

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**Seventh Request for Confidential Classification
Exhibit B**

DOCUMENT NUMBER-DATE

03989 JUN-9 =

FPSC-COMMISSION CLERK

Response:

REDACTED

Subject to PEF's general and specific objections filed on May 31, 2011, incorporated herein by reference, and without waiving same, there was some specific cost breakdown and cost benefit/analysis performed for each new LPT work scope item PEF received as a result of PEF's negotiations with Siemens to resolve the dispute between them regarding the contract for the manufacture and installation of the CR3 LPTs. Generally, however, the entire work scope, and any resulting benefits and costs, were negotiated holistically and reflected in the settlement in the Letter of Intent (see confidential documents in Bates range 11NC-OPCINT3-18-000001 through 11NC-OPCINT3-18-000004¹) that resolved this dispute. The settlement resolved the outstanding dispute between PEF and Siemens associated with the incident at the DC Cook Nuclear Plant with a Siemens 18M2 LPT in September 2008, and the subsequent failed bunker spin test in April 2009 of the 18M2 LPTs being manufactured for PEF. The dispute was, generally, related to (1) PEF's position that the installation of the LPTs at CR3 needed to be delayed until PEF had sufficient time to conduct any necessary due diligence and until such time as PEF received adequate assurances from Siemens to move forward with the installation of the CR3 LPTs and could adequately obtain insurance coverage for the LPTs, and (2)

[REDACTED]

[REDACTED]

¹ Documents bearing Bates Numbers 11NC-OPCINT3-18-000001 through 11NC-OPCINT3-18-000004 are confidential and subject to Progress Energy Florida's Seventh Request for Confidential Classification filed contemporaneously with the service of this response on June 9, 2011.

[REDACTED]

[REDACTED]

[REDACTED]

The additional scope is defined in Attachment H and Attachment I of the restated contract produced in Bates range 11NC-OPCPOD3-14-000048--000110. The additional scope is a direct result of the September 2008 event. There were no PE direct or indirect scope changes due to the April 2009 event.

[REDACTED]

19. Page 38, line 9. Please provide, by name, the total listing of EC packages related to the EPU Project with indications of the percent completion of each package.

Response:

Subject to PEF's general and specific objections filed on May 31, 2011, incorporated herein by reference, and without waiving same, please also see documents attached in Bates range 11NC-OPCINT3-19-000001 through 11NC-OPCINT3-19-000015.

20. Page 39, lines 4-10. Please provide the estimated costs for the items listed here.

Response:

Subject to PEF's general and specific objections filed on May 31, 2011, incorporated herein by reference, and without waiving same, please see chart below:

REDACTED

Component	EC	ICF Number	Cost
18M2 LP Turbine Monitoring and Diagnostics	76341	451066	[REDACTED]
DHV-514 and DHV-614	73934	426546	[REDACTED]
Analog Instrumentation System for the ICCMS	77337 and 76340	448351	[REDACTED]
Pipe Vibration Monitoring	76344	356040	[REDACTED]
Main Feedwater Pumps - AREVA/SULZER	78021	462478 and 405487	[REDACTED]

The current estimated cost for Safety Related MOV's are included in the current estimated cost of (4.) LPI Cross-tie and (3.) MFP 1A/B Booster Feed pump/Motor. Refer to response for Question # 28 below for note references.

21. Page 43, lines 16-20. Why was +20% not used for contingency in the total project cost? If +20% is used, how does this affect the feasibility analysis?

Response:

Subject to PEF's general and specific objections filed on May 31, 2011, incorporated herein by reference, and without waiving same, as stated in the AACE guidance document, a Class 2 estimate is typically accurate between -15 percent and +20 percent. This range is determined by the percent completion of design. Taking this range into consideration the EPU project team identified that

