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April 29, 2016

VIA HAND DELIVERY

Ms. Carlotta Stauffer  
Commission Clerk  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

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2016 APR 29 PM 2:40  
COMMISSION  
CLERK

Re: Docket No. 160009-EI; Nuclear Cost Recovery Clause

**REDACTED**

Dear Ms. Stauffer:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") is a First Request for Extension of Confidential Classification of Audit 11-11-005 Work Papers. Included is one copy of Revised Pages from Exhibit A (CONFIDENTIAL), two copies of Revised Pages from Exhibit B, Revised Exhibit C and Revised Exhibit D.

Please contact me if there are any questions regarding this filing.

Sincerely,

*Jessica Cano*  
Jessica A. Cano  
Fla. Bar No. 0037372

Enclosures  
cc: Counsel for Parties of Record

COM \_\_\_\_\_  
AFD \_\_\_\_\_  
APA Redacted  
ECO \_\_\_\_\_  
ENG \_\_\_\_\_  
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Cost                    )  
Recovery Clause                    )

Docket No. 160009-EI  
Filed: April 29, 2016

**FLORIDA POWER & LIGHT COMPANY'S  
FIRST REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION  
OF AUDIT 11-11-005 WORK PAPERS**

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests continued confidential classification of Audit Control No. 11-11-005 Work Papers (the "Audit Work Papers"). In support of its request, FPL states as follows:

1. On October 17, 2012, in Docket No. 120009-EI, FPL filed a Request for Confidential Classification of the Audit Work Papers (Confidential Document No. 07083-12). FPL's request was granted by Order No. PSC-14-0625-CFO-EI, issued October 29, 2014. The period of confidential treatment granted by Order No. PSC-14-0625-CFO-EI will soon expire. FPL has reviewed the confidential documents and determined that some of the information that was the subject of Order No. PSC-14-0625-CFO-EI warrants continued treatment as proprietary and confidential business information within the meaning of Section 366.093(3), Florida Statutes. Accordingly, FPL hereby submits its First Request for Extension of Confidential Classification.

2. Included herewith are Revised Pages from Exhibits A (Confidential) and Revised Pages from Exhibit B, releasing the information no longer deemed confidential. These pages should replace the similarly numbered pages in the exhibits included with FPL's original October 17, 2012 filing. Also included are Revised Exhibit C and Revised Exhibit D, containing the affidavits of Antonio Maceo, Stephanie Castaneda, Brenda Thompson, and Jim Voorhees in support of FPL's request.

3. The information that was granted confidential treatment by Order No. PSC-14-0625-CFO-EI continues to be confidential business information within the meaning of Section 366.093(3), Florida Statutes. This information is intended to be and is treated by FPL as private in that the disclosure of the information would cause harm to customers or FPL's business operations, and its confidentiality has been maintained. Pursuant to Section 366.093, such information is entitled to confidential treatment and it is exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As the affidavits included in Revised Exhibit D indicate, the information included in Exhibit A continues to be proprietary, confidential business information. Certain information contained in the Audit Work Papers is information related to reports of FPL's internal auditors. This information is protected from public disclosure by Section 366.093(3)(b), Florida Statutes. The Audit Work Papers also contain information related to bids or contractual data, such as pricing or other terms, the public disclosure of which would violate nondisclosure provisions of FPL's contracts with certain vendors and impair FPL's ability to contract for goods or services on favorable terms in the future. Such information is protected from public disclosure by Section 366.093(3)(d), Florida Statutes. The Audit Work Papers also contain competitively sensitive information which, if disclosed, could impair the competitive interests of the provider of the information. Such information is protected from public disclosure by Section 366.093(3)(e), Florida Statutes. Finally, certain information relates to FPL's Employee Concerns Program, the disclosure of which would affect FPL's competitive interests by impairing the effectiveness of

the program itself. It also relates to employee personal information unrelated to compensation, duties, qualification, and responsibilities. Accordingly, this information is protected from disclosure pursuant to Sections 366.093(3)(e) and (f), Florida Statutes.

5. Nothing has changed since the issuance of Order No. PSC-14-0625-CFO-EI to render the confidential information identified on Revised Exhibit C stale or public, such that continued confidential treatment would not be appropriate. Accordingly, FPL requests that confidential treatment be extended for a period of not less than 18 months.

6. Upon a finding by the Commission that the information referenced in Exhibit C continues to be proprietary confidential business information, the information should not be declassified for a period of at least an additional 18 months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), Fla. Stat.

**WHEREFORE**, for the above and foregoing reasons, as supported by the materials and affidavits included herewith, Florida Power & Light Company respectfully requests that its First Request for Extension of Confidential Classification be granted.

Respectfully submitted,

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

**CERTIFICATE OF SERVICE  
DOCKET NO. 160009-EI**

I HEREBY CERTIFY that a true and correct copy of FPL's First Request for Extension of Confidential Classification of Audit 11-11-005 Work Papers\* was served electronically this 29th day of April, 2016, to the following:

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

\*Exhibits to this Request are not included with the service copies, but copies of Exhibits B, C and D are available upon request.

**REVISED PAGES –  
EXHIBIT B**

- d. Explain any schedule or cost impacts necessary due to the rework?
  - e. Provide any documentation identifying the rework scope, schedule, or cost impacts.
8.
    - a. In item 5 on page 13 of 28 (Bates 003554), discuss the recent changes identified and the impacts on the SLI-24 outage.
    - b. Describe any actions taken by management to resolve the impacts.
    - c. Provide any e-mails, letters, or other documents to evidence the management actions taken.
  9.
    - a. Please explain the Licensing group qualification issue (Two candidates still waiting for 50.59 evaluation related qualification) and how this issue slowed down the package revision progress, resulting in rework. (11/2/11 PSL Weekly Leadership Meeting (Bates 003544))
    - b. Describe any actions taken by management to resolve the impacts.
    - c. Provide any e-mails, letters, or other documents to evidence the management actions taken.
  10.
    - a. Explain why Bechtel asked for the deviation of expansion anchors provided by Hilti. (11/2/11 PSL Weekly Leadership Meeting)
    - b. Were the anchors provided by Hilti problematic, or not to specification?
    - c. Please identify any anticipated risks or impacts to the project, as a result of the Hilti anchors.
    - d. Describe any actions taken by management to resolve any risks or project impacts.
    - e. Provide any e-mails, letters, or other documents to evidence the management actions taken.
  11.
    - a. Provide the most current listing, by Unit, of the remaining RAIs necessary to complete responses to the NRC for LAR approval. (DR-1.2)
    - b. Discuss any RAI response items that may impact the Unit outages or LAR approvals.
    - c. Describe management's actions to resolve any outstanding issues or any anticipated delays.
    - d. Provide any e-mails, letters, or other documents to evidence the management actions taken.
  12.
    - a. Discuss the monitoring requirements associated with the PSL IWF Permit received in September 2011.
    - b. Is the IWF for both units, or for each unit separately?
    - c. Are there different requirements for both units?
    - d. Please describe any difference in requirements for each unit.
    - e. What were the Two pre-uprate baseline biological monitoring events that have been completed?
    - f. Describe what the monitoring for biological events includes.
    - g. Discuss any potential delays of the PSL EPU LAR due to monitoring requirements. (DR-1.2)
  13.
    - a. Was the PTN Gantry Crane upgrade completed as expected in December 2011?
    - b. Were the costs different than those provided in FPL's response to DR-1.2?
    - c. Please explain any differences in cost or schedule to complete the PTN Gantry Crane upgrade. (DR-1.2)
  14. Explain why FPL modified the outage duration for:
    - a. PSL-1 from 110 days to 127 days
    - b. PSL-2 from 95 days to 113 days.
    - c. PTN-3 from 120 days to 160 days
    - d. PTN-4 from 120 days to 130 days (DR-1.3)
  15.
    - a. Discuss why FPL added replacement of the PSL-2 #4 A & B Low Pressure Feedwater Heaters to the 2012 Unit 2 EPU outage scope.
    - b. Discuss why the mid-cycle EPU outage for PSL Unit 1 for final EPU project implementation is necessary.
    - c. Will PSL1 be run at currently licensed levels until after the mid cycle outage?
    - d. When will the unit be brought to full uprate power?
    - e. Explain the cost/benefit between running PSL1 at the current licensed level until the next scheduled outage and the mid cycle outage to insert new fuel. (DR-1.3)
  16.
    - a. Did the addition of Bechtel Field Planners for PTN EPU improve the timeliness of work package planning as believed?
    - b. Discuss the number of additional planners added and the project improvements experienced.
    - c. Describe the improvements realized by adding work package planners.
    - d. Provide the PTN project costs for adding planners to improve work package timeliness. (DR-1.3)
  17.
    - a. Please provide the root cause analysis for the December 17, 2011, Bechtel imposed PSL safety stand down caused when craft personnel commenced work on the wrong motor control center.
    - b. Explain how the [redacted] of estimated cost was calculated and by whom.
    - c. Explain who is responsible for paying those costs.
    - d. Explain what options are available to resolve the commercial settlement.
    - e. When does the company plan to pursue those options?
    - f. When should the commercial negotiations be complete?
    - g. Will the company submit any costs for this event to the NCRC for recovery? (DR-1.3)



- d. Explain any schedule or cost impacts necessary due to the rework?
  - e. Provide any documentation identifying the rework scope, schedule, or cost impacts.
8.
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    - b. Discuss the number of additional planners added and the project improvements experienced.
    - c. Describe the improvements realized by adding work package planners.
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    - b. Explain how the [redacted] of estimated cost was calculated and by whom.
    - c. Explain who is responsible for paying those costs.
    - d. Explain what options are available to resolve the commercial settlement.
    - e. When does the company plan to pursue those options?
    - f. When should the commercial negotiations be complete?
    - g. Will the company submit any costs for this event to the NCRC for recovery? (DR-1.3)

	<p>different requirements for both units? What were the <u>Two pre-uprate baseline biological monitoring events that have been completed?</u> What does the monitoring include for biological events? 5) Ask whether the PTN Gantry Crane Upgrade work was completed in December as estimated 6) Discuss the status of the engineering design packages shown in (k) above (is the 59% where the company would like to be at this time? Has the company made an effort to improve results?)</p>
<p>Document #: DR-1.3 (Disk 5), (Disk 9, 1.3f) (Disk 12, 1.3f Jan revised) (Disk 20, 1.3 revised number 7-EPU) (Disk 37, 1.3f Mar) (Disk 64, 1.3f May) Date Requested: 11/3/11 Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center;"><b>REQUESTED CONFIDENTIAL BY NOI</b></p>	<p>Document Title and Purpose of Review: a) Please describe any changes made to project planning for the St. Lucie and Turkey Point uprates since April 2011, due to potential project risks or other project management concerns. b) Please describe any new changes, challenges, project delays, or work stoppages, impacting project planning for the St. Lucie and Turkey Point uprates, since April 2011. Examples include, but are not limited to, economic conditions, demand projections, capital market conditions, vendor/contractor issues, site logistics, and regulatory issues. c) Identify the corrective actions undertaken for any new changes, challenges, project delays, or work stoppages, the timeframes involved, and the estimated impacts on project costs and scheduling. d) Please describe all mitigation strategies developed or considered for each problem or challenge, indicate which strategy the company is deploying, and provide the reasoning for choosing that strategy. e) Provide a current status of the commercial negotiations to settle damages and costs associated with the November 2010 Turkey Point Unit 3 work stoppage and the February 2011 St. Lucie Unit 2 work stoppage. f) Describe any other work stoppages occurring during the period 2011 through April 30, 2012 where damages or additional costs were incurred as a result the events, and provide a current status of the event and its impact.</p> <p>Summary of Contents: (Betas 007060-62)</p> <p>a) <u>In June 2011, FPL adjusted the approved outage schedule for the remaining EPU outages to reflect the planned scope of work for each outage and planned outage durations. The PSL-1 EPU outage planned duration was changed from 110 days to 127 days. The PSL-2 EPU outage planned duration was changed from 95 days to 113 days. The PTN-3 EPU outage planned duration was changed from 120 days to 160 days. The PTN-4 EPU outage planned duration was changed from 120 days to 130 days. Additional Bechtel field planners were added to the PTN EPU project to improve the timeliness of work package planning. FPL added replacement of the PSL-2 #4 A &amp; B Low Pressure Feedwater Heaters to the 2012 Unit 2 EPU outage scope.</u></p> <p><u>FPL is currently planning for a mid-cycle EPU outage for PSL Unit 1 for final EPU project implementation. This mid-cycle outage will be necessary if the NRC does not complete the review and approval of the PSL Unit 1 LAR prior to completion of the current PSL1 EPU outage.</u></p> <p>b,c,d) <u>See FPL's response to DR-1.604 for project challenges captured on the project risk registers.</u></p> <p>1. <u>On November 4, 2011, Bechtel imposed a PTN safety stand down on its subcontractor, Whiting Services Incorporated, as a result of a fall protection safety violation by Whiting employees working on the turbine gantry crane. The stand down lasted 3 days and Whiting suspended two employees from work for 5 days. There were no project cost impacts since the Whiting subcontract is a lump sum contract. The stand down and suspensions resulted in no impact to the project critical path schedule. The stand down itself was a strategy to mitigate safety events. Bechtel implemented this strategy to emphasize to Whiting the importance of following safe work practices in preventing safety events.</u></p> <p>2. <u>On June 30, 2011, Bechtel imposed a PTN safety stand down on a Bechtel crew as a result of a fall protection safety violation by the Bechtel crew working on the Unit 3 turbine building. The stand down lasted approximately one hour and included a coaching session on safe work practices. There was no significant project cost impact and no impact to the project critical path schedule. The stand down itself was a strategy to mitigate safety events. Bechtel implemented this strategy to emphasize to its employees the importance of following safe work practices in preventing safety events.</u></p> <p>3. <u>On August 26, 2011, Bechtel imposed a PTN safety stand down on its subcontractor, Whiting Services Incorporated, as a result of a safety violation involving a Whiting employee moving from a man lift basket onto a scaffold. The stand down lasted approximately one hour and included a coaching session on safe work practices. There were no project cost impacts since the Whiting subcontract is a lump sum contract. The stand down resulted in no impact to the project critical path schedule. The stand down itself was a strategy to mitigate safety events. Bechtel implemented this strategy to emphasize to Whiting the importance of following safe work practices in preventing safety events.</u></p>

