EARTHJUSTICE

September 19, 2025

VIA ELECTRONIC FILING

Adam J. Teitzman
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 20250011-EI, Petition by Florida Power & Light Company for Base Rate Increase

Dear Mr. Teitzman,

On behalf of Intervenors Florida Rising, League of United Latin American Citizens ("LULAC"), and Environmental Confederation of Southwest Florida ("ECOSWF"), I have enclosed the settlement testimony and exhibits of MacKenzie Marcelin. Please file these documents in Docket No. 20250011-EI. Please contact me if there are any questions regarding this filing.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy and correct copy of the foregoing was served on this 19th day of September, 2025, via electronic mail on:

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DATED this 19th day of September, 2025.

/s/ Bradley Marshall
Attorney

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company	)))	DOCKET NO. 20250011-EI

SETTLEMENT TESTIMONY OF

MACKENZIE MARCELIN

ON BEHALF OF

FLORIDA RISING,

LEAGUE OF UNITED LATIN AMERICAN CITIZENS,

AND

ENVIRONMENTAL CONFEDERATION

OF SOUTHWEST FLORIDA, INC.

SEPTEMBER 19, 2025

Q. Please state your name and business address.

A. My name is MacKenzie Marcelin. My business address is 10800 Biscayne Blvd Suite 1050, Miami, FL 33161.

Q. Are you the same MacKenzie Marcelin who submitted intervenor testimony in this proceeding on behalf of Florida Rising, LULAC, and ECOSWF on June 9, 2025?

A. Yes. I am also still the Deputy Campaigns Director for Florida Rising, and there have been no other changes to my work experience and qualifications.

Q. On whose behalf are you submitting this testimony?

A. Florida Rising, the League of United Latin American Citizens of Florida ("LULAC"), and the Environmental Confederation of Southwest Florida ("ECOSWF").

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to discuss some of the major elements of the agreement reached between FPL and the Special-Interest Parties ("SIP Proposal") filed on August 20, 2025, and why the SIP Proposal is so harmful to Florida Rising, LULAC, and ECOSWF, and their members and the interests they represent. I also discuss in my testimony the major elements of the Customer Majority Parties Proposal ("CMP Proposal") that was filed on August 26, 2025. It is my understanding that the Commission has dismissed the CMP Proposal as a settlement but has allowed it for inclusion in testimony. I include it to contrast it with the SIP Proposal to show why the SIP Proposal is not in the public interest and does not result in rates that are fair, just, and reasonable. It is my conclusion that the major elements and the CMP Proposal as a whole, would result in fair, just, and reasonable rates—in contrast to both FPL's originally-filed petition to increase base rates and the SIP Proposal. My testimony endorses the CMP Proposal due to: 1) its rational, record-supported approach to cost of service and rate class cost allocation based on a 12 CP and 1/13th AD methodology; 2) its rejection of the unlawful Tax Amortization Mechanism ("TAM") (as included as a component of the new "RSM"); and 3) its four-year amortization of investment tax credits ("ITCs") associated with battery additions which avoids revenue cliffs that would unfairly punish future customers.

I. THE SIP PROPOSAL IS NOT IN THE PUBLIC INTEREST AND DOES NOT RESULT IN FAIR, JUST, AND REASONABLE RATES

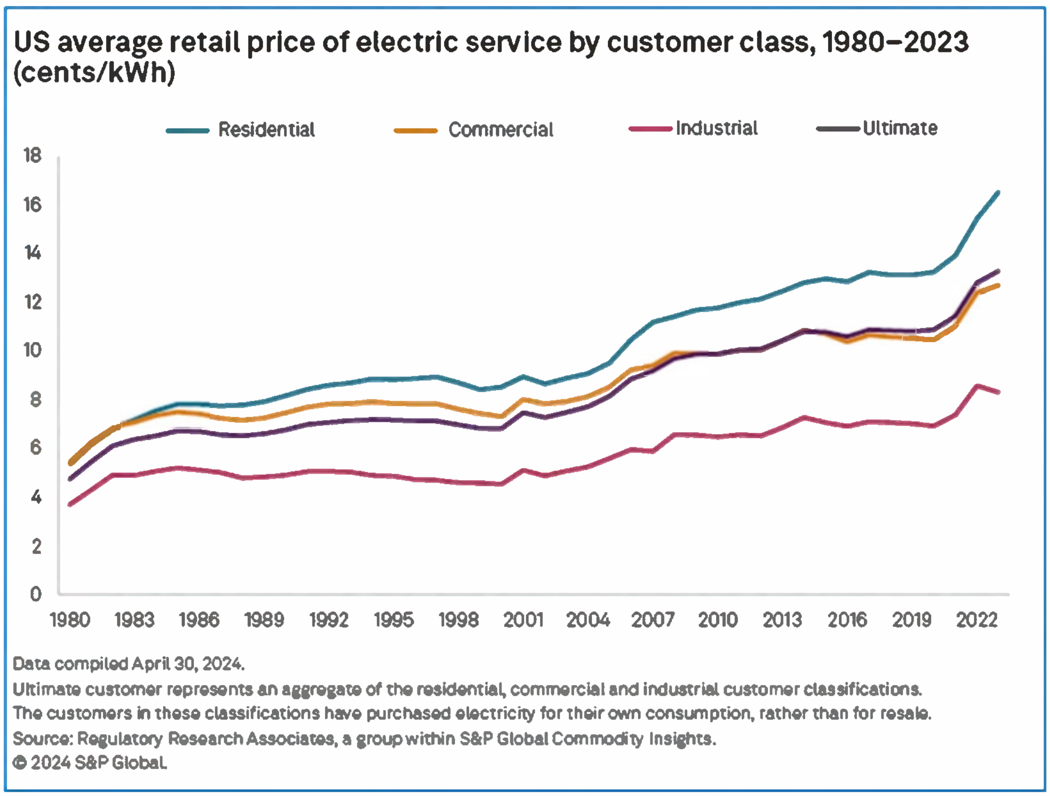
Q. How does the SIP Proposal address the cost of service to different customer classes?

A. The SIP Proposal rejects using any kind of cost of service study and instead assigns a flat increase to all classes. The residential class gets a 5% discount from the total flat increase it would have received, with that 5% share of revenue being redistributed to the other classes.

Q. Doesn't that discount mean that the SIP Proposal is more protective of residential customers than other classes?

A. Not at all. As Witness Rábago testifies in much more depth, while the SIP Proposal reduces the total increase in revenue that FPL was originally seeking (almost entirely due to the reduction in return on equity), the SIP Proposal disproportionately applies the savings to other classes. Put differently, nearly every class—other than residential customers and small businesses and certain classes representing government accounts like the Miami metro and traffic lights—got a much bigger discount from the SIP Proposal from what was in the original case. *See* Settlement Testimony of Karl Rábago at Table-2. Also, because residential customers were already paying more than their fair share under any of the cost of service studies that were filed, a flat increase just pushes them farther away from a fair allocation.

Residential customers across the United States are already paying far too much for electricity in general compared to big commercial and industrial customers. Analysis by S&P Global shows just how bad this has gotten between 1980 and 2023:[1]



The Commission must reject the SIP's attempt to worsen this trend by dumping even more costs on residential customers while giving big business

[1] Brian Collins, S&P Global, *US retail electric prices likely moderate in 2024, continuing 2023 trend* (June 27, 2024), https://www.spglobal.com/market-intelligence/en/news-insights/research/us-retail-electric-prices-likely-moderate-in-2024-continuing-2023-trend.

another break.

Q. How does the SIP Proposal impact low-income households in particular?

A. Over the next 4 years, the SIP Proposal would collect over $1.6 billion dollars in additional revenue from low-income households who are already struggling to make ends meet. Although the SIP Proposal promises to allocate a small amount of funding in bill assistance to those households, it is not nearly enough compared to how much more FPL plans to charge low-income customers.

Q. What do you mean by that?

A. By low-income, I am referring to the widely used definition of ALICE households: Asset Limited, Income Constrained, Employed. These are households "that earn more than the Federal Poverty Level, but not enough to afford the basics where they live."[2] In Florida, 47% of all households meet the criteria for being at or below the ALICE Threshold.[3] FPL has indicated that it has no reason to believe that the prevalence of ALICE threshold households is lower in FPL's territory than across the state,[4] so I find that 47% of FPL's residential customers would be ALICE households, which seems about right given my experience working in the community. The SIP proposal allocates 60% of the additional revenues to the residential class, for a total of roughly $3.54 billion total.[5] Multiplying the residential share by 47% results in $1.66 billion more that ALICE households

[2] United for ALICE, *National Overview*, https://www.unitedforalice.org/national-overview#3.75/36.35/-95.84 (accessed Sept. 19, 2025).

[3] The 47% of households under the ALICE Threshold includes the 13% of FL households living in poverty plus the 34% of FL households meeting the ALICE definition. United for ALICE, United Way Florida, 2025 Update on Financial Hardship, at 3 (2025), attached as Exhibit MM-7.

[4] Transcript of Sept. 5, 2025 Deposition of Scott Bores at 144–45; Transcript of Sept. 9, 2025 Deposition of Tiffany Cohen at 128.

[5] *See* SIP Proposal, Exhibit A [MFR E-5] (566,221/945,000=59.92; $6.9 billion increase*0.5992=$3.535 billion).

would be charged over the next four years compared to current rates.

Q. What does the SIP Proposal present for payment assistance and how does that compare to the revenue sought from low-income customers?

