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DEPUTY GENERAL COUNSEL

May 26, 2022

VIA ELECTRONIC FILING

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Petition by Duke Energy Florida, LLC, to Approve Transaction with Accelerated Decommissioning Partners, LLC, for Accelerated Decommissioning Services at the CR3 Facility, etc.*; Dkt. No. 20190140-EI

Dear Mr. Teitzman:

Enclosed for filing on behalf of Duke Energy Florida, LLC ("DEF") in the above-referenced docket, please find the Decommissioning 2021 Project Annual Report received from Accelerated Decommissioning Partners ("ADP") dated May 21, 2022. Order No. PSC-2020-0289-FOF-EI, dated August 27, 2020, issued in the above-referenced docket, provides that "2. The information responsive to items identified in the DSA [Decommission Services Agreement], Attachment 9, Section B through E should be provided to the Commission within two weeks of DEF's receipt of this information from ADP."

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Respectfully,

/s/ Dianne M. Triplett

Dianne M. Triplett

DMT/mw
Enclosure

CERTIFICATE OF SERVICE

Docket No. 20190140-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 26th day of May, 2022.

/s/ Dianne M. Triplett

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Crystal River Unit 3 (CR3) Decommissioning Project 2021 Duke Energy Annual Report

5/21/2022

This report was prepared in accordance with the Decommissioning Services Agreement (DSA) between Duke Energy Florida (DEF), LLC and Accelerated Decommissioning Partners (ADP), LLC. After approval, this report will be provided to the Florida Public Service Commission as directed by order number PSC-2020-0289-FOF-EI. A copy of the ADP 2021 annual report is attached to this report for completeness.

Executive Summary:

ADP worked safely in 2021 with zero OSHA recordable accidents, no used fuel storage or security incidents and no environmental events. The Nuclear Regulatory Commission identified one non-cited violation related to a fire in September 2021 as noted in the next section. ADP performed on schedule and budget during the year.

A. Summary of events, defined in attachment 9 section A, ADP made to DEF in 2021

ADP notified DEF that the NRC has informed them of a preliminary non-cited violation (NCV) associated with a fire that occurred in the auxiliary building in September 2021. The NCV was for failure to comply with 10 CFR 50.48 (f). The NRC issued the 4th quarter 2021 inspection report in January 2022 that included the NCV. The correspondence from the NRC met the DSA attachment 9 section A reporting requirements. The NRC inspection report was provided to the Florida Public Service Commission in accordance with Order No. PSC-2020-0289-FOF-E1.

B. Summary of the quarterly information ADP provided to DEF by ADP in 2021

The quarterly reports and face-to-face meetings between DEF and ADP highlighted the following:

- ADP had no used fuel storage or security related issues in 2021
- ADP had no OSHA recordable injuries or illnesses, and their safety focus remained on COVID protocols, heat stress management and other more job-specific topics
- ADP also focused on maintaining the project in a high state of readiness for violent weather such as storms and hurricanes
- Both parties complied with all the requirements, including deliverables, in the DSA
- There were no pay disputes in 2021
- There were no issues that were elevated to levels of management beyond those leaders at the site for resolution
- ADP provided quarterly schedule updates and regulatory – related activities to DEF during the year

There were two areas of performance that were discussed in the quarterly meetings.

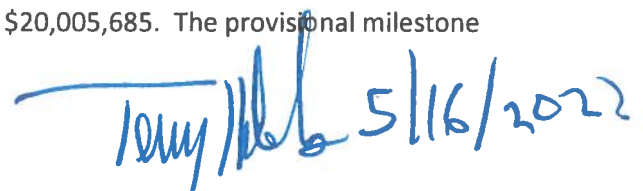
- The first were the occurrence of several small fires at the site during hot work activities. In response to these events, ADP strengthened their fire protection hot work procedures and provided additional training on the hot work procedures to their workers. After the NRC informed ADP in December 2021 of the NCV, ADP continued to assess and improve their hot work program. Another fire occurred in January 2022 that will be included in the 1st quarter 2022 report.
- The second area of performance discussed is related to reports ADP made to the Nuclear Regulatory Commission (NRC) regarding the length of time it took rail shipments to reach their destination in Texas after departing CR3. 10CFR20 Appendix G requires the shipments to reach their destination within 20 days. ADP received an exemption from the NRC extending the time to 45 days. There were additional late shipments after the exemption was granted. ADP has worked with the railroads and the receiving facility to improve performance in this area. Even though there were delays, all rail shipments reached their intended destination without incident.

C. Summary of Schedule Performance

- 1) On January 1, 2021, the decommissioning project was 12.69% complete with a baseline target completion of 12.69%.
- 2) On December 31, 2021, the decommissioning project was 31.31% complete with a baseline target completion of 26.36%. ADP has outperformed the baseline schedule by 4.95% project to date.
- 3) The decommissioning project baseline target for December 31, 2022 is 46.32%.
- 4) ADP estimates that Milestone 1 conditions will be met in 4th quarter 2026.

D. Summary of Cost Performance

- 1) ADP submitted twelve monthly invoices in 2021 totaling \$100,546,326.
- 2) DEF owner's cost in 2021 was \$1,725,306.
- 3) During calendar year 2021, \$1,345,246.19 was disbursed from the Nuclear Decommissioning Fund (NDF) for DEF costs and \$103,545,697.53 for ADP payments for a total of \$104,891,203.
- 4) The NDF balance on December 31, 2021 was \$530,278,757 not including the non-qualified portion of the fund.
- 5) The NDF withdrawals were for DEF costs and ADP payments from the December 2020 invoice through the November 2021 invoice due to the timing of the invoice payment process and the NDF reimbursement process.
- 6) It is estimated that ADP will invoice DEF \$ 107,873,169 for calendar year 2022 and DEF owner costs are estimated to be \$1.7M. It is estimated that \$106,125,391 will be disbursed from the NDF in 2022.
- 7) The provisional trust balance on 12/31/2021 was \$20,005,685. The provisional milestone balance was \$8,622,888.

 5/16/2022