#### Office of Commission Clerk Official Filing

#### **Ruth Nettles**

From:

Mike Twomey [miketwomey@talstar.com]

Sent:

Friday, August 22, 2008 3:14 PM

Filings@psc.state.fl.us

To: Cc:

ROBERTS.BRENDA; bill\_feaster@fpl.com; Bryan Anderson; Dianne Triplett; Jack Leon; James M. Walls; James W. Brew; Jennifer Brubaker; John Burnett; John McWhirter; John\_Butler@fpl.com; Keino Young; Lisa Bennett; Natalie F. Smith (Natlie\_Smith@fpl.com); Paul Lewis; R. Alexander

Glenn; Tiffany Cordes; Wade Litchfield; McGLOTHLIN.JOSEPH; BURGESS.STEVE

Subject:

e-filing, Docket No. 080009-El for AARP

Attachments:

AARP Prehearing statement Docket 080009.doc



AARP ring statement

```
> Electronic Filing
>
  a. Person responsible for this electronic filing:
>
 Michael B. Twomey
  Post Office Box 5256
  Tallahassee, Florida 32314-5256
  (850) 421-9530
  miketwomey@talstar.com
> b. Docket No. 080009-EI
> In re: Nuclear Cost Recovery Clause.
  c. Document being filed on behalf of AARP
> d. There are a total of 10 pages.
>
> e. The document attached for electronic filing is the Prehearing
> Statement of AARP.
                                                            DOCUMENT NUMBER-DATE
> See attached file.
```

07654 AUG 22 8

## 8/25/2008 1:31 PM

# Office of Commission Clerk Official Filing

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery	)	Docket No. 080009-EI
Clause.	)	
	)	FILED: August 22, 2008

## PREHEARING STATEMENT OF AARP

AARP, through the undersigned, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-08-0211-PCO-EI-PCO-EI, issued March 31, 2008, hereby submits its Prehearing Statement.

#### APPEARANCES:

Michael B. Twomey Post Office Box 5256 Tallahassee, Florida 32314-5256

## 1. WITNESSES:

None

#### 2. EXHIBITS:

None

#### 3. STATEMENT OF BASIC POSITION

AARP adopts the statement of basic position taken by the Office of Public Counsel ("OPC").

## 4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUE 1A: Should Progress Energy Florida, Inc. and Florida Power & Light Company be allowed to recover through the Nuclear Cost Recovery Clause revenue requirements for a phase or portion of a system associated with a power plant, after such phases or portion of the project has been placed into commercial service, or should such phases or portion of the project be recovered through base rates?

1

**AARP:** Same as OPC.

DOCUMENT NUMBER-DATE

07654 AUG 22 8

ISSUE 1B: If recovery of costs for a phase or portion of a system associated with a power plant that is in commercial service continues through the Nuclear Cost Recovery Clause, how should the revenue requirements for that phase or portion be determined?

**AARP:** Same as OPC.

ISSUE 1C: How should the completion of site clearing work be determined for purposes of distinguishing between pre-construction and construction costs for recovery under the clause?

**AARP:** Same as OPC.

ISSUE 1D: Should a utility be required to inform the Commission of any change in ownership or control of any asset which was afforded cost recovery under the Nuclear Cost Recovery Clause?

**AARP:** Same as OPC.

ISSUE 1E: What is the appropriate procedure to reduce and refund NPCR charges to retail customers when a utility sells a portion of a nuclear unit to a municipality or another investor owned utility?

**AARP:** Same as OPC.

2007 PROJECT MANAGEMENT, CONTRACTING, AND OVERSIGHT CONTROLS

# Florida Power & Light Company

ISSUE 2A: Should the Commission find that for the year 2007, FPL's project management, contracting, and oversight controls were reasonable and prudent for the Turkey Point 6 & 7 project and for the Extended Power Uprate (EPU) project?

**AARP:** Same as OPC.

ISSUE 2B: Should the Commission find that for the year 2007, FPL's accounting and costs oversight controls were reasonable and prudent for the Turkey Point 6 & 7 project and for the EPU project?

**AARP:** No position.

### Progress Energy Florida, Inc.

ISSUE 3A: Should the Commission find that for the year 2007, PEF's project management, contracting, and oversight controls were reasonable and

prudent for Levy Units 1 & 2 project and the Crystal River 3 Uprate project?

**AARP:** 

Same as OPC.

**ISSUE 3B:** 

Should the Commission find that for the year 2007, PEF's accounting and costs oversight controls were reasonable and prudent for Levy Units 1 & 2 project and the Crystal River 3 Uprate project?

**AARP:** 

Same as OPC.

