

Antonia Hover

From: Ellen Plendl
Sent: Tuesday, August 9, 2022 1:53 PM
To: Consumer Correspondence
Subject: Docket No. 20220000
Attachments: more ongoing and deepening electrical utility industrial sector electoral intervention and machinations leading to anti-rate payer activities; FPL reckless management of the electrical infrastructure in Southern Florida; Consumer Inquiry - Florida Power & Light Company; FW FPL in the news.; Consumer Inquiry - Florida Power & Light Company

See attached customer correspondence and reply for Docket No. 20220000.

Antonia Hover

From: Beatrice Balboa <beatricebalboa@gmail.com>
Sent: Saturday, August 6, 2022 11:39 AM
To: Ellen Plendl
Subject: more ongoing and deepening electrical utility industrial sector electoral intervention and machinations leading to anti-rate payer activities
Attachments: 'Nightmare scenario'_ How FPL secretly manipulated a Florida state Senate election.pdf; Florida power company secretly bankrolled a news website _ McClatchy Washington Bureau.pdf

Saturday 6 August 2022 1130 hours

Ellen Plendl
Regulatory Consultant
Florida Public Service Commission
Office of Consumer Assistance & Outreach
1-800-342-3552 (phone)
1-800-511-0809 (fax)

To whom it may concern,

I am writing to express my ongoing deepest disappointment that the electrical utility industrial sector continues to mismanage the electrical infrastructure throughout the State of Florida despite given unfettered access to elected and appointed government officials and agencies in the furtherance of policies and agendas in pursuing poorly thought out sourcing of energy resources and a decidedly anti-consumer stance with the rate-paying public across the board. Ongoing investigations continue undercover the long-standing practices by these captains of industry to extract ever larger fees and electrical rates to aggrandize their oversized ambitions by direct and indirect political arrangements in backrooms.

The attached documentation clearly indicates the lengths that the electrical utility industrial sector continues to pursue to ensure their monolithic position in the electricity sector in the State of Florida and letting the electrical infrastructure system put the ratepayers in harm's way.

Please place these observations and articles in the appropriate docket to underscore the overwhelmingly calculated cold-hearted manner that these captains seem to influence the very elected/appointed representatives that should, instead, be seeking to comfort their constituents day-to-day hardships to pay for the aggrandizement of these out sized economic sectors.

Thank you for your time in these matters and hope to hear from you soon.

Sincerely,
Beatrice Balboa
1010 South Ocean Boulevard, Unit 1008
Pompano Beach, FL 33062-6631
USA



‘Nightmare scenario’: How FPL secretly manipulated a Florida state Senate election

Mary Ellen Klas, Nicholas Nehamas, Ana Claudia Chacin, Miami Herald - 1h ago



34

Support journalism

Share

Save

Florida Power & Light had a problem.

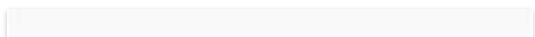


© Miami Herald/Miami Herald/TNS

Florida Power & Light secretly financed a spoiler candidate in a 2018 race for a Gainesville-area state Senate, according to internal documents from its political consulting firm. The utility's cash allowed the Republican incumbent to beat off a strong challenge from a Democratic opponent.

A strong Democratic challenger was threatening to unseat a friendly Republican incumbent in a Gainesville-area state Senate race in 2018. FPL, one of the country's largest utilities, needed to make sure the GOP held onto the seat.

So FPL used a shadowy nonprofit group to secretly bankroll a spoiler candidate, a longtime Democrat named Charles Goston, according to new documents obtained by the Miami Herald. Running as a no-party candidate in the general election, Goston helped split the liberal vote, siphoning off enough votes from the Democratic challenger to swing the race to the GOP incumbent.





WAC Lighting WS-180120 Metro
20" Wide LED Bath Bar With An...

Ad Build

The documents show that FPL sent \$200,000 to the nonprofit, a Washington, D.C.-based group called Broken Promises, in the fall of 2018. Within five weeks, Broken Promises had donated \$20,000 to Goston's political committee and spent roughly \$115,000 on mailers and advertising supporting him. Best of all for FPL: Because of its nonprofit status, Broken Promises didn't have to disclose its donors — meaning the cash was untraceable. No one would know that FPL had paid to secretly manipulate a state election in favor of Republicans. Voters were in the dark about who funded Goston and why.

The records tying FPL to Broken Promises — which come from inside the utility's political consulting firm — mark the clearest instance of FPL cash being directly linked to a series of election scandals rocking Florida politics. They raise questions about whether the utility "subverted" a free and fair election in Gainesville, said Saurav Ghosh, director of federal campaign finance reform at the nonpartisan Campaign Legal Center in Washington, D.C.

"This is pretty much the nightmare scenario," Ghosh said. "You have a powerful corporate player in Florida politics using its financial resources to defeat a candidate without any disclosure to the public. ... This is election rigging."

As a corporation, FPL is allowed to contribute to political campaigns. But under state and federal law, it is not permitted to hide contributions through "straw" donors. And tax-exempt nonprofits like Broken Promises, which FPL used as a pass-through, are not supposed to engage primarily in politics.

The utility, a multibillion-dollar behemoth, is one of Florida's most powerful political forces, accustomed to getting its way from a pliant Legislature and the state regulatory board. But over the past year, reporting has revealed its efforts to [manipulate](#) state politics, secretly craft legislation to [maintain its grip](#) on the solar energy market, [snap up](#) a public utility in Jacksonville, push for [rate increases](#) on residential customers, tail a journalist it disliked [using private investigators](#) and weaponize a [supposedly independent news website](#) to attack critics.

FPL is feeling some impact: One investment firm has [downgraded](#) its stock and a Democratic congresswoman from Tampa has [asked](#) the Department of Justice to investigate its political activities.

In an email, FPL spokesman Christopher McGrath said the utility has done nothing wrong, citing an internal investigation — which the utility refuses to share — that said as much. He did not deny that FPL funded Broken Promises.

"FPL requires that its 501(c)(4) contributions are done in compliance with all applicable laws," said McGrath, referring to the formal name for tax-exempt groups like Broken Promises. "We do not control any 501(c)(4)s and when we donate money to an organization, regardless of tax status, we no longer control how that money is spent. We believe any assertion to the contrary is unfounded."

Hours after this story published online, David Reuter, FPL's chief communications officer, wrote the Herald, saying that FPL had "no record" of ever paying Broken Promises.

The documents shedding light on the scandals come from an internal server at FPL's former political consulting firm, Alabama-based Matrix, and were anonymously leaked to the Miami Herald and other news outlets. They include emails, letters, text messages, bank statements, wire transfers, and financial ledgers.

Neither FPL nor Matrix employees have been formally accused of wrongdoing. But prosecutors have so far charged five other people, [including a former state senator](#), over a series of strikingly similar election scandals in 2020 with ties to FPL. Those races featured so-called "ghost" candidates who appealed to progressive voters and helped the GOP hold onto three crucial state Senate seats. FPL has denied being involved.

‘This text is self-destructing’

Broken Promises was run by an Alabama political consultant named Sean Jason Anderson, who appointed his mother to join him on the nonprofit's board.

Although Broken Promises appeared to be independent from FPL and Matrix, that was just an illusion, text messages between FPL and Matrix executives show.

