

Docket No. 140009-EI: Nuclear Cost Recovery Clause

Duke Energy Florida, Inc.

Crystal River Unit 3 Power Uprate and Levy Units 1 & 2 Construction

Witness: **Direct Testimony of Ronald A. Mavrides,**

Appearing on behalf of the Staff of the Florida Public Service Commission

Date Filed: June 20, 2014

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **COMMISSION STAFF**

3 **DIRECT TESTIMONY OF RONALD A. MAVRIDES**

4 **DOCKET NO. 140009-EI**

5 **June 20, 2014**

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

7 A. My name is Ronald A. Mavrides. My business address is 4950 West Kennedy Blvd.,
8 Suite 310, Tampa, Florida 33609.

9 **Q. By whom are you presently employed and in what capacity?**

10 A. I am employed by the Florida Public Service Commission (FPSC or Commission) as a
11 Public Utility Analyst II in the Office of Auditing and Performance Analysis.

12 **Q. Briefly review your educational and professional background.**

13 A. I received a Bachelor of Science Degree in accounting from the University of Central
14 Florida in 1990. I am also a Certified Internal Auditor, Certified Government Auditing
15 Professional and a Certified Management Accountant licensed in the State of Florida. I have
16 been employed by the FPSC since October 2007.

17 **Q. Please describe your current responsibilities.**

18 A. Currently, I am a Public Utilities Analyst II with the responsibilities of managing
19 regulated utility financial audits. I am also responsible for creating audit work programs to
20 meet a specific audit purpose.

21 **Q. Have you previously presented testimony before this Commission?**

22 A. Yes. I presented testimony in the Fuel and Purchased Power Cost Recovery Clause
23 Docket Nos. 090001-EI and 110001-EI.

24 **Q. What is the purpose of your testimony today?**

25 A. The purpose of my testimony is to sponsor two staff audit reports of Duke

1 Energy Florida, Inc. (DEF or Utility) which address the Utility's nuclear uprate activities and
2 cost recovery for 2013. The first audit report was issued June 11, 2014, and addressed the pre-
3 construction and construction costs as of December 31, 2013, for Levy Nuclear Units 1 & 2
4 (Levy 1 & 2). This audit report is filed with my testimony and is identified as Exhibit RAM-
5 1.

6 The second audit report was also issued on June 11, 2014, and addressed the close out uprate
7 costs for Crystal River Unit 3 (CR3) as of December 31, 2013. The audit report is filed with
8 my testimony and is identified as Exhibit RAM-2.

9 **Q. Were these audits prepared by you or under your direction?**

10 A. Yes, both audits were prepared by me or under my direction.

11 **Q. Please describe the work performed in both audits.**

12 A. The first audit report addresses the pre-construction and construction costs as of
13 December 31, 2013, for Levy 1 & 2:

- 14 • We reconciled the Utility's filing to its general ledger and verified that the costs incurred
15 were posted to the proper accounts.
- 16 • We sorted the preconstruction and construction costs transactions by generation and
17 transmission costs. The beginning balances of the preconstruction and construction costs
18 were reconciled with the ending balances for the preconstruction and construction costs of
19 the prior year filing.
- 20 • We selected a sample of preconstruction and construction transactions from the transaction
21 details list and tested them for: 1) Compliance with contracts, 2) Correct paid amounts,
22 and 3) Correct recording periods.
- 23 • We reconciled the transaction detail amounts to the filing and to the general ledger.
- 24 • We sorted Operation and Maintenance (O&M) Expense by functional expense category
25 and reconciled to the filing.

- 1 • We selected costs from the transaction details and reviewed them for the proper period,
2 amounts, and whether they are allowable Nuclear Cost Recovery Clause costs.
- 3 • We also selected three months of labor costs for sampling. We verified the hours worked
4 and recalculated the labor charges recorded by the Utility.

