

Ms. Raquel Regalado, Board Member

SUBJECT: FPL RATE INCREASE

COMMITTEE: FISCAL ACCOUNTABILITY

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

Florida Power & Light, Inc. (FPL) recently asked the Florida Public Service Commission (PSC) to allow it to increase its base rates for the typical customer by \$13 a month over the next four years, which represents a \$1.3 billion increase statewide.

FPL provides electricity service to more than one million homes and businesses in Miami-Dade County, which accounts for the largest countywide share of FPL's 4.8 million customers in Florida.

Despite our state economy showing improvements, our county's median income has kept stagnant and many sectors of the population would be harshly impacted by this rate increase. For our school district, this rate increase would result in our electricity bill soaring to \$61.5 million in 2017, a 13 percent increase from \$54.6 million in 2016; and it is essential to note that if approved, this rate increase would adversely impact our ability to properly serve our students and pay our employees.

While FPL argues that it must increase rates to compensate for higher expenses and growth in population, opponents of the rate increase assert that the utility company can afford to make investments it needs to continue to operate an efficient and reliable system without requiring to increase rates on its customers. In addition, opponents have stated that the main reason FPL wants to increase rates is to reward its shareholders with higher profits and earn at the top of range. If approved, the FPL's rate increase would take effect in January 2017.

The PSC has scheduled public hearings around the state. The next hearings are set for June 27 in Miami, June 28 in Fort Lauderdale/Pembroke Pines, and June 29 in Miami Gardens. Final hearings will take place from August 22 through 31 in Tallahassee.

In an effort to continue to optimally serve our students and employees, this item asks that we officially oppose the electricity rate increases proposed by FPL.

This item does not appear on the published agenda. Good cause exists to vary from the published agenda because the opportunity for the School Board to take an official stance against the FPL increasing electricity rates arose after publication.

**ACTION PROPOSED BY
MS. RAQUEL REGALADO:**

That The School Board of Miami-Dade County, Florida, through the Superintendent, officially oppose the FPL's rate increase so that our District can properly serve our students and pay our employees.

**Good Cause
H-9**