In one 2016 text exchange, Matrix's then-CEO, Jeff Pitts, assured FPL Vice President Daniel Martell that they had full control over two other nonprofit groups run by Anderson and another ally — and the nonprofits would have no public ties to FPL because they didn't have to disclose their donors.

Not to mention, Pitts said, Anderson was an old friend. (A "Jason Anderson" is listed as a former Matrix lobbyist in Alabama public records.)

"Bottom line is we are the ones with the check books and in control [of the nonprofits] 100 percent," Pitts told Martell.

Channeling "Mission Impossible," the FPL vice president responded: "This text is self-destructing in 30 seconds."

"Yep that's why I like face to face," Pitts replied.

The text messages would appear to contradict FPL's assertion that it had no control over the nonprofits set up by its political consultants.

Pitts left Matrix in late 2020 to start his own consulting company. He and Matrix founder Joe Perkins are now suing each other. Perkins said Pitts and other former employees had gone rogue on behalf of FPL.

"This is more of Joe Perkins leaking select documents and pushing a false narrative in his desperate and continual effort to blackmail and defame Mr. Pitts," Jesse Dreicer, an attorney for Pitts, said in a statement. "These accusations are false, tiresome and a continuation of his slander and libelous attacks."

Perkins has denied being the source of the documents sent to the news media.

Anderson could not be reached. His mother did not respond to an interview request.

A test run

[Reporting at the time by the Gainesville Sun](#) firmly established that Goston's political committee had been bankrolled by Broken Promises, and that the source of the nonprofit's funding was "cloaked." The Sun noted that Goston had just lost a reelection bid to the City Commission, that he was "on the outs" with the local Democratic Party establishment, and that Republican lobbyists had [coordinated](#) donations to his individual campaign account.

But FPL's role in the Gainesville scheme stayed hidden for years.

Now the ghost candidate scandals from 2020 have spilled into public view, thanks to [extensive criminal investigations](#) and [rancorous civil lawsuits](#).

The fallout has revealed the innards of an operation designed by Matrix to swing elections to Republicans in both 2018 and 2020, using secretive nonprofits like Broken Promises.

Kayser Enneking, the Democrat who lost the Gainesville election in state Senate District 8, said what happened to her in 2018 felt like a test run for the ghost candidate scheme that two years later would take down Miami Democrat José Javier Rodríguez, whose criticism of FPL had [infuriated](#) Eric Silagy, the utility's chairman and CEO. (Ghost candidates ran in two other 2020 state Senate races but their vote totals were not decisive in leading to the GOP candidate's victory. Rodríguez, on the other hand, lost to Republican Ileana Garcia by just 32 votes.)

"I think they saw how successful it was in my race and how it was a relatively cheap way to siphon votes off," said Enneking, who lost to GOP incumbent Keith Perry by roughly 2,000 votes while spoiler Goston received 4,300.

Enneking, Perry and their political committees spent more than \$2.6 million combined on their races. Goston's campaign cost less than \$145,000.

Enneking said she didn't see any policy reason why FPL would back Goston, a former Gainesville city commissioner, other than to preserve a business-friendly majority in the state Senate, which confirms the appointment of members to the state's utility regulator, the Public Service Commission.

"In policy debates with him, there was not one iota of difference between what he was advocating for and what I was advocating for," Enneking said.

Perry, the Republican, said he did not know about FPL's and Broken Promises' activities during the 2018 election.

"I don't coordinate, have knowledge, or plan with any of these groups," he told the Herald.

He also noted that companies, just like individuals, have the right to donate to campaigns in order to influence the outcome, but said he is open to re-examining policies that enable campaign money to be

funneled through opaque nonprofits like the ones created by FPL's political consultants.

"It's a question of whether there should be more transparency in the process and how to do that, without stifling freedom of expression," Perry said.

Efforts to reach Goston were unsuccessful. Unlike the candidates who ran in three state Senate districts in 2020, Goston wasn't a "ghost" candidate because he actually campaigned, rather than relying solely on direct mailers to voters.

While Gov. Ron DeSantis has created a new Office of Election Crimes and Security to go after election fraud, he has refused to comment on the scandals linked to FPL, [which were first broadly outlined in the Orlando Sentinel](#). The office's new head, Pete Antonacci, would not answer whether potential campaign finance violations will be among the alleged crimes his agency will investigate.

Records leak

Matrix employees kept detailed records of their activities, including a ledger of FPL's political spending in the 2018 election cycle.

Entries on the ledger show that FPL sent \$100,000 to Broken Promises on Sept. 26, 2018, and another \$100,000 on Oct. 16, 2018. The FPL infusion accounted for all of Broken Promises' revenue that year, federal tax filings show.

Three days after receiving its first round of FPL funds, Broken Promises gave a \$20,000 check to a political committee called Friends of Charles Goston, according to state campaign finance records. Within two weeks, Broken Promises spent another \$52,000 on mailers supporting Goston's campaign. Then, after receiving its next round of FPL cash, Broken Promises spent an additional \$63,000 on advertising for Goston.

In tax filings, Broken Promises claimed none of its spending qualified as "direct or indirect political spending."

"That presentation does not seem accurate at all," said Ellen Aprill, a professor emerita of tax law at Loyola Marymount University who reviewed Broken Promises' filings for the Herald. "This is political activity."

It's not clear from the Matrix records to what extent FPL funded Broken Promises directly and to what extent it used other groups as pass-throughs for the money. Federal tax records show another Matrix-controlled nonprofit called the Alliance for Consumer Protection donated \$100,000 to Broken Promises in 2018.

The director of the Alliance for Consumer Protection is listed as David Calvert — a construction manager and Pitts' former college roommate, according to a text between Pitts and Martell.

Calvert could not be reached.

Philip Hackney, an expert on tax law at the University of Pittsburgh Law School, said powerful people are using nonprofits to secretly influence elections around the country.

“This is primarily used by wealthy players and those who run corporations,” Hackney said. “It is an opportunity for them to have their fingers on the scale of elections ... without the public having any insight. To run a free and fair democracy, you really need people operating in the light, truthfully and forthrightly.”

He pointed out that FPL could simply have funded Goston’s campaign openly — as the utility did when it contributed \$20,000 to Perry’s political committee in its own name — without funneling “dark” money through a nonprofit.

“You have to wonder why they didn’t just do that,” he said. “It tells you they have concerns about disclosing their support of this candidate to voters and they had some intention to hide it.”

Mothers for Moderation

Broken Promises wasn’t the only way FPL went after Enneking.

FPL also funded a similar nonprofit group called Mothers for Moderation that attacked Enneking in the Democratic primary.

Mothers for Moderation paid \$100,000 for direct mail and television advertising in support of a Florida political committee, Liberation Ocala African American Council, that [backed Enneking’s 2018 primary opponent, Olysha Magruder](#). It also paid \$75,000 to Anderson’s Alabama-based political consulting firm, according to a copy of a check in the Matrix records.

Almost all of Mothers for Moderation’s funding came from FPL. Records show the utility contributed \$13.9 million to Mothers for Moderation in 2018. (The nonprofit’s director, Stephanie Egan, is the sister of a former Matrix employee and an elementary school teacher in Alabama. She did not respond to requests for comment.)

Whitfield Jenkins, chairman of the Liberation Ocala political committee, said he did not recall Mothers for Moderation — even though it provided the only funds his group received.

Magruder, Enneking’s primary opponent, told the Herald she had nothing to do with Liberation Ocala’s messaging.

