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March 2, 2015

-VIA ELECTRONIC FILING-

Carlotta Stauffer, Director
Division of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 150009-EI; Nuclear Cost Recovery Clause

Dear Ms. Stauffer:

Please find enclosed for filing in the above referenced docket Florida Power & Light Company's ("FPL's") Petition for Approval of Nuclear Power Plant Cost Recovery True-Up for the Year Ending 2014, along with the testimony and exhibits of four witnesses, including FPL's Nuclear Filing Requirements.

This filing is being made via the Florida Public Service Commission's Web Based Electronic Filing portal and consists of six submittals, each including a signed certificate of service. This letter and the petition are being filed as submittal 1 of 6. The remaining documents are being submitted as follows:

- Prefiled Testimony and Exhibits of S. Scroggs (2 of 6);
- Prefiled Testimony and Exhibits of J. Grant-Keene (3 of 6);
- Prefiled Testimony and Exhibits of N. Diaz (4 of 6);
- Prefiled Testimony and Exhibits of J. Reed (5 of 6); and
- FPL's Nuclear Filing Requirements (6 of 6).

If there are any questions regarding this filing, please contact me at 561-304-5226.

Sincerely,

s/ Jessica A. Cano

Jessica A. Cano

Fla. Bar No. 0037372

Enclosures

cc: Counsel for Parties of Record (w/encl.)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost)
Recovery Clause)

Docket No. 150009-EI
Filed: March 2, 2015

**PETITION FOR APPROVAL OF NUCLEAR POWER PLANT COST RECOVERY
TRUE-UP FOR THE YEAR ENDING DECEMBER 2014**

Florida Power & Light Company (“FPL”), pursuant to Section 366.93, Florida Statutes, and Rule 25-6.0423, Florida Administrative Code, hereby petitions the Florida Public Service Commission (“the Commission”) for approval of its 2014 Nuclear Power Plant Cost Recovery (“NPPCR”) true-up amount of a \$691,433 over-recovery, and for a determination that FPL prudently incurred its 2014 NPPCR costs. In support of this Petition, FPL states as follows:

INTRODUCTION

1. FPL is a corporation with headquarters at 700 Universe Boulevard, Juno Beach, Florida 33408. FPL is an investor-owned utility operating under the jurisdiction of the Commission pursuant to the provisions of Chapter 366, Florida Statutes.¹ FPL is a wholly-owned subsidiary of NextEra Energy, Inc., a registered holding company under the Federal Public Utility Holding Company Act and related regulations. FPL provides generation, transmission, and distribution service to approximately 4.7 million retail customers.

2. Any pleading, motion, notice, order or other document required to be served upon FPL or filed by any party to this proceeding should be served upon the following individuals:

¹ All references to Florida Statutes are to the 2014 Florida Statutes.

Kenneth Hoffman
Vice President Regulatory Affairs
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850-521-3919
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3. This Petition is being filed consistent with Rule 28-106.201, Florida Administrative Code. The agency affected is the Florida Public Service Commission, located at 2540 Shumard Oak Blvd, Tallahassee, FL 32399. This case does not involve reversal or modification of an agency decision or an agency's proposed action. Therefore, paragraph (c) and portions of paragraphs (e), (f) and (g) of subsection (2) of such rule are not applicable to this Petition. In compliance with paragraph (d), FPL states that it is not known which, if any, of the issues of material fact set forth in the body of this Petition, or the supporting testimony, exhibits and Nuclear Filing Requirements ("NFRs") filed herewith, may be disputed by others planning to participate in this proceeding.

BACKGROUND AND OVERVIEW

4. Section 366.93, Florida Statutes, was adopted by the Legislature in 2006 to promote utility investment in nuclear power plants. The Commission's NPPCR Rule, Rule 25-6.0423, Florida Administrative Code, implements this statute and provides for the annual review of expenditures and annual recovery of eligible costs through the Capacity Cost Recovery Clause ("CCRC"). FPL's pursuit of additional nuclear generation is made possible by the available cost recovery mechanism.

5. By Order No. PSC-08-0237-FOF-EI, issued April 11, 2008, the Commission made an affirmative determination of need for FPL's Turkey Point 6 & 7 new nuclear project. This project is eligible for NPPCR treatment pursuant to Section 366.93(3), Florida Statutes, and Rule 25-6.0423, Florida Administrative Code.

6. Customers are expected to benefit significantly from the additional nuclear capacity and generation that would be provided by the Turkey Point 6 & 7 project. In addition to being emission-free, additional nuclear energy improves the fuel diversity of FPL's system – acting as a hedge against potentially volatile fossil fuel prices and improving energy independence – and substantially reduces fuel costs charged to customers after the units enter commercial operation.

