

ORIGINAL

Timolyn Henry

From: Mike Twomey [miketwomey@talstar.com]
Sent: Thursday, January 19, 2006 4:25 PM
To: Filings@psc.state.fl.us
Cc: Tim Perry; Patty Christensen; Joe McGlothlin; Charles Beck; Harold McLean; Mary Anne Helton; Cochran Keating; Rick Melson; Bill Walker; Natalie Futch Smith; Wade Litchfield; JWM -- John McWhirter
Subject: Re: Docket 060038-EI - AARP's Petition to Intervene
Attachments: aarp petition to intervene in FPL securitization case January 19, 2006.doc

1. Mike Twomey, P.O. Box 5256 Tallahassee, FL 32314-5256, (850) 421-9530, miketwomey@talstar.com is the person responsible for this electronic filing;
2. The filing is to be made in Docket 060038-EI;
3. The filing is made on behalf of AARP;
4. The total number of pages is 5; and
5. The attached document is AARP's Petition to Intervene.

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DOCUMENT NUMBER-DATE

00522 JAN 19 06

FPSC-COMMISSION CLERK

1/19/2006

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Florida Power & Light Company's)
Petition for Issuance of a Storm Recovery) DOCKET NO. 060038-EI
Financing Order) FILED: January 19, 2006
_____)

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, 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
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4. Florida Power & Light Company ("FPL") is a regulated electric utility serving approximately 4.3 million retail customers throughout portions of the State of Florida.

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FPSC-COMMISSION CLERK

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 FPL.

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 reside in FPL's service territory and take their electric service from the utility. Therefore, many of AARP's members will be substantially affected by any action the Commission takes in this docket, which will necessarily include retail rate increases in the form of new storm-recovery surcharges if the utility's requested relief is granted.

7. Statement of Affected Interests

The Commission will decide in this docket whether it should approve FPL's petition for issuance of a storm recovery financing order in the amount of approximately \$1.7 billion; or in the alternative, whether it should approve FPL's request for the recovery of approximately the same amount via a surcharge or assessment. The amount of the costs approved for recovery, as well as the mechanism used to recover such costs, will affect the substantial interests of AARP's members served by FPL by increasing their electric bills, thus reducing the monies they have to spend on their other needs.

8. AARP's members taking retail electric service from 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 FPL's request, to review the nature of its costs and expenditures to determine if any such costs are appropriate for recovery, to review the manner in which FPL requests to recover such costs, and to review the appropriateness of FPL's requested storm reserve fund and the period of years over which FPL proposes to collect the storm recovery surcharges.

9. Disputed Issues of Material Fact.

AARP believes there will be numerous disputed issues of material fact which the Commission will be required to resolve through an evidentiary hearing pursuant to Chapter 120, Florida Statutes. Such disputed issues of material fact include, but are not limited to, the following:

- a. What is the appropriate amount of FPL's reasonably and prudently incurred storm related costs?
- b. What is the appropriate recovery period for FPL to recover its storm related costs?
- c. What is the appropriate method for FPL to recover its storm related costs?
- d. What is the appropriate method for allocating the recovery of FPL's storm related costs to the rate classes?
- e. What is the appropriate level of FPL's storm reserve?
- f. What is the appropriate period of time for FPL to replenish its storm reserve?
- g. What is the appropriate method for FPL to replenish its storm reserve?
- h. What is the appropriate method for allocating the replenishment of FPL's storm reserve to the rate classes?
- i. What is the appropriate treatment for income tax attributable to a storm surcharge?

10. Statement of Ultimate Facts Alleged.

FPL must prove that all costs charged to the storm reserve are appropriate for recovery from its ratepayers, that the recovery period for its storm related costs is appropriate, that the methodology for recovering those costs is appropriate, and that its request for replenishment of the storm reserve is appropriate. In addition, with respect to its request for a financing order, FPL must prove that the proposed structuring, expected pricing, and financing costs of storm-recovery bonds, if any are used, are reasonably expected to result in lower overall costs or would avoid or significantly mitigate rate impacts to customers as compared with alternative methods of financing or recovering storm-recovery costs.

11. Statutes and Rules that Require the Relief Requested by AARP.

Statutes and rules that require the relief requested by AARP include, but are not limited to, Sections 120.569, 120.57(1), 366.04(1), 366.041, 366.05(1), 366.06(1) and (2), 366.07, and 366.8260, Florida Statutes, and Rule 25-22.039 and Chapter 28-106, Florida Administrative Code.

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 Florida Power and Light Company.

Respectfully submitted,

/s/ Michael B. Twomey
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this petition has been served by

U.S. Mail and electronic mail this 19th day of January, 2006 on the following:

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