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April 7, 2021

STAFF'S SECOND DATA REQUEST

-VIA ELECTRONIC FILING-

Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20200257-EI
Florida Power & Light Company's 2020 Nuclear Decommissioning Study

Dear Mr. Teitzman:

Please find enclosed for electronic filing Florida Power & Light Company's responses to Staff's Second Data Request (Nos. 1-8).

Please feel free to contact me at 561-304-5662 if you have any questions regarding this transmittal.

Sincerely,

/s/ William P. Cox
William P. Cox
Senior Attorney
Florida Bar No. 0093531

Enclosure

cc: Suzanne Brownless, Special Counsel

QUESTION:
Please refer to the St. Lucie Decommissioning Study, Section 11, Page 7 and the Turkey Point Decommissioning Study, Section 10, Page 7.

a. Please describe how the site-specific plant systems and building inventories were obtained and how they are used in developing a decommissioning cost estimate.

b. Please describe what Unit Cost Factors are, how they are developed, and how they are used in developing a decommissioning cost estimate.

c. Please describe what historical data is being referred to and how that data is used in developing a decommissioning cost estimate.

d. Please elaborate on what the execution strategies are and how they are used in developing a decommissioning cost estimate.

RESPONSE:
a. Plant systems and inventories were provided from the 2015 Decommissioning Cost Estimate (DCE). Based on discussions with the sites, no major additions or removal had occurred since the 2015 DCE. Inventories assist in identifying the amount of waste that is estimated to be removed from the project.

b. Unit cost factors are the costs used to complete a single unit of work. Unit cost factors incorporate site-specific costs and location adjustments from previous projects. For example, utilizing unit costs from historical data for a project in California will require location adjustments for productivity and as well as labor costs due to the differing location.

c. Historical data is the information that was utilized from quotes and estimates from previous proposals. This historical data used was adjusted based on the year and location of the work.

d. Execution strategies are the methods of demolition for radiologically contaminated buildings. The standard Energy Solutions execution strategy is to minimize interior/surgical demolition and prepare the radiological buildings for open air demolition to decrease labor costs as well as increase safety by lowering the radiation exposure to the craft workers.

QUESTION:
Please refer to the St. Lucie Decommissioning Study, Section 12, Page 7 and the Turkey Point Decommissioning Study, Section 11, Page 7. Please explain the differences in security staffing that contribute to the decrease in security costs compared to the 2015 Study.

RESPONSE:
Both St. Lucie and Turkey Point security staffing levels were lower than in the 2015 Decommissioning Study based on the fuel schedule. The security staffing levels were reduced in the 2020 Decommissioning study once the spent fuel was removed from the spent fuel pool. Additionally, the Turkey Point subsequent license renewal resulted in lower security costs for ISFSI operation during decommissioning since the study assumes the DOE will begin to pick up spent fuel during operations vs. beginning during decommissioning.

QUESTION:
Please refer to the St. Lucie Decommissioning Study, Section 11, Pages 16-17 and the Turkey Point Decommissioning Study, Section 10, Pages 16-17. Please elaborate on the various factors that led to the reduction in the Contingency Allowances used in the 2020 Study from the 2015 Study.

RESPONSE:
Energy Solutions has placed contingency factors based on the uncertainty of the work scope in the periods based on the information that was provided. Experience of work performed and previously estimated proposals where quotes were received played a major factor in the contingency allowances utilized in the 2020 DCE.

QUESTION:
Please refer to the Turkey Point Decommissioning Study, Section 11, Pages 3 and 5. Please confirm that the 2015 dollar amounts referenced on those pages reflected the original TLG 2015 Decommissioning Cost Study, and not the amounts approved in Order No. PSC-16-0250-PAA-EI.

RESPONSE:
Yes. The 2015-dollar amounts referenced in the Turkey Point Decommissioning Study, Section 11, pages 3 and 5 of Energy Solutions comparison report are from the original 2015 TLG Decommissioning Cost Study. As alluded to by Staff's question, TLG's original cost estimate for Turkey Point was subsequently reduced by $2.2 million due to a property tax calculation error before final commission approval (Order No. PSC-16-0250-PAA-EI).

QUESTION:
Please refer to the St. Lucie Decommissioning Study, Section 11, Page 34 and the Turkey Point Decommissioning Study, Section 10, Page 35. Please provide the 2019 RS Means labor rates referenced on those pages.

RESPONSE:
Please see Attachment No. 1 to this Data Request, No. 5.

