

**FPL**

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From: "FPL Employees Seeking A Better Company"

To: FPL Group and Next Era Energy Chairman Lew Hay and our board of directors

Date: June 15, 2010

We are asking for protection under whistleblower laws. If our identities are ever discovered or we volunteer them, we seek all protections given to us as FPL employee whistleblowers.

Unlike our last letters, this letter has tried to compile all the views and the grievances of our group. Since we've been putting this together since the employee engagement survey, it has a lot of overlap by those of us in charge of letter writing for the group. You'll see certain things repeated but those of us responsible for putting this together for you want to make sure that everyone's positions are included by us writing this. We understand it's repetitive but it covered what everyone wanted to say. Some issues relate to criminal works. Others are just the poor decisions and the poor leaders making these decisions. The only thing we don't repeat is that we list only two examples of the criminal conducts that we have called and reported in specifics to state and SEC law enforcement. In all there are about 14 or so criminal allegations we have reported and that our lawyers say may be criminal. The rest are just things that demonstrate why you need to change us. Because you have failed to correct the company, it will now be up to law enforcement. Maybe you'll show leadership and change the company not just on things that are criminal but just bad leaders being allowed to do bad things without consequences to them. We will not back down until you change FPL or you are changed out someday.

There is one important thing you need to know. We couldn't get a consensus from everyone on some other whistleblower activities a sub-group of us want to do. They will be reaching out independently because we can't agree on some of the tactics.

A small group of us wrote to you in late January. A slightly larger group wrote to you in February. We have no choice but to write to you again, now with the addition of other employees from the same and additional business units across the company who want to make sure you and the public know what is happening here. We hoping you will take the steps necessary to change what we are doing and who's doing it. The indictment of Goldman-Sachs two months ago on fraud charges is similar to what some leaders have perpetrated on our company, our customers and our shareholders. The SEC said the Goldman case exposes "the cynical, savage culture of the company." That's exactly what we have here, and either you and the governing board of the company are allowing it to happen or you are supporting it taking place here. FPL management is taking us down. You changed our corporate name but that can't hide what FPL is doing. When we first wrote to you we said we were not angry or disgruntled. Because little or nothing has been done, and because FPL management has decided to refuse to fully cooperate with the Florida Department of Law Enforcement, we are now motivated more than ever and we will continue to expose what some leaders in this company are making this company do.

When we read articles like those we include here, how can we believe you and the board of FPL are not part of the problem? Who authorizes these kinds of activities? We tell the media one thing and do another. We

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are dishonest with our employees, including those of us who have worked our entire careers here. We can no longer believe these executives just act on their own. How do you sit idly by and allow these FPL leaders to destroy our company's good name? Do you really believe we can be successful when fewer and fewer of our employees, our investors and our customers believe our company anymore? The problems on your watch as our CEO are much deeper now than ever, and we insure you that they will deepen without real leadership, real transparency and real action by you.

Why are you and your senior leaders allowing some bad leaders to destroy this company's reputation? They are part of the new FPL that you have allowed, that is tearing down everything. So many of us are afraid we must hide behind anonymous letters like these to say you are either allowing or supporting the worst decisions, the worst execution and some poor leaders to engineer our downward spiral.

After your letter to all employees a few months ago clearing the company and executives like Wade Litchfield, Eric Silagy and Tim Fitzpatrick of wrongdoing, and then the recent organizational changes announced a few weeks ago, our group of employees must write to you again because we find no reason to believe you and the corporate governing board care to make real change. Our group has worked together to list out just some of our grievances, which takes up pages and pages. Little has changed within Florida Power & Light since we first wrote to you, except window dressing and more frequent internal communication that still doesn't tell us the truth about what we are doing, who is doing it, and why we are doing it. It deflects from what is really happening at the core of FPL management. In fact now it's worse for so many of us. Shareholders have lost more and more confidence in us. Wall Street credit agencies have lost confidence in us and have lowered our ratings. We as employees are losing value every day in our 401Ks and pensions that are invested in FPL stock. Hundreds of staff reductions have been announced. Some executives directly involved in criminal wrongdoing and bad leadership have been given new assignments that should frighten us more than ever before. We are now in the middle of budget cuts at FPL while we add dozens of full time employees to work on our rate case which we will file later this year or in January. In fact our group of concerned employees has lost members who have taken early retirement.

There's been a lot of myths going around about our group. We can tell you this. We are honest. We are sincere. We are not fully organized. We have allowed a few of us to lead our larger group's efforts. We've divided up our leadership roles between gathering facts, acquiring members, being lead representatives with law enforcement agencies, and writing letters. The opinions in this letter took a month to put together by our letter writers. We want you and other employees to know that our effort is not a smear campaign. It cannot be smear if it's true. It's not slander if it's true. You may not like that we went to law enforcement but we were left with no choice. There is no way you or others in management would allow us to continue in our positions or be reassigned to better positions in our current business units and departments or elsewhere if we revealed all our names. Knowing the company has been so underhanded in its dealing with regulators, customers, employees and investors, then what faith could we possibly have that you would not find a way to eliminate our positions or have us reassigned to the North Pole? We can't take that chance, particularly with staff reductions underway and more to come. In the last few months, what started originally as a dozen or so employees in our group has now added more employees in HR, ISC, Regulatory Affairs, Distribution, Transmission, IM, PGD, Nuclear, Law, Customer Service, External Affairs, Finance, Accounting, and more from Marketing & Communication and Development. We have now added bargaining employees and are sending this letter to International Brotherhood of Electrical Workers representatives as well because some of their members are with our group. We have tried not to use time at work or FPL resources at all in our activities. For those of us here for thirty years we are a lot more loyal to our company than some of the executives who are now in power and care only about themselves.