5 The second audit report addresses the construction close out costs as of December 31, 2013,
6 for CR3:

- 7 • We reconciled the Utility's transaction details to its general ledger and filing.
- 8 • We selected transactions from the transaction details and tested them for: 1) Correct paid
9 amounts, 3) Compliance with contracts, and 3) Correct recording periods.
- 10 • We sorted O&M Expense by functional expense category and reconciled O&M Expense
11 to the Utility's filing.
- 12 • We selected costs from the transaction details and reviewed them for the proper period,
13 amounts, and whether they are allowable Nuclear Cost Recovery Clause costs.
- 14 • We also selected three months of labor costs for sampling. We verified the hours worked
15 and recalculated the labor charges recorded by the Utility.

16 **Q. Please review the audit findings in the audit report, Exhibit RAM-1.**

17 A. There were no findings in this audit.

18 **Q. Please review the audit findings in the audit report, Exhibit RAM-2.**

19 A. There were no findings in this audit.

20 **Q. Does this conclude your testimony?**

21 A. Yes.

22

23

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State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tampa District Office

Auditor's Report

Duke Energy Florida, Inc.
Nuclear Cost Recovery Clause
Levy Nuclear Plant Units 1 & 2

Twelve Months Ended December 31, 2013

Docket No. 140009-EI
Audit Control No. 14-007-2-2

May 12, 2014

A large, stylized handwritten signature in cursive script that reads "Ronald Mavrides".

Ronald Mavrides
Audit Manager

A handwritten signature in cursive script that reads "Linda M. Hill".

Linda M. Hill
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the agreed-upon objectives set forth by the Office of Industry Development and Market Analysis in its audit service request dated January 7, 2014. We have applied these procedures to the attached schedule prepared by Duke Energy Florida, Inc. in support of its 2013 Nuclear Cost Recovery Clause for its construction cost expenditures for the Levy Nuclear Plant Units 1 & 2 for project activity in Docket No. 140009-EI.

This audit was performed following General Standards and Fieldwork Standards found in the AICPA Statements on Standards for Attestation Engagements. Our report is based on agreed-upon procedures. The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

Utility refers to Duke Energy Florida, Inc.

LNP refers to the Levy Nuclear Plant.

NCRC refers to the Nuclear Cost Recovery Clause.

CCRC refers to the Capacity Cost Recovery Clause.

Preconstruction costs are costs that are expended after a site has been selected in preparation for the construction of a nuclear power plant, incurred up to and including the date the Utility completes site clearing work.

Construction costs are costs that are expended to construct the nuclear power plant, but not limited to, the costs of constructing power plant buildings and all associated permanent structures, equipment and systems.

Objectives: The objectives were to determine whether the Utility's 2013 NCRC filings in Docket No. 140009-EI are consistent and in compliance with Section 366.93, Florida Statutes, and Rule 25-6.0423, Florida Administrative Code (F.A.C.).

Procedures: We performed the following objectives and procedures to satisfy the overall objective identified above.

Construction Work In Progress

Objectives: The objectives were to determine whether Construction Costs for the LNP, are properly accounted for and stated as required by Section 366.93, Florida Statutes and Rule 25-6.0423, F.A.C.

Procedures: We sorted the construction transactions by generation and transmission costs. We took the beginning balances of the Construction Costs and reconciled them to the ending balances for the prior year's filing. We judgmentally selected construction transactions from the transaction details and tested them for: 1) Compliance with contracts, 2) Correct paid amounts, and 3) Correct recording periods. We reconciled the transaction detail amounts to the filing and the general ledger. No exceptions were noted.

Objectives: The objectives were to determine whether Preconstruction Costs for the LNP are properly accounted for and stated as required by Section 366.93, Florida Statutes and Rule 25-6.0423, F.A.C.

