

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, EXPRESSING ITS OPPOSITION TO FLORIDA POWER & LIGHT COMPANY'S ("FPL") REQUEST FOR APPROVAL OF AN APPROXIMATELY \$1.2 BILLION DOLLAR INCREASE IN CUSTOMERS' 2025 MONTHLY BILLS TO COVER THE COSTS OF RESTORING POWER AFTER HURRICANES DEBBY, HELENE, AND MILTON, AND TO REPLENISH A STORM RESERVE FUND; AND FURTHER, URGING THE PUBLIC SERVICE COMMISSION (PSC) TO EXPLORE ALTERNATIVE APPROACHES FOR ADDRESSING STORM RESTORATION COSTS AND RESERVE REPLENISHMENT THAT DO NOT PLACE AN ADDITIONAL BURDEN ON FPL'S CUSTOMERS; AND FURTHER, DIRECTING THE CITY CLERK TO TRANSMIT A COPY OF THIS RESOLUTION TO THE GOVERNOR OF FLORIDA, THE FLORIDA PUBLIC SERVICE COMMISSION, AND THE FLORIDA LEAGUE OF CITIES.

WHEREAS, Florida Power & Light Company ("FPL") has filed a request with the Florida Public Service Commission ("PSC") seeking approval for an approximately \$1.2 billion increase in customer bills, in 2025, to cover the costs associated with restoring power after Hurricanes Debby, Helene, and Milton, as well as to replenish FPL's storm reserve fund; and

WHEREAS, this proposed rate increase would result in a significant financial burden on FPL customers, many of whom are already experiencing financial challenges due to inflation, rising costs of living, and other economic pressures; and

WHEREAS, the requested rate increase would further impact residents of the City of Miami Beach ("City"), many of whom are seniors, lower-income families, and/or small business owners, who rely on affordable utility costs for economic stability; and

WHEREAS, the City is committed to advocating for the welfare of its residents and to opposing rate increases that may impose undue financial hardship on the community; and

WHEREAS, FPL's request raises concerns regarding the transparency of its expenditure of prior storm reserve funds and whether more cost-effective methods for storm restoration and reserve replenishment have been adequately explored and addressed; and

WHEREAS, FPL, which is as America's largest electric utility and serves more customers and sells more power than any other utility, is a subsidiary of Juno Beach, Florida-based NextEra Energy, Inc. (NYSE: NEE); and

WHEREAS, NextEra Energy is ranked number one (1) in the electric and gas utilities industry in Fortune's 2023 list of "World's Most Admired Companies" and is also recognized on Fortune's 2021 list of companies that "Change the World"; and

WHEREAS, in 2021, FPL secured a three (3) year settlement that entitled it to the largest electric rate increase in Florida history, although the settlement (which was approved by PSC) still remains tied up in the Supreme Court of Florida ("Supreme Court"); and

WHEREAS, part of that settlement established that FPL had the right to collect a return on equity (a profit margin) that effectively amounted to 11.8 percent, far higher than the national

average and above what the PSC had established for Duke and Tampa Electric in their own rate hearings — a fact was referenced in court filings arguing that FPL's increase was grossly excessive; and

WHEREAS, the Supreme Court heard oral arguments in the case (Case No. SC2024-0485) on October 8, 2024, but has not yet ruled in the matter; and

WHEREAS, FPL this spring just finished recovering about \$1.3 billion in storm-restoration costs primarily related to Hurricanes Ian and Nicole in 2022, according to a recent Securities & Exchange Commission filing; and

WHEREAS, the PSC has the responsibility to ensure that utility rate increases are just, reasonable, and in the public interest, particularly in light of FPL's financial resources and profit margins; and

WHEREAS, the Mayor and City Commission of the City of Miami Beach urge the PSC to prioritize the financial well-being of Florida's residents and to critically evaluate FPL's request in light of its potential impacts on customer affordability and economic stability.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA that the Mayor and City Commission hereby formally express its opposition to Florida Power & Light Company's ("FPL") request for approval of an approximately \$1.2 billion dollar increase in customers' 2025 monthly bills to cover the costs of restoring power after Hurricanes Debby, Helene, and Milton, and to replenish a storm reserve fund; and further, urge the PSC to explore alternative approaches for addressing storm restoration costs and reserve replenishment that do not place an additional burden on FPL's customers; and further, direct the City Clerk to transmit a copy of this resolution to the Governor of Florida, the Florida Public Service Commission, and the Florida League of Cities.

PASSED and ADOPTED this _____ day of _____, 2024.

ATTEST:

Steven Meiner, Mayor

Rafael E. Granado, City Clerk

(Sponsored by Vice-Mayor Alex J. Fernandez)

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney
MAF

11/12/2024

Date