“My campaign had zero control over what happened outside of our campaign,” said Magruder, who is now running for Florida House District 22. “We were the more progressive, underdog campaign at the time so we didn’t have any sort of way to battle what was happening and they used my image and my name without any permission on my part.”

Despite the blitz of advertising, Enneking handily beat Magruder in the primary on Aug. 28, 2018.

The next day, Broken Promises was formed by the friend of Matrix’s CEO, apparently to try again to take down Enneking, this time in the general election. This time the effort succeeded.

Enneking said she wasn't a notably strident critic of FPL but that her seat was one of three in 2018 that Democrats had a chance to flip, threatening Republican control of the state Senate.

"It was more about retaining the Republican majority than it was my campaign," Enneking said.

In the two years that followed Enneking's defeat, the Republican-led Senate and the Public Service Commission gave FPL what it asked for.

In 2019, for example, legislators passed [Senate Bill 796](#), which created a new process for utilities to pass along costs to customers for storm protection projects, such as installing underground power lines. In 2020, the PSC approved FPL's proposal to recover the capital costs of building solar by [building the expense into its rate base](#) and passing along the charges to its customers, plus a profit.

'Straw donors'

In 2020, a watchdog group filed a complaint to the IRS about Broken Promises.

In the [complaint](#), Citizens for Ethics and Responsibility (CREW) alleged that Broken Promises had violated federal law "by failing to properly disclose its political contributions" and "was being used as a pass-through for political contributions."

CREW pointed out that almost all of Broken Promises' spending went to political causes, mainly the Goston campaign — even though under IRS rules the tax-exempt 501(c)(4) group's primary activity is supposed to be supporting "social welfare" activities, not politics.

In federal tax filings, Broken Promises listed its 501(c)(4) social welfare purpose as "developing and advocating for legislation, regulations and government programs to improve social environmental [sic], economy and social environment [sic]."

The group, which was registered at a UPS store in Washington, D.C., filed for dissolution two weeks after the complaint, according to local business records.

501(c)(4)s like Broken Promises are often criticized as "dark money" groups because they can be used to mask the true identity of political contributors. Under federal and state law, political spending must be disclosed, and it is illegal to use straw donors and shell companies to hide the true sources of election spending.

FPL's activities could run afoul of Florida's straw donor ban, said Ghosh, of the Campaign Legal Center.

"It does appear that these C4 groups were organized as a deliberate mechanism for obscuring the true source of the funds being used for election purposes," he said. "In that case, what you have is that FPL is the true contributor and they are using [501(c)(4)s] as straw donors."

Matthew Corley, CREW's chief investigator, said FPL may have had a reason for trying to hide its political contributions.

“Transparency helps fight against potential corruption — that’s one of the prime purposes for campaign finance disclosure,” he said. “When people go around it, the obvious question is: Is there something illicit going on?”

INVESTIGATIONS

Powerbrokers: How FPL secretly took over a Florida news site and used it to bash critics

BY SARAH BLASKEY

UPDATED AUGUST 05, 2022 10:41 PM



Gabrielle G. McCall | McClatchy

READ MORE

The Powerbrokers: How FPL secretly took over a Florida news site and used it to bash critics

The Capitolist portrayed itself as an independent outlet, but it was bankrolled and controlled by FPL execs to push for rate hikes and legislative favors and slam any opponent, a Miami Herald investigation found. To help keep the deal secret, a political consulting firm employed the intermediaries between the FPL executives and the Capitolist.

When Florida Power & Light faced a spate of bad publicity and political blowback, a small but ambitious news website called the Capitolist sprang to the public utility's defense.

Taking aim at foes of FPL's proposed rate hikes and controversial attempts to buy Jacksonville's public utility, the Capitolist savaged the critics, impugning their motives and suggesting they were part of "dark money" schemes.

"Documents suggest Florida's largest companies are secretly sabotaging effort to protect power lines from hurricane damage," declared the headline of one such article from 2019.

Behind the scenes, FPL executives were back-slapping.

Unbeknownst to readers, the article — which promoted legislation to reimburse the multibillion-dollar utility for undergrounding power lines — wasn't published simply because the Capitolist was staunchly conservative and pro-business as editor Brian Burgess had proudly announced when he founded the publication in 2016.

Get unlimited digital access

Subscribe now for just \$2 for 2 months.

CLAIM OFFER

The article was written after the FPL president and CEO, Eric Silagy, made clear he wanted it. And, as it happened, Silagy was secretly running things at the Capitolist.

While portraying itself as a feisty independent outlet, the Capitolist — which aims its content directly at Tallahassee decision makers — was bankrolled and controlled by executives of the power company through a small group of trusted intermediaries from an Alabama consulting firm, according to an investigation by the Miami Herald, based on a massive leak of documents.

The internal communications, contracts and financial records show how a team of elite communications experts consulting for FPL plucked the Capitolist from obscurity and used it as part of an elaborate, off-the-books political strategy to advocate for rate hikes, agitate for legislative favors, slam political opponents and eliminate anything — even home solar panels — that the publicly traded utility worried might undermine its near monopoly on selling power in the Sunshine State.

Breaking News Alerts

Be among the first to know when there's major national and international news.

SIGN UP

This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply.



On Thursday, Oct. 18, 2018, FPL President and CEO Eric Silagy shakes the hand of then-Miami-Dade Mayor Carlos Gimenez as he prepares to give his remarks at FPL's new 465-acre Miami-Dade Solar Energy Center. Carl Juste cjuste@miamiherald.com

Never was it revealed that the Capitolist was actually a megaphone for FPL.

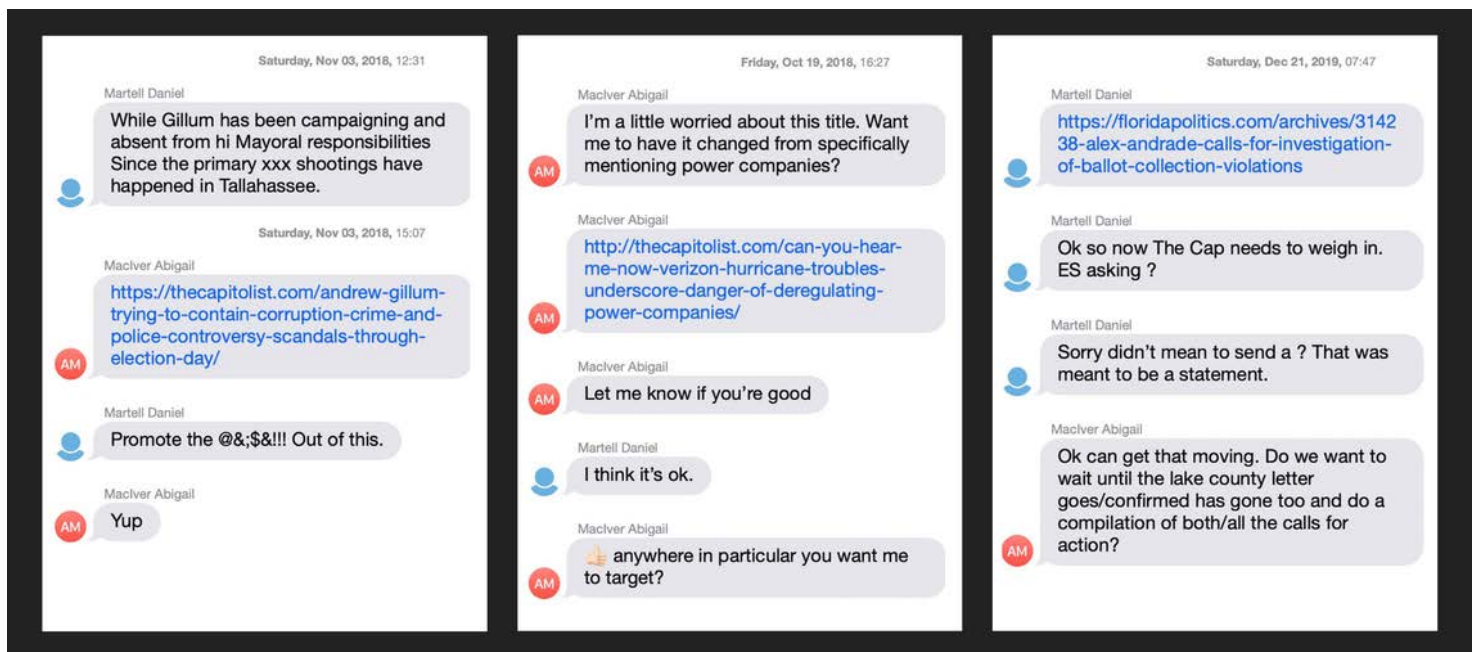
The records, along with recent reporting by the Orlando Sentinel and Florida Times-Union on FPL setting up secret daisy chains of nonprofits to funnel money to