CONFIDENTIAL

**EXTENDED POWER UPRATE
MODIFICATIONS THAT HAVE BEEN ELIMINATED ***

Modification		
(2) RCS Code Safeties	[REDACTED]	
(4) Circulating Water Pumps	[REDACTED]	
Transmission and Distribution (See Note 1 Below)	[REDACTED]	
Emergency Diesel Generators	[REDACTED]	
HPI Pumps and Motors	[REDACTED]	
DH Closed Cycle Cooling	[REDACTED]	
SW Closed Cycle Cooling	[REDACTED]	
RW Cooling System	[REDACTED]	
RB Cooling Fans	[REDACTED]	
Control Complex Chillers	[REDACTED]	
Aux XFMR	[REDACTED]	
(2) 6.9KV breakers	[REDACTED]	
Condenser Baffle plates (Staking)	[REDACTED]	
	[REDACTED]	

Notes:

* Detailed evaluations determined that these modifications were not required for EPU. Adequate design margin was retained to satisfy safety analysis and design margin program requirements. Reduction in budget of these scope items was absorbed via change orders for other modifications and contingency.

1. T&D was reduced from (\$88.9M to zero). \$64.1M was retained in the EPU project to cover scope increase and contingency. EPU Direct budget was increased from \$250M to \$274.9M, POD Direct View was increased from \$88.3M to \$99.8M and a \$30M Direct View contingency was established in IPP rev 0. The difference in EPU T&D project Direct View budget of \$24.8M was allocated back the PGN Capital Committee. Total Financial view for total EPU project (EPU/T&D/POD) decreased from \$491.3M to \$461.5M.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third Set of
Interrogatories No. 18**

Bates numbers

11NC-OPCINT3-18-000001

through

11NC-OPCINT3-18-000004

are redacted in their entirety

EXTENDED POWER UPRATE
ESTIMATED COSTS COMPARISON OF EC'S SHOWN IN EXHIBIT JF-1

		(A) Original Cost Estimate BAP	(B) Current Cost Estimate IPP Rev 4	Variance from Original to Current Cost Estimate*	Notes
1. LPT - Supervisory Equipment		EC 76341			
2. Condensate System Modifications		EC 74526			
3. MFP 1A/B Booster Feed Pump/Motor		EC 74527			
4. LPI Cross-tie		EC 73934			
5. Emergency Feedwater System Upgrades		EC 70732			
6. Main Feedwater Pump Modifications (See Notes Below)		EC 78021			
7. Safety Related MOV's (See Notes Below)		EC 74873			
8. Makeup Tank (MU-1) Bypass Line		EC 75659			
9. FWHE 2A/B Replacement		EC 73917			
10. Safety Related & Non Safety Related Main Steam Supports & Restraints		EC 76095 & EC 76097			
11. FWHE 3A/B Re-Sleeve/Replacement		EC 76342			
12. Vibration Monitoring System		EC 76344			
13. Inadequate Core Cooling Mitigation Instrumentation		EC 76340			
14. Automatic Unit Load Demand (AULD) System Upgrade		EC 75001			
15. Qualification and Preparation of ROTSG for EPU		EC 75004			
16. 17R Heavy Haul Path		EC 76339			
17. Feedwater Heater 2A/B Removal Path		EC 77901			
18. Overall Design Margin		EC 71193			

*For detailed cost variance explanations see Exhibit JF-1 (Appendix B)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 12**

Bates numbers

11NC-OPCPOD3-12-000001

through

11NC-OPCPOD3-12-000002

are redacted in their entirety

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 13**

Bates numbers

11NC-OPCPOD3-13-000001

through

11NC-OPCPOD3-13-001831

are redacted in their entirety

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 14**

Bates numbers

11NC-OPCPOD3-14-000001

through

11NC-OPCPOD3-14-000110

are redacted in their entirety

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 15**

Bates numbers

11NC-OPCPOD3-15-000001

through

11NC-OPCPOD3-15-000286

are redacted in their entirety

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 16**

Bates numbers

11NC-OPCPOD3-16-000001

through

11NC-OPCPOD3-16-000165

are redacted in their entirety

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery
Clause

Docket No. 110009-EI

**PEF Response Citizen's Third
Request for Production No. 18**

Bates numbers

11NC-OPCPOD3-18-000001

through

11NC-OPCPOD3-18-000004

are redacted in their entirety