Miami, Florida Dade County

Current Census Figures 441,003

Building Construction Trades	July 1, 2017 Total Wage Rate	July 1, 2017 30 City %	July 1, 2018 Total Wage Rate	July 1, 2018 30 City %	January 1, 2019 Base Wage Rate	Fringe Benefit Package	Total Wage Rate	30 City %	Additional Increments for 2019 and Beyond: Second Increment Term/Start Date	Second Increment Total Rate	Third Increment Term/Start Date	Third Increment Total Rate	Third Increment Term Date
Common Building Laborers	E21.22	52.1	21.22	51.5			21.22	51.3	04/30/19E				
Air Tool Laborers	E21.42	54.1	21.42	53.0			21.42	52.8	04/29/19E				
Asbestos/Insulation Workers/Pipe Coverers	E48.56	85.7	48.56	84.2			48.56	83.7	03/01/19E				
Boilermakers	50.69	78.9	50.69	77.9	28.97	21.72	50.69	77.6	12/31/19				
Bricklayers	30.38	59.7	30.38	59.4	23.72	6.66	30.38	59.2	04/30/19				
Helpers	E21.73	54.3	21.73	53.4			21.73	53.3	04/30/19E				
Carpenters	E35.64	69.6	35.64	68.7			35.64	68.3	05/04/19E				
Carpet & Linoleum Layers	E29.38	59.7	29.38	59.3			29.38	59.3	05/02/19E				
Cement Finishers	31.42	65.2	32.50	66.0	24.60	7.90	32.50	65.6	06/30/19				
Electricians	43.91	74.7	43.91	73.0	32.11	11.80	43.91	72.5	02/26/19				
Elevator Constructors	77.18	93.9	79.17	94.2	43.07	36.10	79.17	94.2	12/31/19				
Equipment Operators, Crane or Shovel	E42.49	74.7	42.49	73.6			42.49	73.3	06/30/19E				
Equipment Operators, Medium Equipment	E41.25	75.3	41.25	74.5			41.25	74.2	05/02/19E				
Equipment Operators, Light Equipment	E37.02	71.8	37.02	71.2			37.02	70.8	06/30/19E				
Equipment Operators, Oilers	E33.68	68.7	33.68	68.0			33.68	67.8	06/30/19E				
Equipment Operators, Master Mechanics	E42.49	74.4	42.49	73.5			42.49	73.2	06/30/19E				
Glaziers	32.81	66.8	32.81	65.7	23.01	10.44	33.45	66.7	08/01/19	34.11	08/01/20	34.76	05/31/21
Lathers	E31.72	63.9	31.72	63.1			31.72	62.7	04/30/19E				
Marble Setters	E29.10	59.4	29.10	58.5			29.10	58.1	04/30/19E				
Mosaic & Terrazzo Workers	E29.10	61.3	29.10	60.5			29.10	60.1	04/30/19E				
Helpers	E22.60	57.6	22.60	56.1			22.60	55.8	04/30/19E				
Millwrights	E35.64	66.3	35.64	65.6			35.64	65.3	05/02/19E				
Painters, Ordinary	30.29	70.5	26.12	60.1	16.21	10.49	26.70	61.2	08/01/19	27.18	08/01/20	27.76	05/31/21
Painters, Spray	30.29	69.7	30.29	69.0	20.21	10.08	30.29	68.9	06/30/19				
Painters, Structural Steel	30.29	68.8	30.29	67.8	20.21	10.08	30.29	67.5	06/30/19				
Paper Hangers	30.29	70.1	26.12	59.8	16.21	10.49	26.70	61.0	08/01/19	27.18	08/01/20	27.76	05/31/21
Pile Drivers	E35.56	69.5	35.64	68.0			35.64	67.6	07/30/19E				
Plasterers	31.42	66.3	32.50	67.5	24.60	7.90	32.50	67.1	06/30/19				
Helpers	E21.73	53.8	21.73	52.5			21.73	52.3	04/30/19E				
Plumbers	39.56	63.2	40.02	63.1	29.13	10.89	40.02	62.8	03/31/19				
Helpers	E31.02	61.8	32.02	63.1			32.02	63.0	03/31/19E				
Rodmen (Reinforcing)	32.49	59.8	34.99	63.4	24.89	10.10	34.99	63.2	09/30/19				
Roofers, Composition	E28.17	63.5	29.02	64.2			29.02	64.0	07/31/19E				
Helpers	E21.13	63.4	21.76	64.1			21.76	63.8	07/30/19E				
Roofers, Precast	E28.17	63.4	29.02	64.2			29.02	63.9	07/31/19E				
Roofers, Tile & Slate	E28.17	63.1	29.02	63.8			29.02	63.6	07/31/19E				
Sheet Metal Workers	E36.84	61.0	37.58	61.5			37.58	61.3	08/31/19E				
Sprinkler Installers	45.15	74.5	47.27	76.2	28.38	18.89	47.27	75.7	06/30/19				
Steamfitters or Pipefitters	46.63	73.2	47.95	74.2	34.48	13.47	47.95	74.0	07/15/19				
Stone Masons	30.38	59.6	30.38	59.3	23.72	6.66	30.38	58.9	04/30/19				
Structural Steel Workers	32.49	58.7	34.99	62.2	24.89	10.10	34.99	61.9	09/30/19				
Welders, Structural Steel	32.49	58.6	34.99	62.2	24.89	10.10	34.99	62.0	09/30/19				
Tile Layers	E29.10	61.4	29.10	60.6			29.10	60.0	04/30/19E				
Helpers	E22.60	60.4	22.60	59.5			22.60	59.0	04/30/19E				
Truck Drivers, Light	E44.04	97.9	44.04	96.4			44.04	95.5	03/31/19E				
Truck Drivers, Heavy	E45.93	99.1	45.93	97.4			45.93	96.8	03/31/19E				
Skilled Trade Average	36.19	67.9	36.49	67.3			36.54	67.1					

