# Duke Energy Customers Could Continue To Pay For Closed Nuclear Plant

Gary Fineout, AP

Despite some critics calling the proposal a rip-off for consumers, Florida utility regulators are poised to approve a far-reaching settlement with one of the state's largest utility companies over its shuttered nuclear power plants. The Florida Power Service Commission could vote Thursday on the settlement which calls for Duke Energy Florida utility customers to keep paying for the plants for the next several years. The decision follows nearly a day's worth of testimony from Duke Energy officials as well as some members of the public and lawyers representing utility customers. Duke has nearly two million customers in the Sunshine State.

The proposed settlement reached in August between Duke and the state's utility consumer advocate came after the Charlotte, N.C.-based company decided to permanently close its Crystal River nuclear plant and abandon its plan to build a $24.7 billion nuclear plant in Levy County. Workers cracked a concrete containment building during an attempt to upgrade the Crystal River plant in 2009. An attempt to fix the problem in 2011 resulted in more cracks. The Levy plant was abandoned due to changes in the energy market and regulatory hurdles at the state and federal level.

The settlement would call for the average utility customer to pay $5.62 a month starting in January for the two plants, but it could go up even more between 2015 and 2019. Those supporting the settlement contend that it will bring stability to Duke rates and will allow customers to avoid future costs associated with the plants. Additionally, if Duke can sell off some of its parts for the plants that money would be used to lower customer charges. John Burnett, associate general counsel for Duke, repeatedly called the settlement fair and reasonable. Charles Rehwinkel with the states' Office of Public Counsel said it was "solidly in the public interest" because it would end ongoing legal disputes over the plants.

Those representing utility customers also said the settlement was the best deal that could be reached considering the controversial 2006 law that allows utilities to charge customers for nuclear power plants before they start producing electricity. Robert Scheffel Wright, an attorney representing retailers, said "there are truly no winners here" since Duke Energy shareholders are also absorbing part of the cost. However, a small group of people — including Rep. Dwight Dudley — showed up to protest the proposed settlement.

They called the final deal a "rip-off" and said the PSC should have least held a hearing in St. Petersburg where Duke customers live to get their opinion on the settlement. "This should be on shareholders and investors, not the ratepayers," Dudley said. A Duke Energy official told utility regulators he did not believe such a move would be legal. Dudley, D-St. Petersburg, said after the meeting that it

appeared regulators were trying to "sweep this under the rug" so that the case does not linger on until 2014 when top state officials are up for election. Florida's governor appoints the five people who serve on the Public Service Commission.

**Source URL (retrieved on *08/27/2014 - 5:44pm*):**
http://www.chem.info/news/2013/10/duke-energy-customers-could-continue-pay-closed-nuclear-plant?qt-most_popular=1