Procedures: We sorted the Preconstruction Costs transactions by generation and transmission costs. We took the beginning balances of the Preconstruction Costs and reconciled them to the ending balances for the prior year's filing. We selected a sample of preconstruction transactions from the provided transaction details and tested them for: 1) Compliance with contracts, 2) Correct paid amounts, and 3) Correct recording periods. We reconciled the transaction detail amounts to the filing and to the general ledger. No exceptions were noted.

Recovery

Objectives: The objectives were to determine whether the Utility used the Commission approved CCRC factors to bill customers for the period January 1, 2013, through December 31, 2013, and whether the 2013 Detail Calculation of the Revenue Requirements reflects amounts in Order No. PSC 09-0837-PAA-EI.

Procedures: We agreed the amount collected on the 2013 Detail Calculation of the Revenue Requirements to the 2013 NCRC jurisdictional amount approved in Order No. PSC-09-0837-PAA-EI and to the CCRC in Docket No. 140001-EI. No exceptions were noted.

Expense

Operation and Maintenance Expense

Objective: The objectives were to determine whether Operation and Maintenance (O&M) Expense on Exhibit TGF-2 are supported by adequate source documentation, are appropriately recoverable through the NCRC, and that the Total Jurisdictional O&M Cost is accurately calculated.

Procedures: We reconciled the transaction detail listings to the filing. We judgmentally selected costs from the transaction details and reviewed them for the proper period, amounts, and that they are allowable NCRC costs. For costs that are for a service or product that is under contract we: 1) Traced the invoiced cost to the construction contract or other type of original source document, 2) Reconciled the invoice to the contract terms and pricing, 3) Ensured that the amounts billed are for actual services or materials received, and 4) Investigated all prior billing adjustments and job order changes to the contracts. No exceptions were noted.

We selected the months of February, May and October labor costs for sampling and arranged the costs into functional categories. We obtained the costs codes and the burden rates that the Utility used for allocating burden costs for labor and the employee time sheets for employees who provided labor charged to the NCRC during the sample months. We verified the hours worked and recalculated the labor charges recorded by the Utility and recalculated the burden charges charged to the NCRC. No exceptions were noted.

Carrying Cost on Deferred Tax Adjustment

Objectives: The objectives were to determine whether the Deferred Tax Adjustment amount and associated carrying costs are appropriately calculated.

Procedures: We reviewed documents from the Utility explaining the treatment of the Deferred Tax Adjustment. We determined that the carrying costs associated with the Deferred Tax Adjustment is now being reflected in base rates. No exceptions were noted.

Allowance for Funds Used During Construction

Objectives: The objectives were to determine whether the rates used for Allowance for Funds Used During Construction (AFUDC) are correct.

Procedures: We reconciled the AFUDC rates to Order No. PSC-10-0604-PAA-EI for the period January 1, 2013, to June 30, 2013. Order No. PSC 13-0493-FOF-EI amended the rates subsequent to July 1, 2013. No exceptions were noted.

True-Up

Objective: The objective was to determine whether the True-Up and Interest Provision as filed on Schedule TGF-2 was properly calculated.

Procedures: We recalculated the True-Up as of December 31, 2013, using the Commission approved beginning balance as of December 31, 2012. We reconciled the Projected and Actual/Estimated amounts to prior NCRC orders. We traced the construction cost to supporting schedules. No exceptions were noted.

Audit Findings

None

Exhibit

Exhibit 1: Summary of Final True-Up

2013 Summary
Levy Nuclear Units 1 & 2
January 2013 - December 2013
Duke Energy Florida

Witness: Thomas G. Foster
Docket No. 140009-EI
Exhibit: (TGF- 2)

		12-Month Total
1.	Final Costs for the Period	
	a. Preconstruction Additions for the Period	\$ 11,107,284
	b. Carrying Costs on Preconstruction Balance	7,189,495
	c. Carrying Costs on Construction Balance	<u>12,404,306</u>
	d. Total Period Revenue Requirement for Preconstruction and Construction	\$ 30,701,085
2.	Allocated or Assigned O&M Amounts	\$ 444,153
3.	Total Revenue Requirement for the Period (Lines 1.d + 2)	<u><u>\$ 31,145,238</u></u>
4.	Projected Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$ 40,312,451
5.	Final True-up Amount for the Period (over)/under (Line 3 - line 4)	\$ (9,167,213)

