

**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 080677-EI  
FLORIDA POWER & LIGHT COMPANY**

**IN RE: PETITION FOR RATE INCREASE BY  
FLORIDA POWER & LIGHT COMPANY**

**REBUTTAL TESTIMONY OF:**

**J. A. STALL**

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5                   **AUGUST 6, 2009**

6  
7   **Q.    Please state your name and business address.**

8    A.    My name is J.A. Stall. My business address is Florida Power & Light  
9           Company, 700 Universe Blvd., Juno Beach, Florida 33408.

10 **Q.    Did you previously submit direct testimony in this proceeding?**

11 A.    Yes.

12 **Q.    What is the purpose of your rebuttal testimony?**

13 A.    The purpose of my rebuttal testimony is to address claims made in the direct  
14           testimony of South Florida Hospital and Healthcare Association witness Kollen  
15           relating to nuclear staffing issues that I support in my direct testimony.  
16           Specifically, my testimony demonstrates that Mr. Kollen's assertions that FPL's  
17           proposed nuclear staffing increases should be disallowed are not valid.

18 **Q.    What is your response to Mr. Kollen's assertion that FPL's proposed  
19           nuclear staffing increase of 270 should be disallowed?**

20 A.    This assertion should be rejected. First, contrary to Mr. Kollen's assertions, the  
21           270 head count increase referenced in the testimony comparison was between  
22           the 2006 test year utilized in the last base rate case to 2010 test year utilized in  
23           the current base rate case. In contrast, Mr. Kollen artificially inflated his alleged  
24           23% staffing increase number by comparing the actual 2006 nuclear staffing

1 level – which did not consider authorized but unfilled positions -- against the  
2 2010 forecast – which assumed that all authorized positions will be filled or that  
3 the budgeted work would be completed through overtime and/or contract labor.  
4 This mixes and matches inconsistent concepts. Further, FPL witness Slattery  
5 explains the difficulties faced by FPL in staffing all authorized positions and  
6 this is particularly true in the nuclear arena. Having said that, all of our work  
7 must still be completed, whether the Company uses contract labor or increases  
8 the amount of overtime. Thus, the focus on headcount by Mr. Kollen, even  
9 with the improper frame of reference, is misplaced.

10  
11 In addition, the 270 head count increase represents a total head count that  
12 includes 129 positions supporting non-O&M activities such as uprate, capacity  
13 clause, and affiliate support. The Nuclear Division does not forecast full time  
14 equivalents by expense type, (i.e., uprate and capacity clause). The O&M costs  
15 forecasted in the 2010 test year do not include costs associated with these non-  
16 base O&M positions

17  
18 Second, due to the specialized nature of requirements for nuclear experience, it  
19 is imperative that an experienced nuclear operator train its employees. For  
20 example, *St. Lucie* currently has a number of employees in the maintenance and  
21 operations training pipelines. None of these employees can be utilized in daily  
22 plant operations without individual supervision. As mentioned in my direct  
23 testimony, it can take as long as 8-9 years to develop an operator candidate into  
24 a senior reactor operator. Additionally, other positions can take 1-3 years to

1 train. As one might expect with such a lengthy program, there is a fair amount  
2 of attrition along the way. Incremental staffing is needed to assure that we have  
3 sufficient experienced nuclear operations personnel.

4  
5 Third, and as I alluded to earlier, the head count represents the number of  
6 employees needed to support the level of effort necessary to ensure safe and  
7 reliable operations of our nuclear plants. In the event we are not successful in  
8 hiring employees to fill the positions, FPL would be required to hire contractors  
9 to perform the work. Unfilled positions that may be included in headcount,  
10 therefore, is the wrong area of focus for purpose of assessing the Company's  
11 O&M projections.

12 **Q. How do you respond to Mr. Kollen's claim that FPL has been reducing**  
13 **nuclear staffing during the recession and the Company has been forced to**  
14 **engage in cost reductions compared to its budget?**

15 A. This assertion is false. FPL is still hiring today to fill critical positions to  
16 ensure the safe and reliable operation of our nuclear plants. FPL will need to  
17 hire to forecasted amounts to ensure adequate staffing to prudently plan for  
18 attrition and retirements, both of which are inevitable in managing a large  
19 workforce.

20 **Q. How do you respond to Mr. Kollen's assertion that FPL's proposed**  
21 **increase in staffing levels is inconsistent with capital investments made and**  
22 **included in base rates to improve the performance and material condition**  
23 **of nuclear facilities that should reduce staffing levels and O&M, not**  
24 **increase year to year?**

1 A. This claim is without merit. First, long term capital investments provide  
2 improvements in long term plant reliability and are not made to offset the need  
3 for staff. These investments result in fuel savings to FPL's customers because  
4 nuclear is the lowest cost provider of generation in the FPL system. Second,  
5 many of the capital investments mentioned in my direct testimony were in  
6 response to NRC regulatory requirements (e.g., Alloy 600) and NRC  
7 commitments for license renewal. These investments ensure that our nuclear  
8 units will operate into their extended license terms and provide fuel savings for  
9 our customers in the extended operating periods. Mr. Kollen's assertion is  
10 nothing more than an ill-conceived hypothesis that has no foundation in reality.

11 **Q. Does this conclude your rebuttal testimony?**

12 A. Yes.