

**Diamond Williams**

**From:** Grenz, Barbara [Barbara.Grenz@fpl.com]  
**Sent:** Tuesday, August 16, 2011 2:16 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Keino Young; 'Rehwinkel.Charles@leg.state.fl.us'; 'mwalls@carltonfields.com'; 'kelly.jr@leg.state.fl.us'; 'jbrew@bbrslaw.com'; 'john.burnett@pgnmail.com'; 'MCGLOTHLIN.JOSEPH@leg.state.fl.us'; 'paul.lewisjr@pgnmail.com'; 'alex.glenn@pgnmail.com'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'rmiller@pcsposphate.com'; Anna Norris; 'ataylor@bbrslaw.com'; 'mbernier@carltonfields.com'; 'bhuhta@carltonfields.com'; 'karen.white@tyndall.af.mil'; 'gadavis@enviroattorney.com'; 'jwhitlock@enviroattorney.com'; Anna Norris  
**Subject:** Electronic Filing / Docket 110009-EI  
**Attachments:** FPL's Hearing Exhibit 201.pdf

**Electronic Filing**

a. Person responsible for this electronic filing:

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b. Docket No. 110009-EI

IN RE: Nuclear Power Plant Cost Recovery Clause

c. The documents are being filed on behalf of Florida Power & Light Company.

d. There are a total of fifteen (15) pages.

e. The document attached for electronic filing is: *FPL's Hearing Exhibit 201*

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 8/16/2011

DOCUMENT NUMBER-DATE

05809 AUG 16 =

FPSC-COMMISSION CLERK



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August 16, 2011

**VIA ELECTRONIC DELIVERY**

Ms. Ann Cole  
Division of the Commission Clerk and  
Administrative Services  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

**RE: Docket No. 110009-EI**

Dear Ms. Cole:

Enclosed for filing is Hearing Exhibit 201, which was requested by Commissioner Balbis and entered into the record during the FPL portion of the hearing in the above-referenced docket.

If you have any questions or concerns please feel free to call me.

Sincerely,

s/ Jessica A. Cano

Jessica A. Cano

Enclosure  
cc: Counsel for parties of record (w/ enc)

EXHIBIT NO. 201

DOCKET NO: 110009-EI

WITNESS: JONES

PARTY: FLORIDA POWER & LIGHT COMPANY

DESCRIPTION: Change Management Plan

DOCUMENT NUMBER-DATE

05809 AUG 16 =

FPSC-COMMISSION CLERK

Inter-Office Correspondence



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To: **Mano Nazar**  
Executive VP & Chief Nuclear Officer

Date: March 3, 2010

From: **Terry Jones**  
VP, Nuclear Power Uprate

Subject: EPU Change Management Plan

The attached, for your approval, is the Extended Power Uprate Project Change Management Plan (CMP) implemented during the 4<sup>th</sup> quarter of 2009. Upon approval, this CMP will close and be attached to CR 2009-29319.

A handwritten signature in cursive script that reads "Terry Jones".

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Terry Jones  
VP, Nuclear Power Uprate

**Extended Power Uprate Project  
Change Management Plan**

**CHANGE MANAGEMENT PLAN REVIEW AND APPROVAL**

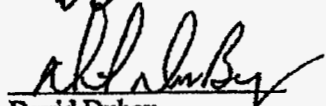
Action Tracking No: CR 2009-29319

Title: EPU Project Reorganization

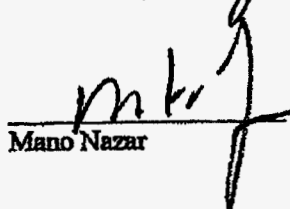
Change Champion:

  
Terry Jones

Human Resources:

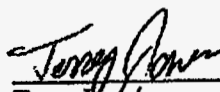
  
David Dubey

Chief Nuclear Officer:

  
Mano Nazar

Closeout:

Change Champion:

  
Terry Jones

**Extended Power Uprate Project  
Change Management Plan**

**1.0 Change Statement**

The overall objectives of this change management plan is to provide the actions for the separation of the EPU Project from the Projects Department, creation of an EPU organization that separates the Florida and Point Beach Uprate activities, and transfer of the majority of the EPU implementation responsibilities to a non-centralized organization based at each site.