State of Florida



Public Service Commission

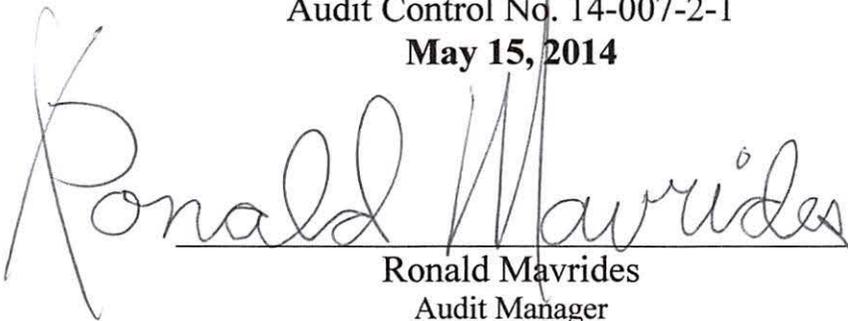
Office of Auditing and Performance Analysis
Bureau of Auditing
Tampa District Office

Auditor's Report

Duke Energy Florida, Inc.
Nuclear Cost Recovery Clause
Crystal River Unit 3 Uprate

Twelve Months Ended December 31, 2013

Docket No. 140009-EI
Audit Control No. 14-007-2-1
May 15, 2014



Ronald Mavrides
Audit Manager



Linda M. Hill
Reviewer

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the agreed-upon objectives set forth by the Office of Industry Development and Market Analysis in its audit service request dated January 7, 2014. We have applied these procedures to the attached schedule prepared by Duke Energy Florida, Inc. and to several of its related schedules in support of its 2013 Nuclear Cost Recovery Clause for its cost expenditures for the Crystal River Unit 3 Uprate Project in Docket No. 140009-EI.

This audit was performed following General Standards and Fieldwork Standards found in the AICPA Statements on Standards for Attestation Engagements. Our report is based on agreed-upon procedures. The report is intended only for internal Commission use.

Objectives and Procedures

General

Utility Information

On February 5, 2013, the Utility decided to retire its CR3 plant. All costs subsequent to February 5, 2014, are close-out costs. Recovery will continue until 2019.

Definitions

Utility refers to Duke Energy Florida, Inc.

CR3 refers to the Crystal River Unit 3 Uprate Project.

NCRC refers to the Nuclear Cost Recovery Clause.

CCRC refers to Capacity Cost Recovery Clause.

Construction Costs are costs that are expended to construct the nuclear power plant, but not limited to, the costs of constructing power plant buildings and all associated permanent structures, equipment and systems.

Objectives: The objectives were to determine whether the Utility's 2013 NCRC filing in Docket No. 140009-EI are consistent and in compliance with Section 366.93, Florida Statutes, and Rule 25-6.0423, Florida Administrative Code (F.A.C.).

Procedures: We performed the following objectives and procedures to satisfy the overall objective identified above.

Construction Work In Progress

Objectives: The objectives were to determine whether Construction Costs in the 2013 Exhibit TGF-3 schedule for the CR3 Uprate are properly accounted for and stated as required by Section 366.93, Florida Statutes and Rule 25-6.0423, F.A.C.

Procedures: We reconciled the company's transaction details to the general ledger and filing. We judgmentally selected construction transactions from the transaction details and tested them for: 1) Compliance with contracts, 2) Correct paid amounts, and 3) Correct recording periods. No exceptions were noted.

