

**Ruth Nettles**

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**Sent:** Friday, August 22, 2008 3:44 PM  
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**Cc:** Tiffany\_Cordes@fpl.com; Bryan.Anderson@fpl.com  
**Subject:** Electronic Filing - 080009-EI Florida Power & Light Company's Prehearing Statement  
**Attachments:** FPL's Prehearing Statement 8-22-08.doc

**Electronic Filing**

**a. Person responsible for this electronic filing:**

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**b. Docket No. 080009-EI**

PETITION FOR APPROVAL OF NUCLEAR POWER PLANT COST RECOVERY AMOUNT TO BE RECOVERED DURING THE PERIOD JANUARY – DECEMBER 2009, INCLUDING FINAL TRUE-UP FOR THE PERIOD ENDING DECEMBER 2007, ACTUAL/ESTIMATED TRUE-UP FOR THE PERIOD ENDING DECEMBER 2008, AND PROJECTIONS FOR THE PERIOD ENDING DECEMBER 2009

**c. Documents are being filed on behalf of Florida Power & Light Company.**

**d. There are a total of 17 pages in the attached document.**

**e. The document attached for electronic filing is Florida Power & Light Company's Prehearing Statement.**

*(See attached file: FPL's Prehearing Statement 8-22-08.doc)*

Thank you for your attention and cooperation to this request.

DOCUMENT NUMBER-DATE

07655 AUG 22 08

8/25/2008

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Power Plant Cost Recovery )  
Amount To Be Recovered During The )  
Period January – December 2009, Including )  
Final True-Up For The Period Ending )  
December 2008, And Projections For the )  
Period Ending December 2009 )

Docket No. 080009-EI

Filed: August 22, 2008

**FLORIDA POWER & LIGHT COMPANY'S PREHEARING STATEMENT**

Florida Power & Light Company ("FPL" or the "Company"), pursuant to section 366.93, Florida Statutes, and Rule 25-6.0423, Florida Administrative Code, hereby files with the Florida Public Service Commission ("FPSC" or the "Commission") its Prehearing Statement in connection with its Petition For Approval of Nuclear Power Plant Cost Recovery Amount to be Recovered During the Period January-December 2009, Including Final True-Up For the Period Ending December 2007, Actual/Estimated True-Up For the Period Ending December 2008, and Projections for the Period Ending December 2009, filed May 1, 2008 and its Petition For Approval of Nuclear Power Plant Cost Recovery True-Up For The Period Ending December 2007, filed March 3, 2008, and states:

**I. FPL WITNESSES**

**A. Direct Testimony**

<b>Witness</b>	<b>Subject Matter</b>	<b>Issues</b>
Kim Ousdahl	FPL compliance with Rule 25-6.0423, F.A.C. (the "Rule"). Request for recovery, prudence determination and reasonableness determination.	1A, 1B, 1D, 1E, 2B, 4A-B, 6A-E, 8A-E, 10A-E, 12
Stephen T. Hale [Testimony adopted by William P. Labbe, Jr.]	Extended Power Uprate costs and related project management system.	2A(1), 2B(1), 6C-E
Steven D. Scroggs	Turkey Point 6 & 7 costs and related project management system. Preferred technology selection.	1C, 2A, 4A-B, 6A-B, 8A-B, 10A-B

DOCUMENT NUMBER-DATE

07655 AUG 22 08

FPSC-COMMISSION CLERK

Steve R. Sim	Long-term economic analysis and feasibility study of completing the power plant.	
John J. Reed	Independent evaluation of FPL's policies and procedures.	2A, 2B, 6F

### B. Rebuttal Testimony

Witness	Subject Matter	Issues
William P. Labbe, Jr.	Rebuts the testimony of William R. Jacobs, Jr., Ph.D. regarding incremental costs and single and sole source justifications.	2A, 6C-F, 8C-E, 10C-E
Steven D. Scroggs	Rebuts the testimony of William R. Jacobs, Jr., Ph.D. regarding single and sole source justifications.	1C, 2A, 4A-B, 6A-B, 8A-B, 10A-B
John J. Reed	Rebuts the testimony of William R. Jacobs, Jr., Ph.D. regarding incremental costs and single and sole source justifications.	2A, 2B, 6F