#### COMPANY SPECIFIC SITE SELECTION COSTS

## Florida Power & Light

**ISSUE 4A:** 

Should the Commission grant FPL's request to include the review and approval for recovery through the Nuclear Cost Recovery Clause of prudently incurred site selection costs for the Turkey Point Unit 6 & 7 project?

**AARP:** 

Same as OPC.

ISSUE 4B:

What amount should the Commission approve as FPL's final 2007 true-up of prudently incurred site selection costs for the Turkey Point Units 6 & 7 project?

**AARP:** 

Same as OPC.

### **Progress Energy Florida**

ISSUE 5A:

Should the Commission grant PEF's request to include the review and approval for recovery through the Nuclear Cost Recovery Clause of prudently incurred site selection costs for the Levy Units 1 & 2 project?

**AARP:** 

Same as OPC.

**ISSUE 5B**:

What amount should the Commission approve as PEF's final 2007 true-up of prudently incurred site selection costs for the Levy Units 1 & 2 Project?

**AARP:** 

Same as OPC.

**ISSUE 5C:** 

What amount should the Commission approve as PEF's actual 2008 site selection costs for the Levy Units 1 & 2 Project?

**AARP:** 

Same as OPC.

# COMPANY SPECIFIC TRUE UP PRECONSTRUCTION AND CONSTRUCTION COSTS (2007)

# Florida Power & Light

ISSUE 6A: What amount should the Commission approve as FPL's final 2007 true-up of

prudently incurred preconstruction costs for the Turkey Point Units 6 & 7

project?

**AARP:** Same as OPC.

ISSUE 6B: What total amount should the Commission approve as FPL's final 2007 true-

up to be recovered for the Turkey Point Units 6 & 7 project?

**AARP:** Same as OPC.

ISSUE 6C: What amount should the Commission approve as FPL's final 2007 true-up of

prudently incurred construction costs for the EPU project?

**AARP:** Same as OPC.

**ISSUE 6D:** What amount should the Commission approve as carrying charges on FPL's

prudently incurred constructions costs for EPU project?

**AARP:** No position.

**ISSUE 6E:** What amount should the Commission approve as FPL's final 2007 true-up to

be recovered for the EPU project?

**AARP:** No position.

ISSUE 6F: Has FPL demonstrated that the uprate-related costs it seeks to recover in this

docket are incremental to those it would incur in conjunction with providing safe and reliable service during the period associated with the extension of its

operating license, had there been no uprate project?

**AARP:** Same as OPC.

**Progress Energy Florida** 

**ISSUE 7A:** What amount should the Commission approve as PEF's final 2007 true-up of

prudently incurred preconstruction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 7B: What amount should the Commission approve as PEF's final 2007 true-up of

prudently incurred construction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

**ISSUE 7C:** What amount should the Commission approve as carrying charges on PEF's

prudently incurred construction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 7D: What amount should the Commission approve as PEF's final 2007 true-up to

be recovered for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 7E: What amount should the Commission approve as PEF's final 2007 true-up of

prudently incurred construction costs for the Crystal River 3 Uprate

project?

**AARP:** Same as OPC.

**ISSUE 7F:** What amount should the Commission approve as carrying charges on PEF's

prudently incurred 2007 construction costs for the Crystal River 3 Uprate?

**AARP:** Same as OPC.

ISSUE 7G: What amount should the Commission approve as PEF's final 2007 true-up to

be recovered for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

ISSUE 7H: Has PEF demonstrated that the uprate-related costs it seeks to recover in this

docket are incremental to those it would incur in conjunction with providing safe and reliable service during the period associated with the extension of its

operating license, had there been no uprate project?

**AARP:** Same as OPC.

# COMPANY SPECIFIC ACTUAL/ESTIMATED PRECONSTRUCTION AND CONSTRUCTION COSTS (2008)

## Florida Power & Light

ISSUE 8A: What amount should the Commission approve as FPL's 2008 actual and

estimated costs to be recovered for the Turkey Point Units 6 & 7 project?

**AARP:** Same as OPC.

ISSUE 8B: What total amount should the Commission approve as FPL's 2008 actual and estimated costs to be recovered for the Turkey Point Units 6 & 7 project?

**AARP:** Same as OPC.

ISSUE 8C: What amount should the Commission approve as FPLs 2008 actual and estimated construction costs for the EPU project?

**AARP:** Same as OPC.

<u>ISSUE 8D:</u> What amount should the Commission approve as carrying charges on FPL's 2008 actual and estimated construction costs for the EPU project?

**AARP:** No position.

<u>ISSUE 8E</u>: What total amount should the Commission approve as FPL's 2008 actual and estimated costs to be recovered for the EPU project?

