

**Diamond Williams**

**From:** Bruette Davis [bdavis@kagmlaw.com]  
**Sent:** Monday, April 11, 2011 3:10 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Keino Young; john.burnett@pgnmail.com; cecilia.bradley@myfloridalegal.com; kelly.jr@leg.state.fl.us; Charles Rehwinkel; sayler.erik@leg.state.fl.us  
**Subject:** Docket No. 100437-EI; PEF CR3  
**Attachments:** FIPUG Response in Opposition to Motion to Bifurcate 4.11.11.pdf

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

- a. The name, address, telephone number and email for the person responsible for the filing is:  

Vicki Gordon Kaufman  
Keefe Anchors Gordon & Moyle  
118 North Gadsden Street  
Tallahassee, FL 32301  
(850) 681-3828  
[vkaufman@kagmlaw.com](mailto:vkaufman@kagmlaw.com)
- b. This filing is made in Docket No. 100437-EI.
- c. The document is filed on behalf of Florida Industrial Power Users Group.
- d. The total pages in the document are 4 pages.
- e. The attached document is The Florida Industrial Power Users Group’s Response in Opposition to Progress Energy, Inc.’s Motion to Bifurcate.

Bruette Davis  
[bdavis@kagmlaw.com](mailto:bdavis@kagmlaw.com)



Keefe, Anchors, Gordon and Moyle, P.A.  
The Perkins House  
118 N. Gadsden St.  
Tallahassee, FL 32301  
850-681-3828 (Voice)  
850-681-8788 (Fax)  
[www.kagmlaw.com](http://www.kagmlaw.com)

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

Examination of the outage and replacement  
fuel/power costs associated with the CR3  
steam generator replacement project, by  
Progress Energy Florida, Inc.

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Docket No. 100437-EI

Filed: April 11, 2011

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S  
RESPONSE IN OPPOSITION TO PROGRESS ENERGY, INC.'S  
MOTION TO BIFURCATE**

Pursuant to rule 28-106.204, Florida Administrative Code, the Florida Industrial Power Users Group (FIPUG), through its undersigned counsel, files this response in opposition to Florida Progress Energy, Inc.'s (PEF) Motion to Bifurcate. As grounds therefor, FIPUG states:

**Case Background**

1. In October, 2010, at PEF's request, the Commission spun out from the fuel docket issues related to the shutdown of PEF's nuclear Crystal River Unit 3 (CR3).<sup>1</sup> This docket was established to review the actions at CR3 which resulted in the extended outage.

2. PEF originally proposed a case schedule which would have culminated in a hearing in August 2011. PEF then proposed an extension to the schedule because CR3 did not return to service in the first quarter of 2011 as PEF had predicted. Due to continued delays of CR3's return to service, Intervenors expressed concern regarding PEF's estimates as to when CR3 would come back on line, particularly because the Commission permitted PEF full recovery (rather than partial recovery as urged by FIPUG, OPC, and the Attorney General) for replacement fuel costs, subject to refund, in the fuel factor for 2011.

3. A status conference was held in January 2011 before Prehearing Officer Balbis to allow PEF to provide an update on CR3's status and to discuss scheduling. PEF indicated that it

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<sup>1</sup> Order No. PSC-10-0632-PCO-EI.

expected CR3 to return to service in the 1<sup>st</sup> quarter of 2011. PEF was instructed to file a status update if CR3 did not return to service in the 1<sup>st</sup> quarter of 2011.<sup>2</sup>

4. On April 4, 2011, PEF filed a Motion to Bifurcate with its Status Report as an attachment.

**PEF's Motion to Bifurcate is Premature**

5. PEF provides a paucity of information in its Status Report regarding the cause of the additional delay. It has one paragraph in the Status Report regarding very generally what has occurred, which provides little information, and spends the remainder of the Report explaining why the docket should be bifurcated.

6. The only information PEF provided in the Status Report is that a delamination issue arose during the retensioning of the CR3 containment building. There is no information as to how this relates to the retensioning work that was on-going, how this impacts that work, what relationship there is between the containment retensioning and the delamination in the adjacent bays, what impact this will have on the return to service or how this will impact ratepayer costs. PEF has simply not provided sufficient information for FIPUG to meaningfully respond to its bifurcation proposal.

6. Thus, FIPUG requests that PEF be required to update its status report with specific details regarding the status of CR3 events or alternatively, that a status conference be held where Intervenor and the Commission are provided with specific details on the status of CR3, including the most recent events.

7. The date PEF proposes for bifurcation, March 15, 2011, appears at this point to be arbitrary, at least in the light of the lack of information provided about the status of the

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<sup>2</sup> Order No. PSC-11-0108-PCO-EI.

delamination issues and their impact on CR3's return to service. FIPUG can make no judgment whether PEF's proposal is reasonable or not, given the lack of information provided.

**Ratepayers Should Be Held Harmless**

8. PEF's is currently collecting a substantial amount of money through the 2011 fuel clause, subject to refund, related to the CR3 outage and a determination of prudence.<sup>3</sup>

9. Because PEF's predictions regarding the return to service of CR3 continue to be extended, FIPUG believes that it is critical to determine the impact of such delay on the ratepayers and to devise a method by which ratepayers will be held harmless until this matter is resolved.

**WHEREFORE**, FIPUG requests that the Commission deny PEF's Motion to Bifurcate at this time and require PEF to provide more information regarding CR3's status.

s/ Vicki Gordon Kaufman

Vicki Gordon Kaufman  
Jon C. Moyle, Jr.  
Keefe Anchors Gordon & Moyle, PA  
118 North Gadsden Street  
Tallahassee, Florida 32301  
Telephone: (850)681-3828  
Facsimile: (850)681-8788  
vkaufman@kagmlaw.com  
jmoyle@kagmlaw.com

Attorneys for the Florida Industrial Power Users  
Group

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<sup>3</sup> PEF is currently authorized to collect over \$160 million related to the CR3 outage through the fuel factor.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Response in Opposition to Motion to Bifurcate was served by Electronic Mail and United States Mail this 11th day of April, 2011, to the following:

Keino Young  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
[kyoung@psc.state.fl.us](mailto:kyoung@psc.state.fl.us)

John Burnett  
Progress Energy Florida, Inc.  
PO Box 14042  
St. Petersburg, FL 33733-4042  
[john.burnett@pgnmail.com](mailto:john.burnett@pgnmail.com)

Cecilia Bradley  
Office of Attorney General  
The Capitol, PL01  
Tallahassee, Florida 32399-1050  
[cecilia.bradley@myfloridalegal.com](mailto:cecilia.bradley@myfloridalegal.com)

J. R. Kelly  
Charles Rehwinkel  
Erik Sayler  
Office of Public Counsel  
111 W. Madison Street, Room 812  
Tallahassee, Florida 32399-1400  
[kelly.jr@leg.state.fl.us](mailto:kelly.jr@leg.state.fl.us)  
[rehwinkel.charles@leg.state.fl.us](mailto:rehwinkel.charles@leg.state.fl.us)  
[sayler.erik@leg.state.fl.us](mailto:sayler.erik@leg.state.fl.us)

s/ Vicki Gordon Kaufman  
Vicki Gordon Kaufman