

Florida's Affordable Energy Crisis: Rate Hikes and Raw Deals

As Florida enters mid-summer, temperatures are not the only thing reaching new heights¹—so are electricity bills and utility profits. Bills for typical residential customers of Florida's three largest investor-owned utilities (IOUs) were higher at the start of 2026 compared to a year earlier.² Even if residential customers cut back on summer electricity use, they may still see their bills rise. This exacerbates a long-term affordability crisis for Floridians, as residential electricity bills were already up between 40% and 80% since 2021.³ Florida's continued reliance on natural gas and other fossil fuel sources for electricity keep customers exposed to price shocks in volatile energy markets.⁴ Meanwhile, TECO and other Florida utilities are raking in profits above the industry average.⁵ Clearly, corporate profits are currently valued more than energy affordability across the state.

Utility Rates Have Continued to Increase

Florida's energy affordability crisis affects customers regardless of their electricity provider. From January 2021 to January 2026, typical residential bills (not including taxes and fees) increased by:

- \$57.35 per month (\$688.20 per year) for Duke Florida customers—a 45% increase.
- \$39.08 per month (\$468.96 per year) for FPL customers—a 42% increase.
- \$77.22 per month (\$926.64 per year) for TECO customers—an 81% increase.⁶

In contrast, inflation rose 24% over the same period.⁷ This means that Duke and FPL's customer bills rose nearly twice as much as inflation, and TECO's over three times as much. These unjustifiable increases point to corporate greed as a driving factor.

Food & Water Watch examined the per-customer cost in June 2025 for 182 IOUs with reported data. TECO and Duke were among the top seven, while FPL was in the top 30.⁸ To add insult to injury, bills for Duke, FPL, and TECO continued to rise, with Duke and TECO bills increasing by over 20% between January 2025 and January 2026.⁹ On top of this, Florida electricity customers experienced the second highest rate of electricity customer disconnections in 2024.¹⁰

Fossil Fuels and Corporate Greed Drive the Affordability Crisis

Florida relies heavily on fossil fuels for electricity generation, with natural gas accounting for over 70% of the state's electricity generation in the first quarter of 2026.¹¹ This is an affordability issue, as IOUs pass on their high fuel costs directly to customers.¹² In March 2026, natural gas prices in some parts of the world reached their highest levels since December 2022, with shocks expected to last through 2030 due to the ongoing US conflict with Iran.¹³ And while natural gas prices in the United States have been relatively insulated from global price shocks, Florida utilities purchase their fuel, including natural gas, from open markets where prices are unregulated.¹⁴ Therefore, significant shocks to the global natural gas market will likely have effects on domestic prices, especially as the full extent of the energy shocks from the Iran conflict have yet to be realized.¹⁵

At the same time, Florida's three largest IOUs are raking in hundreds of millions, if not billions, of dollars per year in profit.¹⁶ According to the Energy & Policy Institute (EPI), the profit rate for IOUs in 2025 rose to 14.6%, compared to 12.8% during the period 2021–2024. In 2025, Duke, FPL, and TECO all reported profit rates higher than the national average, with FPL's 2025 rate of profit exceeding 27%—the highest rate in the country, according to EPI.¹⁷ This means that the typical FPL residential customer using 1,000 kilowatt-hours of electricity per month is paying \$37.49 each month that goes directly to FPL's profits. This is equivalent to nearly \$450 per year that residential customers are forking over for corporate profits.¹⁸

Conclusion

Florida's energy landscape currently values corporate profits over energy affordability for the average household, while relying on volatile and dirty fossil fuels to power the grid. As Florida is expected to experience increasingly hotter summer days in the coming years,¹⁹ it is vital that the largest energy providers in the state are held accountable to the Floridians they serve.

Endnotes

- 1 Anna Skinner, "Map Shows Where Florida Temperature Records 'Demolished,'" *Newsweek*, June 1, 2026.
- 2 Florida Public Service Commission (PSC), "Florida Investor-Owned Electric Utilities Total Cost for 1,000 Kilowatt Hours—Residential Service," January 2025; Florida PSC, "Florida Investor-Owned Electric Utilities Total Cost for 1,000 Kilowatt Hours—Residential Service," January 2026; "Electric Utility Level Data," US Energy Information Administration (EIA), dataset for 2024, <https://www.eia.gov/analysis/requests/residential/utility>.
- 3 *Comparative Rate Statistics* (Florida PSC, 2020), A-1; Florida PSC, *Residential Service*, 2026.
- 4 "Net Electricity Generation (Utility-Scale) by Energy Source, Monthly," EIA, <https://www.eia.gov/states/FL/data/dashboard/electricity>; Justin Worland, "The Bigger Energy Lesson Behind Iran's Control Over the Strait of Hormuz," *Time Magazine*, April 17, 2026.
- 5 Daniel Tait et al., *Paying for Their Profits: How Ratepayers Foot the Bill for Soaring Utility Profits* (Energy & Policy Institute, 2026), 3; *NextEra Energy, Inc. FY 2025 Annual Report* (NextEra Energy, Inc. Form 10-K, 2025), 67, <https://www.investor.nexteraenergy.com/~media/Files/N/NEE-IR/NEE%202025%2010-K.pdf>; *Tampa Electric Company FY 2025 Annual Report* (Tampa Electric Company Form 10-K, 2025), 32, <https://www.floridapsc.com/pscfiles/library/Financials/EI806-DOCS/ANNUAL-REPORTS/EI806-25-AR.pdf>; *Duke Energy Corporation FY 2025 Annual Report* (Duke Energy Corporation Form 10-K, 2025), 99, <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001326160/78e6edff-633f-496a-be26-678897adf9a3.pdf>.
- 6 *Comparative Rate Statistics*, A-1; Florida PSC, *Residential Service*, 2026.
- 7 CPI Inflation Calculator, US Bureau of Labor Statistics (BLS), https://www.bls.gov/data/inflation_calculator.htm.
- 8 "Form EIA-861M (Sales and Revenue)," EIA, dataset for 2025, <https://www.eia.gov/electricity/data/eia861m>.
- 9 Florida PSC, *Residential Service*, 2025; Florida PSC, *Residential Service*, 2026.
- 10 "Electric Utility Level Data."
- 11 "Net Electricity Generation."
- 12 Maggie Shober and Stephen A. Smith, "Digging into the Rate Case: Lowering Fuel Cost Is Key to Affordability," *Southern Alliance for Clean Energy*, August 22, 2025.
- 13 "LNG Prices Could Go Higher in Significant Volatility, Uniper Executive Says," *Reuters*, June 3, 2026.
- 14 Mike Soraghan, "Why Natural Gas Bills Aren't Rising Like Prices at the Pump," *E&E News*, March 20, 2026; *Summary of Changes to Electric Utility Rates and Charges* (Florida PSC, 2023).
- 15 Samantha Gross, "The Iran Conflict's Energy Shocks Are Not Yet Fully Realized," *Brookings*, April 1, 2026.
- 16 *NextEra Energy, Inc. Annual Report*, 67; *Tampa Electric Company Annual Report*, 32; *Duke Energy Corporation Annual Report*, 99.
- 17 Tait et al., *Paying for Their Profits*, 3; *NextEra Energy, Inc.*, 67; *Tampa Electric Company*, 32; *Duke Energy*, 99.
- 18 Tait et al., 3.
- 19 Amirreza Nemat Mansour et al., "Exceedance Probability Model for Predicting the Frequency of Summer Hot Day Patterns and Temperature Variability in Florida," *Science of the Total Environment* 970 (March 2025): abstract, <https://doi.org/10.1016/j.scitotenv.2025.179000>.