A. The SIP Proposal puts forward a proposal to create a one-time, $15 million fund for payment assistance for ALICE customer households. SIP Proposal at 27, ¶27. That is less than 1% of the over $1.6 billion in extra charges that the SIP Agreement puts those same customers on the hook for. That simply isn't close to enough for customers that already have high energy burdens from their FPL bills. If FPL really wanted to help its low-income customers, it should have funded this payment assistance program with significantly more money—and it should have funded the program from its own profits instead of charging it to other (mostly residential) customers.

Q. What does the SIP Proposal do in terms of GS customers?

A. GS customers will see their rates more than triple when compared to FPL's originally filed rate increase.

Q. Why does Florida Rising care about that?

A. Florida Rising is itself a GS customer of FPL. Our electric bill is attached as Exhibit MM-6 to my testimony (in the name of Florida Rising's prior name of New Florida Majority). We do not want to see our rates increase by more than triple that which FPL originally proposed. I have not heard a convincing reason from any of the SIPs why such a rate increase is in the public interest or results in rates that are fair, just, and reasonable. How is more than triple the increase, without any supporting cost of service methodology, fair to the small business community of Florida? More than just our own electric bill, which we certainly care about, Florida Rising's members work for and own small businesses which are the lifeblood of the Florida economy. The SIPs offer no rational reasons for shifting this rate increase, which is the largest in United States history from what I've seen, onto residential customers and small businesses and away from FPL's largest and most profitable customers (in addition to the CDR/CILC credits that those customers are receiving).

Q. How does the SIP Proposal treat the CDR/CILC credits as compared to FPL's original as-filed case?

A. The SIP agreement vastly increases the CDR/CILC credits as compared to FPL's original as-filed case. In FPL's original as-filed case, FPL proposed lowering the credits, saving the general body of customers—especially residential and small business customers, who are the primary funding source for the CDR/CILC credits—by over $22 million per year. That would have been savings of over $88 million for the general body of customers from 2026-2029. In my direct testimony, I mentioned that the credit levels proposed by FPL were still too high in their as-filed case, given that interruptible customers are never interrupted on FPL's system, and FPL has no plans to interrupt their interruptible customers. In a cruel twist, instead of taking my recommendations and further lowering the credit levels or eliminating the credits, FPL and the SIPs have gone the opposite direction and are proposing to increase the credit levels even beyond that which is cost-effective under the Rate Impact Measure ("RIM") test. This only furthers the financial burden placed on residential and small business customers.

Q. Please explain what you mean.

A. In FPL's own data, the new credit levels under the SIP Proposal no longer pass the RIM test, meaning that the net savings from the avoided cost of new generation are less than the costs of the proposed payments to the SIPs that receive CDR/CILC credits. In other words, it would be more cost-effective for FPL to simply build the generation to replace the claimed capacity from interruptible customers, and this generation could serve all of FPL's customers.

Q. Are there any other benefits to building the generation?

A. Yes. The built generation would be more reliable than relying on interruptible customers. To be clear, FPL does not need the capacity provided by the interruptible customers, but even if that capacity were needed, it would be more reliable to come from generation resources because unlike interruptible resources, generation resources can't simply walk away from FPL's system if they start getting used. With the interruptible customers, if they actually started getting interrupted and FPL's customers actually started seeing some value from that program, those interruptible customers could simply walk away, leaving FPL scrambling to build the replacement generation, which, thanks to the credit levels in the SIP Proposal, is already more cost-effective, according to FPL's own analysis, than the CDR/CILC credits.

Q. Do the CDR/CILC Credits change even more during the term of the SIP agreement?

A. Yes. During the term of the SIP Proposal, the CDR/CILC credits increase with each approval of the SoBRAs.

Q. Does it make sense to increase the CDR/CILC credits with each approval of the SoBRAs?

A. No. In fact, the opposite is true. Any value of the CDR/CILC credits, fundamentally, comes from the ability of FPL to interrupt those CDR/CILC customers when there is a lack of sufficient generation resources to maintain service to all firm-load. When additional generation is added to the system, as is the case with the SoBRAs, which are mainly made-up of batteries providing firm-capacity and also additional solar, the likelihood of FPL having a lack of sufficient generating resources, of course, goes down. So too, would the value of the credits. Paradoxically, however, the SIP Proposal increases the credits with each of the SoBRAs.

Q. How much does the SIP Proposal increase the credits?

A. Starting in 2026, the SIP Proposal increases the credits from the present level to \$9.75/kW. This comes at a cost to the general body of ratepayers of \$8.6 million per year above current levels, and, importantly, \$30,620,646 more per year than originally as proposed by FPL in this case, which, as should be noted, I testified was still too high. Over the four-year term of the SIP Proposal, the SIP Proposal is expected to cost the general body of customers (again, primarily residential and small business customers) \$122,482,584 as compared to FPL's original as-filed case, just in the cost of the CDR/CILC credits. That's before accounting for the increases in the credits due to the SoBRAs, which is expected to add an additional annual cost of over \$5 million by the end of the SIP Proposal once all of the SoBRAs are in place (total annual cost of CDR/CILC credits of \$89,632,203 based on FPL's estimates of the SoBRA increases).

Q. Are the CDR/CILC credits helping ordinary Floridians?

A. No. They are going to some of the largest and most wealthy customers in the State. Residential customers and small businesses are not even eligible for the credits. Instead, they are going to companies like Walmart. For example, the CILC-1T class is made up of just 15 customers according to FPL. Those 15 customers, between FPL's as-filed case, and the SIP Proposal, will be getting paid an additional \$22,561,609 over the term of the SIP agreement, before accounting for the additional increases due to the SoBRAs. That's more than $1 million per customer, paid for by the general body of customers, primarily composed of residential and small business customers. No wonder parties representing large load customers were so eager to sign the SIP Proposal.

Q. What is your opinion on FPL's proposed disconnection policy?

A. If adopted, FPL proposes a disconnection policy where FPL will not disconnect any customer for nonpayment if the temperature is forecasted at 95 degrees or higher, where a heat advisory has been issued by the National Weather Service, or where the temperature is forecasted at 32 degrees or lower. FPL operates in one of the hottest states in the country, having access to air conditioning should not be a luxury, but rather a necessity that Floridians require to protect their health and well-being. FPL's policy is not protective enough of Floridians who experience Florida's brutal summers.

While 95 degrees is certainly hot, Floridians need access to air conditioning all summer long. FPL's policy does not sufficiently account for humidity, which drastically increases the "feels-like" temperature outside, and slows the body's ability to regulate and cool itself.[6] Florida, being on the front lines of climate change, is seeing increased temperatures every year, including increased humidity levels. Heat-stress is the leading cause of weather-related deaths in the United States.[7] Critically, heat deaths do not only occur outdoors. Preventable deaths occur indoors when people do not have access to air conditioning, and indoor heat deaths are expected to increase as climate change continues to drive up

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[6] National Weather Service, *What is the heat index?*, https://www.weather.gov/ama/heatindex (accessed Sept. 19, 2025).

[7] U.S. Environmental Protection Agency, *A Closer Look: Heat-Related Workplace Deaths*, https://www.epa.gov/climate-indicators/closer-look-heat-related-workplace-deaths#ref7 (accessed Sept. 19, 2025).

temperatures, impacting low-income households the most.[8]

A summer disconnection policy is especially critical to protect vulnerable populations. One of the most vulnerable groups is adults 65 and older, for which Florida is home to the second-highest per capita population in the country. Studies have shown that older adults have a higher risk of heat related health problems. As our summers become hotter, we must adjust our policies and do everything possible to ensure that older adults, who are more likely to be on a fixed income, have access to air conditioning. Arizona requires its regulated utilities to have a disconnection policy, including a moratorium on disconnecting customers from June 1-October 15.[9] Additionally, weather disconnection policies are the norm for northern states to protect customers in the winter from freezing temperatures, with over 40 states that have these types of protections.[10] Given that Florida has much more risk for heat-related deaths than those caused by cold weather, the Commission should require a more protective approach to keeping Floridians safe from the deadly heat.

FPL's own data demonstrates the necessity of a summer disconnection policy. In 2024, FPL disconnected 1,229,818 residential customers (so far more actual Floridians), including 376,274 during the critical months of June-September.[11] During that time, while most people were able to be reconnected to the grid the same day, the average reconnection time was still about a third of a

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[8] The Guardian, *'It happened so fast': the shocking reality of indoor heat deaths in Arizona* (Aug. 31, 2025), https://www.theguardian.com/us-news/2025/aug/31/phoenix-heat-deaths?CMP=oth_b-aplnews_d-1.

[9] Arizona Residential Utility Consumer Office, *Disconnection Rules*, https://ruco.az.gov/hot-topics/disconnection-rules (accessed Sept. 19, 2025).

[10] LIHEAP Clearinghouse, *Cold Weather Disconnect Policies*, https://liheapch.acf.gov/Disconnect/cold-weather.htm (accessed Sept. 19, 2025).