(Disk 37) Supplement to DR-1.3 f- The following work stoppages occurred in February 2012:  
PSL – On Saturday February 25, 2012 a QC inspector and a Field Engineer manipulated a valve resulting in the QC inspector getting injured. A management decision was made to stop all field work, and craft and non-manuals for Bechtel were sent home while an investigation was performed and Bechtel could demonstrate they could safely execute the remaining work scope for the Unit 1 Outage. There were no damages. Costs would be per the craft agreements related to show up pay, which would be 2 to 4 hours pay for starting work before being released, or approx [redacted] Work was resumed on day shift Sunday, 2/26/12 for select critical path work and then normal working hours on Monday, 2/27/12. Approximately [redacted] craft and field non-manual workers were involved in the work stoppage. There was no schedule impact due to the work stoppage since the workers sent home were not working on critical path activities.

PTN – There were no EPU work stoppages at PTN in February 2012.

(Disk 64) DR-1.3f May update - The following work stoppages occurred in April 2012:

- 1) 4/11/12 stop work notice to TEI on PTN-4 Moisture Separator Reheaters manufacturing facility until the root cause for tube leaks identified during fabrication process. No additional schedule delays or project costs as a result of this work stoppage.
- 2) On 4/12/12 Siemens implemented a safety stand down for entire work force due to a dropped turbine blade during removal of an old blade at PTN3; Approx [redacted] Siemens employees were on stand down for three hours; schedule impact was minimum for affected activities; ROM is [redacted] and no added schedule or cost impact to project;
- 3) On 4/12/12 Bechtel implemented a safety stand down when rigging for a condensate pump came in contact with a conduit; During approximately 24 hours a rolling stand down occurred involving approximately 1090 craft and contractor personnel in which Bechtel conducted safety training, site area clean-up, and personnel signed a document signifying their renewed commitment to working safely. To assess the potential impact of this event, the project analyzed earnable man-hours as a measure of work achieved. On the day of the event over 6,500 earnable man-hours were achieved. The team analyzed pre and post event averages. FPL determined that approximately [redacted] hours was a result of the safety stand down, at an approximate value of [redacted]

**Conclusions:**

**Data Request(s) Generated:**

No. \_\_\_\_\_ Description:  
No. \_\_\_\_\_ Description:

Follow-up Required: 1) Discuss what caused the need to change the PSL-1 EPU outage planned duration was changed from 110 days to 127 days 2) Discuss the reasons for the PSL-2 EPU outage planned duration being changed from 95 days to 113 days. 3) Discuss the reasons for the PTN-3 EPU outage planned duration was changed from 120 days to 160 days. 4) Discuss the PTN-4 EPU outage planned duration was changed from 120 days to 130 days. 5) Discuss why FPL added replacement of the PSL-2 #4 A & B Low Pressure Feedwater Heaters to the 2012 Unit 2 EPU outage scope. (was this work the result of a previous outage not completing the work?) (Explain why it was needed) 6) Discuss why the mid-cycle EPU outage for PSL Unit 1 for final EPU project implementation is necessary (what work has to be done?) (could this work have been completed sooner, in an earlier outage?) (what delayed this work from being completed sooner?) 7) Will PSL be run at currently licensed levels until after the mid cycle outage (will the unit be brought to full power then?) Would it be more cost effective to run at the current licensed level until the next schedule outage? (Why not?) 8) Did the addition of Bechtel Field Planners for PTN EPU improve the timeliness of work package planning as believed? (discuss how many additional planners were added and the project improvements experienced) 9) Explain what a fall protection safety violation is 10) Discuss the stand downs and their impacts (did any occur during an outage? (what was the impact to the outage?) 11) Discuss the December 17, 2011. Bechtel imposed PSL safety stand down on its electrical craft personnel following a human performance event in which Bechtel electrical craft personnel commenced work on the wrong motor control center. (explain the [redacted] estimated cost and who is responsible for paying those costs? what options are left to resolve the commercial settlement and when does the company plan to pursue those options? When should negotiations be complete? Will the company submit any costs for this event to the NCRC for recovery?) 12) Explain where FPL and Bechtel are going

	<p><b>Data Request(s) Generated:</b>          No. _____ Description:          No. _____ Description:</p> <p><b>Follow-up Required:</b> 1) Discuss FPL's Response to SRXB - Areva Methods Concerns and how it impacted completion of responses to NRC and completion of the engineering design package 2) Discuss Mod Focus item to Procure Main Power Transformer 2A Unsat DQS re: Siemens Manufacture of 2A Main Power Transformer 3) Discuss other Mod. Focus items on 5/18/11 EPU Daily Report including INPO Readiness 4) Discuss the SL2-19 demob and when the commercial negotiations with Siemens should be completed 5) Discuss NCRC Focus item for condensate pump repowering and what is needed 6) Discuss the reason The Vendor Integration Meetings have been replaced by Key Supplier Meetings, frequency of meetings, and who is involved in the meetings (were there meetings in July and October?)</p>
<p>Document #: DR-1.7          (Disk 7),          (Disk 8, 1.7a Jan)          (Disk 9, 1.7b Jan)          (Disk 37, 1.7a Mar, 1.7b Mar)          (Disk 64, 1.7a May, 1.7b May)          Date Requested: 11/3/11          Date Received:          Comments: (i.e., Confidential)</p> <p style="text-align: center;"><b>REQUESTED          CONFIDENTIAL          BY NOI</b></p>	<p><b>Document Title and Purpose of Review:</b> a) Please provide the most currently available project schedule and cost estimates approved by senior management to complete the uprate projects going forward through April 30, 2012, by the 15<sup>th</sup> of each month. b) Provide a recap of schedule and cost variances for the St. Lucie and Turkey Point uprate projects since January 2011 going forward through April 30, 2012, by the 15<sup>th</sup> of each month. c) Provide the most currently available list of surplus or disposable equipment as a result of the uprate, for each unit, and the estimated value of the asset. d) Provide the company's current timeline for disposing of the surplus or disposable equipment associated with the uprate projects. e) Provide a current list of all surplus or disposable equipment transferred as a result of the uprate, for each unit, and the estimated value of the asset.</p> <p><b>Summary of Contents:</b>          a) The current approved EPU project schedule includes implementing the necessary EPU modifications during the following planned outages:          PSL1 Fall 2011 outage completing by 04/01/12          PSL2 Spring 2012 outage completing by 10/30/12          PTN3 Spring 2012 outage completing by 07/08/12          PTN4 Fall 2012 outage completing by 03/15/12          PSL1 will likely require a mid-cycle outage of a few days to fully implement EPU after the NRC approves the PSL1 EPU license amendment.          The most current FPL senior management-approved non-binding cost estimate remains that which was provided in Docket 110009-EL. FPL is in the process of assessing whether a revision to the non-binding cost estimate is appropriate. <u>The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Reports (MOPRs) provided in response to DR-1.6b1.</u></p> <p><u>(Disk 8) Jan. Update As of December 31, 2011, the approved EPU project schedule includes implementing the necessary EPU modifications during the following planned outages:</u>          PSL1 Fall 2011 outage completing by 04/01/12          PSL2 Spring 2012 outage completing by 10/30/12          PTN3 Spring 2012 outage completing by 07/08/12          PTN4 Fall 2012 outage completing by 03/15/12;(2013?)          PSL1 will likely require a mid-cycle outage of a few days to fully implement EPU after the NRC approves the PSL1 EPU license amendment.          The most current FPL senior management-approved non-binding cost estimate remains that which was provided in Docket 110009-EL. FPL is in the process of assessing whether a revision to the non-binding cost estimate is appropriate. The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Reports (MOPRs) provided in response to DR-1.6b1.</p>

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(Dtek 37) 1.7a March update - The current EPU project schedule includes implementing the necessary EPU modifications during the following planned outages:

PSL1 Fall 2011 outage completing by 04/01/12

PSL2 Spring 2012 outage completing by 03/01/12 (Change)

PTN3 Spring 2012 outage completing by 05/04/12 (Change)

PTN4 Fall 2012 outage completing by 03/01/12

Please note the typographical error in previous responses which indicated that the PTN 4 Fall 2012 outage would be completed by 03/01/12.

PSL1 will likely require a mid-cycle outage of a few days to fully implement EPU after the NRC approves the PSL1 EPU license amendment.

The most current EPL senior management-approved non-binding cost estimate remains that which was provided in Docket 110009-EL. EPL is in the process of assessing its non-binding cost estimate. The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Report (MOPR) provided in response to DR-1.6b1.

(Dtek 64) 1.7a May update - The current EPU project schedule includes implementing the necessary EPU modifications during the following planned outages:

PSL2 Fall 2011 outage completing by 03/26/12

PSL1 License Amendment Request implementation outage completing by 7/31/2012

PTN3 Spring 2012 outage completing by 03/04/12

PTN4 Fall 2012 outage completing by 03/01/12

The current senior management approved nonbinding cost estimate range, including costs through completion, transmission, and AFUDC is \$2,950 to \$3,150 million. The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Reports (MOPRS) provided in response to DR-1.6b1.

#### b) PTN Schedule Variances:

For Turkey Point, the last engineering package for the 4R26 outage which began on 3/21/11 was completed in March 2011, which was a two month schedule variance from the plan. The PTN EPU project has continued to develop engineering design packages for the two remaining EPU outages (3R25 starting in January 2012 and 4R27 starting in November 2012). The last engineering package for the 3R26 outage is expected to be issued in January 2012, which is more than a one month variance from the plan. Design evolution and modification complexity continue to impact the schedule for some design packages. In December 2010, EPL expected to submit the PTN COLR LAR in January 2011; however, the PTN COLR LAR was actually submitted in February 2011, a one month variance. In December 2010, EPL expected the NRC to approve the PTN AST LAR in January 2011; however, the NRC formally approved the AST LAR in June 2011, a five month variance. In December 2010, EPL expected the NRC to approve the PTN Spent Fuel Criticality (SFC) LAR in July 2011; however, the NRC actually approved the SFC LAR in October 2011, a 3 month variance. In December 2010, EPL expected the NRC to approve the PTN EPU LAR in January 2012; however, the current forecast is March 2012, which would be a variance of two months. Despite these PTN LAR schedule variances, EPL expects the PTN LARs to be approved in time to support the planned implementation of EPU modifications.

