

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 120015-EI

In the Matter of:

PETITION FOR INCREASE IN RATES
BY FLORIDA POWER & LIGHT COMPANY.

PROCEEDINGS: PEMBROKE PINES SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN RONALD A. BRISÉ
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER ART GRAHAM
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Wednesday, August 8, 2012

TIME: Commenced at 4:00 p.m.
Concluded at 7:29 p.m.

PLACE: South Regional/Broward
College Library
7300 Pines Boulevard
Pembroke Pines, Florida 33024

REPORTED BY: JANE FAUROT, RPR
Official FPSC Reporter
(850) 413-6732

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4 Tallahassee, Florida 32301-1858, appearing on behalf
5 of Florida Power & Light Company.

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7 Loxahatchee, Florida 33470, appearing pro se.

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9 Firm, 1300 Thomaswood Drive, Tallahassee, Florida 32308,
10 appearing on behalf of the Florida Retail Federation.

11 J.R. KELLY, ESQUIRE, Public Counsel, Office of
12 Public Counsel, 111 W. Madison Street, Room 812,
13 Tallahassee, Florida 32399-1400, appearing on behalf of
14 the Citizens of Florida.

15 THOMAS SAPORITO, 177 US Hwy 1N, Unit 212,
16 Tequesta, Florida 33469, appearing pro se.

17 WILLIAM C. GARNER, ESQUIRE, Nabors Law Firm,
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19 32308, appearing on behalf of the Village of
20 Pincrest.

21 LARRY NELSON, 312 Roberts Road, Nokomis, FL
22 34275, appearing pro se.

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CAROLINE KLANCKE, ESQUIRE, FPSC General
Counsel's Office, 2540 Shumard Oak Boulevard,
Tallahassee, Florida 32399-0850, appearing on behalf of
the Florida Public Service Commission Staff.

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P R O C E E D I N G S

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2 **CHAIRMAN BRISÉ:** Good afternoon. We will go
3 ahead and call this customer service hearing to order.
4 Today we are looking at Docket Number 120015-EI, and I'm
5 going to ask our staff counsel to read the notice.

6 **MS. KLANCKE:** By notice issued by the
7 Commission Clerk, this time and place has been set for a
8 customer service hearing in Docket Number 120015-EI.

9 **CHAIRMAN BRISÉ:** Thank you very much.
10 If the parties would make their appearances
11 now.

12 **MR. BRYAN:** Thank you, Mr. Chairman and
13 Commissioners, my name is Patrick Bryan, appearing on
14 behalf of Florida Power and Light Company.

15 **CHAIRMAN BRISÉ:** Thank you very much.

16 **MR. KELLY:** Good afternoon, Mr. Chair.
17 My name is J.R. Kelly. I'm with the Office of
18 Public Counsel here representing the ratepayers.

19 **CHAIRMAN BRISÉ:** Thank you very much.

20 **MR. WRIGHT:** Good afternoon, Chairman and
21 Commissioners. Schef Wright on behalf of the Florida
22 Retail Federation.

23 **CHAIRMAN BRISÉ:** Thank you very much.

24 **MR. GARNER:** Thank you, Mr. Chairman and
25 Commissioners, everyone else, Bill Garner on behalf of

1 the Village of Pinecrest.

2 **CHAIRMAN BRISÉ:** Thank you very much.

3 **MS. LARSON:** Good afternoon. Alexandria
4 Larson and my husband Daniel Larson -- I'm representing
5 my husband Daniel Larson -- and we're pro se
6 intervenors.

7 **CHAIRMAN BRISÉ:** Thank you very much.

8 **MR. NELSON:** Thank you. Good afternoon. My
9 name is Larry Nelson and I am a private citizen
10 intervenor representing myself.

11 **CHAIRMAN BRISÉ:** Thank you very much.

12 **MR. SAPORITO:** Thomas Saporito, private
13 citizen participating.

14 **CHAIRMAN BRISÉ:** Thank you.

15 **MS. KLANCKE:** Caroline Klancke representing
16 the Commission and the staff.

17 **CHAIRMAN BRISÉ:** Thank you. In a little while
18 you will hear from each one of the intervenors and the
19 petitioner and they we will make statements to preserve
20 their position or their stake in the rate case.

21 This afternoon's hearing is primarily to hear
22 from you, the customers. That's why we are here as the
23 Commissioners. As the process moves forward, all of
24 your comments this afternoon will become part of the
25 record and they will be available to us, as

1 Commissioners, as we go through our decision-making
2 process.

3 There will be a technical hearing where each
4 one of the parties that have represented themselves to
5 you up to this point and will do so a little bit later
6 will mount a case before the Commission, and they will
7 be able to make a case for the position that they have
8 staked out.

9 We have some staff persons here with us, and
10 we will introduce them at this time. Mr. Marshall
11 Willis; Mr. Andrew Maurey; Ms. Draper; we have Ms. Muir,
12 who undoubtedly signed you in if you are interested in
13 speaking this afternoon; and Mr. Dick Durbin who is
14 responsible primarily for our AV and those type of
15 things; and this afternoon our court reporter is Jane
16 Faurot.

17 At this time I'm going to ask the
18 Commissioners to introduce themselves, and we will start
19 from my left going to my right.

20 **COMMISSIONER BROWN:** Thank you, Mr. Chairman.

21 Good afternoon. My name is Julie Brown. I
22 apologize for being a little tardy here. It was hard to
23 find, but I'm happy to be here.

24 **COMMISSIONER GRAHAM:** Art Graham.

25 **COMMISSIONER EDGAR:** Good afternoon. Hello.

1 Lisa Edgar. I also apologize for being a few minutes
2 late. I got lost on my way here. I'm from North
3 Florida, and there are very long red lights and a few
4 U-turns I didn't expect. So I'm very apologetic for
5 being a few minutes late, but I have been on my way for
6 a little while, and I'm glad to be here, and I look
7 forward to all of your discussion and your comments with
8 us. Thank you.

9 **COMMISSIONER BALBIS:** Good afternoon. I'm
10 Eduardo Balbis, and I consider all of you were early and
11 I was on time. (Audience laughter.) It's great to be
12 here. Thank you.

13 **CHAIRMAN BRISÉ:** And I am Ronald Brisé. I
14 have the esteemed pleasure of serving as Chairman of the
15 Public Service Commission at this time.

16 So we're going to go ahead and move into
17 opening comments. The way this works is that the
18 Petitioner, which in this case is Florida Power and
19 Light, and the Office of Public Counsel each have eight
20 minutes. The Petitioner has the ability to use the
21 balance of their eight minutes, whatever they don't use
22 of the eight minutes at the very end of all the comments
23 so that they can make additional comments at that time,
24 but it is still within their block of eight minutes.

25 All the other intervenors have five minutes to

1 provide their opening statements. They will use the
2 same mechanism as you will use when you come up to make
3 your comments. There is a green light, yellow light,
4 and a red light. Basically, so long as the light is
5 green you can continue going; when it's yellow you need
6 to, wherever you are, figure out how you will wrap it
7 up; and when it gets to red you should have stopped.
8 And if for some weird reason you continue past the red
9 and it starts blinking, you really should have stopped
10 when it turned red. So we certainly appreciate your
11 participation and adherence to these basic ground rules.

12 So at this time, Mr. Bryan, you may come
13 forward.

14 **MR. BRYAN:** Thank you, Mr. Chairman. Good
15 afternoon. Again, my name is Patrick Bryan. I am an
16 attorney for Florida Power and Light Company. I want to
17 first thank you all for coming out this afternoon.

18 In just a second you will hear from Marlene
19 Santos, who is FPL's Vice-President of Customer Service.
20 She will talk to you about the rate case. But before
21 she talks to you, I wanted to let you know that we have
22 also brought along with us today several customer
23 service representatives that if you have any question
24 about your electric bill or a problem with your service,
25 please feel free to talk to our customer service reps.

1 They are in a room on the second floor, Room 219. They
2 have computers, so they can access your account
3 information. And they will do their best to solve your
4 problem or answer your question today while you are
5 here. With that, Marlene.

6 **MS. SANTOS:** Thank you. Thank you all for
7 coming here today. Like the Commissioners, we are here
8 to listen to you. Excuse me. And since the
9 Commissioners and the rest of the intervenors have heard
10 my speech already eight times by now, I'm actually going
11 to put my remarks a little bit short tonight. However,
12 if you would like a copy of my complete speech, we do
13 have copies available in English, in Spanish, and in
14 Creole.

15 As a South Florida resident and an FPL
16 customer myself, I know there's never a good time for
17 rates to rise, so let me briefly explain to you why we
18 have requested an increase for 2013. While we operate
19 in a regulated environment that makes us the only
20 electric company in our service area, we work hard to
21 provide the prices, reliability, and service that would
22 cause our customers, if they had a choice, to choose us.

23 It's no accident that our typical residential
24 customer bill is 25 percent lower than the national
25 average and the lowest of Florida's 55 electric

1 utilities. It's also no accident that our service
2 reliability ranks in the top 25 percent of comparable
3 utilities nationwide, that our emissions profile is one
4 of the cleanest in the country, and that our customer
5 service has been ranked number one by a leading national
6 study eight years in a row.

7 We have accomplished this by working hard for
8 you; operating more efficiently than 90 percent of the
9 nation's utilities and investing in clean,
10 cost-efficient technologies and other improvements to
11 our infrastructure. The investments we have made over
12 the past decade to improve the fuel efficiency of our
13 power plants have saved you \$5.5 billion in fuel costs
14 and counting. Fuel efficiency means more money stays in
15 your pocket, like trading in an old gas guzzler for a
16 more fuel efficient vehicle. By burning less fuel at
17 our power plants, we are generating cleaner power and
18 saving money every single day.

19 But this is about more than fuel. It's about
20 a vision and a proven investment strategy that will
21 continue to provide benefits for many years to come for
22 our customers, our state, and our country. Through
23 difficult economic times, FPL has been fortunate to have
24 the financial strength to invest heavily in our
25 infrastructure supporting thousands of jobs for

1 Floridians like you. To help keep reliability high and
2 bills low we are on track to invest roughly \$3 billion
3 on average for 2010 through 2014. That's much more than
4 we make in profit, so we have to stay financially strong
5 in order to be able to do so.

6 The 2010 rate agreement which the Public
7 Counsel and other intervenors supported effectively
8 froze our base rates for three years while allowing us
9 the opportunity to earn an amount sufficient to support
10 continued investment in the infrastructure. However,
11 without a rate increase in 2013, our return on equity
12 will drop precipitously due in large part to the
13 depletion of a key component of the 2010 agreement and
14 increases in essential expenses such as poles and wires.

15 In addition, we will have spent about a
16 billion dollars on the new clean energy center at Cape
17 Canaveral by the time it goes into service in June of
18 2013. To pay for this investment a small base rate
19 increase is required, but the plant's advanced
20 efficiency will make an immediate impact on fuel costs.
21 Over its 30-year operational life it is projected to
22 save more than a billion dollars on fuel, so this
23 investment will pay for itself.

24 We want to continue making smart investments
25 like this so we can keep our service strong and bills

1 low for years come, and that's really what our requested
2 increase is about. For a typical residential customer,
3 our request will result in an increase of about \$7 a
4 month, or 23 cents a day on the base portion of their
5 bill. Because other components of the bill are
6 projected to be lower in 2013, then that increase will
7 be much less. Based on our estimates the actual net
8 increase on the total bill will be \$1.41 a month.

9 It's important to note that even with our
10 requested increase, our typical bill is expected to
11 remain the lowest in the state. While things like food,
12 health care, and gasoline are up 20 to 40 percent or
13 more over the past few years, our typical bill will
14 still be 11-1/2 percent lower in 2013 than it was in
15 2006.

16 I know this is a lot of information. You can
17 learn more by reading the fact sheets available at the
18 door. We've asked a few local customers who have said
19 they value our service if they would be willing to share
20 their thoughts with you today. We also want to hear
21 from anyone who has a complaint. If that's what has
22 brought you here, our consumer advocates are here to
23 help you.

24 In closing, let me thank you for being our
25 customers. We appreciate your business; we respect your

1 opinions. Thank you for coming.

2 **CHAIRMAN BRISÉ:** Thank you very much. So,
3 FPL, you have about two minutes and ten seconds in terms
4 of your balance.

5 Mr. Kelly.

6 **MR. KELLY:** Good afternoon. As I mentioned,
7 my name is J.R. Kelly. I'm with the Office of Public
8 Counsel. For those of you that are not familiar with
9 our office, we are the office that is funded by the
10 Legislature. We are not part of the Public Service
11 Commission; we are separate. And our job is to
12 represent you, the ratepayers, both individuals and
13 businesses, in rate cases that appear in front of the
14 Public Service Commission.

15 And we are here today because FPL has filed a
16 request to increase your rates by \$690.4 million a year.
17 We have intervened in this case on your behalf, and we
18 are contesting several issues that we, bottom line, do
19 not believe that FPL has proven that they are entitled
20 to the increase.

21 Let me say up front this case is not about
22 personalities. There are many of you that have friends,
23 family members who work for FPL. We know they are a
24 good corporate partner, a good community partner; they
25 give a lot of money to charities. Folks, we don't

1 dispute any of that. But the bottom line is this,
2 everything that they ask for they are required to prove.
3 They have the burden of proof to show that all of those
4 costs and all of those charges are reasonable and
5 prudent, and we will insist that the Commissioners
6 behind me adhere to that standard.

7 Now, let's look at a couple of the issues in
8 this case. The first one, excess profit. FPL is asking
9 for 11.5 percent return on equity after-tax profit.
10 Bottom line, we believe that is excessive in today's
11 economy. We are still reeling from the recession.
12 Unemployment is still very, very high. Mortgage
13 foreclosures, bankruptcies, et cetera, are all up. This
14 is not the time to ask for 11.5 percent. And I'm sure
15 if I asked for a show of hands of how many of you would
16 love to earn just half of that, the whole room would
17 raise your hands.

18 Now, since the last rate case when the
19 Commissioners behind me granted FPL a 10 percent return
20 on equity, capital costs have actually decreased. If
21 you go look at mortgage rates today, where are they at?
22 They are as low as they have been in 40 or 50 years.
23 Treasury Bill rates are low. The commercial paper rate
24 is low. How many of you can even get half a percentage
25 on a CD today? The bottom line is capital costs have

1 come down.

2 Our expert is recommending a 9 percent return
3 on equity. We feel that is extremely fair and
4 reasonable in today's economy. And keep in mind, to
5 give it some perspective, for one percent or 100 basis
6 points for every one that the Commission grants to
7 Florida Power and Light, that represents roughly 130 to
8 \$140 million more per year that you, the ratepayers,
9 would pay.

10 Let's look at capital structure. For those of
11 you that are not familiar with the term capital
12 structure, basically it's that portion of a corporation
13 or business that is made up of equity and debt. You
14 raise equity by selling stock. You raise debt, debt
15 capital, by borrowing money or selling bonds. You look
16 at those together.

17 The bottom line is this, equity, equity or
18 selling stock is a lot more expensive to a corporation
19 than debt is. Therefore, a prudent utility would want
20 to utilize a sufficient amount of debt in its capital
21 structure so that their overall capital costs would be
22 lower. Meaning you, a ratepayer, would pay less.

23 Let's take a quick look at some things in this
24 case about capital structure. First, Florida Power and
25 Light's own expert, the one they have hired in this case

1 and who's going to testify about what they believe is a
2 reasonable return on equity, he uses a proxy group of
3 comparable electric utilities to support his
4 recommendation. The equity ratio of those proxy group
5 utilities is an average of 47.3 percent. Keep that in
6 mind, 47.3.

7 Second, if you look at Florida Power and
8 Light's consolidated capital structure, they are a
9 subsidiary of NextEra. If you look at the consolidated
10 capital structure, NextEra, which includes FPL, their
11 equity ratio is 39.4 percent. 39.4. If you look at the
12 nonregulated subsidiaries owned by NextEra and take out
13 FPL, it's a 21.1 percent equity ratio. So what is FPL
14 asking in this case? 59.6. Almost 60 percent equity
15 ratio.

16 The bottom line is that costs you more money,
17 and we believe it is absurd when you look at the three
18 factors I just mentioned. Their own expert's comparable
19 group of electric utilities; second, NextEra's
20 consolidated equity ratio of only 39 percent; and the
21 equity ratio of their sister subsidiaries, which is only
22 21 percent.

23 Our expert is recommending a 50/50 capital
24 structure; fifty percent debt, 50 percent equity. That
25 alone would reduce what they are asking for by over

1 \$215 million.

2 Let's look at performance adder. FPL as part
3 of their request is asking for a bonus of .25 percent.
4 That doesn't sound like much, does it? That 2.5 percent
5 (sic) is nothing but excess profit, and it is
6 \$41.5 million more a year you, the ratepayers, will pay
7 to them if that was approved.

8 They are asking for this as a reward for
9 having the lowest rates in the state. We absolutely
10 oppose this. Why? First, differences in electric bills
11 are affected by many factors that have nothing to do
12 with the quality of management; such as geography,
13 weather, customer mix, and slew of other issues.

14 Second, FPL is a monopoly. They have a
15 protected geographic area with no competition. In
16 return for having no competition, they are obligated to
17 serve everyone within their area. They are obligated.
18 They must provide safe and reliable service to you, the
19 customer, at the least reasonable cost. Simply put, FPL
20 should not be given a \$41.5 million bonus for doing what
21 they are required to do to begin with. And they don't
22 need that to operate. That would be straight profit,
23 going straight into the pockets of the shareholders.

24 Finally, to put a little more perspective on
25 this, in their last rate case, this Commission rejected

1 FPL's request for a 1.2 billion, billion with a B,
2 dollar rate request. Instead, they granted them \$75
3 million. Therefore, had it not been for the Commission
4 behind me, FPL's rates would have been higher.

5 Therefore, in our opinion, FPL should not be rewarded
6 with a bonus as a result of this Commission not giving
7 them simply what they asked for last time. There are
8 several other areas that we are contesting in some
9 accounting dealing with additional staffing, employee
10 incentive levels, and affiliate transaction costs that
11 we are going to be arguing on your behalf.

12 Now, we are here today because, quite frankly,
13 this is your hearing. This is the ratepayer hearing.
14 This is your opportunity to come up and speak to these
15 Commissioners behind me and tell them how the impact of
16 this rate increase will effect you. Please, please take
17 advantage of this. The Commissioners behind me want to
18 hear from you. More importantly, they need to hear from
19 you.