## II. EXHIBITS

Exhibits	Witness	Sponsor	Description
STH-1	Stephen T. Hale	FPL	Appendix 1 revised August 6, 2008 Nuclear Cost Recovery Extended Power Uprate Project Nuclear Filing Requirements (NFRs) T-Schedules (True-Up) January 2007- December 2007
STH-2	Kim Ousdahl Stephen T. Hale Steve R. Sim	FPL	Appendix I revised August 6, 2008 Nuclear Cost Recovery Extended Power Uprate Project Nuclear Filing Requirements (NFRs) AE-Schedules (Actual/Estimate) P-Schedules (Projections) TOR- Schedules (True-up to Original) January 2007 – December 2009
SDS-1	Kim Ousdahl Steven D. Scroggs Steve R. Sim	FPL	Appendix II revised August 6, 2008 Nuclear Cost Recovery PTN 6 & 7, Pre-Construction Cost Nuclear Filing Requirements (NFRs) AE-Schedules (Actual/Estimate) TOR- Schedules (True-up to Original) January 2007 – December 2009

SDS-2	Kim Ousdahl Steven D. Scroggs Steve R. Sim	FPL	Appendix III revised August 6, 2008 Nuclear Cost Recovery PTN 6 & 7, Site Selection Cost Nuclear Filing Requirements (NFRs) AE-Schedules (Actual/Estimate) TOR- Schedules (True-up to Original) January 2006 – December 2009
SDS-3	Steven D. Scroggs	FPL	MPR Associates, Inc. Review and Assessment of the Technology Selected
SDS-4	Steven D. Scroggs	FPL	Engineering Evaluation of Current Technology Options for New Nuclear Power Generation
JJR-1	John J. Reed	FPL	Curriculum Vitae
JJR-2	John J. Reed	FPL	Testimony of John J. Reed (1997 – 2008)

In addition to the above pre-filed exhibits, FPL reserves the right to utilize any exhibit introduced by any other party. FPL additionally reserves the right to introduce any additional exhibit necessary for rebuttal, cross-examination or impeachment at the final hearing.

### III. STATEMENT OF BASIC POSITION

These Petitions pertain to two projects that qualify for cost recovery via the Nuclear Power Plant Cost Recovery (NPPCR) process: Turkey Point 6 & 7 and the Extended Uprate Power Project at the St. Lucie and Turkey Point Nuclear Units (Uprate) (collectively the “Projects”). The NPPCR amount for which FPL seeks approval is comprised of 2006-2007 actual costs, 2008 actual/estimate costs, and 2009 projected costs.

Rule 25-6.0423 sets forth the mechanics of the NPPCR process. It establishes an alternative cost recovery mechanism for the recovery of costs incurred in the siting, design, licensing, and construction of nuclear power plants in order to promote electric utility investment

in nuclear power generation and allow for the recovery in rates of all such prudently incurred costs.

The 2006-2007 Actual Costs were prudently incurred. They consisted of site selection and preconstruction costs for Turkey Point 6 & 7 and Uprate costs in 2007. The site selection costs for Turkey Point 6 & 7 were necessarily and prudently incurred in order to determine the most appropriate and cost-effective site on which to build two new nuclear units, conduct preliminary engineering reviews, establish the project plan and obtain local zoning approvals for the proposed site. Pre-construction costs for Turkey Point 6 & 7 were related to the licensing and permitting of the project and were necessarily and prudently incurred for that purpose. Likewise, the construction cost expenditures for the Uprate Project were prudently incurred; however, FPL did not begin recording carrying charges on those expenditures until 2008. Accordingly, there are no costs for FPL to recover through the NPPCR with respect to the Uprate Project in 2007.

FPL has incurred and expects to incur pre-construction costs for Turkey Point 6 & 7 in 2008, which relate to licensing and permitting activities, engineering and design work and long lead procurement. All of these costs are necessary to the project and are reasonable. Further, FPL has incurred or expects to incur construction costs for the Uprate Project in 2008 and carrying charges for the Uprate project. These costs are necessary to the project and are reasonable.