candidates and hire private investigators to tail reporters, highlight the extremes to which FPL will go to play kingmaker in Florida.

Hundreds of thousands of dollars in operating expenses — including Burgess’ \$12,000-per-month paycheck — were funneled into the Capitolist through a network of shell companies backed by FPL, financial records and internal communications dated as early as January 2018 show.

Articles were pre-screened by a group of private communications experts consulting for FPL — a group Burgess once referred to in an email as “the whole Ed Board.”

Text messages and emails show how FPL executives maneuvered behind the scenes at the Capitolist to settle scores and bend the will of regulators, politicians and the public.



Leaked documents included screenshots of messages between Daniel Martell, vice president of legislative affairs for FPL, and then-Matrix consultant Abigail MacIver, showing how executives of the power company advised operations at the Capitolist through intermediaries like MacIver.

Just three days before the 2018 election, the vice president of state legislative affairs at FPL, Daniel Martell, ordered a hit piece about the Democratic candidate for governor, Andrew Gillum, who was running neck and neck with Ron DeSantis.

In a text to the consultants, the FPL executive said he wanted a story that Gillum had neglected his mayoral responsibilities, proposing the following narrative: “Since the primary xxx shootings have happened in Tallahassee.”

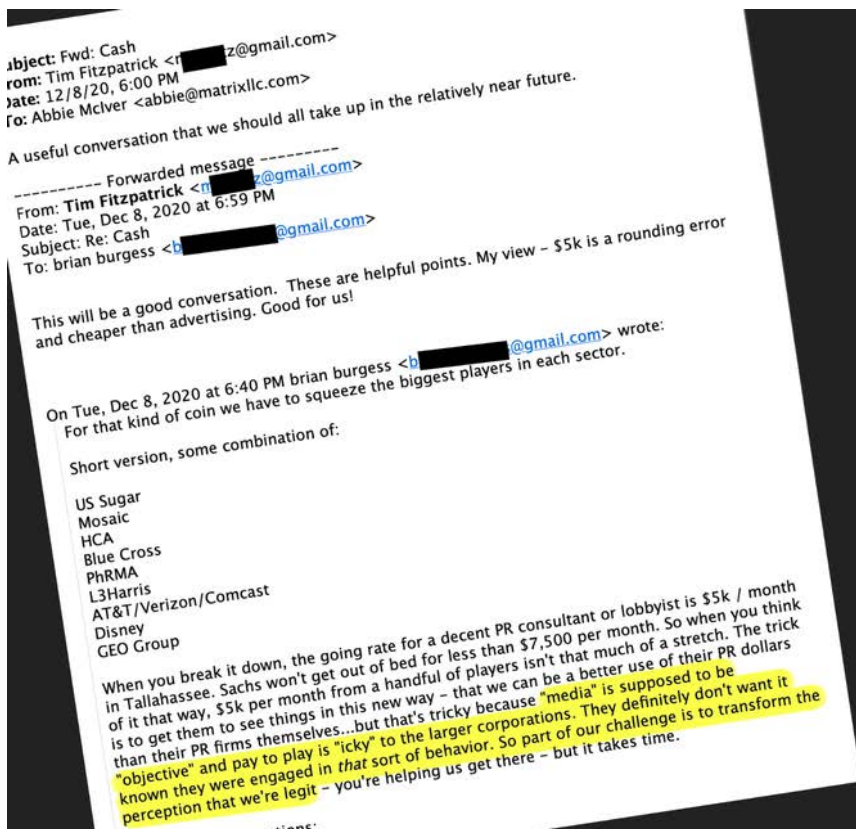
Less than three hours later, the Capitolist had a story up. The second sentence called out “a crime wave of murders, robberies and shootings in Tallahassee...”

“Promote the @&,\$&!!! Out of this,” Martell ordered.

Each day’s news also presented more subtle opportunities.

Cellphone outages after a hurricane in the Panhandle offered an opening for the Capitolist to highlight “one more very pointed reason not to deregulate,” according to a written suggestion from FPL executives to one of the consultants. FPL favors regulations that keep competition out of the market.

The Capitolist ran with it, publishing a story the following week headlined: “Can you hear me now? Verizon hurricane troubles underscore danger of deregulating power companies.”



“

... pay to play is 'icky' to the larger corporations. ... So part of our challenge is to transform the perception that we're legit ...

”

What the Capitolist provided was more effective than traditional PR, but it was tricky business, Burgess said in a 2020 email to his FPL-backed boss, “because ‘media’ is supposed to be ‘objective’ and pay to play is ‘icky’ to the larger corporations. They definitely don’t want it known they were engaged in that sort of behavior.”

The value came from FPL’s ability to use the Capitolist to shape the narrative through news coverage without anyone knowing who was behind the messaging.

So, Burgess concluded, it was important to look like “we’re legit.”

While most news organizations have some corporate sponsors, what makes the Capitolist unusual is the level of editorial control wielded by FPL and the lengths to which the publication went to cover it up, said Stephen Ward, founder of the Center for Journalism Ethics at the University of Wisconsin-Madison.

“It’s not just media ethics here. It’s plain old morality. You’re just plain old lying to people,” Ward said after the Herald shared some of the contents of the leak. “All these emails are saying ‘how do we dupe these people into believing us?’ ”



This Capitolist story favorable to FPL was sent to Eric Silagy, CEO and president of FPL, and Daniel Martell, VP of state legislative affairs. Silagy responded: “Good article.”

The plan to surreptitiously take over the Capitolist centered on Matrix, a Montgomery-based political consulting firm that employed the intermediaries between FPL executives and the Capitolist. Those intermediaries, led by then-CEO Jeff Pitts, established a tangle of shell companies that obscured operations it ran for FPL and others.

Financial records show at least three of them concealed the power company’s involvement in the Capitolist. There was Metis Group, which a ledger shows funneled

FPL money to the publication starting in 2018, and SUN Marketing & Advertising, which was funded by an FPL wire transfer and paid the salary of Tim Fizpatrick, a former FPL executive brought in by Matrix to manage Burgess and oversee the operation.