The EPU project and the Nuclear Projects were integrated in January 2009 in order to share key resources and processes as a resource sharing initiative and to recognize that the EPU projects were progressing from a licensing and long lead procurement effort into a detailed design and implementation effort. The overwhelming size of the EPU project and the different progress being made at each site did not allow for effective integration into the existing organization. In addition, the Projects organization is transitioning into an organization that performs only capital projects and does not get involved with supplemental labor and maintenance. This is requiring realignment of resources and management in the Projects and site Maintenance organizations that will also affect how the EPU and projects resources are being utilized.

It is important to note that this CMP only addresses those actions that are required within the EPU project team. The Projects Department has created its own CMP to address those actions needed within the Projects and Maintenance organizations.

The approach used by the CMP is to identify the new organization, define the high level roles and organizational relations, identify the impacts to people and processes, and develop actions to mitigate those impacts.

Condition Report 2009-29319 has been created to track the actions from this CMP.

**2.0 Schedule/Activity/Action List**

**2.1 Organization and Staffing**

The separation of EPU and Projects will require the transfer of several personnel from the existing integrated organization to the EPU project. This means that some duties previously shared will require the use of dedicated personnel. This is expected to improve project governance and oversight of the EPU project. Implementation Owners will be established for the Florida and the NextEra sites and, as part of the objective to shift responsibilities to the site organization, the existing site EPU directors will

**Extended Power Uprate Project  
Change Management Plan**

assume responsibilities previously performed by the centralized organization.

The new EPU Juno Beach Organization is identified in Attachment 1. The typical Turkey Point, St Lucie, and Point Beach organizations are identified in Attachment 2.

The EPU Director at Juno Beach will no longer be required. Those responsibilities will be transferred to the Implementation Owners, the PSC Cost Recovery Support Group, and the Controls Director. The Implementation Owner-South will provide direction to the Turkey Point and St Lucie Site Directors. The Implementation Owner-Midwest will provide direction to the Point Beach Nuclear Plant Site Director.

The EPU Modification Director at Juno Beach will no longer be required. These responsibilities will be transferred to the individual Site Directors who will have a modification Engineering Manager and organization reporting to them.

A dedicated project controls organization will be established for the EPU project. A Controls Director at Juno Beach will be established in order to standardize the governance and oversight of project controls functions and provide independence from the site implementing organizations. Day to day implementation of EPU project controls activities will occur at the individual sites.

The Director of Licensing and QA functions will remain as before.

**Recommended Actions:**

Action	Date	Owner
Develop organization chart and staffing needs for EPU	Oct 2, 2009 Complete	T. Jones
Identify organizational changes to Human Resources	Sep 20, 2009 Complete	T. Jones
Complete organizational alignments	Oct 23, 2009	D. Dubey
Notify all affected personnel and initiate processes to fill vacant positions following staffing changes	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells
Identify EPPI changes required including Roles and Responsibilities and create a plan and schedule to change EPPIs.	Oct 2, 2009 Complete	D. Fleetwood S. Reuwer P. Wells

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Action	Date	Owner
Approve EPPI changes	Jan 15, 2010	S. Reuwer P. Wells D. Fleetwood
Discuss and transfer duties of EPU Director to the Implementation Owner-South (scope change approval, steering committee interface, spending plan, EPPI items)	Oct 23, 2009	D. Tomaszewski
Discuss and transfer duties of EPU director to Implementation Owner-Midwest. (scope change approval, steering committee interface, spending plan, EPPI items)	Oct 23, 2009	D. Tomaszewski
Transfer report responsibilities for Variance Reports, KPIs, action tracking list, MOPR, Steering Committee, CNO, and risk meeting to the new Controls Director	Oct 23, 2009	D. Tomaszewski
Transfer the regulatory cost recovery responsibilities to the NCR Manger	Oct 23, 2009	D. Tomaszewski

**2.2 Budget Impacts**

The separation of projects and EPU will require evaluation of budget impacts from Nuclear Business Operations, Projects, and EPU. This will specifically impact the O and M budget as the EPU project currently does not have a separate O and M allocation. In addition the evaluation of any impact to the Service Agreement Fee, the assignment of individuals to the appropriate company code, and any impact to separate and apart personnel charges will be required.

Action	Date	Owner
Determine cost reporting alignments for Projects and EPU	Oct 23, 2009	D. Fleetwood C. Dietrich
Forecast EPU O and M impact.	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells
Review impact to service agreement fees.	Oct 23, 2009 Complete	D. Fleetwood C. Dietrich
Determine personnel who should be transferred to NextBra	Oct 23, 2009	D. Fleetwood C. Dietrich J. Oliver



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**2.3 Work Location Impacts**

Several activities are already in progress in regards to moving personnel from Juno Beach to the new St Lucie facilities. These changes may impact that move in the project controls area. In additions some personnel may relocate from JB to the individual sites in order to support the de-centralized effort.

