

# FLORIDA PUBLIC SERVICE COMMISSION

## SPECIAL COMMISSION CONFERENCE AGENDA

**CONFERENCE DATE AND TIME:** Monday, October 19, 2015, 12:00 p.m.

**LOCATION:** Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

**DATE ISSUED:** October 8, 2015

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### NOTICE

Conference agendas, staff recommendations, and vote sheets are available from the PSC website, <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. Once filed, a verbatim transcript of the Commission Conference will be available from this page by selecting the conference date, or by selecting *Clerk's Office* and the Item's docket number (you can then advance to the *Docket Details* page and the Document Filings Index for that particular docket). If you have any questions, contact the Office of Commission Clerk at (850) 413-6770 or [Clerk@psc.state.fl.us](mailto:Clerk@psc.state.fl.us).

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD), Florida Relay Service. Assistive Listening Devices are available at the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the PSC website. Upon completion of the conference, the archived video will be available from the website by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

**ITEM NO.**

**CASE**

1

**Docket No. 150009-EI** – Nuclear cost recovery clause.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Graham

**Staff:** IDM: Hinton, Breman, Laux

ECO: Higgins

ENG: Matthews

GCL: Barrera, Mapp

**(Post-Hearing Decision - Participation Limited to Commissioners and Staff.)**

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

**Recommendation:** Yes. The evidence presented demonstrated that FPL has appropriately considered all of the economic, regulatory, technical, financial, and environmental aspects impacting the feasibility of the project. Although uncertainty surrounding all these aspects of the project exists, FPL has demonstrated adequate management of project risks. Staff recommends that the Commission approve as reasonable FPL's 2015 feasibility analysis of the Turkey Point Units 6 & 7 project.

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

**Recommendation:** The Commission should find that the current total estimated all-inclusive cost of the TP Project is a range of \$13.7 to \$20.0 billion.

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

**Recommendation:** The Commission should find that the currently planned commercial operation dates of the TP Project are June 2027 for Unit 6, and June 2028 for Unit 7.

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

**Recommendation:** Yes. Staff recommends the Commission find FPL's 2014 Turkey Point Units 6 & 7 project management, contracting, accounting and cost oversight controls reasonable and prudent.

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**Issue 3A:** Legal: Pursuant to Section 366.93, Florida Statutes, can costs, which are not related to, or necessary for, obtaining or maintaining a combined license from the Nuclear Regulatory Commission for a nuclear power plant be incurred prior to the issuance of the COL and deferred for later recovery?

**Recommendation:** Yes. Any interpretation of Section 366.93, F.S., that prohibits all costs prudently incurred during the preconstruction period from being recovered or deferred for later recovery is contrary to the intent of the Legislature to promote and encourage investment in nuclear power plants by providing for recovery of costs. Specifically, costs prudently incurred prior to the issuance of the COL, to comply with the regulatory requirements of Section 366.93, F.S., and the Commission rule, are recoverable through the NCRC after the COL is obtained and the Commission approves the utility's petition for approval to proceed with preconstruction work.

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

**Recommendation:** No. The Commission should find FPL's costs for the Initial Assessment Studies are not related to or necessary for obtaining or maintaining a COL.

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

**Recommendation:** Yes. The Commission should approve FPL's proposal to incur and defer for later recovery its Initial Assessment costs.

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

**Recommendation:** The Commission should approve \$23,577,203 as FPL's final 2014 prudently incurred costs and an over recovery of \$691,433 as the final 2014 true-up amount for the TP Project.

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

**Recommendation:** The Commission should approve \$25,444,523 as FPL's reasonably estimated 2015 costs and an under recovery of \$6,101,628 as the estimated 2015 true-up amount for the TP Project.

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

**Recommendation:** The Commission should approve \$28,839,419 as FPL's reasonably projected 2016 costs for the TP Project.

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

**Recommendation:** The Commission should approve a total jurisdictional amount of \$34,249,614 as FPL's 2016 NCRC recovery amount to be used in establishing FPL's 2016 Capacity Cost Recovery Clause factor.

**Issue 17:** Should this docket be closed?

**Recommendation:** No. The Nuclear Cost Recovery Clause is an on-going docket and should remain open.