes, but they had 98.9% of all terminations completed w/o error, had a 95.7% successful completion rate in welds, and he doesn't believe anyone else could have performed better; Asked about the MOPR comments regarding Bechtel lagging behind engineering for outages, Mr. Jones noted that the MOPRS were used to push Bechtel to meet milestones, although those milestones were movable; He asked Did FPL push Bechtel A: Yes, Did Bechtel Management improve performance? A: Yes; He went on to note that while the project did not meet every deadline, it went on to meet the overall project schedule;	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____	
(5) Follow-up Required:	

Project Manager

Bureau of Performance Analysis Interview Summary

Florida Power & Light Company 2012 Nuclear Controls Review Auditors: Rich, Fisher	Interview Number: PTN6&7, IVS-1 File Name:
Name: Steve Scroggs, Bill Maher, Don Fleetwood, Travis Contratto, Soria Talbot	Date of Interview: 04/18/13 Location: Juno Beach Headquarters Telephone Number:
(1) Purpose of Interview: To provide an update of the PTN 6&7 project status and discuss project key events	
(2) Interview Summary: <p>a. Steve Scroggs stated that the year 2012 and thus far into 2013 has been productive for the project, that it carried on the past pattern (of COLA prep) and sorting out land use/permitting issues. The EPC or EC decision has not been made – still on track for NLT late 2014. Scroggs stated that as they gain more certainty we will make the decision as to when the EC or EPC option would be ready to move forward. He further stated that the land use and zoning decisions would lead the company closer to the decision of when to build. Budget estimate remains unchanged. FPL remains committed to building PTN 6&7 “at the earliest practical time” (Scroggs). The long lead forgings agreement has been extended once again (expires 10/31/13). Another extension is expected after that. Asked why a longer extension would not be better, Scroggs explained that a 1-yr extension allows most people to forget about it for 11 months – shorter extensions keep it on the radar. FPL still has \$10.8M at risk, holding the forging slot. Should they decline to exercise the slot; the company will lose all or some of that money.</p> <p>b.</p>	
(3) Conclusion:	
(4) Date Request(s) Generated: No. _____ No. _____ No. _____	
(5) Follow-up Required: 1.	

Project Manager

10. Analysis / Sampling

Turkey Point 3 (3R-26) Outage Cost Analysis

Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel Craft				62.4%		1
Bechtel Seconded Craft				65.1%		2
Bechtel Subcontracts				27.2%		3
Bechtel FNM				35.8%		4
Shaw				77.4%		5
Ames				16.1%		6
Siemens T&M				50.6%		7
Williams				254.7%		8
Bartlett				11.7%		9
Plant Support				85.6%		10
Weld Tech				1340.1%		11
FPL Oversight??						
Total	\$225,916,910	\$355,192,601	\$129,275,691		2,758,108	

St. Lucie 1 (SL1-24) Outage Cost Analysis

Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel EPC				37.3%		12
Bechtel Craft				0.0%		13
Bechtel Seconded Craft				#DIV/0!		
Bechtel Subcontracts				0.0%		14
Bechtel FNM				0.0%		15
Shaw				246.7%		16
Ames				#DIV/0!		
Siemens T&M				3.6%		17
Williams				#DIV/0!		18
Bartlett				#DIV/0!		
Plant Support/Allocation				#DIV/0!		19
Weld Tech				#DIV/0!		
FPL Oversight Team				0.0%		20
Total	\$75,000,000	\$84,200,000	\$26,700,000		\$306,126	

St. Lucie 2 (SL2-20) Outage Cost Analysis

Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel EPC				7.9%		21

Bechtel Craft		0.0%	1
Bechtel Seconded Craft		#DIV/0!	
Bechtel Subcontracts		0.0%	2
Bechtel FNM		0.0%	3
Shaw		22.0%	4
Ames		18.8%	5
Siemens T&M		20.0%	6
Williams		0.0%	7
Givoo & I&C Support		22.2%	8
Plant Support/Allocation		21.1%	9
Weld Tech		#DIV/0!	
FPL Oversight Team		6.9%	10
Total	\$136,300,000 \$132,200,000 \$15,600,000		0

