BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION FOR RATE INCREASE BY
FLORIDA POWER & LIGHT COMPANY.

PETITION FOR APPROVAL OF
2016-2018 STORM HARDENING
PLAN, BY FLORIDA POWER & LIGHT
COMPANY.

2016 DEPRECIATION AND
DISMANTLEMENT STUDY BY FLORIDA
POWER & LIGHT COMPANY.

PETITION FOR LIMITED
PROCEEDING TO MODIFY AND
CONTINUE INCENTIVE MECHANISM,
BY FLORIDA POWER & LIGHT
COMPANY

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN JULIE I. BROWN
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER ART GRAHAM
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER JIMMY PATRONIS

DATE: Friday, June 3, 2016
TIME: Commenced at 9:30 a.m.
Concluded at 10:58 a.m.
PLACE: Sarasota City Commission Chambers
Sarasota City Hall
1665 1st Street
Sarasota, Florida 34236
REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734
APPEARANCES:

J.R. KELLY, PUBLIC COUNSEL Office of Public Counsel, c/o the Florida Legislature, 111 W. Madison Street, Room 812, Tallahassee, Florida 32399-1400, appearing on behalf of the Citizens of the State of Florida.

PATRICK BRYAN, ESQUIRE, and MARLENE SANTOS, 700 Universe Boulevard, Juno Beach, Florida 33408-0420, appearing on behalf of Florida Power & Light Company.

ROBERT SCHEFFEL WRIGHT, ESQUIRE, Gardner Law Firm, 1300 Thomaswood Drive, Tallahassee, Florida 32308, appearing on behalf Florida Retail Federation.

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

SUZANNE BROWNLESS, 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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CHAIRMAN BROWN: Good morning. My name is Julie Brown, and I have the privilege of being Chairman of the Florida Public Service Commission. I'd like to welcome you all to this customer service hearing in Sarasota, Florida. It's great to be here. You have a beautiful city here.

With me today are all of the Commissioners on the Florida Public Service Commission, and I'd like to take this time to have them introduce themselves to you, starting to my right.

COMMISSIONER BRISÉ: Sure. Good morning. And we are here to hear from you, and we are happy to be in Sarasota.

COMMISSIONER EDGAR: Good morning. I'm Lisa Edgar. I'm pleased to be here. Glad to see so many who have turned out. I look forward to your comments.

COMMISSIONER GRAHAM: Good morning. My name is Art Graham, and, once again, I am glad to be here as well.

COMMISSIONER PATRONIS: Good morning. I'm Jimmy Patronis. Beautiful city. Thank you for hosting us. And I look forward to your comments.

CHAIRMAN BROWN: Thank you. At this time, staff counsel, will you please read the notice.
MR. HETRICK: Yes, Madam Chair. By notice issued on May 2nd, 2016, this time and place has been set for a customer service hearing in Docket No. 160021-EI, petition for a rate increase by Florida Power & Light Company.

CHAIRMAN BROWN: Thank you. And at this time we will take appearances of counsel, starting with Florida Power & Light.

MR. BRYAN: Thank you, Chairman Brown, Commissioners. Good morning. I'm Patrick Bryan appearing on behalf of FPL.

MR. KELLY: Good morning. My name is J.R. Kelly. I'm with the Office of Public Counsel. I'm here with Tarik Noriega, and we have the privilege of representing the ratepayers, the customers of Florida Power & Light. I look forward to hearing everybody today.

MR. WRIGHT: Good morning. My name is Schef Wright. I represent the Florida Retail Federation. We're consumers too.

CHAIRMAN BROWN: Thank you very much. And there are other intervenors in this, but they have not appeared at this customer service hearing.

Now let me first begin by thanking each of you for taking time out of your day to come here. We are
holding nine customer service hearings around the state, and we're here today. Our primary purpose here today is to hear from you. This is your meeting. And at this -- when you come up to the podium, when I swear you in, you're going to have an opportunity to tell us your thoughts, your concerns, anything you want about the rate increase request.

Please note that we do have company -- there are company representatives here as well as Public Service Commission staff members are here, and I'll go through all of the different members on the Public Service Commission staff. So -- and if you have a question for us, the Public Service Commission specifically, during what is your time to speak, we'd ask -- I'd ask for you to save it for after the meeting, and we'll have staff readily available to assist you with those.

So the Public Service Commission staff members who are here today at this meeting: From the Accounting and Finance Division are Cheryl Banks, Bart Fletcher; Economics, Elisabeth Draper; Engineering, Laura King; General Counsel, Keith Hetrick, and the senior attorney on this case is Suzanne Brownless; our Public Information Officer, Cindy Muir, was outside checking you all in as well as Dick Durbin; and our court
reporter, who is sitting right here, is -- transcribing is Linda Boles. And I'll tell you, this is an official hearing, and it will be transcribed and part of the official record in this docket. So you will be sworn in, and your comments will be subject to cross-examination, which means that any party can ask you a question or the Commissioners can ask you a question as well.

If you could right now, please silence your phones or electronic devices. We want to run an efficient meeting and don't want to interrupt the flow of this customer service hearing, so it's very important. We appreciate the professional nature of these meetings, and we ask you to do the same too.

You may have noticed the speaker sign-up form when you got in. If you would like to speak, you need to sign up and provide that, if you haven't done so already. If you don't want to provide verbal comments to us, there is a comment form that you can write in your comments. You can turn them in today, you can mail them in, you can bring some home for your neighbors. Whether comments are made verbally today or in writing, they will become part of the consideration in this decision.

Also before I get into allowing the parties to
give opening statements, I do want you to know this is just one aspect of the case. Later on in August we will have a two-week technical hearing where we take the substance and the evidence in this docket too, then we'll have a formal decision later in the year.

Now we are going to get into opening -- parties and intervenors may make brief opening statements in the following order: FPL, OPC, followed by FRF. The petitioning party, Florida Power & Light, may have six minutes and may reserve a portion of that time for comments after the intervenors have made their statement. Public Counsel will also have six minutes, and Retail Federation will have two. So with that, Florida Power & Light.

MR. BRYAN: Thank you again and good morning again. Patrick Bryan on behalf of FPL. Before you hear Marlene Santos, FPL's vice president of customer service, speak, very quickly I wanted to let you know we have several customer service representatives here in the building this morning. They're in Room 112, which is out the chamber doors and to your left. They're available to meet with you if you have a question or a problem with your electric bill or with your service. They've got computers all hooked up so they can access your account information, and they'll do their very best
to answer your questions, solve your problem here today. I would encourage you to take advantage of that. And with that, we bring up Marlene.

**MS. SANTOS:** Thank you, Commissioners, and thank you most to all of our customers that are here today. We're so looking forward to your feedback so that we can listen and improve the service that we provide you.

I am proud to be among the nearly 9,000 FPL employees whose mission is to provide you with affordable, reliable, and clean energy every single day. As a regulated energy company, we cannot set our own prices. The Public Service Commission oversees FPL to ensure we are delivering safe and reliable service at fair prices.

Earlier this year, we filed a base rate proposal with the Public Service Commission covering four years beginning in 2017. And as part of that process, we're here today to hear from you on the service that you receive from us.

The base rate is a portion of your total bill and includes most of the costs -- other than fuel, local fees, and taxes -- to produce and deliver electricity. Base rates pay for most of the investments that we've made to improve your service and to help keep costs down.
over the long term.

FPL has been investing for years in high-efficiency natural gas energy that uses less fuel to generate cleaner power. These smart investments continue to pay off for all of us. Since 2001, we've reduced our oil use by more than 98 percent and, in turn, have prevented an estimated 95 million tons of carbon emissions and saved you more than $8 billion in fuel.

These clean, more efficient plants have also enabled us to lower bills four times in the past 18 months primarily because we're using cleaner burning natural gas and using it more efficiently. Today your service is cleaner and more reliable than ever before, while the typical residential bill is lower than it was ten years ago.

This did not happen by accident. It's because we've made a commitment to you, our customers, to be the best utility possible. We know that's what you expect from us, and you deserve that. You deserve much better than average. That's why we're proud to provide you reliability that is best in Florida and 44 percent better than the national average, and typical residential bills that are $40 less than the national average per month.
Since our last base rate request four years ago, we have been investing billions of dollars to continue to improve your service, but most of those costs are not included in the rates that you're currently paying. So we submitted a proposal to the Public Service Commission to approve three base rate increases phased in over four years totaling $13.28 a month, or 44 cents a day, on a typical residential customer bill. We expect that through 2020 typical residential and business bills will remain lower than they were in 2006.

So what will this request pay for? Primarily it will help us continue to improve the reliability and resiliency of FPL's electric grid and further modernize how we generate power. Our smart energy grid now allows us to identify outages before they happen and take action to prevent them. And when outages do occur, we can respond quickly and more efficiently, reducing the length of time that your power is out while saving customers money. We're continuing to make our grid even smarter and more responsive to further improve your service.