Some of us resisted the directions given to us by Eric Silagy to use whatever means necessary late last year and earlier this year to convince customers our rate request was justified. Look where he got us. Some of us tried to tell management and others about Tim Fitzpatrick's management style and destroying the morale of his unit. Look where he has gotten us. Some of us have had to endure Wade Litchfield only caring about pleasing Armando Olivera and senior management's directions, at the expense of his fellow lawyers and his

unit. Look where he got us. You have allowed some leaders to mutilate our company. We have terrible, troubling problems and look for real leaders to restore our confidence. We had already lost confidence in the identified executives. Now with more of us and more information we have gathered together, we know that our own FPL president, Armando Olivera, and a few others in management are to blame as well.

We can't say it enough that this is not a smear campaign against the company or against some of the vice presidents and directors who have almost singlehandedly ruined our company's reputation, cost our company jobs, created customer dissatisfaction, and brought down our stock value. Everything we have said before and say here is true. Why you and the internal investigation didn't discover anything, or why you didn't say what you discovered, is a question only you can answer. Those of us in Marketing & Communication and Development and External Affairs and Investor Relations who were interviewed four months ago by HR and the Law Department didn't say anything. You already know we remained quiet out of fear. We had no confidence in some of your management then, no more than we do now. Your hiring of Carlton Fields gave us no reason to believe we would be protected. We now believe it was simply meant to protect you, board members and senior management. Our own lawyer told us we would not be protected by Carlton Fields, because they were hired as lawyers for the company, we were not the client, and nothing that anybody provided to them would help protect us personally. We have no choice and no other path except to expose the hideous, improper and often criminal things that some leaders have done and still do. That's the only reason we wrote to the PSC, the SEC and to the Attorney General in the first place, and why we are sending them copies now too. That is why we will continue to contact law enforcement for weeks, months and even years if necessary.

Since February some of us have placed calls, not using Florida Power & Light phones or equipment, and have spoken and been interviewed a dozen times by FDLE investigators, the SEC, the PSC Inspector General and the Attorney General's Office. To demonstrate we have spoken with numerous agencies, here are some facts only you and the FDLE already know but our customers and the media don't: The FDLE told us they were instructed to wait for the company to conclude its internal investigation before beginning its own criminal investigation. The FDLE said they were waiting to see what the company would find and what the company would say and reveal. The FDLE asked FPL for a copy of the Carlton Fields independent evaluation now concluded including the methods used to arrive at the findings. We have told the FDLE about specific actions, activities, date ranges, documents and document owners, specific and explicit directions by Eric Silagy, Wade Litchfield, Tim Fitzpatrick, and now we know Armando Olivera and others related to the rate case, DSM, RPS, generation and other filings, as well as illegal and improper use of company resources at ratepayer expense. You know that FPL has not been cooperative with the FDLE. The company has been unwilling to hand over all files and documents including those compiled by Carlton Fields. FPL tried to use the Governor's Office as intermediary to keep FDLE from moving forward with the investigation. FPL doesn't want certain information disclosed or brought to light, and everything is on hold right now. We must then ask you, if FPL has nothing at all to hide, nothing at all, why isn't the FDLE authorized yet to fully proceed to investigate our company? It has been nearly six months since we reported criminal activity. If you and FPL care about the truth and being honest, then cooperate with the FDLE and don't thwart their investigation. The FDLE should be allowed to move forward immediately so that all these criminal activities can be brought to light, and if there are none, then the company will be shown to be innocent. You know FPL is not innocent. You must. If you don't, then you are ignoring the truth and you are part of the group of leaders that must go.

We feel compelled on behalf of thousands of FPL employees to give the FDLE specific information, including dates, file locations and those involved in the illegal activities and actions by our company and its leaders that are just plain wrong, even if not criminal. We did not and will not provide this information to the company or its hired attorneys at Carlton Fields. We have no protections of any kind in giving the company information directly. We have no confidence any more that our president, Armando Olivera, and some of his lead team care about anything other than hitting the numbers and getting the results, at whatever cost to customers, employees and others is necessary.

With new members of our group from Regulatory Affairs and HR we now know that since the rate case began, Wade Litchfield and some of his lawyers instructed employees to label everything we didn't want turned over to regulators and interveners as a confidential attorney privileged document, to have sensitive documents run through and filtered through the attorneys, so the PSC and interveners couldn't get access to them. Why did we do that? What do we have to hide from regulators and interveners? Isn't this considered fraud when you present one thing as being the truth and something else really is. Why can't we put these things in their hands, unless we have things we want to hide? Those in Regulatory Affairs and other groups say our goal this past year was to be able to hide everything we want and only be required to disclose whatever couldn't hurt us. That is fraud, that is manipulation, that is dishonest and deceptive. Don't you agree? We also now know and have reported specific instances to the FDLE when FPL President Armando Olivera reminded some directors and managers to not put certain things in writing. Why would you be directed to not put things in writing unless you don't want to have others see what you're doing?

All of these things we describe here FPL is doing again now for current regulatory filings and in preparation for the next rate case we plan to file later this year or in January, 2011.