[11] *See* FPL Response to Florida Rising, LULAC, and ECOSWF Interrogatory No. 98, Attachment 1.

day (and due to how FPL calculates disconnection and reconnections, same day reconnections count as zero days), meaning either about one-third of that 376,274 disconnections took a day to be reconnected (or longer with fewer customers taking that longer period of time).[12]

It is worth noting that, multiplying the 2024 disconnections (1,229,818 out of 5,287,101 residential customers) by average reconnection time (0.29 days – counting reconnections that take less than a day as zero), shows that a residential customer was more likely to be without power in 2024 for disconnection for nonpayment than from a system reliability issue, reinforcing my testimony that a reliable grid does not do struggling Floridians any good if they cannot afford the grid.[13]

Q. What does the SIP Proposal do in terms of the return on equity and capital structure?

A. At a high level, the SIP Proposal gives FPL everything it could ever hope for. Although FPL claims the ROE of "just" 10.95% is a compromise from its as-filed position of 11.90%, I'm not sure 10.95% can be considered a compromise when it is still 45 basis points higher than any other utility in the lower 48 States from what I've been able to determine, and that doesn't take into account the extraordinarily high equity ratio that is also built into the SIP Proposal. In other words, although FPL started the case at 11.90%, that does not make 10.95% reasonable. Say I offer to sell you a cup of coffee for $50 and then reach an agreement to lower my price to $30 instead. Sure, that's a 40% reduction, but I don't think anyone would claim you got a good deal when you could go next door and buy the same cup of coffee

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[12] *Id.*

[13] 1,229,819/5,287,101=0.2326. 0.2326*0.29=0.067456 days*24 hours/day = 1.619 hours/customer, which is greater than the reported SAIDI of 43.8 minutes in 2024.

for $4. The same is true here, except FPL's monopoly status means customers can't even go next door to buy the cup of coffee unless they actually move outside of FPL's territory. The ridiculous ROE from FPL's original petition cannot be the starting point for measuring the claimed reasonableness of the "compromise" in the SIP Proposal, especially given the billions of dollars of profits FPL already makes every year.

Q. Do you have any concerns regarding the long-term impacts of the SIP Proposal?

A. Yes, many.

Q. Please explain.

A. The SIP Proposal takes what was a terrible plan by FPL (intentionally creating a huge revenue cliff in 2030 that bakes in a massive rate increase) and makes it even worse. The SIP Proposal preserves the ITC flow-through in a single year. This creates a "flip-back" or "swing-back" revenue requirement effect.

Q. What do you mean by "revenue cliffs" and "flip-backs"?

A. By revenue cliffs, I mean pre-planned gaps of hundreds of millions of dollars in revenue requirement that will have to be paid back in FPL's next rate case—even if FPL didn't plan to build anything new after 2029. FPL appears to have designed the SIP Proposal in part to ensure that such gaps would exist and would have to be paid back in its next rate case. The flip-back (FPL's turn of phrase) refers to the massive revenue swing from the first to second year that each battery is in service, caused by FPL using up all of the ITCs from each battery in its first year of service. The year the battery goes into service, FPL plans to take all its ITCs in that single year and sell them off (and worse, at a discount). As a result, the battery actually has a significant negative revenue requirement associated with it for that year. The next year, however, it is as if the ITCs associated with that battery never existed, and all of a sudden, the battery imposes a large, positive revenue requirement. The flip-back varies with the cost of the batteries added in a given year, but all create hundreds of millions of dollars of increased costs in their second year. For example, according to FPL's own calculations, the 2028 batteries have a flip-back effect of $302,521,347 of jurisdictional revenue requirement in 2029, just on their own. The 2029 batteries are almost identical, with slightly higher costs (and therefore slightly higher ITCs), so the flip-back effect into 2030 will be even greater than that. Meaning, even if nothing else were to change, the SIP agreement already sets up a need to fill the hole made by the 2029 ITCs to the tune of well over $300 million.

The SIP agreement also takes the deferred tax liabilities that customers have already paid to FPL and uses them to allow FPL to stay at the top of its allowed range (11.95%) and requires that FPL's customers pay those deferred tax liabilities back to FPL, including in 2030. FPL has provided an estimate that this will cost $38.5 million per year, for 30 years.[14] But this has a hidden, additional benefit to FPL. Not only does taking the deferred tax liabilities allow FPL to stay at the top of its allowed range, it also allows FPL to replace this zero-cost capital funding source in its capital structure with additional equity infusions, which allow it to earn even more profit. It's a win-win for FPL, and a lose-lose for FPL's customers. Not only do FPL's customers have to pay the deferred tax liabilities back to FPL, they also have to pay FPL the additional profit on the equity infusion needed to replace the deferred tax liabilities in FPL's capital structure. So, in addition to virtually guaranteeing another large rate increase in 2030, the SIP

[14] *See* FPL Response to Florida Rising, LULAC, and ECOSWF Interrogatory No. 195.

proposal ensures that FPL will be able to stay at the top of its allowed range using customer money, and replacing that money with equity which will allow FPL to earn even more profits.

Additionally, the SIP Proposal makes things worse by extending the capital recovery schedules to 20 years, meaning that people being born today will, when they become FPL customers as adults, be paying for capital assets that were never in service their entire lives.

Q. Why does that matter?

A. Florida Rising's members have families and children. It is of great concern to them that they are not just passing on costs to be borne by future generations that will not experience any of the benefits. That's just wrong. I get that the SIPs are all about the profits that they will be making next quarter, and so they want to steal as much money from future generations as they can, but Florida Rising, ECOSWF, and LULAC cannot take such a narrow view and have to ensure that we are not just guaranteeing massive rate increases from now for the next 30 years. It is wrong to take money from people 30 years from now just to allow FPL to take additional profits in the short term. But that's exactly what the SIPs have agreed to in exchange for moving the rate increase away from them and onto residential and small businesses of Florida and for additional CDR/CILC credits that have pushed beyond cost-effectiveness. I don't see how anyone could possibly think that the SIP agreement is in the public interest, unless they solely define the public interest as the interests of FPL's shareholders and the 1% of customers represented by the SIP signatories. We believe that the public interest is broader and includes the interests of all customers including residential and small business customers, and the interests of future generations. That's why Florida Rising is adamant against setting up billions in "IOUs" to FPL from future FPL customers.

Q. How does the SIP Proposal affect FPL's minimum bill?

A. The SIP Proposal increases FPL's minimum bill to $30, the same as was proposed in FPL's as-filed case. This means that no matter how much a customer cuts back on their energy usage, they will always be paying at least $30 a month, just to be connected to FPL's grid. This is an increase from the current minimum bill, which is $25 a month. FPL did not provide any support for this increase in the SIP Proposal, and this again represents how the SIP Proposal does not represent all customer classes.

Residential customers are most affected by the minimum bill, and the SIP Proposal reflects that protecting residential customers was not the priority of the special interest groups who determined the minimum bill did not need to change from FPL's as-filed proposal. Florida is facing an affordability crisis, and the minimum bill impacts customers who are already low-income and low energy users.[15] Once again, this provision of the SIP Proposal does not impact most of the signatories to that agreement, and carrying this provision over from the as-filed case is not meaningful concession or compromise by any of the signatories.

II. THE CMP PROPOSAL RESULTS IN RATES THAT ARE FAIR, JUST, AND REASONABLE FOR ALL FPL CUSTOMERS INSTEAD OF FAVORING ONLY SPECIAL INTERESTS.

Q. How does the CMP Proposal compare to the SIP Proposal in terms of rate impacts?

A. According to the calculations contained in the CMP Proposal, residential

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[15] *See* FPL Response to Florida Rising, LULAC, and ECOSWF Production of Documents Request No. 91.

customers will save more than $5.24 per month per 1,000 kWh by 2027. That's over $62.88 per year, and that figure is still an understatement for at least two reasons. First, it does not include the savings from maintaining the current level of CDR/CILC credits, as contained in the CMP Proposal. Although we believe that those are still way too high, Florida Rising made the compromise to keep the current credit level in the interest of making an agreement with the CMP parties. Second, it is based on only 1,000 kWh of usage. Since FPL residential customers use more electricity than that on average, they will save even more. The savings to residential customers under the CMP Proposal is really meaningful to our members and the customers they represent when every dollar can matter and we have people choosing between getting the life-saving medicine they need and turning life-saving air-conditioning on. Furthermore, the CMP Proposal does not increase the minimum bill, which FPL's own data seems to indicate will impact many low-income customers and will not just be hitting snowbirds with multiple homes. In fact, FPL's own data indicates that the months with the most minimum bills are the colder months when the snowbirds would be occupying their homes in Florida, proving that genuine low usage is causing homes to incur minimum bills, not second-homes that are unoccupied during the hotter months as FPL states in their testimony.[16]

The difference for GS customers is even starker, because unlike the SIP Proposal, the CMP Proposal uses an actual cost of service methodology to fairly assign the rate increases across the customer classes while still employing the principle of gradualism. By 2027, the CMP Proposal results in savings of $20.91 per month on a 1,200 kWh bill. That's $250.92 per year, which is real money to

[16] *See* Transcript of July 21, 2025 Deposition of Tiffany Cohen at 151-58.

many of Florida's small businesses struggling financially. It is also worth bearing in mind that residential and small business customers comprise almost 99% of FPL's customers, all of whom would be significantly better off under the CMP Proposal as compared to the SIP Proposal. It is also worth noting that the CMP Proposal represents a real compromise between Florida Rising's, ECOSWF's, and LULAC's positions going into the case which called for a cost of service methodology much more weighted towards energy, no application of gradualism, and the elimination of the CDR/CILC credits. I believe that under the CMP Proposal, due to the application of gradualism and the maintenance of the CDR/CILC credits, the 1% of customers represented in the SIP Proposal are still getting a special break. They still are not forced to truly pay their fair share, but the CMP Proposal at least finally moves them closer towards paying their fair share, unlike under the SIP Proposal, where those parties pay only a small fraction of what they would under any reasonable cost of service study.