**AARP:** Same as OPC.

# Progress Energy Florida

ISSUE 9A: What amount should the Commission approve as PEF's 2008 actual and estimated preconstruction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 9B: What amount should the Commission approve as PEF's 2008 actual and estimated construction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

<u>ISSUE 9C:</u> What amount should the Commission approve as carrying charges on PEF's 2008 actual and estimated construction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

<u>ISSUE 9D:</u> What amount should the Commission approve as PEF's 2008 actual and estimated costs to be recovered for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 9E: What amount should the Commission approve as PEF's 2008 actual and estimated construction costs for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

**ISSUE 9F:** What amount should the Commission approve as carrying charges on PEF's

2008 actual and estimated construction costs for the Crystal River 3 Uprate

project?

**AARP:** Same as OPC.

ISSUE 9G: What amount should the Commission approve as PEF's 2008 actual and

estimated costs to be recovered for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

COMPANY SPECIFIC PROJECTED PRECONSTRUCTION AND CONSTRUCTION COSTS (2009)

ISSUE 10A: What amount should the Commission approve as FPL's 2009 projected

preconstruction costs for the Turkey Point Units 6 & 7 project.

**AARP:** Same as OPC.

ISSUE 10B: What total amount should the Commission approve as FPL's 2009 projected

costs to be recovered for the Turkey Point Units 6 & 7 project?

**AARP:** Same as OPC.

**ISSUE 10C:** What amount should the Commission approve as FPL's 2009 projected

construction costs for the EPU project.

**AARP:** Same as OPC.

**ISSUE 10D:** What amount should the Commission approve as carrying charges on FPL's

2009 projected construction costs for the EPU project?

**AARP:** Same as OPC.

**ISSUE 10E:** What total amount should the Commission approve as FPL's 2009 projected

costs to be recovered for the EPU project?

**AARP:** No position.

**Progress Energy Florida** 

<u>ISSUE 11A:</u> What amount should the Commission approve as PEF's 2009 projected

preconstruction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 11B: What amount should the Commission approve as PEF's 2009 projected

construction costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

**ISSUE 11C:** What amount should the Commission approve as carrying charges on PEF's

2009 projected constructions costs for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 11D: What total amount should the Commission approve as PEF's 2009 projected

costs to be recovered for the Levy Units 1 & 2 project?

**AARP:** Same as OPC.

ISSUE 11E: What amount should the Commission approve as PEF's 2009 projected

construction costs for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

**ISSUE 11F:** What amount should the Commission approve as carrying charges on PEF's

2009 projected construction costs for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

**ISSUE 11G:** What total amount should the Commission approve as PEF's 2009 projected

costs to be recovered for the Crystal River 3 Uprate project?

**AARP:** Same as OPC.

#### **SUMMARY ISSUES**

#### Florida Power & Light

**ISSUE 12:** What total amount should the Commission approve for the Nuclear Cost

Recovery Clause to be included in establishing FPL's 2009 Capacity Cost

**Recovery Clause factor?** 

**AARP:** No position.

#### **Progress Energy Florida**

**ISSUE 13:** What total amount should the Commission approve for the Nuclear Cost

Recovery Clause to be included in establishing PEF's 2009 Capacity Cost

# **Recovery Clause factor?**

**AARP:** No position.

5. <u>STIPULATED ISSUES:</u>

None.

6. <u>PENDING MOTIONS</u>:

None.

7. <u>STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:</u>

None.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

None at this time.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which AARP cannot comply.

Dated this 22nd day of August, 2008.

Respectfully submitted,

/s/ Michael B. Twomey
Michael B. Twomey
Post Office Box 5256
Tallahassee, Florida 32314-5256

Attorney for AARP

# DOCKET NO. 080009-EI CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing document has been furnished by electronic mail to the following parties on this 22nd day of August, 2008.

Keino Young, Esquire
Lisa Bennett, Esquire
Jennifer Brubaker, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

J. Michael Walls, Esq. Dianne M. Tripplet, Esq. Carlton Fields Law Firm Post Office Box 3239 Tampa, FL 33601-3239

Bill Feaster Florida Power & Light Co. 215 S. Monroe St., Suite 810 Tallahassee, FL 32301-1859

John T. Butler, Esq.
Bryan Anderson, Esq.
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408-0420

Joseph A. McGlothlin, Esq. Steve C. Burgess, Esq. Office of the Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Paul Lewis, Jr.
Director, Regulatory
Progress Energy Florida, Inc.
106 E. College Ave., Suite 800
Tallahassee, FL 32301

John McWhirter, Jr. McWhirter, Reeves Law Firm 400 North Tampa St., Suite 2450 Tampa, FL 33602

R. Wade Litchfield, Esq. Florida Power & Light Company 700 Universe Blvd. Juno Beach, FL 33408-0420

John T. Burnett, Esq. R. Alexander Glenn Progress Energy Svc. Co., LLC Pose Office Box 14042 St. Petersburg, FL 33733-4042

/s/ Michael B. Twomey Attorney