FPL projects that it will incur pre-construction costs for Turkey Point 6 & 7 in 2009. Those costs are primarily related to licensing and permitting activities, engineering design and scheduled payments associated with the anticipated Engineering and Procurement contract with Westinghouse/Shaw, the vendor of the preferred AP 1000 design. All of the costs are necessary

to the project and are reasonable. FPL projects construction costs for the Uprate Project in 2009 as well as carrying charges. All of the costs are necessary for the Uprate Project and are reasonable.

Each Project satisfies the statutory requirements for NPPCR recovery. FPL requests that the total amount of \$258,406,183, as detailed in its positions below, be approved for recovery through the Capacity Cost Recovery Clause as provided for pursuant to Rule 25-6.0423, F.A.C.

#### **IV. ISSUES AND POSITIONS**

**ISSUE 1A:** Should Progress Energy Florida, Inc. and Florida Power & Light Company be allowed to recover through the Nuclear Cost Recovery Clause revenue requirements for a phase or portion of a system associated with a power plant, after such phases or portion of the project has been placed into commercial service, or should such phases or portion of the project be recovered through base rates?

**FPL:** The Rule specifically provides for the appropriate method to recover revenue requirements “as operating units or systems associated with the nuclear power plant and the nuclear power plant itself are placed in commercial service.” Rule 25-6.0423(7). (OUSDAHL)

**ISSUE 1B:** If recovery of costs for a phase or portion of a system associated with a power plant that is in commercial service continues through the Nuclear Cost Recovery Clause, how should the revenue requirements for that phase or portion be determined?

**FPL:** The Rule specifically provides for the appropriate method to recover revenue requirements “as operating units or systems associated with the nuclear power plant and the nuclear power plant itself are placed in commercial service.” Rule 25-6.0423(7). (OUSDAHL)

**ISSUE 1C:** How should the completion of site clearing work be determined for purposes of distinguishing between pre-construction and construction costs for recovery under the clause?

**FPL:** Site clearing work is complete when the property has been prepared to a condition that can allow the initiation of the first construction activity. Generally, this means the removal of existing vegetation and soils to allow for the initiation of engineered civil work activities such as foundations and buried infrastructure.

Each feature or associated facility for the Turkey Point Units 6 & 7 Project will be the subject of a detailed construction schedule. In that schedule, activities describing site clearing work will be defined by start and completion dates. During annual cost recovery reviews, the project schedules will be available for review. FPL will clearly indicate the expected end of site clearing work and the controlling activity in those project schedules. (SCROGGS)

**ISSUE 1D:** Should a utility be required to inform the Commission of any change in ownership of any asset which was afforded cost recovery under the Nuclear Cost Recovery Clause?

**FPL:** Yes. (OUSDAHL)

**ISSUE 1E:** What is the appropriate procedure to reduce and refund NPCR charges to retail customers when a utility sells a portion of a nuclear unit to a municipality or another investor owned utility?

**FPL:** If a portion of a nuclear unit is sold, retail customers will receive the appropriate offsetting benefit of the sale based on the facts and circumstances of the agreement that is negotiated. (OUSDAHL)

## **2007 PROJECT MANAGEMENT, CONTRACTING, AND OVERSIGHT CONTROLS**

### **Florida Power & Light Company**

**ISSUE 2A:** Should the Commission find that for the year 2007, FPL's project management, contracting, and oversight controls were reasonable and prudent for the Turkey Point 6 & 7 project and for the Extended Power Uprate (EPU) project?