20 Lastly, I want to just say this. You read a
21 lot in the papers. You may have looked at this little
22 green sheet that was given to you as you came in the
23 door. Do not be misled by this is only a dollar
24 increase, or \$1.50 increase. This is \$7.09 for 1,000
25 megawatt -- kilowatt, sorry -- I'm tongue-tied. It has

1 been a long day. And it is not about fuel. Fuel is a
2 whole separate issue that will be taken up by this
3 Commission in November. It has nothing to do with this
4 case. No matter what happens in this rate case, fuel
5 will be decided at a later date.

6 Please take this opportunity and come up and
7 speak to these Commissioners today. Thank you.

8 **CHAIRMAN BRISÉ:** Thank you, Mr. Kelly.

9 At this time we will hear from Mr. Schef
10 Wright from the Florida Retail Federation.

11 **MR. WRIGHT:** Thank you for your patience.
12 Good afternoon. Thank you for coming out. My name is
13 Schef Wright. I was born in Miami 62-1/2 years ago. I
14 have lived all but nine years of my life in this
15 wonderful state. For the last 31-1/2 years I have been
16 working on energy issues in Tallahassee. First for
17 Governor Bob Graham's Energy Office for about a year and
18 a half, then I served almost seven years on the staff of
19 the Public Service Commission. I got a break, went to
20 law school. I was an economist in my first career, but
21 I have been working on energy now for 31-1/2 years in
22 Florida.

23 I have the great privilege to be here today
24 representing the Florida Retail Federation. The
25 Federation is a statewide organization of more than

1 9,000 members from the largest big-box grocery,
2 department, pharmacy, and other retailers, including
3 Publix, Wal-Mart, Macy's, and Best-Buy, to literally
4 thousands of mom and pop sole proprietor retail outlets.

5 The Federation is working in this case
6 alongside your Public Counsel and the other consumer
7 intervenors on behalf of all customers. We are trying
8 to get -- frankly, we're trying to get a rate decrease.
9 I will touch on that more in a minute. The point I want
10 to make is we are fighting for the lowest rates for all
11 customers. We are not seeking any special treatment for
12 commercial customers only.

13 As Mr. Kelly and Ms. Santos said, we are here
14 to hear from you. Tell the Commissioners what you
15 think. If you favor the rate increase, we may not
16 agree, but tell the Commissioners that's what you think.
17 If you oppose it, tell them what you think.

18 The underlying reason that we are here is that
19 FPL has asked the Public Service Commission for its
20 authorization to increase its rates so as to collect an
21 extra \$690 million a year from you, and from our
22 members, and from all the customers who buy electricity
23 from FPL. This is on top of the \$10.4 billion that FPL
24 projects it will recover next year anyway in total
25 retail revenues, which includes nearly \$1.2 billion in

1 profit. This is straight out of their rate case filing,
2 folks.

3 Now, we're business people. We want a healthy
4 FPL. We know that every company, every business needs
5 the money to buy its input, buy its inventory, pay its
6 folks, pay for its vehicles, and keep its operation
7 going. Where we differ with FPL is on whether they
8 really need any additional money to do their job.

9 Their job is to provide safe, adequate,
10 reliable service at the lowest possible cost, and the
11 Public Service Commission's role is to ensure that they
12 do their job; that is, they get enough money to do their
13 job, but only enough money.

14 In this case, FPL has asked for nearly
15 \$700 million a year, \$690.4 million a year in increased
16 annual rate revenues. At the bottom line, our side, the
17 consumer side believes that the evidence will show that
18 FPL can, in fact, take a substantial rate decrease,
19 \$250 million a year, and still cover all of its costs
20 and still earn a healthy, generous, after-tax return on
21 its equity investment of 9 percent. A pretty big
22 difference.

23 How can we say this? First, FPL says they
24 need more money to build a power plant. I say not so
25 fast. Just because you build a power plant doesn't mean

1 you need a rate increase. Between 1985 and 2005, FPL
2 built nearly -- actually a little more than one-third of
3 its whole generating fleet, 8,400 megawatts of capacity,
4 with no rate increase at all. And, in fact, with two
5 separate base rate reductions totaling \$600 million
6 in -- 350 in 1999 and 250 in 2002. Power plant not
7 equal rate increase.

8 Their requested ROE is excessive; 11-1/2
9 percent after tax is 18.6 percent before tax. We are
10 advocating for a 9 percent after-tax rate, which is
11 14.7 percent before tax, which, frankly, we think is
12 very, very generous in FPL's direction.

13 They want to use a disproportionate amount of
14 high-cost equity, and we think they should use more
15 low-cost debt. Make those two adjustments. You take
16 the ROE down to 9 percent, that's \$340 million a year or
17 more. Make them use the right amount of equity
18 financing, that's another 200 million. There are a
19 number of other excessive and unnecessary components to
20 their request which we reject.

21 Again, at the bottom line, we want to help
22 FPL. We want reliable electric service. But we know,
23 we know the evidence shows that FPL can provide that
24 service and reduce its rates or walk away with no rate
25 increase, recover all of its costs of doing business,

1 pay all of its employees, provide safe, adequate, and
2 reliable service and still earn an after-tax return on
3 profit of 9 percent. This is generous.

4 In other words, FPL doesn't need a rate
5 increase to provide safe, adequate, reliable service.
6 FPL wants a rate increase to increase its profits. By
7 the way, if the Commission rejects their rate increase,
8 that is another \$690.4 million that y'all would have in
9 your pockets to spend on your needs and your families.
10 FPL's shareholders would have to get by with profits
11 somewhere north of a billion dollars a year.

12 Thank you for coming out. Tell the
13 Commissioners what you think. Don't applaud. Don't
14 applaud. Thank you.

15 **CHAIRMAN BRISÉ:** Thank you very much, Mr.
16 Wright. A few ground rules we will have -- as
17 Mr. Garner comes forward, a few grounds rules that we
18 have. We prefer that we avoid the clapping or the
19 booing or anything of the sort as people make comments.
20 We want to make sure that you are able to hear and the
21 person who is speaking can hear themselves as they
22 speak.

23 Thank you very much for respecting each other
24 in this process.

25 **MR. GARNER:** Thank you, Mr. Chairman.

1 Commissioners. I am Bill Garner with the law firm
2 Nabors Giblin & Nickerson, and I'm here today to
3 represent the Village of Pinecrest against FPL's rate
4 increase.

5 FPL spent a lot of money on a slick ad
6 campaign trying to convince people that their request
7 for a \$690 million rate hike is no big deal. Part of
8 this campaign are the fact sheets on the FPL table
9 outside which Ms. Santos mentioned in her remarks.
10 Those sheets say that rates will go up, but only by a
11 little bit. That's because FPL's rate hike is offset by
12 fuel savings. Other FPL advertising says that the hike
13 amounts to no more than the price of a cup of coffee or
14 a slice of pizza. Besides being insulting to those
15 forced to cut back or go without, using falling prices
16 in this way to mask the impact of the rate hike is
17 misleading.

18 Your advocate, Mr. Kelly, has explained why.
19 By increasing its base rates, FPL robs you of big fuel
20 savings. FPL didn't earn those savings. They come from
21 fuel costs dropping like a rock. They belong to you and
22 not to FPL. They will raise your rates
23 dollar-for-dollar when the price of fuel goes back up,
24 and FPL believes the price will go back up. In fact,
25 they are counting on it to justify expensive new nuclear

1 power plants at Turkey Point.

2 This rate hike takes from you only to give
3 more to FPL's shareholders. They want a new profit
4 margin of 11-1/2 percent, up from 10 percent. And
5 according to discovery obtained by Pinecrest from FPL,
6 for every one percent increase in profit margin FPL
7 collects 158 million more dollars from you. This
8 represents about a third of the rate hike.

9 Witnesses in the case will tell the PSC why an
10 increase in profits is not warranted. Part of the
11 reason is this, FPL collects more than half of its
12 revenues through dollar-for-dollar pass-through rates
13 that are readjusted every year, and because of that it
14 has very little risk. FPL has made this very point when
15 it first sought to use these pass-through adjustments to
16 help it borrow money more cheaply, and we don't want the
17 PSC to forget this fact when they weigh this case.

18 Evidence supports a profit margin between
19 8-1/2 and 9-1/4 percent with no harm to FPL's bond
20 ratings or project financing. This adjustment alone
21 cuts FPL's rate hike nearly in half. FPL says that is
22 unreasonable and confiscatory. It's not. Since the
23 early 1980s when FPL's profit margin was more than
24 15 percent, the PSC reduced the company's margin again
25 and again to track falling interest rates. All the

1 while FPL has flourished. Now interest rates are at a
2 historic low.

3 After the PSC refused to hike rates in 2009,
4 FPL shouted that the sky was falling. It halted
5 construction of a new plant, said it couldn't finance
6 certain operations, said it couldn't finance projects.
7 None of the bad things it said would happen happened.
8 Shareholders kept making money. In 2011, FPL's parent
9 company justified a new incentive pay plan claiming that
10 FPL achieved its highest earnings ever in 2010. To
11 regulators and customers they said it was due to the
12 weather. To investors they said it was due to the
13 motivating influence of the new incentive pay. They are
14 well compensated at current rates and we believe that
15 the evidence proves that.

16 Mr. Chairman, with your permission I would
17 like to, on the record, correct a fact error I have been
18 repeating in previous opening statements I've made.

19 **CHAIRMAN BRISÉ:** Sure.

20 **MR. GARNER:** I have been saying that FPL never
21 suffered a downgrade of bond ratings after their last
22 failed attempt to hike the rates. It has been pointed
23 out to me that S&P actually did issue a small downgrade
24 of FPL. In explaining its basis for the downgrade, S&P
25 did not base its actions on the rates set by the

1 Commission, rather they cited the political environment
2 surrounding the decision and the inexplicable decision
3 of FPL managers to halt investment. In other words, the
4 downgrade was self-inflicted, a self-inflicted wound,
5 and wasn't caused by a perception that rates were set
6 too low.

7 Thank you for your time.

8 **CHAIRMAN BRISÉ:** Thank you very much.

9 At this time we will hear from Mrs. Larson.

10 **MS. LARSON:** Good afternoon, Commissioners.

11 **CHAIRMAN BRISÉ:** Good afternoon.

12 **MS. LARSON:** That's a scary microphone. When
13 you come up, people, that's a very scary microphone.

14 Hi. I'm Alexandria Larson. I'm here on
15 behalf of myself and my husband. I said that to you
16 before.

17 As FPL ratepayers, we have intervened in this
18 case because we do not believe that FPL is entitled to
19 the outrageous 16 percent rate increase it has
20 requested. Rather, the Commissioners should order FPL
21 to decrease the rates. Unfortunately, the greed of FPL
22 has no boundaries. Facing the greatest recession since
23 the Great Depression and high unemployment in our state,
24 Floridians are struggling just to pay their bills, to
25 make ends meet. Senior citizens cannot afford to pay

1 for their prescriptions, yet FPL has the audacity to
2 demand an 11.25 percent profit from the Commissioners
3 sitting before you today, and another .25 percent for
4 doing the job they are supposed to do anyway.

5 What has changed from the last rate case to
6 justify such a request? Absolutely nothing. A lot has
7 changed for all of us, hasn't it? After being denied
8 the largest unjustified rate increase in Florida's
9 history in 2010, FPL complained that the Public Service
10 Commission's decision to deny the \$1.3 billion rate case
11 would cause terrible things to happen.

12 Over the past two years, FPL has recorded
13 healthy profits and earnings. FPL's parent company has
14 raised its quarterly dividend by 26 percent. Don't you
15 want 26 percent more? I do. And its stock is currently
16 trading at a 52-week high.

17 Now FPL has once again made outrageous
18 demands. The problem is that FPL management has no
19 credibility based upon what it said in the last rate
20 case denial. FPL has a track record of crying wolf and
21 will you use any means necessary to get its way. An
22 illustrative example is FPL has led a -- FPL's present
23 president led a campaign to try to compromise the former
24 Commissioners. One did survive, Ms. Edgar, and I have
25 to thank her for being here. She did survive the

1 campaign that they had out there. They literally were,
2 you know, maligning Commissioners.

3 With respect to the current rate request, FPL
4 is asking for roughly half of the \$1.3 billion that it
5 asked for the last time, which they didn't even need to
6 begin with. Once again, FPL is recycling the same
7 failed arguments from the last rate case. Despite the
8 expensive -- and I mean very expensive glossy media
9 campaign, which was not working, Florida ratepayers
10 deserve to know the facts regarding the proposed rate
11 increase. Having low rates in the state does not
12 provide a legal basis for justification to increase your
13 base rates. A \$690 million rate hike is not necessary
14 for FPL to continue generating its profits, like Mr.
15 Wright said. They will still make a couple of billion
16 bucks if everything stays status quo.

17 If the Commission denied FPL's rate request,
18 our total electric bills would actually go down because
19 of the lower fuel costs. An 11-1/2 return on equity is
20 outrageous under prevailing economic conditions. I
21 don't know anybody in this room that's collecting 11-1/2
22 percent on anything.

23 Return on equity has nothing to do with the
24 ability to make investments, because FPL receives full
25 cost-recovery once a plant is put into service. So

1 saying they need to build another plant doesn't
2 authorize them to get more money. They get the money.

3 In closing, we believe that FPL should
4 withdraw this rate case and they should not even ask for
5 a raise this time. And like I said before, we should
6 decrease the rates. We need some help out there, and
7 hopefully everybody here today will realize that and
8 tell the Commissioners such like the rest of us. It's
9 really hard to be intervenors, let me tell you.
10 Everybody here I have to thank, because we have been on
11 the road for the last two days and listening. We have
12 been to four cases. This is your first. I hope you say
13 something great.

14 **CHAIRMAN BRISÉ:** Thank you, Ms. Larson.

15 **MS. LARSON:** Thank you.

16 **CHAIRMAN BRISÉ:** Mr. Saporito.

17 **MR. SAPORITO:** Mr. Chairman, I'm going to
18 exercise my prerogative as a consumer of services from
19 Florida Power and Light Company to address the
20 Commission with my comments.

21 A wise man once said our responsibility as
22 economic regulators is to make sure at the end of the
23 day everything is measured in such a way that when our
24 consumers are impacted it makes sense financially for
25 them and it's all in the general interest. That wise

1 man is the Chairman of our Commission, Mr. Brisé.

2 As Public Counsel recently pointed out to you,
3 our economy is still in a bad way. In fact, Bloomberg
4 reported on the 27th of July that the country is only
5 growing at a meager 1.5 percent. This rate case, this
6 rate case is very unique from other rate cases you have
7 sat on and considered because of the circumstances and
8 time that this rate case is brought. As you all know,
9 in approximately 2008 the world experienced unparalleled
10 financial crisis stemming from misconduct by a number of
11 banks, a number of insurance companies, and credit
12 defaults which were based on signatures of documents
13 that were forged.

14 And the United States government decided to
15 invoke its privilege through the Federal Reserve,
16 unauthorized by the majority of United States citizens,
17 to bail out all these banks with approximately
18 \$700 billion. And what they did is they literally
19 flooded the economy with money. Some termed it Ben
20 Bernanke, who is the federal chairman, as Ben Bernanke's
21 helicopter dropping.

22 The Federal Reserve decided to do this to
23 provide the banks capital reserves which were intended
24 to be loaned out to businesses and consumers to purchase
25 products and regenerate our economy. What the

1 government failed to realize is the majority of the
2 failure or the financial crisis was due to the failed
3 decisions by the bankers which resulted in excessive
4 foreclosures across this country, many of which are
5 still in progress of being foreclosed on.

6 So what happens is all those million of people
7 who owned homes, they lost their homes and those
8 families were put out on the street, and they lost the
9 means to support their families. So they no longer were
10 productive to help the economy recover and their credit
11 rates went into the toilet. The banks raised the levels
12 now of the requirements to even finance a home. The
13 Federal Reserve has dropped interest rates to almost
14 zero. Nobody wants the money. Companies don't want the
15 money, because what we have in this country is a
16 dysfunctional United States Congress that can't agree on
17 anything. The Democrats say, oh, what a beautiful day
18 it is, and the Republicans right behind them are saying
19 what a storm there is out there. They just don't know
20 how to work together anymore.

21 So right now the United States is finishing
22 what they have termed the financial cliff, meaning there
23 are certain Bush tax cuts that are coming to an end and
24 other items involved in that, and if they are not timely
25 resolved, as warned by of the General Office of

1 Accounting, it's going to cause us to go back into a
2 very severe recession.

3 That resolution is unlikely to happen because
4 we're in a presidential election year. So both sides
5 have taken very opposing differential views. The
6 presidential candidates are just -- no one is talking
7 about how to resolve the economic issues, they are just
8 literally attacking each other. It's just pathetic on
9 both sides.

10 What I'm asking this Commission to do now is
11 you need to think outside the box. This problem is
12 beyond the United States. You have to look at us
13 consumers and say where are we going to be five years
14 down the road? We are going to be much worse. The
15 United States in 2008 when this mess began was \$10
16 trillion in debt. Today we are \$16.4 trillion in debt,
17 and it is projected by the United States government we
18 will be \$17 trillion next year in 2013.

19 Our country's debt, the general gross domestic
20 product is well over 100 percent, and it has been there
21 for several years and it is going to go up higher. What
22 that means is the United States of America is bankrupt.
23 We're bankrupt. We're living on borrowed monies. But
24 it's not just the United States. The invention of the
25 Internet to interconnect our financial system to that of

1 the world, Europe, Japan, China, every country, they all
2 have their central financial banks and whatnot except
3 for Europe.

4 Some amazing decision was made a few years
5 ago. They said we have got 17 independent states.
6 We're going create a Euro. That whole system is in
7 collapse, and it's going to effect our country, which
8 means we are going to be worse off in 2013 than we are
9 today. So your decision today, if you were to grant
10 even a penny of an increase, would severely harm us even
11 more.

12 Thank you.

13 **CHAIRMAN BRISÉ:** Thank you, Mr. Saporito.

14 Mr. Nelson.

15 **MR. NELSON:** Okay. I'll take the microphone
16 up here. My name is Larry Nelson and I'm a private
17 citizen here to oppose the proposed rate increase. And
18 I would like to actually thank Mr. Saporito for that
19 extremely broad, but yet I think accurate and relevant
20 analysis of why everybody is hurting. I'm going to
21 address more narrow issues, but I do endorse his
22 analysis of the overall situation.

23 The Commission here, they are the rate cop.
24 Literally, they are the rate cop put here to protect
25 you. Section 366.01, 366.01 of the Florida Statutes has

1 the mandate for the Commission, and it says the
2 regulation of public utilities shall be deemed to be an
3 exercise of the police power of the state for the
4 protection of the public welfare, and all the provisions
5 hereof shall be liberally construed for the
6 accomplishment of that purpose. The rate cop. Not for
7 the protection of excess FPL profits.