Recovery

Objectives: The objectives were to determine whether the Utility used the Commission approved CCRC factors to bill customers for the period January 1, 2013, through December 31, 2013, and whether Exhibit TGF-3 reflects amounts in Order No. PSC 09-0837-PAA-EI.

Procedures: We agreed the amount collected on Exhibit TGF-3 to the 2013 NCRC jurisdictional amount approved in Order No. PSC-09-0837-PAA-EI and to the CCRC in Docket No.140001-EI. No exceptions were noted.

Expense

Operation and Maintenance Expense

Objectives: The objectives were to determine whether Operation and Maintenance (O&M) Expense on Exhibit TGF-3 is supported by adequate source documentation and appropriately recoverable through the NCRC.

Procedures: We judgmentally selected costs from the transaction details and reviewed them for the proper period, amounts, and that they are allowable NCRC costs. For costs that are for a service or product that is under contract, we: 1) Traced the invoiced cost to the construction contract of other type of original source document 2) Reconciled the invoice to the contract terms and pricing, 3) Ensured that the amounts billed are for actual services or materials received, and 4) Investigated all prior billing adjustments and job order changes to the contract(s). We sorted the transaction detail listings by O&M expense category and reconciled them to the filing. No exceptions were noted.

Objective: The objective was to determine whether the costs charged to labor are correct.

Procedures: We judgmentally selected the months of February, May, and June 2013 from the transaction details for sampling. We used employee time sheets to verify that labor hours charged to employee labor expense are correct. We verified that the labor costs recorded in the transaction details reconciles to the filing. No exceptions were noted.

Joint Owner Credits

Objective: The objective was to determine whether capital joint owner credits are properly stated.

Procedures: We traced the billing details of the amounts billed to the joint owners for the months of March and July 2013 to the filing. No exceptions were noted.

Carrying Cost on Deferred Tax Adjustment

Objectives: The objectives were to determine whether the Deferred Tax Adjustment amount and associated carrying costs are appropriately calculated.

Procedures: We requested an explanation from the Utility of how carrying costs were handled for the deferred tax adjustments. The Utility advised us that all carrying costs associated with the deferred tax adjustment are now being reflected in the base rates. We verified this procedure by reviewing Appendix A of Exhibit TGF-2 in the Utility's filing. No exceptions were noted.

True-up

Objective: The objective was to determine whether the True-up and Interest Provision as filed on Exhibit TGF-3 was properly calculated.

Procedures: We recalculated the True-Up as of December 31, 2013, using the Commission approved beginning balance as of December 31, 2012. We reconciled the Projected and Actual/Estimated amounts to prior NCRC Orders. No exceptions were noted.

