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DIVISION OF ECONOMICS
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(850) 413-6410

Public Service Commission

July 11, 2014

Mr. John T. Burnett
Deputy General Counsel
Duke Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733

RECEIVED-FPSC
14 JUL 11 AM 10:35
COMMISSION
CLERK

Re: Docket No. 140057-EI - Petition for approval of 2014 nuclear decommissioning study, by Duke Energy Florida, Inc.

Mr. Burnett:

Florida Public Service Commission staff is in the process of reviewing the Decommissioning study filed by Duke Energy Florida in the above referenced docket. As a result some questions and concerns have arisen which are enclosed with this letter.

Please provide your responses by August 11, 2014. If there are any questions, please contact Devlin Higgins at (850) 413-6433.

Sincerely,

A handwritten signature in black ink, appearing to read "Devlin Higgins".

Devlin Higgins

Public Utility Analyst
Division of Economics

Attachment

cc: Office of the Commission Clerk ✓
General Counsel (Young)
Office of Public Counsel
Diane Triplett
James Michael Walls
Blaise N. Gamba

1. For the purposes of the following Request, please refer to DEF's response to Staff's First Data Request, No. 1.
 - a. Program Management - Please provide a detailed explanation of the 40% cost increase to the Program Management category from 2008 to 2013. Please be specific as to what is driving the cost increase.
 - b. Utility Site Indirect - Please provide a detailed explanation of the 406% cost increase to the Utility Site Indirect (Non-Labor O&M) category from 2008 to 2013. Please be specific as to what is driving the cost increase.
 - c. Low-Level Radioactive Waste Disposal - Why did DEF decide to include a \$20 million allowance in years 2014 and 2015 for low-level radioactive waste (LLRW) disposal? Why were these costs not included in DEF prior decommissioning study regardless of plant shut-down date?
 - d. Characterization and Licensing Surveys - Please detail what "new remedial action surveys" consist of. Additionally, what specifically is driving the cost increases associated with site characterization and license termination surveys?
 - e. Property Taxes - Please discuss the reasons for such a large decrease in property tax assessments for CR3. How is there a 83% decrease regardless of plant shutdown date? As in, if comparing the tax expense of the 2008 SAFSTOR (escalated to 2013 value) option, to the 2013 SAFSTOR option, how is there an approximate \$66.7 million difference in property tax as a decommissioning expense when both studies assumed a 60-year, non-operating, safely stored nuclear plant at the Crystal River site?