

ORIGINAL

Timolyn Henry

From: Mike Twomey [miketwomey@talstar.com]
 Sent: Monday, September 26, 2005 9:56 AM
 To: Filings@psc.state.fl.us
 Subject: Re: Electronic filing in Docket No. 050001EI - Fuel and Purchased Power Cost Recovery
 Attachments: AARP petition to intervene in fuel adjustment cases Sept 26, 2005 0950.doc

Mike Twomey wrote:

1. Michael B. Twomey, Post Office Box 5256, Tallahassee, Florida 32314-5256, (850) 421-9530, miketwomey@talstar.com is responsible for this electronic filing;

2. The filing is to be made in Docket No. 0050001-EI,

In Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive

3. The filing is made on behalf of AARP;

4. The total number of pages is 6; and

5. Attached to this email in Word format is AARP Petition to Intervene

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DOCUMENT NUMBER-DATE

09120 SEP 26 03

FPSC-COMMISSION CLERK

9/26/2005

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)
Cost Recovery Clause with)
Generating Performance Incentive)
_____)

DOCKET NO. 050001-EI
FILED: September 26, 2005

AARP PETITION TO INTERVENE

Pursuant to Sections 120.569 and 120.57(1), Florida Statutes and Rules 25-22.039, and 28-106.205, Florida Administrative Code, the AARP, through its undersigned attorney, files its Petition to Intervene, and in support thereof, states as follows:

- 1. The name and address of the affected agency is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

- 2. The name and address of the petitioner is:

AARP
200 West College Street
Tallahassee, Florida 32301

- 3. All pleadings, motions, orders and other documents directed to the petitioner

should be served on:

Michael B. Twomey
Post Office Box 5256
Tallahassee, Florida 32314-5256
Phone: (850) 421-9530
FAX: (850) 421-8543
Email: miketwomey@talstar.com

- 4. Florida Power and Light Company ("FPL"), Progress Energy Florida, Tampa Electric Company, Gulf Power Company and Florida Public Utilities Company are regulated electric utilities collectively serving in excess of 80 percent of all retail electric customers throughout portions of the State of Florida.

5. AARP is a nonprofit membership organization dedicated to addressing the needs and interests of persons 50 and older. AARP has staffed offices in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. AARP represents more than 35 million members in total, approximately 2.7 million of whom reside in the state of Florida. AARP's Florida members reside throughout the state and a significant number of them are retail residential customers of the five electric utilities whose petitions are being considered in this docket.

AARP Florida Members' Substantial Interests Affected

6. As stated above, AARP has approximately 2.7 million members in the state of Florida, a significant number of whom take retail electric service from one of the five investor-owned utilities above who are seeking fuel adjustment modifications in this docket. Therefore, many of AARP's members will be substantially affected by any action the Commission takes in this docket, which action will necessarily include increases in the utilities' fuel adjustment charges if their requested relief is granted.

7. Statement of Affected Interests

The Commission will decide in this docket whether to approve the utilities' requests to increase their fuel adjustment charges to become effective January 1, 2006. These requests, if approved, will result in revenue increases to the utilities' collective customers ranging easily between \$2 billion to \$3 billion annually. For example, as reflected by the following statement from FPL's corporate website, the increases being sought by FPL alone are expected to be from \$1.5 to \$2 billion:

Next month, FPL will file to adjust the amount our customers will pay for fuel beginning in January. The expected adjustment of \$1.5 to \$2 billion above current

rates would include projected fuel cost increases in 2006, as well as half of the 2005 fuel cost under recovery of \$579 million. The adjustment could increase residential bills by as much as 12 to 16 percent. Commercial and industrial customers could see increases of 15 to 19 percent and 23 to 27 percent, respectively, because fuel makes up a larger portion of their bills. The fuel clause increases will be reflected in customers' bills beginning in January 2006.¹

8. AARP's members taking retail electric service from these electric utilities, who can be expected to see their monthly bills increased by as much as 16 percent as in the case of those served by FPL, have interests of the type this proceeding is designed to protect. See Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478 (Fla. 2nd DCA 1981). The purpose of the proceeding is to evaluate the utilities' requests and to review the nature of their claimed costs and expenditures to determine if any such costs are appropriate for recovery in these proceedings. These issues will affect AARP's regulated electric utility customer members' substantial interests by potentially increasing their costs of electricity, which necessarily will reduce their monies available for other purposes.

9. Disputed Issues of Material Fact

Disputed issues of material fact include, but are not limited to, the following:

- a. Whether the past costs being sought for recovery here are reasonable, prudent and necessary?
- b. Whether the projected costs sought for recovery here are based upon reasonable projections and whether they are reasonable, prudent and necessary?
- c. Whether all of the costs being sought for recovery here are of the type to appropriately be recovered in this proceeding as opposed to a base rate case or other proceeding?

¹ <http://www.fpl.com/news/2005/contents/05090.shtml>

10. Disputed Legal Issues. Disputed legal issues include, but are not limited to, the following:

None at this time.

11. Statement of Ultimate Facts Alleged. Ultimate facts include, but are not limited to, the following:

a. Each of the utilities has the burden to prove that all costs for which they seek recovery were reasonably and prudently incurred and of the type appropriate to be recovered through these proceedings.

WHEREFORE, AARP requests that this Commission grant it intervenor status in this docket as a full party on behalf of the significant number of its approximately 2.7 million Florida members taking retail electric service from the five regulated electric utilities whose petitions for increases are being considered in this proceeding.

Respectfully submitted,

/s/ Michael B. Twomey

Michael B. Twomey
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been served by U. S. Mail, this

26th day of September, 2005 on the following:

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Florida Industrial Power Users Group
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McWhirter Reeves Law Firm
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Florida Public Utilities Company
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/s/ Michael B. Twomey
Attorney