#### PSL Schedule Variance:

The PSL EPU project continued to develop engineering design packages for each of the two remaining EPU outages, SL1-24 in fall 2011 and SL2-20 in summer 2012. Design evolution and modification complexity continued to challenge issuance of some design packages per the original schedule. The SL1-24 and SL2-20 outage durations are continually being evaluated and updated based upon the known scope. EPL also experienced schedule challenges in the EPU license amendment approval process due to technical complexity and NRC resource constraints. In December 2010, EPL expected the NRC approval of the PSL-1 EPU LAR in February 2012; however, it is now likely that the PSL-1 EPU LAR will be approved several months later. Approval of the PSL-1 LAR later

In April 2012, FPL continued implementation of the PTN-3 outage and continued to develop engineering design packages for the PTN-4 outage starting in November 2012. While some of these activities varied from the schedule, the EPU completion dates were not impacted. In March 2012 the NRC Advisory Committee on Reactor Safeguards recommended the NRC approve the EPU License Amendment as anticipated. FPL expects the PTN EPU License Amendment to be approved by the NRC in time to support the planned implementation of EPU modifications.

**PSL Schedule Variance:**

In April 2012, FPL completed installation of the planned PSL-1 modifications required for EPU. FPL also continued to develop engineering design packages for the PSL-2 outage scheduled to start in August 2012 and continued planning for a License Amendment Request implementation outage after the PSL-1 EPU License Amendment is approved. In April 2012, FPL continued to experience challenges in the EPU license amendment approval process due to technical complexity and NRC resource constraints. Approval of the PSL-1 LAR later than expected will necessitate a short LAR implementation outage for final implementation of the Unit 1 EPU.

**Cost Variance – Below is a summary of the EPU project cost variances for April 2012.**

**Note:** An accounting change was implemented effective March 31, 2012 to discontinue the reclassification of Bechtel's projected payments to prepaid expenses. The accounting policy change accelerates the recognition of Bechtel cash flows as project cost.

Plant (\$000)	April 2012 Plan	April 2012 Actual	April 2012 Variance
PSL Capital	\$21,732	\$53,305	(\$31,573)
PTN Capital	\$46,650	\$140,635	(\$93,985)
Total O&M	\$80	\$1,005.3	(\$925.3)

c) Attached are the following lists of surplus or disposable materials and equipment for EPU at PSL and PTN. These lists provide the estimated value of each asset, the estimated date of disposition, and indication if the asset has been transferred to another facility. These lists are updated on an as needed basis when additional information becomes available.

1. PSL EPU Project Recovery Tracking Report dated 12-15-11
2. PTN EPU Project Recovery Tracking Report dated 12-15-11

d) See FPL's response to DR-1.7c.

e) See FPL's response to DR-1.7c.

**Conclusions:**

**Data Request(s) Generated:**

No. \_\_\_\_\_ Description:  
No. \_\_\_\_\_ Description:

**Follow-up Required:** 1) PTN4 Fall 2012 outage completing by 03/15/12 (shouldn't this be complete 2013?) 2) What work will be completed in the planned mid cycle outage for a few days? 3) Is FPL aware of any other potential delays or costs not now included in the cost variance that will further increase estimated project costs beyond the non-binding estimate?

Document #: DR-1.8 (Disk 7)  
Date Requested: 11/3/11  
Date Received:  
Comments: (i.e., Confidential)

**Document Title and Purpose of Review:** a) Provide a current status and written description of any changes in the purchase and provision of long-lead and other equipment that may impact the St. Lucie and Turkey Point uprate projects. b) Provide, by unit, a listing of any remaining long-lead equipment yet to be purchased, the estimated lead time necessary for procurement and installation, the estimated timeline for procurement, and the estimated costs to procure the equipment. c) Please provide a description and status of any service and/or materials contracts or contract addenda for the St. Lucie and Turkey Point uprates executed since April 2011, and/or planned for 2012.

(Disk 39, 1.17a Mar)  
 (Disk 65, 1.17a May, 1.17b May)  
 Date Requested: 11/3/11  
 Date Received:  
 Comments: (i.e., Confidential)

**REQUESTED  
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 BY NOI**

**Summary of Contents:**

a) Attached is the 2011 EPU contractor evaluation for the PTN EPC contractor. Supplement to DR-1.17a As of December 31, 2011, the approved EPU project schedule includes implementing the necessary EPU modifications during the following planned outages:  
PSL1 Fall 2011 outage completing by 04/01/12  
PSL2 Spring 2012 outage completing by 05/01/12  
PTN3 Spring 2012 outage completing by 07/01/12  
PTN4 Fall 2012 outage completing by 09/01/12  
PSL1 will likely require a mid-cycle outage of a few days to fully implement EPU after the NRC approves the PSL1 EPU license amendment.  
 (Disk 2) 1.17a January revised - There were no additional EPU contractor evaluations in December 2011 that were not provided previously.  
 1.17a February revised - There were no contractor evaluations completed for St. Lucie and Turkey Point uprate projects in January 2012.  
 (Disk 39) 1.17a March update - There were no contractor evaluations completed for St. Lucie and Turkey Point uprate projects in February 2012.  
 (Disk 65) 1.17a May update - There were no contractor evaluations completed for St. Lucie and Turkey Point uprate projects in April 2012.

b) There have not been any specific corrective actions taken as a result of the contractor evaluation provided in response to DR-1.17a. However, there have been corrective actions taken as a result of events described in the contractor evaluation. See FPL's response to DR-1.3b for descriptions of several stand downs that were conducted to correct personnel behaviors and preclude similar events. See FPL's response to DR-1.12a for a description of focus meetings added to improve schedule performance. The most current FPL senior management-approved non-binding cost estimate remains that which was provided in Docket 110009-EL. FPL is in the process of assessing whether a revision to the non-binding cost estimate is appropriate. The current cost forecast for completing the uprate projects is included in the latest EPU Monthly Operating Performance Reports (MOPRs) provided in response to DR-1.6b1.  
 (Disk 2) January revised - There have not been any specific corrective actions taken as a result of contractor evaluations issued in December 2011.  
 February revised - As provided in subpart a), no evaluations were conducted in January 2012.  
 (Disk 39) 1.17b March update - No evaluations were conducted in February 2012.  
 (Disk 65) 1.17b May update - There were no contractor evaluations completed for St. Lucie and Turkey Point uprate projects in April 2012.

**Conclusions:**

**Data Request(s) Generated:**

No. \_\_\_\_\_ Description:  
 No. \_\_\_\_\_ Description:

Follow-up Required: 1) Review DR-1.3 b responses to review corrective actions for personnel behaviors 2) Review DR-1.12a for focus meetings added to improve schedule performance 3) Discuss the ratings and rankings for Bechtel. 4) Discuss whether FPL will file new numbers in the May filing for year end 5) Has FPL estimated the increased project costs expected in the May filing?

Document #: DR-1.18 (Disk 5) (Disk 7)  
 Date Requested: 11/3/11  
 Date Received:  
 Comments: (i.e., Confidential)

**Document Title and Purpose of Review: (Bates 007758)**

List and describe any Quality Assurance actions (holds, delays, stops, etc.) recommended or taken, pending or planned by FPL, on manufacturers or contractors for the St. Lucie and Turkey Point projects since April 2011. Include a description of the events surrounding the action, the date the action was taken, a description of the Quality Assurance actions taken, timetable for any fixes, and whether the contractor was removed or allowed to continue work on the project.

**Office of Auditing and Performance Analysis  
Document Summary and Control Log**

Company: Florida Power & Light Company  
Area: Nuclear Cost Recovery Clause  
Auditor(s): D. Rich and L. Fisher

Workload Control #: PA-11-11-005  
File Name: I:\Performance Analysis Section\00 PERFORMANCE ANALYSIS  
AUDITS\Nuclear Controls Review 2012\FPL\3.0 Work Papers\3.3 Document Summaries  
EPU\3.3.2 DR-2 Document Control Log.doc

Document #: DR-2.1  
Date Requested:  
Date Received:  
Comments: (i.e., Confidential)

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Document Title and Purpose of Review: Please provide copies of the FPSC Staff Visit EPU Project Update Presentation.

**Summary of Contents:** (1/24/12) 36 page presentation provided at company offices in Juno. Addresses outage schedules, NRC regulatory impacts to the project, engineering design package progress for the outages, construction implementation for project outages, projects cost impacts, and challenges ahead for the EPU project; first set of outages for each unit is completed; Second PSL1 outage is in progress and will require a mid cycle outage after EPU LAR expected in June/July timeframe; final PTN3 outage is starting in Feb. 2012, final outage for PSL2 is scheduled to start 8/12; final outage for PSL2 planned to start in 11/12 and complete 1st Q 2013;

Project cost forecast above nonbinding estimate as of 12/31/11; E&C increased from 2.0B-2.2B range and is now estimated at 2.23B; received Bechtel EAC for PTN in November w/approx. [redacted] increase in response to target price; FPL vetting Bechtel EAC and performing due diligence; target pricing is being assessed for use at PTN; 2012 feasibility analysis will be completed by 5/1/12; **Primary drivers for increased costs are: Scope Growth** (additional mods, design evolution, additional design engineering resources, and changes in design completion schedule) **Implementation** (planning and scheduling of additional mods increased implementation complexity; constructability and congestion of work areas affected productivity; increased mods and implementation required more direct and indirect labor to support outage durations); FPL has engaged other major suppliers to provide alternative proposals; However, the Bechtel EAC is not included in the current project nonbinding forecast; the revised forecast will be used to update the 2012 nonbinding cost estimate; the project is expected to remain cost effective after feasibility analysis and remains on target for completion by end of 1<sup>st</sup> Q 2013. PTN and PSL2 outages moved by approx. 1 mo. To "improve certainty" w/execution and LAR approval.

Key organizational changes include: PSL Site Director and Lead Project Manager at PSL and two PTN positions related to retirement and voluntary separation in 2011; 2012 reductions expected for LAR as EPU LARs are approved by NRC;

Additional schedule contingency has been included for each of the remaining outages for potential discoveries of increased implementation scope during the outage; LAR approval schedule forecasts May 2012 for PSL1 w/further delay possible (requiring mid cycle outage to reach final uprate), Unit 2 EPU LAR forecast for July w/further delay possible;

Delays in the Bechtel designs are being managed, per FPL w/ senior executive oversight meetings held to address issues; PTN3 (largest and most challenging EPU outage) is scheduled to start 2/26/12 and complete by August 2012 w/increase of 123 MWe; final PTN4 outage scheduled to start 11/5/12 and complete by March 2013 w/increase of 123 MWe; **Major Cost Drivers for 2011 at PSL and PTN totaled \$162M; Major Cost Forecast Drivers for 2011 @ PSL are (\$68.9M total (42.5%):** Regulatory and Safety Margin (\$9.0M), Power Generation (\$6.9M), and Implementation Support (\$53M); **Major Cost Forecast Drivers for 2011 @ PTN are (\$93.1M total (57.5%):** Regulatory and Safety Margin (\$22M), Power Generation (\$28.2M), and Implementation Support (\$42.9M);

Resolution of commercial aspects of PSL2 generator stator core repair: Siemens will pay for its repair costs of Approx. [redacted] FPL is responsible for its related costs, consistent w/contract (approx. [redacted] total cost to EPU lower than estimated weighted risk estimated in 2011;

**FPL EPU management states it is managing possible future schedule and cost impacts including:**

- 1) Bechtel EAC for PTN at [redacted] potential impact, 2) Potential additional Siemens cost at Turkey Point, 3) Engineering taking longer than expected, 4) Work package development taking longer than expected, 5) Bechtel productivity lower than expected, 6) License amendments not approved in time to support implementation outages, 7) Potential for additional modifications and/or