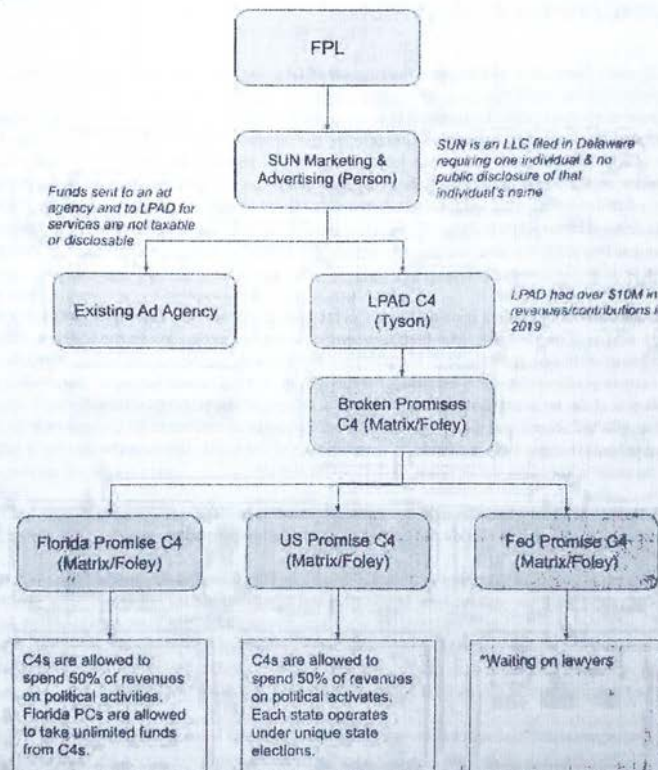
A third company, Vision Insight Holdings, was incorporated in August 2020 “to operate media properties that focus on telling stories completely and fairly,” according to an internal strategy report. Its 2021 priority was the Capitolist, to which Vision Insight paid \$200,000 that year, bank statements show.

When presented with the Herald’s reporting, Burgess and representatives for FPL provided statements to the Herald but refused to answer specific questions.

“While it would be perfectly legal, FPL does not have an ownership interest in the Capitolist — either directly or indirectly,” FPL spokesperson Chris McGrath said in a statement to the Herald. “We also do not have editorial control over what the Capitolist writes or publishes.”

When presented with copies of the documents, McGrath suggested some had been “doctored” but refused to say which. Burgess also said the records contained “fundamental errors or omissions that paint a wildly inaccurate picture of the Capitolist and its operations,” again without providing specifics.

See attached



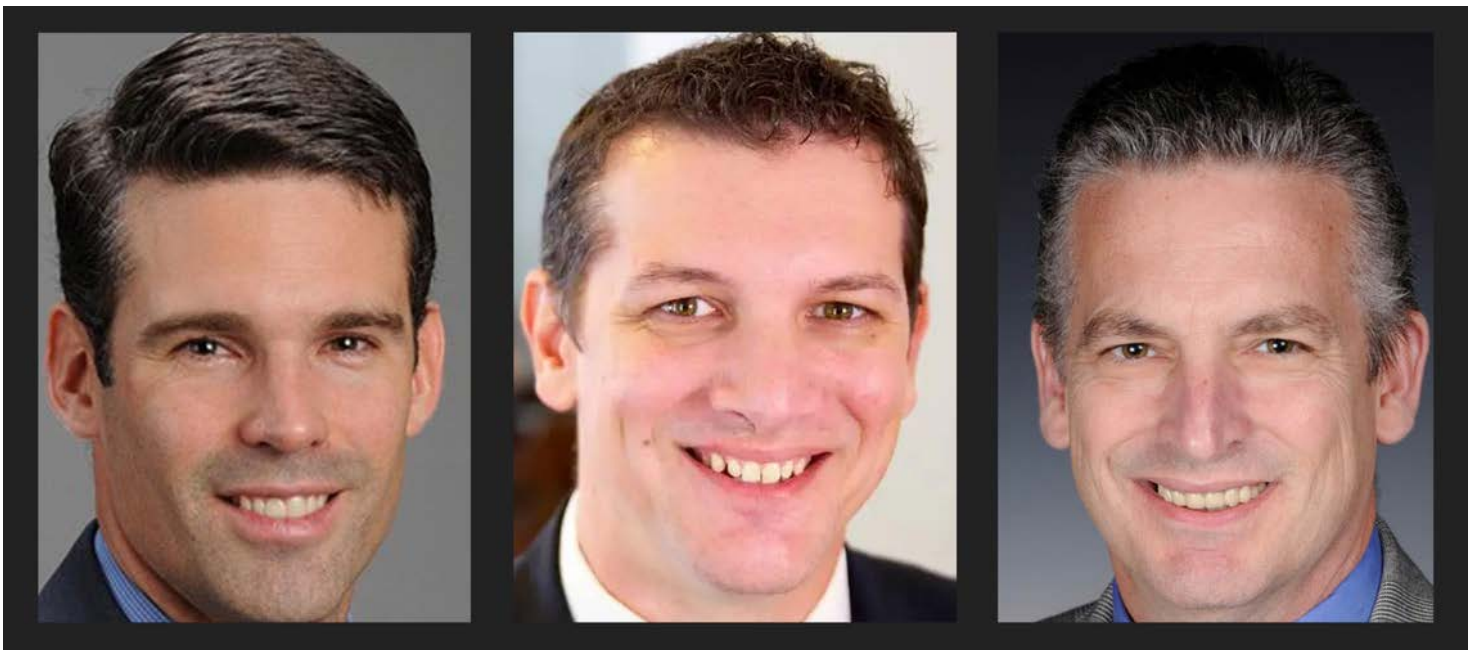
Files leaked from inside the Matrix political consulting firm show plans to use a shell company called SUN Marketing & Advertising to funnel money to 501(c)(4) nonprofits. Documents show the company was used to pay Tim Fitzpatrick, a former FPL executive who took over operations at the Capitolist.

The nearly 500 documents leaked anonymously to the Herald appear to be from a hard-drive at Matrix, which confirmed the authenticity of the records. Where possible, the Herald cross-referenced them with other publicly available documents.

Matrix owner Joe Perkins said he was unaware of his former employees' work with the Capitolist until after Pitts and his team left to start a competing communications firm, Canopy Partners, at the end of 2020.

“Matrix was not involved in any way at all with the purchase or operation of the Capitolist,” said Perkins, who is suing his former employees in Alabama. Pitts, in turn, is suing Perkins in Florida for defamation, alleging his former employer threatened to leak documents to ruin his reputation and harm his business.

John Collins, a representative for Pitts and Canopy Partners, declined to answer questions, but said the documents were “manufactured and selectively-edited” and “unverifiable.” He did not respond to requests for specifics.



From left to right: Daniel Martell, vice president of state legislative affairs for FPL; Brian Burgess, Capitolist editor; and former FPL executive Tim Fitzpatrick.

In his statement to the Herald, Burgess said he had never “met, corresponded with, spoken to, nor do I have any relationship whatsoever with the FPL executives you

mentioned.”

“I have never pitched nor solicited feedback from FPL executives on any story or business venture. I have never received a story pitch from any FPL executive outside of typical corporate press releases sent to all media outlets, including the Miami Herald,” said Burgess, who records show only communicated with FPL’s intermediaries.

