

Antonia Hover

From: Hannah Barker
Sent: Monday, April 12, 2021 12:17 PM
To: Commissioner Correspondence
Subject: Docket Correspondence
Attachments: Citizens Letter to FPL CEO.pdf

Good morning,

Please place the attached letter in Docket No. 20210015.

Hannah E. Barker

Executive Assistant to Chairman Clark
Florida Public Service Commission
[2540 Shumard Oak Blvd.](#)
[Tallahassee, FL 32399](#)
(850) 413-6004



March 11, 2021

Eric Silagy, President and CEO
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408

Dear Mr. Silagy,

In your letter of January 11, 2021 to the Public Service Commission (PSC), you notified the PSC that your company intends to file a request for multiple electric rate increases. The summary information in your letter shows that your request – if granted – would result in \$6.6 billion in increased rates over the first four years, more than \$1 billion in the first year alone, making it the largest electric rate hike in Florida history. On behalf of Citizens for Lower Electric Rates, I'm writing to ask that FPL reconsider this course of action, and to abandon this rate hike.

Can you imagine if, during this time of unprecedented personal and economic hardship for the people of Florida, Governor DeSantis and the Florida Legislature proposed the biggest tax increase in our State's history?

This is the practical effect of FPL's planned rate increases, because what FPL is requesting would be the largest electric rate hike in Florida history.

In today's America, electricity is not an option – it is a necessity. There are no realistic alternatives to using electricity to run our homes and businesses, and FPL enjoys a government-granted and government-protected monopoly, which means it has no competitors within its service area. FPL's customers can no more avoid an increase in power rates than they can an increase in taxes. And therefore, it should be approached with the same trepidation, and with the same desire to protect ratepayers as our elected leaders have demonstrated in protecting taxpayers.

The \$6.6 billion that FPL would extract from its customers (\$1.1 billion a year in 2022 and every year thereafter, plus additional nine-figure increases in 2023, 2024, and 2025) is money that will not be spent in local businesses, in local restaurants, or on local service providers. Many businesses that have not already closed are barely hanging on in hopes of better times ahead. Not only will they lose the revenue that is siphoned away from their customers by FPL, their cost of doing business will go up with their electric rates.

These are difficult and painful economic times for our country and our state. The human suffering caused by the Covid-19 pandemic is exacerbated by the economic toll resulting from measures undertaken to control the spread of the virus. While Florida has been a leader in keeping our state and our economy open, recovery is still far off for many businesses and for those who have been hit hardest by the pandemic. Lower-income and working-class families are struggling to pay rent, buy food and otherwise provide for their children. As your letter to the PSC notes, more than half of Floridians are FPL customers. Too many families must decide whether to pay the electric bill or buy groceries.

The stimulus package emerging from Washington is designed as a lifeline to these people as well as fragile small businesses. FPL's proposed rate increases are directly contrary to that relief because these increases would divert money from families and businesses to an already highly profitable government-protected monopoly.

Based on an analysis of electric utility Return on Equity (ROE) across the country by Regulatory Research Associates, a group within S&P Global Market Intelligence, FPL's request would provide an effectively guaranteed ROE to FPL that is more than 20% higher than the average ROE approved by state regulatory commissions in 2020 for government-regulated monopoly electric utilities in the U.S.

Last Spring, with much fanfare, FPL announced it was lowering rates, actually a requirement because of plunging fuel prices. This was FPL's statement: "Everyone at FPL understands how critical it is to continue to provide reliable electricity and to keep as much money as possible in our customers' pockets." We know, as FPL knows, that this reduction was not a gift from FPL – it was simply an acceleration of reducing rates because customers had already overpaid (and were projected to further overpay) for the fuel used to generate their electricity.

We fail to see the urgency of FPL's planned rate hike request, since FPL maintains a strong balance sheet, consistently maintains profits that are effectively guaranteed and much higher than other U.S. utilities earn, and since FPL was the only regulated electric utility in Florida that did not pass its windfall from recent federal corporate tax breaks - \$772.3 million per year, according to the Public Service Commission Staff – on to its customers.

The idea that FPL shareholders need the money more than those who would be forced to pay it is indefensible.

Now more than ever, it's time to put Florida's individual citizens, families, and businesses above corporate profits. In the interests of the millions of Floridians who are FPL customers, who live, work, and shop here, we strongly urge and request that FPL withdraw your letter and abandon FPL's plans to increase its rates, at least for the foreseeable future.

Sincerely,



Mike Hightower
President

CC: The Honorable Ron DeSantis, Governor
 The Honorable Wilton Simpson, President, Florida Senate
 The Honorable Chris Sprowls, Speaker, Florida House of Representatives
 The Honorable Gary F. Clark, PSC Chairman
 The Honorable Art Graham, Commissioner
 The Honorable Andrew Giles Fay, Commissioner
 The Honorable Michael LaRosa, Commissioner
 Braulio Baez, Executive Director
 Forrest Boone, Chief Advisor to Chairman Clark
 Jim Varian, Chief Advisor to Commissioner Graham
 Eddie Phillips, Chief Advisor to Commissioner Fay
 Ana Ortega, Chief Advisor to Commissioner LaRosa
 Richard Gentry, Public Counsel