	<p>analyses resulting from NRC LAR reviews, and 8) Other potential costs associated w/discovery during design and implementation; PSL 12/11 EPU Project Forecast w/Goal of \$916M, Current Forecast of \$977.7M (includes [redacted] Bechtel EAC forecast) and \$987.9M non-binding estimate; PTN 12/11 EPU Project Forecast w/Goal of \$1148.9M, Current Forecast of \$1252.5M (includes [redacted] Bechtel EAC forecast) and \$1232.8M non-binding estimate; <u>Risk Exposure estimated costs include: PSL Risk Register Summary of \$52.4M Max. Exposure and \$8.0M Weighted Cost; PTN Risk Register Summary shows \$383.7M Max. Exposure and \$93.0M Weighted Cost; Total Risk Exposure Profile for the EPU project is \$436.1M Max. Exposure and \$101M Weighted Cost;</u></p> <p>Also see EPU IVS-1, EPU IVS-2, and EPU IVS-4 interview summaries for additional information.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>	1 2
<p><b>Document #:</b> DR-2.2  <b>Date Requested:</b>  <b>Date Received:</b>  <b>Comments:</b> (i.e., Confidential)</p>	<p><b>Document Title and Purpose of Review:</b> Please provide four charts consisting of: a. EPU project schedule overview b. EPU Component Work Scheduled for PTN 3R26 Spring 2012 c. EPU Component Work Scheduled for SL1-24 Nov. 2011 d. EPU Implementation Outages W/O dates.</p> <p><b>Summary of Contents:</b> Charts provided</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>	
<p><b>Document #:</b> DR-2.3  <b>Date Requested:</b>  <b>Date Received:</b>  <b>Comments:</b> (i.e., Confidential)</p>	<p><b>Document Title and Purpose of Review:</b> Please provide copies of the PSL Presentation provided at the site on 1/25/12.</p> <p><b>Summary of Contents:</b> 14 pg. presentation provided status and overview of PSL2-19 Spring 2011 outage and PSL1-24 Fall outage; also went on plant tour to view some of the work completed and scheduled to be completed in the outages; first set of outages for both units are completed, and the second outage for PSL1 is in progress (mid-cycle outage planned to bring PSL1 to full uprate in June/July); Final outage for PSL2 is scheduled to start 8/5/12 and complete in November w/increase in capacity of 84 MWe; PSL2 engineering design packages are scheduled for 4/29/12; Staf examined the Team Room, where coordination of outage activities status and challenges are reviewed by vendor, EPU, and site representatives; equipment staging areas where new equipment will be readied to install; and fabrication areas where staging of some pumps, valves, and other pre-installed equipment is readied for placement into the unit; Staff also reviewed several work areas where vendors were working on the PTN turbine deck.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>	3 4

	<p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document #: DR-3.13</b>  (Disk 17)  <b>Date Requested:</b>  <b>Date Received:</b>  <b>Comments: (i.e., Confidential)</b></p>	<p><b>Document Title and Purpose of Review:</b> a. Was the PTN Gantry Crane upgrade completed as expected in December 2011? b. Were the costs different than those provided in FPL's response to DR-1.27 c. Please explain any differences in cost or schedule to complete the PTN Gantry Crane upgrade. (DR-1.2)</p> <p><b>Summary of Contents:</b> a. Yes. The PTN turbine gantry crane was substantially completed, load tested, and placed in service in December 2011. b. The final costs of the PTN Gantry Crane will be determined when Bechtel completes negotiations with its subcontractor, Whiting Corporation. c. There was no schedule variance for the PTN Gantry Crane and the cost variance, if any, has yet to be determined.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b> 1) What is meant by substantially completed? 2) What are the negotiations between Bechtel and Whiting regarding ? 3) If the Crane was substantially completed is there work still to be completed? 4) What are the potential cost level changes for the completion of the PTN Gantry Crane?</p>
<p><b>Document #: DR-3.14</b>  (Disk 16)  <b>Date Requested:</b>  <b>Date Received:</b>  <b>Comments: (i.e., Confidential)</b></p> <p style="text-align: center;"><b>REQUESTED  CONFIDENTIAL  BY NOI</b></p>	<p><b>Document Title and Purpose of Review:</b> Explain why FPL modified the outage duration for: a. PSL-1 from 110 days to 127 days b. PSL-2 from 95 days to 113 days. c. PTN-3 from 120 days to 160 days d. PTN-4 from 120 days to 130 days (DR-1.3)</p> <p><b>Summary of Contents:</b> The duration for the second EPU outage at each unit was revised in June 2011 based on the specific scope of each outage, the lessons learned during the first EPU outage at each unit, and the lessons learned from EPU outages at other non-FPL plants. The revised EPU outage durations include appropriate contingency for discovery during outage implementation. The approved operating schedule is used by FPL for overall system planning and nuclear fuel planning. However, before each outage, FPL develops a detailed outage schedule that is optimized to safely complete each outage.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b> 1) what were the lessons learned at other non-FPL plants used by FPL in consideration of extending the duration of outages in June 2011? 2) explain what is meant by "appropriate contingency for discovery" in the response to DR3.14 3) if FPL does not complete the work schedule for any of the second outages, will it complete a third outage similar to the mid cycle outage planned for PSL1?</p>
<p><b>Document #: DR-3.15</b>  (Disk 16)  <b>Date Requested:</b>  <b>Date Received:</b>  <b>Comments: (i.e., Confidential)</b></p> <p style="text-align: center;"><b>CONFIDENTIAL</b></p>	<p><b>Document Title and Purpose of Review:</b> a. Discuss why FPL added replacement of the PSL-2 #4 A &amp; B Low Pressure Feedwater Heaters to the 2012 Unit 2 EPU outage scope. b. Discuss why the mid-cycle EPU outage for PSL Unit 1 for final EPU project implementation is necessary. c. Will PSL1 be run at currently licensed levels until after the mid cycle outage? d. When will the unit be brought to full uprate power? e. Explain the cost/benefit between running PSL1 at the current licensed level until the next scheduled outage and the mid cycle outage to insert new fuel. (DR-1.3)</p> <p><b>Summary of Contents:</b> a. FPL inspected the existing PSL-2 #4 A &amp; B Low Pressure Feedwater Heaters during the Spring 2011 EPU outage and determined they are not adequate for EPU conditions. Feedwater Heater (FWH) inspections prior to uprate were required to validate the assumptions in the Shaw/Yuba Feedwater Heater Report dated 4/27/2009. The Shaw/Yuba Feedwater Heater Report evaluated the feedwater heaters to determine their suitability for EPU conditions. The extended power uprate (EPU) at St. Lucia will result in increased feedwater heater flows and pressures. Known degradation mechanisms including fabrication defects,</p>

## Bureau of Performance Analysis Interview Summary

<p>Florida Power &amp; Light Company 2011 Nuclear Controls Review Auditors: Rich, Fisher</p>	<p>Interview Number: IVS-1 File Name:</p>
<p>Name: Terry Jones (VP Nuclear Power Upgrades), Steve Reurwer (Implementation Owner South-PTN), Steve Robitzski (Implementation Owner North-PSL), Liz Abbott (Director of Licensing), Tiffany Cohen (FPL Regulatory) Johannie Coleman (FPL Licensing) Bruce Beisler (NCR Interface Manager) Clyde Newson (Cost Recovery Specialist)</p>	<p>Date of Interview: 1/24/12 Location: Juno Beach Headquarters Telephone Number:</p>
<p>(1) Purpose of Interview: To provide an update of changes in the PSL and PTN Upgrade projects for the period May-December 2011 and to-date for 2012.</p>	
<p>(2) Interview Summary (FISHER):</p> <p>a. FPL provided a 63 page presentation (FPSC Staff Visit Extended Power Upgrade (EPU) Project Update to aid in providing an update of the upgrade progress since April 2011. Page 5 shows the final outage, PTN Unit 4, is estimated to complete in April 2013. FPL stated that the project is progressing through the four overlapping phases toward completion in 2<sup>nd</sup> qtr. 2013. The project was scheduled to be implemented over two outages for each of the four units. The project cost forecast has increased and is above the non-binding estimate as of December 31, 2011. Bechtel provided an estimate to complete in November 2011 to FPL. FPL is vetting the Bechtel estimate to determine expected final costs for the project. The project remains on track to complete in early 2013. FPL expects to produce 490 MWe instead of the 450 MWe filed last year, NRC reviews of LARs are taking longer than expected, and PTN 3&amp;4 outages have been moved one month to improve certainty of execution and LAR approval (pg.12).</p> <p>b. Steve Robitzski was introduced as the Implementation Owner North (PSL). He was in a similar role at the Point Beach EPU and rotated into the position to help place greater oversight on the PSL project. This allows Steve Reurwer, Implementation Owner South, to concentrate his efforts on the Turkey Point upgrade. Both Implementation Owners report to the VP Nuclear Power Upgrades and are responsible for coordinating with the EPU Site Directors to eliminate project roadblocks impacting schedule and costs, and oversee the EPU and site plant organization interfaces. The EPU Site Director reports to the Implementation Owner and is responsible for coordinating the contractor efforts to complete the EPU project work schedule. Other changes in the EPU organization during the remainder of 2011 included the retirement of the PSL Site Director, and the separation of the PTN EPU Project Controls Manager. The new PSL EPU Site Director (Jamie Piazza) came from the Point Beach project and has both operations and EPU experience in the nuclear industry. The 2012 key organizational changes include: an assigned implementation owner at each site, the assignment of an additional Engineering Manager to Turkey Point, and plans to eliminate the Licensing Director and Licensing Manager positions after NRC LAR approvals (pg. 13). As the LAR work is completed the staffing for licensing will be re-assigned.</p> <p>c. The Turkey Point Fall 2011 outage (11/27-1/30) was completed as planned. Another couple weeks will be spent wrapping up and that outage will be finished. In February, work orders were behind on PTN. Scheduling for the NRC caused a shift in PTN schedule. A new industry issue influenced the PTN EPU LAR associated with Thermal Conductivity Degradation (TCD) with the fuel vendor analysis that must be addressed before the PTN LAR is approved (pg. 16). Westinghouse made changes to the model, which went to the ACRS subcommittee for review in December. FPL will meet with the subcommittee in February, and find out the results of the ACRS review in March. FPL went into 24/7 mode to complete the analysis in 6 weeks. If the modification is not accepted FPL can't start up PTN. FPL had to move PTN outage schedule 1 month as well as PSL.</p> <p>d. FPL included additional outage days for the outages to allow for discoveries during construction. PSL-1 was increased from 110 days to 127 days, PSL-2 was increased from 95 days to 113 days, PTN-3 was increased from 120 days to 160 days and PTN-4 was increased from 120 days to 130 days.</p> <p>e. FPL will need to complete a mid-cycle outage (6-10 days) for Unit 1, to begin the fuel mix change prescribed in the LAR (will complete over 3 outage cycles). Two thirds of the new fuel and old fuel will be run together, and the remaining old fuel will be removed after three outages. FPL will complete some testing during the mid-cycle outage as well. The scope of work is much greater at PTN than PSL.</p> <p>f. The PSL-2, HP turbine is to be installed to go with the LP turbine, installed during the first outage, and should see improved output and balanced performance.</p> <p>g. FPL likely will not use target pricing at PTN like they used at PSL. FPL battled Bechtel regarding scope trending and target price changes requested. FPL believed Bechtel was requesting target price changes that are not changes of scope, but are part of the originally contracted work. They continue to discuss those trends, and will likely use T&amp;M with a mutually agreed upon report card methodology to assess performance. Criteria could include percentages for safety, cost, schedule, engineering packages, outage performance, work quality, etc.</p> <p>h. FPL expects that the non-binding cost estimate will increase upward in the 2012 filing. FPL also expects to receive additional MWe of power when the upgrades are completed, which will be included in the feasibility analysis (pg. 27 of presentation).</p>	

i. To improve the schedule of engineering modifications, FPL has subcontracted some Bechtel work to Zachary, Sargent & Lundy, and others. According to FPL, design is more mature and the needs of packages have caused the ramp up to ensure engineering is completed. On PSI, FPL used WellTec as a third-party oversight of work and freed Bechtel to do other work. FPL has used other contractors to supplement Bechtel work timeliness. PCI was used as implementation owner at PTN to provide oversight of Bechtel work. This experience provided FPL with another option to use PCI in the Unit 4 outage if needed. Another firm was used at PTN for some oversight work, but did not work out as well as PCI.

j. The Siemens Alliance contracts were discussed briefly. These contracts are different than the turbine equipment long lead contract items because they are modified. The Alliance contracts are to complete the installation of the turbine equipment under the fleet alliance pricing agreement

k. FPL conducts regular scheduled meetings at a fleet level with vendor executives to resolve project performance roadblocks. These allow FPL execs to discuss with vendor execs the needs of the project and how the vendors can improve performance. FPL and Bechtel Sr. Director have monthly in Fredericksburg while site managers are conferenced. FPL EPU and the EPU VP go through performance and discuss the obstructions to performance. These are Key Supplier Meetings, which replaced Vendor Integration Meetings.

l. Delays in the Bechtel designs are being managed through: a) directing Bechtel to subcontract some of the design scope, b) completing WO planning for packages not expected to change c) prioritizing design and planning work to minimizing impact on the outage, d) reducing Bechtel work packages based on lessons learned, including eliminating mobilization and demobilization packages, e) daily issue meetings to review status and schedules and facilitate communication, and f) senior executive oversight meetings regularly held to address issues (pg. 25).

