

State of Florida



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Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 19, 2009
TO: Jim Breman, Senior Analyst, Division of Economic Regulation
FROM: Dale N. Mailhot, Assistant Director, Division of Regulatory Compliance *DM*
RE: Docket No. 090009-EI - Company Name: Florida Power & Light
Audit Purpose: Nuclear Cost Recovery Uprate 2008; Company Code: EI802
Audit Control No: 08-248-4-2

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send a response to the Office of the Commission Clerk. There are confidential work papers associated with this audit.

DNM/ch

Attachment: Audit Report

cc: Division of Regulatory Compliance (Salak, Mailhot, Harvey,
Miami District Office, Tampa District Office, File Folder)
Office of Commission Clerk (2)
Office of the General Counsel

Mr. Wade Litchfield
Florida Power & Light Company
215 S. Monroe St., Suite 810
Tallahassee, FL 32301-1859

DOCUMENT NUMBER-DATE

06151 JUN 22 8

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FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE
Bureau of Auditing

Miami District Office

FLORIDA POWER AND LIGHT COMPANY

NUCLEAR COST RECOVERY CLAUSE

YEAR ENDED DECEMBER 31, 2008

DOCKET NO. 090009-EI
AUDIT CONTROL NO. 08-248-4-2

Handwritten signature of Gabriela Leon in cursive script.

Gabriela Leon
Professional Accountant Specialist

Handwritten signature of Bety Maitre in cursive script.

Bety Maitre
Regulatory Analyst II

Handwritten signature of Kathy Welch in cursive script.

Kathy Welch
Public Utilities Supervisor

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

**DIVISION OF REGULATORY COMPLIANCE
AUDITOR'S REPORT**

June 17, 2009

**TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED
PARTIES**

We have performed the procedures enumerated later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request. We have applied these procedures to the attached schedules prepared by Florida Power and Light Company in support of its Nuclear Uprate Filing, Docket No. 090009-EI.

This audit is performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. Our report is based on agreed upon procedures and the report is intended only for internal Commission use.

OBJECTIVES AND PROCEDURES:

Objective: The objective of the audit was to examine 2008 Construction costs for the Extended Power Uprate (EPU) project, especially considering requirements of Section 366.93, Florida Statutes, and Rule 25-6.0423, Florida Administrative Code.

Procedure: We read the Statute and the rule. We obtained an Excel file of all the charges made to the filing on schedule T-6 "Construction Cost and Carrying Cost on Construction Cost Balance". We reconciled the filing to the Excel file. We sorted the file by both dollar amounts and vendors and selected a sample that included the high dollar items and an assortment of the various vendors charged to the project. We traced the sample to source documentation.

For payroll, we also obtained a list of all employees charged on the T-6 schedule and reviewed the accounts where their payroll was charged in 2006 to determine if their salaries were already charged to base rates. We reviewed the adjustments FPL made to remove salaries determined to be in base rates.

We compared the amounts paid to the contractor to the supporting invoices and purchase orders or contracts. We toured the plant and questioned personnel.

We also reviewed the charges to operation and maintenance expense included on filing schedule T-4 "True-up Filing: Recoverable O & M Monthly Expenditures". The company provided an excel file of these charges. A sample was selected and traced to supporting documentation.

Objective: The objective of the audit was to reconcile the T schedules to the general ledger.

Procedures: FPL provided disks of all the costs included in the filing. The amounts on the disks were reconciled to the filing.

Objective: The objective of the audit was to identify the Deferred Tax Adjustment amount, Allowance For Funds Used During Construction (AFUDC) amount, and total carrying costs associated with these costs.

Procedures: We recalculated carrying charges and compared the calculation to the rule. We reviewed the removal of the AFUDC charges. The Deferred Tax Adjustment was recalculated for the month of February 2008. The debt and equity ratios were traced to the prior audit.