7. In 2014, the Turkey Point 6 & 7 project was in the “preconstruction” phase, as that term is defined by Section 366.93(1)(f), Florida Statutes. Accordingly, FPL is recovering “preconstruction costs,” as those costs are defined by Rule 25-6.0423(2)(g) and (h), and carrying costs it is incurring for the Turkey Point 6 & 7 project. These costs are necessary to pay vendors and personnel working to obtain the required licensing and certification for the Turkey Point 6 & 7 project. FPL is neither incurring nor recovering any post-licensing preconstruction or construction costs.

8. The NPPCR amount that FPL is currently recovering for the Turkey Point 6 & 7 project, as approved by Order No. PSC-14-0617-FOF-EI, was based in part on actual/estimated 2014 cost data. As described below and in the testimony being filed herewith, the true-up of FPL's actual 2014 NPPCR amount is an over-recovery of \$691,433 to be returned to customers

through the CCRC in 2016.² FPL is seeking approval of this amount and a prudence determination with respect to the underlying actual 2014 Turkey Point 6 & 7 project activities and resulting costs.

9. The prepared testimony and exhibits of FPL witnesses Steven Scroggs, Jennifer Grant-Keene, Nils Diaz and John Reed are being filed together with this Petition and are incorporated herein by reference. Exhibit SDS-1 to the testimony of FPL witness Scroggs, parts of which are sponsored or co-sponsored by FPL witness Grant-Keene, contains the true-up NFR schedules for 2014 Turkey Point 6 & 7 costs. These NFR schedules were developed by the Commission Staff working with FPL, the Office of Public Counsel, and others.³

2014 PROJECT SUMMARY

10. During 2014, FPL continued its pursuit of the approvals and authorizations necessary to proceed with the Turkey Point 6 & 7 project. In the Site Certification Application process, FPL was granted State Site Certification by the Power Plant Siting Board. The final order provides Certification for the Turkey Point 6 & 7 project, including all associated transmission lines and facilities. In the Nuclear Regulatory Commission (“NRC”) licensing process, significant progress was made including receipt of a revised NRC Review Schedule for completing the NRC’s review of FPL’s Combined License Application. After receipt of the revised NRC review schedule, FPL reviewed and revised its overall project schedule and now

² FPL is not seeking recovery of a \$2,871 underrecovery related to the final accounting and close-out of the Extended Power Uprate (“EPU”) project, construction of which was successfully completed in 2013. The adjustments to remove this amount from FPL’s request are shown on Exhibit JGK-2, which consist of the EPU True-Up NFRs.

³ The NPPCR NFRs consist of True-Up (T), Actual/Estimated (AE), Projected (P), and True-Up to Original (TOR) Schedules. The T Schedules are typically filed in March and provide the true-up for the prior year. The remaining schedules are typically filed in May.

estimates in-service dates of 2027 and 2028 for Units 6 and 7, respectively. As discussed in the testimony and exhibits of Steven Scroggs, the five year revision is the result of (i) a longer NRC review timeframe and (ii) the fact that pursuant to the current NPPCR statute, preconstruction work cannot occur in parallel with that NRC licensing review.

11. In total, FPL incurred about \$691,433 less than estimated for 2014. FPL's 2014 Turkey Point 6 & 7 costs included preconstruction costs and associated carrying costs, as well as carrying costs on its site selection costs. In 2014, FPL incurred \$18,448,666 in preconstruction costs (jurisdictional), \$4,970,056 in preconstruction carrying costs, and \$158,482 in site selection carrying costs for Turkey Point 6 & 7. FPL witness Scroggs's testimony discusses FPL's 2014 Turkey Point 6 & 7 activities and preconstruction costs, while FPL witness Grant-Keene presents the calculation of the recoverable preconstruction costs, preconstruction carrying costs, and site selection carrying costs pursuant to the Rule, and related accounting controls. As demonstrated by each of those witnesses, and supported by the testimony of FPL witnesses Diaz and Reed, the Turkey Point 6 & 7 expenditures were prudently incurred at the direction of properly qualified and well-informed FPL management, subject to comprehensive cost and accounting controls, and based on decisions that resulted from robust project planning and project management processes.

CONCLUSION

WHEREFORE, Florida Power & Light Company respectfully requests that the Commission (i) determine that FPL's actual 2014 Turkey Point 6 & 7 costs were prudently incurred and approve for recovery the true-up of the preconstruction costs, preconstruction carrying costs, and site selection carrying costs; and (ii) approve the resulting total 2014 NPPCR

true-up over-recovery amount of \$691,433 for inclusion in the calculation of the CCRC factors for the period beginning January 2016.

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By: s/ Jessica A. Cano
Jessica A. Cano
Fla. Bar No. 0037372

**CERTIFICATE OF SERVICE
DOCKET NO. 150009-EI**

I HEREBY CERTIFY that a true and correct copy of FPL's Petition for Approval of Nuclear Power Plant Cost Recovery True-Up for the Year Ending December 2014 was served electronically this 2nd day of March, 2015, to the following:

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