AGENDA SITING BOARD DEPARTMENT OF ENVIRONMENTAL PROTECTION AUGUST 12, 2008 Substitute Page

Substitute Item 1 Progress Energy Florida, Inc./Final Order of Certification/Crystal River Energy Complex Unit 3 Uprate Project

REQUEST: Consideration of an Order, to be executed by the Siting Board, adopting the Administrative Law Judge's Recommended Order recommending the Siting Board grant full and final certification to Progress Energy Florida, under Section 403, Part II, Florida Statutes, for the location, construction and operation of the Crystal River Energy Complex Unit 3 uprate project pursuant to Subsections 403.509, and 403.511(1), Florida Statutes.

COUNTY: Citrus

APPLICANT: Progress Energy Florida, Inc. (PEF)

LOCATION: The Crystal River Energy Complex encompasses 4,738 acres and is located in unincorporated Citrus County east of Hwy 19 and north of Crystal River. The Crystal River Energy Complex Unit 3 (CR3) area comprises approximately 27 acres near the center of the complex and includes the CR3 cooling water intake and discharge structures, personnel and office space, warehouses, a maintenance training facility, a temporary storage area, and a reactor head storage building.

STAFF REMARKS: On June 11, 2007, PEF submitted to the Department of Environmental Protection (DEP) a Site Certification Application (SCA) for certification of its Crystal River Unit 3 pursuant to the Florida Electrical Power Plant Siting Act, Sections 403.501 through 403.518, Florida Statutes. The SCA proposes the uprate (increase capacity) of an existing (uncertified) 900 megawatt (MW) nuclear unit by 180 MW to a total of 1,080 MW (proposed for certification). The uprate is scheduled to be completed during a planned fuel outage in 2011. Unit 3 was constructed prior to the Electrical Power Plant Siting Act therefore has never been certified. The additional output due to the uprate "triggers" the Act requiring certification of not only the additional 180 MW, but of the entire unit and supporting facilities.

There will be a slight increase in spent nuclear fuel due to the uprate project. Spent fuel from the CR3 reactor will continue to be stored in the existing Nuclear Regulatory Commission (NRC)-licensed spent fuel pools which have sufficient storage capacity through 2013. Regardless of whether this uprate is approved or not, it will be necessary for PEF to add dry cask storage in the future. This means of storage (dry cask) is a method commonly approved by the NRC and will provide sufficient capacity beyond the life expectancy of the plant.

Notices for the receipt of the application, Citrus County's land use and zoning consistency determination, and the hearing before the Administrative Law Judge were timely published in both the Florida Administrative Weekly and a local Citrus County newspaper. No objections to the proceedings have been received and no interveners have filed to be a party.

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The Florida Public Service Commission (PSC) issued Final Order No. PSC-07-0119-FOF-EI approving the petition for Determination of Need for the uprate project on February 8, 2007. All of the reviewing agencies either recommended approval, or had no objections to the proposed project.

Recommended conditions of certification to minimize adverse impacts and to insure compliance with local policies and applicable regulatory standards have been incorporated into the facility's existing Conditions of Certification. The Administrative Law Judge recommended that the Siting Board enter a Final Order approving PEF's CR3 uprate project.

(See Attachment 1, Pages 1-100)

RECOMMEND APPROVAL