8 The law specifies in four different statutes
9 that rates have to be fair, reasonable, just, and
10 compensatory. That is really the only legal standard in
11 the law. So these ladies and gentlemen of the
12 Commission have huge discretion to decide what to do.
13 Those statutes putting forth that standard are Sections
14 366.03, 366.041, 366.05, and 366.06 of the Florida
15 Statutes. However, a caveat in Section 366.041 is that,
16 quote, "No public utility shall be denied a reasonable
17 rate of return." But the point is that the fair, just,
18 and reasonable standard is the standard, not the rate of
19 return. That is sort of a limitation after you decide
20 what's fair, just, and reasonable.

21 The Florida Supreme Court in the case of South
22 Florida Natural Gas Company versus Public Service
23 Commission, a 1988 case, which can be cited as
24 534 So.2d 695 -- sorry about that -- stated that we find
25 that under the Commission's rate-setting authority a

1 utility seeking a change must demonstrate that present
2 rates are unreasonable, and show by a preponderance of
3 the evidence that the rates failed to compensate the
4 utility for its prudently incurred expenses and failed
5 to produce a reasonable rate of return on its
6 investment.

7 FPL hasn't proved that, and common sense will
8 tell you they can't prove that. The facts touted by
9 NextEra Energy, Inc., the parent company in their 2011
10 annual report are total shareholder return for 2011,
11 21 percent. Total shareholder return for the last ten
12 years, 209 percent. COE pay, \$15 million. That's
13 30 times what the President of the United States gets.
14 And, really, I think being president of FPL is like a
15 better job from what I see.

16 So where is the proof that the current rates
17 are unfair and insufficient? There is no proof that the
18 current rates are unfair and insufficient. They haven't
19 met their burden that the current rate is unreasonable.
20 If anything, they should get less, not more. In my
21 opinion, they should get the same 6.95 percent return on
22 equity that they got in the mid-1960s, a similar time of
23 low interest rate and low inflation.

24 They come here with huge profits and huge pay
25 asking for a huge increase. They asked for a huge

1 increase in advertising expense, almost 400 percent,
2 which then they will use to promote themselves. They
3 are charging you \$5.5 million to put together this
4 effort to get an extra \$690 million of rate increase.

5 Shouldn't their shareholders at least pay the
6 expense of asking for the extra money? Where does the
7 greed stop? They do not support widespread use of solar
8 panels on residential roofs, because they can't make
9 money on them for technical reasons. They don't get a
10 return on equity, it's not their equity, even though it
11 is best for the people of Florida and it is best for the
12 environment and the people of the sunshine state seem to
13 want them.

14 And they have these proposals in here for
15 gotcha fees, just like the credit card companies. These
16 fees really bother me. They are supposed to fair and
17 reasonable also, not just the overall rate, but the
18 individual rates. They want to raise the customer
19 charge 19 percent. That's a fee for not using any
20 electricity. That would get them an extra \$54 million.
21 They want to raise the late fee by \$33 million, 103
22 percent. They want to raise the returned payment fee by
23 \$2 million with no justification at all in their papers
24 just because somebody else got it.

25 I just think that we can do better. That the

1 FPL executives should change their attitude and stop
2 manipulating this fine company on behalf of the one
3 percent, and try to partner with the people of Florida
4 to bring a better future for everybody. We can do
5 better than this rate increase.

6 **CHAIRMAN BRISÉ:** Thank you, Mr. Nelson.

7 **MR. SAPORITO:** Mr. Chairman, I want to put
8 this in the record and I forgot.

9 **CHAIRMAN BRISÉ:** Mr. Bryan, you have two
10 minutes and ten seconds.

11 **MR. BRYAN:** Thank you, Mr. Chairman.

12 You have heard the Office of Public Counsel
13 and some other intervenors say this case is not about
14 fuel. But respectfully what this case is about is a
15 history of vision and prudence exercised by FPL over the
16 years to produce the lowest cost, most fuel efficient,
17 cleanest power plants in the state today, which in turn
18 has resulted in the lowest cost customer bills in the
19 state.

20 Saving billion of dollars in fuel costs has
21 simply been a by-product of that vision. Investing
22 millions of dollars today in clean, fuel efficient,
23 modern technology prudently saves customers billions of
24 dollars tomorrow in fuel costs. We believe that that is
25 a wise course that ought to continue.

1 I would like to turn very briefly to the issue
2 of ROE. You have heard some of the intervenors assert
3 that FPL's ROE should be set at 9 percent. Well, very
4 recently the Office of Public Counsel and the Retail
5 Federation, both of which are represented here today,
6 entered into a rate settlement with another electric
7 utility in Florida whose performance does not match
8 FPL's at a set ROE of 10.7 percent. All we are asking
9 for, respectfully, is to be treated fairly relative to
10 the other investor-owned utilities in the State of
11 Florida.

12 Thank you.

13 **CHAIRMAN BRISÉ:** Thank you, Mr. Bryan.

14 At this time we are going to move into the
15 portion that you, the customers, get an opportunity to
16 express your thoughts, opinions, and so forth. A couple
17 of ground rules we are going to express. Some of you
18 may not be very comfortable speaking in public, and it
19 is your option to choose not to do so. There are these
20 green forms that were made available as you came in, and
21 you can write your comments on the forms. And you have
22 a few options. You can either mail the form or you can
23 make the form available to one of our staff persons who
24 are in the rear, and these comments are just as valid,
25 just as good as the comments that are made in person

1 here this afternoon. If you have friends or neighbors
2 who were not able to make it this afternoon, they have
3 the option of providing comments on-line, as well. So
4 those comments will be taken into account, as well.

5 There are some who are very interested in the
6 issues surrounding smart meters. The Commission is
7 going to have a smart meter workshop on the 20th of
8 September at 1:00 p.m. in Tallahassee. And if you are
9 unable to make that, you can send your comments, or you
10 can fill out these forms and mail your comments, or make
11 them available to our staff in the rear, or you can
12 e-mail your comments to us.

13 If you have a telecommunications device, i.e.,
14 a telephone, an iPad, or any one of those types of
15 things -- I think I have heard a couple ring and make
16 some sounds while presentations were being made -- we
17 would certainly ask that you put them on vibrate, or
18 silence them, or if not turn them off so that they don't
19 cause interruptions for those who are speaking and those
20 who are listening, as well.

21 Beyond that, we know that there are some who
22 may not feel comfortable speaking English and they are
23 more comfortable speaking Spanish or Creole. We have
24 interpreters available this afternoon. They are
25 standing right there. If that is your case, as you come

1 up, if you haven't put it on the paper that you need an
2 interpreter, as you come up let us know and an
3 interpreter will be available to you.

4 (Chairman Brisé addresses audience in Spanish
5 and Creole.)

6 With that, I am going to ask all of those who
7 are seeking to provide testimony this afternoon, and it
8 is testimony because it's going to become part of the
9 record, for you to stand in a few minutes. I must tell
10 you that you can be cross-examined. In other words,
11 some of the intervenors can ask you questions. And we
12 have admonished the intervenors and those who will be
13 posing questions that their questions should be limited
14 to the scope of what you have presented as testimony.

15 And obviously if you feel that it goes beyond
16 that scope, you have the right to say that you are not
17 comfortable answering that question, okay? So if you
18 are interested at this time in providing testimony,
19 please stand with me as I will read you your oath.

20 Raise your right hand.

21 (Witnesses sworn collectively.)

22 **CHAIRMAN BRISÉ:** Thank you very much.

23 Mr. Kelly is going to call you up by twos, so
24 the first person who he calls is the one that is
25 actually going to testify, and the second person is

1 going to come forward. And I know there are some things
2 that we need to include as part of the record prior to
3 us beginning to call the first person. So I believe
4 that we are on Number 36.

5 **MS. KLANCKE:** Number 36.

6 **CHAIRMAN BRISÉ:** Number 36. Thank you.

7 **MS. KLANCKE:** Mr. Saporito's exhibit that he
8 provided to us consists of five pages pertaining to
9 economic information, so perhaps a suggested short
10 title, Saporito Economic Composite Exhibit.

11 **CHAIRMAN BRISÉ:** That sounds good to me. So
12 that will be Number 36.

13 **MS. KLANCKE:** Yes, sir.

14 (Exhibit 36 marked for identification.)

15 **CHAIRMAN BRISÉ:** Thank you very much. Okay.
16 At this time, Mr. Kelly.

17 **MR. KELLY:** The first speaker is Mr. Ken
18 Reinhardt who will be followed by Ms. Gloria Reinhardt.

19 **CHAIRMAN BRISÉ:** And as you come up and you're
20 ready to speak, please provide your name, address, and
21 phone number for the record. And as a reminder, the
22 issues of the lights, green, go; yellow, caution; and
23 the red light, it's time to stop.

24 **MR. REINHARDT:** Got it.

25 **CHAIRMAN BRISÉ:** Thank you.

KEN REINHARDT

1
2 was called as a witness on behalf of the Citizens of the
3 State of Florida and, having been duly sworn, testified
4 as follows:

DIRECT STATEMENT

5
6 **MR. REINHARDT:** My name is Ken Reinhardt. I
7 live on 5130 Northwest 82nd Terrace in Coral Springs.
8 My phone number is 954-344-3787. I'm here representing
9 myself as ratepayer with FPL.

10 Mr. Chairman and the rest of the Commission,
11 thanks for the opportunity to speak today. I appreciate
12 that. I would also like to start off by commending FPL
13 for doing a good job. They do, indeed, have reliable
14 power. There are certain times of the year where that
15 is in question, but we know that can't be helped. They
16 are, indeed, proactive in responding to emergencies that
17 we have all gone through, so I appreciate that and
18 applaud FPL for their efforts for the efficiencies and
19 the well-run authorization that they obviously have.

20 By the same token, they reap the rewards of
21 being successful and proactive with a reliable return on
22 investment, return on equity. And as we can see in the
23 latest second quarter results, 17 percent over the
24 second quarter of last year. They run a tight ship.
25 They do a good job. So they are to be commended for

1 that.

2 So far we have heard a lot of numbers,
3 statistics, and facts on FPL, and I sure hope there
4 won't be a quiz before we get out of here tonight. I'd
5 like to offer a few numbers about the ratepayers. We
6 talk in generalities, times are tough out there, and
7 indeed they are, but I would like to bring some numbers
8 to try and frame that as well.

9 First of all, unemployment in Florida is
10 substantially higher than the rest of the nation,
11 8.9 percent versus 8 percent according to the latest
12 figures it seems. They're hurting. They can't afford a
13 rate increase today without a job.

14 Did you know that one out of seven senior
15 citizens in the state live in poverty? One out of
16 seven. They're hurting. They can't afford a rate
17 increase. Those of us on Social Security or on fixed
18 income, we do have some income coming in, the average in
19 the State of Florida is \$20,000 a year income, 14,000 of
20 which on average is Social Security. They're hurting.
21 That doesn't go too far. They can't afford a rate
22 increase.

23 Over 3.2 Floridians are in the SNAP program or
24 food stamps. That is one out of six Florida residents
25 of all ages. They are obviously hurting. They can't

1 afford a rate increase. For the fortunate folks who
2 have jobs, the median household income in Florida is
3 \$44,000 a year. That's 11 percent below the national
4 figure of 50,000. So those especially below the median
5 income are hurting. They can't afford a rate increase.

6 These are numbers that we're talking about for
7 the ratepayers, as I say. The task of the Commission I
8 know is to look at this as a singular event. I heard a
9 lot of numbers regarding FPL's performance, the
10 operations, the processes, and so forth. But many
11 Floridians don't have the luxury of considering this to
12 be a singular event. It's something they have to live
13 with every single day. Health insurance costs are still
14 rising. Even though they are decreasing somewhat, they
15 are still rising at four times the regular inflation
16 rate. We have insurance; we have taxes; these burdens
17 don't go away. Food is increasing. Gas is now.
18 Because of all of these issues, I think that a rate
19 increase right now is ill advised, and I strongly urge
20 the Commission to reject it at this point. Thank you.

21 **CHAIRMAN BRISÉ:** Thank you, Mr. Reinhardt.
22 Any questions for Mr. Reinhardt?

23 Seeing none, thank you for your testimony this
24 afternoon.

25 **GLORIA REINHARDT**

1 was called as a witness on behalf of the Citizens of the
2 State of Florida and, having been duly sworn, testified
3 as follows:

4 **DIRECT STATEMENT**

5 **MS. REINHARDT:** Hi, there. I'm Gloria
6 Reinhardt. I'm at the same address as the gentleman
7 before me.

8 **CHAIRMAN BRISÉ:** That's fair.

9 (Audience laughter.)

10 **MS. REINHARDT:** First of all, thanks so much
11 for allowing us the opportunity to talk. And as we
12 compared our speeches, we found out we were thinking
13 alike. But I guess what I would like to say is that
14 someone mentioned -- one of the intervenors mentioned
15 that FPL should have a fair, just, and reasonable
16 amount. I was going to talk about when is enough
17 enough.

18 First of all, I want to congratulate FPL. I
19 mean, their 2011 profits was phenomenal. And I also
20 learned that their parent company, NextEra, their
21 earnings per share has beat the S&P 500 utility index
22 for the last ten years. That's really great. But then
23 I have to question why do they need more money? They
24 been doing very well, and they are now asking for more
25 money. And part of it they say they want to build a

1 plant and they are going to charge us for this now.
2 Excuse me? No other company or organization can charge
3 in advance for their own capital improvements. It is
4 not fair to the Citizens of Florida that they have got
5 to pay for this well in advance.

6 I happen to agree with the Office of Public
7 Counsel that the return on equity should be closer to
8 9 percent rather than 11-1/2. I think that's excessive,
9 and I don't see where the citizens of Florida need to
10 pay for excessive rates. And, again, I would have to
11 say when is enough enough?

12 I checked with bankrate.com yesterday to see
13 what the CD rates were. And guess what, a five-year CD
14 is between 1 percent and 1-1/2. Maybe there are some
15 outliers at 1.7. I know many seniors in this state
16 would love to get 3 percent, or 4 percent, but 11-1/2
17 percent, they don't even dream of that.

18 Now as a consumer, we have invested in
19 appliances that are energy saving. We bought a new air
20 conditioner, and I believe we are seeing some of the
21 results of that. We have a new refrigerator, a new
22 stove, a new washer/dryer, a dishwasher that doesn't
23 work as well as the others, but it saves us money.
24 Basically, what I think is that we have done our part.
25 We have done our share. These are some of the things

1 that FPL advises you to do. We turn off the ceiling
2 fans when we leave a room. We unplug appliance when we
3 are through with them, if we remember, and, you know, we
4 do what we can do. So, basically, we are giving more
5 and more, and FPL just keeps asking for more and more.
6 So again I say, when is enough enough?

7 So one of the things that I found that he
8 didn't mention about hunger in Florida was an article a
9 few weeks ago in the *Sun Sentinel*, and it says that
10 Florida ranks among the top ten states in the nation for
11 the percentage of seniors facing the threat of hunger.

12 And somebody else mentioned about the frozen
13 rates, that they didn't get rate increases from 2010
14 until now. Well, any senior on Social Security knows
15 all about frozen rates, because we didn't get it for a
16 couple of years, either. We're looking at perhaps a
17 1.7 percent for 2013, if we're lucky. So that doesn't
18 go very far for those people that are on the lower
19 spectrum of the Social Security, and please keep that in
20 mind when you are making your decision. It will affect
21 them greatly. And my light is blinking. Thank you very
22 much.

23 **CHAIRMAN BRISÉ:** Thank you very much, Ms.
24 Reinhardt.

25 Are there any questions for Mrs. Reinhardt?

1 Thank you for your testimony this afternoon.

2 **MR. KELLY:** The next speaker is Jewel Ecton
3 who will be followed by Robin Ronne.

4 **JEWEL ECTON**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MS. ECTON:** My name is Jewel Ecton. I live at
10 1345 Southwest 122nd Way in Pembroke Pines. My number
11 is 954-632-8446.

12 I feel it's unfair to raise the rates. Most
13 seniors move to Florida to get out of the ice and cold.
14 I came from Chicago. I love it here. Your weather is
15 beautiful. But if you continue to raise the rates, we
16 will not be able to remain in your beautiful state.
17 Because the average retirement increase for seniors who
18 are on Social Security or retirement is 3 percent, and
19 you're talking 16 percent. Do the math. Thank you.

20 **CHAIRMAN BRISÉ:** Thank you very much,
21 Ms. Ecton.

22 Any questions for Ms. Ecton? All right.
23 Seeing none, thank you for your testimony.

24 **MR. KELLY:** After Mr. Ronne will be Ms. Esther
25 Magliore. Magliore.

1 **CHAIRMAN BRISÉ:** Yes, sir, you may. All
2 right. Are we okay here?

3 **MR. KELLY:** Yes.

4 **MS. MAGLIORE:** I thought I was supposed to
5 speak now.

6 **CHAIRMAN BRISÉ:** No problem. No problem at
7 all. All right. You may proceed, sir.

8 **ROBIN RONNE**

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 **DIRECT STATEMENT**

13 **MR. RONNE:** Good afternoon. My name is Robin
14 Ronne with the Greater Fort Lauderdale Alliance, 110
15 East Broward Boulevard in Fort Lauderdale. The
16 telephone number is 954-627-0126.

17 Commissioners, good afternoon. I was invited
18 here by FPL to speak to you this afternoon, and I'd like
19 to provide the following key points for supporting FPL's
20 rate increase. First, FPL fully supports and actively
21 participates in our economic development initiatives to
22 bring high wage jobs and capital investment to the
23 Greater Fort Lauderdale area in key targeted industries
24 such as recent announcements of corporate headquarters
25 for Astor and Black to Pembroke Pines from Columbus,

1 Ohio, and international digital headquarters for
2 Emerson's Latin American headquarters to Sunrise from
3 St. Louis, Missouri, by investing their time and
4 resources at the highest level in our CEO council.

5 Secondly, FPL has maintained an ongoing
6 commitment to strengthening and hardening of their
7 infrastructure to both withstand and quickly recover
8 from severe or extreme weather emergencies. This is a
9 key selling point for companies and their employees who
10 relocate here with little or no experience in dealing
11 with such events.

12 Third, FPL has reinstated and professionally
13 staffed a formal economic development division to
14 provide all the jurisdictions and communities within
15 their service area with much needed support to market
16 and promote their competitive benefits at state,
17 regional, national, and international level. They have
18 offset the highly competitive environment facing those
19 communities and greatly improved their odds for winning
20 valuable new projects. Which is best highlighted by
21 FPL's implementation of a new economic development
22 incentive rate for new and expanding businesses to help
23 offset costs associated with the start up, expanding, or
24 moving their operations to Florida.