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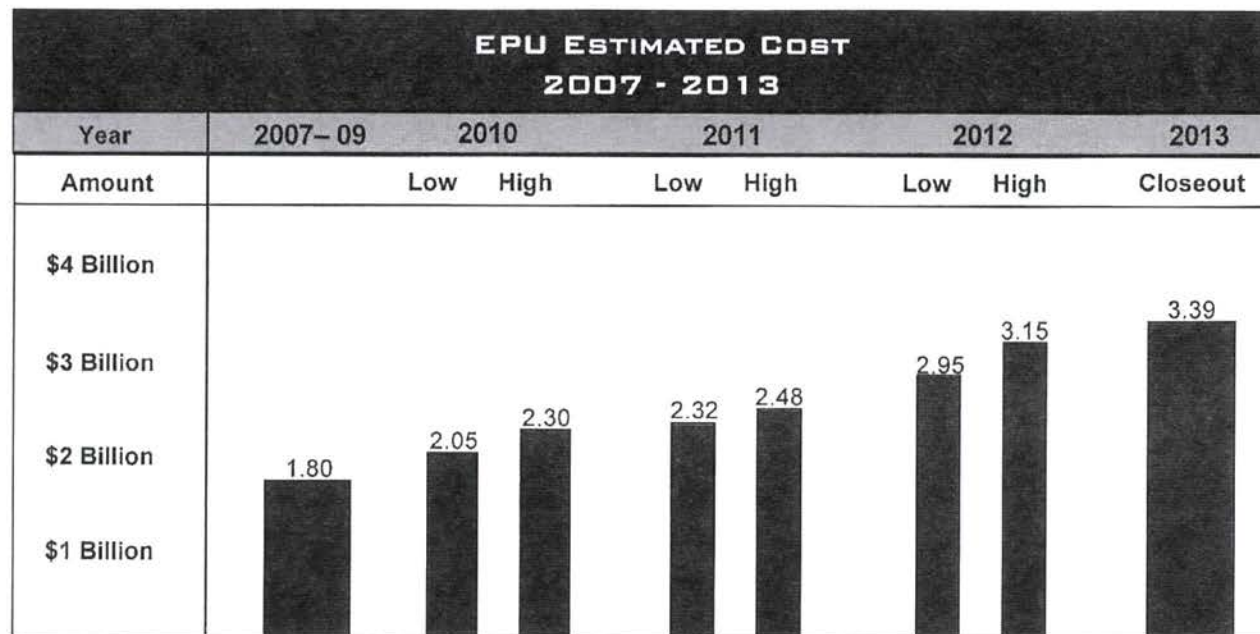
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**EPU STAND DOWNS
JANUARY-DECEMBER 2012**

Vendor	Date	Unit	Stand Down	Work Stop	Critical Path Impact	Description
Siemens	2/15/12	PSL	Yes	No	None	Workers not signed onto equipment Work Order or Equipment Clearance Orders
Bechtel	2/25/12	PSL	Yes	No	None	QC Inspector's finger pinched between valve stop and bolt resulting in a cut on index finger
Siemens	4/11/12	PTN	Safety	No	None	Mobile crane hook pulled chain fall out of worker's hand and caught on object
Siemens	6/20/12	PTN	Safety	No	None	Employee foot slipped on wet conditions, body twisting, resulting in a sprain to right triceps
Bechtel	7/24/12	PTN	Safety	No	None	Worker accidentally engaged the drill trigger with his right hand causing his left gloved hand to become entangled around the bit
Bechtel	8/1/12	PSL	Yes	No	None	Pole went through the fall protection barrier and fell to the center Turbine Crane Bay
Bechtel	8/2/12	PSL	Safety	No	None	Tack welds on temporary supports broke causing assembly to fall
Siemens	8/10/12	PSL	Yes	No	None	Wrench slipped off nut and was ejected from work area
Bechtel	8/15/12	PSL	Safety	No	None	Electricians involved in arc flash event while working on a motor control center
Bechtel	9/6/12	PSL	Yes	No	None	Boundary valve found open with tags plus device removed
Bechtel	9/14/12	PSL	Safety	No	None	Scaffold pole fell through opening
Bechtel	9/21/12	PSL	Safety	No	None	Tack welds of the support plate broke and assembly fell forward
Bechtel	9/25/12	PSL	Yes	No	None	Electricians had not installed some electrical conduit seal tight connectors as designed
Bechtel	9/25/12	PSL	Yes	No	None	Worker action caused normally dry pipe sprinkler system to be filled with water
Bechtel	11/6/12	PTN	Safety	No	None	Employee fell backward descending from ladder and received contusions to back and hip
Bechtel	11/22/12	PTN	Safety	No	None	Two events: 1) rotating machinery contacted employee's thumb - OSHA recordable injury and 2) plank fell to floor of hot well
Shaw	11/25/12	PTN	Safety	No	None	Seven foot scaffold pole dropped inside the PTN containment building
Bechtel	12/6/12	PTN	Safety	No	None	Magnetic light dislodged by a scaffold fell before striking carpenter on hard hat

TURKEY POINT 6&7 NEW PROJECT INSTRUCTIONS			
Title	Number	Date	Type
Request for Information (RFI) and RFI Response	NNP-PI-01	10/04/12	Revised
COLA Configuration Control and Responses to Requests for Additional Information for Project Applications	NNP-PI-04	07/20/12	Revised
NNP NRC Correspondence	NNP-PI-06	10/15/12	Revised
NNP Department Training	NNP-PI-07	02/29/12	New
NNP COLA Review & Approval Process	NNP-PI-08	07/20/12	Revised
Exploratory and Dual Zone Monitoring Well Project Incident Response Instructions	NNP-PI-15	07/03/12	New
Payroll Distr Review Process	n/a	06/11/12	New
Monthly Cost Report Process	n/a	06/11/12	New
Invoice Review	n/a	05/24/12	New
Expense Report Review	n/a	07/24/12	New

