Dorothy Menasco

From:

Thomas Saporito [saporito3@gmail.com]

Sent:

Saturday, November 01, 2008 8:56 AM

To:

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Cc:

'Young Law Firm'; 'AARP'; 'Brickfield Law Firm'; 'Federal Executive Agencies'; 'Florida Industrial Power Users Group'; 'Florida Power and Light Company'; 'Gulf Power Company'; Katherine Fleming; Mary Anne Helton; 'Messer Law Firm'; 'Progress Energy Florida, Inc.'; 'Progress Energy Service Company'; 'Tampa Electric

Company'

Subject:

Docket No. 080001-El SEC Petition to Intervene

Attachments: 2008-11-01 SEC Petition to Intervene pdf

Please accept for filing the attached PDF file entitled SEC Petition to Intervene. This document is a 9-page document regarding Docket No. 080001-El and is filed on behalf of Thomas Saporito. SEC, and SEC's customer base.

Thank you.

Thomas Saporito, President Saporito Energy Consultants Post Office Box 8413 Jupiter, Florida 33468-8413

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> DOCUMENT NUMBER-DATE 10326 NOV-38

FPSC-COMMISSION CLERK

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Power Plant Cost Recovery Clause

Docket No. 080001-El Date: November 1, 2008

SEC PETITION TO INTERVENE

Pursuant to Sections 120.569 and 120.57(1), Florida Statutes and Rules 25-22.039, and 28-106.205, Florida Administrative Code, Saporito Energy Consultants ("SEC") and Thomas Saporito, through its undersigned president, file their Petition to Intervene and in support thereof, states as follows:

1. The name and address of the affected agency is:

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

2. The name and address of the petitioner is:

Saporito Energy Consultants Thomas Saporito 1030 Military Tr. #25 Jupiter, Florida 33458

3. All pleadings, motions, orders and other documents directed to the petitioner should be served on:

Thomas Saporito
Post Office Box 8413
Jupiter, Florida 33468
Phone: (850) 421-9530

Email: saporito3@gmail.com

DOCUMENT NO. DATE

10326-08 11/3/08

FPSC - COMMISSION CLERK

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- 4. Florida Power & Light Company ("FPL") is a regulated electric utility serving approximately 4.5 million retail customers throughout portions of the State of Florida.
- 5. Progress Energy Florida, Inc. ("PEF") is a regulated electric utility serving approximately 1.7 million retail customers throughout portions of the State of Florida.
- 6. SEC is a privately held entity dedicated to addressing the needs and interests of our environment by providing energy consulting services to individuals and to corporations. SEC's business plan includes all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. SEC's business plan represents the interests of residents in the State of Florida.

SEC's Customer Base Substantial Interests Affected

7. As stated above, SEC business plan represents the interests of residents in the State of Florida whom reside in either FPL's or PEF's service territories and take their electric service from these utilities. Therefore, many of SEC's customer base, including Thomas Saporito, will be substantially affected by any action the Commission takes in this docket, which will necessarily include retail rate increases in the form of Nuclear Power Plant Cost Recovery Clause payments if the utilities' requested relief is granted.

8. Statement of Affected Interests

The Commission will decide in this docket whether it should approve the utilities' construction cost expenditures related to the "Upgrade Projects" of their respective nuclear generating units. While purported to return substantial net benefits to their