**FPL:** (1) EPU Project

With respect to 2007 EPU project costs, for which FPL was able to submit its cost recovery filing concerning construction costs, as contemplated for previous year true-ups under Rule 25-6.0423, F.A.C, the Commission should find that FPL's project management, contracting and oversight controls were reasonable and prudent for the EPU project. (REED, LABBE)

(2) Turkey Point 6 & 7 Project

The timing of the Turkey Point 6 & 7 need determination order prevented FPL from filing for recovery of 2007 site selection costs and preconstruction costs for that project by March 1, as contemplated for previous year true-ups under Rule 25-6.0423, F.A.C. To refuse to allow FPL to begin collecting these costs in 2009 could result in even higher charges to customers in 2010; however, the post March 1 filing

date shortens the time available for OPC and other parties to review and analyze the site selection and preconstruction costs in this proceeding that is envisioned by the rule, and shortens the time available to the Commission to conduct the prudence review set forth in subsections 25-6.0423(b)(c)(2) and (3) of the above rule. To resolve the issues created by the timing of FPL's request, OPC and FPL agree that FPL may include those site selection and preconstruction costs in the calculation of the nuclear cost recovery amount that is to be recovered through the 2009 capacity cost recovery factor, and further agree that any finding as to the prudence of the costs and/or determination that certain costs should be disallowed will be deferred until the 2009 nuclear cost recovery cycle. (REED, SCROGGS)

**ISSUE 2B:** Should the Commission find that for the year 2007, FPL's accounting and costs oversight controls were reasonable and prudent for the Turkey Point 6 & 7 project and for the EPU project?

**FPL:** (1) EPU Project

With respect to 2007 EPU project costs, the Commission should find that FPL's accounting and costs oversight controls were reasonable and prudent for the EPU project. (OUSDAHL, REED)

(2) Turkey Point 6 & 7 Project

Please see FPL's position for Issue 2A(2) with respect to 2007 Turkey Point 6 & 7 project costs. (OUSDAHL, REED)

**Progress Energy Florida, Inc.**

**ISSUE 3A:** Should the Commission find that for the year 2007, PEF's project management, contracting and oversight controls were reasonable and prudent for Levy Units 1 & 2 project and the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 3B:** Should the Commission find that for the year 2007, PEF's accounting and costs oversight controls were reasonable and prudent for Levy Units 1 & 2 project and the Crystal River 3 Uprate project?

**FPL:** No position.



## COMPANY SPECIFIC SITE SELECTION COSTS

### Florida Power & Light Company

**ISSUE 4A:** Should the Commission grant FPL's request to include the review and approval for recovery through the Nuclear Cost Recovery Clause of prudently incurred site selection costs for the Turkey Point Unit 6 & 7 project?

**FPL:** Please see FPL's position on Issues 2A(2) above with respect to site selection costs. (OUSDAHL, SCROGGS)

**ISSUE 4B:** What amount should the Commission approve as FPL's final 2007 true-up of prudently incurred site selection costs for the Turkey Point Units 6 & 7 project?

**FPL:** The amount that should be approved for inclusion for site selection costs for the Turkey Point Unit 6 & 7 project is \$6,397,310 and related carrying charges to be \$141,857 (total \$6,539,167), subject to the provisions for prudence review stated in FPL's position for Issue 2A(2) above. (OUSDAHL, SCROGGS)

### Progress Energy Florida

**ISSUE 5A:** Should the Commission grant PEF's request to include the review and approval for recovery through the Nuclear Cost Recovery Clause of prudently incurred site selection costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 5B:** What amount should the Commission approve as PEF's final 2007 true-up of prudently incurred site selection costs for the Levy Units 1 & 2 Project?

**FPL:** No position.

**ISSUE 5C:** What amount should the Commission approve as PEF's actual 2008 site selection costs for the Levy Units 1 & 2 Project?

**FPL:** No position.

## COMPANY SPECIFIC TRUE UP PRECONSTRUCTION AND CONSTRUCTION COSTS (2007)

### Florida Power & Light Company

**ISSUE 6A:** What amount should the Commission approve as FPL's final 2007 true-up of prudently incurred preconstruction costs for the Turkey Point Units 6 & 7 project?

**FPL:** The amount that should be approved for inclusion for 2007 preconstruction costs for the Turkey Point Units 6 & 7 project is \$2,522,692, and related carrying charges of \$20,547, subject to the provisions for prudence review stated in FPL's position on Issue 2A(2) above. (OUSDAHL, SCROGGS)

**ISSUE 6B:** What total amount should the Commission approve as FPL's final 2007 true-up to be recovered for the Turkey Point Units 6 & 7 project?