TURKEY POINT 6&7 ISSUES

	Cost Estimate	COLA	EPC or EP&C	Long Lead Forging	Fukushima
Pre-2010	2007 to 2009, a range of \$12.08B to \$17.76B	COLA submitted 6/09 NRC dockets in 11/09	No decision on EPC or EP&C; opting to wait	Signed 2008, expired 12/09. \$10.8M fee; Extended to 6/10	Occurred in 2011
2010	Range revised; \$12.854B to \$18.746B	NRC issues COLA Review Schedule	No decision on EPC or EP&C	Extended to 3/11	Occurred in 2011
2011	Slight revision; \$12.852B to \$18.750B	Respond to RAIs	No decision on EPC or EP&C	Extended to 6/11, then 7/11; sought extension	Impact(s) unknown; possible NRC regulatory changes
2012	Unchanged; \$12.852B to \$18.750B	Respond to RAIs; FSAR 2.5 rework; Submitted COLA Rev 4	No decision on EPC or EP&C	Extended to 10/12; sought extension	Adapt to regulatory and/or safety changes
2013	Unchanged \$12.852B to \$18.750B	SCA hearings 7/13; Siting Board 12/13; Submit COLA Rev 5 2Q13	No decision on EPC or EP&C	Extended to 10/13; to seek extension	Adapt to regulatory and/or safety changes
Future	Use project controls and oversight to control costs	License & ACOE permits expected ('14)	Sign EPC or EP&C by year end	Begin forgings NLT 2015 to meet in-service schedule	Adapt to regulatory and/or safety changes

TURKEY POINT 6&7 ISSUES

	Cost Estimate	COLA	EPC or EP&C	Long Lead Forging	Fukushima
Pre-2010	2007 to 2009, a range of \$12.08B to \$17.76B	COLA submitted 6/09 NRC dockets in 11/09	No decision on EPC or EP&C; opting to wait	Signed 2008, expired 12/09. \$10.6M fee; Extended to 6/10	Occurred in 2011
2010	Range revised; \$12.854B to \$18.746B	NRC issues COLA Review Schedule	No decision on EPC or EP&C	Extended to 3/11	Occurred in 2011
2011	Slight revision; \$12.852B to \$18.750B	Respond to RAIs	No decision on EPC or EP&C	Extended to 6/11, then 7/11; sought extension	Impact(s) unknown; possible NRC regulatory changes
2012	Unchanged; \$12.852B to \$18.750B	Respond to RAIs; FSAR 2.5 rework; Submitted COLA Rev 4	No decision on EPC or EP&C	Extended to 10/12; sought extension	Adapt to regulatory and/or safety changes
2013	Unchanged \$12.852B to \$18.750B	SCA hearings 7/13; Siting Board 12/13; Submit COLA Rev 5 2Q13	No decision on EPC or EP&C	Extended to 10/13; to seek extension	Adapt to regulatory and/or safety changes
Future	Use project controls and oversight to control costs	License & ACOE permits expected ('14)	Sign EP by 9/14; C by 4/15; or EP&C by 9/14	Begin forgings NLT 2015 to meet in-service schedule	Adapt to regulatory and/or safety changes