If we have nothing to hide or be embarrassed about, release everything to the FDLE from our internal investigation. Show the FDLE we didn't have any internal records showing we were drafting letters and blogs for third parties to use. Show we didn't have documents demanded of us by Eric Silagy for our manipulative outreach campaign last November 2009 through March 2010. Show how much Eric had us spend on Ketchum for our PR campaign, which was a complete and total failure. He put employees and our own reputations at jeopardy but he didn't care about us. Show we didn't have messages we crafted to discredit commissioners and the Governor. Show we didn't change numbers on generation capacity factors and other data related to new solar facilities. Show we didn't prepare power point and other presentations for management on RPS and DMS and new solar generation that made us look good but were just to maximize our profits. Show we didn't have one budget for internal purposes and another for our regulators to see. Show we don't have numbers showing what we say we are capable of doing with renewable generation isn't the same as what the truth is. Show the real numbers on our generation excess capacity. Show the emails, documents and spreadsheets from all of 2009 and up to the present from Eric Silagy, Wade Litchfield, Tim Fitzpatrick, Bob Barrett and everyone in their business units like Guy Casaceli, Dave Reinstein and others, as well as Armando Olivera, James Robo and our CFO. Prove to everyone that we have nothing to hide and did nothing to manipulate our regulators and our investor community. If the company really wants to come clean, then we call upon FPL leadership to release all e-mails, all spreadsheets, all documents, all records, all budget drafts, memos and other documents that dealt with our 2009 rate case and for the regulatory filings we have in planning now. Claim nothing as privileged. Why do we need to do otherwise? Release budget and finance drafts, regulatory, customer and government communications, media relations and press release drafts, whatever. If we have nothing to hide, and we already lost the rate case, what do we have to lose? Credibility? We already lost that.

You and senior management know the employee engagement survey didn't tell the real story. Many of us participated in the recent employee engagement survey because we kept getting emails from our business unit leaders for two weeks telling us to fill out the survey. If you really asked employees whether they felt comfortable in telling management how we really felt about the company and whether we all had confidence in business unit leaders, most would say that despite the assurances of anonymity, we believed our responses could be tracked. When you asked us what business unit we were in in the survey, you didn't ask us to comment on other business units we work with or business unit leaders. Not all of us in our informal group are concerned about our own business unit leaders. We do have some good leaders in some of our units. It's the few we have focused on, and some others, those who are leading and conducting illegal and improper activities, that we need to expose. Because some of us have had to take direction from Eric Silagy, Tim Fitzpatrick, Wade Litchfield and others who are not necessarily our business unit heads, we didn't have the chance to comment on them. Some of us are being told that 360 evaluations will be done next year on all leaders. Will we be included in the list for other business unit leaders so we can evaluate them one or two or three levels down? How will we believe the process?

If we cared so deeply about hearing the real, raw views of employees, why did we do the employee engagement survey in advance of announcing staff reductions. It can only be because we didn't want to have employees feel less engaged and less satisfied when they filled out the survey. Do you really think we didn't see through that tactic?

What we have been told by our business leaders and by our members who work in HR are that the results of the employee engagement survey show that there is a gap with company leadership and our confidence in them. Employees feel less and less we have "an environment of openness and trust" at FPL, we feel less and less we can believe our leadership, and these numbers are worse this year than they were last year. Development's and Regulatory Affairs weren't that bad, but we were afraid to respond truthfully and some of us didn't participate at all. But just take a look at the survey results for those of us in Marketing & Communication. They're terrible. Why didn't the employee engagement survey have a single question that allowed us to address issues not just in our business units or with our supervisors, but with the leaders in other business units.

We couldn't use the engagement survey to complain or say anything to management because it's obvious that the problem is not only Eric Silagy, Wade Litchfield and Tim Fitzpatrick. We have lost confidence in not only these executives but in the ability of you, Jim Robo and Armando Olivera to lead us the right way. Armando Olivera has lost the credibility and faith of long time employees and new hires. He says he's sorry about staff reductions but he says he has no choice. Those most critical say he is smitten by Eric Silagy and others who are in over their heads. Tim Fitzpatrick, Eric Silagy and Wade Litchfield and others don't show respect for the opinions of others, it's their way or else, and don't tell the truth about what's really going on. They are involved in masking, manipulating and concealing real information that should be disclosed to regulators and provided to outside parties. But you and senior management are not listening to calls for change. There is a terrible disconnect in the confidence between management and employees. The engagement survey has only told you that the credibility gap has widened from last year to this year. You can't fix issues like this keeping this team in place. We are headed in the wrong direction with the wrong people. Don't you see that?

You have allowed some relatively new leaders to lower the standing of the company. These leaders seem unaccountable. In meetings they blame the press for our problems, they blame Commissioner Argenziano and Commissioner Skop. They blame governor Crist. Our leaders have allowed all of this to happen. There is resentment among hundreds of us who are silent out of fear for what you have allowed this company to do. Not only have you taken FPL resources away in order to build Next Era across the country, you've taken the spirit away from a once-great and proud Florida Power and Light. How can it be that with everything that has happened, all our failures with the rate case, we haven't admitted anything specifically was done wrong, and we haven't changed our leaders? How can that be? This isn't how we had always operated. For those of us who saw how Mr. Broadhead ran the company, he never tolerated this. He never would have accepted these kinds of business failures. He never allowed leaders with these kinds of mistakes to not only stick around but to stay where they are and even be reassigned. We as employees have been under a lot of stress as these leaders have undermined our company. Who are you holding accountable for our failures? You need to step up and be a real leader to make major changes or we will collapse from our own weight from within.

Look at the staff reductions Armando Olivera announced. They reduce the effectiveness of our operations, compromise system reliability, will reduce storm readiness and response time after power outages. These reductions are being done to save money, all at the expense of our customers. Who benefits by the reductions? Simply shareholders. Who suffers by these reductions? Customers and the hundreds of employees who have worked for this company, many for decades. We have already made hundreds of cuts in Distribution the past three years. We have less people in the field than we did in 2006. Why don't we tell the PSC how many Power Systems Distribution and Transmission & Substation positions have been eliminated, positions vacant but not authorized by management to fill, or people terminated in the past three

years. Are we not filling vacant positions but keeping vacant positions in department budgets to keep our revenue requirements artificially high for the next rate case?

