

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC

10 AUG -2 PM 4:08

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

COMMISSION
CLERK

DATE: August 2, 2010
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Jennifer S. Crawford, Attorney Supervisor, Office of the General Counsel *JSC*
Mark A. Futrell, Public Utilities Supervisor, Division of Regulatory Analysis *MF*
RE: Docket No. 100000-OT, Undocketed filings

Please file the attached correspondence in the Undocketed file.

JSC

Attachments

DOCUMENT NUMBER DATE

06298 AUG-2 0

FPSC-COMMISSION CLERK

Jennifer Crawford

From: Rodriguez, Damaris [Damaris.Rodriguez@fpl.com]
Sent: Monday, August 02, 2010 12:50 PM
To: Mark Futrell
Cc: Beth Salak; Bob Trapp; HOFFMAN, KENNETH; Adams, Lynne; Keith, Terry J
Subject: FPL - Nuclear Waste Storage Cost - Questions from Staff
Attachments: FPL Responses to Staff Questions SNF Storage 8-2-10.pdf

Attached is FPL's updated response for question 2a.

**FPL's Responses to Questions from Florida Public Service Commission Staff
Regarding Spent Nuclear Fuel Storage Costs Received on July 29, 2010**

1(a) Has FPL received any money from the Department of Energy to help offset costs for on-site nuclear waste storage?

Response: Yes.

**FPL's Responses to Questions from Florida Public Service Commission Staff
Regarding Spent Nuclear Fuel Storage Costs Received on July 29, 2010**

1(b) If so, when were the funds received, how much was received, and how were these costs credited to the ratepayers? If not, has FPL requested funds from DOE and what is the status of the request?

Response: Pursuant to a settlement of FPL's spent nuclear fuel (SNF) damages claims against the U.S. Government (DOE), FPL and DOE agreed to an annual claims process under which FPL will submit its claims for certain reimbursable SNF management costs to DOE, and DOE is required to render a decision on FPL's claims within 90 days of submittal.

Pursuant to this process, an initial payment by DOE to FPL in the amount of \$77 million for spent fuel management costs incurred from 1998 through the end of 2007 was received by FPL in May 2009.

A subsequent payment by DOE to FPL in the amount of \$17.9 million for SNF management costs incurred in 2008 was received by FPL in July 2010.

FPL's claim for \$29.6 million in SNF management costs incurred in 2009 is pending.

Please also refer to FPL's response to Question No. 2(b).

**FPL's Responses to Questions from Florida Public Service Commission Staff
Regarding Spent Nuclear Fuel Storage Costs Received on July 29, 2010**

2(a) What is the annual cost for on-site nuclear waste storage for FPL?

Response: There are two types of costs that FPL incurs related to SNF storage at its nuclear plants.

- O&M costs related to operation of the spent fuel pools at Turkey Point and St. Lucie. These O&M costs on an annual basis are approximately \$350K to \$500K per site. Note that each site has 2 pools.
- Costs related to procurement and loading of dry storage casks. To date, one dry cask loading campaign was completed at St. Lucie in 2008 and one is currently ongoing. The cost of the completed 2008 loading campaign at St. Lucie was approximately \$4.1MM. The Turkey Point dry cask storage installation is currently under construction. When completed, FPL will incur approximately \$6MM to \$8MM in costs per dry cask loading campaign, which are conducted every two years or so. FPL believes that these costs are recoverable under the SNF settlement agreement with DOE.

**FPL's Responses to Questions from Florida Public Service Commission Staff
Regarding Spent Nuclear Fuel Storage Costs Received on July 29, 2010**

2(b) What rate mechanism (base rates or recovery clauses) is used to recover these costs?

Response: Costs, as well as any applicable DOE reimbursements, are charged/credited to base rates.

**FPL's Responses to Questions from Florida Public Service Commission Staff
Regarding Spent Nuclear Fuel Storage Costs Received on July 29, 2010**

2(c) What is the allocation of these costs between retail and wholesale customers?

Response: Nuclear costs are currently allocated between retail customers (98.8182%) and wholesale customers (1.1818%).