Objective: The objective of the audit was to review and document that FPL's "separate and apart" process for identifying and applying adjustments necessary to ensure the Nuclear Clause Recovery amount is limited to those costs that are "separate and apart" from nuclear costs that would have been necessary had there been no uprate project.

Procedures: We reviewed invoices to determine that the items related to the uprate. In the last audit, we compared the lists of items to be completed to the maintenance schedules through 2012 and did not find any items that the lists had in common. However, the Bureau of Performance Analysis is documenting the process.

Objective: The objective of the audit was to verify that the Company appropriately implemented the separate and apart procedures in developing the amounts included in the T schedules.

Procedures: We reviewed the invoices for items that could possibly be considered routine maintenance or replacement. The majority of invoices were for engineering and licensing.

COMPANY EXHIBITS

**St. Lucie and Turkey Point Uprate Project
Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.b.]

Schedule T-1 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures.

For the Year Ended 12/31/2008

COMPANY: FLORIDA POWER & LIGHT COMPANY

DOCKET NO.: 090009-EI

Witness: Winnie Powers

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.	\$16,882	\$75,851	\$123,640	\$132,341	\$144,463	\$161,359	\$654,536
3.	\$0	\$0	\$0	\$0	\$111,296	\$51,880	\$163,177
4.	(\$4)	(\$28)	(\$79)	(\$145)	(\$218)	(\$298)	(\$772)
5.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6.	\$16,877	\$75,823	\$123,561	\$132,195	\$255,542	\$212,942	\$816,941
7.	\$16,866	\$75,773	\$123,478	\$153,013	\$202,505	\$254,189	\$825,825
8.	\$11	\$50	\$82	(\$20,818)	\$53,037	(\$41,247)	(\$8,884)

(a) The costs associated with the expansion of the Turkey Point and St. Lucie Nuclear Power Plants (uprate project) were included in Account 183, Preliminary Survey and Investigation Charges for the period July 2007 through December 2007. 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.

St. Lucie and Turkey Point Uprate Project
Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Retail Revenue Requirements Summary

[Section (5)(c)1.b.]

Schedule T-1 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures.

For the Year Ended 12/31/2008

COMPANY: FLORIDA POWER & LIGHT COMPANY

DOCKET NO.: 090009-EI

Witness: Winnie Powers

Line No.	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
	Jurisdictional Dollars						
1.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.	\$181,641	\$209,371	\$238,748	\$269,419	\$311,610	\$497,695	\$2,363,019
3.	\$28,149	\$0	\$8,146	\$85,972	\$29,991	(\$59,344)	\$256,091
4.	(\$388)	(\$491)	(\$610)	(\$746)	(\$901)	(\$1,116)	(\$5,024)
5.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6.	<u>\$209,401</u>	<u>\$208,880</u>	<u>\$246,283</u>	<u>\$354,646</u>	<u>\$340,700</u>	<u>\$437,235</u>	<u>\$2,614,087</u>
7.	\$312,592	\$380,080	\$450,308	\$520,275	\$590,404	\$653,518	\$3,733,003
8.	<u>(\$103,191)</u>	<u>(\$171,200)</u>	<u>(\$204,025)</u>	<u>(\$165,629)</u>	<u>(\$249,704)</u>	<u>(\$216,283)</u>	<u>(\$1,118,917)</u>

(a) The costs associated with the expansion of the Turkey Point and St. Lucie Nuclear Power Plants (uprate project) were included in Account 183, Preliminary Survey and Investigation Charges for the period July 2007 through December 2007. 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.

**St. Lucie and Turkey Point Uprate Project
Construction Costs and Carrying Costs on Construction Costs
True-up Filing: Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.b.]
[Section (8)(e)]

Schedule T-4 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA POWER & LIGHT COMPANY
DOCKET NO. 090009-EI

EXPLANATION: Provide the CCRC Recoverable O&M actual monthly expenditures by function.