**FPL:** The amount that should be approved for recovery of 2007 costs for the Turkey Point Units 6 & 7 project is site selection costs of \$6,397,310, site selection related carrying charges of \$141,857, pre-construction costs of \$2,522,692 and pre-construction related carrying charges of \$20,547 (total \$9,082,406), subject to the provisions for prudence review stated in FPL's position on Issue 2A(2) above. (OUSDAHL, SCROGGS)

**ISSUE 6C:** What amount should the Commission approve as FPL's final 2007 true-up of prudently incurred construction costs for the EPU project?

**FPL:** The Commission should approve the amount of \$8,236,653 as FPL's final 2007 true-up of prudently incurred construction costs for the EPU project. These costs were initially recorded in a deferred account until transferred to construction in 2008. No carrying charges were accrued during fiscal year 2007 for recovery. (OUSDAHL, LABBE)

**ISSUE 6D:** What amount should the Commission approve as carrying charges on FPL's prudently incurred 2007 construction costs for the EPU project?

**FPL:** FPL did not accrue carrying charges on prudently incurred construction costs for the EPU project during fiscal year 2007 due to pending approval from the Commission. On January 7, 2008, the Commission issued Order No. PSC-08-0021-FOF-EI approving FPL's need determination for the uprates. In that Order the Commission determined that Rule No. 25-6.0423, F.A.C. is applicable to the costs of the uprate project. As a result of the issuance of this Order, in January 2008 these costs were transferred to Construction Work in Progress Account 107 and carrying charges began accruing. (OUSDAHL, LABBE)

**ISSUE 6E:** What total amount should the Commission approve as FPL's final 2007 true-up to be recovered for the EPU project?

**FPL:** As stated in its position on Issue 6D, FPL did not accrue carrying charges on construction costs during 2007. Therefore, there are no costs to be recovered. (OUSDAHL, LABBE)

**ISSUE 6F:** Has FPL demonstrated that the uprate-related costs it seeks to recover in this docket are incremental to those it would incur in conjunction with providing safe and

reliable service during the period associated with the extension of its operating license, had there been no uprate project?

**FPL:** The “incremental” approach suggested in this issue is not founded in and is contrary to the governing NPPCR statute and rule. Section 366.93 provides that “cost” for NPPCR purposes “includes but is not limited to, all capital investments, including rate of return, any applicable taxes, and all expenses, including operation and maintenance expenses, related to or resulting from the siting, licensing, design, construction or operation of the nuclear ... power plant.” Section 366.93(1)(a), Fla. Stat. Rule 25-6.0423 implements this definition. Every component that is being either upgraded or replaced as part of the uprate project is – on a stand-alone basis – necessary to support the increase in unit electrical output. As such, all of the components are recoverable “costs” as defined by the NPPCR. While FPL’s uprate project will likely result in an increase in overall plant reliability, no components are being replaced as part of the uprate project with the intention of extending the life of the plant and hence all would be “incremental” if that were a relevant inquiry. (REED, LABBE)

### **Progress Energy Florida**

**ISSUE 7A:** What amount should the Commission approve as PEF’s final 2007 true-up of prudently incurred preconstruction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 7B:** What amount should the Commission approve as PEF’s final 2007 true-up of prudently incurred construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 7C:** What amount should the Commission approve as carrying charges on PEF’s prudently incurred 2007 construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 7D:** What total amount should the Commission approve as PEF’s final 2007 true-up to be recovered for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 7E:** What amount should the Commission approve as PEF’s final 2007 true-up of prudently incurred construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 7F:** What amount should the Commission approve as carrying charges on PEF's prudently incurred 2007 construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 7G:** What total amount should the Commission approve as PEF's final 2007 true-up to be recovered for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 7H:** Has PEF demonstrated that the uprate-related costs it seeks to recover in this docket are incremental to those it would incur in conjunction with providing safe and reliable service during the period associated with the extension of its operating license, had there been no uprate project?

**FPL:** No position.

## **COMPANY SPECIFIC ACTUAL/ESTIMATED PRECONSTRUCTION AND CONSTRUCTION COSTS (2008)**

### **Florida Power & Light Company**

**ISSUE 8A:** What amount should the Commission approve as FPL's 2008 actual and estimated preconstruction costs for the Turkey Point Units 6 & 7 project?

