

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

DOCKET NO. 20170009-EI

DATED: July 20, 2017

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-17-0057-PCO-EI, filed February 20, 2017, as modified by Order No. PSC-2017-0260-PCO-EI, filed July 10, 2017, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

<b>Witness</b>	<b>Subject Matter</b>	<b>Issues #</b>
Iliana H. Piedra	Staff audit report of Florida Power & Light Company's (FPL) Turkey Point Units 6 & 7	2
Sofia Lehmann and David Rich	Staff's audit report of FPL's Turkey Point 6 & 7	1
Ronald A. Mavrides	Staff audit reports of Duke Energy Florida, LLC (DEF)	12
Carl Vinson	Staff audit report of DEF's Levy Nuclear Plant	11

2. All Known Exhibits

<b>Witness</b>	<b>Exhibit</b>	<b>Description</b>
Iliana H. Piedra	IHP-1	Auditor's Report - Turkey Point Units 6 & 7 Twelve Months Ended December 31, 2016
Iliana H. Piedra	IHP-2	Auditor's Report - Turkey Point Units 6 & 7 Twelve Months Ended December 31, 2015
Sofia Lehmann and David Rich	LR-1	Review of Project Management Internal Controls for Turkey Point 6 & 7 Construction – June 2017
Sofia Lehmann and David Rich	LR-2	Review of Project Management Internal Controls for Turkey Point 6 & 7 Construction – June 2016
Ronald A. Mavrides	RAM-1	Auditor's Report - Crystal River Unit 3 Uprate

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<b>Witness</b>	<b>Exhibit</b>	<b>Description</b>
Ronald A. Mavrides	RAM-2	Auditor's Report - Levy Nuclear Plant Units 1 & 2
Carl Vinson	CV-1	Review of Project Management Internal Controls – June 2017
Carl Vinson	CV-2	Review of Project Management Internal Controls – June 2015
Carl Vinson	CV-3	Review of Project Management Internal Controls – June 2016

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 find that FPL's 2015 and 2016 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 2: What jurisdictional amounts should the Commission approve as FPL's actual 2015 and 2016 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 3: Should the Commission approve FPL's request to defer recovery of costs for the Turkey Point Units 6 & 7 Project incurred after December 31, 2016, pursuant to Section 366.93 F.S., and Rule 25-6.0423 F.A.C.? If so, what type of information should FPL report on an annual basis in the Nuclear Cost Recovery docket?**

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

**ISSUE 4: If FPL continues to seek its combined operating license and defers the associated costs, are these costs eligible for cost recovery in a future time period pursuant to Section 366.93 F.S., and Rule 25-6.0423 F.A.C.?**

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

**\*CONTESTED\***

**ISSUE 5:** A) Is FPL's decision to continue pursuing a combined operating license from the Nuclear Regulatory Commission for Turkey Point Units 6 & 7 reasonable? (STAFF)

B) Is FPL's decision to continue pursuing a combined operating license from the Nuclear Regulatory Commission for Turkey Point Units 6 & 7 reasonable pursuant to Section 366.93 F.S., and Rule 25-6.0423 F.A.C.? (OPC)

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

**\*CONTESTED\***

**ISSUE 6A:** Should the Commission approve what FPL has submitted as its 2017 annual detailed analysis of the long term feasibility of completing the Turkey Point 6&7 project as provided for in Rule 25-6.0423, F.A.C.? (SACE)

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

**ISSUE 6B:** Was FPL required to file an annual detailed analysis of the long term feasibility of completing the Turkey Point Unit 6 & 7 project, pursuant to Rule 25-6.0423(6)(c)5., F.A.C.,? If so, has FPL complied with that requirement?

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

**ISSUE 7:** Has FPL complied with Order No. PSC-16-0266-PCO-EI? If not, what action should the Commission take, if any?

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

**ISSUE 8:** What is the total jurisdictional amount to be included in establishing FPL's 2018 Capacity Cost Recovery Clause factor?

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

**ISSUE 9:** 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 10:** 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.

**Duke Energy Florida, LLC**

**ISSUE 11: Should the Commission find that during 2016, DEF's 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 12: What jurisdictional amounts should the Commission approve as DEF's actual 2016 prudently incurred costs 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 reasonably estimated 2017 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 14: What jurisdictional amounts should the Commission approve as reasonably projected 2018 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 is the total jurisdictional amount for the Crystal River Unit 3 Uprate Project to be included in establishing DEF's 2018 Capacity Cost Recovery Clause Factor?**

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

5. Stipulated Issues

There are proposed Type 2 stipulations on Issues 11-15. Staff is not aware of any other proposed stipulations 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-17-0057-PCO-EI and PSC-2017-0260-PCO-EI

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

Respectfully submitted this 20th day of July, 2017.

*/s/ Margo A. DuVal*

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MARGO A. DUVAL for KYESHA MAPP  
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DATED: July 20, 2017

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'S PREHEARING STATEMENT has been filed with the Office of Commission Clerk and that a true copy has been furnished to the following by electronic mail this 20th day of July, 2017:

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*/s/ Margo A. DuVal*

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