The documents obtained by the Herald included an unsigned draft of a confidentiality agreement that, if signed, would prevent Burgess from talking about his work with FPL’s contracted consultants.

OLD FRIENDS

Once the spokesperson for Gov. Rick Scott, Burgess founded the Capitolist after being shown the door of the governor’s office following a PR fiasco involving a rescue dog named Reagan.

Scott had adopted the Labrador in a show for cameras while on the campaign trail — and then quietly returned the canine without telling anyone after winning the election.

When a reporter at the Tampa Bay Times started asking questions about what had happened to Reagan, Burgess provided no answers, prompting the ire of animal lovers across the state.

The spokesperson broke his silence only after being asked if the beloved animal had been killed. Burgess still didn’t say what happened but responded with an email acknowledging “the potential for a PR nightmare if the Tampa Bay Times doesn’t receive a photo of Reagan next to today’s copy of the Tampa Bay Times.”

Eventually, the governor himself clarified the situation. Reagan had been given to a good home, Scott said.



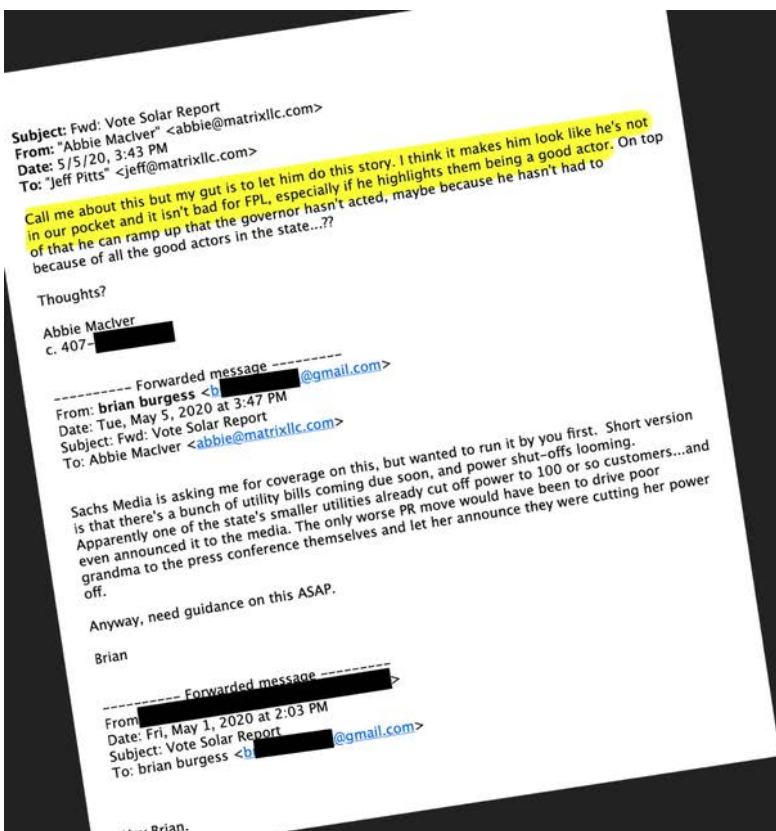
Reagan, the labrador retriever adopted by Gov. Rick Scott on the campaign trail, in an image posted to Facebook in September 2010, first reported by the Tampa Bay Times. *Tampa Bay Times*

Burgess spent the next several years developing the idea for a conservative news site to counteract what he saw as the media's "negative-by-default coverage of the state's most prominent political and business leaders."

The site went live in 2016.

It's unclear from the records reviewed by the Herald when FPL's consultants first got financially involved with the Capitolist. A copy of what appears to be an internal ledger kept by Matrix documents the first of several \$25,000 payments from FPL as being forwarded on to the Capitolist as early as January 2018.

Contracts and incorporation documents show FPL consultant Abigail MacIver is the sole owner of Metis Group LLC, the shell company that received money from FPL earmarked for the Capitolist in 2018, an internal ledger from Matrix shows. (McGrath, the FPL representative, denied the veracity of the ledgers.)



“

... let him do this story ... it makes him look like he's not in our pocket and it isn't bad for FPL ...

”

MacIver also signed the purchase option agreement with the Capitolist on Sept. 20, 2019. Per the contract, Metis paid \$50,000 for “executive control” over operations and a 1% ownership stake in the media company with the option to buy a controlling interest for a set price — \$195,000 — any time for the duration of the 18-month contract.

“Abbie has known Brian [Burgess] personally and professionally for more than a decade and was one of the earlier supporters of the Capitolist,” said Collins, the representative for MacIver in addition to other former Matrix employees. “She continues to encourage Brian, believes in what he is doing and remains a trusted friend and advisor to him.”

Collins declined to answer questions about MacIver’s work as a liaison between FPL and the Capitolist.

“She will not discuss any of the work she did at Matrix — through Metis or not — as that would be a violation of NDA/Confidentiality agreements,” he said.

‘NOT IN OUR POCKET’

The FPL consultants were careful to keep their fingerprints off the Capitolist.

They registered the companies involved with the Capitolist under the names of people who were not officially employed by FPL to keep the activities off the books of the publicly traded company, records show.

Emails show they once considered listing an executive of NextEra Energy, FPL's parent company, as the owner on the incorporation documents for SUN Marketing & Advertising, an FPL-funded company used to pay Fitzpatrick, the former executive working with the Capitolist. They listed Fitzpatrick instead after their attorney, Erika Alba, advised in an email that having a current executive for the power company could be a "potential issue."

"This is not a legal or tax issue," Alba said in the email dated Sept. 18, 2019. "It is an issue of whether FPL wants to risk [SUN Marketing's] assets/liabilities showing up on their balance sheet."



Eric Silagy, president and CEO of Florida Power & Light. MATIAS J. OCNER mocner@miamiherald.com

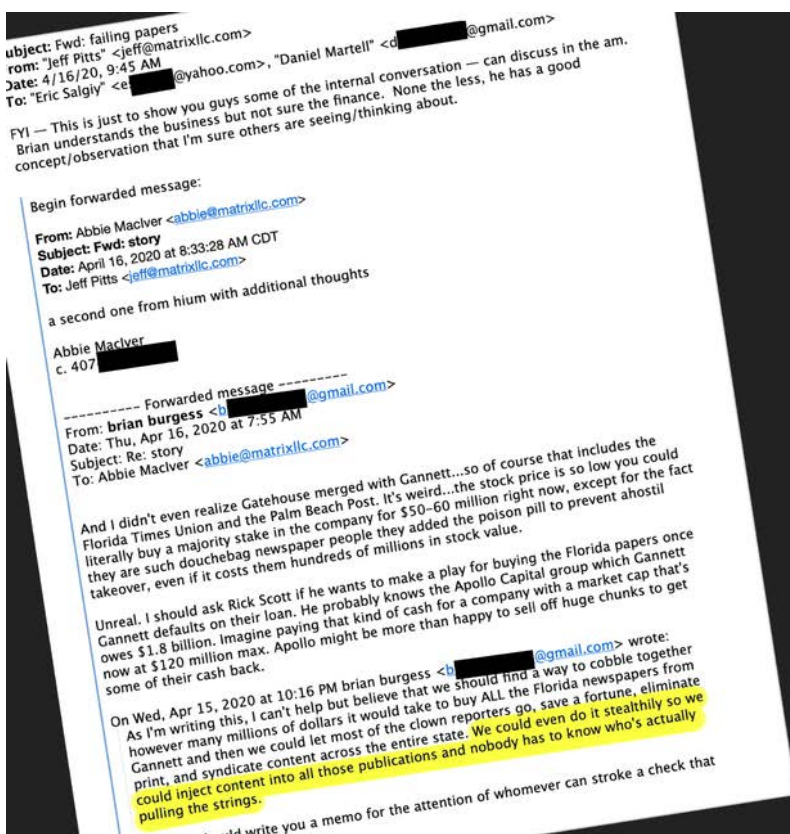
Emails show Burgess and the team of consultants often discussed the publication's credibility and perceived independence as the operation's true value.