Q. Are there other benefits of the CMP Proposal as compared to the SIP Proposal?

A. Absolutely. One of the largest is that it avoids much of the generational inequity contained in the SIP Proposal by avoiding revenue cliffs due to SIP Proposal features like the ITC flip-back and repayment of the deferred tax liabilities (former TAM) now included in the RSM. By amortizing the ITCs over four-years and eliminating the double-taxation of the deferred tax liabilities, the CMP Proposal avoids setting-up a massive "IOU" to FPL to the tune of well-over a billion dollars starting in 2030 with a massive "flip-back" due to the 2029 investment tax credits. The CMP Proposal ensures that battery energy storage devices are only constructed when and because they are needed as a generation resource, not because they need to avoid rate shock by masking the effect of FPL having used up all the ITCs from the prior year in that same year. Avoiding rate shock should not be a reason to build battery energy storage systems, which, when doing so, necessitates that they be built each year to keep postponing the inevitable rate shock, one year at a time. The long-term cost is staggering considering that these batteries cost billions of dollars and are adding over $5 billion into rate base on their own over the term of the SIP Proposal.

Q. Please summarize your testimony.

A. The SIP Proposal results in a massive windfall to FPL and most of the SIPs. The SIP's windfall is all paid for by current and future generations of residential customers and small businesses. That's just wrong. By contrast, the CMP Proposal treats all customers fairly and helps move FPL's largest customers towards paying their fair share of system costs.

Q. Does this conclude your testimony?

A. Yes, it does.

FPL

FPL.com Page 1 E001

Electric Bill Statement
For: Jun 6, 2025 to Jul 8, 2025 (32 days)
Statement Date: Jul 8, 2025
Account Number: [redacted]
Service Address:
4850 W OAKLAND PARK BLVD STE 249
LAUDERDALE LAKES, FL 33313

NEW FLORIDA MAJORITY,
Here's what you owe for this billing period.

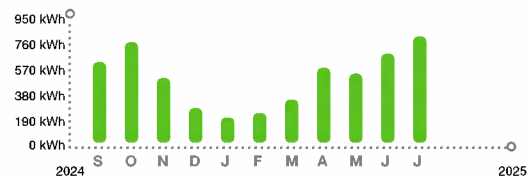
CURRENT BILL

$288.79
TOTAL AMOUNT YOU OWE

Jul 29, 2025
NEW CHARGES DUE BY

Scan to Pay or visit FPL.com/WaystoPay

ENERGY USAGE HISTORY



KEEP IN MIND

- Payments received after July 29, 2025 are considered late; a late payment charge, the greater of $5.00 or 1.5% of your past due balance will apply. Your account may also be billed a deposit adjustment.

BILL SUMMARY

Amount of your last bill	133.06
Balance before new charges	133.06*
Total new charges	155.73
Total amount you owe	**$288.79**

***This $133.06 is PAST DUE -- PLEASE PAY IMMEDIATELY**

(See page 2 for bill details.)

Customer Service: (954) 581-5668
Outside Florida: 1-800-226-3545
Report Power Outages: 1-800-4OUTAGE (468-8243)
Hearing/Speech Impaired: 711 (Relay Service)
Ways to Pay

FPL

/ 27 13306 740594402760470978820000

The amount enclosed includes the following donation:
FPL Care To Share: ______

Make check payable to FPL in U.S. funds and mail along with this coupon to:

NEW FLORIDA MAJORITY
200 E ROBINSON ST STE 950
ORLANDO FL 32801-1958

FPL
GENERAL MAIL FACILITY
MIAMI FL 33188-0001

Visit **FPL.com/PayBill** for ways to pay.

ACCOUNT NUMBER	TOTAL AMOUNT YOU OWE	NEW CHARGES DUE BY	AMOUNT ENCLOSED
[redacted]	$288.79	Jul 29, 2025	$

FPL

Customer Name: NEW FLORIDA MAJORITY
Account Number: [redacted]

FPL.com Page 2

E001

BILL DETAILS

Amount of your last bill		133.06
Balance before new charges		$133.06 *
New Charges		
Rate: GS-1 GENERAL SVC NON-DEMAND / BUSINESS		
Base charge:	$12.87	
Non-fuel: *($0.096100 per kWh)*	$82.54	
Fuel: *($0.027180 per kWh)*	$23.35	
Electric service amount	118.76	
Gross receipts tax (State tax)	3.05	
Franchise fee (Reqd local fee)	7.35	
Utility tax (Local tax)	11.18	
Florida sales tax (State tax)	8.98	
County sales tax (Local tax)	1.30	
Taxes and charges	31.86	
Late payment charge	5.00	
Regulatory fee (State fee)	0.11	
Total new charges		$155.73
Total amount you owe		**$288.79**

***This $133.06 is PAST DUE -- PLEASE PAY IMMEDIATELY**

METER SUMMARY

Meter reading - Meter KL93596. Next meter reading Aug 7, 2025.

Usage Type	Current	-	Previous	=	Usage
kWh used	09929		09070		859

ENERGY USAGE COMPARISON

	This Month	Last Month
Service to	Jul 8, 2025	Jun 6, 2025
kWh Used	859	718
Service days	32	30
kWh/day	26	23
Amount	$150.73	$128.70

KEEP IN MIND

- Taxes, fees, and charges on your bill are determined and required by your local and state government to be used at their discretion.
- The fuel charge represents the cost of fuel used to generate electricity. It is a direct pass-through to customers. FPL does not profit from fuel, although higher costs do result in higher state and local taxes and fees.

When you pay by check, you authorize FPL to process your payment electronically or as a draft. If your payment is processed electronically, your checking account may be debited on the same day we receive the check and your check will not be returned with your checking account statement. FPL does not agree to any restrictions, conditions or endorsements placed on any bill statement or payments such as check, money order or other forms of payment. We will process the payment as if these restrictions or conditions do not exist.

THE STATE OF ALICE IN FLORIDA

2025 Update on Financial Hardship

UNITED FOR ALICE

UNITED WAY Florida

INTRODUCING ALICE®

ALICE Households

In 2023, based on the Federal Poverty Level (FPL), 13% of Florida households were defined as being in poverty. Yet this measure failed to account for an additional 34% of the state's households – nearly three times as many – that were also experiencing financial hardship. These households are **ALICE**: **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – earning above the FPL, but not enough to afford basic expenses in the counties where they live.

Between ALICE households and households living in poverty, **an estimated 47% of households in Florida were below the ALICE Threshold in 2023.** This rate placed Florida 48th among all states and the District of Columbia (with 1st representing the lowest rate of hardship). Households below the Threshold are forced to make impossible choices – like deciding whether to pay for utilities or a car repair, whether to buy food or fill a prescription.

Households below the ALICE Threshold are in every state and county across the U.S. and represent all demographic groups. Workers below the ALICE Threshold often perform the jobs that keep our economy functioning smoothly – they are child care providers, food service workers, cashiers, personal care aides, delivery drivers, and more. Their stories capture the systemic and structural barriers to financial stability, and the struggles and resilience of families experiencing financial hardship.

ALICE Measures

The ALICE measures were developed by United For ALICE to answer the pressing need for a more accurate picture of financial hardship. The FPL is an outdated instrument that does not consider the wide variation in cost of living by location (except for a slightly higher state-level FPL for Alaska and Hawai'i). As a result, official measures based on the FPL sharply underestimate the true extent of financial hardship in the U.S. And because the FPL is the basis for defining eligibility for many types of public assistance, ALICE households often do not qualify.

Two pillars of the ALICE measures are household costs and income. The ALICE Household Survival Budget calculates the cost of household basics for each county in Florida, relying on a wide range of publicly available sources outlined on page 5. Change over time in the cost of these household basics is tracked in the ALICE Essentials Index.

Household costs are compared to income to determine if households are **below the ALICE Threshold.** For household income, ALICE measures rely on the U.S. Census Bureau's American Community Survey (ACS) – both household tabulated data and individual data from the Public Use Microdata Sample (PUMS) records. To provide additional details on household assets, this Report also includes analysis of the Federal Reserve Board's Survey of Household Economics and Decisionmaking (SHED) (2023).

The data included in this Report spans 2010 to 2023 (latest available). This data does not reflect policy or funding changes that have occurred since, yet it provides an important baseline and context to inform current conversations and decision making.

United For ALICE

Launched in 2009 with a study of financial hardship in one New Jersey county, the nonpartisan United For ALICE movement has grown to include 35 states and the District of Columbia. With a commitment to racial and economic justice, United For ALICE partners use the ALICE data to give voice to the challenges ALICE households face. Together, they inspire action, strategies, and policies to ensure that all households have enough income for necessities and can save for the future.

In Florida, this research is brought to you by United Way of Florida. Learn more about how the ALICE data is being used to inform strategies and solutions across our partner states in the ALICE in Action Database.

KEY FINDINGS

Financial hardship: In 2023, of Florida's 8.9 million households, 13% (1,129,685) were below the Federal Poverty Level (FPL), and another 34% (3,033,439) were ALICE – households with income above the FPL, but not enough to afford the ALICE Household Survival Budget for their household composition and location. Combining these two groups, 47% (4,163,124) of households in Florida were below the ALICE Threshold (Figure 1).