m. St. Lucie Implementation Status (pg. 27) shows that the first set of outages for St. Lucie Units 1&2 are completed; replacement of the LP turbines at PSL2 resulted in a net increase in capacity of 31 MWe. The second outage for PSL1 is in progress; an additional mid-cycle outage this summer will be necessary to complete the Unit 1 EPU after NRC approval of the EPU LAR; the completion of the mid-cycle outage is expected to yield an increase in capacity of 129MWe (net owner share minus house loads). The PSL1 outage started November 27, 2011, and is expected to complete by March 8, 2012. It is the largest of the two PSL outages to complete. The final PSL2 outage is scheduled for Aug. 5, 2012 and should be completed by November with an expected increase in capacity of 84 MWe; WO package development for SL2 has just begun and is expected to complete by May 2012; FPL is developing a plan to reduce Bechtel work packages based on lessons learned, including eliminating mobilization and demobilization packages.

n. Turkey Point Implementation Status (pg. 28) shows that the first set of outages for Units 3&4 are complete; the final outage for PTN3 is scheduled to begin February 26, 2012 and complete by August with an expected increase in capacity of 123 MWe; pre-outage work is in progress; WO package development for PTN3 is in progress and not yet complete WO package prep has been prioritized and packages for first four weeks of outage have been prepared. The final outage for PTN4 is scheduled to start November 5, 2012 and complete by March 2013 with an expected increase in capacity of 123 MWe.

o. FPL has employed several strategies (pg. 35) to help manage vendors during the outage implementation: FPL says that it has leveraged third party construction firms to improve Bechtel's plan, deployed an independent firm to assess Bechtel's productivity, and has passed some construction work to other vendors to reduce the risks associated with schedule and cost. FPL says that it completed a Six Sigma evaluation and implemented improvement initiatives with Siemens, and incorporated lessons learned from affiliate outages.

p. During the St. Lucie non-outage periods (pg. 36) the EPU project will include a staff of approximately 650 above the normal site staff. During outage periods the EPU project staff will increase to approximately 1800. During Turkey Point non-outage periods the EPU project staff will be approximately 1,000 above the normal site staff. During outage periods the EPU project staff will increase to approximately 2,500. FPL estimates over 16 million man hours will be dedicated to the EPU project; PTN is expected to take about 9.7 million man hours (61%), while PSL is expected to take approximately 6.3 million man hours (39%).

q. The current Engineering and Construction forecast (no AFUDC and Transmission) exceeds the non-binding cost estimate range by approximately \$10 million (pg. 40). FPL is studying the range in which the non-binding estimate will increase to complete the remaining implementation of the outages. The two largest contributors to the increase in forecast at St. Lucie were, Siemens cost of implementation in the SL2-19, SL2-20, and SL1-24 outages increased [redacted] and owner engineering, project management and start-up increases of [redacted] (pg. 43); Additional cost for the NRC draft interim safety guidance on Spent Fuel Criticality Analysis [redacted] and FPL staffing for construction, spare parts, administration staff, project managers and turbine group, were approximately [redacted] at Turkey Point (pgs. 44-46); Potential Future Schedule Cost Impacts of greater than [redacted] are expected to exceed the current non-binding estimate (pg. 52).

r. FPL states that Transmission upgrades are on schedule and the balance of substation improvements at PSL are scheduled to complete in 1<sup>st</sup> Qtr. 2012, during the PSL1 outage; the uprate of the spare Generator Step Up (GSU) transformer is scheduled for the end of the Unit 2 2012 outage. At PTN the majority of substation improvements are scheduled to complete by the end of the Unit 3 Spring 2012 outage. The balance of improvements for PTN4 are expected to be completed during the Fall 2012 outage (pg. 48).

s. FPL stated that it has settled its claim with Siemens for the PSI Unit 2 generator stator core repair. The summary of resolution is that Siemens agreed to pay for all of its repair costs (approx [redacted]) FPL is responsible for only related costs consistent with the limits on Siemens liability under contract (approx [redacted]). The total cost to the project was less than the weighted risk estimated in 2011 (estimate [redacted] actual only [redacted]) favorable difference will be reflected in the true-up of 2011 EPU costs (pg. 49).

### Interview Summary (RICH):

- Meeting with the FPSC team was Terry Jones, Steve Reurwer, Liz Abbott, Bruce Belsler, Clyde Newson, Tiffany Cohen, and Johnnie Coleman. Don Fleetwood was absent – jury duty.
- Meeting was from 0830 until 1200 hours, January 24, 2012.
- Overall update brief, to include but not limited to:
  - General project overview and current status
  - Organizational changes
  - Management changes / succession planning
  - Outages completed
  - Remaining outages and schedules
  - Mod package preparation
  - Outage schedule changes
  - Project cost estimate (by unit & total)
  - Interfacing / Coordinating w/Plant Ops
  - Project Cost Changes / Impacts (by unit & total)
  - Settlement of work stoppage costs / liabilities
  - Risk identification & remediation
  - NRC – licensing, schedule, & RAI's
  - State licensing & licensing schedule
  - Local permitting & permitting schedule
  - Vendor relations & contracts
  - Vendor pushback & recovery plans
  - Impact(s) from Fukushima
  - Follow-up questions to DR-1 responses
- FPL presented a 63-page briefing – “FPSC Staff Visit Extended Power Uprate (EPU) Project Update”, January 24, 2012. The document contains a disclaimer at the bottom of each page – “Proprietary & Confidential Business Information. Information is based on Preliminary Engineering.” DR-2 was provided for this takeaway. (Do not do Notice of Intent has been filed for this document.)
- Briefing is divided into project overview (Terry Jones), schedules (Steve Reurwer), regulatory (Liz Abbott), engineering (Reurwer), implementation (Reurwer), cost (Fleetwood absent; Jones), other (Reurwer), challenges (Jones), and appendix.
- The project is four phases – engineering analysis, long lead procurement, engineering design mods, and an implementation phase consisting of two major parts (planning/scheduling and execution). Long lead procurement is ending. Engineering design modifications phase will be the biggest scope generator. During the planning and scheduling part of the implementation phase, designs will be converted to implementation plans, a construction feasibility review is undertaken, and the precise schedule of events is determined.
- PSL-1 second outage is in progress. It will not a 129MWT (FPL share) increase in power. A mid-cycle implementation outage will be needed to complete the EPU after approval of the LAR. Looking at May-June 2012, but it is more a placeholder than a firm date.
- (pg 5) work packages are behind but there is a plan to catch up. Scope is much larger than PSL. Pre-outage work for PTN-3 is ongoing.
- All remaining outages have been pushed back from earlier project start dates:
  - PTN-3 final outage was moved back 20 days. Start is now 02/26/12. Previous start date was 02/06/12
  - PSL-2 final outage is schedule to begin 08/05/12. Previous start date was 06/27/12.
  - PTN-4 final outage is scheduled to begin 11/05/12. Previous start date was 10/01/12
- Project cost forecast has increased. It is above the nonbinding cost estimate, as of 12/31/11.
- Engineering and Construction forecast has increased to \$2.23B – now above the nonbinding cost estimate range of \$2.065B to \$2.221B. Jones expects March testimony to reflect a *minimum* of a \$250M increase in the cost estimate. He believes it might be on the order of 15-percent (\$250M) to as much as 20-percent. Jones indicated it will go up and would be on the order of “several hundred million.” They are working the numbers; not prepared to put a definitive figure on it at this time. He was definite that it will be going up, however, and \$250M seems to be a floor rather than a ceiling. He reaffirmed the lessons learned from the 2009 lockback and affirmed that FPL intends to be more forthcoming when estimates look to be increasing.
- Implemented a target price for PSL for the Bechtel scope of work. Received Bechtel's estimate at completely (EAC) for PTN in November. Currently vetting it. Decision forthcoming. Target price option for PTN is being discussed. The goal is to set up a target price to firm up the cost prior to the May filing so that it is the most accurate and long lasting forecast.
- 2012 Feasibility Analyses will be completed by 05/01/12.
- Primary drivers of price increases -
  - Scope growth
  - a. Design evolution

- b. Addition of 31 engineers
- c. Engineering Change (EC) design completion times – design is taking longer than expected
- e. **Implementation**
  - d. Planning and Scheduling – Additional / revised mods added to complexity / time required to complete
  - e. Execution – Constructability and work area congestion effect productivity
  - f. More mods and implementation complexity require more direct/indirect labor to support outage duration
- FPL believes the company is doing due diligence on the Bechtel EAC. Trying to drive Bechtel to a task-to-position Field Non-Manual (FNM) staffing analysis. FPL claims first answer to Bechtel is always "No", then "Show us....show us....show us" why you (Bechtel) believe something should cost "X".
- FPL has also engaged other suppliers to provide alternative proposals (Jones cites this as very important, a key strategy to continually evaluate and spur the effectiveness and efficiency of Bechtel). FPL brought in WellTech to look at the feedwater heater. Ended up saving 10 days. Also brought in PCI, the implementation arm of Westinghouse. Another brought it was Williams – who proved to be no better/cheaper than Bechtel, and with lots of disclaimers. FPL did not use Williams.
- The Bechtel EAC is not included in the current (as of 12.31.11) increased Engineering and Construction forecast (\$2.23B) found on page 8 of the briefing. The EAC would in addition to that number. The forecast will be revised at the conclusion of the FPL management review and vetting. The revised forecast will be used to update the Nonbinding Cost Estimate and it will be used in the 2012 Feasibility analysis. Jones stated that even with the increases, the project is expected to remain solidly cost effective (pg 10). More cost but there is more megawatts being generated.
- Project Summaries (as of 01/6/12):

#### Design Engineering

- PSL-1: Essentially complete (Jones said "essentially" because "engineering is never really done"
- PSL 2: 23 mods remain to complete; most design packs are same or similar to PSL-1
- PTN-3: Nearing completion
- PTN-4: 37 mods remain to complete; most design packs are the same or similar to PTN-3

#### Work Order Planning Progress

- PSL-1: Essential complete (see Jones' quotes above)
- PSL-2: Work Order planning has just begun
- PTN-3: Behind schedule milestones due to late engineering. Approved WO's support first 4 weeks of outage.
- PTN-4: Scheduled to complete in 2012
- Project summary (cost) – Higher gain in MW output (490MWe) than assumed in the 2011 feasibility study (450Mwe).
- NRC LAR reviews are taking longer than expected – driven by NRC resource constraints
- Turkey Point EPU approval expected during the PTN-3 outage
- PSL approvals anticipated during 2Q12.
- FPL states that it moved the PTN-3 and PSL-2 outages approximately a month each to improve certainty of execution and LAR approval in support of the outages. (pg 12)
- **ORGANIZATION CHANGES** – Filled EPU Site Director vacancies at PTN and PSL (Mike DeLowery and Alan Fata started 2011 at PSL and PTN respectively – DeLowery left FPL – Fata to PSL; Katz takes over PTN – Fata retires – Piazza takes over at PSL). Assigned an Implementation Owner for North (Steve Robitzka) and South (Steve Rouwer). Assigned an additional Engineering Manager to PTN (Mike Moran). Plan to eliminate the Licensing Director and Licensing Manager positions upon receipt of the NRC approvals (Abbot, Beisler) – pg 13
- **SCHEDULE** (pg 15)
  - Completed:
    - PSL-1: 4/5/10 to 6/14/10
    - PTN-3: 9/27/10 to 11/5/10
    - PSL-2: 1/3/11 to 5/8/11
    - PTN-4: 3/21/11 to 5/16/11
  - Ongoing or Scheduled:
    - PSL-1: 11/27/11 to 4/1/12
    - PSL-1 Midcycle: May-Jun placeholder
    - PTN-3: 2/26/12 to 8/4/12 (original schedule dates were 1/30/11 to 7/8/12)
    - PSL-2: 8/5/12 to 11/26/12 (original schedule dates were 7/9/12 to 10/29/12)
    - PTN-4: 11/6/12 to 3/15/13
- FPL believe schedule changes provide add'l time to finish WO planning and pre-outage activities, minimizing outage impact
- Will improve likelihood that NRC will have LAR approved in time to support the implementation outages
- Adequate fuel is on hand at FPL to support continue ops until the outages (cost savings)
- NRC recently identified a generic industry issue associated with Thermal Conductivity Degradation (TCD); analysis must be

addressed prior to approval of the PTN LAR.

	PSL-1	PSL-2	PTN-3	PTN-4
Previously Approved Operating Schedule	110 days	95 days	120 days	120 days
Approved Operating Schedule - June 2011	127 days	113 days	160 days	130 days
Current Schedule	102 days	TBD	126 days	TBD

Note - the 126 days under PTN-3 was identified as "still under development" - it might change.

