

THE STATE OF NEW HAMPSHIRE
NUCLEAR DECOMMISSIONING FINANCING COMMITTEE
DOCKET NO. NDFC 2005-1

ORDER NO. 1

On August 18, 2005, pursuant to an Order of Notice (OON) issued by the Nuclear Decommissioning Financing Committee (Committee) on June 22, 2005, counsel to the Committee conducted a prehearing conference at the Public Utilities Commission in Concord. The OON was published in The Union Leader and the Portsmouth Herald on July 22, 2005, and posted in Seabrook, New Hampshire on July 27, 2005. The prehearing conference was held for the purpose of taking appearances from parties interested in participating in the proceeding, establishing a procedural schedule, and receiving the views of full parties to the proceeding concerning the issues to be addressed in the docket.

APPEARANCES

Representatives of the following entities appeared and requested full-party intervenor status: FPL Energy Seabrook LLC (FPLE Seabrook), Managing Partner for Seabrook Nuclear Power Station (Seabrook Station); the Massachusetts Municipal Wholesale Electric Company (MMWEC); and the Seacoast Anti-Pollution League.

SCHEDULE

At the prehearing conference, the parties agreed to a procedural schedule for this docket. The procedural schedule proposed by the parties for the docket is:

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| 1. FPLE to file Seabrook Annual Report | July 1 |
| 2. Pre-hearing Conference | August 18 |
| 3. Last interrogatories of FPLE to be served | Sept. 2 |
| 4. Pre-hearing Conference | Sept. 6 |

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| 5. Last interrogatories response from FPLE | Sept. 9 |
| 6. Intervenor pre-file testimony | Sept. 13 |
| 7. Last interrogatories of intervenors | Sept. 15 |
| 8. Last interrogatories response from intervenors | Sept. 19 |
| 9. Pre-hearing Conference | Sept. 19 |
| 10. Stipulation of Issues finalized and filed with NDFC | Sept. 20 |
| 11. Public hearing | Oct. 4 |
| 12. Post-hearing briefs | Oct. 10 |
| 13. Reply briefs | Oct. 14 |
| 14. Preliminary Report and Order | Oct. 31 |
| 15. Final hearing (Seabrook public hearing) | Dec. 6 |
| 16. Final Report and Order of Committee | Dec. 12 |
| 17. Order Approving 2006 Schedules of Payment | Dec. 29 |

Discovery will be ongoing. Pre-hearing conferences will begin at 10:00 am at the Public Utilities Commission in Concord, unless otherwise agreed to by the parties.

The procedural schedule provides for a full evidentiary hearing to address all issues in the docket, in the event an evidentiary hearing is needed. At the same time, the parties have indicated a willingness to pursue agreement on the evidence to be presented to the Committee and to stipulate the issues they believe the Committee should consider in this docket. Further, the parties agreed to stipulate the evidence they will offer in support of issues that are uncontested, and to present a written statement of any issue on which there are differing positions. The parties will endeavor to agree on the evidence that would be received by the Committee without challenge on any issues for which there is not agreement.

The parties agreed that the issues to be addressed in this docket are limited to the following list. These issues constitute the scope of the docket and the Committee does not anticipate expanding the scope.

ISSUES

The Committee must review the performance of the fund and the adequacy of all funding assurances each year and “may alter the payment schedule, or require a change in any funding assurance to ensure adequate funding by each owner of its decommissioning obligation.” RSA 162-F:22, II. As part of this review, the Committee may alter the schedules of payments and any funding assurances. RSA 162-F:22, III.

The parties recommended a scope of issues to be considered in this docket. After consideration of the recommendation, the Committee finds the list to be comprehensive and, accordingly, in this docket the Committee will:

1. Review the fund performance, including a comparison of revised projected fund balances with the projections recognized in Docket 2004-1.
2. Review updating of Prime Buchholz model.
3. Establish the schedule of payments starting January 1, 2006, based on the projected cost of decommissioning and the fund performance.
4. Consider the adequacy of funding assurances, including the funding assurance escrow established in NDFC Docket 2003-1.
5. Review proposed change in escrow fund contributions.
6. Review any changes in LLRW disposal, processing, cost, vendor, or on-site storage.

7. Review LLRW disposal practices at Seabrook Station.
8. Review any changes in the planned use of the Yucca Mountain repository.
9. Review projected schedule for storage and shipment of spent fuel to Yucca Mountain.
10. Review proposal to change investment assumptions for post-shutdown period (the so-called “tail period”).
11. Review proposal for recognizing increase in equity investments.
12. Review of any significant or proposed changes or events that may affect the cost or schedule for decommissioning.

DISCUSSION

The Committee finds the schedule proposed by the parties to be reasonable, and adopts it as the procedural schedule for the docket. The Committee grants the requests for intervention of MMWEC, FPLE and SAPL as full parties in this docket. It is noted that Hudson Light and Power Department (Hudson) and the Taunton Municipal Lighting Plan (Taunton), minority owners of Seabrook Station, were mailed copies of the OON but did not attend the August 18, 2005 pre-hearing conference.

On September 20, 2005, the date by which any stipulation is to be finalized, the full parties will notify the Committee which issues identified above will be stipulated, in part or in total, and which parties support the stipulations. If there are issues for which opposing testimony will be presented at the public hearing, each party is required to submit a prehearing statement by September 20, 2005. These statements are to identify which issues, if any, that party will address during the public hearing

and identify any evidence to be proffered, along with whether the parties agree to have the proposed evidence admitted into evidence without challenge. In the event of a global stipulation by the parties, an executed stipulation with supporting affidavits and any other supporting evidence are to be filed by that date. Any prehearing statements or filings are to be served on the full service list.

All filings shall use the following structure:

1. Each filing will have pages numbered in sequence starting with the first page and including all exhibits and attachments.
2. All prefiled testimony will identify the issue(s) being addressed by reference to the issues set forth above and, to the extent possible, that testimony will be presented so the issues are addressed in the same order as set forth above.
3. The prehearing statements will identify the position of the party on each issue, including where the party takes no position on an issue. For each issue, the party will identify, in the order above and with citations, the testimony or document they rely upon to support the position advocated.
4. Each filing of prefiled testimony and prehearing statement will be accompanied by a copy of the filing on a floppy disc in MS Word format.

Based on the foregoing, it is hereby

ORDERED, that the procedural schedule noted above is adopted for the duration of this proceeding, subject to change as may be ordered by the Committee; and it is

FURTHER ORDERED, that the full-party interventions of the parties listed herein are granted; and it is

FURTHER ORDERED, that the issues set forth above are the only matters to be addressed in the docket and the parties are on notice that each of the issues is to be addressed; and it is

FURTHER ORDERED, that this order shall be served on the official service listed and posted on the NDFC page of the web page of the Public Utilities Commission; and it is

FURTHER ORDERED, as provided in RSA 541-A:30-a, that adjudicative proceedings of the Committee shall be conducted pursuant to the model rules prepared by the Attorney General until Interim Rules for the Committee are in effect.

By order of the Nuclear Decommissioning Financing Committee this 1st day of September, 2005.

Thomas B. Getz
Chairman