The cost of basics: In Florida in 2023, the ALICE Household Survival Budget was $33,804 for a single adult and $86,688 for a family of four with two adults, an infant, and a preschooler – much higher than the FPL ($14,580 for an individual and $30,000 for a family of four). Basic costs varied substantially by county.

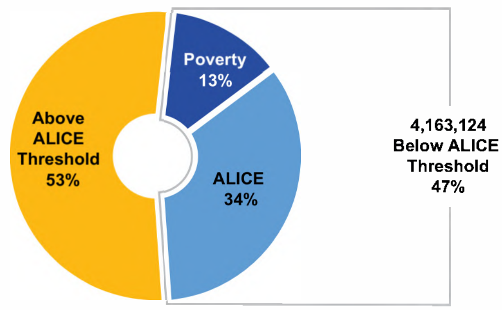
ALICE demographics: There were households below the ALICE Threshold across all demographic groups in Florida. However, due to systemic racism, ageism, gender discrimination, and geographic barriers that limit many families' access to resources and opportunities for financial stability, certain groups were more likely to experience hardship. These groups included Black households (59% below the Threshold) and Hispanic households (53%); households headed by people under age 25 (69%) or age 65 and over (55%); single-parent-headed households (77% single-female-headed, 62% single-male-headed); and households in rural areas (53%).

ALICE in the labor force: Of the 20 most common occupations in Florida in 2023, 13 paid less than $20 per hour. And of the workers in these occupations, 36% lived in households below the ALICE Threshold, with rates at 50% or higher for cashiers, janitors, and cooks.

Trends in Florida: Between 2010 and 2023, the total number of households in Florida increased by 27%, the number of households in poverty increased by 8%, and the number of ALICE households increased by 31%. Behind these overall trends, there were important changes in the numbers of families with children and 65+ households. In addition, housing affordability continued to be a challenge, and basic costs continued to outpace wages in low-wage jobs.

Stable households, stronger communities: If all households in Florida had enough income to meet their basic needs, not only would households' hardship be eased, but there would be a positive economic impact on the wider community through increased consumer spending and contributions to the tax base.

Figure 1. Nearly Half of Florida Households Faced Financial Instability in 2023



Sources: ALICE Threshold, 2010–2023; U.S. Census Bureau, American Community Survey, 2023

KEY TERMS

- **ALICE:** **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – households with income above the Federal Poverty Level (FPL) but less than the basic cost of living in their county
- **ALICE Household Survival Budget:** Reflects the minimum costs of household necessities (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for all U.S. counties and various household compositions
- **ALICE Threshold:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs, calculated for all U.S. counties
- **Below ALICE Threshold:** Includes households in poverty and ALICE households combined

Data Notes: *The income data used in this Report rely on ACS estimates. The ACS is based on a representative sample of housing units and people; therefore, these estimates have a degree of uncertainty. Some data points are geographic averages, others are one- or five-year averages depending on population size (these are reported in the Data Sheet). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%. ALICE analysis includes households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. ALICE analysis includes families and roommates but does not include people who are unhoused or living in group quarters (such as college residence halls, skilled nursing facilities, and military barracks).*

BASIC COSTS: THE ALICE HOUSEHOLD SURVIVAL BUDGET

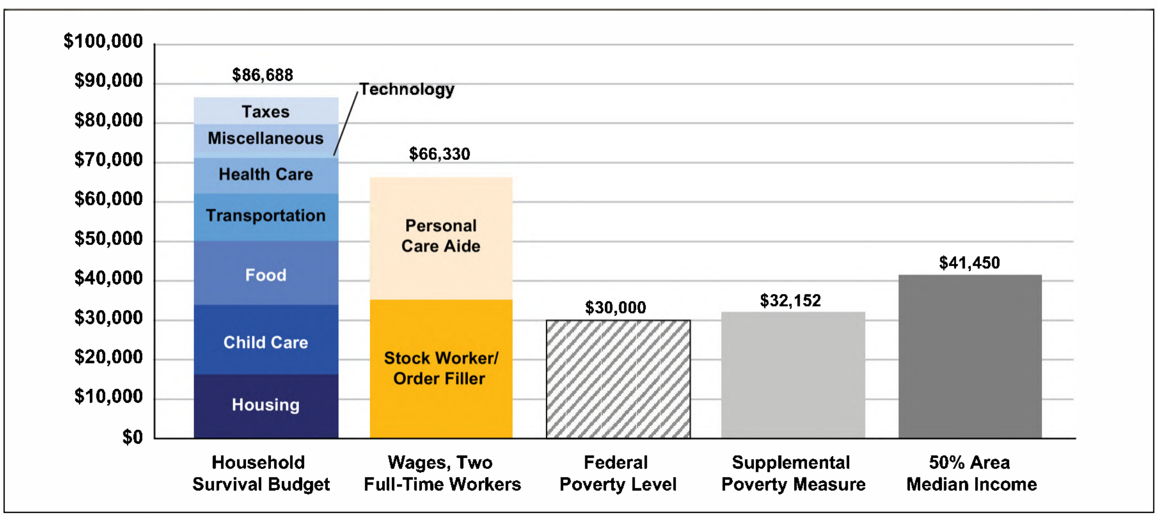
To capture the reality of household costs across Florida, the ALICE Household Survival Budget is calculated for all counties and various household compositions. This budget reflects the minimum cost to live and work in today's economy. (See the Budget Overview on page 5 and use the ALICE Budget and Income Status Tool for custom budgets by household composition and location.)

Figure 2 illustrates the mismatch between costs, wages, and official measures of financial hardship. It includes ALICE Household Survival Budget costs for a Florida family with two adults, an infant, and a preschooler (totaling $86,688 annually) and the combined full-time wages of two common Florida occupations – a personal care aide and a stock worker/order filler (totaling $66,330 annually). Figure 2 also compares costs and income to three governmental measures of financial hardship:

- **The Federal Poverty Level** (FPL): The FPL relies on an outdated methodology for household costs; it does not account for cost-of-living differences across the continental U.S., or within states; and it is adjusted by the Consumer Price Index, which underestimates inflation in essential costs (as demonstrated by the ALICE Essentials Index). In 2023, the FPL was $14,580 for a single adult and $30,000 for a family of four.
- **The Supplemental Poverty Measure** (SPM): First published by the U.S. Census Bureau in 2011, the SPM is based on the costs of food, clothing, shelter, and utilities. In 2023, the SPM threshold for a renter household with two adults and two children in Florida was $32,152.
- **Area Median Income** (AMI): The AMI is the midpoint of income distribution within a geographic area (half of households earn more, half earn less). Percentages of AMI are used for federal housing assistance; very low-income households earn less than 50% of AMI, the typical threshold for Section 8 eligibility. AMI is based on income, not costs, so it does not capture whether households can afford basic expenses. In Florida in 2023, for a four-person household, 50% of AMI was $41,450 – higher than the FPL and the SPM, but still well below the Household Survival Budget.

Figure 2. Basic Costs Exceeded Wages of Common Jobs and Official Measures of Hardship

Annual Budget, Wages, and Official Measures of Financial Hardship, Family of Four, Florida, 2023



Note: Personal care aides monitor the condition of people with disabilities or chronic illnesses and help them with daily living activities. Stock workers/order fillers receive, store, and issue merchandise, materials, equipment, and other items from stockrooms, warehouses, or storage yards, and may operate power equipment to fill orders.

Sources: ALICE Household Survival Budget, 2023; Bureau of Labor Statistics–Occupational Employment Statistics, 2023; U.S. Census Bureau, Supplemental Poverty Measure, 2023; U.S. Department of Housing and Urban Development, Area Median Income (State Income Limits), 2023.

ALICE Household Survival Budget Overview, Florida		State Average Costs, 2023		
	Budget Item Description and Sources *(See Methodology for more details)*	Single Adult, Age 18–64	Single Adult, Age 65+	2 Adults, 1 Infant, 1 Preschooler
Housing	110% of Fair Market Rent (FMR) for an efficiency, one-bedroom, or two-bedroom apartment (based on family size), including utilities, adjusted in metro areas using Small Area FMR **Source:** *U.S. Department of Housing and Urban Development (HUD)* **Update:** As of 2023, based on HUD's new FMR policy, housing costs are calculated using 110% of FMR to more accurately reflect the rental market. Small Area FMR is used in metro areas, where rents are higher than 110% of FMR. In prior years, costs used standard FMR and were adjusted in metro areas using ACS housing costs. To avoid reporting artificial rent decreases, 2022 rents are used if higher than 2023 rents.	$1,043	$1,043	$1,357
Child Care	Cost for registered Family Child Care Homes for infants (0–2 years), preschool-age children (3–4 years), and school-age children (5–12 years) ***Source:*** Florida Division of Early Learning	$0	$0	$1,472
Food	USDA Thrifty Food Plan by age, with county variation from Feeding America **Sources:** *Feeding America; U.S. Department of Agriculture (USDA)*	$499	$460	$1,356
Transportation	Operating costs for a car (average daily miles by age, cost per mile, license, fees, and insurance), or public transportation where viable **Sources:** *AAA, Federal Highway Administration, National Association of Insurance Commissioners (NAIC) (car); Consumer Expenditure Survey (CEX) (public transportation)* **Update**: The source for insurance premiums changed from the Zebra to NAIC in 2023; rates are similar and updated more frequently.	$469	$399	$996
Health Care	Health insurance premiums based on employer-sponsored plans plus out-of-pocket costs for households with $40,000–$69,999 annual income by age, weighted with the poor-health multiplier. For the ALICE 65+ Survival Budget, cost of Medicare Parts A and B, out-of-pocket costs, plus average out-of-pocket spending for the top five chronic diseases as reported by CMS. **Sources:** *Centers for Medicare & Medicaid Services (CMS); CEX (health); Medical Expenditure Panel Survey (MEPS)* **Note:** Employee contributions to health care plans were slightly lower in 2023 than in 2022, yet still higher than in 2021.	$162	$551	$759
Technology	Basic broadband internet at home and a smartphone plan with unlimited data for each adult in a household **Sources:** *Consumer Reports; USTelecom*	$86	$86	$116
Miscellaneous	Cost overruns estimated at 10% of the budget, excluding taxes, to cover one-time unanticipated costs within the other categories	$226	$254	$606
Taxes	Federal payroll taxes (Social Security and Medicare) and federal, state, and local income taxes owed on household income to cover the Survival Budget, as well as the federal Child Tax Credit and the Child and Dependent Care Tax Credit **Sources:** *Internal Revenue Service; Tax Foundation; calculated for United For ALICE by the Federal Reserve Bank of Atlanta (FRBA)* **Note:** 2022 tax data was revised by FRBA for this update.	$332	$392	$562
	Monthly Total	$2,817	$3,185	$7,224
	Annual Total	$33,804	$38,220	$86,688
	Hourly Full-Time Earnings Needed to Support the Household Survival Budget*	$16.90	$19.11	$43.34