**FPL:** The amount of FPL's 2008 actual and estimated pre-construction costs for the Turkey Point Units 6 & 7 project to be included for recovery is \$104,561,783. (OUSDAHL, SCROGGS)

**ISSUE 8B:** What total amount should the Commission approve as FPL's 2008 actual and estimated costs to be recovered for the Turkey Point Units 6 & 7 project?

**FPL:** The amount of FPL's 2008 actual and estimated costs for the Turkey Point Units 6 & 7 project to be included for recovery is site selection related carrying costs of \$723,484, pre-construction costs of \$104,561,783 and pre-construction related carrying costs of \$3,794,921 (total \$109,080,188). (OUSDAHL, SCROGGS)

**ISSUE 8C:** What amount should the Commission approve as FPL's 2008 actual and estimated construction costs for the EPU project?

**FPL:** The Commission should approve \$74,566,646 as FPL's 2008 actual and estimated construction costs for the EPU project which will be the basis for the calculation of carrying charges to be collected in 2009. On January 7, 2008, the Commission issued Order No. PSC-08-0021-FOF-EI approving FPL's need determination for the

updates. In that Order the Commission determined that Rule No. 25-6.0423, F.A.C. is applicable to the costs of the uprate project. As a result of the issuance of this Order, in January 2008 these costs were transferred to Construction Work in Progress Account 107 and carrying charges began accruing. (OUSDAHL, LABBE)

**ISSUE 8D:** What amount should the Commission approve as carrying charges on FPL's 2008 actual and estimated construction costs for the EPU project?

**FPL:** The Commission should approve \$3,733,003 as carrying charges on FPL's 2007 actual and 2008 actual and estimated construction costs for the EPU project for collection during 2009. (OUSDAHL, LABBE)

**ISSUE 8E:** What total amount should the Commission approve as FPL's 2008 actual and estimated costs to be recovered for the EPU project?

**FPL:** The Commission should approve \$3,733,003 as carrying charges on FPL's 2007 actual and 2008 actual and estimated construction costs for the EPU project for collection during 2009. (OUSDAHL, LABBE)

### **Progress Energy Florida**

**ISSUE 9A:** What amount should the Commission approve as PEF's 2008 actual and estimated preconstruction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 9B:** What amount should the Commission approve as PEF's 2008 actual and estimated construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 9C:** What amount should the Commission approve as carrying charges on PEF's 2008 actual and estimated construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 9D:** What total amount should the Commission approve as PEF's 2008 actual and estimated costs to be recovered for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 9E:** What amount should the Commission approve as PEF's 2008 actual and estimated construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 9F:** What amount should the Commission approve as carrying charges on PEF's 2008 actual and estimated construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 9G:** What total amount should the Commission approve as PEF's 2008 actual and estimated costs to be recovered for the Crystal River 3 Uprate project?

**FPL:** No position.

### **COMPANY SPECIFIC PROJECTED PRECONSTRUCTION AND CONSTRUCTION COSTS (2009)**

#### **Florida Power & Light Company**

**ISSUE 10A:** What amount should the Commission approve as FPL's 2009 projected preconstruction costs for the Turkey Point Units 6 & 7 project?

**FPL:** The Commission should approve \$109,540,915 as FPL's 2009 projected pre-construction costs for the Turkey Point Units 6 & 7 project for collection during 2009. (OUSDAHL, SCROGGS)

**ISSUE 10B:** What total amount should the Commission approve as FPL's 2009 projected costs to be recovered for the Turkey Point Units 6 & 7 project?

**FPL:** The Commission should approve site selection related carrying costs of \$509,050, pre-construction costs of \$109,540,915 and pre-construction related carrying costs of \$9,907,604 (total \$119,957,569) as the total amount of FPL's 2009 projected costs for the Turkey Point Units 6 & 7 project to be recovered during 2009. (OUSDAHL, SCROGGS)

**ISSUE 10C:** What amount should the Commission approve as FPL's 2009 projected construction costs for the EPU project?

**FPL:** The Commission should approve \$233,294,413 as FPL's 2009 projected construction costs for the EPU project during 2009. (OUSDAHL, LABBE)

**ISSUE 10D:** What amount should the Commission approve as carrying charges on FPL's 2009 projected construction costs for the EPU project?