Second, we're working hard to make sure that the electric system is better prepared to respond to major storms. We've strengthened many of the main power
lines that serve critical community facilities such as police and fire stations, hospitals, and 911 centers. Right here in Sarasota we've strengthened the main power lines serving Sarasota Memorial Hospital and the Sarasota Emergency Operations Center, and we're working this year on the main thoroughfare along Clark Road.

In addition to further improvements in reliability, we continue to invest in clean, efficient power generation. We're building three new solar energy centers right here on the west coast, and moving forward with the future, FPL Okeechobee Clean Energy Center.

Like past projects supported by base rates, our proposal is designed to help keep costs down over the long term. I understand this is a lot of information, so please let us know if you have questions about any of this.

We're also mindful of -- for those customers that need help in paying their bills. So if you need assistance, as Pat mentioned, we have representatives that can help you.

We've asked a few local customers who have said they value our service if they would be willing to share their thoughts today. We're also listening to all of you and all of your feedback on how we can continue to improve the service we provide.
At FPL we're proud to be a part of Florida, and we work hard every day to provide you affordable clean power 24 by 7. As an FPL customer myself, I assure you that we are committed to exceeding your expectations today and continually improving for tomorrow. Thank you so much for being here today and for the opportunity to serve you.

CHAIRMAN BROWN: Thank you.

Now we will hear from the Office of Public Counsel, Mr. J.R. Kelly.

MR. KELLY: Good morning. I'm J.R. Kelly, as I said earlier. I'm with the Office of Public Counsel. And we are the statutorily created office, and we represent all of the ratepayers of Florida Power & Light in this rate proceeding. I represent not only the residential, but I also represent the commercial and the industrial ratepayers.

Why are we here today? We're here because Florida Power & Light has filed a petition to raise $1.3 billion annually in their rates over the next three years. They're asking for $866 million next year, $262 million beginning in 2018, and another $209 million in mid-2019.

We've intervened in this proceeding. We have hired seven expert witnesses that will be providing
testimony on behalf of you, the ratepayers. We have not identified all the issues at this time because we're still in the middle of discovery and gathering information, but a few of the issues I'll identify for you that we have discovered.

   Number one is excess profit. Florida Power & Light is asking in their request for an 11 percent return on equity. That's an after-tax profit. We believe that that is excessive based upon what the Commission has approved for other utilities in Florida and what other commissions have approved for utilities around the United States. Our expert is going to be recommending probably a little bit below 9 percent, but we think that is fair and reasonable under today's conditions.

   Now keep in mind what that means for you and your pocketbook. One percent, or 100 basis points, equates to $240 million more you would pay as a ratepayer on an annual basis. So if the Commission approves 9 percent or somewhere below 9 percent versus the 11 percent that Florida Power & Light is asking for, that's a total of $480 million. That will not affect their ability to provide safe, adequate, and reliable service. It will take away what we believe is excess profit they're asking for.
Another issue is capital structure. A company raises capital two ways: They sell stock, and that is called equity capital, they sell stock to shareholders; they also raise debt capital by borrowing money. Equity capital costs a lot more to you, the ratepayers, than debt capital.

What that means is this: A prudent utility should have a good balance between equity capital and debt capital. Now in this particular case, Florida Power & Light's expert witness, who is recommending an 11 percent return on equity, is using a proxy group of comparable like kind utilities from around the nation. They have an equity capital ratio of 48 percent. Now you don't have to be a genius in finance to understand what I'm fixing to tell you.

NextEra, who is Florida Power & Light's parent company, in their corporate body they have a 44 percent equity ratio. Florida Power & Light in this case is asking for a 60, a 60 percent equity ratio. We believe that is totally, totally unreasonable. Our expert is going to be recommending probably a 50/50 split: 50 percent equity, 50 percent debt.

What does that mean to you, the ratepayers? That 10 percent turn will mean $359 million annually that you would pay less. Again, that will not affect
Florida Power & Light's ability to provide you safe, adequate, and reliable service.

FPL is also asking -- excuse me -- asking for a performance adder. They want a 50 basis points, or .5 percent, additional return or profit because they claim that they have the lowest rates in the state, and they are among the lowest, and because they're a good company. We oppose this for a couple of reasons.

First off, FPL is a monopoly. You have no competitor when you go to your electric provider, Florida Power & Light. They should not be rewarded for doing what they're required to do under the law, and that is provide safe, adequate, and reliable service at the least possible cost. That .5 percent will mean an extra $120 million out of your pockets annually, and it will not improve reliable service. We're also looking at several other areas that we have yet to identify, but we will be providing our testimony on July 7th to the Commission.

But let me quickly say what this case is not about. It is not about personalities. I will be the first one to tell you Florida Power & Light is one of the best run utilities there is. It is made up of some wonderful men and women that are friends of mine, and I have tremendous respect for them. However, the law
requires them to prove to the Commissioners behind me that everything they ask for is prudent and reasonable, and it's our job to challenge anything that we don't think is prudent and reasonable, and we will do that.

How can you help today? This is your hearing. It's not my hearing, it's not the Commission's hearing, it is not Florida Power & Light's hearing. It is a customer hearing. Please take this opportunity to come up to the podium and speak and tell the Commission what you think about Florida Power & Light, good, bad, their service, and also how you feel about the rate increase. I look forward to hearing from you. And afterwards if you have any questions I can answer, I'll be more than happy to. Thank you.

CHAIRMAN BROWN: Thank you, Mr. Kelly.

At this time we'll hear from Mr. Schef Wright with the Retail Federation.

MR. WRIGHT: Good morning. It's great to be back in Sarasota. I spent some time here a few years ago working on your franchise agreement with Florida Power & Light.

My name is Schef Wright. I'm an attorney in Tallahassee. I've been working in energy for more than 35 years, including service on Governor Bob Graham's Energy Office and seven years of service on the staff of FLORIDA PUBLIC SERVICE COMMISSION
the Florida Public Service Commission before I went to law school. For the last 11 years I've had the privilege of representing the Florida Retail Federation in proceedings such as this. The federation is an organization of more than 8,000 members from the largest grocery, pharmacy, electronics and department stores to literally thousands of mom and pop operations. We work closely with your Public Counsel to fight for lower reasonable rates for -- from all of the electric utilities that serve in Florida.

We don't advocate for zero rates. We don't advocate for free electricity. It would be nice, but we don't. We want a healthy Florida Power & Light Company. We want healthy electric utilities. We want safe, adequate, reliable service at the lowest possible cost, which is the utility's duty under the law.

I've got two minutes. I'll be brief. Your Public Counsel pointed out that FPL is asking for a return on equity of 11.5 percent, including their performance adder. Folks, that is 18.7 percent before taxes. That is flat out excessive. Even a return of 9 percent, which the Public Counsel's witness is likely to recommend, is still a before-tax return of 14.4 percent. That's pretty darn high.

To put it in real perspective, here are some
dollar numbers. FPL's own filings show that if they did not get any rate increase at all next year, they could pay all their costs, all their debt service, all their employees, all the materials, the return on the investment they'll make, and still have a profit of more than $1.6 billion. Frankly, we think this is plenty. We are confident that when all the evidence is in, it will show that Florida Power & Light can continue to fulfill its statutory duty of providing safe, adequate, reliable service at the lowest possible cost with no increase in rates.

This is your hearing. Please tell the Commissioners what you think. Thanks for coming.

CHAIRMAN BROWN: Thank you, Mr. Wright.

Now moving into the most important part of this meeting, which is the customer public comment portion. We want to give every customer an opportunity to speak. You will have three minutes so that we have as many customers as possible that are able to do so. There are lights on the podium that Mr. Durbin is setting up right there. When it gets to yellow, you will have about 30 seconds left, so you should probably be wrapping it up. When it gets to red, that means please stop. And when it gets to flashing red, please, please, please stop. Please be considerate of others
with your allotted time.

And at this time, we will be swearing -- I'll be swearing you in as a group. So if you would like to speak, please stand and raise your right hand.

Do you swear or affirm that the testimony you're about to provide is the truth in this matter?

(Collective affirmative responses.)

(Witnesses collectively sworn.)

Thank you. You may be seated.

MR. BRYAN: Excuse me. I -- may I introduce the affidavits?

CHAIRMAN BROWN: Yes. Go ahead.

MR. BRYAN: Okay. Thank you. Thanks again.

At this time I have affidavits of publication from two local newspapers of general circulation, the Sarasota Herald Tribune and the Sarasota Siesta Key Observer, and these affidavits demonstrate that FPL complied with the public notice requirements of the Commission for this particular service hearing. And I'll provide those to the court reporter at this time. Thank you.