25 Finally, FPL has the lowest and most

1 cost-competitive business customer bills in the State of
2 Florida and below the national average, which provides
3 the communities it serves with an enhanced advantage to
4 attract and retain high wage jobs and capital
5 investments to our area. Thank you.

6 **CHAIRMAN BRISÉ:** Thank you very much,
7 Mr. Ronne.

8 Are there any questions for Mr. Ronne from the
9 intervenors? All right. Seeing none, thank you for
10 your testimony this afternoon.

11 If we didn't make that clear earlier, the
12 questions can only come from the intervenors. So we
13 certainly appreciate your understanding of that.

14 Mr. Kelly.

15 **MR. KELLY:** After Ms. Magliore is Mr. Benjamin
16 Nazario.

17 **ESTHER MAGLIORE**

18 was called as a witness on behalf of the Citizens of the
19 State of Florida and, having been duly sworn, testified
20 as follows:

21 **DIRECT STATEMENT**

22 **MS. MAGLIORE:** Ladies and gentlemen, thank you
23 for giving me the opportunity to speak. What I have to
24 say is very simple. I'm talking from my heart and from
25 my personal experience. I'm a senior citizen. I am a

1 customer of FPL, and definitely I am against the
2 increase. I agree with all the speakers who came here
3 to talk against the increase, and I'm not going to get
4 into this.

5 What I want to say is very practical. There
6 are seniors where I live, and this is supposed to be
7 addressed to FPL that the seniors have their electric
8 cut sometimes, and I feel like FPL needs to take this
9 into consideration before they cut the electricity of
10 the seniors, somebody who is not working, who is on
11 Social Security, and all these things.

12 Sometimes it's not because they are not going
13 to pay, they didn't realize what happened, they didn't
14 see the bill because they are seniors. And they come to
15 me to tell me, oh, they turn off my electricity. I
16 don't know why. Then I call FPL for them, and I look,
17 and I realize there was a discrepancy. But I think they
18 should take more consideration of the seniors. Don't
19 treat them like the corporate people who are working.
20 These people are in low income. They should not be
21 raising their rates. Plus, you know, treating them just
22 like if they were working. I think this is not fair.
23 Because when I talk to them when I call they never --
24 they just say, oh, does the person have an electric
25 appliance in the home? If you don't have any electric

1 appliances in the home too bad. The people just come
2 and take them by surprise, and I think it's unfair.
3 This is something that should be taken into
4 consideration. FPL perhaps can think about it, okay.

5 **CHAIRMAN BRISÉ:** Thank you very much for your
6 testimony. If you can provide us your address and your
7 phone number?

8 **MS. MAGLIORE:** Yes, I do have the phone. They
9 need it now?

10 **CHAIRMAN BRISÉ:** It's for the record. It
11 makes it easier for us to --

12 **MS. MAGLIORE:** Do you want me to read it to
13 you? I already wrote it down somewhere.

14 **CHAIRMAN BRISÉ:** Okay. Thank you very much.
15 Thank you for your testimony today.

16 **MR. KELLY:** After Mr. Nazario is David Kresge.

17 **BENJAMIN NAZARIO**

18 was called as a witness on behalf of the Citizens of the
19 State of Florida and, having been duly sworn, testified
20 as follows:

21 **DIRECT STATEMENT**

22 **MR. NAZARIO:** Good afternoon. I want to thank
23 you for the opportunity to speak. My name is Benjamin
24 Nazario and I reside at 2505 Antigua Terrace, Apartment
25 F-1, Coconut Creek, Florida. My telephone number is

1 954-532-3156.

2 I am a Florida Power and Light customer and I
3 oppose the increase for the basic rate. I live in a
4 55-plus community in Coconut Creek in Broward County.
5 My thoughts on the proposed increase are as follows: My
6 wife and I are retired on a fixed income with a pension
7 and Social Security. I have sleep apnea, and I need
8 electricity for my CPAP machine. My wife and I have
9 illnesses that require medical attention. We are
10 dependent on our electrical power supply.

11 Being on a fixed income, we cannot afford a
12 forever increase since our income will not change. I do
13 not believe that we can afford this increase in
14 electrical power and subsequent increases in services
15 affected by this rate increase. This increase
16 represents an increase on the basic rate. Much like the
17 postal stamp, it is a forever stamp. The stamp does not
18 change, but the price goes up. This increase will not
19 end in five or ten years. And I want to thank you again
20 for allowing me the opportunity to speak.

21 **CHAIRMAN BRISÉ:** Thank you, Mr. Nazario.

22 Are there any questions for Mr. Nazario?
23 Seeing none, thank you for your testimony.

24 **MR. KELLY:** After Ms. Kresge is Gerard Mayer.

25 **DAVID KRESGE**

1 was called as a witness on behalf of the Citizens of the
2 State of Florida and, having been duly sworn, testified
3 as follows:

4 **DIRECT STATEMENT**

5 **MR. KRESGE:** Good afternoon. My name is David
6 Kresge, a resident here in Fort Lauderdale. My address
7 is 649 Northeast 17th Way, Fort Lauderdale. I'm also
8 representing Regions Bank in downtown Fort Lauderdale,
9 100 Southeast 3rd Avenue.

10 I'm here at the request of Florida Power and
11 Light to talk about the reliability of the service. In
12 the Broward County area I am responsibility as city
13 president for 19 retail store branches here in Broward
14 County. And in my Dade and Palm Beach County
15 departments my teammates have a collective 79 branches.
16 We are here to comment that the reliability of Florida
17 Power and Light is outstanding. Their service to us
18 when our systems go down and our security is at risk is
19 fast and efficient, as well as when a branch goes down
20 and we have mechanical problems, their cooperation with
21 the vendors to get us back up to speed is very fast and
22 efficient.

23 And we are here today to talk about rate
24 increases for the future, and we have the power and the
25 success of the efficiencies that we have today because

1 of their decisions that they made 10 or 15 years ago to
2 deliver on what they have today. So we appreciate what
3 they are doing and I thank you very much.

4 **CHAIRMAN BRISÉ:** Thank you, Mr. Kresge.

5 Any questions for Mr. Kresge? Seeing none,
6 thank you for your testimony this afternoon.

7 **MR. KELLY:** After Mr. Mayer is Tom Shea.

8 **GERARD MAYER**

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 **DIRECT STATEMENT**

13 **MR. MAYER:** Good afternoon. I'm Gerard Mayer,
14 811 Southwest 113th Avenue, Pembroke Pines, Florida.

15 Ladies and gentlemen of the Public Service
16 Commission, by this time you have heard all the facts
17 and figures that you need to know about Florida Power
18 and Light's rate increase. I would like to discuss
19 another issue that you should consider. We in the
20 United States have coined a new term, corporations are
21 not people. We, the people of the United States, at
22 this time are struggling through one of the greatest
23 recessions in history. Many of the people in the United
24 States are unemployed and are looking for gainful
25 employment. It has become evident that Florida Power

1 and Light, a corporation, is not people. If it were
2 true, they would not be considering a rate increase that
3 includes profits over people. This is not the time for
4 a rate increase. Thank you.

5 **CHAIRMAN BRISÉ:** Thank you very much for your
6 testimony, Mr. Mayer.

7 Any questions for Mr. Mayer? Thank you again
8 for your testimony.

9 **MR. KELLY:** After Mr. Shea is Sergio Miyares.

10 **TOM SHEA**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MR. SHEA:** My name is Tom Shea, and I'm with
16 the company Right Management at 1301 East Broward
17 Boulevard in Fort Lauderdale. And the telephone number
18 is 954-334-2500.

19 I have been invited by FPL to be here today.
20 I've lived in Broward County 42 years. In 1979, my wife
21 and I started a human resource consulting company that
22 has worked out very well with many clients, hundreds of
23 clients. One of those clients, I want to let you know,
24 is FPL and has been a client of ours for over 20 years.
25 But even in those 20 years, I have never been to one of

1 these events, so this is very interesting.

2 In terms of our lives, we had two kids. One
3 of them is getting married in March. Just bought a
4 little house. And hopefully we're planning on becoming
5 grandparents. I hope he's planning on that. And the
6 reality is when I came to Broward County, we were able
7 to start a life here and grow a family because of the
8 infrastructure that was here, one of the factors. And
9 that infrastructure was led by FPL and the decades of
10 citizens before us that invested in that infrastructure.
11 And it is my hope that we will continue to reinvest in
12 the infrastructure.

13 We can see what has happened in many parts of
14 our state and the country when we don't reinvest in
15 infrastructure way ahead of time. I mean, we can't
16 start fixing a bridge when it collapses. We have to do
17 that ahead of time. And we, as a community, sometimes
18 are spoiled. Just by the nature of my work, I travel
19 throughout the U.S. and internationally frequently, and
20 the service that we are used to every day is not the
21 normal service that the rest of the world sees. This is
22 an exceptional service. The company has provided -- FPL
23 has provided a tremendous infrastructure and we have to
24 continue to support that. All of us know in our lives
25 there is no such thing as a free lunch and we can't say,

1 hey, we paid before, we don't want to pay anymore. We
2 have to pay for what we're looking for now and we have
3 to pay for the future generations just like before us
4 those that have paid that and we are benefiting from
5 that.

6 And I would like to also mention from the
7 standpoint of the economy, we are very involved in
8 trying to attract companies to come to Florida, and it
9 is because of companies like FPL and because of the
10 infrastructure we have here that we are going to bring
11 more companies to Florida and we are going to create
12 jobs that are going to really help turn the economy here
13 around.

14 We have to be an attractive investment area
15 for companies, and we have to have a public utility that
16 I am proud of being an FPL customer who has a good rate,
17 that people will invest in this business, and we don't
18 have to go into debt like we have seen in Portugal and
19 Greece and Europe and all the challenges. We want
20 profitable investments from around the world to continue
21 to invest here because they get a good return because we
22 in Florida benefit from that. Thank you.

23 **CHAIRMAN BRISÉ:** Thank you very much.

24 Any questions for Mr. Shea? Seeing none,
25 thank you for your testimony today.

1 I just wanted to suggest one thing. This room
2 isn't that large, so sometimes when we're having these
3 conversations, they track throughout the room, so let's
4 attempt to be respectful of each other. Thank you very
5 much.

6 **MR. KELLY:** After Mr. Miyares is Mr. Ryan
7 Palonka.

8 **SERGIO MIYARES**

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 **DIRECT STATEMENT**

13 **MR. MIYARES:** Good afternoon. Thank you for
14 this opportunity to speak. My name is Sergio Miyares on
15 behalf of CC Devco at 135 San Lorenzo Avenue. My phone
16 number is 305-794-9073.

17 Right now we are doing a project in Miramar.
18 It's 300 new homes that we have had for the last year,
19 coordinate with FPL. It is monthly meetings that we
20 have, coordination. They have worked very closely with
21 them. They have really given us a great -- they are
22 doing a great job is what I'm here to say. If it wasn't
23 for FPL and their hard work, this wouldn't be possible.
24 These 300 new homes are here to serve the community.
25 They make it very feasible for us to do all these

1 projects that we are doing. We have several projects in
2 the works. Ryan is going to speak about some of those,
3 and we are just here to appreciate the work that FPL is
4 doing for us on daily basis. Thank you.

5 **CHAIRMAN BRISÉ:** Thank you very much.

6 I think there is a question for you, Mr.
7 Miyares.

8 **MR. NELSON:** Yes. I just wanted to know if
9 you had spoken with anybody at FPL and if they had
10 invited you to come here today.

11 **MR. MIYARES:** Yes. In our monthly meetings
12 they asked if we would -- they mentioned this was going
13 on, and if we would come and speak on their behalf.

14 **MR. NELSON:** Thank you very much.

15 **MR. MIYARES:** You're welcome.

16 **CHAIRMAN BRISÉ:** Thank you very much, Mr.
17 Miyares.

18 **MR. KELLY:** After Mr. Palonka is Valerie
19 Michael.

20 **RYAN PALONKA**

21 was called as a witness on behalf of the Citizens of the
22 State of Florida and, having been duly sworn, testified
23 as follows:

24 **DIRECT STATEMENT**

25 **MR. PALONKA:** My name is Ryan Palonka. I'm

1 with CC Devco, a developer. The same address, 135 San
2 Lorenzo Avenue, Suite 740. The phone number is
3 786-334-8116.

4 Likewise with Sergio, FPL has asked us to come
5 and speak on their behalf. We have a number of
6 projects, as Sergio mentioned. We have had a positive
7 working relationship with FPL throughout all of them.
8 We have a project here in Cooper City, Monterra, a
9 couple in Davie, a project in Miramar. They are all at
10 different stages from infancy to, you know, almost
11 complete with Monterra.

12 FPL has been there along the way. There has
13 been, you know, required levels of coordination which
14 they have been very supporting through all of it. A
15 couple of things we look at when we start a project are
16 feasibility, cost, and construction time. FPL is one
17 less area of concern that we have to worry about in
18 constructing a project on time. They are always very
19 helpful with any questions we have, you know, whether
20 it's services to houses, main feeders throughout the
21 site, lighting, and then all the other odds and ends
22 that go on through the project.

23 You know, I think the multiple projects that
24 we have going on in Broward County shows the growth
25 potential in the area we are with the growing of Broward

1 County, and I think FPL supported along the way. We
2 have enjoyed working with them in the past, and we look
3 forward to working with them in the future.

4 **CHAIRMAN BRISÉ:** Thank you very much.

5 Any questions for Mr. Palonka? All right.
6 Seeing none, thank you for your testimony today.

7 **MR. KELLY:** After Ms. Michael, Henry Salomon.

8 Valerie Michael. Valerie Michael. All right.
9 After Mr. Salomon is Sharon Curtis.

10 **HENRY SALOMON**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MR. SALOMON:** Good afternoon. My name is
16 Henry Salomon. I live at 395 Northwest 110th Avenue,
17 Coral Springs. My phone number is 554-345-3840.

18 FPL, a principal subsidiary of NextEra Energy
19 since 2009, has been an extremely well-run corporation
20 and profitable for its shareholders. It consistently
21 beats the S&P and Dow averages, as well as the electric
22 utility index. The stock price and (inaudible) are up
23 from a \$1.64 in 2007 to \$2.40 a share in 2012.
24 Apparently they have not been hurt by the recession as
25 other companies have been. Congratulations.

1 NEE has a profit margin of 13.59 percent
2 compared with American Electric Power, a similar
3 corporation with a profit margin of 13.17 percent. NEE
4 has a return on assets of 4.27 percent compared with
5 3.44 at American Electric Power, and a return on equity
6 of 14.19 percent compared with 11.20 at American
7 Electric Power. NEE growth year over year is
8 11.74 percent. Compared with AEP which has earnings
9 growth of 10.20 percent.

10 As you can see in these difficult economic
11 times for our country and for FPL customers this utility
12 is doing quite well. Where is the justification for a
13 base rate increase? The company says that the raise
14 will only be about \$2, but that is masked by the real
15 increase by using the drop in the fuel cost as cover.

16 In actuality, a 15 to 16 percent increase that
17 will be there when fuel prices go up again. If not for
18 this request for a rate increase, our bills would be
19 going down as the utility would have to drop the fuel
20 pass-through costs. In these hard times, isn't a lower
21 bill for Florida consumers needed and deserved?
22 Remember, fuel price will rise again and base rates
23 increase forever. Thank you.

24 **CHAIRMAN BRISÉ:** Thank you very much for your
25 testimony, Mr. Salomon.

1 Are there any questions for Mr. Salomon?

2 Seeing none, thank you again.

3 **MR. KELLY:** After Ms. Curtis is Ms. Yolanda
4 Rodriguez.

5 **SHARON CURTIS**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. CURTIS:** My name is Sharon Curtis, 901 St.
11 Andrews Road, Hollywood. 954-989-1221.

12 I was invited by Florida Power and Light to
13 relay the very personal experience that I have had with
14 FPL service. Sometimes we just don't give enough credit
15 to companies that do provide wonderful service.

16 We live in a townhouse community in Hollywood,
17 and around 6:37 our lights went out. After determining
18 it wasn't our unit, we contacted FPL and got an
19 immediate response that they were aware of the problem
20 and a crew was on the way. We saw the truck on the
21 property ten minutes later. Shortly after that we got a
22 call and were told it would take four to five hours to
23 correct the situation. We kept getting hourly updates.
24 In less than three hours we were back on-line.

25 In addition to the prompt service, we really

1 appreciate getting those updates. So although we were
2 in the dark for a while, we weren't kept in the dark.

3 Thank you.

4 **CHAIRMAN BRISÉ:** Thank you very much,
5 Ms. Curtis.

6 Are there any questions for Ms. Curtis? All
7 right. Seeing none, thank you for your testimony.

8 **MR. KELLY:** After Ms. Rodriguez is Joseph
9 Curtis.

10 **YOLANDA RODRIGUEZ**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MS. RODRIGUEZ:** Good afternoon, Chairman and
16 members of the Commission. As a former economic
17 development director for a local city here in Broward
18 County, and as former city manager, what I can share
19 with you is that it was my responsibility as manager to
20 look at what my residents could afford when presenting a
21 budget. And I ask that you please consider a few things
22 this afternoon, and think about this and remember my
23 comments when you make your final decision.

24 We're not talking about what a great steward
25 of the local community FPL is. That is a well

1 established fact. When your lights go out, you turn to
2 FPL and they respond in a responsible way and in a very
3 customer friendly way.

4 At issue is not their stewardship of the
5 different nonprofits in this county, either. At issue
6 is the state of the economy. The economy at the state
7 level and the personal economy of people like you and I.
8 I also represent AARP currently, and I could share with
9 you that on behalf of 2.7 million senior members in this
10 state, the average Social Security benefit is \$1,100.
11 \$1,100 a month. \$1,100 a month on which over 11 percent
12 is spent on medical health care issues, whether it's
13 obtaining medication or paying co-pays. And that leaves
14 about \$980 for the rest of the month for every other
15 living expense.

16 I can share with you that in this state we
17 have not recovered economically and you know that. I
18 know that in the City of Tampa and all other cities in
19 the great State of Florida we have not recovered because
20 of the devaluation of our property values. We have also
21 just had to understand and accept and plan for the
22 consequences of citizens increases to home insurance
23 rates across the state. So we cannot at this time I
24 would think responsibly say to a company as profitable
25 as FPL to go ahead and tack on additional user fees to

1 our residents. This is not the time.

2 I applaud their economic development efforts.
3 I hope they will succeed and perhaps this can be looked
4 at in the future, but now is not the time. Asking a
5 senior that live on less than \$1,000 a month to incur
6 additional cost for their electric use for a monopoly is
7 just unacceptable. And I want you to please keep that
8 in mind when you make your final decision. Thank you.

9 **CHAIRMAN BRISÉ:** Thank you, Ms. Rodriguez, for
10 your testimony.