To that end, MacIver weighed in to recommend a story pitched by Burgess on May 5, 2020. It was about how some utilities were gearing up to shut off some Floridians' power during the beginning of the pandemic over unpaid bills.

“Call me about this but my gut is to let him do this story,” MacIver wrote when she forwarded Burgess' pitch to Pitts, her boss at Matrix who served as the primary contact with FPL.

“I think it makes him look like he's not in our pocket and it isn't bad for FPL, especially if he highlights them as being a good actor,” she wrote.

A week later, the story ran with the headline “Floridians rack up an estimated \$335 million in unpaid utility bills. What should we do?” Within the bullet points of advice was a plug for an FPL initiative educating the public on how to reduce energy consumption.



“

We could even do it stealthily so we could inject content ... and nobody has to know who's actually pulling the strings.

”

Burgess also acknowledged the key to their business model when he wrote MacIver an email suggesting they find funding to secretly buy all of the USA Today-affiliated papers in Florida and then “let most of the clown reporters go ... and syndicate content across the entire state.”

“We could even do it stealthily so we could inject content into all those publications and nobody has to know who’s actually pulling the strings,” he suggested in the email dated April 16, 2020.

Pitts forwarded Burgess’ idea to Silagy’s gmail account.

“FYI — This is just to show you guys some of the internal conversation,” Pitts wrote to the head of FPL, calling it a “good concept.”

There is no further communication in the documents and no indication the strategy was seriously considered.

With enthusiastic approval from FPL’s top leaders, The Capitolist attacked the credibility of papers across the state, especially when they were critical of FPL. It referenced “Fake News” as often as possible, running headlines targeting individual reporters, accusing newspapers of unscrupulous funding structures and suggesting there might be corruption at play.



A story from the Capitolist attacks environmentalists, the Miami Herald and Herald Tallahassee bureau chief Mary Ellen Klas, whose hard-hitting coverage of FPL angered Eric Silagy, company chairman. The article does not divulge that FPL controlled the content of the Capitolist.

At Silagy's urging, the Capitolist frequently attacked the Herald, particularly Tallahassee bureau chief Mary Ellen Klas, whose hard-hitting coverage of FPL has angered Silagy.

Klas was made the punchline to one story about the Herald's parent company filing for bankruptcy protection as part of a corporate reorganization and another mocking coverage of a fundraiser for the Herald.

Calling it a "field day for the Capitolist," the CEO emailed the Matrix team an idea for visuals: "Maybe a cartoon of MEK with a tin cup on the street corner would be good?!"

The Capitolist ran an image in its newsletter of Klas' face crudely photoshopped onto the body of someone holding a cardboard sign that read, "Spare change for Fake News, Miami Herald reporter needs help."

THE SHADOW EDITOR

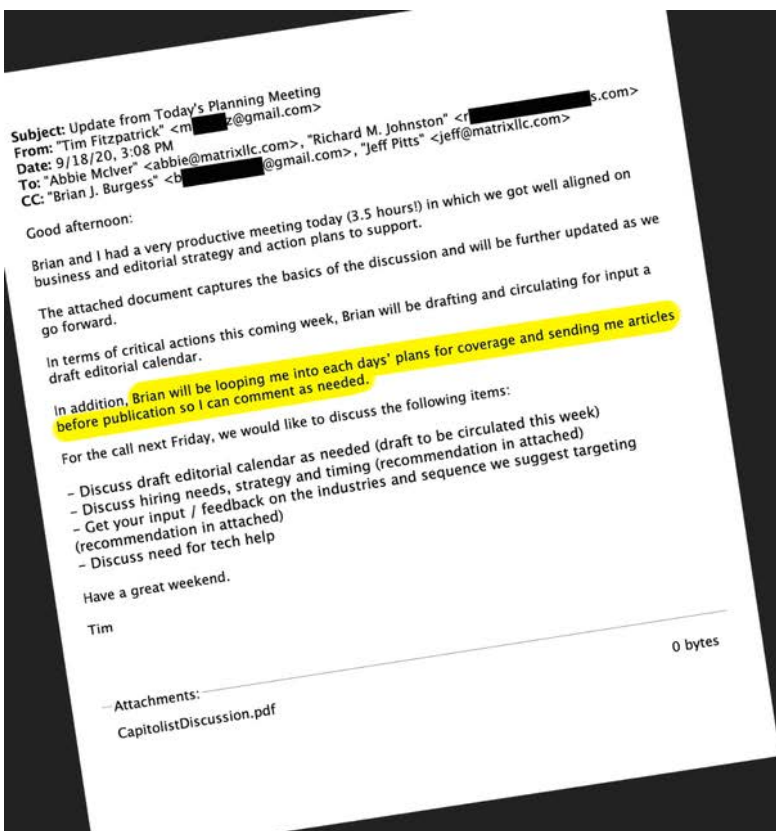
Secrecy was policy at the Capitolist — a fact formally acknowledged as Silagy and his consultants at Matrix considered buying a controlling interest in the media company.

The rules were laid out in an email sent to the team of consultants just after 10 a.m. on the second to last Sunday in 2020 by Fitzpatrick, the former VP and chief marketing and communications officer for the power company. The subject line began: "Confidential."

A few months before, Fitzpatrick had been tapped to serve as shadow editor for the Capitolist — tasked with turning the pugnacious, hard-right politics site into a credible, center-right publication that focused on the nexus of politics and business and consistently reached some of the most influential people in Tallahassee.

Fitzpatrick's Dec. 20 email contained a script for how the Capitolist team should handle potential media questions about sponsors (which were not to be revealed) and whether the Capitolist was involved in "pay to play" with its corporate backers (to which the scripted answer was "no" followed by turning the same question back on the reporter).

"We should simply ignore any other questions," Fitzpatrick wrote, "including any questions about ownership/management structure."



“

Brian will be looping me into each days' plans for coverage and sending me articles before publication so I can comment ...

”

While Silagy was kept informed of the overall business strategy headed into 2021, internal communications show Fitzpatrick ran the day-to-day operations at the Capitolist.

“Brian [Burgess] will be looping me into each days' (sic) plans for coverage and sending me articles before publication so I can comment as needed,” Fitzpatrick explained in an email shortly after he took the reins on Sept. 18, 2020.

Fitzpatrick did not respond to the Herald's multiple attempts to contact him, which included leaving a message with his wife.

As a VP of the power company more than a decade earlier, Fitzpatrick had been Silagy's right hand, directing an “aggressive public education initiative” to assist the president's efforts during a furious battle over a proposed rate increase in 2010, according to a series of open letters by a group of anonymous employees at the time.