CHAIRMAN BROWN: Thank you. Any my apologies. I keep forgetting that part. Thank you.

MR. KELLY: Madam Chair, what exhibit number is that?

MS. BROWNLESS: One.
CHAIRMAN BROWN: One.

(Exhibit 1 marked for identification.)

(Note: Exhibit is service hearing Exhibit 2.)

CHAIRMAN BROWN: Now when you come to the microphone, please state your name, your telephone number, your address, and please confirm whether you are an FPL customer or not. Mr. Kelly will be calling two names up at a time. The first one will be speaking, and the second one will be on the deck ready to speak right after. And so with that, Mr. Kelly, can you please call the first customer on your list.

MR. KELLY: Yes, Madam Chair. The first speaker is Ms. Phyllis Vogel, and she will be followed by Mr. Paul Hartman.

MR. VOGEL: I am Phyllis Vogel. I live in Sarasota County and am a Florida Power & Light customer. Chairman Brown, Commissioners Brisé and Edgar and Graham and Patronis, I appreciate your listening to us. I'm here today with my colleagues -- oh, I am a president of the League of Women Voters, and I'm here today with my colleagues representing the citizens of Sarasota County to call on you to deny this rate request and instead call upon the Florida Power & Light to show a much larger commitment to renewable energy in the Sunshine State.
And here is what real support of renewable energy means. For FPL to go on record as supporting renewable energy standards. Twenty-seven other states have renewable energy standards and they're committing to rates of 25 percent and higher in the use of renewable energy in the next several years. Currently Florida has no -- no standards. We get only a pitiful one-tenth of 1 percent from renewable energy. For Florida Power & Light to cease their sponsorship of Amendment 1 that would make it very difficult for third-party groups to come into our state and reduce that cost of solar power. For Florida Power & Light to commit to helping Florida, the Sunshine State, take our rightful place and become a leader in solar energy. Let the sunshine in and stop building any further coal and gas plants. Experts say we should be among the top three. We now lag in the back of the pack due to our state being one of four that do not allow third-party groups to provide low-cost to free solar.

We call upon the Public Service Commission to deny this request for a rate increase in Florida, and instead ask FPL to work harder to encourage renewable energy, which recent studies reported by the Brookings Institute show -- that help reduce rates.

Floridians all across our state live in ground
zero for rising oceans and climate change. We're seeing with our eyes increasing beach erosion and saltwater intrusion into our drinking water. This morning's paper says that 25,000 more parcels in Sarasota County are now listed at risk, at flood risk.

So if we don't take responsible action, who will? So tell us who will. This begins with denying this rate increase and taking a leadership role in promoting renewable energy and making sure our utilities put their customers first.

CHAIRMAN BROWN: Thank you. Thank you, Ms. Vogel. I have just a question for you. Are you speaking on behalf of the League of Women Voters?

MS. VOGEL: The League of Women Voters.

CHAIRMAN BROWN: For the state of Florida or for Sarasota County?

MS. VOGEL: For Sarasota County. Sarasota County.

CHAIRMAN BROWN: Commissioners, any questions? Thank you for your time.

COMMISSIONER BRISÉ: Thank you.

CHAIRMAN BROWN: Next customer, please.

MR. KELLY: After Mr. Hartman will be Maria Routh.

MR. HARTMAN: Good morning. My name is Paul
Hartman. I'm the director of plant operations at Pines of Sarasota. And our address is 1501 North Orange Avenue in Sarasota, and my number is (941)552-1826.

As I mentioned, I'm the director of plant operations at Pines, and I have a direct relationship with Florida Power & Light. It's been a very good relationship, and I consider them a partner in the operation of our facility. We're a somewhat large user, certainly larger than my home bill is every month, but the truth is they've worked with us over the 12 years I'm at Pines to consistently provide us with energy that's reliable and to help us keep our rates low. Over the years -- I'm there 12 years now, and I'm still providing energy for the entire facility at the same dollars I was the day I arrived. Now it hasn't happened easily and, of course, we had to make investments as well, but their professionals have helped us to do our job. It's very important that the relationships that they build help us operate our facilities, and we're the front line of providing the care here in Sarasota.

I've found that their customer service orientation has been very helpful to me. We're planning expansion of our facility, and they're already working with us to make sure that we do it in an efficient and affordable manner. Their professionals are wonderful.
They're very, very skilled and have had long --
longevity in their company.

   I feel that they give us superior service over
the years as our power has been very reliable. I
believe that we are among the most affordable in the
state, and I also believe that superior service deserves
superior rewards. So I'm not -- I'm not here to support
or deny, but I want to make sure that Florida Power &
Light has the resources available and the investors
available to make sure they can continue to provide the
fine service that they do. I would hope that you do
that, take your job seriously, and make sure that the
appropriate increases are awarded as needed so that they
can provide the good service they've provided to us over
all these years.

   CHAIRMAN BROWN: Thank you, Mr. Hartman.

   MR. HARTMAN: Thank you very much.

   CHAIRMAN BROWN: Commissioners, any questions
first?

   Mr. Kelly.

   MR. KELLY: Mr. Hartman, were you asked to be
here, come and speak today?

   MR. HARTMAN: Yes, I was.

   MR. KELLY: Okay. By someone at Florida Power
& Light?
MR. HARTMAN: Someone at Florida Power & Light. My customer service rep didn't give me any coaching, by the way. He said, "I'd like you to show up and just tell them what you think," and that's what I'm here to do.

MR. KELLY: Thank you, sir. I appreciate your testimony.

MR. HARTMAN: You're welcome.

CHAIRMAN BROWN: Thank you, Mr. Hartman.

MR. HARTMAN: Thank you all.

CHAIRMAN BROWN: Next customer, please.

MR. KELLY: After Ms. Routh is Mel Klein.

MS. ROUTH: Good morning, Commissioners. My name is Mara Routh.

MR. KELLY: I'm sorry. I apologize.

MS. ROUTH: Oh, no, that's okay. Everybody gets it wrong. And my address is 2813 Tangelo Drive, Sarasota, Florida. Phone number (941)313-1745.

I just want to tell you that without Florida Power & Light I would have had a disastrous surprise tenth birthday party for my niece. I had 30 little girls swimming in a pool, jumping in a fun house, dipping chocolate in a chocolate fountain, and a transformer blew up. So the house went down, the chocolate stopped flowing, they were wet, they were
chocolaty, they were unhappy, the music stopped, there
was not going to be a pinata -- there was, but they
didn't know that -- and I called Florida Power & Light.
Within an hour the jumpy house was up, the chocolate was
flowing, the wet children were clean in the pool without
the chocolate, and they hit the pinata and it all worked
out great.

I just have to tell you that they are quick
responders. This was not, by any stretch of the
imagination, an emergency except for me because I didn't
want them in my house. (Laughter.) So, you know, I
just have to say that, you know, I feel that they give
superior service and everybody is always so helpful when
you call. The person I called certainly was incredibly
sympathetic with an hysterical aunt who has never had
children, and within an hour the party was back in full
swing. So I would just say that we're so lucky to have
them in the state of Florida.

CHAIRMAN BROWN: Thank you, Ms. Routh.

Commissioners, any questions? Thank you.

MR. KELLY: Ms. Routh, do you support the rate
increase?

MS. ROUTH: I do.

MR. KELLY: Okay. Do you support anything
beyond what is fair and reasonable to ratepayers?
MS. ROUTH: Well, I think that if you're an investor in Florida Power & Light, you're putting your money someplace to get a return on investment. And, you know, how much is too much? I mean, you know, as a smart investor, you put your money where you're going to get your best return. And if Florida Power & Light is returning a fabulous return, why wouldn't you want to invest all your money with them? Not all your money, but a good portion. All right.

CHAIRMAN BROWN: Thank you.


CHAIRMAN BROWN: Next customer, please.

MR. KELLY: After Mr. Klein is Mr. Frank Wyant.

MR. KLEIN: Good morning, Commissioners, staff, ladies and gentlemen, welcome. For those of you who don't live here, we're glad to have you in Sarasota. Congratulations to the gentlemen up here who do not have their ties on. I feel like I've -- I'm a retiree, so I --

COMMISSIONER BRISÉ: Sorry.

MR. KLEIN: Well, you'll get there. You'll get there.

MR. KELLY: We're not as old as they are.

MR. KLEIN: I'm here today really in what we
might title my brief presentation, and I ramble a little bit, so it's a bit of a challenge, you might say.

But I am here today, what you might call reflections of an old guy. I've been an FPL customer for 50 years, starting back in the '60s in Miami. I joined FPL down there. I spent 34 years with the company in a management position. I'm very proud of that time, the effort that we put in. I read about this hearing, as I think a lot of people did, because it was in that little bill insert that they send out. And I knew you were coming, and what I did was call some of the people I knew and I said, you know, "When you guys come to town, I'd like to come over and say something. Would that be all right?" And they said, even knowing me, "Yes, come on over. We'd be glad to have you."