Audit Findings

None

Exhibit

Exhibit 1: Schedule TGF-3

Line	Beginning of Period Amount	Actual January 13	Actual February 13	Actual March 13	Actual April 13	Actual May 13	Actual June 13	Actual July 13	Actual August 13	Actual September 13	Actual October 13	Actual November 13	Actual December 13	Period Total
1	Project Investment:													
a	29,886,920	369,604	35,261	9,161	5,959	112,925	5,959	\$6,484	\$8,780	\$5,853	\$0	\$0	\$0	\$559,986
b	43,672,300	160,177	156,905	97,652	63,224	58,467	58,398	49,112	81,585	(99,299)	22,319	789	7,855	\$657,184
c	1,441,680	4,926	12,986	11,922	4,532	4,734	2,934	4,952	(1,614)	0	0	337	0	\$45,709
d	279,706,493	987,107	1,461,060	164,055	9,854	2,572,050	4,593,862	72,685	(2,937)	746	811	(11,776)	(10,535)	\$9,836,982
e	8,307,468	(5,885)	916	5,893	4,798	0	37,683	8,790	4,425	(288)	0	0	0	\$56,333
f	363,014,861	1,515,929	1,667,128	288,683	88,367	2,748,176	4,698,836	142,023	90,239	(92,988)	23,130	(10,650)	(2,680)	\$11,156,194
2	Adjustments													
a	(370,130)	1,579,731	174,715	(684,003)	1,559,476	13,732	(4,571,034)	(16,189)	(23,446)	4,625,047	5,814	(1,976)	1,546	\$2,663,415
b	(28,792,221)	(125,084)	(136,953)	(23,244)	(255,822)	(225,884)	(377,536)	(16,534)	(3,723)	7,531	(1,889)	(467)	1,562	(\$1,158,042)
c	(28,549,393)	(62,748)	39,395	(2,027)	448,676	(14)	0	0	(20,533)	32,946	(7,238)	14,996	(2,707)	\$440,746
d	305,303,117	2,907,827	1,744,286	(420,591)	1,840,698	2,536,011	(249,733)	109,301	42,537	4,572,536	19,817	1,903	(2,279)	\$13,102,313
e	279,911,057	2,700,935	1,620,181	(390,666)	1,709,732	2,355,574	(231,965)	101,524	39,510	4,247,200	18,407	1,768	(2,117)	\$12,170,084
3	Carrying Cost on Retail Unrecovered Balance													
a	279,911,057	2,700,935	1,620,181	(390,666)	1,709,732	2,355,574	(231,965)	101,524	39,510	4,247,200	18,407	1,768	(2,117)	292,081,140
b	29,985,613	0	5,076	0	(1,522)	0	0	0	(935)	13,250	903	2,103	(9,391)	29,995,096
c	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	11,624,453	10,843,389	10,062,325	9,281,261	8,500,197	7,719,132	6,938,068	6,157,004	5,375,940	4,594,876	3,813,812	3,032,748	2,251,684	2,251,684
e	9,372,769	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064
f	0	0	209,601	(353,995)	(354,163)	(353,932)	(342,293)	(338,627)	(344,296)	(348,880)	(336,335)	(323,782)	(328,714)	0
g	\$261,549,897	\$263,469,768	\$264,513,410	\$262,987,686	\$263,563,712	\$264,784,290	\$263,428,967	\$262,410,800	\$261,325,885	\$264,429,892	\$263,329,996	\$262,224,814	\$261,122,311	\$260,788,581
4	Net Investment													
a		\$262,509,833	\$264,096,390	\$263,573,550	\$263,098,617	\$263,997,035	\$263,935,482	\$262,750,570	\$261,696,195	\$262,703,449	\$263,711,776	\$262,615,514	\$261,509,206	
5	Return on Average Net Investment													
	(New Rates)													
a	0.00394	1,434,354	1,040,540	1,038,480	1,036,609	1,040,148	1,039,906	1,035,237	1,031,083	1,035,052	1,039,024	1,034,705	1,030,346	12,835,484
b	1.62800	2,335,131	1,694,001	1,690,647	1,687,601	1,693,363	1,692,969	1,685,368	1,678,605	1,685,066	1,691,533	1,684,501	1,677,405	20,896,189
c	0.00189	426,841	500,399	499,208	499,309	500,010	499,894	497,650	495,653	497,560	499,470	497,394	495,298	5,907,486
d		2,761,972	2,194,200	2,189,855	2,185,910	2,193,373	2,192,863	2,183,018	2,174,258	2,182,626	2,191,003	2,181,895	2,172,703	26,803,675