**Represents the earnings needed at 40 hours/week, 50 weeks/year to support the annual total, including taxes.*

FINANCIAL HARDSHIP BY DEMOGRAPHIC GROUP

There are households below the ALICE Threshold across Florida, and they reflect a wide range of demographics and household types (Figure 3). However, some groups had a higher rate of financial hardship in 2023, a result of factors including systemic racism, ageism, gender discrimination, and geographic barriers that limit many families' access to resources and opportunities for financial stability:

- **Age:** In 2023, the youngest and oldest households had the highest rates of financial hardship: 69% of households headed by someone under age 25 and 55% of households headed by someone age 65 and over lived below the ALICE Threshold in Florida. By comparison, rates were lower for those in their prime working years, with 42% of households headed by people age 25–44 and 41% of households headed by those age 45–64 living below the Threshold.
- **Race/ethnicity:** Rates of financial hardship differed substantially by race/ethnicity in Florida. In 2023, the largest number of households below the ALICE Threshold were White (2,147,859), making up 42% of all White households. Hispanic households were the next largest group below the Threshold (1,081,828), yet they made up 53% of all Hispanic households. There were also 699,144 Black households below the Threshold, a substantial 59% of all Black households. Other, smaller groups also had high rates of hardship: 45% of Native Hawaiian/Pacific Islander households, and 52% of both American Indian/Alaska Native households and households headed by someone of Two or More Races were below the Threshold. Asian households had the lowest rate (38%).
- **Household type:** In 2023, 43% of single or cohabiting households without children headed by someone under age 65 – the most common household type – were below the ALICE Threshold in Florida. Among families with children, 42% were below the Threshold. And longstanding disparities in financial hardship by household type remained: 77% of single-female-headed families and 62% of single-male-headed families were below the Threshold, compared to 26% of married-parent families.
- **Location:** In 2023, the rate of financial hardship was higher in rural areas of Florida, where more than half of all households were below the ALICE Threshold (53%), compared to 46% in urban areas. By county, the percentage of households below the Threshold was highest in Gadsden, Glades, Holmes, and Taylor counties (all above 60%) and lowest in St. Johns County, at 33%. Hardship varied even within counties: For example, in Palm Beach County, the percentage of households below the Threshold ranged from 77% in ZIP code 33476 (Pahokee) to 24% in ZIP code 33473 (western Boynton Beach).

INTERACTIVE ALICE DATA

ALICE data is available online by race/ethnicity, age of householder, household type, county, county subdivision, census designated place, ZIP code, and legislative district. See all available geographies and more on the ALICE Mapping Tool.

Figure 3. Financial Hardship Varied Substantially by Demographic Group

Key Demographic Groups, Florida, 2023

	Total	Below ALICE Threshold	Poverty	ALICE	Above ALICE Threshold
ALL HOUSEHOLDS	**8,944,469**	**4,163,124**	13%	34%	53%
AGE					
Under 25 Years	265,230	182,510	29%	39%	31%
25 to 44 Years	2,589,034	1,086,632	12%	30%	58%
45 to 64 Years	3,158,816	1,292,198	11%	30%	59%
65 Years and Over	2,931,389	1,601,784	14%	41%	45%
RACE/ETHNICITY					
American Indian/ Alaska Native	21,624	11,317	11%	41%	48%
Asian	210,946	80,821	7%	32%	62%
Black	1,180,255	699,144	13%	46%	41%
Hispanic	2,047,361	1,081,828	9%	43%	47%
Native Hawaiian/ Pacific Islander	4,273	1,924	10%	35%	55%
Two or More Races	1,373,704	709,690	10%	42%	48%
White	5,122,447	2,147,859	7%	35%	58%
HOUSEHOLD TYPE					
Married With Children	1,330,302	348,199	7%	19%	74%
Single-Female-Headed With Children	503,527	386,961	34%	42%	23%
Single-Male-Headed With Children	184,357	113,981	19%	43%	38%
Single or Cohabiting, Under 65, no Children	3,994,894	1,712,199	11%	32%	57%
RURAL/URBAN					
Rural	195,120	104,286	17%	36%	47%
Urban	8,749,349	4,058,838	13%	34%	54%

Note: The groups shown in this figure are based on head of household and overlap across categories. Within the race/ethnicity category, all racial categories except Two or More Races are for one race alone. Race and ethnicity are overlapping categories; in this Report, the American Indian/Alaska Native, Asian, Black, Native Hawaiian (includes other Pacific Islanders), and Two or More Races groups may include Hispanic households. The White group includes only White, non-Hispanic households. The Hispanic group may include households of any race. Because household poverty data is not available for the American Community Survey's race/ethnicity categories, annual income below $15,000 is used as a proxy. Counties are defined as rural or urban based on the USDA's designation of metropolitan or non-metropolitan at the census tract level. Counties with 50% or more of the population in metropolitan tracts are designated as urban; those with 50% or more of the population in non-metropolitan tracts are designated as rural.

Sources: ALICE Threshold, 2023; U.S. Census Bureau, American Community Survey, 2023

ALICE IN THE LABOR FORCE

Workers below the ALICE Threshold increasingly bear the brunt of economic change and uncertainty as the workforce shifts to incorporate new technology and automation and as employers increase reliance on non-standard work arrangements – like hourly paid work, part-time employment, and gig work. These arrangements make it easier to reduce work hours or cut employment altogether when the economy ebbs (which happened to a large degree during the COVID-19 pandemic) and expand them when demand increases (which happens seasonally for a range of industries such as hospitality, recreation, and retail sales).

In 2023, of the 20 most common occupations in Florida as reported by the Bureau of Labor Statistics (BLS), 13 still paid less than $20 per hour. And of the workers in these 20 occupations, 36% were living in households below the ALICE Threshold. Occupations with the largest share of workers in households below the Threshold included cooks (57%), janitors/building cleaners (56%), cashiers (50%), and laborers/movers (48%) (Figure 4).

Figure 4. A Large Share of Workers in the 20 Most Common Occupations Were Below the ALICE Threshold

Labor Characteristics, Most Common Occupations, Florida, 2023

Most Common Occupations	Total Employment (BLS)	Percent of Workers Below ALICE Threshold (ACS PUMS)	Median Hourly Wage (BLS)
Retail Salespersons	312,260	39%	$14.89
Customer Service Representatives	239,440	36%	$18.31
Fast Food and Counter Workers	220,150	44%	$13.21
Stock Workers/Order Fillers	217,000	47%	$16.97
Cashiers	211,570	50%	$14.40
Registered Nurses	207,910	14%	$38.92
Delivery Drivers/Sales Workers	205,310	41%	$19.18
General and Operations Managers	203,090	13%	$47.80
Waiters and Waitresses	198,440	45%	$14.39
Janitors and Building Cleaners	192,950	56%	$15.04
Office Clerks	192,850	35%	$18.91
Cooks	186,640	57%	$15.79
Laborers and Movers, Hand	140,850	48%	$17.05
Healthcare Support Workers	110,920	28%	$18.67
Sales Representatives, Wholesale and Manufacturing	110,370	19%	$39.54
Elementary and Middle School Teachers	108,080	20%	$27.49
Bookkeeping, Accounting, and Auditing Clerks	107,950	27%	$22.20
Sales Representatives	106,230	17%	$28.47
Maintenance and Repair Workers	102,700	31%	$19.13
Office and Administrative Support Supervisors	100,420	20%	$29.42

Note: BLS = Bureau of Labor Statistics; ACS PUMS = American Community Survey Public Use Microdata Sample. This figure includes all workers with income from these occupations (full-time, part-time, and freelance). ALICE Threshold status is determined by comparing workers' total household income to the ALICE Household Survival Budget for their household composition and location.