So what I can reflect on is that back in the 1970s when I first joined FPL, and, you know, I was a little concerned at the time -- it was a day of what we used to call the monthly fuel adjustments. Some of you may know the history or participated in that. Oil was out of control. We knew that as consumers. We knew that, I guess, as Commissioners. The newspapers had us in the headlines just about every day, and it was not a happy situation if people knew you worked for FPL. And in a community where you speak up for FPL, they know it
and they'll let you know what they think, and during that time it wasn't all just roses.

But we made some commitments then to both controlling the fuel. I believe Ms. Santos mentioned it. It's been a very successful effort not to be captured any longer as we all were, I think, at that time by imported oil and the cost and potential for disruption of supply. So I give the company a lot of credit for that and over the years for having moved off that unreliable and, at that time, very expensive fuel supply. And I think it's also characteristic of the way the company did try to do its business with the customer in mind.

And I know there are a lot of people here today, with all due respect to Mr. Kelly, the Public Counsel, you do represent and do it well for the public. I always felt as an employee that I was representing the customer. That's who I was -- I knew where my paycheck was coming from, I knew who my bosses were, but when I was out in the field and I was talking to people, I felt like I was working to represent them. And it was never a time that was anymore --

CHAIRMAN BROWN: Thank you, Mr. Klein. Your time is up.

MR. KLEIN: Am I done?
CHAIRMAN BROWN: You're done, but we see your hat.

MR. KLEIN: But you see my hat. Yeah. And --

CHAIRMAN BROWN: Commissioners, do you have any questions for Mr. Klein?

Mr. Kelly?

Thank you for your time.

MR. KLEIN: Thank you.

MR. KELLY: After Mr. Wyant is Deacon Pat Macaulay.

MR. WYANT: My name is Frank Wyant. I'm a retiree. I live at 4239 Carriage Drive, Sarasota, Florida. Phone number is (941)552-8234.

When I heard the hearing was going to be taking place here, and different ones told me about it and I was semi asked, but I was willing to come and volunteer also. I believe that this company has just done such a tremendous job for FP&L, for the state of Florida, and the service territories. It's amazing to me how many other service territories and areas other than FP&L have tried to become part of FP&L, but for different reasons or costs or whatever, it never came up. It used to aggravate me when they would say that FP&L was a monopoly because, like I say, to me there was a lot of communities, a lot of areas, a lot of counties
that wanted to be part of Florida Power & Light Company. And why were they so good? Because of their management, because of their investments, and because of what they did with their people and their supplies and their power plants and all the new ideas that they were coming up with all the time.

It just -- and for this short -- well, to me, I don't know if it's short, but the small amount of money that they're asking for and what they have spent over the years and what their power system, their grid system, it's just phenomenal. I know people from the north that come down all the time and they say, "Gee, I wish I had FP&L up north" because of the service, the continuity, the way the employees are with the people out in the field when they get to a house, the customer service end of it, just everything about the company.

And I just find it hard that we wouldn't want to give this company what they're looking for to continue to do the service and reliability and take care of the customers that they have. I think they've done a spectacular job. I started in the company in '62, and it's amazing what they do now and where they're at right now. And, again, it's a credit to management and the people who work for the company. The power plants, the distribution system ties in their grid system with
And I kind of speak for myself. I'm not sure what AARP says or what they want, but they're not part of me or my thoughts or whatever, but I'm basically on my own just trying to speak for the company and let people know what this company has done.

CHAIRMAN BROWN: Thank you, Mr. Wyant. Mr. Wyant, did you say you worked for the company?

MR. WYANT: Yes, ma'am. I'm a retiree, yeah.

Thank you.

CHAIRMAN BROWN: Okay. Thank you.

Commissioners, any questions?

Thank you for your testimony.

MR. KELLY: After Deacon Macaulay is Mr. William Haddock.

DEACON MACAULAY: Good morning. My name is Deacon Pat Macaulay, and I'm representing St. Martha's Church, which coincidentally is across the street at 200 North Orange Avenue. The telephone number there is 366-4210.

I received -- well, let me put it this way. I received a telephone call from a FP&L client representative who told me about the hearing, and before he could ask me to speak, I said, "I'll be there." So that's how I feel about it.
My predecessor who spoke before about -- who represented The Pines talked about FP&L being a partner with him and his institution, and that's exactly how I feel about FP&L.

We're operating on a system that was using non-peak hours and we shipped it over to the thermal storage facility. We received a rebate from FP&L which made it economically feasible for us to make the transition. We would not have been able to do it otherwise. Our costs went down from -- I have it here -- of course it fell off -- we were spending -- we were averaging -- it's coming up maybe. We do have wireless here. (Laughter.) Well, it didn't make it. But I had a little spreadsheet there that basically said that -- showed a savings of about 50 percent of what we were spending prior to having the thermal storage to what we have now.

We have a school facility located at -- up on McIntosh, and the school is -- spends over $10,000 a month on electricity. We have 400 kids going -- over 400 kids going to school there. And it is just a -- (speaker making a sound) -- it just sucks in energy all the time. And we're upgrading. We are -- we're bringing in a gymnasium and we're upgrading our system. And when we upgraded our system, we decided to move
ahead and with the rebate system again. We were allowed
to do this, and we are putting in thermal storage. And
we anticipate reducing the cost there by about $4,000 a
month. That's our anticipation.

So, yes, I'm really a very happy user of FP&L.
I think highly of them. And I'm not going to talk
either one way or the other as far as whether they
should get -- whatever they should get as far as a rate
increase because I don't have that expertise. I don't
have $244 million in my pocket to save, so, you know, I
don't know these things. So that's my testimony.

CHAIRMAN BROWN: Thank you, Deacon. Thank you
for coming out here today.

Commissioners, any questions?

Thank you.

MR. KELLY: After Mr. Haddock is Raines
Sellers.

MR. HADDOCK: Good morning, everybody. My
name is William Haddock. I live at 3217 Cambridge Drive
West, Bradenton, Florida. My number is (678)793-8686.

I'm a recent transplant to the area. I moved
down from Destin, Florida, up on the panhandle. And
when you move, you know you have the long litany of
things you have to do to get set up: your utilities,
your garbage, your cable, your internet, all that and
whatnot. And dealing with Florida Power & Light was the easiest thing by far that I had to do when I moved down here. I just made a phone call, they flipped a switch, boom, I had power. I was ready to go. So you're moving in, you can come in, you just flip on the light, and it just makes things so much easier than having to worry about everything else.

And as far as rates go compared to what I was paying with up on the panhandle, they are definitely lower than what I was used to. I was mentally prepared for a lot more that first month's bill. You know, if y'all are like me, your AC is blasting pretty hard down here. So I've just been very pleased with my service so far, and when they asked me to come here, I was more than happy to speak on their behalf.

CHAIRMAN BROWN: Thank you, Mr. Haddock.
Commissioners, any questions?

COMMISSIONER PATRONIS: Yeah.

CHAIRMAN BROWN: Commissioner Patronis has a question for you.

MR. HADDACK: Yeah.

COMMISSIONER PATRONIS: Thanks. So what brought you down to Sarasota?

MR. HADDACK: My folks live down here, so does my family. And I work at the Tommy Bahama over at St.
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Armands Circle. Happy hour is 4:00 to 6:00.

(Laughter.)

CHAIRMAN BROWN: Good to hear. Good to hear.

MR. HADDOCK: Yeah. Yeah. So I -- and I used to work for the one up there, so it just made sense to come down here and be with my family.

COMMISSIONER PATRONIS: So are you related to Deeter (phonetic)?

MR. HADDOCK: Bryan Deeter?

COMMISSIONER PATRONIS: Yeah.

MR. HADDOCK: No. He's been my eastern regional manager about five years now, but, yeah.

CHAIRMAN BROWN: Commissioner Patronis knows everyone.

Commissioners, any further questions?

Thank you.

MR. HADDOCK: Thank you.

MR. KELLY: After Mr. Sellers is Clayton Robertson.

CHAIRMAN BROWN: Did anybody leave a cell phone? Oh, give that to the deacon.

MR. DURBIN: He's right across the street. I know where to find him.

MR. SELLERS: We all need a good deacon. Good morning. My name is Raines Sellers. I am not an FP&L

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customer. I do work with them -- not with them for FP&L. I work with them as a vendor, I guess you would say. I was asked to come if I wanted to, and I said, "I would sure, sure like to do that for you guys." But I'm here to speak on basically what -- you know, you think of power -- when you're most upset about power is when it's out. And for the last month -- every year we go through, with FP&L, a practice round of if, an unfortunate thing, we get another hurricane. And we spend about a week or so of them calling us, seeing what we -- make sure we are prepared with equipment wise to help them to make their customers get online as quickly as possible, back online if power goes out.

