

Crystal Card

From: Ellen Plendl
Sent: Wednesday, February 04, 2015 11:30 AM
To: Consumer Correspondence
Subject: Docket 150009-EI
Attachments: FW Reopened FPL Nuclear Cost Recovery on docket for 2015, ; FW Reopened FPL Nuclear Cost Recovery on docket for 2015

See attached customer correspondence and PSC reply for correspondence side of Docket 150009-EI.

Crystal Card

From: Consumer Contact
Sent: Monday, February 02, 2015 3:51 PM
To: Ellen Plendl
Subject: FW: Reopened FPL Nuclear Cost Recovery on docket for 2015,

From: Angela Charles
Sent: Monday, February 02, 2015 3:45 PM
To: 'Shawn Meyer-Steele'
Subject: RE: Reopened FPL Nuclear Cost Recovery on docket for 2015,

Good afternoon,

We will be placing your comments below in consumer correspondence in Docket No. 150009 and forwarding your comments to the Office of Consumer Assistance and Outreach.

Thank you,

Angela Charles
Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0850
850-413-6770

From: Shawn Meyer-Steele [<mailto:smsteele@h2oprofessionals.com>]
Sent: Monday, February 02, 2015 2:56 PM
To: Records Clerk; Office Of Commissioner Graham; Office of Commissioner Brown; Office Of Commissioner Edgar; Office of Commissioner Brisé; Office of Commissioner Patronis
Subject: Reopened FPL Nuclear Cost Recovery on docket for 2015,

2 February 2015

Dear Public Service Commissioners:

Chairman Art Graham
Commissioner Julie Imanuel Brown
Commissioner Lisa Polak Edgar
Commissioner Ronald A. Brisé
Commissioner Jimmy Patronis

My name is Shawn Meyer-Steele, a resident of Miami, and I am writing to you today an item on your docket for 2015, the **reopened Nuclear Cost Recovery**, specifically in your consideration in the matter of the amount of money that FPL may recover before it constructs the planned two (2) nuclear reactor units and transmission lines.

FPL is a thriving private business with 2014 GAAP earnings of US \$286 million up from \$248 million in 2013. FPL's parent company NextEra Energy had combined earnings of \$2.5 Billion, up from 1.9 Billion in 2013. FPL is a thriving and profitable business. As an owner of a private business operating in the state of Florida and a meaningful investor in businesses in Tampa, California and Canada I am aware of the challenges in innovating, developing new products and expanding a business. Yet I am not aware of any other private business, even other localized monopolies like FPL, that can take advantage of and burden their captured clients with the upfront costs of development efforts.

It's unfair and onerous to the clients of FPL, who have alternative source from which to buy our power from.

I would like to add my voice to the masses urging the Florida Public Services Commission to do the fair and correct thing and let FPL incur their own development costs. Please don't hoist yet another burden on the beleaguered private citizens and businesses in Florida.

Sincerely

Shawn Meyer-Steele

Email: smsteele@h2oprofessionals.com

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Please consider the environment before printing this e-mail. Thank you.

Crystal Card

From: Kathy Lewis
Sent: Wednesday, February 04, 2015 10:23 AM
To: Rhonda Hicks; Ellen Plendl
Cc: Mark Futrell; Cayce Hinton
Subject: FW: Reopened FPL Nuclear Cost Recovery on docket for 2015

The following response has been sent to Consumer Contact Shawn Meyer-Steele.

From: Kathy Lewis
Sent: Wednesday, February 04, 2015 10:17 AM
To: 'smsteele@h2oprofessionals.com'
Subject: Reopened FPL Nuclear Cost Recovery on docket for 2015

Dear Mr. Meyer-Steele:

Thank you for your recent correspondence about the ability of Florida Power & Light (FPL) to recover costs associated with the construction of nuclear power plants. Some background on the legislation that established the nuclear cost recovery mechanism may help you understand the Commission's role.

In 2006, the Florida Legislature, in an effort to promote fuel diversity and electric supply reliability, passed legislation designed to encourage the development of new nuclear capacity by mitigating the economic risks associated with the long lead time and high capital costs required. Section 366.93, Florida Statutes established a utility's right to recover prudently incurred siting, design, licensing, or construction costs prior to a nuclear unit going into commercial service and directed the Commission to create new rules to administer the alternative cost recovery mechanism.

In 2007 the Legislature amended the statute to include integrated gasification combined cycle plants, and 2008 amendments included the associated transmission lines and facilities necessary for such new power plants. In 2013, the Legislature further amended the statute to change the applicable carrying cost, restrict cost recovery during the license application process and require a utility to obtain Commission approval prior to commencing certain activities and purchases. The 2013 amendments also established timeframes within which a utility must commence certain activities in order to be eligible to recover prudently incurred costs.

The Commission has adopted rules implementing the legislation and subsequent amendments. Pursuant to Commission rules, a utility is required to submit, for Commission review and approval, an annual detailed analysis of the long-term feasibility of completing the nuclear project. The Commission conducts an annual hearing to determine whether such costs were reasonably projected and prudently incurred. Only after such a determination has been made can the costs be approved and passed on to customers. Although often referred to as "advanced cost recovery," it is more accurate to describe the alternative cost recovery mechanism as "pay-as-you-go," where certain project costs are recovered in the same year they are incurred rather than waiting for the power plant to enter commercial operation. Customers do not pay for any costs that they would not otherwise pay for through rates. It is only the timing that changes under the nuclear cost recovery statute.

Within the past seven years that the Commission has conducted annual nuclear cost recovery hearings, FPL has recovered costs for upgrades to existing units and for development of new nuclear power at Turkey Point (Units 6 & 7). FPL completed its upgrades of St. Lucie Units 1 & 2 and Turkey Point Units 3 & 4 in 2013 and achieved a 522 megawatt increase in capacity.

Though there has been some discussion in the Florida Legislature about further amending or repealing certain statutes associated with nuclear cost recovery, at present the law remains in effect. Consequently, this Commission's rules implementing the law are applicable to FPL in Docket 150009 as it seeks recovery of costs associated with the company's proposal to construct two new nuclear units at its existing Turkey Point site in Dade County.

I can assure you the Commission will thoroughly examine the costs submitted for recovery by Florida Power and Light in accordance with Florida Statutes and Commission rules during its annual review.

Thank you for your interest in the Commission's activities.

Kathryn Dyal Lewis
Regulatory Analyst
Florida Public Service Commission