For the Year Ended 12/31/2008

Witness: Winnie Powers and Rajiv S. Kundakkar

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1.	Legal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.	Accounting													0
3.	Corporate Communication													0
4.	Corporate Services													0
5.	IT & Telecom													0
6.	Regulatory													0
7.	Human Resources													0
8.	Public Policy													0
9.	Community Relations													0
10.	Corporate Communications													0
11.	Subtotal A&G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12.	Energy Delivery Florida	0	0	0	0	0	0	0	0	0	0	0	0	0
13.	Nuclear Generation	0	0	0	0	115,590	54,262	29,786	0	6,833	92,866	32,149	(64,372)	269,183
14.	Transmission	0	0	0	0	0	0	0	0	0	0	0	0	0
15.	Total O&M Costs	\$0	\$0	\$0	\$0	\$115,660	\$54,262	\$29,786	\$0	\$8,833	\$92,866	\$32,149	(\$64,372)	\$269,183
16.	Participants Credits PSL unit 2 (a)													
17.	DUC	\$0	\$0	\$0	\$0	\$1,623	\$898	\$629	\$0	\$269	\$2,694	\$839	(\$1,970)	\$4,983
18.	FMFA	0	0	0	0	2,348	1,300	809	0	388	3,896	1,213	(2,849)	7,206
19.	Total Participants Credits PSL unit 2	\$0	\$0	\$0	\$0	\$3,971	\$2,199	\$1,538	\$0	\$658	\$6,590	\$2,052	(\$4,819)	\$12,189
20.	Total FPL O&M Costs	\$0	\$0	\$0	\$0	\$111,688	\$52,063	\$28,248	\$0	\$8,175	\$86,275	\$30,097	(\$59,553)	\$256,894
21.	Jurisdictional Factor (Nuclear - Production - Base)	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888
22.	Total FPL Jurisdictional Recoverable O&M Costs	\$0	\$0	\$0	\$0	\$111,296	\$51,880	\$28,149	\$0	\$8,146	\$85,972	\$29,991	(\$59,344)	\$256,091
23.	Total Jurisdictional O&M Costs From Most Recent Projection	0	0	0	0	0	0	0	0	0	0	0	0	0
24.	Difference (Line 23-24)	\$0	\$0	\$0	\$0	\$111,296	\$51,880	\$28,149	\$0	\$8,146	\$85,972	\$29,991	(\$59,344)	\$256,091

(a) Participant's ownership interest is calculated based on respective ownership rates (6.08951% for DUC and 8.806% for FMFA).

(b) December credit balance includes a reclass to capital for Grafel invoices totaling \$91,092 paid in October and July.

St. Lucie and Turkey Point Upgrade Project
Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Monthly Expenditures

(Section (S)(c)(1.b))
(Section (S)(d))

Schedule T-5 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the actual monthly expenditures by major tasks performed within Construction categories.