As everybody has spoken before, they are doing greener things with solar. They were the first in this state to bring in solar and they're adding more. So -- and needless to say, I hope everybody else does that. So that's all I've got for y'all today. And if any -- any questions for me?

CHAIRMAN BROWN: Thank you, Mr. Sellers. What line of business are you --

MR. SELLERS: I'm in the equipment industry, rental. I work for United Rentals.

CHAIRMAN BROWN: Thank you.

Commissioners, any questions?
MR. ROBERTSON: Good morning, Madam Chair, Commissioners. My name is Clayton Robertson. I am a resident of Manatee County. I reside at 4803 2nd Avenue Drive N.W. My phone number is (941)747-0068. I've been a resident of Manatee County since 1972, and I'm here to speak on Florida Power & Light's quality of service. I know it's a rate hearing, but I'm here to speak on the quality of service.

I have experienced power outages as a result of hurricanes; tropical storms; no-name storms; lightning strikes, of which we have many; and the periodic encounter of a vehicle with a power pole. Without exception, my power interruptions have been with -- excuse me -- my power resumptions have been within a reasonable period of time, and life as we have come to expect returns to normal. I don't remember the last time that I experienced a brownout, which I have to admit many years ago was not uncommon, or a power surge. I don't even know if they have those anymore. And I don't recall the last time I had an issue with my billing. It's always been -- I just haven't had a question. I also applaud the commitment to their solar
power generation. And like the lady that spoke earlier, I'd like to see a greater commitment in that area, and I realize that takes investment.

In short, Florida Power & Light's quality of service is very good, and I am glad they are my power supplier. I do have -- however, I do have one complaint. A number of years ago I invested in a generator, and I have not had an opportunity to use it. Thank you for this opportunity.

CHAIRMAN BROWN: Thank you, Mr. Robertson.

Commissioners, any questions?

Mr. Kelly.

MR. KELLY: Mr. Robertson, I apologize. Did you say you were -- you're in support of the rate increase?

MR. ROBERTSON: I can't bring myself to say I'm in support of a rate increase, but I'm not opposed to it. Let's put it that way.

MR. KELLY: Fair enough. Fair enough. Thank you, sir.

CHAIRMAN BROWN: Next customer, please.

MR. KELLY: After Ms. Martin will be Roseanna Curlee.

MS. MARTIN: I'm going to change it up a bit. Marilynne Martin, Venice, Florida.
FP&L has been blasting Sarasota with nonstop misleading, deceptive advertising for many months. They suggest their investments have something to do with the bills being lower than ten years ago. As you know, the bills are lower because of the decrease in a passthrough fuel charge, which when it goes up, and it will, they always clearly remind us they have no control over it.

Comparing my bills just from 2009 to 2016, my base monthly charge went up 30 percent -- 48 percent and my nonfuel kilowatt charges are up 30 percent. And I only went to 2018, not the 2019, but those will go from 93 percent increases and 50 percent increases. It is just too high.

Since the financial crisis started in 2008, everyone has been forced to take a haircut except FP&L. All rates you look at -- Prime, LIBOR, Treasury notes -- have dramatically decreased since 2007 except for FP&L. They went from 9.4 percent to 11.5 return on equity.

In their recent SEC proxy statement they report 250 percent ten-year total shareholder return, and this compares to the S&P electric industry average of 94 percent, two and a half times the average. What is wrong with this picture?

The rate of return should be decreased to 8 to 9 percent, not increased. Their capital structure of
60 percent equity is unaffordable for Sarasotans. This pig who's at your trough needs to be put on a strict diet.

Smart meters. There are simply no net savings and benefits. The added depreciation return on rate base charges outweigh any operational savings. More importantly, this Commission and FP&L's tobacco scientist expert Balberg (phonetic) were dead wrong. RF radiation does indeed have harmful, nonthermal biological effects, which the FCC does not protect us from.

Last Friday the partial findings from a major government study were released. To quote the American Cancer Society, "The NTP report linking radio frequency radiation to two types of cancer marks a paradigm shift in our understanding of radiation and cancer." It is time to reevaluate the smart meter policies. At a minimum, the opt-out fee should be rescinded and all Florida utilities should be required to give their customers an analog back on request.

My phone rang off the hook a few years ago when these fees were imposed. Seniors and other fixed and low income customers were forced to accept a device that made them ill because they couldn't afford these fees. You should not have to be wealthy in order to

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CHAIRMAN BROWN: You have about 30 seconds.

MS. MARTIN: I have other issues. I have written comments. I would like to encourage, though, all of you to take a walk downtown and see our growing sector, the homeless. They maybe will help you understand why this rate is a disgrace. And I just want to thank J.R. for the wonderful job you did on the investment fracking case. It was one strike won for the public. Thank you very much.

CHAIRMAN BROWN: Ms. Martin, would you like to leave those with us as an exhibit?

MS. MARTIN: I am leaving written -- I have many more. There's just not time. The environmental issues, the settlements and everything else, but --

CHAIRMAN BROWN: Is this something you would like to leave with the Commission as an exhibit?

MS. MARTIN: All of this.

CHAIRMAN BROWN: All of this? Okay.

MS. MARTIN: All this. I have a copy of the public report -- the research report.

CHAIRMAN BROWN: That will be identified.

Your name is MarilyALLEY Martin?

MS. MARTIN: Yes.

CHAIRMAN BROWN: Did you give your address on
the record?

    MS. MARTIN: It's 420 Cerromar Court, 162.

    CHAIRMAN BROWN: Okay. That will be Exhibit 2, and that --

    (Exhibit 2 marked for identification.)

    (Note: Exhibit is service hearing Exhibit 3.)

    MS. MARTIN: But I have full -- there's too many issues to put in three minutes.

    CHAIRMAN BROWN: Okay. We have a question for you.

    MS. MARTIN: Sure.

    CHAIRMAN BROWN: Commissioner Patronis.

    COMMISSIONER PATRONIS: Good morning. Thank you for your testimony. Are you affiliated with any particular organization?

    MS. MARTIN: No. But I did -- I did do the Docket 130223. I protested it.

    COMMISSIONER PATRONIS: Okay.

    MS. MARTIN: We don't have an organization. It's just a bunch of people who are against it.

    COMMISSIONER PATRONIS: Okay. Because I had gotten -- a follow-up. Sorry, Madam Chairman. I was -- with your testimony, I thought you were representing an organization, so I just wanted to make sure.

    MS. MARTIN: No, no. I'm here. No. We have
a smart meter website, but it's me. Okay.

COMMISSIONER PATRONIS: Okay. Thanks.

CHAIRMAN BROWN: Thank you so much. If you could leave them right with our --

MS. MARTIN: I just gave them to her. Is that all right? Yeah. I have many exhibits in there showing these numbers.

CHAIRMAN BROWN: Commissioners, any other questions?

Mr. Kelly?

Thank you.

MS. MARTIN: Okay. Thank you.

CHAIRMAN BROWN: Next customer, please.

MR. KELLY: After Ms. Curlee is Ms. Charlotte Damato.

MS. CURLEE: Hi. I never did this before, so I'm probably not very good at it. My name is Roseanna Curlee. My address is 4415 Cactus Avenue, Bee Ridge Park area. My phone number, 929-8383.

I represent the lower income people. I get the free phone from the government, I get food stamps, I go to a food bank is how I found out about this meeting today. And for two years in my area my bill has stayed at around 150 -- 100 to 150. Just my last bill I got was 250, and that's a lot more than I can pay. So I'm
getting assistance from the Salvation Army to pay my bill on Tuesday. And when I called the automated thing to find out why, it said the temperature was two degrees higher and we had an extra day. That doesn't account for $100.

And I don't know what else to say except for I had the -- I felt the need to come and say something, you know. I can't do anything else but pay the bill and complain.

**CHAIRMAN BROWN:** Ms. Curlee, there are Florida Power & Light representatives --

**MS. CURLEE:** I'm already getting the bill paid by the Salvation Army, but that doesn't mean I can take care of it next month. They only do it once a year, you know. So I'm against any kind of an increase.

**CHAIRMAN BROWN:** Thank you, Ms. Curlee.

Commissioners, any questions? Thank you very much.

**MS. CURLEE:** Thank you.

**CHAIRMAN BROWN:** Next customer.

**MR. KELLY:** After Ms. Damato is -- I think it's M. Jean Cannon.

**MS. DAMATO:** Good morning. My name is Charlotte Damato. I'm at 1099 Greystone Lane in Sarasota. My phone number is (941)371-4904.
And first of all, I wanted to thank the Commissioners and the Public Service Commission for giving me an opportunity to make comments. I wasn't given an opportunity to make comments when my internet was transferred to a company I never heard of. I was not given an opportunity to make comments as I pay erratic gas prices at the pump. And I wasn't given an opportunity to make comments when the shoes that I wear to run in went up $30 from last year. So I really appreciate when somebody finally gives me a chance to make a comment.

