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Sent: Thursday, November 08, 2012 11:52 AM
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Subject: E-filing Docket 120001 -EI
Attachments: Progress Nov 5 fuel docket hearing 120001- PDF.pdf



Progress Nov 5
uel docket hea..

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:

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b. This filing is made in Docket No. 120001-EI.

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor

c. The document is filed on behalf of Federal Executive Agencies.

d. There are a total of 4 pages.

e. The attached document is FEA's POST HEARING BRIEF AND STATEMENT OF ISSUES AND POSITIONS.

Thank you for your attention and cooperation to this request.

Very Respectfully

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DOCUMENT NUMBER-DATE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
Clause with generating performance incentive
factor

Docket No. 120001-EI
Filed: November 8, 2012

**POST-HEARING STATEMENT OF ISSUES AND POSITIONS AND
POST-HEARING BRIEF OF THE FEDERAL EXECUTIVE AGENCIES**

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DOCUMENT NUMBER-DATE

07542 NOV-8 12

FPSC-COMMISSION CLERK

PRELIMINARY STATEMENT

COME NOW the Federal Executive Agencies, by and through counsel, in the above-captioned proceeding states as follows: Pursuant to Florida Public Service Commission (“Commission”) Order NO. PSC-12-0061-PCO-EI and rule 28-106.215, Florida Administrative Code, the Federal Executive Agency files its Post-Hearing Brief and its Post-Hearing Statement of Issues and Positions issues that were not adopted in stipulation.

The following abbreviations are used in this brief. The Federal Executive Agencies are referred to as FEA. The Florida Industrial Power Users Group is referred to as FIPUG. The Progress Energy Florida, Inc. is referred to as Progress.

FEDERAL EXECUTIVE AGENCIES’ POST-HEARING BRIEF

Pursuant to the Public Service Commission of the State of Florida, Florida Administrative Code Rule 28-106.215, FEA hereby submits this Post-Hearing Brief in the above-referenced docket.

SUMMARY OF THE FEA POSITIONS

Issue 1D: What amount, if any, should PEF include in its 2012 projections to account for potential insurance recoveries for Crystal River Unit 3 from Nuclear Electric Insurance Limited?

FEA: FEA adopts the position of FIPUG. Furthermore, FEA points out the fact that any additional costs to FEA will directly and negatively impact the military mission in Florida. The funds used for paying utility bills come out of the Operations and Maintenance budget. Every base has a wing commander that is ultimately responsible for achievement of the bases mission. Every year the base is allocated a portion of the money appropriated by congress to carry on that mission. The appropriated money pays for things like fuel for the jets, deployment gear, and training for deploying personnel, and that same pot of money also needs to cover all base utility bills. Thus, every dollar of increased utility cost is a dollar less that the wing commander can spend on the flying mission, the national security mission, the deployment mission, et cetera. In addition, the Department of Defense is looking down the barrel of sequestration. This will be a budget cut of \$500 billion dollars in the next couple months if congress does not act. This cut in budget will dramatically impact the military mission in all states, including Florida. If the military is hit with higher utilities in

Florida, combined with sequestration, then something has to give. The military may cut personnel or even bases to help defray ever expanding utility costs and budget cuts. Less mission and personnel in Florida means fewer taxpayers and shrinks the utility rate payer group. That's why FEA intervened in this case. The goal is to make sure that Progress is operating prudently, while at the same time able to provide reliable service. Same as FIPUG, FEA believes Progress should file two insurance claims for the delamination that occurred at the Crystal River Unit 3. The paid insurance claim would be a significant savings which in turn would be passed to FEA consumers. The utility cost savings would be substantial.

Respectfully submitted this 8th day of November, 2012

s/ Chris Thompson

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CERTIFICATE OF SERVICE

Docket No. 120001-EI

I **HEREBY CERTIFY** that a true e-copy of the foregoing was furnished on the 8th day of November, 2012, to the following:

Florida Public Service Commission

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s/ Chris Thompson

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