We're planning to fire or eliminate positions for hundreds and hundreds of employees this summer. All the while the compensation of our senior executives rises and rises, disproportionate to the minimum cost of living adjustments to our employees – this year of 2%. Most of us got 2% increases this year over last year. How can you justify giving yourself, Jim Robo and Armando Olivera double-digit compensation increases, but yet cut our workforce. With all the money that went to disproportionately increase your and senior executives' compensation, we could have saved over a hundred jobs that FPL cut. Where is the justice in that? What about the company good? All this proves are two things: We are obsessed with profits and management cares more about lining its pockets than saving the jobs of hundreds of employees who have sweat and toiled her for years. You can't tell us that you care about this company. This company is being used by you to line executives' pockets and reduce levels of service to customers. You say the customer comes first. If the customer came first, you wouldn't have made all these job cuts. Valued employees of retirement age were essentially shown the door, given a package too good to pass up. In May, Armando Olivera wrote to all of us that even in these difficult times we are doing right by our customers. How can he say this with a straight face when we are slashing budgets, have made and continue to make staff reductions which reduce reliability, customer service and, over time, safety.

We must change our leaders at Florida Power and Light. We are foolish to believe we can regain our reputation with our current management at FPL. Are you a coward to announce the leadership changes that must be made or doesn't that matter to you?

Marketing & Communications only goal is information manipulation and concealment, and we use every means we need to, including failing to fully inform employees, reporters and government officials and using incomplete and parsed information to tell to reporters. Why do you think we require so many of them to put their questions to us in writing? We want to craft the response that protects us while not spilling anything that might harm us – that is not being honest and open, that is being deceptive and manipulative. All this proves we are not honest with ourselves and we are certainly not honest to those who depend on us. Just read the articles. We deny to reporters that Eric Silagy was lobbying this session but he was. Two weeks later we officially make him our chief lobbyist. We deny we have anything to do with things when we are involved in them every day.

All employees received a reminder two months ago about guidelines for communications with the public. It said that all our communications need to be "accurate, consistent and complete." How complete is it when we have Tim Fitzpatrick having Mark Bubriski telling the media we have nothing to do with the energy legislation, killing the appointments of two PSC commissioners, and the reorganization of the PSC, when Eric Silagy and others were behind all of it? Those of us in Marketing & Communications, in Development and Regulatory Affairs know that we helped draft the very bills we then turned around and told the media we have had nothing to do with. The guidelines say we must be accurate with the public, but we spend more time finding a way to tell only part of the truth and hide the rest.

Now we are gearing up for the next rate case and are trying to soften our customers, focusing on manipulating influencers, organizations and key customers. We have completed planning, message testing and are rolling out a massive, multi-million image campaign with advertising everywhere. We have ramped up social media, blogs and vlogs, and are trying to curry favor with reporters by giving special briefings to some, and even providing advance notice to reporters like Susan Salisbury of the Palm Beach Post on some stories because as Tim Fitzpatrick has said, the Palm Beach Post has no reporters left, is just a local rag and we can give them stories and they'll print them. We're getting ready for new editorial board visits by Armando Olivera, and more op-eds. We are only trying to lull our customers, soften our legislators and persuade what James Ratchford calls opinion elite that we are the best company, all so we can justify our request for a rate increase which we plan to file later this year or early next year.

We say “lower cost” and “higher reliability” but our PR efforts are geared to allow us to do the opposite: raise costs to our customers and cut our budgets which will reduce our reliability. All we are trying to do is manipulate others into forgetting everything they have seen us do and everything they have read about us the past year. Have we really changed? No. Our company’s problems including the reputation for arrogance, for having it our way or no way, and for cutting corners and operating on the fringes of the law won’t go away. We need to return to how our company was viewed and how we behaved ten years ago. Our reputation will continue to fall. Employees, like some of the executives identified as well as others involved in these group acts, will likely be charged with crimes. We need to acknowledge that Armando Olivera is running a tarnished company, and he must be held accountable. The changes we say we are implementing are an illusion and just plastic surgery. We cannot reinvent ourselves with the same people. We are desperate to make money somewhere because we failed at our rate case. So we now prepare for another rate case to file in six months, and we will do it on the backs of our customers, who will foot the bill, and we’ll see profits rise.

Those of us from Marketing & Communication, Development, Regulatory Affairs and three others from our group have told the FDLE and identified specific press releases, some specific RTQs, and some written responses we gave to the press had the result of misleading investors who have the right to rely on what we say. What we said many times was not accurate, not complete and not truthful, and Tim Fitzpatrick and Mark Bubriski and others did this on purpose to reduce our exposure to the reporters.

During the 2010 legislative session, Eric Silagy told those of us working for him that our goal was to stay below the radar screen, but the new solar legislation was and is still is the top priority for the FPL business right now. He told us senior management expects us to be the engine for the company now. We told the media we had nothing to do with legislation on new solar generation. That is a flat out lie. Our Marketing and Communication unit, our Media Relations department, our Development unit and External Affairs were working on this for months under the direction of Eric Silagy in his Development role. We were taking instructions from Eric Silagy on how to get legislation with incentives and bonuses and up front recovery passed every single day. So we are lying to our customers when we say we don’t want to raise their bills because that’s exactly what any solar legislation will do. We are lying to our legislators when we say this legislation is good for Florida. If solar generation costs are continuing to come down with new technology, then why build now when we don’t have the need? Why can’t we wait until it makes sense and we have an actual need and can provide a low cost alternative to natural gas or nuclear? We are lying to the media just about every day, including when we told them we didn’t have a position on the renewable bills being proposed and the bills being proposed to reorganize the PSC. Some of us had firsthand knowledge of the very messages we were spoon feeding to the media, to investors and others on these very issues. So we are lying to our shareholders too, who read the newspapers and hear from our investor analysts what we have to say. We are lying to our employees who are being told one thing while we are doing other things. Why can’t we be honest and truthful with these groups?