First of all, I do want to tell you that I did work for Florida Power & Light for 11 years, but stupidly I sold all of my stock. So whatever they're getting on a return, I will not get that investment. So I just wanted to let you know that ahead of time.

Florida Power & Light has always made strategic decisions that have been good for the customer. I've watched it year after year, time after time, from building a high-powered transmission line to bringing clean fuel, to building a power plant that was under budget and was erected before it was due. I mean, you just don't see that in the power industry. They were doing that -- they were looking for clean sources of fuel before other utilities even thought about doing
it. So I've always appreciated it as a customer. I love the environment in Sarasota. That's why I'm here. I like the clean air and the clean water. And not only is Florida Power & Light very concerned and a great steward of both clean air and water, they're also good stewards of the creatures that live there. So I appreciate that as well.

The other thing, they're always looking for cost-effective ways to produce better electricity for the customer, and I appreciate that as well. My bill has never gone over $120. Yeah, I just paid more for shoes. I'm sorry. It's -- when I look around and my food is cold and the -- my house is comfortable because of the air conditioning and I can flip on a switch and know I'm going to have electricity time after time, I'm happy. This is one bill I'm happy to pay.

And don't ask me to raise my hand to say, "Yes, please raise my prices." I'm not going to do that for you because who would do that? That's stupid. But I don't mind raising my prices because I have friends in the surrounding area that pay more for less reliability than what I'm getting, and they'd be happy to come over to Florida Power & Light. They'd wind up paying less for more reliable power.

So thank you for letting me come up and say

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I'm in favor of a rate increase if it guarantees me the great customer service and reliability that I've always gotten.

CHAIRMAN BROWN: Thank you, Ms. Damato.

Commissioners, any questions?

All right. Thank you.

Next customer, please.

MR. KELLY: After Ms. Cannon is Ida Cuthbertson.

MS. CANNON: Good morning. My name is Margaret Jean Cannon. I live at 548B Beach Road, Sarasota, Florida 34242. And my telephone number, (941)313-0559. Also, I'm not used to doing this, so I might be a little nervous here.

I do -- am here to talk about no rate increase. As much as I think Florida Power & Light has done a great job, and they have, I don't believe that it's adequate to say that my operating expenses has -- has, in fact, gone up, so, therefore, I need to have a rate increase. My operating costs have gone up. Now she's mentioned hers.

But I also work -- I have a company called MyStartUp Suncoast. I work with startups, but I also volunteer with a lot of seniors. A lot of seniors will have to make different choices. They won't be able to
get a medicine. They'll have to turn off the air conditioning. This is not appropriate. So we need to be good stewards. And I believe that Florida Power & Light has done a nice job with solar. I love the fact that they've built it. But look at our Sunshine State. Why in the world aren't we a leader in this area instead of a laggard? So I have a problem with this.

Okay. So I come before you today because our public utility is requesting a rate increase to its customers of 23.4 percent. The company currently receives 10.5 percent in return. Where can we get 10.5 percent? I mean, what in the world can I do to even get more than 3 percent on my savings?

And by the way, it is, in fact, a public utility, so they have a stewardship responsibility. And, yes, they do a good job, they do a very good job, but they could do just a little bit more, and that is managing their operating costs so they don't have to come forward for this kind of money.

I also say that the -- I've submitted to FP&L that we don't have the opportunity again as seniors, and a large portion of our population here in this area are seniors, so this rate increase will be a burden on them, especially people with a fixed income.

Look at what we get in social security raises
in the last five or six years. 40 percent of our
customers here, FP&L customers, are on social security.
You have to look at this.

This is also a wonderful election year, so
it's a great thing to put a light on so that we'll have
an opportunity to really vote the way we should be
voting.

Further negative impact to the community, the
cost of energy, purchased cost has been dropping as I'm
not -- and I'm not getting the fuel surcharge anymore,
thank goodness. But I'm looking at the adders that they
get. Okay. The cost of storm repairs also is another
adder. Let me see what I say here. I pay my bills on
time. I also pay electronically. I'm a really good
customer, 20 years. Why don't I get a reward? Why
don't I see my bill dropping instead of increasing? So
that's my note for today. Thank you.

CHAIRMAN BROWN: Thank you, Ms. Cannon. You
did a good job.

Commissioners, any questions? Thank you.

MS. CANNON: Okay. Thank you.

MR. KELLY: Excuse me. After Ms. Cuthbertson

is Kirk -- is that Boylston?

MR. BOYLSTON: Close enough.

MR. KELLY: Sorry.
CHAIRMAN BROWN: Good morning.

MS. CUTHBERTSON: Good morning. I'm Ida Cuthbertson. I am a resident of Sarasota County, and I represent myself.

FPL mentioned that this is going to be a quality of service hearing. The Herald Tribune names it a rate increase hearing, which is certainly more accurate. FPL really is guilty, in my view, of improper advertising, false advertising.

The Supreme Court has said that corporations are individuals, and, if so, then FPL has emotion. And the emotion that they ought to have right now is embarrassment and being ashamed of advertising this inappropriately.

So the rates. Inside of the flier, the writing -- the printing is so small I really needed to get out my magnifying glass to compute the rates, and the increase for the minimum charge over three years is 31 percent. The increase for the first 1,000 kilowatt hours is 25 percent, and yet FPL says that the increases are going to be within keeping of the 2.8 percent that they expect in the inflation rate. Well, I don't know where their economist got their estimate, but very few people expect it to be that. Maybe they expect the oil rates to go way up.
Any kind of increase is going to be very difficult for all the social security people, and there are many of them in Florida. And we all got exactly zero COLA last year for this year, and I doubt that we'll get any COLA for next year.

FPL also says 44 cents a day would be the increase. For me, it calculated at 43 percent on my bill that I got in March. The 44 cents would be 43 percent.

It's likely, because of the excess profits, that this increase would greatly increase the return for the investors. And it might not be much for a round lot investor, but the directors on the board of directors don't have just a round lot. In many corporations they have thousands of shares, tens of thousands of shares. So the directors would benefit very greatly from the increase and excess profits.

CHAIRMAN BROWN: You have about 30 seconds left.

MS. CUTHBERTSON: But there's no word about what the workers would get. And with this kind of increase, certainly the workers ought to be rewarded and they would increase the economy because they would spend that money.

So I'm asking you, Commissioners, send this
rate increase back to FPL and tell them to come forward with something no more than 10 percent increase.

CHAIRMAN BROWN: Thank you for your testimony today.

Commissioners, are there any questions?

Okay. Thank you.

Next customer, please.

MR. KELLY: We'll give it a second shot. Mr. Boylston.

MR. BOYLSTON: You got it.

MR. KELLY: Okay.

MR. BOYLSTON: Thank you.

MR. KELLY: Followed by Mr. George Fuller.

MR. BOYLSTON: I'm Kirk Boylston with Lakewood Ranch Commercial, 14400 Covenant Way. It's (941)961-4709.

Lakewood Ranch is a 50-square-mile, 31,000-acre master planned community, one of the fastest growing communities in the country, and we have an extremely large amount of interaction with Florida Power & Light. And we can't personally speak to the dollars and cents of this, we'll leave that to your good judgment in the debate, but we just do want to comment on Florida Power & Light as a partner that we work with.

I think first we want to say that we feel that
Florida Power & Light is a company that really cares about what they do and how they do their business. No one wants a rate increase, but more than that, no one wants interrupted power or brownouts or the other things that come along with the lack of infrastructure. And we need the infrastructure to go in upfront and in a timely manner, and whatever it takes to fund those types of things is exactly where we feel that Florida Power & Light should end up at.

We feel like Florida Power & Light is a good steward of our -- of the funds that they have. We don't feel that they're overstuffed. We feel that they are diligent in requiring developers to provide much of the infrastructure on their own. Again, this isn't always something that, you know, we love, but we understand why this happens. And we also feel that they're good at planning their infrastructure and doing it in a timely manner.

Florida Power & Light is doing many things that are thoughtful, we feel, as far as working with alternative power. We recently went to a dedication of a very large solar facility in Manatee County, which is going to provide a lot of power. I believe they said there was a million solar panels in that one facility. And they also designated a site in Sarasota as one of
their four precertified data center sites, which is --
if we can land a data center here, it would be very
helpful to the business community.

So we know that we have a single source
monopoly that we're dealing with, but we feel that with
your oversight and the oversight of everyone else that
we'll be well served as far as keeping that cost
controlled, but we also know that we need to have new
infrastructure in a timely and efficient manner, and we
need to have uninterrupted clean power. I spent about
18 years in southern California, and I'm sure that you
are waking up every morning and happy that you're not
the PSC for Southern Cal. Edison.