**REGULATORY**

- NRC is challenged to complete LAR review and approvals on schedule
- PSL-1 LAR approval is currently expected in May 2012; further delay viewed as possible
- PSL-2 LAR approval is forecasted as July 2012; further delay viewed as possible
- Further delays might mean impact to the EPU on the order of "6 to 8 weeks" (Abbott)
- FPL meets with NRC regularly requesting NRC to complete reviews without further delays (FPL meeting with NRC again this week, Jan 30 - Feb 3)
- PTN Alternate Source Term (AST), a prerequisite for EPU LAR approval, was approved by the NRC on 6/23/11
- PTN Spent Fuel Criticality license amendment, a prerequisite for EPU LAR approval, was approved by the NRC on 10/31/11
- PTN LAR approval is currently forecast for April 2012 (during the PTN-3 outage)
- Follow-up review of open item resolutions, including applicability of a generic industry issue related to Thermal Conductivity Degradation - full Advisory Committee on Reactor Safeguards (ACRS) Committee met on 1/19/12; target dates for follow-up meetings are 2/23/12 for the subcommittee and 3/8/12 for the full committee.
- Bottom line? - "We're in good shape.....maybe by the May filing we'll have a LAR to announce..." (Abbott)

**ENGINEERING**

- Approximately 81-percent of the engineering design work is complete based on earned hours. (1,250,568 hours forecast, 1,015,802 used so far). These figures do not include unapproved Bechtel trends.
- Engineering design essentially complete for PSL-1 and PTN-3; working 2012 design packages for PSL-2 and PTN-4
- Approximately 64-percent of the total design packages are completely and approved:

As of 1/4/12	Identified	Initiated	90-percent	Final
St. Lucie	102	100	85	74
Turkey Point	120	120	86	69
Total	222	220	171	143
Percent		99-percent	77-percent	64-percent

- FPL directed Bechtel to subcontract some of the design scope work, to minimize impact and risk of not finishing the design work on time.
- Prioritized design and planning work to minimize outage impact
- Developing a plan to reduce Bechtel work packages based on lessons learned (e.g. eliminating mob/de-mob packages)
- Holding daily Issue Meetings to review status and schedules, addressing difficulties, facilitating communication/intent
- FPL expects that with heightened (senior) management attention/focus, Bechtel will improve / mitigate the impacts.
- EPU project was scheduled to be implemented over two outages for each of the four units.
- First outages for PSL-1 and PSL-2 complete. Net increase of 31 MWe (owner net share, after house load is subtracted)
- PSL-1 second outage in progress. Additional mid-cycle will be required after LAR - no work, just raising operating settings. Completion of mid-cycle is expected to yield an increase of 129MWe (owner net)
- Final PSL-2 outage to begin 8/5/12; complete by 11/12. Expected uprate of 84 MWe (owner net)
- WP package development for PSL-2 just underway; expected to be completed in May 2012.
- First outages for PTN-3 and PTN-4 completed.
- Final outage for PTN-3 is scheduled to begin 2/26/12 and complete in August 2012. Net increase expected of 123 MWe.
- WO development not yet complete. Remainder have been prioritized for completion. Enough currently on hand for the first 30 days of the outage. FPL expects to have all completed by the time the outage begins.
- Final outage for PTN-4 is scheduled to begin 11/5/12 and complete in 3/13. Net increase expected of 123 MWe.

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## Bureau of Performance Analysis Interview Summary

<p>Company: Florida Power &amp; Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich</p>	<p>Interview Number: IVS-2 File Name: 3.5.2 EPU IVS-2.doc</p>
<p>Name: PTN EPU Management Steve Reuwer, Implementation Owner – South; Alan Katz, EPU Site Director; Bruce Biesler Project Manager Nuclear Division Projects; Tiffany Cohen; Manager of Nuclear Cost Recovery Regulatory Affairs</p>	<p>Date of Interview: March 27, 2012 Location: Turkey Point Plant Telephone Number:</p>
<p>(1) Purpose of Interview: To discuss the progress with the PTN Unit 3 Spring outage (3R26), and the preparation for the PTN Unit 4 outage scheduled to start in November 2012. The first set of outages for Units 3&amp;4 were completed in 2011 and the third and largest</p>	
<p>(2) Interview Summary:</p> <p>a. Alan Katz and Steve Reuwer provided a presentation of 17 pages to use as an update and discussion guide for the meeting (<i>FPL Staff Visit Turkey Point Extended Power Uprate [EPU] – attached</i>). The EPU project is currently executing the third outage at Turkey Point. The first set of outages for PTN was completed in 2011. The current 3R26 outage for Unit 3 started February 26, 2012 and is scheduled to complete by August 4, 2012. The Unit 3 outage is considered the largest and most challenging of all the FPL EPU outages. The PTN Unit 4 outage is scheduled to begin November 5, 2012 and complete by March 2013. FPL expects for both units to provide an increase of capacity of 123MWe each (pg. 3). Significant material will be installed or replaced during the PTN 3&amp;4 outages. The current operating schedule for the outage is 160 days, with a stretch goal of completing the outage in 144 days. Unit 3 is in cold shutdown and the fuel is off loaded. Demolition of major secondary components is in progress and turbine generator work is progressing as scheduled.</p> <p>b. The major scope of the 3R26 outage includes Nuclear Safety Margin requirements, Steam Path replacements, Condensate and Feedwater replacements and modifications, Heater Drain upgrades Other Balance of Plant items, Auxiliary Support Systems, and electrical modifications and upgrades to the generator, iso-phase bus, and PTN switchyard (pgs. 6-10).</p> <p>c. The project team is made up of five integrated major organizations including: <u>Bechtel</u> the EPC contractor, responsible for engineering design modifications, material procurement other than long-lead equipment, work planning and scheduling, and construction and testing modifications. <u>Siemens</u> has responsibility for the turbine generator engineering design, manufacturing and delivery of the components, planning of the turbine work schedules, and installation and testing for the turbine generator modifications. <u>Shaw</u> has responsibility for Umbrella Modifications and other designs, as well as planning, scheduling, and implementation of umbrella modifications. Shaw also provides asbestos and sheet metal construction support to the project, and support maintenance to the plant. <u>Ames &amp; Williams</u> provides valve and supplemental maintenance service, and lead abatement and coating services. <u>FPL</u> provides oversight and integration of the project, LAR development and submittal, procurement of long lead and safety related materials, engineering package development and owners review, site laydown and crane coordination, and system start-up testing (pgs. 11-12).</p> <p>d. As of March 21, 2012 the Turkey Point Project Staff totalled 3,071 people with Bechtel staffing of 2,262 in engineering, procurement, and construction. Siemens employs 265 people for turbine generator activities, Shaw has 302 people working in construction support, while Ames has 23 and Williams has 22. FPL has 150 project oversight personnel and 47 for station support, for a total work force of 197 employees in oversight and support on the PTN 3R26 outage (pg. 13).</p> <p>e. FPL has organized a Team Room to monitor, manage, and coordinate the project work. The Team Room operates 24/7 and includes an FPL Outage Manager, Bechtel Shift Outage Managers, FPL Construction Manager, and Schedulers for FPL and Bechtel. These positions make up the Command and Control of Outage Operations and provide issue management and problem resolution of work issues. The Team Room also completes 24-48 hour look aheads of problematic areas and issues as challenge reviews to resolve potential delays before they happen (pg. 14).</p> <p>f. EPU has a NRC Licensed Senior Reactor Operator (SRO) as part of its Leadership Team responsible for interface and coordination of EPU modifications with Plant Operations. Operations Coordination includes: review and approval of design packages, proper use of over 1,900 station procedure revisions, approximately 100 new procedures resulting from EPU, 150 start-up and testing procedures for testing, and coordinating clearance for project activities while the station is in operation and work is being completed (pg. 15)</p> <p>g. Design Engineering is nearing completion as the project moves into final execution. The Engineering phase is essentially complete, as the Unit 4 engineering work is the same as that already completed for Unit 3. Unit 4 final execution will be a replication of Unit 3. In March of 2011 only 32% of the engineering design was at 90% as compared to the current 98% at 90% supporting the detailed construction planning. Project uncertainty is mostly limited to discovery during demolition and replacement of major components (pg. 16).</p>	



h. Staff was escorted throughout the site to review preparation sites such as the Team Room, equipment staging areas, and fabrication and setup areas. Work Areas reviewed included the Turbine Plant Cooling Water Heat Exchangers, Condensers, BHC Skid, Steam Generator Pump Room and Condensate Pumps. On the Turbine Deck the Moisture Separators Number 5&6 Feedwater Heaters, Turbine Generator, and multiple cranes were observed (pg. 17).

(3) Conclusions:

1. The current 3R26 outage for Unit 3 started February 26, 2012 and is scheduled to complete by August 4, 2012.
2. The PTN Unit 4 outage is scheduled to begin November 5, 2012 and complete by March 2013.
3. FPL expects for both units to provide an increase of capacity of 123MWe each.
4. The current operating schedule for the outage is 160 days, with a stretch goal of completing the outage in 144 days.
5. The Engineering phase is essentially complete, as the Unit 4 engineering work is the same as that already completed for Unit 3. Unit 4 final execution will be a replication of Unit 3. In March of 2011 only 32% of the engineering design was at 90% as compared to the current 98% at 90% supporting the detailed construction planning. Project uncertainty is mostly limited to discovery during demolition and replacement of major components.

(4) Data Request(s) Generated:

No. \_\_\_\_\_  
No. \_\_\_\_\_  
No. \_\_\_\_\_

(5) Follow-up Required:

1. Request Monthly report updates on the status of the 3R26 outage.

\_\_\_\_\_  
Project Manager

## Bureau of Performance Analysis Interview Summary

<p>Company: Florida Power &amp; Light Company Area: Project Management Internal Controls Auditor(s): L. Fisher, D. Rich</p>	<p>Interview Number: IVS-4 File Name: EPU IVS-4.doc</p>
<p>Name: EPU Management Terry Jones, VP Nuclear Power Upgrades; Liz Abbott; Steve Rowser, Implementation Owner – South; Bruce Blester; and Tiffany Cohen from Regulatory Affairs and Nuclear Cost Recovery Regulatory Affairs</p>	<p>Date of Interview: March 28, 2012 Location: Juno Beach Corporate Offices Telephone Number:</p>
<p>(1) Purpose of Interview: To discuss the progress of the Uprate Project, the current 2012 outages, the scheduled PTN Unit 4 outage and the increased costs range of the EPU project.</p>	
<p>(2) Interview Summary:</p> <p>a. A 42 page presentation was provided by the EPU Project Management Team and Vice President. (<i>FPL Staff Visit Extended Power Uprate [EPU] 2012 Management Update, March 28, 2012 – attached</i>) Mr. Jones began with an overview of the four phases the project is progressing through. He provided an overview schedule for the current and planned outages remaining for the uprate project (pgs. 4&amp;5) Engineering analyses needed for the LARs are completed. Long Lead material has been ordered and is scheduled to be delivered to support the implementation outages. Engineering Design Modification is behind the established milestones schedule, but compensatory measures are in place (pg.6). The first set of EPU outages for all four units were completed in 2011. The second outage for St. Lucie Unit 1 is nearing completion with start-up in progress. A mid-cycle outage for Unit 1 is necessary to complete the EPU after the NRC approval of the LAR for Unit 1. The final outage for PTN 3 is currently in progress. The final outage for PSL Unit 2 is planned to start on August 5, 2012. The final PTN Unit 4 outage is planned to start November 5, 2012 (pg. 7).</p> <p>b. The project remains on target to complete by early 2013. FPL is expecting higher MW output than initially estimated, and higher than that projected last year. FPL estimates that a total of 490 MW of power will be delivered as a result of completing the uprates, instead of the 450 MW projected last year. The majority of the increased MW is estimated by FPL to be delivered in 2012. FPL continues to work with the NRC to ensure the timing of the LAR approvals and their support of the outages. The execution of PSL2 and PTN 4 outages will be very similar to outages already completed, which reduces uncertainty of execution and cost (pg. 8).</p> <p>c. The project cost forecast has increased and is above the 2011 nonbinding estimate. The Engineering and Construction Forecast has increased due to NRC regulatory design evolution and the resultant construction effort. FPL received the original Bechtel EAC for PTN 3&amp;4 on November 2011, in response to a request for target pricing. FPL has been evaluating and challenging the Bechtel to go cost and has realized significant concessions from the EPC contractor. On March 26, 2012 Bechtel submitted a revised BAC to FPL. FPL executives reviewed the revised submittal the night that it was received. FPL is completing the due diligence and vetting process to assess a revision of the non-binding cost estimate to support the annual feasibility analysis. Its preliminary update of 3.0 billion was provided to the Board of Directors on March 16, 2012, and the vetting of the estimate continues. The annual feasibility analyses will be completed by May 1, 2012 (pg. 9) Primary cost drivers are: 1) NRC Regulatory licensing costs due to additional design engineering, NRC fees, and additional cost for implementation resulting from NRC requirements 2) Design evolution and scope growth driven by engineering discovery related to multiple modifications and 3) Construction/implementation/logistics to support construction implementation (pg. 10). In May 2011, approximately 28% of the EPU engineering had been completed when FPL gave its non-binding estimate range for the project. Coincident to the Bechtel EAC in November 2011, the number of engineering modifications 90% completed was 156 as compared to 81 at the time of the May 2011 filing. As of March 2012, 206 of the 220 modifications are 90% complete. Engineering and Construction walk downs based on final designs reveal a more extensive effort is required in logistics, interference removal, structural modification, and the attendant construction organization to support the work. The NRC was significantly impacted by the Fukushima and Virginia earthquakes events in the LAR approval process. This required additional work to revise the EPU outage schedule to accommodate a mid-cycle uprate. Regulatory delay, design evolution, and the resulting construction effort are the primary cost drivers (Pgs. 11-12).</p> <p>d. To compensate for NRC delays and improve the certainty of outage execution, the remaining outage dates for PTN and PSL were extended to include additional time for work completion. Pre-outage work allowed the original baseline planning to complete for PTN3, and an additional 271 thousand hours of pre-outage work that would have otherwise been necessary during the PTN 3R26 outage (a total of 1.82 million hours of work was performed in the PTN 3R26 pre-outage period). At the end of February and the first of March 2012, EPU went through a re-evaluation challenge of the PTN 3R26 outage activities. Pre-outage work for PSL1 emerging issues and outage execution has been completed, as well as engineering for the PSL2 outage. The additional time also allowed FPL to resolve material delivery issues at both sites (pg.14).</p> <p>e. FPL is continuing to work with the NRC to complete the reviews for the EPU LARs. The NRC has been challenged to complete EPU LAR reviews on schedule due to resource constraints. PSL Unit 1 EPU LAR is forecast to be complete June 2012. PSL Unit 2 EPU LAR is forecast to be complete by August 2012. The PTN COLR license amendment was received February 23, 2012. The NRC (Advisory Committee on Reactor Safeguards) ACRS recommended approval of the EPU LAR for PTN in March 2012, and the</p>	

