Collin Roehner

From: Sent: To: Cc: Subject: Bev DeMello Thursday, July 07, 2016 4:10 PM 'gfgoffman@gmail.com' Janet Brunson; Consumer Correspondence FW: FPL Rate Case

Thank you for contacting the Florida Public Service Commission (PSC) about Florida Power & Light Company's (FPL) rate petition. To give Commissioners and staff an opportunity to review your comments, your correspondence is included in the file for Docket No.160021-EI.

As you know, the PSC customer service hearings were held in June in FPL's service territory for Commissioners to hear directly from customers about the utility's rate request and service. All customer comments during the hearings and all correspondence will be reviewed and considered when PSC staff prepares its recommendation to the Commissioners on FPL's proposed rates.

The PSC's evidentiary hearing on FPL's rate case will be in Tallahassee. Witnesses from the utility, intervenors, Commission staff, and the Public Counsel, who represents customers, will present testimony and exhibits and be cross-examined by the Commissioners and other parties. Commissioners will examine FPL's need for a rate increase, its existing and proposed rate structure, and its ability to provide safe and reliable service.

Commissioners are charged with making sure that Florida's utility companies fulfill their service obligation. The PSC will ensure that final customer rates reflect only those costs that are prudent and necessary for FPL to deliver quality electric service to your home or business. Any proposed rate adjustment is requested to begin in January 2017.

If you have additional questions or need further assistance, please call 1-800-342-3552. If you want updated case information, visit the PSC's website, www.floridapsc.com and click on the Clerk's Office tab, then hit Dockets and type in case number 160021.

Sincerely,

Bev DeMello Assistant Director Office of Consumer Assistance & Outreach Phone: 850-413-6107

From: Gabriel Goffman [mailto:gfgoffman@gmail.com] Sent: Tuesday, July 05, 2016 8:33 PM To: Consumer Contact Subject: FPL Rate Case

Hello I am Gabriel Goffman, a resident of Miami, Florida. I live at 1100 S Miami Avenue Apartment 3105 Miami, Florida 33130. I attended the public PSC hearing in Miami on Monday July 27th. However, I was not able to stay long enough to speak. I would like to make a statement comment in writing. I am very much

opposed and disappointed in the rate hike and increased charges proposed by FPL. Furthermore, I believe many of the plans proposed by FPL, are unnecessary or overvalued. I moved to Miami in May of 2015 to work in energy. I work for an Independent Power Producer focusing on Latin America. My work does not involve FPL, but I believe does give me some insight into the business of energy development and investment and the energy system. Prior to moving to Florida, I studied at Duke University, where I received a Master's in Environmental Management focusing on Energy Finance and solar. This program gives me background into the energy market and the energy system.

First, I would like to say that the rate of return increase is very ill conceived. Miami has many residents with low income and many people on fixed income, there is no need for the state to mandate billions of profits off the backs of the poorest and most vulnerable. Florida is the state with very high levels of income inequality. There is a need to give a reasonable rate of return, but the rate of return requested is needlessly high. Corporate rates of returns are not very high in the current market. 11% rate of return is frankly a rate of return that one sees in higher risk regions outside of the US. Florida, despite its economic troubles, is not facing that risk and FPL does not deserve that reward.

Also, I would like to say as a resident and as an American I find the utility monopoly system here in Florida ill-conceived and oppressive. Consumer choice and market discipline are core aspects of our economy that make it the largest in the world. However, in Florida we are denied any options for consumer choice. I understand that this point is beyond the scope of the rate case. However, FPL is using its corporate profits to stymie potential reforms to give consumers options to purchase electricity. This is not a right wing or left wing issue. Texas has an open market system that provides competition for generation and options for consumers. In turn, consumers can select the energy plan and energy source that fits them. California has consumer choice through options for solar and various rate plans. FPL doesn't respect the needs and desires of consumers. Distributed Generation has benefits for consumers, the environment and the grid itself. Consumers that don't elect to go solar still benefit from reduce system costs. The only loser in Distributed Solar resources is the utility. FPL is spending millions of dollars to create a constitutional amendment to remove any option for innovative business to sell solar power to the costumer. Soon it will demand grossly unfair charges for solar power and will try to obfuscate the high value of distributed solar. The state of Minnesota among others has shown that distributed solar is a public good.