Action	Date	Owner
Determine if changes are needed in who is moving to St Lucie in the projects controls area.	Sep 23, 2009 Complete	D. Fleetwood
Determine relocations to the sites and implement moves as required.	Sep 23, 2009 Complete	P. Wells S. Reuwer D. Fleetwood

**2.4 Project Controls Impacts**

Project controls in its current state is responsible for both EPU and projects work at all of the sites in an integrated organization. Based on changes described in section 2.1 the EPU project controls organization will split from the Project organization to become a self supporting EPU Controls organization. Governance and oversight will be conducted by a central JB based group while the day to day activities are conducted at the specific site. The basic functions of scheduling, estimating, contract management and invoicing, and cost reporting will be unchanged. With the elimination of the JB EPU director the administrative functions of preparing project reports and maintaining the EPPIs will now fall under the EPU Controls organization.

Action	Date	Owner
Review each impact area of KPIs, invoicing, scheduling, estimating, cost reporting, and change controls to determine the best model for effective performance and develop an action plan to implement.	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells
Revise project KPIs as needed.	Oct 23, 2009	D. Fleetwood
Revise cost reporting structure and project estimating structure to utilize the most effective for detailed design and implementation	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells

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<b>Action</b>	<b>Date</b>	<b>Owner</b>
Review reports required to establish controls and reviews-MOPR, variance reports, KPI, action item listing, invoice processing, cost estimates, scope changes and trends.	Oct 23, 2009 Complete	D. Fleetwood S. Reuwer P. Wells
Revise EPPIs to proceduralize changes from the above review	Dec 23, 2009	D. Fleetwood S. Reuwer P. Wells

**3.0 Communication Plan**

**3.1 Messages to Be Sent**

- 3.1.1 Organization chart.
- 3.1.2 Roles and Responsibilities
- 3.1.3 Work Locations
- 3.1.4 Procedure changes
- 3.1.5 Management expectations

**3.2 Target Audience**

- 3.2.1 All existing EPU personnel and Projects Controls personnel.
- 3.2.2 Other FPL and NextEra Departments that interface with the EPU project

**3.3 Communication Method**

- 3.3.1 EPU personnel will be briefed on the changes by the appropriate Director or Implementation Owner.
- 3.3.2 Other FPL/NextEra personnel will be informed by Fleet communications using existing communications methods and organizational announcements.

**Extended Power Uprate Project  
Change Management Plan**

**4.0 Training Plan**

Newly assigned personnel will need to review the EPPIs to familiarize themselves with EPU policies and commitments. Training for procedure and EPPI changes will be addressed using the established procedure revision and training processes.

Action	Date	Owner
Determine EPPI population that requires review by new personnel.	Oct 30, 2009	B. Beisler
Assign required reading and training as needed by above item.	Nov 30, 2009	B. Beisler