11 If you could provide for us your address and
12 phone number, but I think before that, Commissioner
13 Brown has a question for you.

14 **MS. RODRIGUEZ:** Sure. My home address is
15 10451 West Broward Boulevard, Unit 210, Plantation,
16 Florida. My office address is 3350 Southwest 148th
17 Avenue in Miramar.

18 Yes, Ms. Brown.

19 **COMMISSIONER BROWN:** Thank you your testimony
20 today. My question for you is are you representing
21 yourself as a customer or on behalf AARP?

22 **MS. RODRIGUEZ:** Thank you for that question.
23 I am representing myself on two fronts. One is as an
24 individual ratepayer and someone who helps two elderly
25 parents, 73 and 79, sustain this economic downturn; and

1 one is as an advocate on behalf of 2.7 million AARP
2 members. Thank you.

3 **CHAIRMAN BRISÉ:** Thank you very much,
4 Ms. Rodriguez.

5 **MR. KELLY:** After Mr. Curtis is Shahin
6 Etessam.

7 **JOSEPH CURTIS**

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified
10 as follows:

11 **DIRECT STATEMENT**

12 **MR. CURTIS:** Good afternoon. Joseph Curtis,
13 901 St. Andrews Road, Hollywood, Florida; 954-989-1221.
14 I was not invited here by FPL. My wife was. She spoke
15 two people ago. And I'm the chauffeur. As long as I'm
16 here I might as well speak. (Audience laughter.)

17 **CHAIRMAN BRISÉ:** I can relate to that.

18 **MR. CURTIS:** Yes. On a serious note, though,
19 I don't know if FPL is entitled to the increase they're
20 asking for. I don't think anyone in this room does.
21 That's up to you guys and your staff. And I wish you
22 the best. Because when you get through, we know one
23 thing, FPL has to have enough income to keep investing
24 in our future and their future. They have to keep the
25 bills as low as possible, we all know that, but

1 sometimes you have increases. I have had tons of
2 increases in the condo I live in, and my income has gone
3 down. I'm aware of what is happening in the country,
4 but that's not a reason not to give a company an
5 increase if you folks feel that it's justified.

6 They also have to be allowed to have enough
7 income to continue the excellent service on all areas
8 that you're all hearing about, but we all know it. I
9 don't think there are too many customers that are
10 unhappy. I talk to many organizations every day, and I
11 think that the quality of the FPL comments and their
12 response is among the best in the country. It's
13 certainly better than talking to China.

14 Again, there are a number -- there are lots of
15 reasons why they might be entitled to an increase, but
16 there are some reasons that I don't think are fair in
17 making that decision. I don't think the economy of the
18 country, taking that into effect is fair. I sympathize
19 with people that can't pay their bills, if the bills go
20 up 7, or \$10, or whatever it is. Maybe there should be
21 some fund set up in the State of Florida to help people
22 like that. When people can't pay their bills in their
23 condominium, they are asked to leave. I'm not saying
24 that we should do that, but that's not a reason. It's
25 also not a reason -- I read in the paper that some

1 people can't afford gas to drive to the meeting today.
2 I doubt that. Of course, if they were coming from
3 Tallahassee maybe.

4 AARP I heard said FPL is making a reasonable
5 profit. Well, you know they're a nonprofit. So is AARP
6 making a reasonable profit. People have the opportunity
7 to take advantage of various means of lowering their
8 bills. I know we have smart meters that were put in.
9 They will help you analyze what your problems are. FPL
10 offers surveys to folks for their homes to lower their
11 bills. All of this has to be taken into consideration.
12 Thank you very much.

13 **CHAIRMAN BRISÉ:** Thank you, Mr. Curtis.

14 Any questions for Mr. Curtis? Okay. Seeing
15 none, thank you to your testimony today.

16 **MR. KELLY:** After the next gentleman, I will
17 not butcher his name again, will be Mr. Joe Schwartz.

18 **SHAHIN ETESSAM**

19 was called as a witness on behalf of the Citizens of the
20 State of Florida and, having been duly sworn, testified
21 as follows:

22 **DIRECT STATEMENT**

23 **MR. ETESSAM:** Good evening, Mr. Chairman and
24 Commissioners. For CD Group and Greatstone Development,
25 my name is Shahin Etessam. My office is at 3839 West

1 16th Avenue in Hialeah. Telephone number 786-236-4967.

2 I'm a real estate developer based in Hialeah
3 whose portfolio includes numerous residential and
4 commercial projects throughout South Florida over the
5 past 20 years. Naturally, in the building process all
6 of these projects have required that we work very
7 closely with Florida Power and Light. I am personally
8 very hands-on in all facets of the development process.
9 I plan for everything far in advance, double and triple
10 check every detail, and I'm very demanding, particularly
11 in scheduling and meeting deadlines.

12 I can confirm the confidence with FPL has
13 never failed to meet my challenging deadlines. They
14 have worked diligently with us as a team to ensure the
15 success of each and every project. Any obstacles and
16 unforeseen issues that have come up -- which, of course,
17 they always do -- have been handled completely by FPL
18 personnel.

19 Often we take for granted the hard work every
20 one at FPL puts in daily. I would love to take this
21 rare opportunity to publicly thank the team at FPL for
22 their expertise, perseverance, and diligence over these
23 many years. I'm proud to say that many homes we have
24 built over the years are enjoyed by thousands of
25 families in South Florida, our shopping centers and

1 offices have brought jobs and revenue to our
2 communities, and all of these would not have been
3 possible without the unwavering commitment to service
4 FPL has provided.

5 Obviously I was invited by FPL. And thank you
6 for your time and thank you very much. (Audience
7 laughter.)

8 **CHAIRMAN BRISÉ:** Thank you very much for your
9 testimony.

10 Any questions? Ms. Larson. There is a
11 question for you, sir.

12 **MS. LARSON:** I'm sorry. I just have one
13 question. You say you are a builder?

14 **MR. ETESSAM:** Yes.

15 **MS. LARSON:** When you are building your
16 projects and you have to do infrastructure, do you add
17 that into the cost of the buildings?

18 **MR. ETESSAM:** Of course.

19 **MS. LARSON:** Okay. Thank you.

20 **CHAIRMAN BRISÉ:** Thank you very much for your
21 testimony today.

22 **MR. KELLY:** After Mr. Schwartz is Adele
23 Berger.

24 **CHAIRMAN BRISÉ:** Okay. After Ms. Berger we
25 are going to take a ten-minute break to give our court

1 reporter an opportunity to rest her fingers.

2 **JOE SCHWARTZ**

3 was called as a witness on behalf of the Citizens of the
4 State of Florida and, having been duly sworn, testified
5 as follows:

6 **DIRECT STATEMENT**

7 **MR. SCHWARTZ:** Good afternoon, Commissioners.
8 My name is Joe Schwartz. I live at 554 Northwest 108th
9 Avenue, Coral Springs. And my phone number is
10 954-344-7902.

11 I am, like many others that came before you, a
12 FPL customer. FPL has been a good service provider to
13 me. I don't begrudge them that. Whenever there has
14 been problems, they have been there. But I stand before
15 you and I want to be specific that I oppose the increase
16 that they are suggesting. As a Citizen of Florida and
17 as a consumer in Florida, I am a people watcher and a
18 people listener. And from family and friends and others
19 that I communicate with, they are having very difficult
20 times right now.

21 It's not a question of choosing, taking one
22 thing or another, it's a question of doing without. I
23 myself had to take a talk to my son today who needed a
24 prescription that would have cost him \$240 a month. I
25 can't afford to pay for it and neither can he. He will

1 do without. So I stand before you and say that any
2 additional increase affects all of us. There may be
3 some amongst us that are insulated from this problem,
4 I'm not one of them, and I hope there are others in this
5 room that are also not insulated. Because any increase
6 further, it's not a question of the straw that broke the
7 camel's back, the camel's back is broken.

8 Please do not vote for this increase. Thank
9 you.

10 **CHAIRMAN BRISÉ:** Thank you, Mr. Schwartz.

11 Any questions for Mr. Schwartz? All right.
12 Seeing none, thank you for your testimony today.

13 Ms. Berger.

14 **ADELE BERGER**

15 was called as a witness on behalf of the Citizens of the
16 State of Florida and, having been duly sworn, testified
17 as follows:

18 **DIRECT STATEMENT**

19 **MS. BERGER:** Good afternoon, Commission. FPL
20 did invite me to speak. My name is Adele Berger, 12901
21 Southwest 15th Court, Pembroke Pines; 954-437-9899.

22 I reside in Century Village, Pembroke Pines.
23 I'm a community leader in a complex of 14,000 senior
24 residents where many are ill or disabled. From Katrina
25 to Wilma to the present I worked very closely with FPL

1 so that all of our 141 buildings had power.

2 Recently, I was contacted by an association
3 that their parking lot lamp posts have been without
4 lights for at least two years. Parking at night was
5 very difficult. I made a call and within a few days FPL
6 came to our aid and the lights were restored.

7 Because of our hurricanes and heavy storms, it
8 is a continual battle to make sure that Century Village
9 has electricity. I cannot thank FPL enough for their
10 caring and understanding at a time when our elderly need
11 them the most. Thank you.

12 **CHAIRMAN BRISÉ:** Thank you very much for your
13 testimony.

14 Any questions for Ms. Berger? Seeing none,
15 thank you for your testimony this afternoon. We are
16 going to take a ten-minute recess at this point.

17 (Recess.)

18 **CHAIRMAN BRISÉ:** All right. Just a reminder
19 as we settle back in. We want to be respectful of each
20 other, so we are going to bring the volume back down,
21 and we are going to make sure that -- I know that during
22 our breaks we might have turned the options on our
23 phones in terms of the volume for ringers and so forth,
24 so we're going to make sure that our phones are back on
25 silent or vibrate so that we can continue to have this

1 hearing proper work in its proper decorum.

2 Mr. Kelly, please proceed.

3 **MR. KELLY:** All right. The next speaker is
4 Arlene Fischer followed by Ms. Lolita Miller.

5 **ARLENE FISCHER**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. FISCHER:** I almost said good afternoon,
11 but now it's good evening.

12 **CHAIRMAN BRISÉ:** Good evening.

13 **MS. FISCHER:** My name is Arlene Fischer. I
14 was invited here to speak by FPL. I live at 12901
15 Southwest 15th Court in Pembroke Pines, Florida 33027;
16 954-433-4998.

17 Okay. And the winner is --

18 (Audience laughter.)

19 On June 11th, about 1:00 o'clock, I was
20 preparing lunch. I had just put bread in the toaster,
21 and when I opened the refrigerator door the light
22 suddenly went off. My first thought was that I hope I
23 have a bulb that size. I then realized the radio had
24 gone off. The electricity was off. Well, at least my
25 refrigerator bulb was okay.

1 The outage was followed by two flickers and
2 then nothing. I confirmed this fact with two neighbors,
3 one of whom rang my bell as if I were Mrs. Edison. By
4 the way, the bell didn't work, but the knocker did. I
5 called the outage number for FPL. The person who
6 answered was not a robot. Thank you for that. She said
7 she would check out my problem. In 45 seconds, she told
8 me that there was an outage affecting 3,000 people. I
9 was urged by her to correct this as quickly as possible,
10 as we are all seniors in our community where the average
11 age is from 60 to more than 90.

12 I then said somebody could easily be caught in
13 the elevator. She promised to report it immediately.
14 My neighbor decided to call also, and she was told that
15 the repair would be completed by 2:00 p.m. I waited
16 outside watching the security car gates remain in an
17 upright position. At 1:50 p.m., I saw the arms start to
18 swing open to allow the cars to enter.

19 My phone, which had stopped working, suddenly
20 rang. It was FPL. They asked whether my electricity
21 was on again. I was very impressed because, one, they
22 called me back personally to make sure the outage was
23 repaired. Two, that the repair was made within the
24 promised time frame. In fact, ten minutes less. Three,
25 they told me there was an equipment failure. How many

1 companies would admit to that?

2 I then finished toasting my bread, and also
3 toasted FPL for a response that showed caring, concern,
4 and competency. Thank you so much.

5 **CHAIRMAN BRISÉ:** Thank you very much, Mrs.
6 Fischer. There is a question for you, Ms. Fischer.

7 **MR. NELSON:** Excuse me, ma'am. I have a
8 question. Honestly, I am just dying of curiosity, which
9 is how did it happen that FPL asked you to come here?

10 **MS. FISCHER:** Oh, I have a president that
11 invited me. She's the president of our association, so
12 she could answer that better than I.

13 **MR. NELSON:** Thank you very much.

14 **CHAIRMAN BRISÉ:** Thank you very much for your
15 testimony this afternoon, Mrs. Fischer.

16 Mr. Kelly.

17 **MR. KELLY:** Ms. Lolita Miller will be followed
18 by Ms. Sophie Bock.

19 **LOLITA MILLER**

20 was called as a witness on behalf of the Citizens of the
21 State of Florida and, having been duly sworn, testified
22 as follows:

23 **DIRECT STATEMENT**

24 **MS. MILLER:** Good evening. My name is Lolita
25 Miller and I am a resident of Century Village of

1 Pembroke Pines. I'm grateful to be invited to by FPL to
2 speak on their behalf. My address is 800 Southwest
3 137th Avenue, Pembroke Pines, Florida 33027, Apartment
4 212. Phone number 954-436-0062.

5 FPL has been very receptive to my needs and
6 concerns. Whenever I have had power outage and
7 questions about my bill, FPL has always responded in a
8 timely fashion. FPL has over-extended themselves by
9 sending their representatives to our home to assess all
10 our electrical appliances and to discuss ways we can
11 conserve energy which would result in a reduction of our
12 energy expenses. Their representatives have also given
13 us literature on energy saving techniques, their phone
14 number, and they have followed up with calls to us to
15 address any concerns or any questions that we have.

16 I commend FPL for serving my community in a
17 comprehensive and efficient manner. I support FPL's
18 endeavors because of their unwavering commitment to
19 serve our community. It is very important for us to
20 maintain the wonderful services we are receiving from
21 FPL. I cannot thank FPL enough for over-extending
22 themselves beyond the call of duty to serve our
23 community at our most crucial moments. Thank you.

24 **CHAIRMAN BRISÉ:** Thank you, Ms. Miller.

25 Are there any questions for Mrs. Miller?

1 Seeing none, thank you for your testimony this
2 afternoon.

3 **MR. KELLY:** After Ms. Bock is Ms. Anita
4 Steinberg.

5 **SOPHIE BOCK**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. BOCK:** My name is Sophie Bock, 301
11 Southwest 135th Avenue, Pembroke Pines. My phone number
12 is 954-437-6613. FPL invited me to speak.

13 With the economy in bad shape, and
14 governments, businesses, and utilities cutting back in
15 services to meet their budgets, we are so very fortunate
16 in having Florida Power and Light taking care of our
17 needs. Recently I had my apartment evaluated by FPL for
18 maximum efficiency and savings. I was treated as if I
19 was the most important client, which I am. (Audience
20 laughter.)

21 The gentleman explained to me many options and
22 their pros and cons. I was able to understand the
23 clearly stated choices and made up my own mind about
24 what I could do. FPL has maintained a fine standard for
25 serving its customers. I can only hope it continues and

1 is not forced to cancel any programs.

2 I appreciate them and thank them for all they
3 do. Thank you for listening.

4 **CHAIRMAN BRISÉ:** Thank you, Mrs. Bock, for
5 your testimony.

6 Are there any questions for Mrs. Bock? Seeing
7 none, thank you again for your testimony.

8 **MR. KELLY:** After Ms. Steinberg is Mr. Ron
9 Friedman.

10 **ANITA STEINBERG**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MS. STEINBERG:** I'm Anita Steinberg. I was
16 invited here by FPL. I live at 700 Southwest 137th
17 Avenue in Pembroke Pines, Century Village. My number is
18 954-441-7306.

19 As a retired employee of customer service up
20 north, I can really appreciate the customer service with
21 FPL that they did for us during the hurricanes and
22 storms without any questions, and they thanked us for
23 become nice to them instead of us thanking them. There
24 is nothing much more I can say, but I just appreciate
25 what FPL has done for us in Century Village. Thank you.

1 **CHAIRMAN BRISÉ:** Thank you, Ms. Steinberg.

2 Are there any questions for Ms. Steinberg?

3 Seeing none, thank you for your testimony this
4 afternoon.

5 **MR. KELLY:** After Mr. Friedman is Ms. Mary
6 Riedel.

7 **RON FRIEDMAN**

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified
10 as follows:

11 **DIRECT STATEMENT**

12 **MR. FRIEDMAN:** Good afternoon. I'm Ron
13 Friedman, 3101 North Federal Highway, Fort Lauderdale
14 33306. For those of you keeping score, I was invited
15 by FPL.

16 Let's see. Really in a nutshell, I'll try to
17 look at it from a business point of view from ourselves
18 and our clients. We are a 350-person CPA firm with
19 offices in Dade, Broward, and Palm Beach County. And I
20 can tell you that the importance of having an
21 infrastructure and reliable power is critical to our
22 clients. I don't care if you're a small aquarium store
23 that needs pumps running so the fish have oxygen, if
24 you're a restaurant that needs to run an entire kitchen,
25 cash registers, and lights for people to eat, whether

1 you're a beer distributor with hundreds of thousands of
2 square feet of cold retail space, because the last I
3 heard nobody really likes warm beer, or a CPA firm like
4 ourselves that is completely paperless, when the
5 electric is off, we stop.

6 With no computers we are out business. We
7 sell by hours for time, and if we can't work, there's
8 nothing to do. And the importance of having really
9 reliable electricity so that businesses can continue to
10 operate, in my opinion, is really just critical. And I
11 think you guys should invest in whatever is necessary
12 for the short-term, mid-term, and the long-term in that
13 regard. So everybody have a nice evening and thank you
14 very much.

15 **CHAIRMAN BRISÉ:** Thank you, Mr. Friedman.

16 Are there any questions for Mr. Friedman?

17 Seeing none, thank you for your testimony this
18 afternoon.

19 **MR. KELLY:** After Ms. Riedel is Ms. Margaret
20 Kempel.

21 **MARY RIEDEL**

22 was called as a witness on behalf of the Citizens of the
23 State of Florida and, having been duly sworn, testified
24 as follows:

25 **DIRECT STATEMENT**

1 **MS. RIEDEL:** Good afternoon. My name is Mary
2 Riedel. I am the president and CEO of Women in Distress
3 of Broward County. We are a domestic violence center.
4 I'm here at the invitation of Florida Power and Light,
5 and I'm pleased to be here.

6 I think as you have heard from other speakers,
7 obviously, FPL is a great community partner, and not
8 only with our agency. We are one of the largest and
9 oldest of the 42 domestic violence centers here in the
10 State of Florida. I'm sure you have those in each of
11 your home communities.