For the Year Ending 12/31/2008

COMPANY: FLORIDA POWER & LIGHT COMPANY

Witness: Wayne Powers and Rajiv S. Kundalwar

DOCKET NO.: 080009-EL

Line No.	Description	YTD 2007 \$3,705,000	Actual January (a)	(A) PTD	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) PTD Total
1.	Construction:															
2.	Generation:															
3.	License Application	\$207,750	(\$208,330)	\$5,404,193	\$542,052	\$781,713	\$3,736,696	(\$381,758)	\$1,292,557	\$2,099,005	\$3,377,131	\$1,848,429	\$3,957,235	\$3,696,111	\$3,175,737	\$20,998,094
4.	Engineering & Design	\$208,500	61,427	418,577	23,078	36,851	103,289	136,544	264,463	395,638	871,077	492,255	455,887	955,551	831,130	\$3,887,093
5.	Permitting	\$36,763	225,281	581,788	198,512	40,560	(16,630)	29,280	54,904	3,816	52,467	35,922	48,752	43,446	22,674	\$1,023,995
6.	Project Management	\$78,428	229,253	807,681	508,815	628,396	478,023	804,772	1,063,216	\$26,778	1,417,687	1,268,273	1,632,449	1,738,556	1,332,320	\$1,287,688
7.	Clearing, Grading and Excavation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.	On-Site Construction Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.	Power Block Engineering, Procurement, etc.	\$1,631,823	93,103	1,725,027	3,807,917	101,467	49,072	6,409	245,049	80,666	20,089	328,722	21,858,025	6,019,263	17,604,056	\$1,437,763
10.	Non-Power Block Engineering, Procurement, etc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.	Total Generation costs	\$3,824,014	\$312,728	\$6,937,244	\$5,078,373	\$1,788,867	\$4,360,956	\$582,925	\$2,923,128	\$3,506,203	\$5,838,451	\$3,965,842	\$27,352,347	\$12,442,830	\$22,965,818	\$30,744,501
12.	Participants Credits PSL unit 2 (b)	\$1,474,000														
13.	DUC	(\$39,182)	(\$39,182)	(\$44,646)	(\$190,935)	(\$95,782)	(\$135,352)	\$124,768	(\$37,441)	(\$67,265)	(\$85,939)	(\$81,896)	(\$395,726)	(\$198,198)	(\$598,521)	(\$1,798,673)
14.	FMPPA	(7,901)	(6,661)	(\$4,562)	(278,110)	(138,481)	(155,731)	180,426	(54,143)	(97,272)	(95,354)	(68,994)	(\$72,257)	(285,613)	(685,517)	(2,560,286)
15.	Total participants credits PSL unit 2	(\$13,305)	(\$85,543)	(\$109,208)	(\$467,045)	(\$234,243)	(\$331,083)	\$305,192	(\$81,584)	(\$184,538)	(\$181,293)	(\$151,550)	(\$1,174,011)	(\$1,464,038)	(\$3,222,818)	(\$4,358,959)
16.	Total FPL Generation Costs	\$6,861,761	\$216,985	\$6,828,036	\$4,812,328	\$1,554,624	\$4,029,873	\$498,120	\$2,831,544	\$3,341,665	\$5,657,158	\$3,814,292	\$26,384,362	\$11,958,119	\$21,501,880	\$26,384,362
17.	Jurisdictional Factor	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888
18.	Total FPL Jurisdictional Generation Costs	\$3,378,224	\$216,123	\$6,871,040	\$4,796,134	\$1,549,285	\$4,015,723	\$494,966	\$2,821,802	\$3,329,332	\$5,657,225	\$3,800,899	\$26,291,726	\$11,818,133	\$21,426,384	\$26,291,726
19.	Adjustments:															
20.	Non-Cash Accruals (c)	\$5,997,100	(\$316,000)	\$4,887,103	(\$4,987,103)	\$384,878	\$3,470,103	(\$1,048,245)	\$1,218,220	\$658,145	\$2,386,840	\$815,861	\$22,864,423	\$6,385,107	(\$14,864,343)	\$22,283,988
21.	Other Adjustments (c) (d)	(24,750)	(24,750)	(24,750)	(4,344)	(17,185)	2,466	(9,586)	(10,828)	(6,303)	(10,828)	(16,912)	(18,498)	(28,021)	(15,170)	(151,700)
22.	Total Adjustments	(\$24,750)	(\$316,750)	\$4,962,353	(\$4,991,447)	\$367,693	\$3,472,969	(\$1,057,831)	\$1,207,392	\$651,842	\$2,380,532	\$798,949	\$22,855,520	\$6,366,609	(\$14,882,364)	\$22,132,288
23.	Jurisdictional Factor	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888
24.	Total Jurisdictional Adjustments	\$3,274,888	(\$333,575)	\$4,844,930	(\$4,973,921)	\$368,503	\$3,480,376	(\$1,061,127)	\$1,201,223	\$645,194	\$2,377,535	\$796,144	\$22,775,272	\$6,344,235	(\$14,840,075)	\$22,146,510
25.	Total Jurisdictional Generation Costs Net of Adjustments	\$3,300,217	\$549,698	\$3,652,110	\$8,570,055	\$1,182,783	\$855,347	\$1,946,083	\$1,620,377	\$2,684,737	\$3,279,691	\$3,804,756	\$3,516,454	\$5,571,877	\$38,286,458	\$43,500,272
26.																
27.																
28.	Transmission:															
29.	Line Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30.	Substation Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31.	Clearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32.	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33.	Total Transmission Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34.	Jurisdictional Factor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35.	Total Jurisdictional Transmission Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36.	Adjustments:															
37.	Non-Cash Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38.	Other Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39.	Total Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40.	Jurisdictional Factor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41.	Total Jurisdictional Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42.	Total Jurisdictional Transmission Costs Net of Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43.																
44.																
45.	Total Jurisdictional Construction Costs Net of Adjustments	\$3,300,217	\$549,698	\$3,652,110	\$8,570,055	\$1,182,783	\$855,347	\$1,946,083	\$1,620,377	\$2,684,737	\$3,279,691	\$3,804,756	\$3,516,454	\$5,571,877	\$38,286,458	\$43,500,272