The whistle-blowers accused Silagy and Fitzpatrick of keeping multiple sets of books and forcing employees in the communications department 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.”

The company launched an internal investigation but found nothing illegal. Fitzpatrick left FPL in 2013 to take a job at a California utility.

The Capitolist provides a platform for growth and message delivery in Florida

- The Capitolist is a four-year-old, Tallahassee-based digital media platform operated by Editor and Publisher Brian Burgess, former spokesperson to then-Gov. Rick Scott
- It operates a website, Facebook page and email newsletter
- Historically, The Capitolist's content has been mostly politically focused, often pugnaciously hard right on the political spectrum
- It offers advantages in that it has an existing infrastructure, respectably sized digital audience and awareness of it as a media entity in the digital space, and a history of effectively communicating important client messages
- It is currently primarily supported by a single major sponsor



Confidential & Proprietary

3

The Capitolist was an increasingly important resource for FPL, consultants working for the company noted in a 2021 strategy report prepared for Eric Silagy, president and CEO of the power company.

Since Fitzpatrick's return from California and takeover of operations at the Capitolist in September 2020, the number of headlines mentioning FPL and other energy-related topics more than doubled, according to an analysis by the Miami Herald.

Articles started making newsletters and daily media roundups from R Street, Real Clear Politics, and the Tampa Bay Times. Articles were shared by universities, retweeted by major political operatives, and cited in the footnotes of legal journals and a recent Florida Senate bill.

A PURCHASE AGREEMENT

By the second half of 2020, the Capitolist had proven itself an increasingly effective tool for FPL's consultants, who wanted to expand the operation.

"We have the opportunity to continue to increase its stature, credibility and influence with the state's influencers and decision-makers," declared a pitch deck labeled "SILAGYDISCUSSION."

Attorneys drafted a contract that would allow FPL to purchase a majority interest in the media company through Vision Insight, the company created in 2020 by Matrix

employees to operate the Capitolist.

With Silagy's approval, the consultants planned to finance the deal using what remained of a \$250,000 wire transfer made the previous year by FPL to SUN Marketing — which up until that point had largely been used to pay Fitzpatrick, bank logs show.

It's unclear from the documents provided to the Herald whether the deal was closed. The paper trail dried up when the consultants left Matrix. But some of the final records in the leak suggested that negotiations continued through the summer of 2021.

Burgess did not answer the Herald's question about who currently owns the Capitolist.

Antonia Hover

From: Beatrice Balboa <beatricebalboa@gmail.com>
Sent: Sunday, August 7, 2022 7:56 AM
To: Ellen Plendl
Subject: FPL reckless management of the electrical infrastructure in Southern Florida
Attachments: Power lines likely sparked Miami Gardens tree fire that injured 1 – WSVN 7News _ Miami News, Weather, Sports _ Fort Lauderdale.pdf

Sunday 7 August 2022 0800 hours

Ellen Plendl
Regulatory Consultant
Florida Public Service Commission
Office of Consumer Assistance & Outreach
1-800-342-3552 (phone)
1-800-511-0809 (fax)

To whom it may concern,

I am writing to express my ongoing deepest disappointment that the electrical utility industrial sector continues to mismanage the electrical infrastructure throughout the State of Florida despite given unfettered access to elected and appointed government officials and agencies in the furtherance of policies and agendas in pursuing poorly thought out sourcing of energy resources and a decidedly anti-consumer stance with the rate-paying public across the board. Ongoing investigations continue undercover the long-standing practices by these captains of industry to extract ever larger fees and electrical rates to aggrandize their oversized ambitions by direct and indirect political arrangements in backrooms.

The attached documentation clearly indicates the ongoing conditions of the electrical infrastructure in Southern Florida in which the ratepayers are in harm's way.

Please place these observations and articles in the appropriate docket to underscore the overwhelmingly calculated cold-hearted manner that these captains seem to influence the very elected/appointed representatives that should, instead, be seeking to comfort their constituents day-to-day hardships to pay for the aggrandizement of these out sized economic sectors.

Thank you for your time in these matters and hope to hear from you soon.

Sincerely,
Beatrice Balboa
1010 South Ocean Boulevard, Unit 1008
Pompano Beach, FL 33062-6631
USA

Power lines likely sparked Miami Gardens tree fire that injured 1

7 NEWS WSVN

AUGUST 6, 2022



MIAMI GARDENS, FLA. (WSVN) - Power lines likely caused a serious spark in Miami Gardens, leaving one person injured. Miami-Dade Fire Rescue crews responded to a tree fire in the area of Northwest 15th Avenue and 159th Street, Saturday morning. 7News cameras captured several MDR and Florida Power and Light vehicles at the scene. The blaze is believed to have started due to an electrical issue with the power lines.

The injured victim was taken to an area hospital for treatment. The fire remains under investigation.

Antonia Hover

From: Ellen Plendl
Sent: Tuesday, August 9, 2022 8:51 AM
To: 'Beatrice Balboa'
Subject: Consumer Inquiry - Florida Power & Light Company

Ms. Beatrice Balboa
beatricebalboa@gmail.com

Dear Ms. Balboa:

This is in response to your August 6 & 7 emails to the Florida Public Service Commission (FPSC) regarding Florida Power & Light Company (FPL).

We will add your feedback and the articles you shared to our public record.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Consultant
Florida Public Service Commission
Office of Consumer Assistance & Outreach
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Antonia Hover

From: Governor's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>
Sent: Monday, August 8, 2022 8:57 AM
To: EOG-Referral
Subject: FW: FPL in the news.

Please find attached email received by the Governor's Office of Citizen Services. This email is forwarded to your office for review and any response or action appropriate.

Thank you.

Sincerely,

Martha Lynn
Office of Citizen Services
Executive Office of the Governor

From: Gene Schulze <geneschulzephhd@yahoo.com>
Sent: Monday, August 1, 2022 4:33 PM
To: GovernorRon.DeSantis@eog.myflorida.com; Gene Schulze <geneschulzephhd@yahoo.com>
Subject: FPL in the news.

Dear Governor DeSantis,

My name is Gene Schulze and I am reaching out to you from Manatee County. Thank you for vetoing HB 741 and protecting Florida families from utility overreach, additional charges and our right to energy freedom.

I am very concerned about the unethical conduct of FPL in that corporation's effort to influence the actions of Florida's government. I hope the recent publicity will bring about some redirection in that corporation's conduct.

Gene Schulze

geneschulzephhd@yahoo.com

2205 88th Street Ct NW

Bradenton, FL 34209

Please note that under Florida law correspondence sent to the Governor's Office, which is not confidential or exempt pursuant to chapter 119 of the Florida Statutes, is a public record made available upon request.

Antonia Hover

From: Ellen Plendl
Sent: Tuesday, August 9, 2022 1:50 PM
To: 'geneschulzephhd@yahoo.com'
Subject: Consumer Inquiry - Florida Power & Light Company

Mr. Gene Schulze
geneschulzephhd@yahoo.com

RE: FPS Inquiry 1401274C

Dear Mr. Schulze:

The Governor's office forwarded a copy of your August 1 email regarding Florida Power & Light Company (FPL) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. We appreciate the opportunity to respond directly to you.

We will add your feedback to our public record.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Consultant
Florida Public Service Commission
Office of Consumer Assistance & Outreach
1-800-342-3552 (phone)
1-800-511-0809 (fax)