

THE STATE OF NEW HAMPSHIRE
NUCLEAR DECOMMISSIONING FINANCING COMMITTEE
DOCKET NO. NDFC 2008-1

ORDER NO. 1

On May 30, 2008, the Nuclear Decommissioning Financing Committee (Committee or NDFC) issued an Order of Notice (OON), establishing June 25, 2008, for the initial pre-hearing conference in this proceeding. Timely notice of the OON was published in *The Union Leader*, and the *Hampton Union*, and posted in Seabrook, New Hampshire. The pre-hearing conference was held at the Public Utilities Commission in Concord 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

FPL Energy Seabrook LLC (FPLE Seabrook), Managing Agent for Seabrook Nuclear Power Station (Seabrook Station), and the Massachusetts Municipal Wholesale Electric Company (MMWEC) participated in the pre-hearing conference and requested full-party intervenor status. The Taunton Municipal Lighting Plant (Taunton) and the Hudson Light and Power Department (Hudson), minority owners of Seabrook Station, were mailed copies of the OON but did not participate in the pre-hearing conference. The Committee grants the requests for intervention of MMWEC and FPLE Seabrook as full parties in this docket.

SCHEDULE

At the prehearing conference, the parties agreed to a procedural schedule. Through subsequent exchanges, the following schedule was agreed upon, and the Committee adopts it for this docket.

1. Pre-hearing Conference	June 25
2. Pre-hearing Conference	July 17
3. Last interrogatories served on FPLE	July 28
4. Last interrogatories responded to by FPLE	August 4
5. Pre-hearing Conference	August 7
6. Intervener pre-file testimony	August 11
7. Last interrogatories served on intervenors	August 18
8. Telephonic Pre-hearing Conference	August 20
9. Last Interrogatories responded to by interveners	August 25
10. Pre-hearing conference	August 25
11. Stipulation of Issues finalized and filed with NDFC	September 8
12. Public hearing	September 23
13. Hearing Request Responses provided	September 26
14. Post Hearing Briefs	October 1
15. Reply Briefs	October 6
16. Preliminary Report and Order	October 10
17. Final hearing (Seabrook public hearing)	November 12
18. Final Report and Order of Committee	November 28
19. Order approving 2006 Schedules of Payment	December 30

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 September 23, 2008, Public Hearing in Concord will begin at 1:00 p.m. at the offices of the Public Utilities Commission. The November 12, 2008 public hearing in Seabrook will begin at 7:00 p.m at a location to be announced. The Committee will provide as much advance notice as possible if the hearing dates must be changed.

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 expressed a willingness to pursue agreement on the evidence to be presented to the Committee. Further, the parties agreed to identify issues for which they support a particular finding by the Committee, 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 proposed that the following issues comprise the scope of the issues to be considered in this proceeding.

1. FPLE Seabrook's request that the company's remaining funds in the escrow be released.
2. The Seabrook owners' request that the municipal owners be allowed to maintain their funds in the escrow account.
3. The request of the Seabrook Owners that State Treasurer-approved revisions to the Investment Guidelines be incorporated into the funding schedule.
4. The status of progress towards equity allocation targets for each Seabrook Owner.
5. The assumed equity rates of return to be used for future years.
6. A review of investment market conditions and impact on the projected earnings of the Decommissioning Trust.
7. The timing, impact and controls to prevent future accounting errors, such as the error with Fund 5 reported by Prime Bucholz.
8. The 2009 Funding Schedule.
9. An update on the plan for the storage and disposal of Class B and Class C low-level radioactive waste in view of the unavailability of the Barnwell facility.

10. A review of information to establish a more refined estimate for completion of Seabrook's decommissioning, including the removal of the ISFSI, as directed in the 2007 Final Report and Order.
11. A review of the most recently available information on long term storage of spent fuel and GTCC radioactive waste, as directed in the 2007 Final Report and Order.
12. A review of the financial performance of FPL Group in relation to the decommissioning funding assurance provided by FPL Group and FPL Group Capital.
13. A review of the adequacy of funding assurances.

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 proposed a list of 13 issues to be considered in this docket. After consideration of the parties' recommendation, the Committee concludes that examination of the issues set forth in the list will provide for a comprehensive review as required by RSA 162F:22. Accordingly, the Committee finds that the proposed list constitutes the scope of the docket.

On 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, the proponent of that testimony is required to submit a prehearing statement when the stipulation is filed with the

Committee. 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 comprehensive 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 pre-filed 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 pre-filed testimony and prehearing statement will be accompanied by a copy of the filing in electronic format and 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. Taunton and Hudson will be represented by FPLE Seabrook until such time as separate representation is requested; 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.

By order of the Nuclear Decommissioning Financing Committee this fourteenth day of July, 2008.

Thomas B. Getz
Chairman