CHAIRMAN BROWN: Absolutely. Absolutely.

MR. BOYLSTON: And so, you know, I think as a
closing statement, we'd just like to say that, you know,
we think that if FP&L was a freestanding company in a
competitive market, that they'd be an industry leader.
They're extremely good at what they do, and I think that
you reward people who do good work.

CHAIRMAN BROWN: Thank you for your testimony.
You didn't say -- what is your title or affiliation with
Lakewood Ranch?

MR. BOYLSTON: I'm the president of Lakewood
Ranch Commercial, which is a commercial arm of the
master developer.

    CHAIRMAN BROWN: Thank you.
    Commissioners, any questions?
    Mr. Kelly.

    MR. KELLY: Mr. Boylston, were you asked to
    speak, to come here to speak?

    MR. BOYLSTON: I was asked -- I was told of
    this, but I can assure you that we are not shy to say no
    to people that we do not want to speak on behalf of.

    MR. KELLY: Sure.

    CHAIRMAN BROWN: Thank you.
    Next customer, please.

    MR. KELLY: After Mr. Fuller is Ms. Susan
    Hicks.

    MR. FULLER: Good morning. The reason I'm --
    well, my name is George Fuller. I live at 3860 Afton
    Circle. My telephone number is (941)924-9614. The
    reason I'm here is I opted out of the smart meter plan,
    and it was due to health concerns.

    Following graduation from college, I moved to
    Chicago and was employed by Victor Gasket Company. We
    made -- manufactured gaskets for OEM automotive products
    and aftermarket. One of the main components of gaskets
    is asbestos. While employed at Victor, never was a word
    said about the health problems asbestos could cause.
Fifty years later I'm now involved in a class action lawsuit that has stretched over for a decade against the suppliers of asbestos. I'm sure you see ads every day on TV from law firms soliciting people exposed to asbestos who have ended up with asbestosis.

When, I don't recall, I developed tinnitus. Tinnitus is a constant ringing in the ears, 24 hours a day, seven days a week. What caused it is unknown, although several possibilities are offered, including EHS, electro hypersensitivity. I mention the above to let you know I didn't refuse the so-called smart meter to be obstinate, but rather cautious about my health concerns.

Google smart meters and you'll see articles concerning the safety of smart meters. Should I be penalized because I'm cautious? Talk about penalizing, here are a few facts for you. My total FPL charges include a customer charge, whatever that is a; a fuel charge; a nonfuel charge, whatever that is; a storm charge; a gross receipts tax charge, why, I don't know; and an on-call credit. The total charges for the past 12 months were $783. The penalty charge to have a guy come out and read my meter was an additional $156. So divide 156 by 783, and the percent just to read my meter is an astounding and exorbitant 21 percent. Is there
anyone in the room that thinks a 21 percent charge to read a meter is not exorbitant?

Previously my meter was read at no charge as part of the service. There's no reason that should have changed. The charge should end now and all previous penalty charge payments returned to customers. That's it.

CHAIRMAN BROWN: Thank you for your testimony. Commissioners, any questions?

Thank you very much.

MR. FULLER: You're welcome.

MR. KELLY: After Ms. Hicks is Alexander Hays.

MS. HICKS: Good morning. My name is Susan Hicks. My address is 2560 Arapaho Street in Sarasota. My phone number is (941)922-7671. And I am an FPL customer who refused the turnover to the smart meter but caved because of the extra charges, and I think we should be allowed to get it back.

I ask you to deny this rate increase. They are already going to make $1.6 billion in profits without a rate increase. Anything above that is exorbitant. And I hardly believe that St. Martha's, Lakewood Ranch, or The Pines think that more than $1.6 billion in profits is necessary to continue good service.
FPL wants us to fund their investment in the future. Why should we do this? Over half the homes and businesses in Florida pay them for electricity, yes, and they provide a decent service, but they enjoy a monopoly status granted to them by the state. We have no option of investing in any other power company, we have no say in how many millions of dollars they pay their C suite executives, and we have no accurate accounting for the full scale of political contributions they make each year to influence those in powers to keep FPL in its unchallenged, powerful position in this state.

Who are they accountable to? Their investors. Who do they pay dividends to? Their investors. Who should fund their research and development? Their shareholders. Unlike investors who have some say in their corporate operations, we have none.

The nuclear cost recovery law, which they helped push through the legislature, allows them to collect money from ratepayers to fund a proposed expansion of Turkey Point to collect hundreds of millions of dollars. The plans have been put on hold because of problems they've created. Clean water, well, not around the Turkey Point plant. Right now there's polluted water with tritium in it. Meanwhile, they want to continue to collect funds for this project.
FPL thwarts all efforts to allow Floridians to pursue energy self-sufficiency through alternative energy through solar power. I'm appalled at how much energy they put into keeping their stranglehold on our ability to create solar power. Yes, they do it because they know it makes sense, but they don't want us to do it because they want to keep Florida Power & Light operating at a considerable profit.

The system in our state is flawed. Please do not allow this utility monopoly to make more money from us ratepayers through this rate hike. We, the people, ask you to put the P, the people, the public in the front of the Public Service Commission and deny this utility's request for this excessive rate hike.

CHAIRMAN BROWN: Thank you, Ms. Hicks.

Commissioners, any questions?

Thank you for your testimony.

MR. KELLY: Excuse me. After Mr. Hays is Victor Rohe or Rohe.

MR. HAYS: Hi. Good morning. My name is Alex Hays. I work with a local developer here in town. We develop, finish lots, and sell them to home builders. Our office address is 5310 Clark Road, Suite 106. The number is (941)552-6705.

And I just wanted to say, I guess, a couple of
things. I appreciate working with FPL on a few of our projects in town. They've helped save us literally tens of thousands of dollars, helped on a site that was previously abandoned. They're restoring power lines, allowing us to operate heavy equipment off of, you know, their power as opposed to bringing in large diesel equipment. And throughout the process of, you know, our work, we appreciate working with the representatives that we have.

The only suggestion, I guess, I would make a little off topic from the rate increase is if the -- if there's a way to kind of expand the fees that we could pay as a developer to allow a little more flexibility in generating subdivision plans or kind of enabling us to finish our projects more quickly, we certainly would be willing to pay for it if that option was there. But that's about it.

CHAIRMAN BROWN: Thank you, Mr. Hays. And there are customer service representatives from FPL here. I'm sure they'd be happy to talk to you about that.

Commissioners, any questions?

Mr. Kelly has one.

MR. KELLY: Mr. Hays, is your development company in favor of the increase?
MR. HAYS: I don't know either way.

MR. KELLY: Okay. Fair enough.

MR. HAYS: Thank you.

CHAIRMAN BROWN: Thank you.

Next customer, please.

MR. KELLY: Is it Rohe?

MR. ROHE: It's Rohe.

MR. KELLY: Rohe. Sorry. He'll be followed by Mr. John Williams.

CHAIRMAN BROWN: Hello.

MR. ROHE: Hi. My name is Vic Rohe. I live at 4152 Woodview Drive in Sarasota, Florida. I'm retired. In my prior life I was a financial counselor with Smith Barney.

One of the prior speakers asked "How much is too much?" and she kind of left it open. 11 percent is too much. All right. Why? A lot of the speakers, they said FP&L is a great company, great managed company, the management team is great. I agree with that. In general I agree with it.

There's a principle in investing called risk is rate. I think FPL is so well managed, I think it's actually probably a much safer investment even than the 10-year T bill. That seems like an extreme statement, but I actually believe that. The return on a 10-year T
bill is 1.85 percent today. If risk is rate, we should have -- the market, the free market is not operating here.

You know, and probably most of the people in this room don't know, that 11 percent means between 10 and 12. Right? They can go 1 percent each way. The management team has been so great that in the last period you had a -- their return was 10.5 percent. They managed in the last two years to achieve 11.5. That's good management.

To bring things into -- back a little closer to the market, I think 8 to 9 percent would be -- that range would be more appropriate. There is one area, though, that I would take exception with the management. Actually I don't take exception, but I think we should talk about it. And that is that the management did decide to roll over to the globalist surveillance and control smart meter grid. All right? From a business standpoint that made sense, all right, because the globalists would hammer the company into the ground if they didn't, but it doesn't mean that the ratepayers should have to pay for it. If they -- if they made a business decision to roll over to the smart grid meter, I believe that that should be paid by just the shareholders and the equity holders, not by the
ratepayers.

CHAIRMAN BROWN: Your time --

MR. ROHE: That's about it. That's about everything I have to say. I appreciate it. Have a great day.

CHAIRMAN BROWN: Just one second.
Commissioners, any questions?
Okay. Thank you for your testimony.