Sources: ALICE Threshold, 2023; Bureau of Labor Statistics–Occupational Employment Statistics, 2023; U.S. Census Bureau, American Community Survey, PUMS, 2023

The Labor Landscape

Full- and part-time work: Though the majority of adults in Florida were working in 2023 and most households had at least one worker, only 21% of the population age 16 and over had the security of a full-time job with a salary. Of those in the labor force (blue bars in Figure 5), nearly two out of three workers (64%) were paid hourly and/or worked part time. Workers who are paid by the hour are more likely to have fluctuations in income due to schedule changes and variable hours, and they are less likely to receive benefits, such as health insurance, paid time off, family leave, or retirement plans.

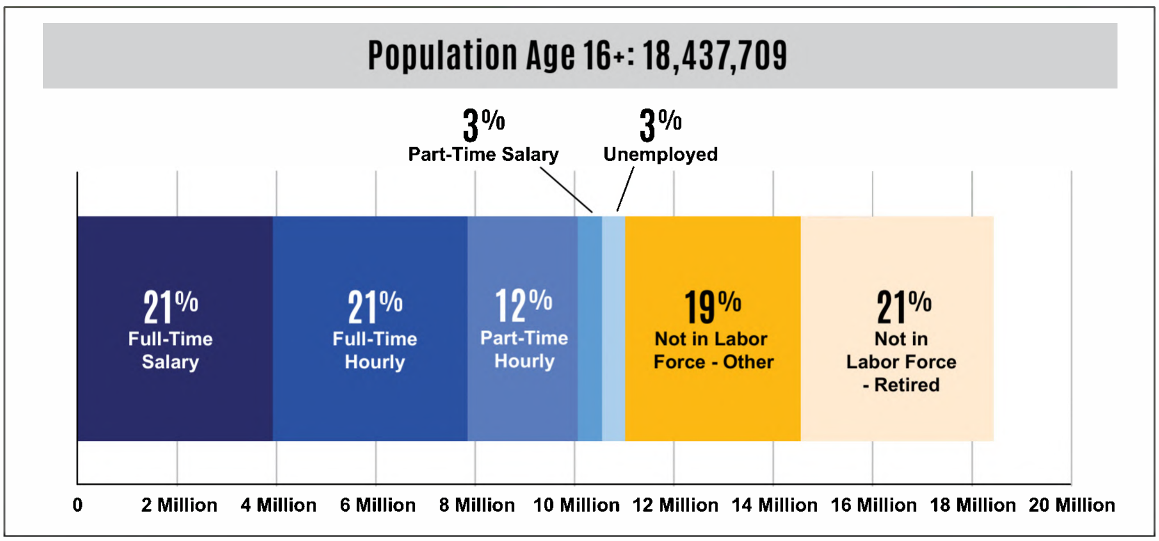
Unemployment: In 2023, 3% of Floridians age 16 and over were unemployed – not currently working but looking for work in the prior four weeks (light blue bar in Figure 5). The unemployment rate for workers below the ALICE Threshold in different parts of the state is often notably higher than the official rate. To see more data on workers below the ALICE Threshold in your community, visit UnitedForALICE.org/ALICE-EVD.

Out of the labor force: Another 40% of Floridians age 16 and over were out of the labor force in 2023 (gold bars in Figure 5), including those who were retired (21%) and those who were out of the labor force for other reasons, such as disability, health issues, caregiving responsibilities, or student status (19%).

For more data on the labor landscape and occupations in your state, visit UnitedForALICE.org/Labor-Force/Florida.

Figure 5. Less Than One-Fourth of People Worked Salaried, Full-Time Jobs

Labor Status, Population Age 16+, Florida, 2023



Note: Data for full- and part-time jobs is only available at the national level; these national rates (approximately 50% of full-time workers and 82% of part-time workers paid hourly) have been applied to the total state workforce to calculate the breakdown shown in this figure. Full-time represents a minimum of 35 hours per week at one or more jobs for 48 weeks per year.

Sources: Federal Reserve Bank of St. Louis, 2023; U.S. Census Bureau, American Community Survey, 2023

SPOTLIGHT ON SAVINGS AND ASSETS

When households are not earning enough to cover basic costs, their ability to save for emergencies, retirement, or other future needs is greatly hindered. According to the Federal Reserve Board's Survey of Household Economics and Decisionmaking (SHED), in 2023, respondents below the ALICE Threshold in the South Atlantic Census Division (which includes Florida) were far less likely than those above the Threshold to have savings that could cover three months of expenses in the event of an emergency (42% vs. 72%), or to have retirement assets (39% vs. 85%). Additionally, non-retirees below the Threshold were less likely to say that their retirement savings plan was on track (12%, vs. 26% above the Threshold). Research comparing the National Retirement Risk Index to people's perception of their own retirement preparedness shows that about 40% of people are prepared and know it, 20% are not on track and know it, 28% are not concerned enough about their risk, and 15% are overly concerned.

TRENDS IN FINANCIAL HARDSHIP

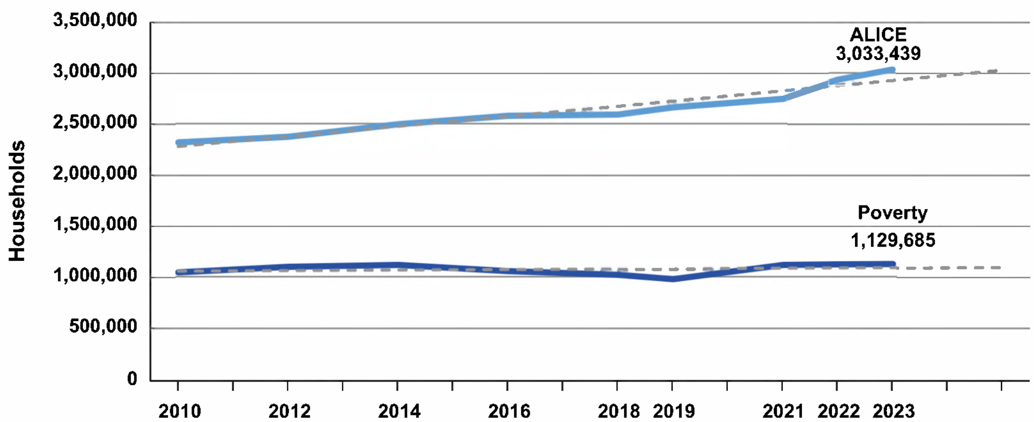
Over the last decade, the number of ALICE households in Florida has been on the rise as wages have failed to keep up with the cost of household basics. When prices increase faster than wages, purchasing power decreases. This is especially challenging for ALICE households that are already struggling to make ends meet.

Between 2010 and 2023, the total number of households in Florida increased by 27%, the number of households in poverty increased by 8%, and the number of ALICE households increased by 31%.

Over time, the share of households below the ALICE Threshold in Florida has consistently been between 45% and 49% of all state households, with only slight variation.

Figure 6. ALICE Households Grew, While Households in Poverty Remained Largely Flat

Number of Households by Income, Florida, 2010–2023



Percent Below ALICE Threshold	48%	48%	49%	48%	46%	46%	45%	46%	47%

Note: The gray dashed trend lines in this figure highlight the general direction of the point-in-time data for the years shown. These lines indicate whether the numbers of ALICE and poverty-level households have been generally increasing, decreasing, or remaining flat. The ALICE trend line is statistically significant at p<0.0001; however, the Poverty trend line is not statistically significant, and caution should be used when making predictions.

Sources: ALICE Threshold, 2010–2023; U.S. Census Bureau, American Community Survey, 2010–2023

Families with children: In contrast to the national trend, the number of Florida households with children under age 18 grew from 2010 to 2023, increasing 12%. The number of these households below the ALICE Threshold also continued to grow, especially for single-male-headed households.

Older Americans: With the aging of the Baby Boomer generation, households headed by people age 65 and over were the fastest-growing age group in Florida (up 51% between 2010 and 2023). They were also the age group with the most substantial increase in the number of households below the ALICE Threshold (reaching 55% of all 65+ households in 2023).

Wages: Across the country, wages increased from 2018 to 2023, growing fastest in 2022. In 2023, wage growth slowed yet remained above pre-pandemic levels. But while wage increases help households cover costs, they have generally not been enough to make up for years of falling behind. For example, in 2010, retail sales workers – selling goods ranging from clothes to appliances to cars – earned a median wage of $10.50 per hour ($21,830 annually for full-time work) in Florida. This worker's household fell $11,719 short of the annual Household Survival Budget for a family with one adult and one school-age child ($33,549). By 2023, the median wage for this occupation increased by 42%, to $14.89 per hour ($30,980 annually, full-time). Yet the annual Household Survival Budget for one adult and one school-age child also grew (to $48,144), leaving these essential workers $17,164 short of covering basic costs – even further behind than they were in 2010.

Housing: Housing costs continued to be a challenge for households below the ALICE Threshold. In 2023, 28% of all renter households below the Threshold in Florida paid 30% to 49% of their income on housing. An additional 50% paid half of their income or more. **Combined, 78% of all renter households below the Threshold in Florida were rent burdened** (paying 30% or more of their income on rent and utilities), up from 75% in 2021. For homeowners below the Threshold, 54% were housing burdened (paying 30% of their income on homeowner costs, including mortgage payments, utilities, and homeowner's insurance), up from 51% in 2021.

HEAR ALICE VOICES

ALICE is speaking. Are we listening? Visit ALICEvoices.org to hear firsthand insights from ALICE workers and families – or tell your own story.

