

In re: Nuclear cost recovery clause.

DOCKET NO. 100009-EI

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DATED: AUGUST 3, 2010

COMMISSION  
CLERK

STAFF'S PREHEARING STATEMENT

Pursuant to Order No., filed February 25, 2010, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

<u>Witness</u>	<u>Subject</u>
Joint Testimony of Lynn Fisher and David Rich	PSC Staff's Project Management Audits of FPL
Joint Testimony of William Coston and Kevin Carpenter	PSC Staff's Project Management Audits of PEF

b. All Known Exhibits

Staff intends to offer the following exhibit associated with the joint testimony of Lynn Fisher and David Rich:

<u>Exhibit</u>	<u>Title</u>
FR-1	Review of Florida Power & Light's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects

Staff intends to offer the following exhibit associated with the joint testimony of William Coston and Kevin Carpenter:

CC-1	Review of Progress Energy Florida's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects
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c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing.

DOCUMENT NUMBER: 06332 AUG-03

FPSC-COMMISSION CLERK

Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

**ISSUE 1:** Do FPL's activities related to Turkey Point Units 6 & 7 qualify as "siting, design, licensing, and construction" of a nuclear power plant as contemplated by Section 366.93, F.S.?

**POSITION:** No position at this time.

**ISSUE 2:** Do PEF's activities related to Levy Units 1 & 2 qualify as "siting, design, licensing, and construction" of a nuclear power plant as contemplated by Section 366.93, F.S.?

**POSITION:** No position at this time.

**ISSUE 3:** Does the Commission have the authority to require a "risk sharing" mechanism that would provide an incentive for a utility to complete a project within an appropriate, established cost threshold? If so, what action, if any, should the Commission take?

**POSITION:** No position at this time.

*Progress Energy Florida, Inc. – Company Specific Issues*

**ISSUE 4:** Should the Commission find that for the year 2009, PEF's accounting and costs oversight controls were reasonable and prudent for the Levy Units 1 & 2 project and the Crystal River Unit 3 Uprate project?

**POSITION:** No position at this time.

**ISSUE 5:** Should the Commission find that for the year 2009, PEF's project management, contracting, and oversight controls were reasonable and prudent for the Levy Units 1 & 2 project and the Crystal River Unit 3 Uprate project?

**POSITION:** No position at this time.

**ISSUE 6:** Should the Commission approve what PEF has submitted as its annual detailed analysis of the long-term feasibility of completing the Levy Units 1 & 2 project, as provided for in Rule 25-6.0423, F.A.C? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 7:** Is PEF's decision to continue pursuing a Combined Operating License from the Nuclear Regulatory Commission for Levy Units 1 & 2 reasonable? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 8:** Should the Commission approve what PEF has submitted as its annual detailed analysis of the long-term feasibility of completing the Crystal River Unit 3 Uprate project, as provided for in Rule 25-6.0423, F.A.C? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 9:** What system and jurisdictional amounts should the Commission approve as PEF's final 2009 prudently incurred costs and final true-up amounts for the Crystal River Unit 3 Uprate project?

**POSITION:** No position at this time.

**ISSUE 10:** What system and jurisdictional amounts should the Commission approve as PEF's reasonably estimated 2010 costs and estimated true-up amounts for the Crystal River Unit 3 Uprate project?

**POSITION:** No position at this time.

**ISSUE 11:** What system and jurisdictional amounts should the Commission approve as PEF's reasonably projected 2011 costs for the Crystal River Unit 3 Uprate project?

**POSITION:** No position at this time.

**ISSUE 12:** What system and jurisdictional amounts should the Commission approve as PEF's final 2009 prudently incurred costs and final true-up amounts for the Levy Units 1 & 2 project?

**POSITION:** No position at this time.

**ISSUE 13:** What system and jurisdictional amounts should the Commission approve as reasonably estimated 2010 costs and estimated true-up amounts for PEF's Levy Units 1 & 2 project?

**POSITION:** No position at this time.

**ISSUE 14:** What system and jurisdictional amounts should the Commission approve as reasonably projected 2011 costs for PEF's Levy Units 1 & 2 project?

**POSITION:** No position at this time.

**ISSUE 15:** What is the total jurisdictional amount to be included in establishing PEF's 2011 Capacity Cost Recovery Clause factor?

**POSITION:** No position at this time.

*Florida Power & Light Company – Company Specific Issues*

**ISSUE 16:** Should the Commission find that for the year 2009, FPL's accounting and costs oversight controls were reasonable and prudent for the Turkey Point Units 6 & 7 project and the Extended Power Uprate project?

**POSITION:** No position at this time.

**ISSUE 17:** Should the Commission find that for the year 2009, FPL's project management, contracting, and oversight controls were reasonable and prudent for the Turkey Point Units 6 & 7 project and the Extended Power Uprate project?

**POSITION:** No position at this time.

**ISSUE 18:** Should the Commission approve what FPL has submitted as its annual detailed analysis of the long-term feasibility of completing the Turkey Point 6 & 7 project, as provided for in Rule 25-6.0423, F.A.C? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 19:** Is FPL's decision to continue pursuing a Combined Operating License from the Nuclear Regulatory Commission for Turkey Point Units 6 & 7 reasonable? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 20:** Should the Commission approve what FPL has submitted as its annual detailed analysis of the long-term feasibility of completing the Extended Power Uprate

project, as provided for in Rule 25-6.0423, F.A.C? If not, what action, if any, should the Commission take?

**POSITION:** No position at this time.

**ISSUE 21:** What system and jurisdictional amounts should the Commission approve as FPL's final 2009 prudently incurred costs and final true-up amounts for the Extended Power Uprate project?

**POSITION:** No position at this time.

**ISSUE 22:** What system and jurisdictional amounts should the Commission approve as FPL's reasonable actual/estimated 2010 costs and estimated true-up amounts for the Extended Power Uprate project?

**POSITION:** No position at this time.

**ISSUE 23:** What system and jurisdictional amounts should the Commission approve as FPL's reasonably projected 2011 costs for the Extended Power Uprate project?

**POSITION:** No position at this time.

**ISSUE 24:** What system and jurisdictional amounts should the Commission approve as FPL's final 2009 prudently incurred costs and final true-up amounts for the Turkey Point Units 6 & 7 project?

**POSITION:** No position at this time.

**ISSUE 25:** What system and jurisdictional amounts should the Commission approve as reasonably estimated 2010 costs and estimated true-up amounts for FPL's Turkey Point Units 6 & 7 project?

**POSITION:** No position at this time.

**ISSUE 26:** What system and jurisdictional amounts should the Commission approve as reasonably projected 2011 costs for FPL's Turkey Point Units 6 & 7 project?

**POSITION:** No position at this time.

**ISSUE 27:** What is the total jurisdictional amount to be included in establishing FPL's 2011 Capacity Cost Recovery Clause factor?

**POSITION:** No position at this time.

e. Stipulated Issues

None at this time.

f. Pending Motions

Staff has no pending motions.

g. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests.

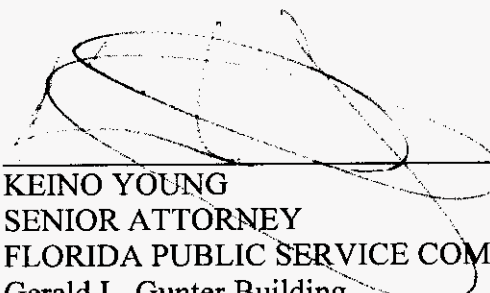
h. Objections to Witness Qualifications as an Expert

None.

i. Compliance with Order No. PSC-10-0115-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

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DATED: AUGUST 3, 2010

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of STAFF'S PREHEARING STATEMENT has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic and U.S. Mail, on this 3rd day of August, 2010:

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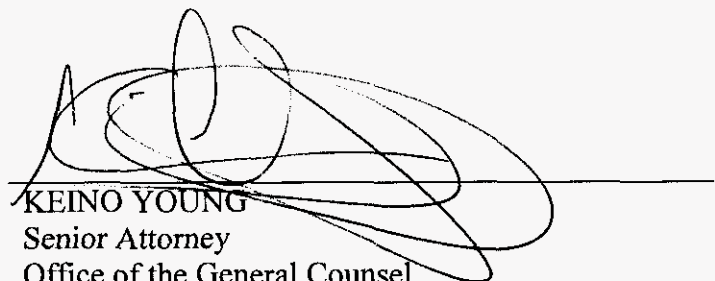
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