

Matilda Sanders

From: John_Butler@fpl.com
 Sent: Thursday, September 14, 2006 2:49 PM
 To: Filings@psc.state.fl.us
 Cc: Rosanne Gervasi; Robert Scheffel Wright, Esq.
 Subject: Re: Electronic Filing for Docket No. 060150-EI -- FPL letter to Gervasi confirming intent to file amended petition

Attachments: Letter to Gervasi (amended GAF Tariff petition) FINAL.doc



Letter to
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Electronic Filing

a. Person responsible for this electronic filing:

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b. Docket No. 060150-EI

c. Document is being filed on behalf of Florida Power & Light Company.

d. There is a total of 2 pages.

e. The document attached for electronic filing is a copy of a letter from John Butler to Rosanne Gervasi confirming Florida Power & Light Company's intent to file an amended petition in this docket.

(See attached file: Letter to Gervasi (amended GAF Tariff petition) FINAL.doc)

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DOCUMENT NUMBER-DATE

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ORIGINAL

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September 14, 2006

- VIA ELECTRONIC DELIVERY -

Rosanne Gervasi, Esq.
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Docket No. 060150-EI

Dear Ms. Gervasi:

This is to confirm FPL's intentions for its GAF tariff proposal in this docket.

First, let me stress that FPL believes it is in the interest of everyone – customers, FPL and the Commission -- for a decision to be made on GAF tariff proposal as soon as possible, consistent with a thorough review by the Commission and Staff. This letter sets forth what FPL considers the most straightforward path toward achieving that goal.

As you know, FPL filed a petition on February 20, 2006 seeking approval of its original GAF tariff proposal. The Commission assigned FPL's petition to this docket. On April 4, 2006, the Commission suspended the GAF tariff proposal pursuant to Section 366.06(3), pending further review of the proposal and the final outcome of rulemaking on Rule 25-6.115 concerning recovery by FPL of GAF investments in underground conversions. Order No. PSC-06-0339-PCO-EIO, dated April 24, 2006. In suspending the GAF tariff proposal, the Commission expressed its wish that the suspension not "discourage cities or counties who are willing to pursue undergrounding of their existing facilities at this time" and therefore committed that "in the event a tariff revision is ultimately approved for FPL in this docket, FPL shall be permitted to apply any such later-approved discount to the cost of undergrounding facilities for local governments that proceed with underground conversion projects prior to our final decision on the issue. Any such later-approved discount for local government-sponsored conversion projects shall apply to undergrounding contracts entered into with local governments on or after April 4, 2006." *Id.* at pp. 2-3.

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Rosanne Gervasi, Esq.
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Section 366.06(3) provides that, when the Commission has suspended a tariff filing, it must make a final decision to approve or deny the filing within eight months. That eight-month period will end for FPL's original GAF tariff proposal on October 20, 2006. It has become apparent that the Commission will not be in a position to finalize its rulemaking on Rule 25-6.115 before the October 20 deadline. Moreover, FPL has recognized the need to update and refine its GAF tariff proposal to include qualification criteria that reflect the assumptions of the economic justification for the GAF tariff which FPL provided to Staff this summer, as well as to reflect changes to the underground conversion CIAC formula that the Commission proposes to make in Rule 25-6.115. Accordingly, FPL intends to file by September 21 an amended petition that seeks approval of an updated and refined GAF tariff proposal.

FPL understands and acknowledges that the amended petition will constitute a substantive change to its original tariff filing and, as such, the eight-month period for the Commission to make a final decision on the revised GAF tariff proposal will start anew. Consistent with the aforementioned goal of reaching a final decision on that proposal as soon as possible, however, FPL asks that the Commission schedule its consideration of the revised GAF tariff proposal for the December 19, 2006 agenda conference.

FPL notes that, once approved, the revised GAF tariff proposal will constitute "a tariff revision ... ultimately approved for FPL in this docket" and thus it will apply to undergrounding contracts entered into with local governments on or after April 4, 2006, as contemplated by Order No. PSC-06-0339-PCO-EIO. Therefore, the filing of an amended petition will not harm the interests of local governments that have proceeded with undergrounding plans while the original GAF tariff proposal has been suspended.

I trust that this adequately summarizes and confirms FPL's plans regarding the GAF tariff proposal, but please feel free to call or e-mail me if you have any questions.

Sincerely,

/s/ John T. Butler

John T. Butler

cc: Blanca S. Bayó, Director,
Division of the Commission Clerk and Administrative Services
Counsel for Parties of Record