In November and December, Eric Silagy instructed some of us to do whatever it takes, use whatever means necessary, to squeeze thought leaders to contact the Governor to try to get him to support a rate increase. Some of us pushed back. He said it was his way or no way. What kind of leader is that? All he cared about was his career and that’s all he cares about now. It was all a sham. He and Tim had us do character assassinations. Because of Eric Silagy, we treat our customers like dirt and just use them for our short-term purposes. When he meets with stakeholders, it’s all about what we want at the company, and what’s good in it for us. It’s all about us.

Tim Fitzpatrick and Eric Silagy have had us lie to the media. They had us saying that the renewable legislation bills were really job creation bills, but we all know these bills are just really FPL hand out bills so we can build expensive solar generation sights that don’t need to be built yet because we have way too much capacity already. We just want our customers to pay for these doggie projects when we have so much excess generation capacity that we can wait five years before we even have to build another plant to meet demand. We say the customer comes first, but we want to the customer to come first to pay for generation projects

that don't need to be built now because there is such much excess capacity, and the cost of new solar is much, much more expensive than natural gas or nuclear. How do we justify building new solar now? We say it's to create jobs and to give local governments property tax revenue? Why are we forcing our customers to pay more than they have to now? Worse is that if shareholders are reading our responses in newspaper articles and blogs and making investment decisions based on what we say, then we are giving false and incomplete information to our investors aren't we? In all of this we are not practicing being complete in our communications, yet we are being told to be complete in the communication to all employees this past week. We told a bold faced lied to the media about Eric's role in Tallahassee during the 2010 session. Those of us in Development know where he was and what he was doing in Tallahassee, all without registering as a lobbyist.

We plan on filing a new rate case at the end of the year or early 2011. Eric Silagy and Wade Litchfield are now working to build up a permanent regulatory support staff within the company to handle all the planned rate cases and to make new hires at the expense of the careers of some of us who are already here. We're doing this increase in staffing now so we can seek cost recovery from our customers for all the employee costs we have when we file these future cases. All these employees and their regulatory activities are paid for through the base rates. How do we justify making our customers pay for our rate case expenses, to pay for the payroll and costs of us employees who are just working to increase customer rates that are to benefit our shareholders?

Executives like Wade Litchfield, Eric Silagy and Tim Fitzpatrick continue to actively take part in a conspiracy, with the full knowledge and direction we have discovered of Armando Olivera, to provide false, misleading, incomplete and incorrect information to our regulators and to others in government, not to mention the media, customers and other stakeholders through our illegal activities. Overstating and manipulating generation development project budgets and manipulating project completion dates to look good are normal activities for Eric Silagy. We have seen that Wade Litchfield cares much more about protecting himself and his client than in making sure we tell our regulators the truth. He shows us no sensitivity. He shows disrespect for the very regulators he is supposed to show respect for. Worse, for those of us who are Jewish, he told some staffers that what the PSC was recently doing this spring amounted to Gestapo tactics. Does he know what he says?

Those of us in Marketing & Communication, Development, Regulatory Affairs, Customer Service and External Affairs are being paid for by customers. Why should customers be paying for the time we are spending spinning the truth, telling lies and doing things that are not going to help reduce customer bills but will only add to their bills? If what an employee does is just geared to getting higher profits for the company on the backs of customers, why should customers pay for that employee to do that kind of work?

You asked for some details four months ago. Here are just two very small examples of fraud that we called and reported to the FDLE agents. So you know we have compiled fourteen other different activities of criminal activity and here are just two. First, those of us involved in operating business unit budget preparation were told last year to prepare one set of budget numbers when all the time our leaders told us that management would not allow us to spend all of that. This was done so we could have one set of numbers for PSC regulatory filings, to inflate budgeted expenses and increase revenue requirements when actual expenses were far below that and our business units were not authorized to use certain funds even though these funds were officially in the budget. Second, those of us involved in budget preparation were told to work only with Dave Reinstein or Guy Casaceli directly and to not include Bob Barrett in the discussions last year because Bob Barrett was a witness in the rate case. We learned and have now reported the sources that this was done purposely by Wade Litchfield, and with our new members to our group now we know it was done with the direction of Armando. Olivera, so that Bob Barrett could deny having knowledge of these "actual versus budgeted" business unit manipulations and fraud if he were asked questions about different budgets on the witness stand.



These are just two of the examples of what we have reported and will continue to report to law enforcement investigators. If you will allow the FDLE and other law enforcement agencies to see all our files and interview our executives under oath, these two issues will be confirmed, as will the fourteen other criminal activities that you have allowed some of our leaders to orchestrate.

We are confident that when the SEC, FDLE, PSC general inspector and other law enforcement agencies conduct their investigations with the information we have provided them, with the names of executives and directors and managers we have talked to them about, when they get the chance to see all the company records we have said are labeled as confidential attorney documents and privileged records, criminal indictments will follow, some lawyers will be disbarred, and leaders like Eric Silagy and Wade Litchfield, and maybe Tim Fitzpatrick, Mark Bubriski, some of our lawyers and contractors, and others in Finance and Accounting may be found guilty of multiple felonies. It might rise even higher than them if they tell the truth about the policy and specific directions we now know were given by senior management like Armando Olivera and his boss Jim Robo. If the criminal investigations are not white-washed, if the FDLE is permitted to proceed without interference or delay, then indictments of some leaders at the company will follow. What side will you be on as our CEO? With everything that has happened and everything you must now see, what will you and senior management do?

