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COMMISSION
CLERK

July 25, 2011

-VIA HAND DELIVERY -

Ms. Ann Cole, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 110009-EI

Dear Ms. Cole:

Please find enclosed for filing in the above referenced docket the original and fifteen (15) copies of the rebuttal testimony and exhibits of the following Florida Power & Light Company witnesses: A. Olivera; J.A. Stall; W. Powers; T. Jones; S. Sim; T. Deason, Radey Thomas Yon and Clark; W. Derrickson, WPD Associates; and J. Reed, Concentric Energy Advisors.

If there are any questions regarding this transmittal, please contact me at 561-304-5253.

Sincerely,

Bryan S. Anderson
Fla. Authorized House Counsel No. 219511

COM	_____
APA	_____ Enclosures
ECR	2cc: Counsel for Parties of Record (w/encl.)
GCL	_____
RAD	_____
SSC	_____
ADM	_____
OPC	_____
CLK	_____

an FPL Group company

DOCUMENT NUMBER-DATE
05145 JUL 25 =
FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE
DOCKET NO. 110009-EI**

I HEREBY CERTIFY that a true and correct copy of FPL's rebuttal testimony and exhibits was served via hand delivery* or overnight delivery this 25th day of July 2011, to the following:

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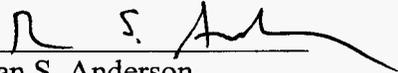
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**DOCKET NO. 110009-EI
FLORIDA POWER & LIGHT COMPANY**

**IN RE: NUCLEAR POWER PLANT COST RECOVERY AMOUNT
TO BE RECOVERED DURING THE PERIOD
JANUARY - DECEMBER 2012**

REBUTTAL TESTIMONY OF:

ARMANDO J. OLIVERA

COM	5
APA	1
ECR	6
GCL	+
RAD	+
SSC	—
ADM	—
OPC	—
CLK	C.F.R.P.R.

DOCUMENT NUMBER-DATE

05145 JUL 25 =

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1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **REBUTTAL TESTIMONY OF ARMANDO J. OLIVERA**

4 **DOCKET NO. 110009-EI**

5 **JULY 25, 2011**

6
7 **Q. Please state your name and business address.**

8 A. My name is Armando J. Olivera. My business address is Florida Power &
9 Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408.

10 **Q. Have you previously provided testimony in this docket?**

11 A. Yes.

12 **Q. What is the purpose of your rebuttal testimony?**

13 A. My rebuttal testimony addresses the direct testimony provided by William R.
14 Jacobs on behalf of the Office of Public Counsel.

15 **Q. Please provide a summary response to Witness Jacobs's testimony.**

16 A. The heart of Mr. Jacobs's claim is that FPL's 2007 decision to undertake the
17 Extended Power Uprate Project (EPU project) on an expedited basis was
18 imprudent.

19
20 Based on this claim, Mr. Jacobs asserts that capital costs of the EPU project
21 should be disallowed to the extent EPU generation costs may be projected to
22 exceed natural gas generation costs.

1 This “heads I win, tails you lose” claim is absolutely contrary to the regulatory
2 framework provided for by the Legislature and the Commission aimed at
3 promoting the development of new nuclear generation which has been relied
4 upon by FPL in undertaking the EPU project on an expedited basis.

5
6 In the 2007 EPU project need determination case, FPL made it absolutely
7 clear that the regulatory framework contained in the nuclear cost recovery
8 statute and rule were essential to its willingness to undertake this capital-
9 intensive nuclear investment on an expedited basis. FPL therefore asked that
10 the Commission confirm that the nuclear cost recovery framework would
11 apply to the EPU project, which the Commission did in its need determination
12 order.

13
14 To be very clear, absent the assurances requested by FPL and provided by the
15 Commission in its EPU project need determination order that the nuclear cost
16 recovery regulatory framework would be applied to the EPU project, FPL
17 would not have undertaken the EPU project on an expedited basis and would
18 have constructed natural gas fired generation.

19 **Q. Does this conclude your testimony?**

20 **A. Yes.**