

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL
S. CURTIS KISER
(850) 413-6199

Public Service Commission

July 14, 2014

Dianne M. Triplett, Esquire
Post Office Box 14042
Saint Petersburg, Florida 33733-4042

STAFF'S FIRST DATA REQUEST

Re: Docket No. 140113-EI - Petition for approval to construct an independent spent fuel storage installation and an accounting order to defer amortization pending recovery from the Department of Energy, by Duke Energy Florida, Inc.

Dear Ms. Triplett:

By this letter, the Commission staff requests that Duke Energy Florida, Inc. (DEF) provide responses to the following data requests.

1. On page 4 of the petition, second paragraph, DEF states that it “engaged a number of internal experts to analyze the options.” Please provide copies of all studies, reports, or materials received from or provided to such experts, as well as any other documentation of the findings and opinions of any external experts DEF engaged. Also, please provide minutes of any meetings held regarding this matter, vote sheets, and any other materials used in or generated as a result of such meetings.
2. Please refer to Delowery testimony, Exhibit No. MRD-1, page 3 of 51, last paragraph. The witness states that dismantlement of the spent fuel pool prior to the removal of all spent fuel from the site would adversely impact DEF’s ability to remediate dry storage problems and to repack fuel onsite for transportation, and that in order to mitigate these risks DEF plans to “maintain the ability to recover the functionality of the spent fuel pool (or other approved contingency) until all fuel is removed from the site.”
 - a) Please explain in detail how the functionality of the spent fuel pool will be maintained, and provide copies of all evaluations, reports, studies, and similar examples of how such functionality could be accomplished.

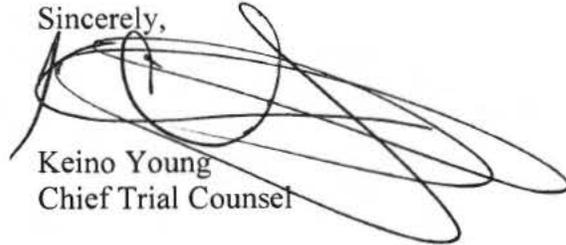
3. Please refer to Exhibit No. MRD-1, page 2 of 51. The third paragraph states "In addition, a new single failure-proof fuel handling crane was purchased..." Please provide detailed information regarding the crane, including cost information.
 - a) Will the crane be used for any purpose other than transferring fuel from the spent fuel pool to the dry storage configuration?
 - b) What is the cost for the upgrade to the crane?
4. Exhibit MRD-1, at pages 26 and 32, contains a chart entitled "Cumulative NPV Dry Storage vs. Wet Storage." Please explain the reason(s) that, for the three-year period from 2015 to 2018, there appears to be no incremental costs for the wet storage option.
5. DEF's petition lists the following three options for spent fuel storage: dry storage, wet storage, offsite storage.
 - a) What are the costs given for the various plans incremental to the wet storage option?
 - b) What are the costs for the various storage options incremental to keeping the spent fuel in its present location?
6. What is the cost of maintaining the spent fuel pool (wet storage) until it is either no longer possible to do so, or until the litigation with DOE is resolved?
7. Has the plan chosen for dry storage been previously approved and/or implemented by any other entity in the US? If so, by whom was it approved and by whom was it implemented and where?
8. Can the unused fuel be sold or transferred for use elsewhere, in order to offset the cost of long-term storage of the spent fuel? Please explain the reason(s) unused fuel must be stored as if it were spent fuel.
9. Please state whether onsite dry storage is permanent. How long can the spent fuel remain in the dry storage condition chosen by DEF?
10. Refer to Exhibit No. MRD-1, page 6 of 51. Regarding the differing professional opinion (DPO) of Steve Nesbit, at page 4 of 51 of the Exhibit, DEF states that the "concerns identified in the DPO have been addressed..." Please provide detailed information regarding how these concerns have been addressed and ostensibly eliminated. Also, how long has Mr. Nesbit been employed by DEF? Why did his assessment not change the outcome of the selection process?
11. Please provide the minutes of any meetings held on this matter, as well as copies of vote sheets and any materials provided in or generated as a result of such meetings.

For the following questions, please refer to Exhibit No. (MJO-2).

12. How was the \$18.1 million amount for unrecovered AFUDC determined? In your response, please include all calculations for this amount, and provide the reason for the accrual period chosen.
13. Does the settlement amount of \$125.5 million include any litigation costs associated with DEF's action against the U.S. Department of Energy (DOE)?

Please file the original and five copies of the requested information by Thursday, July 24, 2014, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6226 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keino Young', is written over the typed name and title. The signature is stylized and somewhat illegible due to overlapping loops.

Keino Young
Chief Trial Counsel

KY/ace

cc: Office of Commission Clerk
Office of Public Counsel (Kelly, Rehwinkel)