

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause)
_____) Docket No. 150009-EI
) Filed: July 8, 2015

PREHEARING STATEMENT OF
WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.
d/b/a PCS PHOSPHATE – WHITE SPRINGS

Pursuant to the Florida Public Service Commission’s January 30, 2015, *Order Establishing Procedure*, Order No. PSC-15-0082-PCO-EI, (“*Procedural Order*”), White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (“PCS Phosphate”), through its undersigned attorney, files its Prehearing Statement.

A. APPEARANCES

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B. WITNESSES

PCS Phosphate will sponsor no witnesses.

C. EXHIBITS

PCS Phosphate may offer exhibits based on responses to discovery requests as well as the testimony offered by Duke Energy Florida (“Duke” or “DEF”) and other party witnesses at the hearing.

D. STATEMENT OF BASIC POSITION

In March 2012, the Commission issued Order No. PSC-12-0104-FOF-EI which approved a stipulation and settlement agreement among DEF, the Office of Public Counsel (“OPC”) and other consumer party intervenors, including PCS Phosphate. In November 2013, in Order No. PSC-13-0598-FOF-EI, the Commission approved the Revised and Restated Stipulation and Settlement Agreement (“RRSSA”) among Duke and the intervenor settling parties. In the 2014 NCRC proceeding, the Commission approved the stipulated resolution of a number of issues related to DEF’s project management, contracting, accounting and cost oversight controls for the Levy Units 1 and 2 project and the CR3 Uprate project; the total prudently incurred jurisdictional amounts for the Levy Units 1 and 2 project and the CR3 Uprate project; and the CR3 Uprate Project exit and wind down costs. The Commission, in order PSC-14-0617-FOF-EI, addressed contested issues and required DEF to make a downward adjustment of \$54,127,100 to its projected 2015 project expenses related to the termination of the Levy EPC contract. Finally, in its May 6, 2015 order in this docket, Order No. PSC-15-0176-TRF-EI, the Commission approved DEF’s petition, submitted in accordance with the provisions of the RTSSA, to end recovery of the fixed Levy rate component in May of this year. In that order, the Commission declined DEF’s request to approve deferred collection of approximately \$54 million in unrecovered Levy costs (plus carrying charges) which DEF has claimed should be recovered from the Westinghouse consortium engaged by DEF to engineer and construct the Levy units.

Based upon the above-referenced Commission final determinations, there are no remaining known and recoverable costs associated with Levy Units 1 and 2 that are recoverable through the nuclear cost recovery clause in 2016. With respect to remaining clause-eligible costs associated with the now-defunct CR3 unit, Duke bears the burden of demonstrating the reasonableness of all costs and that its requested recovery is consistent with Section 366.93, Florida Statutes, Rule 25-6.0423, Florida Administrative Code, and the RRSSA.

E. STATEMENT ON SPECIFIC ISSUES

PCS Phosphate takes the following positions on the specific issues presented below as they pertain to DEF:

Florida Power & Light Company, Issues

ISSUE 1: Should the Commission approve as reasonable what FPL has submitted as its 2015 annual detailed analysis of the long-term feasibility of completing the Turkey Point Units 6 & 7 project, as provided for in Rule 25-6.0423, F.A.C?

PCS Phosphate: No position.

ISSUE 1A: What is the current total estimated all-inclusive cost (including AFUDC and sunk costs) of the proposed Turkey Point Units 6 & 7 nuclear project?

PCS Phosphate: No position.

ISSUE 1B: What is the current estimated planned commercial operation date of the planned Turkey Point Units 6 & 7 nuclear facility?

PCS Phosphate: No position.

ISSUE 2: Should the Commission find that FPL's 2014 project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Turkey Point Units 6 & 7 project?

PCS Phosphate: No position.

ISSUE 3A: (Legal): Pursuant to Section 366.93, Florida Statutes, can costs, which are not related to, or necessary for, obtaining or maintaining a combined

license from the Nuclear Regulatory Commission for a nuclear power plant be incurred prior to the issuance of the COL and deferred for later recovery?

PCS Phosphate: No position.

ISSUE 3B: Are the Initial Assessment costs incurred as set forth in FPL's Petition and Testimony for which FPL is seeking deferred recovery, costs that are related to or necessary for obtaining or maintaining a combined license?

PCS Phosphate: No position.

ISSUE 3C: Should the Commission approve FPL's proposal to incur and defer for later recovery its Initial Assessment costs, as set forth in FPL's petition and supporting testimony?

PCS Phosphate: No position.

ISSUE 4: What jurisdictional amounts should the Commission approve as FPL's actual 2014 prudently incurred costs and final true-up amounts for the Turkey Point Units 6 & 7 project?

PCS Phosphate: No position.

ISSUE 5: What jurisdictional amounts should the Commission approve as reasonably estimated 2015 costs and estimated true-up amounts for FPL's Turkey Point Units 6 & 7 project?

PCS Phosphate: No position.

ISSUE 6: What jurisdictional amounts should the Commission approve as reasonably projected 2016 costs for FPL's Turkey Point Units 6 & 7 project?

PCS Phosphate: No position.

ISSUE 7: What is the total jurisdictional amount to be included in establishing FPL's 2016 Capacity Cost Recovery Clause factor?

PCS Phosphate: No position.

Duke Energy Florida, Inc., Issues

Issue 8: Should the Commission find that during 2014, DEF's project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Levy Units 1 & 2 project?

PCS Phosphate: No position.

Issue 9: What jurisdictional amounts should the Commission approve as DEF's actual 2014 prudently incurred costs for the Levy Units 1 & 2 project?

PCS Phosphate: No position.

Issue 10: What jurisdictional amounts should the Commission approve as reasonably estimated 2015 exit and wind down costs and carrying costs for the Levy Units 1 & 2 project?

PCS Phosphate: No position.

Issue 11: What jurisdictional amounts should the Commission approve as reasonably projected 2016 exit and wind down costs and carrying costs for the Levy Units 1 & 2 project?

PCS Phosphate: \$0.

Issue 12: Should the Commission find that during 2014, DEF's project management, contracting, accounting and cost oversight controls were reasonable and prudent for the Crystal River Unit 3 Uprate project?

PCS Phosphate: No position at this time.

Issue 13: What jurisdictional amounts should the Commission approve as DEF's actual 2014 prudently incurred costs for the Crystal River Unit 3 Uprate project?

PCS Phosphate: No position at this time.

Issue 14: What jurisdictional amounts should the Commission approve as reasonably estimated 2015 exit and wind down costs and carrying costs for the Crystal River Unit 3 Uprate Project?

PCS Phosphate: No position at this time.

Issue 15: What jurisdictional amounts should the Commission approve as reasonably projected 2016 exit and wind down costs and carrying costs for the Crystal River Unit 3 Uprate Project?

PCS Phosphate: No position at this time.

Issue 16: What is the total jurisdictional amount to be included in establishing DEF's 2016 Capacity Cost Recovery Clause Factor?

PCS Phosphate: No position at this time.

F. STIPULATED ISSUES

None.

G. PENDING MOTIONS

None.

H. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

None.

I. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT

None at this time.

J. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE

There are no requirements of the *Procedural Order* with which PCS Phosphate cannot comply.

Respectfully submitted the 8th day of July, 2015.

BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.

s/ James W. Brew _____

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CERTIFICATE OF SERVICE

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