This is a company that has failed me as a consumer. Frankly <u>Brazil</u>, a country with any problems, has managed to implement a national plan that gives customers and businesses options to purchase, share and/or virtually meter solar energy. This policy is light years ahead of the system we have in Florida and the antithesis of innovative and open system that FPL fears. Please do not reward FPL, as they are an oppressive monopoly.

Prior to living in Florida, I lived in North Carolina, another monopoly state. However, unlike in Florida, North Carolina has decoupled utility profits from energy sales, thus removing the incentive for the utility to sell more and more energy and incentivizing energy efficiency and conversation measures. True to form, Duke Energy provided me with much more rigorous information on how to save energy and gave me, free of charge, highly efficient light bulbs. FPL does not do that nor does it offer attractive rate plans for my unit. As a IOU, it's frankly in FPLs fiduciary duty to sell as much energy possible at the highest cost. It is up to the PSC to stop this.

Turning to the planned investments, FPL presents a wish list of questionable, carbon-intensive, and highly costly generation investments. FPL has no interest in convincing costumers to save more. Time and time again energy efficiency has been shown to provide the <u>cheapest \$/kwh</u>. Innovative companies have developed ways to

engage costumers, businesses and facility developers to help them reduce consumption and save money. FPL has no interest in energy efficiency because it hurts its bottom line. Many of the peak demand expectations that lead to these costly peaker plant investments could be avoided through a cheaper and more environmentally friendly energy efficiency plan. Likewise, FPL has but seldom uses Demand Response as a mechanism to reduce demand. In California, PGE has used efficiency anddemand response so successfully that no longer needs to replace its nuclearplant with any generation resources. Instead of exploring these cheaper options, FPL wishes to continue investing in costly polluting natural gas plant. If gas prices increase consumers will bear the brunt of this error. FPL does not bear any risk from this natural gas dependency and they bear all the rewards by selling more energy.

Furthermore, as a peninsula, the state of Florida can benefit greatly from moving into dynamic and innovative energy program that includes distributed resources rather than large nuclear and gas plants. Distributed resources have been proven to save the system money by reducing need for grid investments. FPL has failed to properly manage its nuclear fleet even though there hasn't been a devastating hurricane in many years. I highly doubt that when the next storm comes FPL will be able to keep plants online and thus I believe costumers will face high risk of prolonged blackouts. With distributed smart grid, communities would not depend on a few large plants for energy and the grid would be stronger, more efficient, and energy would be cheaper. Clearly, FPL has no interest in innovation but hopes to make large CAPEX investment as possible. If FPL proposed investments in cheaper and more innovative projects they could finance this with a cheaper rate increase, which in turn would reduce other charges for costumers (such as fuel). The \$/kwh of these investments is so much better that FPL could quite easily get the 11% return it craves with a much more modest rate increase, but these investments would hurt its sales figures and thus they are ignored.

I have worked for a number of solar companies and am working on developing solar projects in Central America and the Caribbean. The cost \$/kwp for the proposed solar plant is \$1.72. This is incredibly high. Most solar projects cost \$1.2/kwp. FPL with its current human resources should bring efficiency of scale to offer solar and a much more competitive capital cost. Furthermore, as I have mentioned distributed solar provides unique benefits that large scale projects do not. This project is a clear example of greenwashing to cover up the straight jacket of risky natural gas based energy that FPL wishes to force on citizens. Please do what is right for the citizens and decline this rate increase.

Please feel free to contact me regarding my opinions on this matter or discuss this further. 202-445-0878.

Thank You,

Gabriel Fondaras Goffman