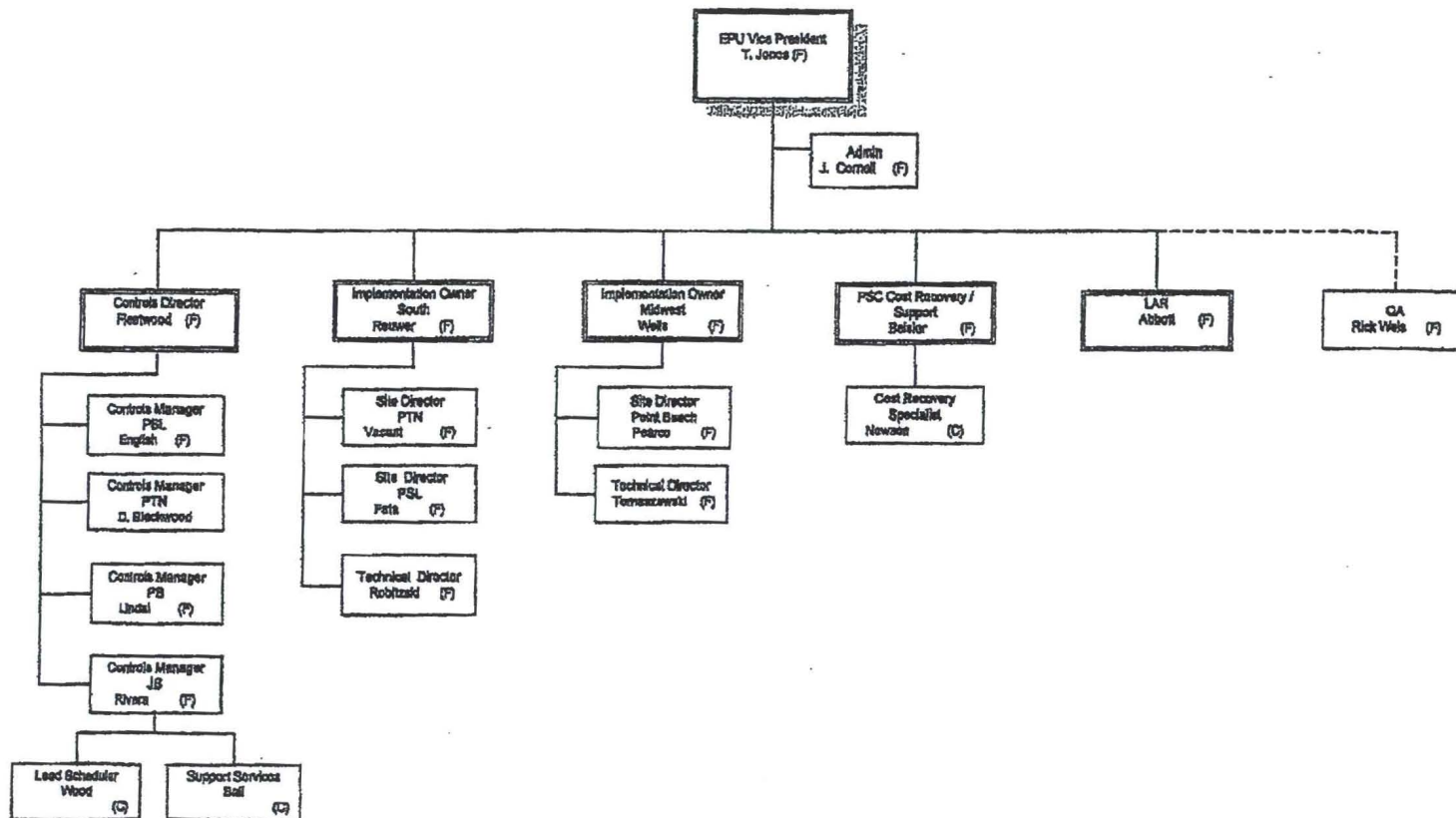
**5.0 Affected Documents**

The EPU organization utilizes the established NPs and NAPs such as NAP 401 as well as Nuclear Projects Department Instructions (NPDIs) and EPU Project Instructions (EPPIs) to conduct business. The NPDIs may no longer apply to the EPU team as it is separate from Projects and the EPPIs may require revision as a result. See Attachment 3 for the EPPI change assessment. Project department procedures and instructions will be addressed by the Projects CMP.

Action	Date	Owner
Review NAP 401, EPPIs, and NPDIs to determine revisions needed due to this CMP.	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells
Develop an action plan and establish EPU action items to revise the instructions and procedures based on the impact of the identified changes.	Oct 23, 2009	D. Fleetwood S. Reuwer P. Wells