It's not just official criminal activity. When will all this failure and damage to the company end? Look at the terrible morale we have in Marketing & Communication under Tim Fitzpatrick. He is running us into the ground and burning us all out. Eric Silagy has gained a reputation inside and outside as a user of people and he's using us now as he is now involved in everything. If he is so good and if he doesn't go to jail, send him back to Next Era where he can be a Texas cowboy like some of those in Business Management call him. Since his promotion he has done nothing to make us feel like he cares in Regulatory Affairs. What kind of leader is that? Those of our group in CSFO and External Affairs and Marketing & Communication and Development who worked for him on different projects can tell you he doesn't care about people involved with him. As for Wade Litchfield, we all just watch our step around him. He is bad at managing people. He just wants to point the finger at us when things go wrong and he takes credit with his bosses for things we did working for him in the rate case. Tim Fitzpatrick holds more behind closed door meetings than Richard Nixon ever did.

What Eric Silagy stands for and believes in violates the law and compromises us every day it continues. He had us tell flat out lies to the public.

Does Eric Silagy now speak for the company because if he does then you have allowed him to ruin us.

We need a fresh start. Wipe the table and re-set it.

You cannot restore confidence by keeping Armando Olivera.

You appear stubborn and unwilling to see what has to be done. Maybe the company's board doesn't care and is tone deaf to what our shareholders are saying.

A failure to act is not a quality we employees should have to tolerate. You don't tolerate it in us when you make us work weekends.

We hear that every manager in the company is now expected to take leadership training. We have no faith these executives can change.

Eric Silagy has created a lot of problems with our customers and opinion elite. He is so aggressive he can't help himself. The damage has been done.

Wade Litchfield fails to coordinate with others. He runs right over people.

We don't think Tim Fitzpatrick cares for us at all. We have no confidence in his decisions or how he wants us to handle our stakeholders.

Eric Silagy is a good speaker, makes a very good appearance, seems likeable and charming but we don't trust him one minute to lead us. He and Wade Litchfield blew it for us.

We will not be intimidated to write and expose these and other leaders, even if we're afraid to speak up to you directly.

There is no sense of team. What team. It's all about them.

Armando Olivera has failed to be an honest leader. He has failed to hold himself and his executives responsible.

Just because Wade Litchfield, Tim Fitzpatrick and Eric Silagy make Armando Olivera happy doesn't mean they're helping the company good. They have been at the center of controversy and poor decision making for long enough.

Things are not going to improve when the PSC names four new commissioners. What we have reported to law enforcement has nothing to do with who is on the commission.

We are afraid to tell our leaders anything so we just stay right down the middle and don't make waves or we'll see our jobs gone.

Some of senior management's bonus checks have two commas in them and yet we're laying off workers at the same time.

The investigations by the FDLE and the SEC have been stymied by the company. FPL has used delaying tactics in dealing with law enforcement after our first two letters. FPL officials are not being forthcoming. The FDLE is not getting the kind of cooperation and information they would like and deserve. We need aggressive action by law enforcement.

We as a company are not giving straight stories to the public. Our union members are troubled by the way you have allowed Armando Olivera and his directors to take down all our good will.

We are proud that we have given more information and will continue to give more information to the FDLE. If their investigation is not stopped in its tracks because of political payoff, we are certain they will be widening and escalating their investigation.

Please change the company's ways and make real changes in management that can bring back confidence in our senior management. Will it take dozens of our employees testifying in court until you realize what we have become?

Inside we now feel that management will use whatever means are possible to get the results they want. They will use whatever people and resources they need because that is what Armando Olivera and his bosses want him to do.

Since we wrote to you earlier this year these same leaders we identified six months ago have further eroded our credibility. They are incapable of being seen as truthful. For weeks the only way we could reach Eric Silagy was by finding him in Tallahassee during the legislature session where he failed to register as a lobbyist but headed our lobbying. He operated illegally, all the while Tim Fitzpatrick had us lying, bold face lying to the press telling them he wasn't lobbying. Then only weeks later, after he got caught within his hand

in the cookie jar, did Eric Silagy finally register as a lobbyist. This smells. How did you tolerate that, tolerate them, and how can you say you're proud of our company and how it handled itself, unless you condone and directed all this?

We have reported specific cases to the SEC and to the FDLE where false, misleading and incomplete information was provided to the public and our regulators. We are now at it again with our preparations for the rate case and our Florida Power and Light budgets taking place as we speak.

Promoting Eric Silagy while removing and demoting Wade Litchfield to his lawyer role didn't help us at all. It was Eric Silagy who made us use up all our relationships with our customers squeezing them to contact the governor to get support for the rate case. He is polarizing and has created a lot of controversy. We don't want controversy. All the articles tell us the PSC and some of its commissioners are disturbed and controversial enough without us making it worse.

You've done nothing to improve things for us in Marketing & Communication. Tim Fitzpatrick and Mark Bubriski insist we tell half-truths on good days and actual lies on others to reporters, public investors and employees.

We all hope the PSC gets better commissioners, but things will not improve internally for FPL even if they calm down at the PSC.

With Tim Fitzpatrick, Wade Litchfield, Eric Silagy and others, we are incapable of regaining trust of our own employees. When we go home we are embarrassed when friends and customers ask us who is in charge and making these decisions. You must make major changes.

It's a series of bad decisions, bad execution, dishonest people and underhanded activities. You have allowed them to put a cloud of disgrace that is worse than ever.

Open our books and let the law enforcement agencies see we have nothing to hide. Or do we? Are we ignoring the truth or are we afraid of it? We need to watch our backs with some of the people in management you now have in place.

With the company's reaction to our letters, with the promotion of one of the executives knee-deep in the illegal and improper acts, how can we have any comfort that we will not be punished for daring to tell the truth?

With all the criticism you and the company have faced from our customers and employees, how can we simply circle the wagons?