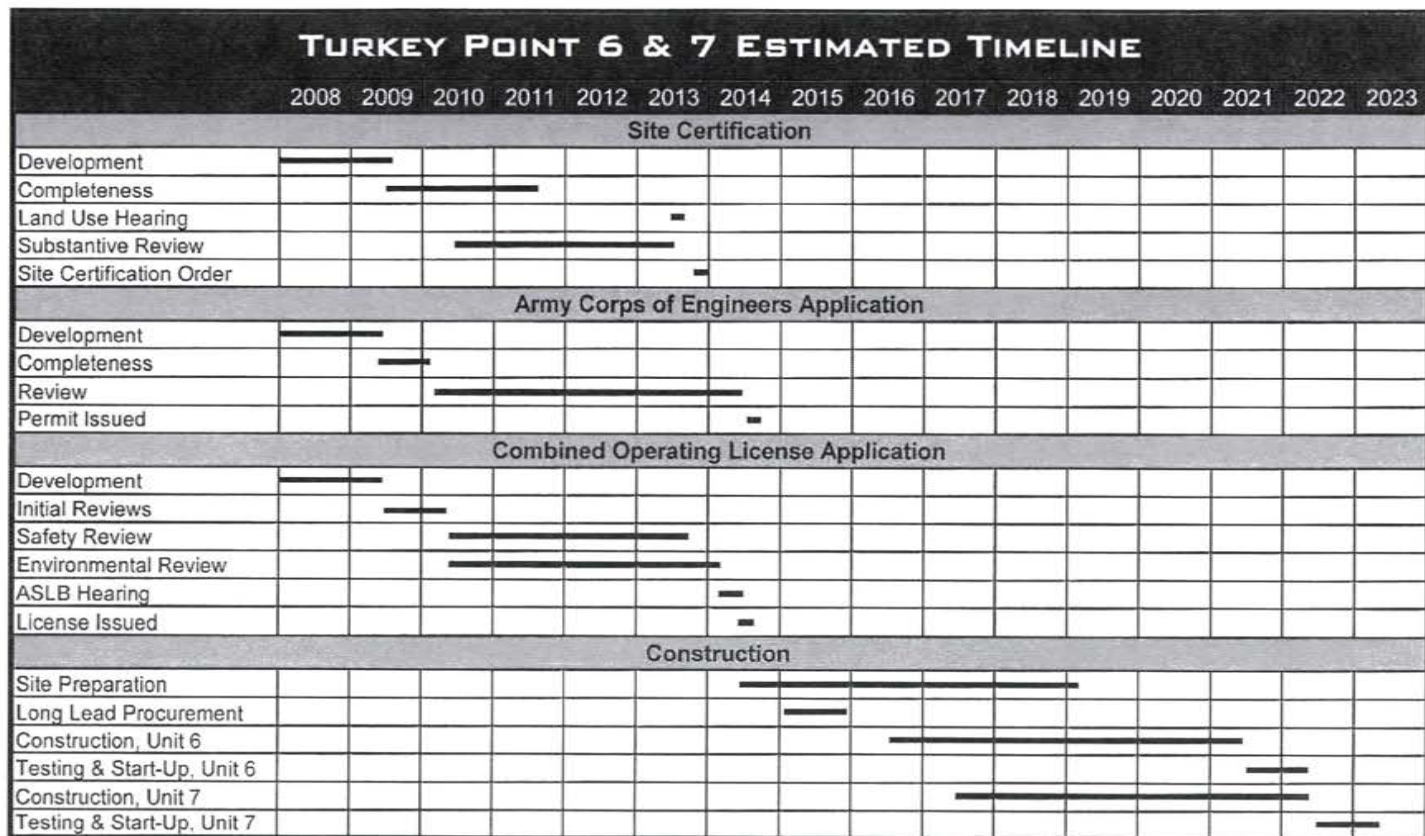
Turkey Point 6&7 Issues

Key Events	Cost Estimate	COLA	EPC or EP&C	Long Lead Forging	Fukushima
Pre-2010	2007 to 2009, a range of \$12.08B to \$17.76B	COLA submitted 6/09 NRC dockets in 11/09	No decision on EPC or EP&C; opting to wait	Signed 2008, expired 12/09. \$10.8M fee; Extended to 6/10	Occurred in 2011
2010	Range revised in 2010; \$12.854B to \$18.746B	NRC issues COLA review schedule 5/10	No decision on EPC or EP&C; opting to wait	Extended to 3/11	Occurred in 2011
2011	Slight revision; \$12.852B to \$18.750B	Respond to RAIs	No decision on EPC or EP&C; opting to wait	Extended to 6/11, then 7/11; negotiating extension	Impact(s) unknown; possible NRC regulatory changes
2012	Unchanged; \$12.852B to \$18.750B	Respond to RAIs; FSAR 2.5 rework; Submitted COLA Rev 4	No decision on EPC or EP&C; opting to wait	Extended to October 2012; seeking further extension	Adapt to regulatory and/or safety changes
2013	Unchanged \$12.852B to \$18.750B	SCA hearings 7/13; Siting Board 12/13; Submit COLA Rev 5 2Q13	No decision on EPC or EP&C; opting to wait	Extended to October 2013; will seek extension	Adapt to regulatory and/or safety changes
Future	Use project controls and oversight to control costs	Sequestration impact?;; License & ACOE permits expected ('14)	Sign an EPC or EP&C by 11/14	Must begin forgings NLT 2015 to meet in-service schedule	Adapt to regulatory and/or safety changes

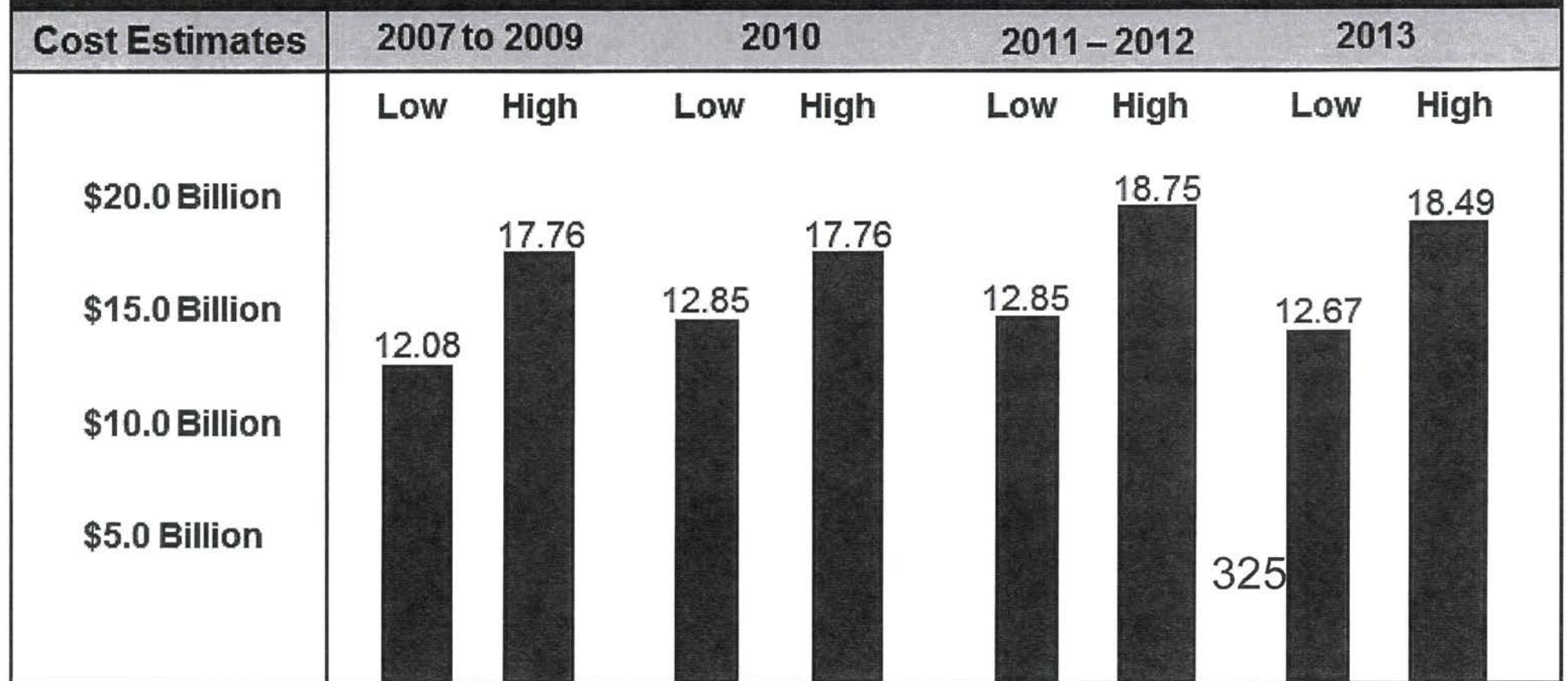
TURKEY POINT 6&7 CHANGE ORDERS GREATER THAN \$100,000			
Vendor	Year	CO #	CO Value
Atkins North America	2012	3	██████
ECT	2012	7	██████
ECT	2012	8	██████
Layne Christensen Co.	2012	2	██████
Golder Associates Inc.	2012	7	██████
Golder Associates Inc.	2012	6	██████
HDR Engineering	2012	8	██████
Eco Metrics, Inc.	2012	4	██████
Westinghouse Electric Co.	2012	7	██████
Golder Associates Inc.	2013	9	██████
ECT	2013	10	██████
Curtis Group	2013	6	██████
Normandeau	2013	3	██████
Ammon	2013	1	██████