EPU license amendment is forecast for April 2012. FPL continues to meet with the NRC to request completion of the reviews without further delay (pg. 16).

f. Engineering design is essentially complete for PSL1 and PTN3 outages. FPL plans to finish remaining PSL2 and PTN4 engineering within the next few months. Approximately 84% of the design packages are completed and approved for the remaining outages, and 94% of the design packages are at 90% complete in support of the detailed construction planning (pg. 20).

g. **PSL Implementation Status** – The first set of outages for both units is completed. Replacement of the low pressure turbines at PSL2 resulted in a net increase of 31 MWe. The second outage for PSL1 (PSL1-24) is essentially complete (4/1/12). The unit start-up is in progress, as of March 27, 2012. An additional mid-cycle outage is expected to increase capacity by 129 MWe (net increase?). If the mid-cycle is not necessary due to the LAR approval the work could be implemented on the back end of the PSL2 outage. The final PSL2 outage is scheduled to start August 5, 2012 and complete in November. An additional 84 MWe increase of capacity is expected from the outage. Approximately 82% of the PSL2 engineering design is at 90% completion in support of the detailed construction planning. The work order package development for PSL2 is in progress and expected to be complete by July 2012 (pg. 22). The PSL1-24 outage was the largest of the St. Lucie EPU outages. The major scope of the outage included: Nuclear Safety Margin modifications and upgrades, Turbine Generator replacements and upgrades, replacement of the Main Steam actuators, reboilers, valves and controls, Condensate and Feed water replacements, and an upgrade of the Station Main Transformer (pgs. 24-25).

h. The final outage for PTN3 is in progress and scheduled to complete in August 2012 with an expected increase in capacity of 123 MWe. The final outage for PTN4 is scheduled to start November 5, 2012 and complete in March 2013 with a capacity increase of 123 MWe. Approximately 95% of the Unit 4 modifications are at 90% completion (pg. 30). The current PTN 3R26 outage is the largest and most challenging EPU outage. It started on February 26, 2012 and is scheduled to complete by August 4, 2012. Major Work Scope is listed on pages 32-35 of the presentation. Nearly 20 million man-hours will be used to complete the EPU project (pg. 37)

i. FPL is managing future schedule and cost impacts by completing the engineering and detailed construction plans for the outages. Most project uncertainty remains around demolition and replacement of major components. Since November, FPL Project Management has scrutinized and challenged the Bechtel estimate to go costs for completing the EPU project. FPL has negotiated concessions from the EPC contractor that include waiver of incentive fees, daily living allowances, reduced field non-manual rates, reduced escalation, reduced cost for subcontractors and reduced craft wage rates. FPL hopes to include these concessions into a revised EPC contract in the near future (Pg. 41). The project is on schedule to complete implementation in early 2013 with a higher gain in MW output than discussed last year (490 MWe vs. 450 MWe). The majority of the increase is expected to be realized in 2012. The implementation of the St. Lucie Unit 2 and Turkey Point 4 outages will be very similar, which should reduce the uncertainty of execution costs (pg. 42).

(3) Conclusions:

1. Outages are on schedule with the increased times established in early 2011.
2. The EPU project is on schedule to complete in early 2013.
3. The EPU LARs have been submitted to the NRC and are currently under review for final approval.
4. PSL1 may require a mid-cycle outage to complete the uprate if the PSL1 EPU LAR is not approved prior to completing the final outage.
5. Approximately 82% of the PSL2 engineering design is at 90% completion in support of the detailed construction planning. The work order package development for PSL2 is in progress and expected to be complete by July 2012
6. The final outage for PTN3 is in progress and scheduled to complete in August 2012 with an expected increase in capacity of 123 MWe.
7. The final outage for PTN4 is scheduled to start November 5, 2012 and complete in March 2013 with a capacity increase of 123 MWe.
8. Approximately 95% of the Unit 4 modifications are at 90% completion.
9. Nearly 20 million man-hours will be used to complete the EPU project.
10. Since November, FPL Project Management has scrutinized and challenged Bechtel's estimate of to-go costs for completing the EPU project.
11. FPL has negotiated concessions from the EPC contractor that include waiver of incentive fees, daily living allowances, reduced field non-manual rates, reduced escalation, reduced cost for subcontractors and reduced craft wage rates.
12. The project is on schedule to complete implementation in early 2013 with a higher gain in MW output than discussed last year (490 MWe vs. 450 MWe)

(4) Data Request(s) Generated:

No. \_\_\_\_\_  
No. \_\_\_\_\_  
No. \_\_\_\_\_

**Revised Exhibit C**  
**Florida Power and Light Company**  
**Staff Audit Workpapers for the Review of Florida Power and Light Company's Project**  
**Management Internal Controls for Nuclear Plant Uprate and Construction Projects**  
**Docket No. 120009-EI**

Document	Description	Page Number(s)	Conf. Y/N	Line No./Col. No.	Florida Statute 366.093 (3) Subsection	Affiant
Staff Audit Work Papers	Review of Florida Power and Light Company's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects	1-94,96,-97, 99-100, 102-105, 107-140, 144,148, 152, 154-155, 159, 164-166, 170, 173-175, 178, 181-182, 185-191, 195, 199, 202, 205-237, 243-247, 250-252, 262,264-270, 272-276, 278, 293-295, 298-299, 301-304, 306, 313-315, 317-322, 326-328, 333, 341, 343-346, 351, 363-366, 371-379, 381-384, 391, 394-395, 398, 401-407, 409, 422-423, 425, 430-433, 435-436, 439-441, 443	N			

	DR 4 EPU	95, 98, 101	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 3 EPU	106	No	Lines 1-2		
			Y	Line 3	(d), (e)	Stephanie Castaneda
	DR 7 EPU	141, 145, 149	Y	Lines 1-2	(e)	Stephanie Castaneda
		142, 146, 150	Y	Lines 1-6	(d), (e)	Stephanie Castaneda
		143, 147, 151	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
	DR 3 EPU	153	No	Lines 1-2		
			Y	Line 3	(d), (e)	Stephanie Castaneda
	DR 7 EPU	156,160	Y	Lines 1-2	(e)	Stephanie Castaneda
		157, 161	Y	Lines 1-6	(d), (e)	Stephanie Castaneda
		158, 162	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
	DR 4 EPU	163	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 7 EPU	167	Y	Lines 1-2	(e)	Stephanie Castaneda
		168	Y	Lines 1-6	(d), (e)	Stephanie Castaneda
		169	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
	DR 8 EPU	171-172	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 8 EPU	176-177	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 8 EPU-SUPP	179-180	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 1 EPU-1.15 SUPP 2	183-184	Y	Line 1	(d), (e)	Stephanie Castaneda
	DR 7 EPU	192, 196	Y	Lines 1-2	(e)	Stephanie Castaneda
		193, 197	Y	Lines 1-6	(d), (e)	Stephanie

		194, 198	Y	Lines 1-2	(d), (e)	Castaneda Stephanie Castaneda
	DR 8 EPU	200-201, 203-204	Y	Line 1	(d), (e)	Stephanie Castaneda
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 1.1 - 1.63 PTN 6&7	238	Y	Lines 1-4	(d), (e)	Brenda Thompson
		239	Y	Lines 1-3	(d), (e)	Brenda Thompson
		240	Y	Columns A-B	(d), (e)	Brenda Thompson
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 1.56 PTN 6&7	241	Y	Lines 1-9	(b)	Antonio Maceo
		242	Y	Lines 1-8	(b)	Antonio Maceo
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 3.1-3.11 PTN 6&7	248	Y	Line 1	(d), (e)	Brenda Thompson
		249	Y	Lines 1-14	(e)	Jim Voorhees
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 4.1-4.8 PTN 6&7	253	Y	Lines 1-3	(e)	Jim Voorhees
		254	Y	Lines 1-2	(e)	Jim Voorhees
			Y	Lines 3-4	(d), (e)	Brenda Thompson
		255	Y	Line 1	(d), (e)	Brenda Thompson
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 5.2-5.5 PTN 6&7	256-257	Y	Lines 1-9	(d), (e)	Brenda Thompson
		258	Y	Lines 1-12	(d), (e)	Brenda Thompson
		259	Y	Lines 1-6	(d), (e)	Brenda Thompson
		260	Y	Lines 1-13	(d), (e)	Brenda Thompson
		261	Y	Column A, Lines 1-7	(d), (e)	Brenda Thompson
	DOCUMENT SUMMARIES AND CONTROL LOGS	263	Y	Lines 1-3	(d), (e)	Brenda Thompson

	<b>DRs 7.1-7.11 PTN 6&amp;7</b>					
	<b>DOCUMENT SUMMARIES AND CONTROL LOGS DRs 1.11-1.19 EPU</b>	271	Y	Lines 1-6	(e)	Stephanie Castaneda
		277	Y	Line 1	(d), (e)	Stephanie Castaneda
		279	No	Lines 1-3		
		280	Y	Lines 1-4	(d), (e)	Stephanie Castaneda
		281	Y	Lines 1-5, 8	(d), (e)	Stephanie Castaneda
			No	Lines 6-7		
		290-291	Y	Column A	(e)	Stephanie Castaneda
		292	Y	Column A	(e)	Stephanie Castaneda
		296	No	Lines 1-4		
		297	No	Lines 1-4		
		300	No	Line 1		
		305	Y	Column A	(d), (e)	Stephanie Castaneda
		307	Y	Lines 1-16	(b)	Antonio Maceo
		308	Y	Lines 1-7	(b)	Antonio Maceo
		309	No	Lines 1-2		
310	Y	Lines 1-14	(b)	Antonio Maceo		
	<b>DOCUMENT SUMMARIES AND CONTROL LOGS DRs 2.1-2.3 EPU</b>	311	Y	Line 1	(d), (e)	Stephanie Castaneda
			No	Line 2		
			Y	Lines 3-5	(d), (e)	Stephanie Castaneda

