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090009-EI

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Subject: FPSC Docket 09-00009-EI: SACE Motion for Leave to Supplement Testimony
Attachments: Motion Leave Supp Gundersen Testimony e.pdf

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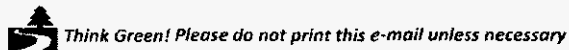
- b. Docket No. 090009-EI, In Re: Nuclear Cost Recovery
- c. Filed on behalf of Southern Alliance for Clean Energy (SACE)
- d. Total Pages =12
- e. SACE's Motion for Leave to Supplement Testimony of Arnold Gundersen

** Exhibit AG-9 was inadvertently omitted from previous filing. Filing made for sole purpose of including Exhibit AG-9.**

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Plant Cost
Recovery Clause

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DOCKET NO. 090009-EI
FILED: August 13, 2009

**SOUTHERN ALLIANCE FOR CLEAN ENERGY'S MOTION FOR LEAVE TO
SUPPLEMENT TESTIMONY OF ARNOLD GUNDERSEN**

The Southern Alliance for Clean Energy ("SACE"), by and through counsel, respectfully request leave to supplement the prefiled testimony of Arnold Gundersen, and in support thereof state:

1. On July 15, 2009, SACE timely filed the testimony and exhibits of Arnold Gundersen. In his prefiled testimony, Mr. Gundersen discussed, *inter alia*, the likelihood for scheduling delays and resulting uncertainty in the licensing of Progress Energy Florida's (PEF) Levy Units 1 and 2 AP 1000 reactors. Mr. Gundersen opined that these scheduling delays were due in part to uncertainty in the Nuclear Regulatory Commission's ("NRC") COLA licensing process, NRC delays in approving the AP1000 standard design, as well as geological issues with the Levy County site.

2. On July 28, 2009, after the time Mr. Gundersen prepared his prefiled testimony and exhibits, the NRC issued a letter setting forth its written estimate of the projected review schedule for the PEF Levy COLA. In the letter, the NRC stated, *inter alia*, that NRC staff anticipated that the schedule for the Levy COLA licensing review, and the safety and environmental reviews in particular, will require additional time than what was originally anticipated. The letter also noted that the AP1000 design certification and the Vogtle R-COLA review schedules were recently revised.

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3. This information was not available at the time Mr. Gundersen prepared, and SACE timely filed, his prefiled testimony. Therefore, Mr. Gundersen has prepared brief supplemental testimony discussing the July 28, 2009 NRC letter and attaching the letter as an exhibit thereto. This supplemental testimony involves no new opinions on the part of Mr. Gundersen; rather, it simply provides additional evidence for opinions previously offered by Mr. Gundersen in his prefiled testimony.

4. SACE submits that no party will be prejudiced by the granting of this Motion. Mr. Gundersen is making no changes to his original prefiled testimony, and further is not offering any new opinions not contained in his original testimony. Rather, he is simply offering new evidence which supports opinions he has previously offered. Furthermore, the July 28, 2009 letter was made an Exhibit to Mr. Gundersen's deposition testimony, and was further discussed at his deposition. Therefore, there will be no unfair surprise to any party, and ultimately granting this Motion will simply provide the Commission and the parties with information relevant and important to this proceeding with advance notice.

5. SACE has contacted the parties with respect to their position on this Motion. FPL and PEF have both indicated that they object to the Motion. OPC, PCS and Staff have all taken no position on the Motion.

WHEREFORE, FOR GOOD CAUSE SHOWN, SACE requests that the Commission enter an Order granting leave to file the attached supplemental testimony and Exhibit of Arnold Gundersen.

This the 13th day of August, 2009.

/s/James S. Whitlock
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Counsel for SACE

CERTIFICATE OF SERVICE

Docket No. 090009

I HEREBY CERTIFY that a true and correct copy of the foregoing **MOTION FOR LEAVE TO SUPPLEMENT TESTIMONY** has been furnished by electronic mail (e-mail) and/or U.S. Mail this the 13th day of August, 2009.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Nuclear Plant Cost
Recovery Clause**

**DOCKET NO. 090009-EI
FILED: August 13, 2009**

SUPPLEMENTAL TESTIMONY OF ARNOLD GUNDERSEN

**ON BEHALF OF
SOUTHERN ALLIANCE FOR CLEAN ENERGY (SACE)**

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1 **IN RE: NUCLEAR PLANT COST RECOVERY CLAUSE**
2 **BY THE SOUTHERN ALLIANCE FOR CLEAN ENERGY**
3 **FPSC DOCKET NO. 090009-EI**

4
5 **SUPPLEMENTAL TESTIMONY OF**
6 **ARNOLD GUNDERSEN**

7
8 **I. INTRODUCTION**

9 **Q. Please state your name and business address.**

10 **A. My name is Arnold Gundersen. My business address is Fairewinds Associates, Inc,**
11 **376 Appletree Point Road, Burlington, VT 05408.**

12
13 **Q. Are you the same Arnold Gundersen who previously provided prefiled**
14 **testimony in the above captioned matter regarding the likelihood of scheduling**
15 **delays at Levy County Units 1 and 2 and Turkey Point Units 6 and 7 on July 15,**
16 **2009?**

17 **A. Yes.**

18
19 **II. PURPOSE OF SUPPLEMENTAL TESTIMONY**

20 **Q. Why do you now wish to supplement your prefiled testimony of July 15, 2009?**

21 **A. I have been retained by the Southern Alliance for Clean Energy (SACE) to evaluate**
22 **the potential for scheduling delays and resulting uncertainty in the licensing and**
23 **construction of four AP 1000 reactors proposed for construction in Florida by Progress**
24 **Energy Florida (PEF) (Levy Units 1 and 2) and Florida Power and Light (FPL) (Turkey**

1 Point Units 6 and 7), and the effect of these delays and uncertainty on the long-term
2 feasibility of completion of these reactors.

