

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

DOCKET NO. 150009-EI

DATED: July 8, 2015

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-15-0082-PCO-EI, filed January 30, 2015, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

<u>Witness</u>	<u>Subject</u>
Iliana H. Piedra	Commission Staff's Audit Report of Florida Power & Light Company (FPL) Nuclear Plant Additions Turkey Point Units 6 & 7
Ronald A. Mavrides	Commission Staff's Audit Report of Duke Energy Florida, Inc. (DEF) Crystal River Unit 3 Power Uprate and Levy Units 1 & 2 Construction
William Coston	Commission Staff's Review of DEF's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects
David Rich	Commission Staff's Review of FPL's Project Management Internal Controls for Turkey Point 6 & 7 Construction

2. All Known Exhibits

Staff intends to offer the following exhibit associated with the testimony of Iliana H. Piedra:

<u>Exhibit</u>	<u>Title</u>
IHP-1	Auditor's Report – Turkey Point Units 6 & 7

Staff intends to offer the following exhibits associated with the testimony of Ronald A. Mavrides:

<u>Exhibit</u>	<u>Title</u>
RAM-1	Auditor's Report – Crystal River Unit 3 Uprate
RAM-2	Auditor's Report – Levy Nuclear Plant Units 1 & 2

Staff intends to offer the following exhibit associated with the testimony of William Coston:

<u>Exhibit</u>	<u>Title</u>
WC-1	Review of Project Management Internal Controls

Staff intends to offer the following exhibit associated with the testimony of David Rich:

<u>Exhibit</u>	<u>Title</u>
DR-1	Review of Project Management Internal Controls

3. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

4. Staff's Position on the Issues

Florida Power & Light Company

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.?

POSITION: Staff has no position pending evidence adduced at the hearing.

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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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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?

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

Duke Energy Florida, Inc.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

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

POSITION: Staff has no position pending evidence adduced at the hearing.

5. Stipulated Issues

There are no stipulated issues at this time.

6. Pending Motions

Staff has no pending motions at this time.

7. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests.

8. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness's qualifications as an expert.

9. Compliance with Order No. PSC-15-0082-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 8th day of July, 2015.

/s/ Kyeshia Mapp

KYESHA MAPP

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DATED: July 8, 2015

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'S PREHEARING STATEMENT has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic mail on this 8th day of July, 2015:

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