We ask that you demand all communication involving Armando Olivera, Eric Silagy, Wade Litchfield, Tim Fitzpatrick, Mark Bubriski, James Ratchford, James Robo, Robert Barrett, Guy Casaceli, David Reinstein, John Butler, all regulatory lawyers who might be criminally involved, and all FPL executives and directors be made public.

We duped regulators about our true financial picture, and we're at it again this year as we began the budget process early for the 2011 budget for FPL, well in advance of budgeting for Next Era, in order to prepare our case and be able to show numbers for our rate case.

We avoided providing relevant information to regulators and to interveners by labeling things as attorney client confidential and privileged, and we're continuing that practice for all our regulatory filings including our planning documents for the next rate case.

Those of us in HR have told the others we purposely did the engagement survey before we announced the staff reductions so the results would be more positive and show higher morale. What good company does that? What do we learn from contrived data points?

You have executives who have violated the law. They have manipulated and used and lied to many in our group, to employees and outside stake holders. They have withheld information. They have intentionally misled. They have had us do one thing under the radar screen and behind the scenes while we say another thing publicly and do other things to conceal the truth. You have executives who have destroyed FPL's reputation. You have a conspiracy headed by our president to do whatever it takes to get the profits at customer and employee expense.

Be the leader your predecessor was when dealing with bad leaders. Don't move them over. Move them out. Don't let this be the albatross on your neck. Those of us around when the company was stupid enough to purchase Colonia Penn Insurance know that bad decisions can be rectified. Please do not take short cuts or allow others to do so that will continue to destroy us. Recent efforts by you and senior management to communicate just put on appearances, but it is no better than painting over rotten wood. The rot is still there underneath. We must call into question management's judgment. If the same people in FPL leadership positions are making these decisions, we are doomed for failure again. We are left with no choice but to blame you and those accountable to our shareholders, and our efforts will continue for as long as it takes.

This is a compilation of our group members' grievances, and we know we share the views of hundreds and hundreds of employees afraid to speak up publicly and afraid to let our faces be seen.

Submitted by,

A more motivated, stronger and more courageous group of employees  
"FPL Employees Seeking A Better Company"

Copies sent to the SEC, the FDLE, the Attorney General, the PSC and IBEW leadership

## FPL executive meets with state officials without registering as lobbyist

*Utility says talks don't amount to lobbying, but some observers say actions deserve scrutiny*

April 26, 2010

By Julie Patel, Sun Sentinel

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Florida Power & Light Co. employs three lobbyists in Tallahassee, has 22 more who were paid at least \$221,000 combined in the last quarter of 2009 and donates to state political parties — more than \$670,000 in the past 15 months

But critics of Florida's largest utility are concerned that those figures don't tell the whole story of FPL's lobbying efforts. They point to the activities of an FPL executive who is meeting with powerful state lawmakers without registering as a lobbyist.

Eric Silagy, an FPL vice president and chief development officer, has discussed energy and utility matters with key state officials, including Senate President-designate Mike Haridopolos, R-Indian River; Sen. Mike Bennett, R-Bradenton; and Department of Environmental Protection Secretary Mike Sole.

Silagy, who leads the utility's renewable energy efforts, also has dropped off booklets describing the benefits of solar power plants.

FPL denies that Silagy is lobbying for the utility. Paul Hamilton, FPL's vice president for state legislative affairs, leads the lobbying efforts, said utility spokeswoman Jackie Anderson. He and FPL's 24 other lobbyists are registered, she said.

The utility did not respond to questions about how many legislators Silagy met with and who requested the meetings. Lobbyists are required to register so that Florida residents know who is trying to influence policies.

The Legislature is debating laws that could affect how much customers pay for electricity and the quality of the service.

Anderson said Silagy is talking to legislators as a clean energy expert.

"He is frequently called upon to make presentations around Florida and across the country about FPL's groundbreaking solar projects," said Anderson.

He has briefed President Barack Obama, Interior Secretary Ken Salazar and Sen. Bill Nelson, among other state and federal officials, on environmental and renewable energy issues, said Mark Bubriski, an FPL spokesman.

Silagy could not be reached for comment, despite several attempts by phone.

Silagy met Haridopolos in March during the first weeks of the session to discuss utility issues, the senator's aide said. Last week, Haridopolos announced that he might fight confirmation of two new Public Service Commission members, who voted with the majority to reject all but 6 percent of FPL's record rate increase request this year.

The senator echoed the utility's concerns over the small rate increase during a hearing last week about the commissioners: "When the ability to borrow money becomes more difficult, the interest rate goes up...It's going to eventually cost more for the consumer."

Bennett introduced in January a sweeping renewable energy bill that would allow utilities to pass to customers the costs of renewable energy plants without the normal regulatory scrutiny and allow them to earn an additional profit on such projects. The House is scheduled to discuss its version of the legislation Monday.

Silagy stopped by to brief Bennett after the senator asked FPL for information about its solar projects, costs, future and jobs, the utility said. An aide to Bennett said he showed up without an appointment, with an FPL staff lobbyist.

Lobbying costs — including staff salaries — must be paid by shareholders instead of customers, according to state regulations. Silagy is one of the 39 officers who were paid an average total compensation of \$496,556 by FPL customers in 2008, according to PSC documents. Bubriski said that part of Silagy's compensation already comes from shareholders but he does not know how much.

## FPL demotes vp who lost rate case, promotes vp who pushed PSC attack

May 12, 2010



Florida Power & Light announced Tuesday that it is promoting [Eric Silagy](#) (photo) to senior vice president of regulatory and state government affairs, replacing **Wade Litchfield**, who was demoted from vice president of regulatory affairs to vice president and general counsel, a position he held previously.