3 On July 15, 2009, I testified to the likelihood for scheduling delays and resulting
4 uncertainty in the licensing of Progress Energy Florida's (PEF) Levy Units 1 and 2 AP
5 1000 reactors. In my testimony, I opined that scheduling delays were due in part to
6 uncertainty in the Nuclear Regulatory Commission's ("NRC") COLA licensing process,
7 NRC delays in approving the AP1000 standard design, as well as geological issues with
8 the Levy County site.

9 On July 28, 2009, almost two weeks after my prefiled testimony was submitted, the
10 Nuclear Regulatory Commission (NRC) issued a letter, attached as Exhibit AG-9, setting
11 forth its written estimate of the projected review schedule for the PEF Levy COLA. This
12 NRC staff letter, pursuant to a July 10, 2009 Atomic Safety and Licensing Board (ASLB)
13 Order, provides further evidence for and supports my original testimony.

14

15 **Q. Are you sponsoring any Exhibits to your Supplemental Testimony?**

16 **A.** Yes, I am sponsoring the following Exhibits:

17 AG-9. NRC Scheduling Letter 7-28-09

18

19

III. SUPPLEMENTAL TESTIMONY

20 **Q. How does the July 28, 2009 NRC letter marked Exhibit AG-9 support your**
21 **original July 15, 2009 testimony in this case?**

22 **A.** As referenced above, I previously testified as to the likelihood for scheduling delays
23 and resulting uncertainty in the licensing of Progress Energy Florida's (PEF) Levy Units
24 1 and 2 AP 1000 reactors. I further testified that there was uncertainty due to the possible

1 unique geological issues with the Levy County site. Finally, I testified as to additional
2 scheduling uncertainty in regards to the AP1000 reference site.

3

4 In its letter to ASLB, NRC staff states it is anticipated that the schedule for the Levy
5 COLA licensing review, and the safety and environmental reviews in particular, will
6 require additional time than what was originally anticipated. This is based in part on
7 geotechnical review of the proposed Levy site by the NRC. The letter also noted that the
8 AP1000 design certification and the Vogtle R-COLA review schedules were recently
9 revised.

10

11 Therefore, Exhibit AG-9 supports my prefiled testimony that “the scheduling
12 assumptions used for the four AP 1000 reactors proposed to be constructed in Florida are
13 not prudent, as there appears to be no contingency for events which are highly likely to
14 occur. In my opinion, neither FPL nor PEF have shown the long-term feasibility of
15 completing these reactors, and that these very optimistic schedules are even achievable
16 and it is most likely that cost overruns and schedule delays are unavoidable.” [Page 21
17 Line 8 Gundersen Prefiled Testimony]

18

19 **Q: Does this conclude this supplemental testimony?**

20 **A: Yes.**

July 28, 2009

Alex S. Karlin, Chair
Administrative Judge
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Anthony J. Baratta
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William M. Murphy
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In the Matter of
Progress Energy Florida, Inc.
(Levy County Nuclear Site, Units 1 and 2)
Docket Nos. 52-029 and 52-030

Dear Administrative Judges

Pursuant to the Board's July 10, 2009 Order, the Staff hereby submits its written estimate of the projected review schedule for the Progress Energy Levy COL application.

Pursuant to the current published schedule, the Staff would issue its Advanced Final Safety Evaluation Report with no open items on September 30, 2010. The Staff would issue its Final Safety Evaluation Report on May 5, 2011. The Staff does not anticipate publishing a draft safety evaluation report. Some applicant RAI responses, particularly in geotechnical review areas, have required additional time than is assumed in the current published safety review schedule. In addition, the AP1000 design certification and Vogtle R-COLA review schedules were recently revised. The NRC staff is currently assessing the impacts to the safety review schedule from these changes and anticipates that the schedule for the Levy COL safety review will change.

Pursuant to the current published schedule, the Staff would issue its draft Environmental Impact Statement on October 26, 2009. The Staff would issue its final Environmental Impact Statement on September 22, 2010. Some applicant RAI responses have required additional time than is assumed in the current published environmental review schedule. The Staff is currently assessing the impacts to the environmental review schedule from this delay, and anticipates that the schedule for the Levy COL environmental review will change.

Respectfully submitted,

/signed (electronically) by/
Sara B. Kirkwood
Counsel for the NRC Staff

NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)
)
)
PROGRESS ENERGY FLORIDA, INC.) Docket Nos. 52-029 and 52-030
)
)
(Levy County Nuclear Site, Units 1 and 2))

CERTIFICATE OF SERVICE

I hereby certify that copies of the NRC Staff's letter regarding the projected review schedule for the Progress Energy Levy COL application has been served on the following persons by Electronic Information Exchange on this 28th day of July, 2009:

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/Signed (electronically) by/

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Dated at Rockville, Maryland
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