

John T. Butler Assistant General Counsel – Regulatory Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 304-5639 (561) 691-7135 (Facsimile) John.Butler@fpl.com

July 1, 2015

## -VIA ELECTRONIC FILING -

Ms. Carlotta S. Stauffer Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

## Re: Docket No. 150007-EI

Dear Ms. Stauffer:

I enclose for electronic filing in the above docket Florida Power & Light Company's ("FPL") Preliminary List of New Projects to be Submitted for Cost Recovery.

If there are any questions regarding this transmittal, please contact me at (561) 304-5639.

Sincerely,

*s/ John T. Butler* John T. Butler

Enclosures

cc: Counsel for Parties of Record (w/encl.)

Florida Power & Light Company

# **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Environmental Cost Recovery Clause

Docket No: 150007-EI

Filed: July 1, 2015

## FLORIDA POWER & LIGHT COMPANY'S PRELIMINARY LIST OF NEW <u>PROJECTS TO BE SUBMITTED FOR COST RECOVERY</u>

Florida Power & Light Company herby submits the attached Preliminary List of New

Projects to be Submitted for Cost Recovery.

Respectfully submitted this 1st day of July, 2015.

R. Wade Litchfield, Esq. Vice President and General Counsel John T. Butler, Esq. Assistant General Counsel – Regulatory Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408 Telephone: (561) 304-5633 Facsimile: (561) 691-7135

BY: <u>s/ John T. Butler</u> John T. Butler Fla. Bar No. 283479

#### CERTIFICATE OF SERVICE Docket No. 150007-EI

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic service this 1st day of July, 2015 to the following:

Charles Murphy, Senior Attorney Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 cmurphy@psc.state.fl.us

James D. Beasley, Esquire J. Jeffrey Wahlen, Esquire Ashley M. Daniels, Esquire Ausley & McMullen Attorneys for Tampa Electric P.O. Box 391 Tallahassee, Florida 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com

Jeffrey A. Stone, Esquire Russell A. Badders, Esquire Beggs & Lane Attorneys for Gulf Power P.O. Box 12950 Pensacola, Florida 32591-2950 srg@beggslane.com rab@beggslane.com J.R. Kelly, Esquire Patricia Christensen, Esquire Charles J. Rehwinkel, Esquire Office of Public Counsel c/o The Florida Legislature 111 W. Madison St., Room 812 Tallahassee, Florida 32399-1400 kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us rehwinkel.charles@leg.state.fl.us

Dianne Triplett, Esquire Duke Energy Florida 299 First Avenue North St. Petersburg, Florida 33701 dianne.triplett@duke-energy.com

Matthew R. Bernier 106 East College Avenue, Suite 800 Tallahassee, Fl 32301 Matthew.bernier@duke-energy.com

James W. Brew, Esquire Owen J. Kopon, Esq. Laura A. Wynn, Esq. Attorneys for White Springs Stone Mattheis Xenopoulos & Brew, PC 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007 (202) 342-0800 (202) 342-0807 (fax) jbrew@smxblaw.com ojk@smxblaw.com laura.wynn@smxblaw.com Gary V. Perko, Esquire Hopping Green & Sams Attorneys for Duke Energy Florida P.O. Box 6526 Tallahassee, Florida 32314 gperko@hgslaw.com

Paula K. Brown Regulatory Coordination Tampa Electric Company P.O. Box 111 Tampa, Florida 33601 regdept@tecoenergy.com Robert L. McGee, Jr. Gulf Power Company One Energy Place Pensacola, Florida 32520-0780 rlmcgee@southernco.com

Jon C. Moyle, Jr., Esquire The Moyle Law Firm, P.A. Attorneys for FIPUG 118 N. Gadsden Street Tallahassee, Florida 32301 jmoyle@moylelaw.com

By: <u>s/ John T. Butler</u> John T. Butler Fla. Bar No. 283479 Florida Power & Light Company Environmental Cost Recovery Docket No. 150007-EI July 1, 2015

# PRELIMINARY LIST OF NEW PROJECTS TO BE SUBMITTED FOR COST RECOVERY

**Project:** Coal Combustion Residual - SJRPP and Scherer

#### Law/Regulation:

On April 17, 2015 the U.S. Environmental Protection Agency ("EPA") published a final rule in the Federal Register setting standards to regulate the disposal of coal combustion residuals ("CCR") under Subtitle D of the Resource Conservation and Recovery Act ("RCRA"). The new rule is codified at 40 CFR 257. This rule applies to all CCR generated by electric utilities and independent power producers that fall within the North American Industry Classification System (NAICS) code 221112.

#### **Brief Description of Project:**

The new CCR rule is a self-implementing rule with an effective date of October 14, 2015 that will impact Plant Scherer and St. Johns River Power Park ("SJRPP"). FPL must demonstrate compliance with the rule's new location restrictions, safety standards and performance standards of all existing CCR impoundments and landfills. If compliance cannot be demonstrated then corrective action is required. The rule requires the closure of unlined surface impoundments that cannot meet the rule's dam safety, groundwater protection or location standards within a specified timeframe. Closure of the Plant Scherer ash impoundment would have to be initiated within six months if the pond failed to meet one of those specific requirements. For impoundments and landfills that continue to operate, the requirements include the development of a new groundwater sampling and monitoring with a corrective action plan which includes the installation of new monitoring wells at the waste boundary. Future expansion of existing waste management landfill units at SJRPP will be required to meet more stringent design and performance standards. These standards include new requirements to install double liner and monitoring systems. These new requirements will not impact Plant Scherer as Georgia already requires these activities for the landfills in place.

FPL projects it will incur capital costs of \$8 million associated with its portion of the initial activities required for implementation and compliance with the rule at Plant Scherer and SJRPP. Activities associated with this estimate include installation and development of new monitoring wells, construction costs to meet the new lined landfill standards, and engineering evaluations and designs required to prepare for closure at both sites. In the event that the Plant Scherer ash impoundment is forced to enter closure, construction of a new lined landfill, conversion of equipment for full dry ash management, and dewatering and closure of the impoundment would add \$42 million to cost projections for the project. FPL expects to begin incurring costs in August 2015 for monitoring wells and engineering studies. No O&M components for this project are expected until approximately 2023.