

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Examination of the outage and replacement fuel/power costs associated with the CR3 steam generator replacement project, by Progress Energy Florida, Inc.

DOCKET NO. 100437-EI
ORDER NO. PSC-11-0230-PCO-EI
ISSUED: May 24, 2011

ORDER GRANTING PROGRESS ENERGY FLORIDA, INC.'S MOTION TO DEFER

This docket was opened by the Commission to review the outage and replacement fuel and power costs associated with the Crystal River Unit 3 (CR3) steam generator replacement project of Progress Energy Florida, Inc. (PEF). On January 24, 2011, the Prehearing Officer conducted a status conference to determine whether to establish a case schedule. A case schedule was established based on a March 31, 2011, anticipated return to service of CR3. Subsequently, in a status report and motion dated April 4, 2011, PEF notified the Commission that CR3 would not return to service as anticipated. PEF explained that it was in the process of completing the final stages of retensioning the CR3 containment building when PEF's surveillance and monitoring equipment alerted PEF to possible issues in the containment structure. PEF stated that it immediately stopped work and launched an investigation. PEF asserted that the investigation determined that an additional separation of sections of concrete (delamination) of the containment wall took place in the bay adjacent to the bay in which the initial concrete delamination occurred. PEF stated that it could not estimate a return to service for the CR3 as of the filing of the April 4, 2011, status update. PEF stated that it would be in a position to provide more information to the Commission once an engineering analysis was completed.

In response to PEF's motion and status update Order No. PSC-11-0208-PCO-EI was issued on April 26, 2011 directing PEF to file an up-dated status report on or before May 19, 2011 and to appear on May 23, 2011, before the Prehearing Officer for a status conference. On May 11, 2011, PEF filed a Motion to Defer the status update and status conference. In its Motion to Defer, PEF states that it has commissioned an engineering study of the potential repair options. PEF expects to complete its analysis of the engineering study in June and will then be able to provide the Commission and the parties to the docket a detailed status report consistent with Order No. PSC-11-0208-PCO-EI. PEF requests that it be permitted to file the detailed updated status report required by Order No. PSC-11-0208-PCO-EI on June 27, 2011 and that the status conference be scheduled on a date thereafter.

PEF states that it conferred or attempted to confer with all parties of record regarding this motion. According to PEF, the Office of Public Counsel took no position. PEF states it was unable to obtain a position from intervenor's Florida Industrial Power User's Group (FIPUG), or White Springs Agricultural Chemicals, Inc., d/b/a PCS Phosphate – White Springs. FIPUG did file a response to PEF's motion stating that it was concerned with an open-ended schedule for this proceeding while ratepayers are paying for the purchased power and fuel costs associated

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with the outage. In its response, FIPUG notes that the Commission should move with all due care and deliberation in this docket.

Having considered the motion filed by PEF and the response filed by FIPUG, I grant PEF's Motion to Defer. PEF shall file its updated status report in this docket on or before June 27, 2011. The report shall include: a description of how far along PEF is in its engineering analysis of the second delamination event; a best estimate of the time it will take to complete the engineering analysis; a current best estimate of the time it will take to bring CR3 back into commercial service; and a discussion of PEF's ability to satisfy its projected loads using existing capacity resources. A status conference will be held on July 14, 2011, at 9:30 a.m., in Room 148, Easley Building, 2540 Shumard Oak Blvd, Tallahassee, Florida.

Based on the foregoing it is

ORDERED that Progress Energy Florida Inc.'s May 11, 2011, Motion to Defer is granted. It is further

ORDERED that Progress Energy Florida, Inc. shall file an updated status report on or before June 27, 2011, as more specifically set forth in this Order. It is further

ORDERED that a Status Conference before the Prehearing Officer shall be held on July 14, 2011, at 9:30 a.m.

By ORDER of Commissioner Eduardo E. Balbis, as Prehearing Officer, this 24 day of May, 2011.



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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.