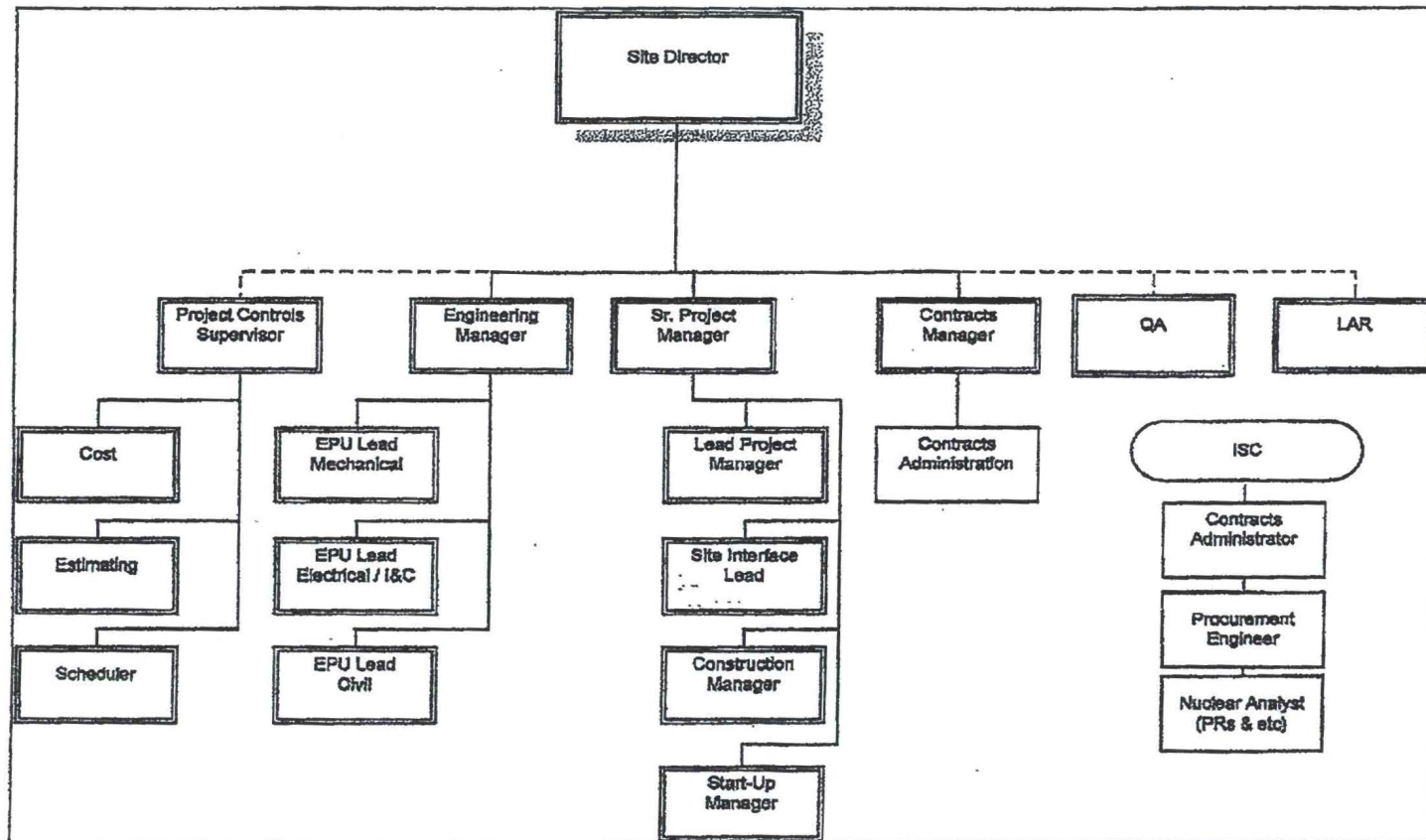
**Extended Power Uprate Project  
Change Management Plan**

**Attachment I**  
**June Beach EPU Organization**



Extended Power Uprate Project  
Change Management Plan

Attachment 2  
Typical Site EPU Organization



**Extended Power Uprate Project  
Change Management Plan**

**Attachment 3**

**Assessment of Extended Power Uprate Instructions (EPPIs)**

**Introduction:**

An assessment was performed to evaluate the current status of the EPPIs and determine which EPPIs need to be changed given the new organization structure. Additionally management requested that an evaluation be performed to determine which instruction could be streamlined or eliminated.

**Results:**

In large part the EPPIs were established to ensure and demonstrate strong Project Controls were established. In many cases the expectations are not covered in other Fleet documents or not sufficient for the EPU project.

Many of the EPPIs were not revised to reflect the use of an EPC or recognize the organization changes due to the staff reduction in April 2009. Examples of these are the Training program and Stranded Inventory process.

The attached table reflects the results of this evaluation. Approximately 30 EPPIs need to be revised and/or eliminated. The attached schedule represents a plan to resolve and correct the current state of the EPPIs.

**Priority**

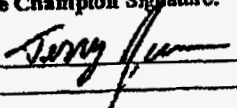
Given where we are in the project, the following EPPIs should be considered a priority

- Training – There is a series of 5 instructions that describe the EPU training program and requirements. These instructions were never changed based on the organization change in April 2009 nor does it recognize a separate training program that the EPC may have.
- Scope Control – This instruction is significantly out of date and has been in the review and comment process for well over 6 months
- Contingency Management – Its believed that given the new process of managing Risk Costs and Unallocated Contingencies, an instruction needs to be developed that complements Risks Program and Scope Control that describes how to manage the total contingencies
- The following EPPIs will also require revisions on a non priority basis: EPPi 110, EPPi 140, EPPi 150, EPPi 170, EPPi 210, EPPi 220, EPPi 230, EPPi 240, EPPi 250, EPPi 270, EPPi 310, EPPi 320, EPPi 370, EPPi 380, EPPi 390, and EPPi 1010.