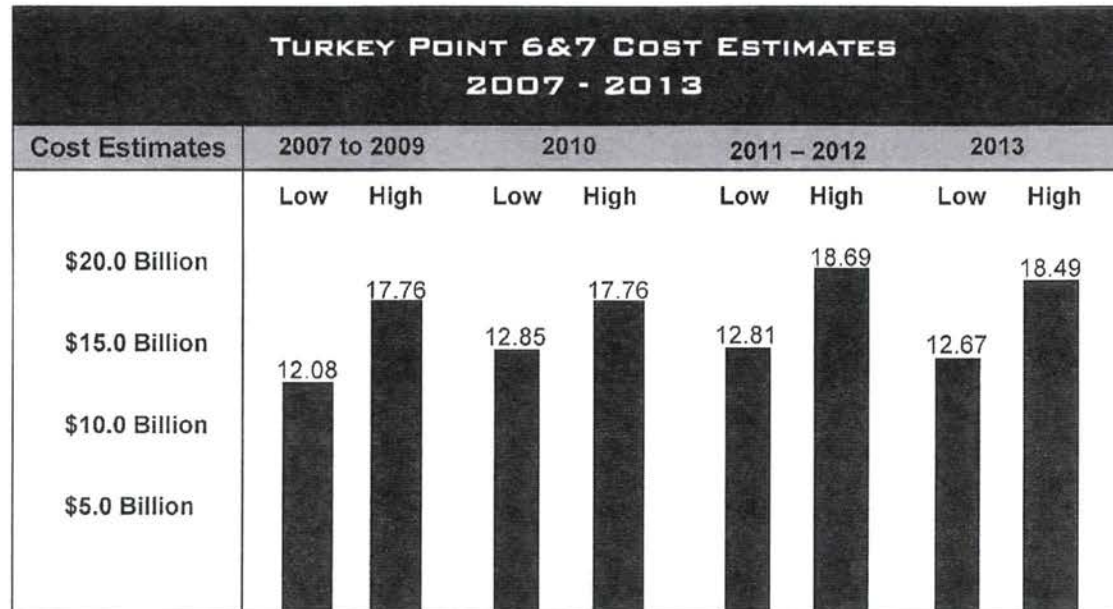
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TURKEY POINT 6&7 NEW PROJECT INSTRUCTIONS			
Title	Number	Date	Type
Request for Information (RFI) and RFI Response	NNP-PI-01	10/04/12	Revised
COLA Configuration Control and Responses to Requests for Additional Information for Project Applications	NNP-PI-04	07/20/12	Revised
NNP NRC Correspondence	NNP-PI-06	10/15/12	Revised
NNP Department Training	NNP-PI-07	02/29/12	New
NNP COLA Review & Approval Process	NNP-PI-08	07/20/12	Revised
Exploratory and Dual Zone Monitoring Well Project Incident Response Instructions	NNP-PI-15	07/03/12	New
Payroll Distr Review Process	n/a	06/11/12	New
Monthly Cost Report Process	n/a	06/11/12	New
Invoice Review	n/a	05/24/12	New
Expense Report Review	n/a	07/24/12	New



TURKEY POINT 6&7 COST ESTIMATES 2007 - 2013





Turkey Point 3 (3R-26) Outage Cost Analysis
















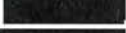








Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel Craft				62.4%		1
Bechtel Seconded Craft				65.1%		2
Bechtel Subcontracts				27.2%		3
Bechtel FNM				35.8%		4
Shaw				77.4%		5
Ames				16.1%		6
Siemens T&M				50.6%		7
Williams				254.7%		8
Bartlett				11.7%		9
Plant Support				85.6%		10
Weld Tech				1340.1%		11
FPL Oversight??						
Total	\$225,916,910	\$355,192,601	\$129,275,691		2,758,108	