(a) The costs associated with the expansion of the Turkey Point and St. Lucie Nuclear Power Plants (upgrade project) were included in Account 183, Preliminary Survey and Investigation Charges for the period July 2007 through December 2007. On January 7, 2008, the Commission issued Order No. PSC-08-0021 (FPL-EI) approving FPL's need determination for the upgrades. In that Order the Commission determined that Rule No. 25-c(4)(2), F.A.D., is applicable to the costs of the upgrade 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. Subsequent to the March 1, 2008 filing costs/forecasts were also re-categorized from Line 4 (Engineering and Design) to Line 3 (License Application) for two specific contracts related to the License Amendment Request (LAR).

(b) Adjusted for billings at actual ownership amounts recorded at participant ownership rates of 6.08551% for DUC and 8.806% for FMPPA.

(c) Other adjustments represent Pension & Welfare Benefit credit.

P&W Jurisdictional Computation

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Other Adjustments	(\$24,750)	(\$4,344)	(\$17,185)	\$2,466	(\$8,586)	(\$12,762)	(\$10,678)	(\$10,828)	(\$15,912)	(\$6,903)	(\$16,498)	(\$28,021)	(\$158,100)
Jurisdictional Factor	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888	0.99648888
	(\$24,663)	(\$4,328)	(\$17,124)	\$2,457	(\$8,556)	(\$13,718)	(\$10,640)	(\$10,690)	(\$16,852)	(\$6,871)	(\$16,433)	(\$27,823)	(\$158,541)

(d) Non-cash accruals and other adjustments are net of participants for PSL2 (participant ownership rates of 6.08551% for DUC & 8.806% for FMPPA).

St. Lucie and Turkey Point Upgrade Project
Construction Costs and Carrying Costs on Construction Cost Balance
 True-up Filing: Monthly Expenditures

[Section (5)(c)1.a.]
 [Section (B)(d)]

Schedule T-SA (True-up)

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: FLORIDA POWER & LIGHT COMPANY
 DOCKET NO.: 090009-EI

EXPLANATION: Provide a description of the major tasks performed within Construction categories.

For the Year Ended 12/31/2008

Witness: Rajiv S. Kundalkar

Line

No. Major Task

Description - Includes, but is not limited to:

- | | |
|--|---|
| <p>1. Construction period:</p> <p>2. Generation:</p> <p>3. License Application</p> <p>4. Engineering & Design</p> <p>5. Permitting</p> <p>6. Project Management</p> <p>7. Clearing, Grading and Excavation</p> <p>8. On-Site Construction Facilities</p> <p>9. Power Block Engineering, Procurement, etc.</p> <p> a Turkey Point (PTN) 3&4 Generator Rotor Replacement</p> <p> b St. Lucie (PSL) 1&2 Generator Components</p> <p> c PSL 1&2 Low Pressure Turbine Analysis</p> <p> d PSL 1&2 Low Pressure Turbine Internals</p> <p> e PTN 3&4 Condenser Component Procurement</p> <p> f PSL & PTN Feedwater Heater Procurement</p> <p> g PSL & PTN Moisture Separator Reheater (MSR) Procurement</p> <p> h PSL & PTN Feedwater Flow Measurement (LEFM) Procurement</p> <p>10. Non-Power Block Engineering, Procurement, etc</p> <p>11.</p> <p>12. Transmission :</p> <p>13.</p> <p>14.</p> <p>15.</p> <p>16.</p> <p>17.</p> <p>18.</p> | <p>NRC requirements associated with the operating license (Nuclear Steam Supply System and Balance of Plant contracts for License Amendment Request)</p> <p>Utility and contracted engineering support staff</p> <p>Site certification and construction permits</p> <p>FPL and Contractor staff required to oversee/manage project</p> <p>Power block equipment and facilities engineering packages, material procurement, and implementation labor. Modifications/activities with significant costs in 2008 below.</p> <p>Procure new rotors for Generators. Installation later.</p> <p>Procure components for upgrade of Generators. Installation later.</p> <p>Analyze options and requirements for PSL Low Pressure Turbine modifications to accommodate increased steam flows from uprate conditions and guarantee heat rate.</p> <p>Procure new rotors and related equipment for PSL Low Pressure Turbines. Installation later.</p> <p>Procure major PTN Condenser components (accrued progress payments). Installation later.</p> <p>Procure PSL & PTN Feedwater Heaters (accrued progress payments). Installation later.</p> <p>Procure PSL & PTN MSRs (accrued progress payments). Installation later.</p> <p>Procure PSL & PTN Feedwater flow measurement components. Installation later.</p> <p>Non-power block equipment and facilities engineering packages, material procurement, and implementation labor (training simulator upgrades).</p> |
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**St. Lucie and Turkey Point Update Project
Construction Costs and Carrying Costs on Construction
True-up Filing: Variance Explanations**

[Section (8)(d)]

Schedule T-6B (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide annual variance explanations comparing the actual expenditures to the most recent projections filed with the Commission.

COMPANY: FLORIDA POWER & LIGHT COMPANY

For the Year Ended 12/31/2008

DOCKET NO.: 090009-EI

Witness: Rajiv S. Kundalkar

Line No.	(A) Total Actual	(B) Total Actual/Estimated	(C) Total Variance	(D) Explanation
1.				Construction:
2.				Generation:
3.				License Application \$29,509,091 \$34,012,730 (\$4,503,639)
4.				Engineering & Design 5,087,650 7,865,628 (2,577,977.91)
5.				Permitting 1,093,519 1,694,907 (601,387.99)
6.				Project Management 12,207,968 12,966,855 (758,887.45)
7.				Cleaning, Grading and Excavation 0 0 0
8.				On-Site Construction Facilities 0 0 0
9.				Power Block Engineering, Procurement, etc. 51,837,763 22,534,388 29,303,374.98
10.				Non-Power Block Engineering, Procurement, etc. 18,314 156,057 (137,743.00)
11.				Total Generation costs \$99,754,304 \$79,030,565 \$20,723,739 (a)
12.				
13.				
14.				
15.				
16.				
17.				Transmission:
18.				Line Engineering \$0 \$0 \$0
19.				Substation Engineering 0 0 0
20.				Cleaning 0 0 0
21.				Other 0 0 0
22.				Total Transmission Costs \$0 \$0 \$0
23.				
24.				
25.				
26.				
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28.				
29.				
30.				
31.				
32.				
33.				
34.				
35.				
36.				
37.				
38.				

(a) Actual/Estimated amount represents a Project To Date total (2007-2008).