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<b>Change Title:</b>	EPU Project Reorganization		
<b>Effective Date of Change:</b>	August 9, 2009		
<b>Change Champion:</b>	T. Jones		
<b>CHECKLIST FOR EFFECTIVE CHANGE MANAGEMENT</b>	<b>N/A</b>	<b>YES</b>	<b>NO</b>
1. Has the objective of the change been clearly defined?		X	
2. Have the "before" and "after" values and beliefs for impacted organizations been clearly defined?		X	
3. Has consideration been given to dealing with resistance to the change?		X	
4. Has a focal point or responsible person to implement the change been named?		X	
5. Has a flow chart of the existing process and proposed new process been created to determine impacted interfaces?	X		
6. Has the proposed change been discussed (in person) with the impacted interfaces?		X	
7. Have the items listed below been evaluated/assessed for impact?			
• EP Programs	X		
• HRO Rosters	X		
• Training Schedules	X		
• Vacation Schedules		X	
• Organization Charts		X	
• Employees to supervisor lists (payroll, HR, Dosimetry, EP, etc.)		X	
• UPSAR/ Technical Specifications/Code of Federal Regulations (e.g., 10CFR50.54(g) Emergency Plans	X		
• QATR and Nuclear/Plant Policies		X	
• Employee expectations		X	
• Software purchases or modifications	X		
• Software change of ownership/official contacts or documentation	X		
• PC hardware needs or impacts	X		
• Impact on other plants (how do they do it)-FPL plants		X	
• Impact on other plants (how do they do it)-Industry benchmarking		X	
• Impact on sign, labels, previous memos	X		
• Impact on existing priorities and schedules		X	
• Supporting organizations		X	
• Business Plan (Goals, initiatives, improvement plans, etc.)		X	
• Policies, Procedures and training materials		X	
8. Has the OE program for industry experiences in the area being changed been researched to assess/gain lessons learned?		X	
9. Has an implementation/transition plan and schedule been developed?			
• Develop Vision			
• Seek input from lowest level appropriats			
• Tie together training, procedures, roll out and implementation monitoring into a specific timetable or schedule		X	
• If several groups are affected, each group is in concurence with the implementation plan			

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CHECKLIST FOR EFFECTIVE CHANGE MANAGEMENT		N/A	YES	NO
10.	Has the need to make changes to the Job/Task analysis for accredited training programs been considered? Contact Training if the answer to any of the following questions is yes.		X	
	• Does the change create the need for new skill/knowledge to perform an existing task?			X
	• Does the change eliminate the need for a particular skill/knowledge previously essential for performing an existing task?			X
	• Does the change create an entirely new task?			X
	• Does the change cancel an existing task that job incumbents no longer perform?			X
	• Does the change result in a realignment of a task to a different Job Category?		X	
11.	When designing the training plan to support the change, were the following lessons learned considered: <ul style="list-style-type: none"> <li>• When a new qualification card is approved, determine the training needs of incumbents who currently hold the card and fully document how their qualification has been upgraded to meet new requirements</li> <li>• OJT is another drain on resources and should be resource loaded by the training plan</li> <li>• Real time training on changes should be reinforced during continuing training and captured in initial lesson plans</li> <li>• Compliance with the Qualification Manual</li> </ul>		X	
12.	Have potential areas for problems to arise post change, and monitoring techniques to catch the problems at an early stage, been identified?		X	
13.	Where applicable, has performing a validation effort, lab, or pilot to test the change and provide a feedback loop been considered?	X		
14.	Have clear and simple communications on the change been provided. <ul style="list-style-type: none"> <li>• Employee meetings</li> <li>• Website</li> <li>• Information line</li> <li>• Developed a communication package and train management team to deliver at appropriate forums</li> </ul>		X	
15.	Has a monitoring system been developed to look at how effective the objectives of the change are being implemented? <ul style="list-style-type: none"> <li>• 12 month effectiveness review (if required)</li> <li>• Trend CRs or ARs for indications of implementing problems</li> <li>• Develop performance measurement system</li> </ul>		X	
Checklist Completed: Change Champion Signature: 		Date: <u>10/19/09</u>		