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Subject: OPC's Response to PEF's Motion to Defer

Attachments: OPC's Response to PEF's Motion to Defer.pdf

Electronic Filing

a. Person responsible for this electronic filing:

Charles J. Rehwinkel, Deputy Public Counsel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 (850) 488-9330 REHWINKEL.CHARLES@leg.state.fl.us

b. Docket No. 110009-EI

In re: Nuclear Cost Recovery Clause

c. Documents being filed on behalf of Office of Public Counsel

d. There are a total of 3 pages.

e. The document attached for electronic filing is OPC's Response to PEF's Motion to Defer.

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> DOCUMENT NUMBER-DATE 04703 JUL-8 = FPSC-COMMISSION CLERK

7/8/2011

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

DOCKET NO.: 110009-EI FILED: July 8, 2011

OFFICE OF PUBLIC COUNSEL'S RESPONSE TO PROGRESS ENERGY FLORIDA'S MOTION TO DEFER

Pursuant to Rule 28-106.204, F.A.C., the Office of Public Counsel (OPC) files this response to Progress Energy Florida's (PEF) Motion to Defer ('Motion") filed on . July 1, 2011 in this Docket as follows:

1. The Citizens take no position in opposition to the essence of PEF's motion seeking deferral of consideration of 2011 and 2012 costs until the 2012 NCRC proceedings.¹ The OPC's response does not constitute an agreement with all of the factual representations that PEF offers in its Motion, nor is it a stipulation as to the appropriate Commission action to be taken as to the remaining amounts submitted by PEF in the 2011 hearing cycle for cost recovery in the 2012. Furthermore, the OPC does not stipulate to the appropriateness of any expenditures on the CR3 EPU project made by PEF after March 2011 when the ramifications of the March 14, 2011 delamination discovery became apparent to PEF.

JOCUMENT NUMBER-DAT

¹ The OPC's position is based on our reading of the Motion (see, paragraph 7 and the head note in Exhibit 1) that the only carrying costs remaining for 2011 hearing consideration are for expenditures made *prior* to January 1, 2011. To the extent that PEF proposes that carrying costs for 2011 and 2012 expenditures should remain for consideration in the 2011 NCRC hearing cycle, the OPC objects.

2. The OPC's position is based solely on the unique circumstances relating to the timing of the 2011 hearing in this docket and the circumstances of the further extended outage occasioned by the discovery of the additional delamination on March 14, 2011. As such, the OPC has discontinued preparation of its testimony related to 2011 and 2012 costs. More specifically, the OPC generally is in agreement that, absent deferral as set out in paragraph 7 of the Motion, the timing of the feasibility determination updates that PEF proposes cannot be subjected to responsive testimony and discovery and still comport with fundamental fairness. As such the ultimate remedy of deferral as proposed by PEF appears to be the most reasonable option.

Dated this 8th day of July, 2011

Respectfully Submitted,

J.R. KELLY PUBLIC COUNSEL

Charles J. Rehwinkel Deputy Public Counsel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 (850) 488-9330

Attorneys for the Citizens of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing OFFICE OF PUBLIC COUNSEL'S RESPONSE TO PROGRESS ENERGY FLORIDA'S MOTION TO DEFER has

been furnished by U.S. Mail and electronic mail to the following parties on this 8th day of July, 2011.

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