West Palm Beach, Florida — Palm Beach County

Current Census Figures 106,779

Building Construction Trades	July 1, 2017 Total Wage Rate	July 1, 2017 30 City %	July 1, 2018 Total Wage Rate	July 1, 2018 30 City %	January 1, 2019 Base Wage Rate	Fringe Benefit Package	January 1, 2019 Total Wage Rate	January 1, 2019 30 City %	Additional Increments for 2019 and Beyond: Second Increment Term/Start Date	Second Increment Total Rate	Third Increment Term/Start Date	Third Increment Total Rate	Third Increment Term Date
Common Building Laborers	20.39	50.1	20.39	49.5	15.00	5.39	20.39	49.3	04/30/19				
Air Tool Laborers	20.89	52.7	20.89	51.7	15.50	5.39	20.89	51.4	04/30/19				
Asbestos/Insulation Workers/Pipe Coverers	E48.56	85.7	48.56	84.2			48.56	83.7	03/01/19E				
Boilermakers	50.69	78.9	50.69	77.9	28.97	21.72	50.69	77.6	12/31/19				
Bricklayers	30.38	59.7	30.38	59.4	23.72	6.66	30.38	59.2	04/30/19				
Helpers	20.89	52.2	20.89	51.4	15.50	5.39	20.89	51.2	04/30/19				
Carpenters	E35.64	69.6	35.64	68.7			35.64	68.3	05/04/19E				
Carpet & Linoleum Layers	27.72	56.3	27.72	56.0	22.20	5.52	27.72	55.9	05/02/19				
Cement Finishers	30.50	63.3	32.50	66.0	24.60	7.90	32.50	65.6	06/30/19				
Electricians	41.93	71.4	41.93	69.7	30.50	11.43	41.93	69.2	02/28/19				
Elevator Constructors	77.18	93.9	79.17	94.2	43.07	36.10	79.17	94.2	12/31/19				
Equipment Operators, Crane or Shovel	42.25	74.2	42.25	73.1	33.05	9.20	42.25	72.9	06/30/19				
Equipment Operators, Medium Equipment	E42.25	77.1	42.25	76.3			42.25	76.0	05/02/19E				
Equipment Operators, Light Equipment	E36.50	70.8	36.50	70.2			36.50	69.8	06/30/19E				
Equipment Operators, Oilers	E33.68	68.7	33.68	68.0			33.68	67.8	06/30/19E				
Equipment Operators, Master Mechanics	E43.63	76.4	43.63	75.5			43.63	75.2	06/30/19E				
Glaziers	32.81	66.8	32.81	65.7	23.01	10.44	33.45	66.7	08/01/19	34.11	08/01/20	34.76	05/31/21
Lathers	30.17	60.8	30.17	60.0	22.30	7.87	30.17	59.6	04/30/19				
Marble Setters	E28.25	57.6	28.25	56.8			28.25	56.4	04/30/19E				
Mosaic & Terrazzo Workers	E28.25	59.5	28.25	58.7			28.25	58.3	04/30/19E				
Helpers	20.89	53.3	20.89	51.8	15.50	5.39	20.89	51.6	04/30/19				
Millwrights	E35.64	66.3	35.64	65.6			35.64	65.3	05/02/19E				
Painters, Ordinary	26.12	60.8	26.12	60.1	16.21	10.49	26.70	61.2	08/01/19	27.18	08/01/20	27.76	05/31/21
Painters, Spray	26.12	60.1	26.12	59.5	16.21	10.49	26.70	60.7	07/31/19	27.18	08/01/20	27.76	05/31/21
Painters, Structural Steel	26.12	59.3	26.12	58.4	16.21	10.49	26.70	59.5	07/31/19	27.18	08/01/20	27.76	05/31/21
Paper Hangers	26.12	60.5	26.12	59.8	16.21	10.49	26.70	61.0	08/01/19	27.18	08/01/20	27.76	05/31/21
Pile Drivers	35.56	69.5	35.56	67.8	25.20	10.36	35.56	67.5	07/31/19				
Plasterers	30.50	64.4	32.50	67.5	24.60	7.90	32.50	67.1	06/30/19				
Helpers	20.89	51.7	20.89	50.5	15.50	5.39	20.89	50.3	04/30/19				
Plumbers	37.75	60.3	40.89	64.4	28.06	12.83	40.89	64.1	01/02/19				
Helpers	E30.20	60.2	32.71	64.5			32.71	64.3	01/02/19E				