St. Lucie 1 (SL1-24) Outage Cost Analysis

Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel EPC				37.3%		12
Bechtel Craft				0.0%		13
Bechtel Seconded Craft				#DIV/0!		
Bechtel Subcontracts				0.0%		14
Bechtel FNM				0.0%		15
Shaw				246.7%		16
Ames				#DIV/0!		
Siemens T&M				3.6%		17
Williams				#DIV/0!		18
Bartlett				#DIV/0!		
Plant Support/Allocation				#DIV/0!		19
Weld Tech				#DIV/0!		
FPL Oversight Team				0.0%		20
Total	\$75,000,000	\$84,200,000	\$26,700,000		\$306,126	

St. Lucie 2 (SL2-20) Outage Cost Analysis

Contractor	Budget	Actual	Variance	Percent	Plan Hours	
Bechtel EPC				7.9%		21

Bechtel Craft				0.0%	1
Bechtel Seconded Craft				#DIV/0!	
Bechtel Subcontracts				0.0%	2
Bechtel FNM				0.0%	3
Shaw				22.0%	4
Ames				18.8%	5
Siemens T&M				20.0%	6
Williams				0.0%	7
Givoo & I&C Support				22.2%	8
Plant Support/Allocation				21.1%	9
Weld Tech				#DIV/0!	
FPL Oversight Team				6.9%	10
Total	\$136,300,000	\$132,200,000	\$15,600,000		0

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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33,672

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[REDACTED]

#DIV/0!

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

#DIV/0!

#DIV/0!

[REDACTED]

\$3,926.11

1

2

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8

Total by Company

██████████	1
██████████	2
██████████	3
██████████	4
██████████	5
██████████	6
██████████	7

72.09040222 Percent Sampled

	Original	Current
Construction start	2013 to 2015	2016
Estimated in-service date	2018 to 2020	2022 (PTN6) 2023 (PTN7)
Cost Estimate	\$12.08B (Lo) to \$17.76B (Hi)	\$12.85B (Lo) to \$18.75B (Hi)

UNRESOLVED EPU WARRANTY CLAIMS JANUARY 2012 - MAY 2013				
Vendor	Scope/Equipment	Description	Status	FPL Cost
██████	CRAC Margin Increase (PSL)	U2 Control Room A/C does not maintain required temperature	Unresolved	██████
██████	Feedwater Pumps (PSL)	2A Main Feedwater Pump Seawater injection operating unsatisfactory	Unresolved	██
██████	HCB-08-1B-MSIV (PSL)	Auto trip due to MSIV- 1B failure and rapid closure	Repairs complete, Unresolved	██████
██████	4P1A (PTN)	U4 Steam Generator Feedwater Pump leakage and oil leak from bearing housings	Repairs complete; Unresolved	██
██████	4P1B (PTN)	Bearing housing in 4B Steam Generator Feedwater Pump improperly designed; faulty workmanship	Repairs complete; Unresolved	██

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11. Findings

Exhibit C
Florida Power and Light Company
Staff Audit Work Papers for Audit Report PA-13-01-001
Docket No. 130009-EI

Document	Description	Page Number(s)	Conf. Y/N	Line No./Col. No.	Florida Statute 366.093 (3) Subsection	Affiant
Staff Audit Work Papers	Review of Florida Power and Light Company's Project Management Internal Controls for Nuclear Plant Upstate and Construction Projects	1-27,28-29, 33-34, 36-37,39-65, 67, 78-84, 87, 89-125, 127-128, 132-148, 152-159, 162-164, 170,173-174, 178-179, 181-183, 185, 187, 189-190, 192-195, 197-227, 232-236, 241-244, 246, 248-261, 264-288, 291-297, 299, 303, 309-311, 316-321,323-326, 332, 334	N			
	DR 2 EPU	Pg. 27, 66	Y	Lines 1-6	(e)(f)	James Voorhees
	DR 3 EPU	Pg. 30, 68, 71, 75	Y	Lines 1-8	(d)(e)	Bruce Beisler
		Pg. 31, 69, 72, 76	Y	Lines 1-8	(d)(e)	Bruce Beisler
				Lines 9-15	(b)	Antonio Maceo
		Pg. 32, 70, 73, 74, 77	Y	Lines 1-21	(b)	Antonio Maceo