COMMISSIONER PATRONIS: Thank you.

MR. ROHE: Thank you.

MR. KELLY: After Mr. Williams is Mr. Frank Brady.

MR. WILLIAMS: My name is John Williams, and I'm a professor of physics and astronomy at St. Petersburg College, and I'm also the faculty advisor to the engineering club. And Florida Power & Light has been gracious enough to host our engineering club each of the last six years, and it's been a tremendous opportunity for engineers, our young engineers to learn. We've actually -- to give you an idea, last year I called the director of media relations, Rae Dowling, and I said, "Rae, you know, we'd like to -- we have about 25 to 30 young engineers that would like to come." And so we set a date. I drove the van over with 25 to 30 young engineers. We had a 45-minute beautiful seminar given
there in their conference room. Had two of the
engineers that were recent graduates there. Our
students had a chance to question them and ask questions
about the operation. We learned about clean energy,
solar, energy distribution, tracking systems, just a lot
of things that were very interesting.

I support the rate increase. My feeling is
that Florida Power & Light is a tremendous steward of
the environment. They're a leading company in the
state. I was impressed by Mr. Kelly's command of the
numbers. I know he'd do well in my physics class for
sure.

MR. KELLY: Apparently you don't know me very
well.

(Laughter.)

MR. WILLIAMS: I don't have any corresponding
numbers to give you, but I will say this about solar. I
am a huge proponent of solar. And I agree with the
first speaker, and I feel like that this Public Service
Commission and previous Public Service Commissions have
not done nearly enough to encourage solar in Florida,
not nearly enough. So I echo the first speaker when she
talked about solar.

CHAIRMAN BROWN: Thank you for your testimony.
Commissioners, any questions?

FLORIDA PUBLIC SERVICE COMMISSION
Yes, go ahead, J.R.

**MR. KELLY:** Mr. Williams, are you a customer of FPL?

**MR. WILLIAMS:** No. I live in Tarpon Springs.

**MR. KELLY:** Okay. Thank you.

**CHAIRMAN BROWN:** Next customer, please.

**MR. KELLY:** After Mr. Brady is Pat Wayman.

**MR. BRADY:** Good morning. Can you hear me?

Okay.

**CHAIRMAN BROWN:** Yes.

**MR. BRADY:** My name is Frank Brady, and I'm clearly the only person who dressed appropriately for today. (Laughter.)

**CHAIRMAN BROWN:** For a Friday afternoon, Friday morning.

**MR. BRADY:** Yeah. I live in Englewood, 1750 Parker Drive, zip 34223. Phone number, (941)460-6288. I've been a Florida FPL residential customer for six years. Before that my wife and I lived in New York City, and the electric company was Con Ed; we moved to Long Island, Wilco; up to Rochester with RG&E. They all have a few things in common; they were all terrible. High rates; shoddy service; a dinosaur mentality, we've always done it this way, we'll always do it that way; and arrogant. The only game in town. If you don't like
it, build your own power plant.

We came to here and didn't know what to expect, and we were very happy to see that the rates are lower, their service is good, and the rates have been going down. That was a surprise. What company lowers their rates?

As far as growing -- we believe that FPL has to grow because the population of Florida is growing. It's the third largest population center in the country after California and Texas, and that's not counting for snow birds and tourists.

And I did a little research. FPL is not a dinosaur. They're ahead of the curve. They only have 4 percent coal power plants. Almost 90 percent clean energy: 23 percent nuclear, 68 percent natural gas. If every -- that's -- if every utility company in the country was like that, we wouldn't have to be dealing with people from the Middle East that don't like us very much.

I also checked financial analysts for NextEra, the parent company -- Merrill Lynch, Edward Jones, Morgan Stanley, Barclays, Deutsche Bank, Wells Fargo, TD Ameritrade -- the consensus was a strong buy for NextEra, the parent company. So these are smart people. They're doing something very smart. And I have a
problem with people saying, oh, excessive profits or excessive rate of equity to debt. That's arbitrary and subjective. Let the market decide.

You Commissioners are like jockeys and you have to hold the reins, and that's correct, but you're riding a thoroughbred here. So let this horse go. FPL is a thoroughbred, and they have to go and they'll take us to places we've never been before.

CHAIRMAN BROWN: Thank you for that analogy.

Commissioners, any questions?

Thank you for your testimony.

MR. KELLY: Mr. Brady, were you asked to come speak today?

MR. BRADY: I was asked to come here by a friend who works for FPL. But if she had worked for Comcast or Sprint, I would have come and told you how much I hate them. (Laughter). So, no, I believe every word I said. I believe that.

MR. KELLY: Thank you.

CHAIRMAN BROWN: That's great.

MR. KELLY: After Ms. Wayman is Angie (sic) Ross.

MS. WAYMAN: Good morning. My name is Pat Wayman. I am at 3071 Border Road in Venice, Florida. So I drove all the way up here today. I wanted to speak
to you and request that you not allow any increase. Why is FP&L requesting the public to pay for their -- their return on investment? Why do we end up in the end run paying for the investors' dividends? You know, we are people who are retired here and you have a lot of people who get breaks. Are we paying for them as well? People who are partners. We don't get that break. So they're making billions of dollars, and they're increasing it from last year. They had an increase. I was reading in the Palm Beach Post, okay, they had an increase from last year to this year of millions, and now they want us to pay them more.

And in addition, they just put in a plant in the Bradenton area, and they -- or the Tampa area, and they promised in the paper, it said their rates would decrease. And now we're facing an increase. This doesn't make sense. It just doesn't.

I'm one of those people who -- my background is in chemistry. I have a degree in chemistry, so I'm very scientifically oriented. So when I saw that they were coming out with the smart meter, I did my research. I looked at it and I said, "Whoa. This is not something that is safe." It has not been determined safe. It has been determined that it doesn't heat things, but never does it say it is safe. And now they're saying that
cell phones can cause cancer. What did they say about asbestos? The reason the gentleman brought up asbestos was because they didn't know at the time what it did, but now they do, and look what price we paid. Insurance companies are no longer insuring cell phone companies because the risk is too great. There is a potential health hazard there.

Now can you imagine all of these meters on the side of every home, every business, banks of meters on apartment buildings that are pulsing every single minute all day long? This has to stop. You're supposed to take care of our health. Think of all the older people who are fragile here and the young people who have -- send their kids to school, and their school meters and their towers are constantly battering them with these frequencies that we frankly do not know about. It's wrong.

CHAIRMAN BROWN: Thank you for your testimony.

Commissioners, do you have any questions?

Thank you.

MR. KELLY: The last speaker is Ms. Ross that I have signed up, Madam Chair.

MS. ROSS: Good morning, Madam Chair,

Commissioners. Thank you for allowing me to speak. My name is Annie Ross.
MR. KELLY: Sorry.

MS. ROSS: I know, I'm an engineer, so horrible writing. But I'm here today. I was asked to be here. I am not an FPL customer. I'm actually a Peace River Electric customer. My number is (941)302-8800. And I'm here because I'm also a -- in my professional life I've represented two different communities here for the local government, and so I've dealt with Florida Power & Light when the customers are not happy with what their service has provided.

In two different situations we had some outages, and they were a series of outages caused by lightning strikes and caused by equipment failure. But what I wanted to tell you is they're always -- the local group is always willing to come speak to their customers. We've had multiple public meetings with them. And they don't just bring one representative that just does the public relations portion, they bring the whole team. So they have the engineers on staff.

Because here in Florida we have very intelligent residents. We've got a lot of retired engineers, we've got retired scientists, just as the lady had left right now, and they ask very pointed questions. They ask about "What are you doing? How are going to prevent this in the future?" And by bringing their full team
and bringing that kind of customer service to them, they respect the customer and show them that they're here to help, and also we make mistakes, however, we try and do all we can to minimize the outages and anything that can cause trouble to the customers.

So not being an FPL customer, I don't have an opinion on the rate increase. But if you'd like to extend their rates to Florida PRECO, I would really appreciate it. Thank you very much.

CHAIRMAN BROWN: Thank you.

Commissioners, any questions?

Okay. Thank you very much for your testimony.

MS. ROSS: Thank you.

CHAIRMAN BROWN: And it looks like we have no other speakers signed up. If there's anybody here left to speak.

(No response.)

We -- I want to take this time to thank each of you for coming out here from all different areas around the service territory. Your comments and testimony will help us, assist us in this proceeding, and we will absolutely take them into consideration.

Commissioners, if you don't have any final comments, this service hearing is adjourned. Thank you.

(Service hearing adjourned at 10:58 a.m.)
STATE OF FLORIDA )
COUNTY OF LEON )

: CERTIFICATE OF REPORTER

I, LINDA BOLES, CRR, RPR, Official Commission Reporter, 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 10th day of June, 2016.

__________________________________
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