Rodmen (Reinforcing)	33.99	62.6	33.99	61.6	23.00	10.99	33.99	61.4	01/31/19				
Roofers, Composition	27.62	62.2	27.62	61.1	19.72	7.90	27.62	60.9	07/31/19				
Helpers	E20.72	62.2	20.72	61.0			20.72	60.8	07/31/19E				
Roofers, Precast	27.62	62.2	27.62	61.1	19.72	7.90	27.62	60.8	07/31/19				
Roofers, Tile & Slate	27.62	61.9	27.62	60.8	19.72	7.90	27.62	60.5	07/31/19				
Sheet Metal Workers	E42.02	69.5	42.02	68.8			42.02	68.5	01/01/19E				
Sprinkler Installers	45.15	74.5	47.27	76.2	28.38	18.89	47.27	75.7	06/30/19				
Steamfitters or Pipefitters	37.75	59.3	40.89	63.3	28.06	12.83	40.89	63.1	01/02/19				
Stone Masons	30.38	59.6	30.38	59.3	23.72	6.66	30.38	58.9	04/30/19				
Structural Steel Workers	33.99	61.4	33.99	60.4	23.00	10.99	33.99	60.2	01/31/19				
Welders, Structural Steel	33.99	61.3	33.99	60.4	23.00	10.99	33.99	60.2	01/31/19				
Tile Layers	E28.25	59.6	28.25	58.8			28.25	58.3	04/30/19E				
Helpers	20.89	55.8	20.89	55.0	15.50	5.39	20.89	54.6	04/30/19				
Truck Drivers, Light	40.33	89.7	40.33	88.3	31.58	8.75	40.33	87.4	03/31/19				
Truck Drivers, Heavy	42.06	90.8	42.06	89.2	33.31	8.75	42.06	88.7	03/31/19				
Skilled Trade Average	35.40	66.2	35.81	65.9			35.90	65.8					

West Palm Beach, Florida

QUESTION:
Please refer to FPL's 2020 St. Lucie Decommissioning Study, Section 12, Page 3 of 10, as well as FPL's 2020 Turkey Point Decommissioning Study, Section 11, Page 3 of 10. In the fourth paragraph, the Summary states, "The cost elements were assigned to one of three subcategories: License Termination, Spent Fuel Management, and Site Restoration." For each cost element identified in FPL's Response to Staff's First Data Request (Document No. 02585-2021), No. 70.a, please identify the subcategory to which the cost element belongs.

RESPONSE:
*Characterization/Surveys – License Termination, Spent Fuel Management
*Corporate Support (Fixed Overhead) – License Termination, Spent Fuel Management, Site Restoration
*Decontamination & Removal – License Termination, Site Restoration
*Energy – License Termination, Spent Fuel Management, Site Restoration
Florida LLRW Inspection Fee – License Termination
*Insurance & Regulatory Fees – License Termination, Spent Fuel Management, Site Restoration
*Misc. Equip/Site Services – License Termination, Spent Fuel Management, Site Restoration
*Program Management – License Termination, Spent Fuel Management, Site Restoration
*Property Taxes – License Termination, Spent Fuel Management, Site Restoration
*Security – License Termination, Spent Fuel Management, Site Restoration
Spent Fuel Management – Spent Fuel Management
Spent Fuel Pool Isolation – Spent Fuel Management
Waste Packaging, Transportation, & Disposal (Class A, B, C) – License Termination
Waste Packaging, Transportation, & Disposal (GTCC) – License Termination

*Items with multiple subcategories: The subcategories are dependent upon which period an item within this cost element is captured.