STABLE HOUSEHOLDS, STRONGER COMMUNITIES

Households below the ALICE Threshold play a vital role in their communities – as neighbors, family members, and civic participants. They also contribute to their local economies – as workers, consumers, and taxpayers. Yet these households, nearly 4.2 million in Florida, did not earn enough to cover basic costs in 2023.

This is not a new problem. The share of households below the ALICE Threshold in Florida has varied only slightly for more than a decade, persisting through shifting economic conditions and the COVID-19 pandemic, and across political administrations.

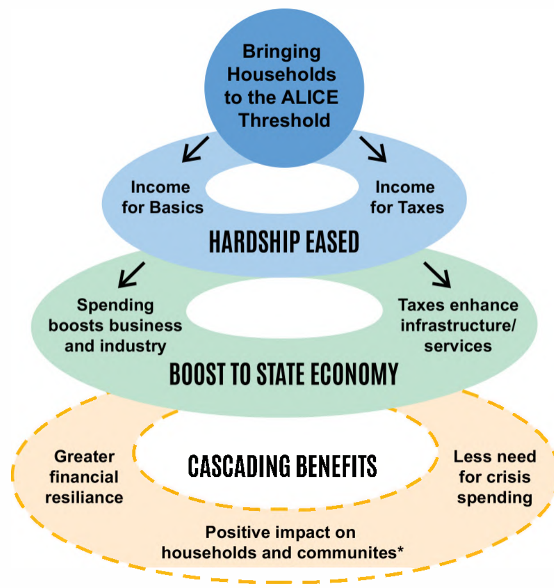
This is not a small problem. In Florida, 47% of all households were below the ALICE Threshold in 2023. These households face day-to-day challenges of trying to make ends meet, while also being more vulnerable to the impacts of crises, both widespread (i.e., natural disasters, public health emergencies) and personal (from unexpected car repairs to major health issues). And while isolated interventions can help ameliorate some of these challenges, the core issue remains: There is a wide gap between households' income and what they need to make ends meet.

But what if all households had enough income to cover their basic needs? In Florida, bringing all households to the ALICE Threshold would have taken $108.3 billion in 2023. Working to meet this gap through coordinated effort and investment from multiple sectors, including government, nonprofit, business, and philanthropy, would change the trajectory for Floridians who are struggling financially – and it would also benefit the state economy.

This matters for all of us. Households below the ALICE Threshold are more likely to spend than to save additional income, so this income would largely go back into the economy as households spend to cover costs and pay additional taxes.

Increased spending in the local economy has a multiplier effect. Mark Zandi, Chief Economist at Moody's Analytics, estimates economic multipliers for additional household income spending on food (1.57), utilities (1.27), and other necessities (1.42). For instance, every dollar spent on food spurs an additional 57 cents in business growth in the retail, agriculture, trucking, and rail freight industries.

There are also economic multipliers for the additional income taxes that households below the ALICE Threshold would pay. Zandi estimates economic multipliers for tax revenue spent on aid to state and local governments (1.27) and transportation infrastructure (1.23), meaning that every dollar households below the Threshold pay in additional taxes would fuel even more in state and local investments.



*See Figure 7 for additional details/sources related to the benefits of meeting basic needs.

Beyond these economic contributions, there are cascading benefits of meeting basic needs in Florida (Figure 7). If all households are on a more solid financial footing, communities can look beyond crisis spending and poverty alleviation toward broader community well-being. For example, funding that went toward emergency housing or food assistance could be redirected to create more affordable housing and locally grown food systems for the long term. Funding could also be used to enhance opportunities for civic engagement, arts, and recreation. Together, these investments can improve physical and mental health and overall quality of life – not just for ALICE families, but for entire communities and the state as a whole.

Figure 7. Cascading Benefits of Meeting Basic Needs

If households have sufficient income for…	Benefits for ALICE Households	Benefits for the Wider Community
Safe, Affordable Housing	Improved physical and mental health through safer environments and reduced stress; improved educational performance and outcomes for children; greater stability for household members; a means to build wealth and racial equity for homeowners	Expanded and updated housing stock, reduced systemic housing inequities; lower health care costs; reduced homelessness; increased opportunities for jobs and more money spent in local communities
Quality Child Care and Education	Increased labor force participation, lifetime earnings and retirement security for women; health benefits for children, school readiness, improved educational attainment and graduation rates; improved performance in higher education; higher lifetime earnings	Reduced racial/ethnic inequalities in learning and development; positive health, education, and economic outcomes for children and families; stronger community economies; more homebuyers and higher property values through availability of quality child care
Adequate Food	Decreased food insecurity; improved health (especially for children and adults age 65 and over); decreased likelihood of developmental delays and behavioral problems in school	Lower health care costs; improved school and workplace productivity; less spending on emergency food services; greater equity by gender, race/ethnicity and immigration status
Reliable Transportation	Decreased transportation insecurity; improved access to work/job opportunities, school and child care, health care and social services, food/retail markets, and support systems (friends, family, faith communities)	Improved air quality and reduced gasoline consumption/carbon emissions; increased economic opportunity through returns on investment; a more diverse labor market; decreased income disparities; more integrated neighborhoods
Quality Health Care	Better mental and physical health (including increased life expectancy); improved access to preventive care; fewer missed days of work and school; decreased need for emergency services; lower share of income spent on health	Decreased health care spending and strain on emergency services; reduced racial/ethnic disparities in insurance coverage and access to care; fewer communicable diseases; improved workplace productivity; decreased wealth-health gap; better outcomes during health crises
Reliable Technology	Improved access to job opportunities; expanded access to health information and telemedicine services; increased job and academic performance	Closing the "digital divide" in access to technology by income; increased economic development; increased connectivity and social inclusion that helps reduce social, economic, and political disparities
Savings	Ability to withstand emergencies without impacting long-term financial stability; greater asset accumulation over time (e.g., interest on savings; ability to invest in education, property, or finance a secure retirement)	Less spending on public services to cover basic needs like health care, food, and housing — especially for unexpected or emergency expenses

We All Have a Role to Play

Our vision is a country where ALICE families not only have sufficient income to afford the basics but can also save and invest in their future. This is a vision not only for ALICE, but for the nation as a whole. The information presented in this Report can help stakeholders prioritize economic prosperity for all. We all have a role to play:

Community members:

- Raise awareness of ALICE through ALICE news and videos or share your experiences
- Connect with your local United Way for advocacy, support, and volunteer opportunities
- Advocate for the continuation of current government datasets (e.g., American Community Survey, Fair Market Rents). Consistent data over time is crucial for informed decision-making, effective policy implementation, and accountability.

Policymakers and nonprofits:

- Explore ALICE by district using the Legislative District Tool
- Map ALICE by location to pinpoint need and identify gaps in community resources
- Use interactive tools from the Federal Reserve Bank of Atlanta (which use ALICE budgets), including the Policy Rules Database and the Career Ladder Identifier and Financial Forecaster
- See examples of policies, practices, and programs United For ALICE partners have implemented using ALICE data

Employers:

- Implement strategies that support the well-being and retention of ALICE workers while also boosting engagement, productivity, and the bottom line
- Advocate for community resources that support your employees – from affordable housing to quality child care

ALICE ONLINE

Visit UnitedForALICE.org to explore interactive data and resources. Click the icons below to get started.

National Overview National data and state comparison	**ALICE Demographics** State, county, and regional demographic data	**ALICE Household Budgets** State, county, and regional budgets
NEW **Mapping Tool** Explore data for all available geographies (state, county, municipality, ZIP code)	NEW **Income Status Tool** Input income, household type, and location to see household ALICE status	**County Reports** All available county data in a shareable format
Legislative District Tool See data by state upper and lower chambers and congressional district	**Economic Viability Dashboard** Key data on work, housing, and community resources	**ALICE Essentials Index** Data on change over time in the cost of household basics
Data Sheet State ALICE data over time and by location	**Wage Tool** Identify counties where select hourly wages can support basic costs	**ALICE in Focus** A closer look at hardship for children, people with disabilities, and veterans
Methodology Sources and calculations used in the ALICE research	**Research Advisory Committees** Learn about the members and roles of these critical groups	**National ALICE Team** Meet members of the United For ALICE staff
NEW **ALICE Voices** Hear directly from ALICE or share your own ALICE story	NEW **ALICE in Action** Programs, practices, and policy changes implemented by the ALICE network	**ALICE Videos** Videos that highlight ALICE stories, research, and partner impact

ABOUT UNITED FOR ALICE AND OUR PARTNERS

The State of ALICE in Florida: 2025 Update on Financial Hardship is brought to you by United Way of Florida in partnership with United For ALICE, a driver of innovative research and action to promote financial stability for **ALICE®** (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed) households. With a commitment to racial and economic justice, United For ALICE and United Ways across Florida share this work with foundations, government, corporations, and other nonprofits to inform policy and promote positive change for ALICE households.

The grassroots ALICE movement, developed by United Way of Northern New Jersey, has spread to 35 states and the District of Columbia. Learn more about the ALICE movement here.

To create the ALICE Reports, our team of researchers works with Research Advisory Committees composed of experts from our partner states. This work is guided by our rigorous methodology, which is updated biennially with experts from across our Research Advisory Committees.

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United For ALICE partners with United Way of Florida to bring this research to the state.

UNITED WAY
Florida

To learn more about how you can get involved in advocating and creating change for ALICE in Florida, contact **Melissa Nelson**, President and CEO, United Way of Florida at melissa@uwof.org.

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