12 Clearly our mission is to keep families safe,
13 so it's men, women, and children. So not only, you
14 know, is power in keeping people whose lives are
15 entrusted to us important, but having that community
16 partner. And not only with our organization, but many
17 others, because I've been involved for 25 years in the
18 nonprofit and business community here in South Florida,
19 and FPL is involved in significant ways, including we
20 have one of their managers serving on our board. They
21 have supported our events, their associates have given
22 up on their own time, both union and nonunion employees.
23 In recent years, our center has undergone a significant
24 expansion. Their staff members, dozens of them, came at
25 various times on their own time and did landscaping,

1 pulled up trees, did that. Continue to support us,
2 because they share the mission of keeping our community
3 a safer place.

4 And it's not just that spirit of, you know,
5 community and getting involved there, I think the
6 breadth of their community, and I can just only speak to
7 that, of the community involvement is in very deep and
8 meaningful ways. It's not just with money, it's with
9 personal involvement, it's with management expertise.
10 And certainly we do rely on that infrastructure and the
11 expertise and that part, because it keeps agencies like
12 ours safe. It's not just a matter of inconvenience if
13 our power goes out. We could be putting someone's life
14 at risk, and so they really share that mission with us.

15 So I'm happy to come and be part of this this
16 afternoon, and just to hear the other speakers. I
17 understand their concerns on the economy, but we have to
18 protect and grow the business partners that we have here
19 in the State of Florida. But also as we talk about
20 corporate and social responsibility, the domestic
21 violence segment is just one of the, you know, thousands
22 of nonprofits that have been benefited from their
23 involvement with FPL. So as you weigh, which is a hard
24 decision, I would hope that you would keep centers like
25 Women in Distress and other domestic violence centers in

1 their service area in mind as you make your decision.

2 Thank you.

3 **CHAIRMAN BRISÉ:** Thank you very much for your
4 testimony this afternoon.

5 Are there any questions?

6 **MS. RIEDEL:** I didn't give my address, which
7 is 401 Southwest 4th Avenue, Fort Lauderdale 33315. My
8 phone number is 954-760-9800.

9 **CHAIRMAN BRISÉ:** Thank you, once again, for
10 your testimony.

11 **MS. RIEDEL:** Thank you.

12 **MR. KELLY:** After Ms. Kempel is Gil -- I think
13 it is Velez.

14 **MARGARET KEMPEL**

15 was called as a witness on behalf of the Citizens of the
16 State of Florida and, having been duly sworn, testified
17 as follows:

18 **DIRECT STATEMENT**

19 **MS. KEMPEL:** Hello. I'm Margaret Kempel,
20 Executive Director of the Port Everglades Association,
21 1850 Eller Drive, Suite 405, Fort Lauderdale 33316;
22 954-463-2801.

23 I was pleased to be invited by Florida Power
24 and Light to be here this afternoon, and to bring to
25 everyone's attention and make sure on the record an

1 explanation and a few good words about the importance of
2 FPL's projects at Port Everglades.

3 And that starts with the importance of Port
4 Everglades to this community. We are fond of calling it
5 an economic engine. A little trite, but it gets the
6 point across. And, in fact, when things don't go right
7 at Port Everglades, everybody in this community knows
8 that. I will give you just an example. It was right
9 after Hurricane Wilma, within eight hours there was no
10 gasoline on the Turnpike. Now, lots of things have
11 fallen down, but mostly what fell down was the
12 electrical grid and getting ourselves back on-line, and
13 getting the port cleaned up, and letting ships come in
14 and out, and for all of that we needed the help of
15 Florida Power and Light.

16 Since that storm, they have strengthened with
17 some super-duper kind of concrete that I don't know
18 anything about the utility and power poles that -- spun
19 something or the other. And, in fact, paint washes
20 right off of it, so you can't even have graffiti on it.
21 What kind of fun is that?

22 Now, what they have taken up in their economic
23 development project coming up is the repowering of the
24 plant at Port Everglades, which as you know has the red
25 and white stacks coming up, and that is how most of

1 Sunday or Saturday boaters find their way back home.
2 But those stacks are coming down. They no longer, in
3 fact, emit all that kind of dirty stuff, whatever they
4 were burning there. It's going to be redesigned as a
5 natural gas fired and more efficient plant.

6 When doing that there will be lots of jobs
7 created, and there will be a better tax revenue, and
8 there will be cleaner and more efficient energy provided
9 to the county in which I live. I thank you for your
10 time.

11 **CHAIRMAN BRISÉ:** Thank you, Ms. Kempel.

12 Are there any questions for Ms. Kempel?

13 Seeing none, thank you for your testimony this often.

14 **MR. KELLY:** Did I pronounce this right? Gil
15 Velez. V-E -- I think it is L-E-Z? Connie Ribeau.

16 **CONNIE RIBEAU**

17 was called as a witness on behalf of the Citizens of the
18 State of Florida and, having been duly sworn, testified
19 as follows:

20 **DIRECT STATEMENT**

21 **MS. RIBEAU:** Good evening. My name is Connie
22 Ribeau, 4430 Northwest 6th Court, Coconut Creek 33066.

23 I was invited by Florida Power and Light, but
24 I'm here as a citizen. I've been living in Florida
25 since 1987. When I moved here, I don't know if I still

1 have an accent or not, but obviously I'm not from the
2 northeast. But I was in a southern state where I was
3 paying about \$400-something during the winter months.
4 Just right out of college with a salary as a hearing
5 impaired teacher of 9,000 the first year, then I made a
6 whopping 13,000 the next. So you can imagine I came
7 here and my bill immediately leveled out and then, you
8 know, I was able to plan it on the 12 months. It was
9 for me a delight, and I have never stopped being
10 delighted.

11 Their customer service is so stellar. And as
12 everybody has said before me -- by the way, I thought
13 Mr. Shea said probably everything I wanted to say, so I
14 didn't have to say it again. Because I'm like everybody
15 else, I don't want to have rates, but I don't mind and I
16 understand it, even though it's an emotional topic, if
17 I'm getting something back. And I think that's why I'm
18 here, because everything I see is growth and future.

19 And it is an emotional situation. But on the
20 other hand, my home insurance is killing me, and I
21 haven't done a claim since 1987. So I want to invite
22 all these passionate people to help me now fight that.
23 For goodness sakes, let's get after that. So I'm here
24 to say that I'm grateful that I get something of value
25 from Florida Power and Light and that they are giving me

1 something back.

2 **CHAIRMAN BRISÉ:** Thank you, Ms. Ribeau.

3 Are there any questions for Ms. Ribeau?

4 Seeing none, thank you for your time.

5 **MS. LARSON:** I do.

6 **CHAIRMAN BRISÉ:** Okay. Ms. Larson.

7 **MS. LARSON:** I was just curious of how you got
8 your invitation from FPL today?

9 **MS. RIBEAU:** How I got my invitation?

10 **MS. LARSON:** Uh-huh, to come.

11 **MS. RIBEAU:** I just know some members of staff
12 (inaudible) --

13 **MS. LARSON:** Okay. Just curious.

14 **CHAIRMAN BRISÉ:** Thank you very much.

15 **MR. KELLY:** The next speak is Ginger Jeanette
16 Mahadeo followed by Janeu Mei.

17 **GINGER JEANETTE MAHADEO**

18 was called as a witness on behalf of the Citizens of the
19 State of Florida and, having been duly sworn, testified
20 as follows:

21 **DIRECT STATEMENT**

22 **MS. MAHADEO:** Well, how is everyone doing? My
23 name is already with my address over there, so I live at
24 Pines Place across the hall -- it's across the street
25 over there.

1 I don't want to feel like the bad guy, but I
2 may, because I had a big problem with FPL for over three
3 years, and I could not get it resolved. I called even
4 yesterday, and the people that I spoke to on the phone
5 was giving me this long drawn out story about why they
6 could not help me. I said, listen, this is the problem.
7 Y'all sent someone over to my home to do a home survey,
8 but whenever you got here you said you only did it in
9 the residential areas with people that have homes.
10 Well, I live in an apartment, so she did the survey. So
11 I told her I didn't have a lot of hot water and my bill
12 was really hi.

13 So she got on the floor and she made some
14 adjustment, and, Lord have mercy, the next month my bill
15 was sky high. Where am I going to get the money to pay
16 this bill? I called and I got an extension the first
17 time. The next time (knocking on podium) somebody
18 knocking at my door. I am on a fixed income. When I
19 was working it was different. Now the reality of it is
20 whenever you get Social Security, that's another
21 problem, but you have to live with whatever you get. So
22 I said to him can I pay part of the bill? Ma'am, you
23 have to pay all the bill. If you don't we are going to
24 disconnect your lights. And I said, well, hold on a
25 second. Just give me a moment here.

1 Listen, all of this good stuff about FPL
2 sounds fantastic until you have to live the dream. It
3 is not all it is cut out to be, because I had to go
4 through it. When I came through that door today and I
5 told these people that I had a problem, the next thing I
6 know everybody was loving me and took me upstairs. It
7 took me 15 minutes to get everything resolved. And I
8 just called yesterday, so you do the math.

9 (Audience laughter.)

10 **CHAIRMAN BRISÉ:** Thank you very much for your
11 testimony.

12 I don't know if anyone has any questions?
13 Okay. Seeing none, thank you, again, for your
14 testimony.

15 **MR. KELLY:** Janet Mei. Janet Mei. Earl
16 Rodney. Mr. Rodney will be followed by Melissa Aiello
17 or Aiello.

18 **EARL RODNEY**

19 was called as a witness on behalf of the Citizens of the
20 State of Florida and, having been duly sworn, testified
21 as follows:

22 **DIRECT STATEMENT**

23 **MR. RODNEY:** Earl Rodney. I'm a retired
24 customer of FPL residing at 12550 Southwest 15th Street,
25 Apartment 406, Pembroke Pines. And my phone number is

1 954-435-2767.

2 Okay. My name is Earl Rodney, and I oppose
3 any rate increases by Florida Power and Light Company.
4 I am a retiree and use very little electricity, yet I am
5 billed approximately \$1,000 a year by FPL. That is just
6 too much money for a small condo in Century Village.

7 If FPL needs more money, they should do what
8 their customers have to do in this bad economy, they
9 should cut executive and managerial salaries, and they
10 should eliminate overtime, and reduce redundant staff,
11 and have employees pay more to their benefit plans just
12 like I had to do before I retired two years ago, and
13 become more efficient and reduce overhead like the
14 private sector is doing.

15 Also, I have four suggestions while I'm here
16 tonight. The first, there should be a program to place
17 all utility lines underground due to the hurricanes.
18 Second, if these rate hearings do not accomplish a rate
19 freeze or reduction, then the various business groups
20 should consider initiating a class action lawsuit.
21 Third, there should be a constitutional amendment to
22 make the Florida Public Service Commission Commissioners
23 be elected instead of appointed. They should be subject
24 to initiative, referendum, and recall just like any
25 other public body. And, fourth, a study should be

1 initiated with the State of Florida to buy out FPL's
2 shareholders at book value and operate this utility by
3 the State of Florida rather than being a privately
4 owned. Thank you.

5 **CHAIRMAN BRISÉ:** Thank you very much.

6 Are there any questions for Mr. Rodney? All
7 right. Seeing none, thank you for your testimony this
8 afternoon.

9 **MR. KELLY:** After Ms. -- and I hope I get it
10 right -- Aiello is Mr. Carlos Hermida.

11 **MELISSA AIELLO**

12 was called as a witness on behalf of the Citizens of the
13 State of Florida and, having been duly sworn, testified
14 as follows:

15 **DIRECT STATEMENT**

16 **MS. AIELLO:** I'm Melissa Aiello; I'm am
17 representing myself, and I also run an organization,
18 Junior Achievement of South Florida. And my address is
19 1130 Coconut Creek Boulevard, Coconut Creek, Florida
20 33066. Phone number 954-979-7111.

21 I actually asked my Florida Power and Light
22 person to alert me when the next rate hearing came up,
23 and that's why I'm here. And so I'm here to kind of
24 tell you a little story about FPL focus that I
25 appreciate, and also give you my conclusions.

1 As I said, I run a nonprofit that serves
2 50,000 students in Broward County. We help our kids
3 stay in school and be financially sound, and we have a
4 60,000 square foot facility on which we have a roof that
5 is covered with solar panels. And although Florida
6 Power and Light did not produce those panels for us,
7 they spent a lot of time in helping us secure them right
8 and to do all the metering and to set that up. And so I
9 really appreciated their willingness to focus on helping
10 us save a lot of money, which those solar panels do save
11 us a lot of money.

12 And not only that, they then helped us teach a
13 lot of children about clean energy and alternative
14 energy sources and that is in line with Florida Power
15 and Light's focus on the utilization of clean energy in
16 the system. So we appreciate their focus on clean
17 energy. We appreciate their focus on the community that
18 I don't want to easily dismiss, which it seems sometimes
19 that is just easily dismissed as of course they would do
20 that. And also definitely, definitely focusing on
21 reducing our energy costs.

22 So in conclusion for me just simply when I
23 turn on a light, I feel like I am very fortunate to be
24 buying the lowest cost energy in the whole state of
25 Florida. So we are getting the best for the lowest cost

1 in all of Florida and most of the United States. So in
2 closing it seems to me that Florida Power and Light has
3 proven that they know what they are doing to keep our
4 rates as low as they have. So I'm all for what they
5 need to do and for the rate increase. Thank you.

6 **CHAIRMAN BRISÉ:** Thank you, Ms. Aiello.

7 Are there any questions? Okay. Seeing none,
8 thank you for your testimony this afternoon.

9 **MS. AIELLO:** You're welcome.

10 **MR. KELLY:** After Mr. Hermida is R. Gonzalez.

11 **CARLOS HERMIDA**

12 was called as a witness on behalf of the Citizens of the
13 State of Florida and, having been duly sworn, testified
14 as follows:

15 **DIRECT STATEMENT**

16 **MR. HERMIDA:** Good evening, Mr. Chairman,
17 Commissioners. My name is Carlos Hermida. I live in
18 705 Northwest 177th Avenue, Pembroke Pines, just down
19 the block from here. My phone number is 305-827-0660.

20 I don't have a speech prepared. I just have a
21 couple of comments, something that I would like to share
22 with you. I have a professional engineer's license in
23 the State of Florida. I graduated with a Master of
24 Science in Mechanical Engineering from one of the best
25 engineering schools in the world, and also the number

1 one football school in the nation, LSU, Louisiana State
2 University. Roll Tigers.

3 (Audience laughter.)

4 I have the opportunity -- and that probably
5 will cost me a little bit with maybe some Alabama grads
6 here or something like that.

7 (Audience laughter.)

8 I had the opportunity -- I was President of
9 the Society of Air Conditioning Engineers a few years
10 ago. I'm also a member of the Florida Engineering
11 Society and American Society of Mechanical Engineers.
12 And about 20 years ago, I had the opportunity to chair a
13 meeting of engineers, and right next to me sat the
14 chairman or president, I don't even remember his name,
15 of Florida Power and Light. And he made a comment to me
16 that I want to share with you that kind of changed my
17 professional life.

18 He told me, Carlos, I really need your help.
19 I want to hire a few lazy engineers. And I looked at
20 him, and I said, "What do you mean? You mean you want
21 to hire a few hard working engineers?" He said, "No, I
22 want a few engineers that are just a little lazy,
23 because they are always looking for a better way to do
24 things, an easier way to do things, and that's what we
25 do at Florida Power and Light. We try to do things

1 better and we try to be efficient."

2 And that impressed me a lot, and I think it
3 reflects on the company itself. I don't work with FPL.
4 I have no business with FPL. I lived in Tampa something
5 like 25 years ago, and I paid the highest rates that I
6 ever paid in my life. You know, paid higher rates than
7 I'm paying now for a much smaller house.

8 I looked at this green pamphlet that y'all
9 gave out, and I looked at it and the comparison between
10 what January 2012 and June 2013 is. It's roughly about
11 a one percent increase on the rates. I heard people
12 here talk about obscene profits, and, you know, they
13 need to be regulated. I don't agree with that. I don't
14 understand when profit became a four-letter word in this
15 country. I think everybody should make the highest
16 profit that they can make. Because when I had a
17 business, or I still do have a business, when I made a
18 higher profit, do you know what I did? I invested in
19 that company; I hired more people; I bought more
20 computers; I became more efficient. And I think you
21 guys need to think about that and forget about the
22 public pressure from a lot of people of these guys are
23 making too much money.

24 Look at India. What happened in India? You
25 know, I'm sure they were very well regulated, but then

1 all of a sudden they didn't have any power for their
2 people. Thank you so much.

3 **CHAIRMAN BRISÉ:** Thank you, Mr. Hermida.

4 Are there any questions for Mr. Hermida?

5 Seeing none, thank you for your testimony, sir.

6 **MR. HERMIDA:** Thank you.

7 **MR. KELLY:** Mr. -- it's just initial R.

8 Gonzalez. Gonzalez. Bill White to be followed by Pat
9 Stallings.

10 **BILL WHITE**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MR. WHITE:** Good evening. My name is Bill
16 White, 3320 Enterprise Way, Miramar, Florida;
17 954-420-4590. I was invited also to be here by FPL.

18 I just wanted to come tonight to share a
19 little bit. I'm a small business owner, and I wanted to
20 speak about the importance of having and maintaining a
21 stable and reliable electric infrastructure for a small
22 business like mine.

23 You know, I have a lot of clients who are
24 larger companies, and we're a small company, so we don't
25 have the ability to have a big standby generator out in

1 our backyard or in the parking lot that's going to kick
2 in when there's a power outage or a brownout or
3 something like that. You know, we rely exclusively on
4 FPL for our business.

5 And like any other business, you know, we
6 can't afford downtime because of electrical, prolonged
7 electrical outages, or the cost of replacing equipment
8 because of power surges or brownouts. And so I'm really
9 pleased to report in the last six years since I started
10 our company that we really haven't had any of those kind
11 of issues. FPL has done an outstanding job of keeping
12 us up and running.

13 You know, as some other people have reported
14 here, when we did have one outage that I can recall, and
15 we called up and said, hey, what's going on. They knew
16 exactly what the problem was. Somebody had cut some
17 line somewhere. And for us, you know, I had twelve
18 people sitting around in the dark. Real quick -- gosh,
19 how quickly, you know, those little surge protectors
20 only last 15 minutes, and then our systems are down. So
21 it was nice to know at least they knew what was going
22 on. They were able to get the system back up and
23 running in less than three hours.

24 I worked a lot of time in my career overseas,
25 you know, in a lot of different countries where you

1 don't have this kind of reliability and service as far
2 as rolling brownouts, rolling electrical outages, and it
3 was just a big nuisance to running a business.

