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Hublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 26, 2019

TO: All Parties of Record & Interested Persons

FROM: Suzanne Brownless, Special Counsel, Office of the General Counsel

RE: Docket No. 20190140-EI – In re: 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.

Please note that an informal meeting between Commission staff and interested persons to the above-captioned docket has been scheduled for the following time and place:

Monday, September 9, 2019 at 10:00 a.m. Gerald L. Gunter Building, Room 105 (Internal Affairs Room) Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

The purpose of the meeting is to identify issues in this docket. A preliminary issue list is attached. Attendance is not required; however, all interested persons are encouraged to attend.

Interested persons may participate telephonically in this meeting by dialing <u>1-888-585-</u><u>9008</u>, Conference No. 617-088-868, then #. If you have any questions about the meeting, please call Suzanne Brownless at (850) 413-6218.

If settlement of the case or a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation will also be provided on the Commission's website (http://www.psc.state.fl.us/) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

cc: Commission Clerk

PRELIMINARY ISSUE LIST DOCKET NO. 20190140-EI <u>AUGUST 26, 2019</u>

- ISSUE 1: Should the Commission approve Duke Energy Florida, LLC's (DEF) proposed transaction with Accelerated Decommissioning Partners, LLC (ADP) and its subsidiaries for ADP or its subsidiaries to: (1) complete all decommissioning activities at the Crystal River nuclear power plant (CR3); (2) acquire ownership of the Independent Spent Fuel Storage Installation assets from DEF; (3) assume DEF's contract with the Department of Energy and (4) assume DEF's obligations as a licensed operator of CR3?
- ISSUE 1A: Was the Request for Information (RFI) and Request for Proposals (RFP) vendor selection process used by DEF appropriate and did it produce the most qualified and cost-effective vendor for decommissioning CR3?
- ISSUE 1B: Are the radiological and site restoration decommissioning activities for CR3 as outlined in the Decommissioning Services Agreement (DSA) appropriate?
- ISSUE 1C: Is the proposed timeline for the radiological and site restoration decommissioning activities for CR3 and partial NRC license termination reasonable?
- ISSUE 1D: Are the terms and conditions of the proposed DSA adequate to fully protect DEF's ratepayers in the event of default by ADP, or any of its subsidiaries, or in the event of substantially changed circumstances?
- ISSUE 1E: Is the sale of the spent nuclear fuel and high-level waste to ADPSFI, a subsidiary of ADP, appropriate?
- ISSUE 1F: Is DEF's proposed fixed contract price of \$540 million for services provided by ADP and its subsidiaries for radiological and site restoration decommissioning activities for CR3 and partial NRC license termination reasonable based on the guarantees given for contract performance in the DSA?
- ISSUE 1G: Is \$77 million an appropriate amount for DEF's own costs for spent fuel management prior to the proposed transaction closing date and license termination?
- ISSUE 1H: Do the terms and conditions of the DSA with regard to payment from the Nuclear Decommissioning Trust (NDT) adequately protect DEF's customers?
- ISSUE 11: Do the terms and conditions of the DSA with regard to managing the NDT funds adequately protect DEF's customers and provide for responsible growth?

- ISSUE 1J: What is the process by which additional funds will be recovered from the customers for activities outlined in the DSA if NDT funds are depleted prior to the completion of decommissioning activities?
- ISSUE 2: Is DEF's proposed transaction with ADP and its subsidiaries for decommissioning CR3 consistent with DEF's 2017 Amended and Restated Stipulation and Settlement Agreement (2017 Settlement)?
- ISSUE 3: Should the Commission approve DEF's 2019 Accelerated Nuclear Decommissioning Study?
- ISSUE 4: What is the appropriate annual accrual in equal dollar amounts necessary to recover the proposed future decommissioning costs of CR3?
- ISSUE 5: What are the appropriate effective dates for adjusting the annual decommissioning accrual amount?
- ISSUE 6: Should the Commission approve DEF's request to waive the reports required by Rule 25-6.04365, F.A.C., to be filed every five years?
- ISSUE 7: What reports, if any, should be given to the Commission to ensure that the decommissioning and spent waste fuel activities outlined in the DSA are completed and NDT funds are appropriately spent?
- ISSUE 8: Should this docket be closed?