Silagy led FPL's successful lobbying efforts for FPL during the legislative session, although -- as reported by the Sun-Sentinel -- he was never registered as a lobbyist. FPL worked to prevent the passage of ethics reform legislation that would have required all communication between utility officials and the Public Service Commission staff to be open and recorded. The company also worked to defeat the confirmation of PSC Commissioners **Benjamin "Steve" Stevens** and **David Klement**, who were added to the commission by Gov. **Charlie Crist** in January, voted against FPL's \$1.3 billion rate increase request, but were rejected by the Senate in the last week of the session.

Litchfield managed the failed rate case and was known within the company for his aggressive "take no prisoners" approach to regulators. He was also one of the three FPL executives who met with Associated Industries of Florida president **Barney Bishop** to coordinate a press conference to attack PSC Commission Chairwoman **Nancy Argenziano** in October.

Silagy directed [FPL's secret campaign last fall](#) aimed at challenging PSC commissioners, posting negative comments about them on the internet, and attempting to influence public opinion on the rate case with a massive public relations campaign. The company told the Herald/Times that it neither coordinated nor condoned the organized posting of comments on the internet and denied the attacks on commissioners.

In January and February, Silagy and Litchfield were named in a series of [whistleblower complaints](#) by insiders at FPL who claimed the men broke the law and committed fraud by forcing employees to provide inaccurate information to regulators and shareholders. The FDLE is still investigating the claims.

FPL has since hired an outside legal counsel to conduct an internal investigation of the allegations but concluded in an April 2 letter to employees that there was "[no factual support](#)". Neither the company, nor Carlton Fields law firm, could find anyone to step forward and attest to them. More here [on the claims](#).

The company also announced it would continue to contract with former Attorney General **Bob Butterworth** to provide "additional advice, counsel and feedback regarding compliance, major regulatory filings, legislative issues and related communications." Butterworth also served under Crist as his Department of Children and Families secretary.

Posted by Mary Ellen Klas in [Public Service Commission](#) | [Permalink](#)

June 10, 2010

## Utilities have talked to Public Service Commission nominees

By MARY ELLEN KLAS  
Miami Herald/St. Pete Times

Florida's largest utility companies say they are hands off when it comes to the selection of two new utility regulators to replace the men who voted against the largest rate case in Florida history.

But whether they're in the room when the Public Service Commission Nominating Council meets Thursday to send the governor six nominees to fill two spots on the utility board won't matter.

They have already made their presence known -- in meetings and phone calls to some of the 28 applicants, through campaign contributions to each of the legislators on the nominating panel, and in business relationships with council members in private industry.

They've even got a link to Senate President Jeff Atwater -- who asked that each of the members of the nominating council refrain from phone calls and personal meetings with the utilities industry during the nominations process.

FPL last year hired Atwater's nephew, Brady Atwater, to work in the one department closest to the Legislature -- regulatory affairs. His uncle said he had no role in the hiring of his nephew.

### CANDIDATES

FPL has also encouraged some of the candidates to apply. Rep. Ron Brisé, a Miami Democrat and former chief operating officer of a local telecom company, said FPL lobbyist Paul Hamilton urged him to consider the job and Brisé turned to Hamilton, as well as lobbyists from AARP, "to get a sense for how this process works."

Former Tampa assistant city attorney Julie Brown spoke with FPL vice president Eric Silagy and a governmental affairs official at Tampa Electric to prepare for her interview.

"I've talked to consumer folks. I've talked to utility folks. I've talked to a variety of people," she said. "I've been researching this for quite awhile to better understand the process."

Spokespersons for both FPL and Progress Energy said that their companies have not solicited contact with the PSC candidates, they have responded when contacted by them.

"I'll talk to anyone who will talk to me," said Art Graham, a Jacksonville City commissioner and environmental engineering consultant who has applied. He found that while utility lobbyists would talk to him, all calls to nominating council members were rebuffed.

### INTERVIEWS

The council will spend 15 minutes interviewing each of the 28 candidates to the Public Service Commission and decide which of them should be selected to replace David Klement and Benjamin "Steve" Stevens, who were ousted when the Senate refused to confirm them in April. Both were part of the unanimous vote to reject a \$1.3 billion rate increase sought by Florida Power & Light and a \$500,000 increase by Progress Energy.

## **CONTRIBUTIONS**

The nominating council is comprised of six non-legislators and six legislators. The legislators have received campaign contributions from utility companies in varying amounts, with Sen. Mike Bennett, a Republican from Bradenton, receiving \$42,000, and Rep. Mark Pafford, a West Palm Beach Democrat, getting \$2,000.

After its day-long meeting Thursday, the council will send six names to Gov. Charlie Crist who has 30 days to pick two candidates from the list or allow the nominating council to pick for him.

Florida's next governor could also reject the names and the process could start over.

## **'FLAWED PROCESS'**

"It's a flawed process," said Bennett, who took over as council chairman last month when its current chairman, Sen. Lee Constantine, R-Altamonte Springs, decided to apply for the commission.

Bennett said he has read all 28 applications three times and believes they included "the most qualified group I've ever seen."

## **TIGHT SCHEDULE**

But just as the Senate spent little time deliberating when it rejected Klement, a former Bradenton newspaperman, or Stevens, a Pensacola accountant, the nominating council must rush through its deliberations to get its work done in one day.

"Fifteen minutes isn't really enough to learn that much about an applicant," said Bevin Beaudet, director of Water Utilities for Palm Beach County, who is a member of the nominating council. He wanted applicants limited to 16.

He thinks the \$75 million rate increase the PSC allowed FPL "was not sufficient for them to perform some tasks that are important for Florida's future."

*St. Petersburg Times staff writer Janet Zink contributed to this report.*