QUESTION:
Please refer to FPL's Response to Staff's First Data Request (Document No. 02585-2021), No. 71.e. Please explain how FPL determines whether a SNF management cost is a DOE recoverable cost.

RESPONSE:
For a cost to be recoverable from DOE, it must satisfy a multifaceted test, known as the allowable and reasonable cost test under the terms of the Settlement Agreement. FPL submits to DOE an application for all costs it believes satisfies this test each year. The submittal is comprised of thousands of pages of costs and supporting contracts and other documents. The DOE then evaluates FPL's submitted costs and determines if, in DOE's view, those costs are recoverable from DOE.

The Settlement Agreement defines allowable cost as follows:

> "`Allowable Costs' means those costs incurred by [FPL] for managing and storing [Spent Nuclear Fuel] which were foreseeable in the event of DOE's [delay in picking up Spent Nuclear Fuel at a prescribed rate], and that [FPL] would not have incurred but for, and which are directly related to, DOE's [delay in picking up Spent Nuclear Fuel at a prescribed rate] in performance of its acceptance obligations under the [Standard] Contracts."

As a result, all costs submitted by FPL in its annual claim are evaluated as to whether they would have been avoided had the DOE performed its obligations under the Standard Contract. If such costs would have been incurred by FPL even had DOE performed its obligations under the Standard Contract, DOE will deny recovery of those costs. As this determination can be somewhat subjective, FPL has disputed (and where appropriate, will dispute) any cost denied by the DOE for not being an "Allowable Cost."

Finally, such costs must be "Reasonable Costs" – *i.e.,* they "would be incurred by a prudent person or entity" - and must have been "incurred specifically as a result of the delay in DOE's performance." FPL only seeks recovery of reasonable costs.

QUESTION:
Please refer to FPL's 2020 St. Lucie Decommissioning Study, Section 2, Page 10 of 11, FPL's 2020 Turkey Point Decommissioning Study, Section 2, Page 8 of 9, as well as FPL's Response to Staff's First Data Request (Document No. 02585-2021), No. 74.a. for the following questions.

a. In FPL's 2020 St. Lucie and Turkey Point Decommissioning Studies' Assumptions section, under Spent Nuclear Fuel Storage, the narratives state, "Consistent with the Commission's prior findings, this updated 2020 decommissioning study includes the costs relating to the *construction*, operation, and dismantlement of an on-site independent spent fuel storage installation (ISFSI) that is required to accommodate the timely decommissioning of the St. Lucie/Turkey Point units," [emphasis added]. However, this statement appears to be contradicted in FPL's Response to Staff's First Data Request, as FPL states, "The 2020 DCEs for Turkey Point and St. Lucie assume any required ISFSI buildout will be complete prior to permanent plant shutdown, and therefore such costs are not included as decommissioning costs." Please explain this as well as how ISFSI construction costs and potential expansion costs are/will be recorded.

b. If ISFSI construction/expansion cost reimbursements are rejected by the DOE, please explain how and when such ISFSI construction/expansion costs will be recovered.

RESPONSE:
a. Based on the DCE assumption 37 for St. Lucie states:
"St. Lucie currently has an existing ISFSI on site. Construction costs for any expansion of the ISFSI that may be required has not been included, but demolition has been included in the estimate and has been split between both units." The construction costs are not included in the decommissioning study since the study assumes construction occurs during operations. The demolition is included in decommissioning study since the study assumes the demolition occurs during decommissioning.

b. Turkey Point DCE assumption 35 states:
"Turkey Point currently has an existing ISFSI on site. Construction costs for any expansion of the ISFSI that may be required has not been included, but demolition has been included in the estimate and has been split between both units." The construction costs are not included in the decommissioning study since the study assumes construction occurs during operations. The demolition is included in decommissioning study since the study assumes the demolition occurs during decommissioning.

If ISFSI construction/expansion cost reimbursements are rejected by the DOE, such amount would be recovered through base rates.