

FLORIDA PUBLIC SERVICE COMMISSION

SPECIAL COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, August 18, 2020, Immediately following the Agenda Conference.

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

DATE ISSUED: August 11, 2020

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.

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ITEM NO.

CASE

1

Docket No. 20190140-EI – Petition to approve transaction for accelerated decommissioning services at CR3 facility, transfer of title to spent fuel and associated assets, and assumption of operations of CR3 facility pursuant to the NRC license, and request for waiver from future application of Rule 25-6.04365, F.A.C. for nuclear decommissioning study, by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ECO: McNulty, Galloway, Kunkler, Smith II, Wu

AFD: Brown, Cicchetti, Higgins, Richards

APA: Vinson

ENG: Ellis, King, Thompson

GCL: Brownless, J. Crawford

(Post-hearing decision; participation is limited to Commissioners and staff)

Issue 1: Should the Florida Public Service Commission approve the transactions as contemplated by the Agreement (Decommissioning Services Agreement), the SNF PSA (Spent Nuclear Fuel Purchase and Sale Agreement), and the Ancillary Agreements (as defined in Article I, Section 1.1.1 of the Agreement)?

Recommendation: The Commission should approve the transactions contemplated by the Decommissioning Services Agreement, the SNF PSA, and the Ancillary Agreements between DEF and Accelerated Decommissioning Partners, LLC (ADP) that would result in the transfer of:

- a. All decommissioning activities of the Crystal River nuclear power plant (CR3) on an accelerated basis to an ADP subsidiary, ADPCR3;
- b. DEF's obligations as a Nuclear Regulatory Commission-licensed operator of CR3 to ADP via ADPCR3;
- c. Ownership of DEF's Independent Spent Fuel Storage Installation (IFSFI) assets to another ADP subsidiary, ADPSF1, LLC; and
- d. DEF's contract with the U.S. Department of Energy (DOE) for disposal of spent nuclear fuel and high level radioactive waste to ADP via ADPSF1.

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Issue 2: Is DEF's proposed transaction with ADP and its subsidiaries for decommissioning CR3 consistent with DEF's 2017 2nd Revised and Restated Stipulation and Settlement Agreement (2017 Settlement)?

Recommendation: Staff recommends that the Commission find that the proposed transaction with ADP and its subsidiaries for decommissioning CR3 is consistent with the 2017 Settlement with one exception: the deposit into the Nuclear Decommissioning Trust Fund (NDT) of funds recovered from Department of Energy (DOE) associated with spent fuel management capital costs. Pursuant to the terms of the 2017 Settlement, capital costs associated with spent fuel management recovered from DOE should be returned to ratepayers through the CCR.

Issue 3: Should the Commission approve DEF's 2019 Accelerated Nuclear Decommissioning Study?

Recommendation: Staff recommends that Commission approve DEF's 2019 Accelerated Decommissioning Study.

Issue 4: What is the appropriate annual accrual in equal dollar amounts necessary to recover the proposed decommissioning costs of CR3?

Recommendation: Staff recommends the appropriate accrual to cover the cost of decommissioning the CR3 site remain set at zero dollars per year.

Issue 5: What is the appropriate accrual effective date for adjusting the accrual amount, if any adjustment is needed?

Recommendation: If the staff recommendation in Issue 4 is approved, there will be no adjustment to the current zero decommissioning accrual. Therefore, no accrual effective date is needed.

Issue 6: Should the Commission approve DEF's request to waive, if necessary, the future filing of CR3 decommissioning studies every five years as provided in Rule 25-6.04365, F.A.C.?

Recommendation: If the Commission approves staff's recommendation in Issue 7, future filings of decommissioning studies required in Rule 25-6.04365(3), F.A.C., would be unnecessary and should be waived.

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Issue 7: What reports should be given to the Commission to ensure that the decommissioning and spent fuel activities outlined in the DSA are completed, NDT funds are reasonably spent, and sufficient funds remain to complete the decommissioning and spent fuel activities?

Recommendation: Staff recommends the Commission require DEF to provide the following information through the final period of partial license termination:

1. the information responsive to items identified in the DSA, Attachment 9, Section A should be provided to the Commission within two business days of DEF's receipt of this information from ADP;
2. the information responsive to items identified in the DSA, Attachment 9, Sections B through E should be provided to the Commission within two weeks of DEF's receipt of this information from ADP;
3. a quarterly DEF decommissioning report containing, at minimum, the NDT fund monthly payments and balances for the previous quarter, ADPCR3 schedule performance for the previous quarter, and an assessment of schedule and pay projections for the current quarter, should all be provided within one month following DEF's quarterly meeting with ADPCR3; and
4. decommissioning management-level reports and presentations prepared by DEF for DEF management review, should be provided to the Commission within two weeks of their presentation to DEF management.

Issue 8: Should this docket be closed?

Recommendation: Staff recommends that this docket should be closed if no timely appeal is filed. If a timely appeal is filed, this docket shall remain open pending resolution of the appeal.