	DR 5 EPU	Pg. 35	Y	Lines 1-2	(d)(e)	Bruce Beisler
				Line 3	(b)	Antonio Maceo
	DR 6 EPU	Pg. 38, 85, 86, 88	Y	Line 1	(e)	Bruce Beisler
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 1.1 - 1.23 EPU	Pg. 126, 129	Y	Line 1	(e)	Bruce Beisler
		Pg. 130	Y	Lines 1-3	(e)	Bruce Beisler
		Pg. 131	Y	Lines 1-8	(d)(e)	Bruce Beisler
		Pg. 149	Y	Lines 1-3	(b)	Antonio Maceo
		Pg. 150	Y	Lines 1-25	(b)	Antonio Maceo
		Pg. 151	Y	Lines 1-33	(b)	Anotnio Maceo
		Pg. 160	Y	Lines 1-3	(d)(e)	Bruce Beisler
		Pg. 161	Y	Lines 1-14	(d)(e)	Bruce Beisler
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 2.1 – 2.12 EPU	Pg. 165	Y	Lines 1-11	(e)(f)	James Voorhees
		Pg. 166	Y	Lines 1-15	(e)(f)	James Voorhees
		Pg. 167	Y	Lines 1-4	(e)(f)	James Voorhees
		Pg. 168, 169	Y	Line 1	(e)(f)	James Voorhees
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 3.1 – 3.13 EPU	Pg. 171	Y	Lines 1-13	(d)(e)	Bruce Beisler
		Pg. 172	Y	Lines 1-16	(d)(e)	Bruce Beisler
		Pg. 175	Y	Lines 1-18	(b)	Antonio Maceo
		Pg. 176	Y	Lines 1-21	(b)	Antonio Maceo
		Pg. 177	Y	Lines 1-8	(b)	Antonio Maceo

	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 5.1 – 5.13 EPU	Pg. 180	Y	Lines 1-9	(d)(e)	Bruce Beisler
		Pg. 184	Y	Lines 1-10	(b)	Antonio Maceo
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 6.1 – 6.7 EPU	Pg. 186	Y	Lines 1-2	(d)(e)	Bruce Beisler
		Pg. 188	Y	Line 1	(e)	Bruce Beisler
		Pg. 191	Y	Line 1	(d)(e)	Bruce Beisler
		Pg. 196	Y	Lines 1-2	(d)(e)	Bruce Beisler
	DOCUMENT SUMMARIES AND CONTROL LOGS DRS 1.1 – 1.68 PTN 6&7	Pg. 228	Y	Lines 1-2	(d)(e)	Steven D. Scroggs
		Pg. 229	Y	Lines 1-7	(d)(e)	Steven D. Scroggs
		Pg. 230	Y	Lines 1-6	(d)(e)	Steven D. Scroggs
		Pg. 231	Y	Lines 1-3	(d)(e)	Steven D. Scroggs
	DOCUMENT SUMMARIES AND CONTROL LOGS DRS 2.1 – 2.8 PTN 6&7	Pg. 237	Y	Lines 1-6	(d)(e)	Steven D. Scroggs
		Pg. 238	Y	Lines 1-8	(d)(e)	Steven D. Scroggs
		Pg. 239	Y	Lines 1-11	(d)(e)	Steven D. Scroggs
		Pg. 240	Y	Lines 1-3	(d)(e)	Steven D. Scroggs
	DOCUMENT SUMMARIES AND CONTROL LOGS DRS 3.1 – 3.12 PTN 6&7	Pg. 245	Y	Lines 1-2	(d)(e)	Steven D. Scroggs
		Pg. 247	Y	Line 1	(d)(e)	Steven D. Scroggs
	WORK PLAN EPU	Pg. 262	Y	Lines 1-10	(d)(e)	Bruce Beisler
		Pg. 263	Y	Lines 1-5	(d)(e)	Bruce Beisler
	INTERVIEW SCHEDULE	Pg. 289	Y	Lines 1-4	(d)(e)	Bruce Beisler
		Pg. 290	Y	Lines 1-13	(b)	Antonio Maceo
	INTERVIEW SUMMARIES	Pg. 298	Y	Lines 1-4	(b)	Antonio Maceo
		Pg. 300	Y	Lines 1-3	(d)(e)	Bruce Beisler

		Pg. 301, 302	Y	Line 1	(d)(e)	Bruce Beisler
		Pg. 304	Y	Lines 1-33	(b)	Antonio Maceo
		Pg. 305	Y	Lines 1-5	(b)	Antonio Maceo
		Pg. 306	Y	Lines 1-3	(e)(f)	James Voorhees
		Pg. 307	Y	Lines 1-3	(d)(e)	Bruce Beisler
		Pg. 308	Y	Lines 1-4	(d)(e)	Bruce Beisler
	ANALYSIS AND SAMPLING	Pg. 312, 327	Y	Lines 1-21	(d)(e)	Bruce Beisler
		Pg. 313, 328	Y	Lines 1-10	(d)(e)	Bruce Beisler
		Pg. 314, 329	Y	Lines 1-11	(d)(e)	Bruce Beisler
		Pg. 315, 330	Y	Lines 1-8	(d)(e)	Bruce Beisler
		Pg. 322	Y	Lines 1-14	(d)(e)	Steven D. Scroggs
		Pg. 331	Y	Lines 1-7	(d)(e)	Steven D. Scroggs
		Pg. 333	Y	Lines 1-5	(d)(e)	Bruce Beisler

EXHIBIT D

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost)
Recovery Clause)

DOCKET NO. 130009-EI

STATE OF FLORIDA)
)
PALM BEACH COUNTY)

AFFIDAVIT OF STEVEN D. SCROGGS

BEFORE ME, the undersigned authority, personally appeared Steven D. Scroggs who, being first duly sworn, deposes and says:

1. My name is Steven D. Scroggs. I am currently employed by Florida Power & Light Company ("FPL") as Senior Director, Project Development. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed Exhibit C and the documents that are included in FPL's Request for Confidential Classification of information contained in Staff's work papers for Audit Report PA-13-01-001, for which I am listed as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including contractual data and competitively sensitive data. Disclosure of this information would violate FPL's contracts with its vendors, work to the detriment of FPL's competitive interests, impair the competitive interests of its vendors and/or impair FPL's efforts to enter into contracts on commercially favorable terms. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

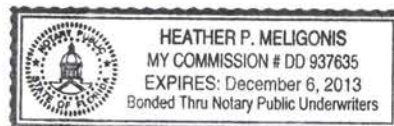
4. Affiant says nothing further.