		312	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
			No	Lines 3-4		
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 3.1-3.23 EPU	316, 324, 330	Y	Line 1	(d), (e)	Stephanie Castaneda
		323	No	Line 1		
		325	Y	Lines 1-4	(d), (e)	Stephanie Castaneda
		329	Y	Lines 1-4	(e)	Stephanie Castaneda
			Y	Lines 5-14	(b)	Antonio Maceo
		330	Y	Section 1	(b)	Antonio Maceo
		331	Y	Lines 1-25	(b)	Antonio Maceo
		332	Y	Lines 1-22	(b)	Antonio Maceo
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 4.1-4.12 EPU	334	Y	Column A	(e)	Stephanie Castaneda
		335	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
		336	Y	Lines 1-2	(d), (e)	Stephanie Castaneda
		337	Y	Lines 1-39	(e)	Stephanie Castaneda
		338	Y	Line 1	(d), (e)	Stephanie Castaneda
		339	Y	Lines 1-2 Lines 3-19	(e) (d), (e)	Stephanie Castaneda
		340	Y	Lines 1-7	(e)	Stephanie Castaneda
		342	Y	Lines 1-8	(e)	Stephanie Castaneda
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 7.1-7.14 EPU	347	Y	Lines 1-17	(d), (e)	Stephanie Castaneda
		348	Y	Lines 1-6	(d), (e)	Stephanie Castaneda



		349	Y	Lines 1-6	(e)	Stephanie Castaneda
		350	Y	Lines 1-13	(e)	Stephanie Castaneda
		352	Y	Lines 1-3	(e)	Stephanie Castaneda
		354	Y	Lines 1-2	(e)	Stephanie Castaneda
		355	Y	Line 1	(e)	Stephanie Castaneda
		356-357	Y	Lines 1-5	(e)	Stephanie Castaneda
		358	Y	Lines 1-3	(d), (e)	Stephanie Castaneda
		359	Y	Lines 1-4	(d), (e)	Stephanie Castaneda
		360	Y	Lines 1-6	(d), (e)	Stephanie Castaneda
		361	Y	Lines 1-10	(d), (e)	Stephanie Castaneda
		362	Y	Lines 1-15	(b)	Antonio Maceo
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 8.1-8.5 EPU	367	Y	Lines 1-5	(d), (e)	Stephanie Castaneda
		368	Y	Lines 1-11	(d), (e)	Bruce Beisler
		369	Y	Lines 1-2	(d), (e)	Bruce Beisler
	DOCUMENT SUMMARIES AND CONTROL LOGS DRs 1.15 EPU	370	Y	Lines 1-12	(b)	Antonio Maceo
	IVS-2-PTN 6&7 Status	380	Y	Lines 1-4	(d), (e)	Brenda Thompson
	IVS-1	385	No	Lines 1-2		
		386	No	Lines 1-2		

			Y	Lines 3-9	(e)	Stephanie Castaneda
		387	No	Lines 1-2		
		388	No	Lines 1-2		
		389	No	Lines 1-4		
		390	Y	Lines 1-7	(e)	Stephanie Castaneda
	IVS-2	392-393	No	Line 1		
	IVS-4	396	No	Line 1		
		397	No	Lines 1-3		
	IVS-5	399	Y	Lines 1-9	(b)	Antonio Macao
	IVS-6	400	Y	Lines 1-6	(e)	Jim Voorhees
	PTN 6&7 3&4 CONTRACT DOLLARS 2011	408	Y	Lines 1-4	(d), (e)	Stephanie Castaneda
	EPU INVOICE SAMPLING	410-411	Y	Columns A-B	(d), (e)	Stephanie Castaneda
	EPU CONTRACTS IN EXCESS OF \$250K	412	Y	Columns A-C	(d), (e)	Stephanie Castaneda
		413	Y	Columns A-B	(d), (e)	Stephanie Castaneda
	EPU-NEW CONTRACTS BREAKDOWN 2011	414-415	Y	Column A	(d), (e)	Stephanie Castaneda
	EPU-MARCH T-7 CONTRACTS 2011	416-419, 421	Y	Columns A-C	(d), (e)	Stephanie Castaneda
		420	Y	Columns A-E	(d), (e)	Stephanie Castaneda
		424	Y	Column A	(d), (e)	Stephanie Castaneda
	EPU-MAY P-7 CONTRACTS 2011	426, 428, 429	Y	Columns A-C	(d), (e)	Stephanie Castaneda

		427	Y	Columns A-D	(d), (e)	Stephanie Castaneda
	FS-1-SIEMENS WORK STOPPAGE	434	Y	Lines 1-4	(d), (e)	Stephanie Castaneda
		437	Y	Line 1	(d), (e)	Stephanie Castaneda
	FS-2-BECHTEL WORK STOPPAGE	438	Y	Lines 1-5	(d), (e)	Stephanie Castaneda
	FS-2-BECHTEL WORK STOPPAGE	442	Y	Lines 1-5	(d), (e)	Stephanie Castaneda

# REVISED EXHIBIT D

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost )  
Recovery Clause )

DOCKET NO. 160009-EI

STATE OF FLORIDA )  
MIAMI-DADE COUNTY )

AFFIDAVIT OF ANTONIO MACEO

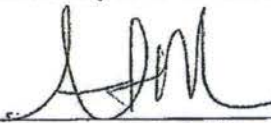
BEFORE ME, the undersigned authority, personally appeared Antonio Maceo who, being first duly sworn, deposes and says:

1. My name is Antonio Maceo. I am currently employed by Florida Power & Light Company ("FPL") as Manager of Auditing. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed Revised Exhibit C and the documents that are included in FPL's First Request for Extension of Confidential Classification concerning information contained in Staff's work papers for the review of FPL's project management internal controls, for which I am identified on Revised Exhibit C as the affiant. The documents or materials that I have reviewed contain information related to reports of internal auditors. Full and frank disclosure of information to the Internal Auditing department is essential for the department to fulfill its role, and the confidential status of internal auditing process, findings, and reports supports such disclosure. The release of information related to reports of internal auditors would be harmful to FPL and its customers because it may affect the effectiveness of the Internal Auditing Department itself. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. No significant changes have occurred since the issuance of Order No. PSC-14-0625-CFO-EI to render the information identified in Revised Exhibit C state or public such that continued confidential treatment would not be appropriate. Accordingly, this information should continue to be maintained as confidential for an additional period of not less than 18 months. These materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

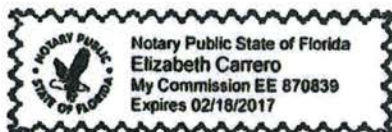
4. Affiant says nothing further.

  
Antonio Maceo

SWORN TO AND SUBSCRIBED before me this 29 day of April 2016, by Antonio Maceo who is personally known to me or who has produced \_\_\_\_\_ (type of identification) as identification and who did take an oath.

  
Notary Public, State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost )  
Recovery Clause )

DOCKET NO. 160009-EI

STATE OF FLORIDA )  
PALM BEACH COUNTY )

AFFIDAVIT OF BRENDA THOMPSON

BEFORE ME, the undersigned authority, personally appeared Brenda Thompson who, being first duly sworn, deposes and says:

1. My name is Brenda Thompson. I am currently employed by Florida Power & Light Company as Nuclear Project Controls Manager. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed Revised Exhibit C and the documents that are included in FPL's First Request for Extension of Confidential Classification of Information contained in Staff's work papers for the review of FPL's project management internal controls, for which I am listed on Revised Exhibit C as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including contractual data and competitively sensitive data. Disclosure of this information would violate FPL's contracts with its vendors, work to the detriment of FPL's competitive interests, impair the competitive interests of its vendors and/or impair FPL's efforts to enter into contracts on commercially favorable terms. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. No significant changes have occurred since the issuance of Order No. PSC-14-0625-CFO-EI to render the information identified in Revised Exhibit C stale or public such that continued confidential treatment would not be appropriate. Accordingly, this information should continue to be maintained as confidential for an additional period of not less than 18 months. These materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.

Brenda Thompson  
Brenda Thompson

SWORN TO AND SUBSCRIBED before me this 29 day of April 2016, by Brenda Thompson, who is personally known to me or who has produced \_\_\_\_\_ (type of identification) as identification and who did take an oath.

Lidia Hoffman  
Notary Public, State of Florida

My Commission Expires: 6/16/18



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost )  
Recovery Clause )

DOCKET NO. 160009-EI

STATE OF FLORIDA )  
 )  
PALM BEACH COUNTY )

AFFIDAVIT OF STEPHANIE CASTANEDA

BEFORE ME, the undersigned authority, personally appeared Stephanie Castaneda who, being first duly sworn, deposes and says:

1. My name is Stephanie Castaneda. I am currently employed by Florida Power & Light Company ("FPL") as Nuclear Business Operations, Fleet Accounting and Regulatory Compliance. I have personal knowledge of the matters stated in this affidavit.

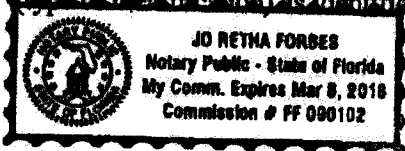
2. I have reviewed Revised Exhibit C and the documents that are included in FPL's First Request for Extension of Confidential Classification of information contained in Staff's work papers for the review of FPL's project management internal controls, for which I am listed on Revised Exhibit C as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including contractual data and competitively sensitive data. Disclosure of this information would violate FPL's contracts with its vendors, work to the detriment of FPL's competitive interests, impair the competitive interests of its vendors and/or impair FPL's efforts to enter into contracts on commercially favorable terms. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

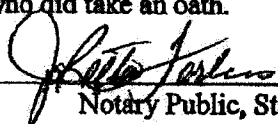
3. No significant changes have occurred since the issuance of Order No. PSC-14-0625-CFO-EI to render the information identified in Revised Exhibit C stale or public such that continued confidential treatment would not be appropriate. Accordingly, this information should continue to be maintained as confidential for an additional period of not less than 18 months. These materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.

  
Stephanie Castaneda

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of April 2016, by Stephanie Castaneda, who is personally known to me or who has produced N/A (type of identification) as identification and who did take an oath.



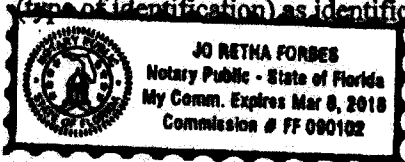
  
Notary Public, State of Florida

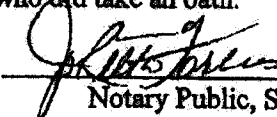
My Commission Expires:

4. Affiant says nothing further.

  
Stephanie Castaneda

SWORN TO AND SUBSCRIBED before me this 29<sup>th</sup> day of April 2016, by Stephanie Castaneda, who is personally known to me or who has produced N/A (type of identification) as identification and who did take an oath.



  
Notary Public, State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost )  
Recovery Clause )

DOCKET NO. 160009-BI

STATE OF FLORIDA )

AFFIDAVIT OF JIM VOORHEES

PALM BEACH COUNTY )

BEFORE ME, the undersigned authority, personally appeared Jim Voorhees who, being first duly sworn, deposes and says:

1. My name is Jim Voorhees. I am currently employed by Florida Power & Light Company ("FPL") as Nuclear Employee Concerns Program Fleet Manager. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed Revised Exhibit C and the documents that are included in FPL's First Request for Extension of Confidential Classification of information contained in Staff's work papers for the review of FPL's project management internal controls, for which I am listed on Revised Exhibit C as the affiant. The documents and materials that I have reviewed contain proprietary confidential business information, including information related to competitive interests. Specifically, this information relates to FPL's Employee Concerns Program. FPL maintains the confidentiality of this type of information to encourage the full and frank disclosure of employee concerns, which assists with the timely resolution of such issues within FPL and helps reduce costs. The release of this type of information would be harmful to FPL and its customers because it may affect the effectiveness of the Employee Concerns Program itself. Additionally, the documents I reviewed contain employee information unrelated to compensation, duties, qualifications, or responsibilities. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. No significant changes have occurred since the issuance of Order No. PSC-14-0625-CFO-EI to render the information identified in Revised Exhibit C stale or public such that continued confidential treatment would not be appropriate. Accordingly, this information should continue to be maintained as confidential for an additional period of not less than 18 months. These materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.

  
Jim Voorhees

SWORN TO AND SUBSCRIBED before me this 29 day of April 2016, by Jim Voorhees, who is personally known to me or who has produced FPL (type of identification) as identification and who did take an oath.

  
Notary Public, State of Florida

My Commission Expires:



Adriana Leon  
State of Florida  
MY COMMISSION # FF 4181  
Expires: April 2, 2017