**FPL:** The Commission should approve \$16,553,019 as carrying charges on FPL's 2007 actual, 2008 actual and estimated and 2009 projected construction costs for the EPU project for collection during 2009. (OUSDAHL, LABBE)

**ISSUE 10E:** What total amount should the Commission approve as FPL's 2009 projected costs to be recovered for the EPU project?

**FPL:** The Commission should approve \$20,286,022 as carrying charges on FPL's 2007 actual, 2008 actual and estimated and 2009 projected construction costs for the EPU project for collection during 2009. (OUSDAHL, LABBE)

**Progress Energy Florida**

**ISSUE 11A:**What amount should the Commission approve as PEF's 2009 projected preconstruction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 11B:** What amount should the Commission approve as PEF's 2009 projected construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 11C:** What amount should the Commission approve as carrying charges on PEF's 2009 projected construction costs for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 11D:** What total amount should the Commission approve as PEF's 2009 projected costs to be recovered for the Levy Units 1 & 2 project?

**FPL:** No position.

**ISSUE 11E:** What amount should the Commission approve as PEF's 2009 projected construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 11F:** What amount should the Commission approve as carrying charges on PEF's 2009 projected construction costs for the Crystal River 3 Uprate project?

**FPL:** No position.

**ISSUE 11G:** What total amount should the Commission approve as PEF's 2009 projected costs to be recovered for the Crystal River 3 Uprate project?

**FPL:** No position.

## SUMMARY ISSUES

### Florida Power & Light Company

**ISSUE 12:** What total amount should the Commission approve for the Nuclear Cost Recovery Clause to be included in establishing FPL's 2009 Capacity Cost Recovery Clause factor?

**FPL:** The Commission should approve the total amount of \$258,406,183 for the Nuclear Cost Recovery Clause to be included in establishing FPL's 2009 Capacity Cost Recovery Clause Factor. (OUSDAHL)

### Progress Energy Florida

**ISSUE 13:** What total amount should the Commission approve for the Nuclear Cost Recovery Clause to be included in establishing PEF's 2009 Capacity Cost Recovery Clause factor?

**FPL:** No position.

## V. POLICY ISSUES

FPL believes issues 1A-1E involve issues of policy.

## VI. STIPULATED ISSUES

As of the time of the submittal of this prehearing statement, FPL and OPC have negotiated stipulated positions with respect to issues 2A(2), 2B(2), 4A, 4B, 6A, and 6B, and FPL invites Staff and other parties to this docket to consider those stipulations. FPL believes that it may be possible and beneficial to stipulate other issues as well, and is pleased to work with other parties on such possible stipulations.

## VII. PENDING MOTIONS

There are no motions pending at this time.

## VIII. PENDING REQUESTS FOR CONFIDENTIAL CLASSIFICATION

Florida Power & Light Company's Request for Confidential Classification of the confidential portions of the audit reports attached as exhibits to the testimony of Carl Vinson, Robert Lynn Fisher and Kathy L. Welch filed by Staff Counsel, dated August 8, 2008.



**X. REQUIREMENTS OF THE PREHEARING ORDER THAT CANNOT BE MET**

At this time, FPL is not aware of any requirements in the Order Establishing Procedure with which it cannot comply.

**XI. OBJECTIONS TO WITNESSES' QUALIFICATIONS**

At this time, FPL has no objections to any witness qualifications.

Respectfully submitted this 22nd day of August, 2008.

R. Wade Litchfield  
Vice President and General Counsel  
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By: s/ Bryan S. Anderson  
Bryan S. Anderson  
Fla. Authorized House Counsel No. 219511

**CERTIFICATE OF SERVICE**

**Docket No. 080009-EI**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic delivery or U.S. Mail on this 22nd day of August, 2008 to the following:

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