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Matilda Sanders

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From:	Cecilia Bradley [Cecilia_Bradley@oag.state.fl.us]
Sent:	Tuesday, August 29, 2006 2:58 PM
То:	Filings@psc.state.fl.us
Subject:	Docket No. 060362-El Attorney General's Comments
Attachments: Attorney General's Comments.pdf	

Please find attached the comments of the Attorney General which are submitted for filing in FPL Docket No. 060362-EI. Thank you for your consideration of this matter.

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DOCUMENT NUMBER-DATE 07924 AUG 29 % FPSC-COMMISSION CLERK

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PETITION TO RECOVER NATURAL GAS STORAGE PROJECT COSTS THROUGH FUEL COST RECOVERY CLAUSE, BY FLORIDA POWER & LIGHT COMPANY.

DOCKET NO. 060362-EI

ATTORNEY GENERAL'S COMMENTS REGARDING FLORIDA POWER & LIGHT'S REQUEST TO CHARGE THE CARRYING COSTS FOR STORED NATURAL GAS THROUGH THE FUEL CLAUSE

CHARLES J. CRIST, JR., Attorney General, State of Florida, provides these comments for consideration by this Commission during their consideration of the Petition to Recover Natural Gas Storage Project costs through Fuel Cost Recovery Clause filed by Florida Power & Light Company (FPL).

While the Attorney General supports the efforts by FPL to procure additional gas storage capacity, such costs should not be passed along to FPL's customers in violation of the terms of the settlement entered with FPL in March of 2005. That agreement provided that FPL would not petition for any new surcharges to recover costs of a type that traditionally and historically would be recovered through base rates or are presently recovered through base rates, like the fuel inventory carrying costs at issue here. The PSC Staff Recommendation has made it clear that these carrying costs are traditionally and historically recovered through base rates. The staff affirmed this fact by changing the recovery from fuel adjustments to a base rate recovery after the expiration of the settlement. The analysis of the Office of the Public Counsel as to the historical and traditional recovery of such costs, together with the remainder of its comments, is adopted and included herein by the Attorney General.

To allow FPL to pass these costs along to their customers would not only violate the

DOCUMENT NUMBER-DATE 07924 AUG 29 % FPSC-COMMISSION CLERK terms of the settlement agreement but would be an injustice to the citizens of Florida this Commission is sworn to protect. The citizens of the state of Florida cannot afford to bear these costs which are prohibited by the settlement.

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Wherefore, Attorney General Charles J. Crist, Jr. respectfully requests that this petition be denied.

Respectfully submitted,

CHARLES J. CRIST, JR. ATTORNEY GENERAL

<u>s/ JACK SHREVE</u> JACK SHREVE Florida Bar No. 73622 Senior General Counsel

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DOCKET NO. 060362-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by

U.S. Mail to the following parties on this 29th day of August, 2006.

<u>s/ JACK SHREVE</u> Jack Shreve

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