Steven D. Scroggs

SWORN TO AND SUBSCRIBED before me this 5th day of September, 2013, by Steven D. Scroggs, who is personally known to me or who has produced _____ (type of identification) as identification and who did take an oath.


Notary Public, State of Florida

My Commission Expires: 12/6/13



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost)
Recovery Clause)

DOCKET NO. 130009-EI

STATE OF FLORIDA)
)
PALM BEACH COUNTY)

AFFIDAVIT OF JAMES VOORHEES

BEFORE ME, the undersigned authority, personally appeared James Voorhees who, being first duly sworn, deposes and says:

1. My name is James Voorhees. I am currently employed by Florida Power & Light Company ("FPL") as Employee Concerns Program Fleet Manager. I have personal knowledge of the matters stated in this affidavit.

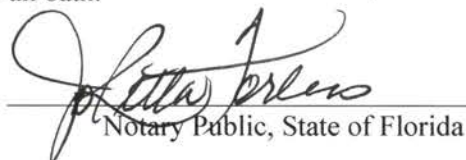
2. I have reviewed Exhibit C and the documents that are included in FPL's Request for Confidential Classification of information contained in Staff's work papers for Audit Report PA-13-01-001, for which I am listed as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including information related to competitive interests. Specifically, this information relates to FPL's Employee Concerns Program. FPL maintains the confidentiality of this type of information to encourage the full and frank disclosure of employee concerns, which assists with the timely resolution of such issues within FPL and helps reduce costs. The release of this type of information would be harmful to FPL and its customers because it may affect the effectiveness of the Employee Concerns Program itself. Additionally, the documents I reviewed contain employee information unrelated to compensation, duties, qualifications, or responsibilities. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

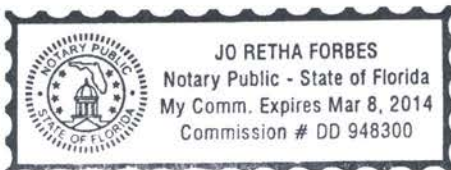
4. Affiant says nothing further.


James Voorhees

SWORN TO AND SUBSCRIBED before me this 5th day of September, 2013, James Voorhees, who is personally known to me or who has produced N/A (type of identification) as identification and who did take an oath.


Notary Public, State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost)
Recovery Clause)

DOCKET NO. 130009-EI

STATE OF FLORIDA)
)
PALM BEACH COUNTY)

AFFIDAVIT OF BRUCE BEISLER


BEFORE ME, the undersigned authority, personally appeared Bruce Beisler who, being first duly sworn deposes and says:

1. My name is Bruce Beisler. I am currently employed by Florida Power & Light Company ("FPL") as Project Manager, Nuclear. I have personal knowledge of the matters stated in this affidavit.

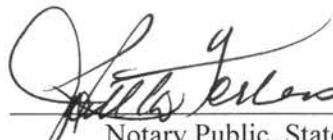
2. I have reviewed Exhibit C and the documents that are included in FPL's Request for Confidential Classification of information contained in Staff's work papers for Audit Report PA-13-01-001, for which I am listed as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including contractual data and competitively sensitive data. Disclosure of this information would violate FPL's contracts with its vendors, work to the detriment of FPL's competitive interests, impair the competitive interests of its vendors and/or impair FPL's efforts to enter into contracts on commercially favorable terms. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.


Bruce Beisler

SWORN TO AND SUBSCRIBED before me this 5th day of September, 2013, by Bruce Beisler, who is personally known to me or who has produced N/A (type of identification) as identification and who did take an oath.


Notary Public, State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost)
Recovery Clause)

DOCKET NO. 130009-EI

STATE OF FLORIDA)
)
MIAMI-DADE COUNTY)

AFFIDAVIT OF ANTONIO MACEO

BEFORE ME, the undersigned authority, personally appeared Antonio Maceo who, being first duly sworn, deposes and says:

1. My name is Antonio Maceo. I am currently employed by Florida Power & Light Company ("FPL") as Manager of Auditing. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed Exhibit C and the documents that are included in FPL's Request for Confidential Classification concerning information contained in Staff's work papers for Audit Report PA-13-01-001, for which I am identified on Exhibit C as the affiant. The documents or materials that I have reviewed contain information related to reports of internal auditors. Full and frank disclosure of information to the Internal Auditing department is essential for the department to fulfill its role, and the confidential status of internal auditing process, findings, and reports supports such disclosure. The release of information related to reports of internal auditors would be harmful to FPL and its customers because it may affect the effectiveness of the Internal Auditing Department itself. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.



Antonio Maceo

SWORN TO AND SUBSCRIBED before me this 5th day of September, 2013, by Antonio Maceo who is personally known to me or who has produced — (type of identification) as identification and who did take an oath.



Notary Public, State of Florida

My Commission Expires:

