

Collin Roehner

From: Office of Commissioner Brown
Sent: Tuesday, August 23, 2016 12:17 PM
To: Commissioner Correspondence
Subject: Fwd: Letter to Public Service Commission regarding FPL rate case
Attachments: image001.jpg; ATT00001.htm; image007.png; ATT00002.htm; image004.png; ATT00003.htm; ATT00004.htm; 2016 08 23 JJR letter to PSC regarding reduction.pdf; ATT00005.htm

Please place the following in Docket Correspondence, Consumers and their Representatives, in Docket No. 160021-EI.

Thank you.

Sent from my iPad

Begin forwarded message:

From: "Rodriguez, Jose" <Jose.Rodriguez@myfloridahouse.gov>
Date: August 23, 2016 at 11:36:43 AM EDT
To: "'Commissioner.Brown@psc.state.fl.us'" <Commissioner.Brown@psc.state.fl.us>
Cc: "'Commissioner.Patronis@psc.state.fl.us'" <Commissioner.Patronis@psc.state.fl.us>, "'Commissioner.Graham@psc.state.fl.us'" <Commissioner.Graham@psc.state.fl.us>, "'Commissioner.Edgar@psc.state.fl.us'" <Commissioner.Edgar@psc.state.fl.us>, "'Commissioner.Brise@psc.state.fl.us'" <Commissioner.Brise@psc.state.fl.us>, "Perez, Luisana" <Luisana.Perez@myfloridahouse.gov>, Sarmiento.Estefania <Estefania.Sarmiento@myfloridahouse.gov>
Subject: Letter to Public Service Commission regarding FPL rate case



Florida House of Representatives
Representative José Javier Rodríguez
District 112

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Ranking Member)

Judiciary

Rules, Calendar & Ethics

SUBCOMMITTEES:

Agricultural & Natural
Resources Appropriations

Justice Appropriations

Julie Imanuel Brown, Chair
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Via email to Commissioner.Brown@psc.state.fl.us

August 23, 2016

Dear Chairwoman Brown,

This week, you and your colleagues at the Florida Public Service Commission (Commission) began the rate case to decide whether to grant Florida Power & Light's (FPL) request for a 23.7% increase in the base rate and an increase in FPL's profits, totaling \$1.3 billion additional dollars requested from customers. Until now, I and others have been advocating against this rate increase. Given the evidence that is emerging on just how excessive FPL's rates of return are right now (convincingly presented by consumer advocates in the proceedings), simply denying FPL's rate request would not be enough.

As a state legislator representing constituents and FPL customers in Miami, I respectfully request that the Commission not simply deny FPL's requests for an increase but that the Commission actually require FPL to *lower* customer rates. By any measure FPL's profits are already excessive.

Elsewhere in the United States, similar utilities under a regulated monopoly system are kept at under 10% return. FPL has consistently earned at the high end of allowable returns, or 11.5%. Their current request, if granted, would allow them to go to 12.5%. Each 1% increase equates to approximately \$240 million in *pure profit* that FPL would be allowed to earn from its customer base.

In my District, that customer base includes low-income families, residents on fixed incomes and struggling small businesses. They will be hit again, though, when businesses in our area, forced to pay more in electricity to pay for FPL's profits, pass those costs on. Customers buying groceries or other necessities will eventually feel those costs at the register while already facing the prospect of higher light bills at home.



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While FPL has delivered reliable and stable power, customers deserve nothing less if FPL is to continue enjoying the regulated monopoly granted to them for the purpose. Continuing to increase the reward to shareholders as a result of FPL fulfilling its statutory obligation is unnecessary and unjustified.

FPL is allowed to charge rates that covers their operational expenses and earn a fair return. Current rates are more than fair, they are excessive. I respectfully ask the Commission to consider the evidence warranting a reduction and act accordingly: reject FPL's request for a \$1.3 billion rate increase and move to *lower rates* for customers.

Respectfully,

A handwritten signature in black ink, appearing to read "Jose Javier Rodriguez".

Representative José Javier Rodríguez

CC: Commissioner Art Graham
Commissioner Lisa Polak Edgar
Commissioner Ronald A. Brisé
Commissioner Jimmy Patronis