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customers, these projects have substantial costs that the utilities intend be borne by their customers, including Thomas Saporito, and many of SEC's Florida customer base. For example, FPL's March 3, 2008 petition seeks Commission approval of \$8,236,652, net jurisdictional, for construction cost expenditures incurred by FPL for the period ending December 2007. The total upgrade costs for the four FPL nuclear units are substantially greater, however; Order No. PSC-08-0021-FOF-EI, which approved the "need" to upgrade the units, the estimated nominal costs for the Turkey Point and St. Lucie units, not including construction carrying costs, are approximately \$750 million and \$651 million, respectively. The related transmission system upgrades are estimated to cost another \$45 million. PEF, on the other hand, seeks \$928,895 in carrying costs associated with its 2006 and 2007 uprate expenditures in its current petition. However, as reflected in its initial petition filed in Docket No. 060642-EI seeking recovery for the upgrade costs of its Crystal River No. 3 nuclear unit, PEF estimated that the total cost for the upgrade project, including anticipated transmission changes, is \$381.8 million. The costs currently sought for recovery by these two utilities, as well as the future amounts associated with their total projects, will affect the substantial interests of Thomas Saporito and SEC's customer base served by FPL and PEF by increasing their electric bills, thus reducing the monies they have to spend on their other needs.

9. SEC's customer base¹, taking retail electric service from FPL and PEF have interests of the type this proceeding is designed to protect. See Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478 (Fla. 2nd DCA 1981). As described above, the purpose of the proceedings in this docket is to evaluate FPL's and PEF's requests to recover from customers their respective costs and expenditures associated with the upgrade improvements to their nuclear generating units, to determine if those costs are reasonable and prudent and, thus, appropriate for recovery.

10. Disputed Issues of Material Fact

SEC and Thomas Saporito are not currently aware of any disputed issues of material fact but believe it reasonable to conclude that there may be disputed issues of material fact related to the reasonableness and prudence of the amounts sought for recovery by each utility as discovery progresses in each case. If questions as to reasonableness and prudence are raised, then the Commission may be required to resolve them through an evidentiary hearing pursuant to Chapter 120, Florida Statutes. Such potential disputed issues of material fact may include, but are not limited to, the following:

- Are the amounts sought by FPL in its instant petition reasonably and prudently incurred in the upgrade projects of its Turkey Point and St. Lucie nuclear units?
 - Should the amounts sought by FPL in its instant petition be reduced by

¹ The interest of SEC's president, Thomas Saporito, is in respect to electric service provided by FPL.

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the amount of civil penalties incurred by FPL as a direct result of enforcement action taken against FPL by the U.S. Nuclear Regulatory Commission ("NRC")?

- Are the amounts sought by PEF in its instant petition reasonably and prudently incurred in the upgrade project of its Crystal River nuclear unit?
 - Should the amounts sought by PEF in its instant petition be reduced by the amount of civil penalties incurred by PEF as a direct result of enforcement action taken against PEF by the U.S. Nuclear Regulatory Commission ("NRC")?

11. Statement of Ultimate Facts Alleged

FPL and PEF must prove that all Nuclear Power Plant Cost Recovery Clause costs sought for recovery in this docket are necessary, reasonable and prudent, related to their respective upgrade projects and are, thus, appropriate for recovery from their respective ratepayers.

12. Statutes and Rules that Require the Relief Requested by SEC

Statutes and rules that require the relief requested by SEC and Thomas Saporito include, but are not limited to, Sections 120.569, 120.57(1), 366.04(1), 366.041, 366.05(1), 366.06(1) and (2), 366.07, and 403.519, Florida Statutes, and Rule 25-22.039 and Chapter 28-106, Florida Administrative Code.

WHEREFORE, SEC and Thomas Saporito request that this Commission grant them intervenor status in this docket as a full party on behalf of their customer base in Florida and on behalf of SEC's president Thomas Saporito as a customer of FPL in taking retail electric service from either Florida Power and Light Company or Progress

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Energy Florida, Inc.

Respectfully submitted,

/s/ Thomas Saporito
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this petition has been served

this 1st day of November, 2008 on the following:

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Docket No. 080001-EI Nuclear Power Plant Cost Recovery Clause SEC Petition to Intervene Page 8 of 9

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Mary Anne Helton **Deputy General Counsel** Docket No. 080001-EI Nuclear Power Plant Cost Recovery Clause SEC Petition to Intervene Page 9 of 9

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/s/ Thomas Saporito SEC President