4 And, you know, as I look at South Florida
5 growing up here and seeing how it has grown over the
6 many, many years, I can only imagine it's going to
7 continue to grow around here, and more and more demand
8 is going to be placed on the infrastructure here. So,
9 you know, I would just look to say that it is critical
10 to businesses like mine that FPL continues to make
11 investments that are needed so that the level of
12 predictable service that we receive now continues to
13 improve. Thank you.

14 **CHAIRMAN BRISÉ:** Thank you, Mr. White.

15 There is a question for you from Mr. Nelson.

16 **MR. NELSON:** Thank you. I was just wondering,
17 when FPL asked you to come here, did they tell you
18 anything that would lead you to believe that the
19 reliability of the electric service in the future or the
20 maintenance of the infrastructure was at risk?

21 **MR. WHITE:** No.

22 **MR. NELSON:** Thank you.

23 **CHAIRMAN BRISÉ:** Any further questions for Mr.
24 White?

25 Seeing none, thank you for your testimony this

1 afternoon.

2 **MR. KELLY:** After Mr. Stallings is Mr. Lyle
3 Jacobs.

4 **PAT STALLINGS**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MR. STALLINGS:** Good afternoon, Mr. Chairman
10 and Commissioners. I'm Pat Stallings. I live at 2771
11 Taft Street in Hollywood, Florida. I'm a small business
12 owner. I own a small manufacturing business down in
13 Hialeah. We just started up in January. I'm a 27-year
14 Army veteran, and in 27 years I moved 13 times, so I've
15 got a fair amount of experience with a variety of
16 utility companies, both here and abroad.

17 I, in fact, attended a briefing by FPL,
18 because I am on the board of the South Florida
19 Manufacturers Association, and have been for the past
20 three years. And then they came in, and God bless them,
21 they came into a bunch of manufacturers and tried to
22 make an argument for a rate increase to a bunch of folks
23 who had budgets. They laid out a case. And based on
24 that case, they said, okay, please, these Commission
25 hearings are coming up, would you please attend. We

1 would just like for you to talk your experience with
2 FPL, and that's basically all they said.

3 But I went on the web, and I found out that I
4 was also being invited by the Florida Public Service
5 Commission to show up, so I have actually been invited
6 by two people. And then I further researched opposing
7 views, and what I found out was I was also being invited
8 by folks who oppose the FPL Commission. So I can
9 honestly say I have been invited by multiple, multiple
10 people.

11 (Audience laughter.)

12 And I would have to say that as an independent
13 adult human being, the invitation does not color my
14 judgment. My judgment is my own. So what I would say
15 to you is in my experience -- and what's interesting
16 right now, my second home right now in is Virginia. So
17 I get to watch a utility company called Pepco in
18 Maryland and watch what they do, or what they don't do.
19 So I've got a very good example of a poorly managed
20 utility company. And in Florida, frankly, I've got a
21 good example of what I think, from based on my
22 experience, and my experience only, is one of the best
23 managed utility companies I think I have seen.

24 Customer service is very, very reactive. The
25 website systems for moving your accounts, keeping up

1 with your billing are set up to be so easy and so
2 simple. And what is interesting, too, is that I have
3 lived in condos down here at times, it's interesting how
4 flexible they are with the snowbird population, and how
5 difficult that must to be keep up with people who are
6 only here part of the year. So they do a very good job
7 of doing that.

8 The other day at my condo, three weeks ago we
9 had a power outage. Two lines fell down. I didn't know
10 that, but I got a phone message that we had lost power
11 in the area. And I walked outside and 20 minutes after
12 we lost power there was an FPL truck there replacing the
13 lines. So, again, great experience with customer
14 service.

15 I started a business in Hialeah in January and
16 requested an FPL survey and actually got a very senior
17 member of FPL that came out, took a look at my plant,
18 gave me a full report on how I could best set up the
19 plant to maximize my energy efficiency. So I've had a
20 lot of contact with FPL, but it has been as a consumer
21 and as a business owner, and it has all been very, very
22 positive.

23 You have got a tough, tough role as
24 Commissioners. You really, really do. An emotional
25 decision is an easy decision, and there are compelling

1 emotional reasons, compelling emotional reasons to
2 simply say no, but it's not that easy. And what I saw
3 in the FPL case was a reasoned argument for more equity
4 in order to build future capacity in South Florida. And
5 as a member of the manufacturers association, I think
6 the case to me became one of, okay, as I understand it,
7 we are, in fact, enjoying some of the lowest rates in
8 Florida. And I would tell you as somebody who has lived
9 in Virginia, who has watched Maryland and D.C., those
10 areas a lot, Texas, Louisiana, I'm not going to go
11 through the whole list, we actually as a state and as an
12 organize down here in South Florida, we enjoyed fairly
13 inexpensive utility rates.

14 What I don't want to see us do is to give up
15 or to surrender the initiative, if you will, and not
16 have the capability to move forward and build more
17 infrastructure and better infrastructure and anticipate
18 issues and build something that will draw other
19 manufacturing and business to the area.

20 **CHAIRMAN BRISÉ:** Thank you, Mr. Stallings.

21 **MR. STALLINGS:** Going from a 10 percent --
22 okay.

23 **CHAIRMAN BRISÉ:** Thank you. There is a
24 question for you from Mr. Nelson.

25 **MR. NELSON:** Okay. At the FPL briefing where

1 they made the case that convinced that you there should
2 be a rate increase, you said that it was that greater
3 equity would allow them to increase capacity. And I
4 just want to understand if there was anything else in
5 the FPL briefing that convinced you that the rate
6 increase was justified. I mean, beyond that they have
7 the lowest rates, was there anything else?

8 **MR. STALLINGS:** Oh, no. I think the fact that
9 -- okay, you have already got the lowest rates in the
10 state, which is demonstrable. The fact that you have a
11 well organized organization. I think everybody will
12 stipulate it has a good management that has done a good
13 job of running that organization, okay, and providing
14 power to South Florida. And in their judgment they
15 believe that this rate increase will allow them to do a
16 better job over time of providing power not just to
17 Florida today, but to a larger Florida that has more
18 business in it, that has larger ports that are
19 supporting business coming out through this enlarged
20 Panama Canal, so on and so forth, but they made the case
21 that this will enable them to get to that future in a
22 better way.

23 And, more importantly, they talked about what
24 they have done in the past in terms of investment in
25 natural gas facilities. They talked about what they

1 wanted to do with the power plant in Fort Lauderdale to
2 improve it to make it more efficient, and it all seemed
3 like a very reasonable, very efficient plan.

4 And now what I have heard tonight is you have
5 an organization without a rate increase a few years ago
6 that actually did very well with limited resources or
7 not the resources they wanted, but still did a pretty
8 good job everybody would say. I believe everybody said
9 that, and now they want a rate increase with a vision of
10 the future, it seemed reasonable.

11 **MR. NELSON:** I mean, I would agree that they
12 do an excellent job. The only thing I was trying to get
13 at was as far as the increase is concerned, was there
14 anything beyond essentially investing in infrastructure
15 for the future?

16 **MR. STALLINGS:** Specifically, really what I --
17 okay. There was more information at that briefing than
18 I certain can regurgitate today. But what struck me was
19 the future, because that's where I tend to focus is
20 where are we at today and where are we going to be
21 tomorrow. And everything you do in a business -- I
22 mean, if I was at 10 percent margins on my company right
23 now, I would go crazy, absolutely crazy. I mean, I
24 don't know how a company can do that, because 10 percent
25 is such a fine line. And I know they are big numbers,

1 but it's a big southern half of the state, and there is
2 a lot of cost in there.

3 And so I can imagine that a leader of that
4 organization would be going, you know what, fuel prices
5 go up -- that never happens -- but if fuel price goes
6 up, you know, what does that do to us and what does that
7 do to our plan for the future? And I think you have got
8 to sit down together and really discuss how do we get
9 Florida ten years from now to be a manufacturing hub, to
10 be the largest port in the United States between Miami,
11 Fort Lauderdale, the other ports in the state? And what
12 is the infrastructure we need to do that, and does our
13 utility structure, does our utility company have the
14 assets and resources it is needs to do that?

15 Now, by the way, I don't know the answer. I'm
16 not smart enough. I don't. But I think it's
17 something -- and, like I said, a hard decision -- but
18 it's one that thank God I don't have to make it, but I
19 would just say that you need to look at all the facts,
20 and don't go to the immediate easy emotional decision
21 because it is easy. I don't want a rate increase. I
22 don't want to pay more money, but that's not -- that's
23 not the criteria.

24 **MR. NELSON:** Thank you very, very much for
25 sharing your testimony with us. I heard you. I hope

1 that the Commission will decide whether or not what the
2 appropriate rate is for an appropriate investment for
3 the future. We have no disagreement.

4 **MR. STALLINGS:** Absolutely.

5 **CHAIRMAN BRISÉ:** Mr. Stallings, there is
6 another question for you from Commissioner Graham.

7 **COMMISSIONER GRAHAM:** Just a quick question.
8 You didn't say what your business was, your
9 manufacturing business.

10 **MR. STALLINGS:** Cut and Sew Manufacturing.
11 I've got 24 employees, and we do cut and sew. We're
12 bringing it back to Hialeah.

13 **COMMISSIONER GRAHAM:** Thanks.

14 **CHAIRMAN BRISÉ:** Thank you very much for your
15 testimony this afternoon.

16 **MR. STALLINGS:** Thanks.

17 **MR. KELLY:** After Mr. Jacobs, Lyle Jacobs --

18 **CHAIRMAN BRISÉ:** You had some questions?

19 **MS. LARSON:** I had a question. Well, I'm not
20 sure how to ask this question.

21 Mr. Chair, I'm not sure -- I just wanted to
22 see if -- I wanted a copy of this presentation that
23 everybody has been talking about today. They were
24 invited to a presentation obviously. Hopefully we can
25 all see it.

1 **CHAIRMAN BRISÉ:** That's outside of the scope
2 of this hearing.

3 **MS. LARSON:** Well, I'll do a motion.

4 **CHAIRMAN BRISÉ:** Thank you.

5 **MR. KELLY:** Lyle Jacobs. William Armbrister
6 who will be followed by Frances Lowell.

7 **WILLIAM ARMBRISTER**

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified
10 as follows:

11 **DIRECT STATEMENT**

12 **MR. ARMBRISTER:** The timing is perfect. Good
13 afternoon, wonderful people. I hope to be brief. And
14 these are statements I'd like to make to the Commission.
15 As far as the service that Florida Power and Light
16 provides, I am getting the impression, as I am certain
17 you have also, that they have been telling their
18 customers that if you go and speak for us we can
19 continue providing the degree of service we have been.
20 But your decision can't be based on what you think, what
21 you feel. This much I'm sure that you know from all the
22 testimony that has been given from the people of Florida
23 Power and Light.

24 And they talk about their research and how it
25 affects -- and their research only impacts their

1 operational expenses, but it doesn't provide any
2 incentives from the Florida Power and Light users. And
3 I'd like to know how the rate increase will assist
4 Floridians with the economic growth and recovery and
5 stability, or will it have a negative impact on our
6 growth and stability.

7 And I would like to know that if they don't
8 get what they are asking for, how will it impact the
9 current operations of Florida Power and Light? And if
10 they do get what they're asking for, and their cost goes
11 down in providing service, will that be reversed at
12 sometime in the future? I think not, and we will
13 continue to pay for what we shouldn't be paying for.

14 And I'd like to know if the shareholders are
15 permitted to invest their profits in their company, or
16 are the customers responsible for their elevated rate of
17 profit. Are we responsible for their elevated rate of
18 profit, or why aren't they held accountable for their
19 elevated rate of profit.

20 And as far as the incentives that they offer
21 businesses, and this has been going on for three
22 decades, they have always offered incentives for
23 businesses for these particular programs that would
24 assist them, so that's not any -- and just like the
25 gentleman who came up and talked about the 300 homes

1 that they are building here in Broward County, I'd like
2 to know if they were offered the ability to install the
3 solar panels on the homes or tankless water heaters.

4 I know for a fact, because I installed a
5 tankless water heater in my home, that my electric bill
6 immediately decreased 30 percent. And it has that
7 impact, a tankless water heater, because it is only
8 using electricity when you turn the hot water on. And I
9 have had it for 20 years now, and it is still working
10 effortlessly. I can turn on the hot water all day long
11 and it only speeds the dial when the hot water is
12 running.

13 And I think that's all I have for now. As far
14 as the vision, I think the vision for Florida Power and
15 Light should be how they can positively impact our costs
16 as a consumer, you know, above everything else. And
17 they should be denied their rate increase because it
18 exceeds that which is reasonable. And I want to thank
19 you, once again, for your time.

20 **CHAIRMAN BRISÉ:** Thank you, Mr. Armbrister.

21 **MR. ARMBRISTER:** God bless and have a
22 wonderful day.

23 **CHAIRMAN BRISÉ:** Any questions for
24 Mr. Armbrister?

25 Seeing none, thank you for your testimony

1 today.

2 **MR. ARMBRISTER:** Thank you.

3 **MR. KELLY:** After Ms. Lowell is Matthew
4 Schwartz.

5 **FRANCES LOWELL**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. LOWELL:** Hello. I'm Frances Lowell. I
11 reside at 951 Northeast 25 Avenue, Pompano Beach 33062.

12 I was not invited here by FPL. I have counted
13 at least 18 people so far who have been congratulating
14 FPL for running a fine company, for having some
15 excellent employees. Well, I do extreme diligence on my
16 job, too, and I don't get congratulations for doing my
17 job.

18 The attorney for FPL thanked us for being FPL
19 customers. What choice do we have? But I did learn
20 something today from Mr. Nelson, I believe it was, who
21 said there is a fee for not using electricity. That's
22 news to me. That's good one.

23 Okay. Everybody knows that we are in a time
24 of great recession, greatest even to match the one from
25 the '30s, or 1929. Many small, medium, even large

1 companies are having trouble even staying in business
2 and surviving, and they are downsizing, and they are
3 laying off their people. People are becoming
4 unemployed. We're taking drastic cuts in our income and
5 we still have to keep up with the same expenses. The
6 expenses don't go down.

7 All I think would be fair is for FPL to be a
8 good resident citizen partner and pull back on their
9 increase to their CEO salaries and pull back on their
10 increase to their shareholder's profits. There are
11 still profits there, just make them a little bit
12 smaller.

13 And as for a lot of these people who
14 congratulate FPL on being such a great utility provider
15 saying that their companies would be out of business
16 without electricity, what company wouldn't be? Who of
17 us at home would not have extreme distress without
18 electricity? Every one of us. That's it.

19 No rate increase. No rate increase for FPL.
20 Thank you.

21 **CHAIRMAN BRISÉ:** Thank you, Ms. Lowell.

22 Any questions for Ms. Lowell? Seeing none,
23 thank you for your testimony this afternoon.

24 **MR. KELLY:** After Mr. Schwartz is Ariel -- I'm
25 going to butcher this -- Guitian.

MATTHEW SCHWARTZ

1
2 was called as a witness on behalf of the Citizens of the
3 State of Florida and, having been duly sworn, testified
4 as follows:

DIRECT STATEMENT

5
6 **MR. SCHWARTZ:** Hi. My name is Matthew
7 Schwartz. I'm the executive director of an organization
8 called South Florida Wildlands Association, which is no
9 stranger to Florida Power and Light. We have had
10 numerous conflicts regarding siting of various
11 facilities that they have in mind. Address, 1404 East
12 Las Olas Boulevard, Fort Lauderdale, Florida;
13 954-634-7173.

14 FPL is a monopoly that serves 8.8 million
15 people. Last year they made a record \$1.2 billion in
16 profit. They do not merit the increase that they are
17 asking you for, and I'm going to talk about that in a
18 different context.

19 South Florida Wildlands Association is a
20 nonprofit organization which seeks to protect habitat
21 and wildlife in the greater Everglades. I can talk
22 about numerous projects where we are having conflicts
23 with this corporation. FPL is trying to put two new
24 nuclear reactors on the shore of Biscayne Bay, right
25 next to Biscayne National Park. They want to run the

1 electricity for those two new reactors up along the
2 inside of Everglades National Park, on what is currently
3 Everglades National Park property.

4 They are also -- and it was mentioned in the
5 Ten-Year Site Plan that they submitted for 2012, I
6 submitted comments on that on behalf of my organization,
7 the Hendry County Clean Energy Center where they want to
8 generate over 3,000 megawatts of natural gas energy in
9 the middle of Florida Panther habitat. They knew that
10 when they bought that property that it was -- except for
11 six of the 3,000 acres, primary habitat for the Florida
12 Panther.

13 This company has, yes, a fiduciary
14 responsibility to its customers, but it also has a moral
15 responsibility to the people of Florida, and probably
16 this agency, the PSC has a legal mandate to look at how
17 well this company is moving towards alternative energy
18 and protecting the Florida environment, which we all
19 share, by the way. This is not one wins one loses.

20 Climate change is real. That's it. The jury
21 is over on this. It's real. It's happening. We're
22 living it right now. The droughts, the drought we are
23 going through right now, nobody really anticipated
24 famine and food storages as a result of climate change.

25 Let's look at just the -- let's look at the

1 clean energy center that they propose in their latest
2 Ten-Year Site Plan, 3,000 megawatts of natural gas.
3 It's a twin of the West County Energy Center. That one
4 produces over -- basically, we looked at the results of
5 that one before it even completed the third unit,
6 already producing over 5.1 million metric tons of CO2 in
7 the atmosphere. That CO2 not only warms the temperature
8 and is leading to sea level rise, and that's happening,
9 the glaciers are melting. They're melting. So we're
10 going to lose our coastlines, and that is almost a sure
11 thing.

12 And here is FPL pushing for more and more
13 natural gas, the evil twin of CO2 in the atmosphere. A
14 good percentage of that dissolves in the oceans and what
15 happens to that? Acidification of the oceans. What are
16 our coral reefs made from? They are made from calcium
17 carbonate. That is breaking down. All kinds of sea
18 life are dying as a result of the policies, not
19 100 percent the policies of this one company, but this
20 Public Service Commission needs to step up to the plate
21 and push us. This is a solar state. This the Sunshine
22 State. We have more solar potential insulation than any
23 state in the eastern United States. That's a fact. We
24 use 0.2 percent of our energy, according to the Energy
25 Information Administration produced by solar. So this

1 is an opportunity to say yes. If they came to you and
2 say we want a rate increase because we want to put
3 photovoltaic on every roof in Florida, great, give it to
4 them.

5 To do what they are doing, more nuclear on the
6 shores of Biscayne Bay, going to be under water, and
7 more natural gas, more pollution of the oceans, of the
8 air, and they say we want more money to do this in
9 addition to the profit we make, tell them no, and start
10 saying if you want it, do something good for the State
11 of Florida. Thank you very much.

