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

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.

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

Respectfully submitted,

CHARLES J. CRIST, JR. ATTORNEY GENERAL

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

CECILIA BRADLEY Senior Assistant Attorney General Florida Bar No. 0363790

Office of the Attorney General The Capitol - PL01 Tallahassee, FL 32399-1050 (850) 414-3300 Fax: (850) 488-4872

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.

s/ JACK SHREVE Jack Shreve

Lisa Bennett
William Keating
Florida Public Service Commission
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

R. Wade Litchfield Natalie Smith 700 Universe Boulevard Juno Beach, FL 33408

Mr. Bill Walker Vice President, Regulatory Affairs Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1859 Timothy J. Perry, Esquire McWhirter Law Firm 117 S. Gadsden Street Tallahassee, FL 32301

John W. McWhirter, Jr., Esquire McWhirter Law Firm 400 North Tampa Street, Ste. 2450 Tampa, FL 33602 Michael B. Twomey Post Office Box 5256 Tallahassee, FL 32314-5256

Robert Scheffel Wright, Esq. John T. LaVia, III, Esq. Young van Assenderp, P.A. 225 South Adams St., Suiite 200 Tallahassee, FL 32301 Bill Feaster, Manager Regulatory Affairs Florida Power & Light Co. 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301

Harold McLean, Public Counsel Charles J. Beck, Deputy Public Counsel Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 (850) 488-9330 John T. Butler, Esq. Florida Power & Light Company 9250 West Flagler Street Miami, FL 33174