

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Cost Recovery  
Clause.

DOCKET NO.: 160009-EI

FILED: June 30, 2016

**THE FLORIDA RETAIL FEDERATION'S**  
**PREHEARING STATEMENT**

The Florida Retail Federation ("FRF"), pursuant to the Order Establishing Procedure in this docket, Order No. PSC-16-0105-PCO-EI, issued March 11, 2016, hereby submits the FRF's Prehearing Statement.

**APPEARANCES:**

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On behalf of the Florida Retail Federation.

1. **WITNESSES:**

The Florida Retail Federation does not intend to call any witnesses for direct examination, but reserves its rights to cross-examine all witnesses and to rely upon the prefiled testimony of witnesses in this docket, as well as testimony on their cross-examination.

2. **EXHIBITS:**

The Florida Retail Federation will not introduce any exhibits on direct examination, but reserves its rights to introduce exhibits through cross-examination of other parties' witnesses.

### 3. STATEMENT OF BASIC POSITION:

#### Duke Energy Florida

The FRF takes no position and does not object to Duke Energy Florida's ("DEF") positions on the issues related to the recovery of the CR3 EPU project which costs are being recovered pursuant to the provisions of the Revised and Restated Stipulation and Settlement Agreement ("RRSSA") approved in Order No. PSC-13-0598-FOF-EI. For the Levy Nuclear Project ("LNP") there are no costs being recovered from customers in this hearing cycle as all known costs have been recovered pursuant to the RRSSA. Pursuant to an agreement between the Office of Public Counsel and DEF, the dollar values presented in testimony are for information only and the Commission will not be taking any action on such costs. The FRF further understands that pursuant to the Stipulation entered into among the parties in 2015 and approved in Order No. PSC-15-0521-FOF-EI ("2015 Stipulation") any net costs, that DEF seeks to recover related to LNP will be addressed in the 2017 NCRC hearing process pursuant to law, including the RRSSA and the 2015 Stipulation.

#### FPL

FPL has not filed a long-term feasibility study in the 2016 NCRC proceeding. Without a 2016 long-term feasibility study that demonstrates that FPL's Turkey Point Units 6 & 7 project is feasible going forward, any new costs incurred on the project should not be recovered through the NCRC charge.

However, FPL has filed a Motion to Defer Consideration of Issues and Cost Recovery, now pending before the Commission for consideration at the July 7, 2016, Agenda Conference.

If the Commission grants FPL's requested deferral (the "Deferral"), the Commission will not be determining the prudence or reasonableness of any of FPL's costs or actions that were subject to Commission review in this 2016 NCRC proceeding until the 2017 NCRC proceeding. If the Commission approves the requested Deferral of FPL issues until 2017, FRF takes "no position for the 2016 NCRC proceeding due to the deferral of the Commission's review of all FPL issues until the 2017 NCRC docket."

#### 4. STATEMENT OF FACTUAL ISSUES AND POSITIONS:

##### Duke Energy Florida

**Issue 1: Should the Commission find that during 2015, DEF's project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Levy Units 1 & 2 project?**

FRF: No Position.

**Issue 2: Should the Commission find that during 2015, DEF's project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Crystal River Unit 3 Uprate project?**

FRF: No Position.

**Issue 3: What jurisdictional amounts should the Commission approve as DEF's actual 2015 prudently incurred costs for the Crystal River Unit 3 Uprate project?**

FRF: No Position.

**Issue 4:** What jurisdictional amounts should the Commission approve as reasonably estimated 2016 exit and wind down costs and carrying costs for the Crystal River Unit 3 Uprate Project?

FRF: No Position.

**Issue 5:** What jurisdictional amounts should the Commission approve as reasonably projected 2017 exit and wind down costs and carrying costs for the Crystal River Unit 3 Uprate Project?

FRF: No Position.

**Issue 6:** What is the total jurisdictional amount to be included in establishing DEF's 2017 Capacity Cost Recovery Clause Factor?

FRF: No Position.

## **FPL**

**Issue 7:** Should the Commission approve as reasonable what FPL has submitted as its 2016 annual detailed analysis of the long-term feasibility of completing the Turkey Point Units 6 & 7 project, as provided for in Rule 25-6.0423, F.A.C?

FRF: No, FPL has not filed a long-term feasibility analysis for 2016. However, if the Commission approves the requested Deferral of FPL issues until 2017, FRF takes "No position for the 2016 NCRC proceeding due to the deferral of the Commission's review on all FPL issues until the 2017 NCRC docket."

**Issue 7a:** What is the current total estimated all-inclusive cost (including AFUDC and sunk costs) of the proposed Turkey Point Units 6 & 7 nuclear project?

FRF: No position.

**Issue 7b:**      **What is the current estimated planned commercial operation date of the planned Turkey Point Units 6 & 7 nuclear facility?**

FRF:              Based on FPL’s testimony, the commercial in-service date will be delayed at least four years beyond the projected in-service date shown in FPL’s 2015 NCRC filings. However, if the Commission approves the requested Deferral of FPL issues until 2017, FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**Issue 8:**              **Should the Commission find that FPL’s 2015 project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Turkey Point Units 6 & 7 project?**

FRF:              If the Commission approves the Deferral of FPL issues until 2017, the FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**Issue 9:**              **What jurisdictional amounts should the Commission approve as FPL’s actual 2015 prudently incurred costs and final true-up amounts for the Turkey Point Units 6 & 7 project?**

FRF:              If the Commission approves the Deferral of FPL issues until 2017, the FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**Issue 10:**              **What jurisdictional amounts should the Commission approve as reasonably estimated 2016 costs and estimated true-up amounts for FPL’s Turkey Point Units 6 & 7 project?**

FRF:              In the absence of a 2016 long-term feasibility study that demonstrates that FPL’s Turkey Point Units 6 & 7 project is feasible going forward, recovery of any new costs incurred on the project should not be allowed through the NCRC charge. If the Commission approves the Deferral of FPL issues until 2017, the FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**Issue 11: What jurisdictional amounts should the Commission approve as reasonably projected 2017 costs for FPL’s Turkey Point Units 6 & 7 project?**

FRF: In the absence of a 2016 long-term feasibility study that demonstrates that FPL’s Turkey Point Units 6 & 7 project is feasible going forward, recovery of any new costs incurred on the project should not be allowed through the NCRC charge. If the Commission approves the Deferral of FPL issues until 2017, the FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**Issue 12: What is the total jurisdictional amount to be included in establishing FPL’s 2017 Capacity Cost Recovery Clause factor?**

FRF: In the absence of a 2016 long-term feasibility study that demonstrates that FPL’s Turkey Point Units 6 & 7 project is feasible going forward, recovery of any new costs incurred on the project should not be allowed through the NCRC charge. If the Commission approves the Deferral of FPL issues until 2017, the FRF takes “No position for the 2016 NCRC proceeding due to the deferral of the Commission’s review on all FPL issues until the 2017 NCRC docket.”

**5. STIPULATED ISSUES:**

None at this time.

**6. PENDING MOTIONS:**

None.

**7. STATEMENT OF PARTY’S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:**

None.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

The FRF does not expect to challenge the qualifications of any witness to testify. However, the FRF reserves all rights to question witnesses regarding their qualifications as related to the credibility and weight to be accorded their testimony.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Florida Retail Federation cannot comply.

Respectfully submitted this 30<sup>th</sup> day of June, 2016



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**CERTIFICATE OF SERVICE**  
**Docket No. 160009-EI**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished

by electronic mail on this 30<sup>th</sup> day of June, 2016, to the following:

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