6		\$2,552,371	\$2,548,195	\$2,544,018	\$2,539,842	\$2,535,666	\$2,531,490	\$2,527,314	\$2,523,138	\$2,518,961	\$2,514,785	\$2,510,609	\$2,506,433	\$30,352,822
7		209,601	(353,995)	(354,163)	(353,932)	(342,293)	(338,627)	(344,296)	(348,880)	(336,335)	(323,782)	(328,714)	(333,730)	(3,549,147)
8	O&M													
a		9,291	9,133	6,765	11,404	10,644	7,997	7,847	4,181	9,380	5,132	10,283	6,134	\$98,190
b		6,152	9,776	14,266	13,564	12,117	4,343	2,890	5,887	1,793	702	254	3,343	\$75,088
c		(10,091)	13,080	20,812	16,821	0	0	0	41,243	11,366	234	77	831	\$94,372
d		(440)	(2,629)	(3,439)	(3,435)	(1,871)	(1,100)	(883)	(4,217)	(1,853)	(499)	(872)	(847)	(\$22,085)
e		4,912	29,359	38,404	38,355	20,890	11,240	9,855	47,094	20,685	5,568	9,741	9,460	\$245,564
9		0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221
10		4,579	27,369	35,800	35,755	19,474	10,478	9,187	43,901	19,283	5,191	9,081	8,819	228,917
11		894,072	855,562	817,053	778,543	740,034	701,524	663,014	624,505	585,995	547,486	508,976	470,466	431,957
12		462,115	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	#REF!
13		0	4,602	27,411	35,841	35,791	19,508	10,507	9,210	43,926	5,216	9,110	9,110	
14		894,072	855,562	817,053	778,543	740,034	701,524	663,014	624,505	585,995	547,486	508,976	470,466	431,957
15	Projected Construction Carrying Cost Plant Additions for the Period													
a		877,107	854,594	847,712	845,021	834,161	810,662	782,013	770,071	763,177	736,931	705,582	676,052	
b		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	
c		51	68	64	56	52	44	36	35	31	32	34	34	538
d		4,630	27,437	35,864	35,811	19,526	10,522	9,223	43,936	19,318	5,222	9,113	8,853	229,455
16		28	25	23	20	18	16	13	11	8	6	4	1	173
17		4,602	27,411	35,841	35,791	19,508	10,507	9,210	43,926	19,309	5,216	9,110	8,852	229,282
18		(613)	79	91	103	117	128	141	152	164	177	188	201	927
19		(552)	(507)	(462)	(417)	(371)	(325)	(278)	(231)	(184)	(135)	(87)	(37)	(3,587)
20		(62)	586	553	520	488	453	419	383	348	313	275	238	4,515
21		2,765,889	2,221,715	2,225,810	2,221,824	2,213,016	2,203,513	2,192,381	2,218,346	2,202,109	2,196,402	2,191,197	2,181,757	27,034,057
22		2,551,847	2,547,713	2,543,579	2,539,445	2,535,313	2,531,180	2,527,048	2,522,917	2,518,786	2,514,656	2,510,526	2,506,397	30,349,407
23		214,142	(325,998)	(317,769)	(317,622)	(322,297)	(327,668)	(334,668)	(304,571)	(316,678)	(318,254)	(319,329)	(324,640)	(3,315,350)

Notes: (a) Other line reflects cost of removal of previously existing assets.

(b) Transfer to Plant In-Service had a beginning balance accounting true-up adjustment for \$1,713,036 in 2013.

(c) Beginning Balances for unrecovered carrying cost calculations combine Over/Under balances from prior period construction carrying costs and DTA. A \$7,873 true-up adjustment in the Other - Adjustments captures a resulting slight calculation variance.

(d) See Appendix A for Beginning Balance Support

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

DOCKET NO. 140009-EI

DATED: June 20, 2014

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the testimony of Ronald A. Mavrides on behalf of the Florida Public Service Commission was filed with the Office of Commission Clerk, Florida Public Service Commission, and copies were furnished to the following, by electronic mail, on this 20th day of June, 2014.

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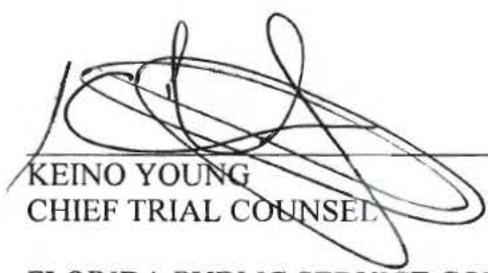
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