12 **CHAIRMAN BRISÉ:** Thank you very much for your
13 testimony.

14 Are there any questions for Mr. Schwartz?
15 Seeing none, thank you for your testimony.

16 **MR. SCHWARTZ:** Thank you.

17 **MR. KELLY:** How bad did I do it?

18 **MR. GUITIAN:** No, I believe you did very well.
19 I have seen people butcher that name really badly.

20 **MR. KELLY:** The next speaker will be Kareem
21 Brantley.

22 **ARIEL GUITIAN**

23 was called as a witness on behalf of the Citizens of the
24 State of Florida and, having been duly sworn, testified
25 as follows:

DIRECT STATEMENT

1
2 **MR. GUITIAN:** Yes. My name is Ariel Guitian.
3 I work for Recreational Design and Construction in Fort
4 Lauderdale, 3990 North Power Line Road. I am a
5 contractor and project manager for them, and I can tell
6 you that without FPL's support and backing we would
7 never be able to do our jobs.

8 They are there. We make parts for the
9 community, and without their assistance we really can't
10 complete it, and they are there throughout the whole
11 process. So in my behalf for us, they are great people
12 to work with.

13 **CHAIRMAN BRISÉ:** Thank you.

14 Any questions? Seeing none, thank you for
15 your testimony this afternoon.

16 **MR. KELLY:** After Kareem Brantley will be
17 Tomas Curbelo.

KAREEM BRANTLEY

18
19 was called as a witness on behalf of the Citizens of the
20 State of Florida and, having been duly sworn, testified
21 as follows:

DIRECT STATEMENT

22
23 **MR. BRANTLEY:** Hi. Good evening. I thank you
24 all for allowing me to speak and all the others who have
25 spoken. I'm sure this has been a long day for you, and

1 everyone who has given up valuable hours out of their
2 precious daily lives.

3 I have many friends that work at FPL. I am a
4 business owner in this community. I was asked about my
5 service, which has been very positive. We have operated
6 businesses in South Florida since 2006. We operate
7 retail businesses, Internet businesses, as well as we
8 have multi-unit housing in northwest Miami-Dade County.

9 Having said all that, our primary business is
10 located at 2020 Tigertail Boulevard in Dania Beach,
11 Florida. I'm not really sure about the environmental
12 issues and things like that. I'm an electrical
13 engineer. I don't really have a degree in environmental
14 engineering. Some of the things that you guys are
15 tasked with I'm sure is really, really complicated. I'm
16 kind of glad to be standing on this side of the
17 microphone.

18 But what I will say is that I have enjoyed
19 living in Florida all of the years that I have. And
20 having lived in other states, the reliability of service
21 that I have experienced growing up as a child here in
22 South Florida as well as operating my business. If
23 Florida Power and Light had the same service at my
24 current location where we operate a retail business as
25 Comcast, I would probably be saying a lot different

1 things about Florida Power and Light.

2 You know, we really rely so much on our
3 electricity as well as our Internet communications in
4 order to be profitable with our businesses located here
5 in South Florida. But having said all that, you know, I
6 think it's a delicate balance. I can't go into a profit
7 and loss statement, I can't go into a balance sheet, I
8 can't really stand here and talk to you intelligently
9 about return on equity and all of that.

10 However, whatever decision that you do make, I
11 am for a decision that means that in our state, at least
12 here in South Florida and how it affects me and my
13 family and my business, that we will continue to have
14 reliability in terms of service and that it will be
15 sustainable as we go forward.

16 So with that, I thank you for allowing me to
17 speak. And I am for any type of rate increase that is
18 going to truly mean reliability and sustainability going
19 forward. Thank you so much.

20 **CHAIRMAN BRISÉ:** Thank you, Mr. Brantley.

21 Are there any questions for Mr. Brantley.
22 Okay. Seeing none, thank you for your testimony.

23 **MR. KELLY:** After Mr. -- is it Curbelo?

24 **MR. CURBELO:** Curbelo.

25 **MR. KELLY:** Curbelo will be Manny Synalovski.

TOMAS CURBELO

1
2 was called as a witness on behalf of the Citizens of the
3 State of Florida and, having been duly sworn, testified
4 as follows:

DIRECT STATEMENT

5
6 **MR. CURBELO:** I've got a speech, but I have
7 changed it because now I don't know what I'm going to
8 talk about. My name is Tomas Curbelo. I live in 801
9 Southwest 172nd, Pembroke Pines. I won't give my phone
10 number because I don't want (inaudible).

11 I just notice the gentleman that talked about
12 (inaudible). Yes, we are in the State of Florida and we
13 have a lot of sunlight that we can use, but know that
14 the price is -- there is no way yet to justify to
15 everything solar. Because I am an electrical engineer
16 also, and the cost of the solar, you don't get the money
17 back in ten years, and then you are the one that spent
18 the money, and you don't get the money back. And that
19 is the main reason. We are going to get to some point
20 that everything is going to be solar, and we are no
21 longer using gas (inaudible). We are getting there at
22 some point.

23 The second thing that I have is I am an
24 American citizen, but I was born in Cuba. And we had an
25 electric company over there that at some point they give

1 you power two hours a day, maybe three times a week.
2 You don't imagine what would happen when we had food in
3 my freezer and I lost it to my kids. I was living in
4 the third floor. The water doesn't come up. I got a
5 pump. And because I don't have power myself every day,
6 I have got to get buckets of water plenty times to go up
7 to the third floor. We couldn't watch TV. We don't
8 have light at night, unless we (inaudible) and it was
9 pretty dark.

10 And I really appreciate when I came to this
11 country. Actually, I leave my country because of
12 political issues, but when I came to you guys, you know,
13 getting me. Right now I've got a company, and I'm
14 successful. But I really appreciate that in 17 years I
15 have been in this country I have two power outages in 17
16 years. I can tell you, when I lived in my country it
17 was almost every week. And people don't see that. You
18 don't know -- you don't know what you have, because you
19 were born where you have plenty. And we cannot change
20 (inaudible). That's what I want to say. You guys got a
21 tough decision that you have to think about. Thank you.

22 **CHAIRMAN BRISÉ:** Thank you very much for your
23 testimony.

24 I don't know if there is any questions.
25 Seeing none, thank you again for your testimony this

1 afternoon.

2 **MR. KELLY:** After Mr. Synalovski is Eric
3 Pantaleon.

4 **MANNY SYNALOVSKI**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MR. SYNALOVSKI:** Good evening, Mr. Chairman
10 and Commissioners. My name is Manny Synalovski. I have
11 been a resident in South Florida since 1988. I am an
12 architect in private practice. My firm has designed
13 millions of square feet of facilities, whether they be
14 for the public sector or the private sector, and we have
15 probably touched the lives in our buildings of literally
16 hundreds of thousands of people over the course of
17 almost 25 years.

18 My experience with FPL candidly is phenomenal.
19 It's just phenomenal. I can't tell you enough of how
20 satisfied I am at every level in terms of my experience
21 with FPL. But I just want to share with you three
22 experiences in particular in the course of the last year
23 which I think are pretty incredible.

24 The first experience has to do, in effect,
25 with design. We designed what we called a green dream

1 home, 1500 square feet, three bedroom, two bath home.
2 It has been awarded with six different accolades over
3 the course of the last few months. It, in effect, is
4 going to utilize only 44 percent of what would normally
5 be the standard energy requirement to have of a house of
6 that size. What I want to share with you is that our
7 hertz rater for that project, who helped us, in effect,
8 reach that was nobody else other than an FPL staff
9 person.

10 So here you have your own company who, in
11 effect, is investing time in allowing the community to
12 design facilities that are actually intended to use less
13 power. So I congratulate you for that, because it's not
14 about just using energy. It's about, in effect, saving
15 the use of energy, and that is important for you to
16 know.

17 On an operation standpoint, my office is at
18 1800 Eller Drive at the entrance of Port Everglades. I
19 don't do any business at the airport. I don't do any
20 business at the seaport. I just happen to be in a
21 building that's close to both. We had a transformer
22 blow out a few months ago as a result of the work that's
23 is occurring off of 595, or it may be related to the
24 airport expansion, I'm not really sure. The bottom line
25 is we were pretty desperate. We had a monster

1 presentation to do the next morning. We were intending
2 to be up all night finishing our work.

3 I called FPL, and in 40 minutes there was a
4 monster -- I have never seen any transformer this big on
5 a flatbed driving over to the building and just plugging
6 in energizing the building. Maybe it wasn't just for
7 me, maybe it had to do with where I was located, but it
8 was impeccable. It was remarkable.

9 And maybe the last experience that I want to
10 share with you is that we design many types of building
11 types. Recently we designed a restaurant for a family
12 that moved here from Jamaica 13 years ago. They
13 invested every single penny that they, in effect, had
14 saved over the course of 13 years to open up a pretty
15 amazing restaurant in Pembroke Pines called Finger
16 Licking (phonetic). If you're ever in the area support
17 them. The food is just unbelievable. And they were
18 struggling for a lot of reasons relative to opening this
19 store, opening a restaurant.

20 And candidly it was FPL that pulled it all off
21 for us. Somehow they aligned all the stars and we got
22 what we need in terms of power for the inspections that
23 we needed to open the business. It wasn't my business.
24 I designed it nonetheless, the restaurant, and today it
25 will be very successful as the result of the efforts of

1 your staff.

2 At the time, I asked your staff if there was
3 anything I could do to support them. They were very
4 genuine and they said, no, nothing. This is what we do
5 every day. This is what we get paid to do. We are
6 happy, nonetheless, that we could help. So I said to
7 them if there is anytime -- a time that I can be of
8 support to you, please let me know. They did advise me
9 of the meeting tonight.

10 Believe me, I have a lot of other things I
11 would rather be doing than be here since 3:30 in the
12 afternoon. It's almost 7:30. I don't have to be here.
13 The fact that I was, I guess, invited to be here, but I
14 chose to be here as opposed to doing something else to
15 give you an understanding of my commitment to FPL
16 because of what I feel FPL has committed to me.

17 I urge you to consider the increase. I urge
18 you also to make sure that the money gets invested in
19 our future, because that's really what I'm interested
20 in. Thank you.

21 **COMMISSIONER EDGAR:** Any questions?

22 Seeing none, thank you for earlier testimony.

23 **MR. KELLY:** After Mr. Pantaleon is Rhonda Riff
24 or Roff.

25 **ERIC PANTALEON**

1 was called as a witness on behalf of the Citizens of the
2 State of Florida and, having been duly sworn, testified
3 as follows:

4 **DIRECT STATEMENT**

5 **MR. PANTALEON:** Good evening, everyone. My
6 name is Eric Pantaleon. I'm a physician. I have my
7 office in Miami Lakes, 7761 Northwest 146th Street, and
8 I also work at Surgery Center and Urgent Care, 3500
9 Hollywood Boulevard right here in Hollywood. The phone
10 number is 954-239-6100.

11 All I want to state is that I have always had
12 a great experience. Being in the medical field, we
13 cannot afford to have no power. Whether you are just
14 stitching somebody, or your vaccines can go bad, you
15 know, they are very sensitive to the lack of power and
16 refrigeration.

17 I've never a problem. Every time I have
18 needed them, they have been there. Ask anybody else, I
19 would not like to spend a single penny more in my
20 electricity bill, but two things. I come from the third
21 world, and after living in the Dominican Republic and
22 Puerto Rico, New Jersey, and New York, you have an
23 excellent service at a very affordable price. Thank
24 you.

25 **CHAIRMAN BRISÉ:** Thank you.

1 Are there any questions? Okay. Seeing none,
2 thank you for your testimony this afternoon.

3 **MR. KELLY:** After Ms. Roff is Yanei Perez.

4 **RHONDA ROFF**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MS. ROFF:** Good evening and thank you very
10 much for being all the way down here in Broward County
11 to speak with us. It's nice to see the new members of
12 the Commission here, as well.

13 I do not agree that FPL needs a base rate
14 increase. I think they are doing fine. And I am
15 appalled at how I see them wasting money. One place
16 where they are wasting a tremendous amount of money is
17 on the Turkey Point nuclear expansion. I have to have a
18 little moment here to acknowledge this is the week where
19 we acknowledge the Hiroshima and Nagasaki bombings. I
20 know there is a big difference between nuclear weapons
21 and nuclear waste, but just yesterday the NRC said we
22 are no longer going to be processing combined operating
23 licenses until we can figure out what to do with the
24 waste.

25 FPL needs to stop right now processing its

1 combined operating license. Spending the money in the
2 legal fees, the PR, all of that. They have to stop
3 spending that money until the NRC actually approves that
4 they can go forward with that. So that's a cost
5 savings. I say thank you NRC.

6 Nuclear also does not work in a warming
7 climate. The water is too warm to cool the plant. They
8 are right on the coast in the path of hurricanes and
9 raging corrosive salt water, and there is no safe way to
10 evacuate the people. Evacuation of a place does not
11 work in a hot climate where people will not have air
12 conditioning because the power will be down. It would
13 be horrible. They would just bake. And you can't even
14 get out of Miami-Dade County. And you have heard me say
15 this before to you three years ago when we were down in
16 Broward -- I mean, in Miami-Dade at the college. You
17 can't get out. You can't get out on a Friday rush hour.
18 How can you possibly imagine those people getting out of
19 there safely if there was a nuclear emergency. They
20 can't. So they need to stop wasting money on that.

21 There is another waste. I live on the
22 Seminole Indian Reservation in Big Cypress, right on the
23 edge of their new Hendry County gas plant proposal that
24 Mr. Schwartz was talking about. They secretly skulked
25 around and met with individual environmental

1 organizations, not the Seminole Tribe of Florida. They
2 bought a piece of land that is assessed at \$6 million
3 for \$40 million. They have purchased it already without
4 approval, without site certification. It's in the wrong
5 place. There is only 17 and a half million gallons of
6 water available on that land according to the South
7 Florida Water Management District. They need
8 23 million gallons of water in order to run it. It's
9 far from population centers. They will have
10 transmission line losses. Another waste of money.

11 They are being very rude to the tribe. The
12 tribe is suing the county for allowing them to even put
13 it there, so they are spending a lot of money on PR and
14 on legal fees, and they are in primary panther habitat.

15 We have had a candidate forum we hosted on Big
16 Cypress Reservation last week. None of the candidates
17 who came, the Senate and the House candidates who came
18 even knew about the plant. So this has all been
19 happening in secret, and it's offensive and it's rude.

20 I think the Public Service Commission together
21 with FPL and with the Legislature needs to work very
22 hard towards sustainable energy. I have five and a half
23 kilowatts on my roof of PV, and I have solar hot water.
24 I make 25 kilowatt hours a day of my own. I never turn
25 on my electricity to make hot water.

1 I don't mind if FPL stays in business. I love
2 them to employ all these people in Florida. I love that
3 they provide reliable service. I want them to do it
4 sustainably. Please help them to do that, because I
5 know they want to. Thank you very much.

6 **COMMISSIONER GRAHAM:** Thank you very much for
7 your testimony this afternoon.

8 Any questions? All right. Seeing none, thank
9 you for your testimony.

10 **MR. KELLY:** After Ms. Perez, the last speaker
11 I have signed up is Ms. Cynthia Duval.

12 **YANEI PEREZ**

13 was called as a witness on behalf of the Citizens of the
14 State of Florida and, having been duly sworn, testified
15 as follows:

16 **DIRECT STATEMENT**

17 **MR. PEREZ:** Good evening. My name is Yanei
18 Perez and I live in Miami Springs, Florida.

19 FPL currently, as everybody has stated, has
20 the lowest rates in Florida. They have great management
21 and supportive customer service staff. I agree with the
22 rate increase as stated earlier with the mind-set of the
23 future and building infrastructure for the future.

24 I was born in Cuba, as others have stated, and
25 it is very saddening to have to have your food spoil in

1 a situation, in an environment where it is even hard to
2 even get food because you're given only X amount of
3 allotment per family. So with the mind-set of
4 understanding of having more reliable and sustainable
5 energy, then I agree with the rate increase. And I hope
6 that you guys make a decision, as someone else stated
7 earlier, it is a very passionate one and a very
8 emotional one, but I know you guys will make the right
9 decision. Thank you.

10 **CHAIRMAN BRISÉ:** Thank you very much,
11 Ms. Perez.

12 Are there any questions for Ms. Perez? Seeing
13 none, thank you for your testimony.

14 **MR. KELLY:** And this is the last speaker, Mr.
15 Chairman.

16 **CYNTHIA DUVAL**

17 was called as a witness on behalf of the Citizens of the
18 State of Florida and, having been duly sworn, testified
19 as follows:

20 **DIRECT STATEMENT**

21 **MS. DUVAL:** Good afternoon. My name is
22 Cynthia Duval. I'm a resident of Pembroke Pines. I
23 didn't even mean to come here. I was just walking by
24 and when I saw who it was, I figured I would say my
25 peace.

1 I have written to the PSC before, albeit
2 before this new administration, and I have never gotten
3 a response. And basically I object to a rate increase.
4 I do feel that FPL makes enough money to do what it is
5 that they need to do. I don't think we are at the point
6 where if they don't implement the rate increase we are
7 going to be without power. We're going to have
8 shortages. We're not there. FPL may need to adjust
9 some of its priorities, but we're not at that point.

10 My sort of gut feeling is that the taxpayers
11 end up taking a hit, but the profit margin for the
12 investors never do. And that was the argument that I
13 made when I wrote to the PSC is that you have
14 shareholders, and they are supposed to share when there
15 are good times and they are supposed to share when there
16 are expenses. And it seems as if every time there is an
17 excessive amount of expense or, you know, some sort of
18 project that FPL wants to undertake, it's the taxpayers
19 that takes the hit. And I didn't know how these other
20 people manage it, but I find the rates to be expensive
21 and daunting. Thank you.

22 **CHAIRMAN BRISÉ:** Thank you, Ms. Duval.

23 Are there any questions for Ms. Duval? Okay.
24 Seeing none, thank you for your testimony this
25 afternoon.

1 I want to thank all of you for your
2 participation. We want to thank, I guess, Broward
3 County for the facility this afternoon. I want to thank
4 all of your staff who have worked tirelessly to ensure
5 that we have good locations and everything is set up
6 appropriately, so we certainly want to appreciate you at
7 this time for the hard work that you do for all the
8 Floridians in our state.

9 With that, we stand adjourned and we trust
10 that you will travel safely.

11 (The service hearing concluded at 7:29 p.m.)
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STATE OF FLORIDA)
 :
 : CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 17th day August, 2012.



JANE FAUROT, RPR
FPSC Official Commission Reporter
(850) 413-6732