

Sandra Soto

From: Ruth McHargue
Sent: Tuesday, July 26, 2016 4:30 PM
To: Consumer Correspondence
Cc: Diane Hood
Subject: FW: To CLK Docket 160021
Attachments: Docket 160021-EL FPL Rate Increase

[Customer correspondence](#)

From: Diane Hood
Sent: Tuesday, July 26, 2016 4:12 PM
To: Ruth McHargue
Subject: To CLK Docket 160021

These have been filed as info requests to Docket 160021. DHood

Sandra Soto

From: Tim Murphy <murphytr@comcast.net>
Sent: Monday, July 25, 2016 4:55 PM
To: Consumer Contact
Subject: Docket 160021-EL FPL Rate Increase

Members of the Florida PSC and Staff,

I am a resident of Jupiter, Florida and recently retired as an Analyst from a Fortune 1,000 Company.

The proposed revenue increase from Florida Power & Light is simply too high. It comes at a time when FPL is advertising in the media to its customers that its rates are 30% below a national average of residential users. This sugar-coated advertisement does not acknowledge the pending petition before you, the PSC, for a percentage increase approaching 17 %.*

Just what position in the pack of regulated electric providers would FPL be then? They don't say and who will brag about it if it comes to pass. You had better reckon that you would be approving an operational charge that is higher than a third of the comparable industry players. Would you like that reputation for your tenure as Commissioners?

Surely, it is your duty to incentivize FPL's regulated activity to provide outstanding service and reward the company a responsible return on investment. The scale of this rate increase appears to be primarily an extravagant reward to shareholders. Since FPL is advertising its "low cost" position relative to other electric utilities, it is fair game to introduce these Market Facts too.

NextEra Stock hit \$100 per share October 31, 2014 – about 24% above the pre-crash Great Recession high of \$80.94. And significantly after the multiple the Florida PSC granted between 2010 and 2013.

Today that Stock is riding very high indeed at nearly \$130 – an astronomical 30% gain in something well less than 2 years.

Consider also the NextEra corporate officers, who will be the faces you will see at the examination Docket, in this Market chain of reward. By what H.R. information that is publicly available, they are already the most highly compensated officers among all publicly-traded companies in Florida. Surely they too will be showered with greater rewards should they get this proposed rate increase past you.

The Market will still reward NextERA a premium for what's described as a midpoint 10.5% profit – a rate of Return On Equity. With the overall constraint on interest rates in the U.S and world-wide, investor's are going to continue to push up stock prices for regulated utilities even if the current (and also arguably too high) 10.5% remains the marker for FPL's business.

The proposal FPL makes to you now is to boost that to 11.5% ROE. This is but a greedy concoction that doubles-down on a reckless profit-driven path for utilities that provide core services to residences and businesses alike. We can't avoid not to use electricity, though they would drive us to penury.

Its your job to stop this unsustainable practice. Maybe it was needed in the years after the the Great Recession and previous commissions fell in line then. You need to embrace a new paradigm for the current expanding economy and force FPL to do right by its customers over its investors. Please vote down Docket 160021-EL.

Thank you.

Timothy R. Murphy
181 Florence Drive
Jupiter, FL 33458

* Simple calculations from facts as reported by the Palm Beach Post, July 25, 2016.