

Exhibit E - Public

TESTIMONY

of

MATTHEW BOYKIN

on behalf of

GRIDLIANCE LOUISIANA, LLC

PUBLIC VERSION

March 7, 2025

LPSC DOCKET NO.

EXHIBIT

1 **I. INTRODUCTION**
2

3 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

4 A. My name is Matthew Boykin. My business address is 700 Universe Boulevard, Juno
5 Beach, Florida 33408.

6

7 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

8 A. I am a Senior Director, Business Management for NextEra Energy Transmission, LLC
9 ("NEET").

10

11 Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE.

12 A. I am a Certified Public Accountant with over 15 years of experience in utility regulatory
13 accounting. My previous employment includes working at Bank of America as a small
14 business banker and as a regulatory accountant at Florida Power & Light Company
15 ("FPL"). While at FPL, I was a member of a team responsible for maintaining the books
16 and records of projects designed to increase the capacity of FPL's existing nuclear fleet
17 (nuclear uprates) and its Turkey Point nuclear project in south Florida. In addition, the team
18 prepared the schedules and accounting support for the annual rate proceedings before the
19 Florida Public Service Commission related to FPL's nuclear projects. Following my role
20 at FPL, I held the regulatory accounting manager position at NEET. In that capacity, I was
21 responsible for the books and records of NEET's regulated subsidiaries. I also had

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1 responsibility for the books and records of NextEra Energy, Inc.'s ("NextEra Energy")
2 regulated gas pipeline projects.

3 In my current position, I am part of the Business Management team for NEET and its
4 subsidiaries, including GridLiance Louisiana, LLC ("GLL"). In this role, my
5 responsibilities include managing all financial activities for the transmission development
6 business unit, including accounting and financial reporting, budgeting and financial
7 planning, and corporate development analytics. Business Management is also responsible
8 for directing the compliance function and leading the preparation of State, Regional
9 Transmission Organization, and Federal Energy Regulatory Commission revenue
10 requirement filings.

11 A copy of my resume is provided as Exhibit MB-1.
12

13 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

14 A. I am testifying for GLL, an indirect wholly owned subsidiary of NEET.

15
16 Q. HAS THIS TESTIMONY BEEN PREPARED BY YOU OR UNDER YOUR
17 SUPERVISION?

18 A. Yes.
19

20 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE LOUISIANA PUBLIC
21 SERVICE COMMISSION ("LPSC")?

22 A. No.

1

2

3

4 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

5 A. The purpose of my testimony is to provide: (1) an overview the financial capabilities of
6 NextEra Energy, NEET, and GLL and (2) address the following factors set forth in the
7 LPSC 1994 General Order: 3 and 17.

8

9 Q. ARE YOU SPONSORING ANY EXHIBITS WITH YOUR TESTIMONY?

10 A. Yes, Exhibit MB-1

11

12 **II. OVERVIEW OF FINANCIAL CAPABILITIES OF NEXTERA ENERGY,**
13 **NEET, AND GLL**

14

15 Q. PLEASE PROVIDE AN OVERVIEW OF NEXTERA ENERGY, NEET, AND GLL.

16 A Fortune 200 company, NextEra Energy's March 31, 2024 balance sheet included over
17 \$179.9 billion of total assets and over \$58 billion of total equity. NextEra Energy maintains
18 strong investment-grade credit ratings, with corporate credit ratings of "A-" from both S&P
19 Global Ratings ("S&P") and Fitch Ratings, Inc. ("Fitch Ratings"), and a "Baa1" rating
20 from Moody's Investor Services ("Moody's"). NextEra Energy has the largest credit
21 facility in the industry and robust financial liquidity. Diverse banking relationships have
22 enabled the company to secure approximately \$49 billion (as of March 31, 2024) in credit
23 from close to 100 banks that span 20 countries and five continents.

1 Another relevant subsidiary of NextEra Energy is NextEra Energy Capital Holdings, Inc.
2 (“NEECH”). NEECH is a direct wholly-owned subsidiary of NextEra Energy that holds
3 direct or indirect ownership interests in, and is a source of funding for, NextEra Energy’s
4 operating subsidiaries, other than FPL, including NEET. NEET is an indirect subsidiary
5 of NEECH. NEET was formed by NextEra Energy in 2007 to apply NextEra Energy’s
6 experience and resources in developing, acquiring, owning, and operating transmission
7 facilities to projects across the U.S. and Canada.

8 **A. FINANCIAL CAPACITIES**
9

10 Q. PLEASE DESCRIBE NEET’S FINANCIAL QUALIFICATIONS.
11

12 A. The purchase price for the Proposed Transaction is [REDACTED]
13 [REDACTED] subject to a true-up prior to closing. GLL will fund this price through
14 an equity contribution from its indirect parent company, NEECH, using NEECH’s
15 operating cash flow, cash on hand, or currently available credit. NEECH has sufficient
16 financial resources to support the Proposed Transaction. As of March 31, 2024, NEECH
17 has approximately \$16.1 billion in net available liquidity. NEECH enjoys access to credit
18 and the capital markets to meet its capital requirements, in addition to substantial operating
19 cash flows. NEECH has access to and regularly secures financing in public and private
20 debt capital markets for itself and on behalf of certain NextEra Energy operating
21 subsidiaries. NEECH maintains strong investment grade credit ratings. NEECH’s current
22 corporate credit ratings are as follows:

Table 1 NEECH's current corporate credit ratings

Company	Moody's	S&P	Fitch Ratings
NEECH	Baa1	A-	A-

Through the diligent efforts of its experienced financing team and established relationships with many domestic and international financial institutions, NextEra Energy and its subsidiaries have successfully raised approximately \$83.2 billion of debt and equity capital during the period 2018 through 2023. NEECH has significant experience financing rate-regulated businesses. One example is the \$387 million construction financing for NEET's operating utility subsidiary in Texas, Lone Star Transmission, LLC, which allowed the startup utility to develop and construct a more than \$700 million greenfield high voltage transmission line in Texas. Another example is NEECH's successful financing of approximately \$990 million through three transactions for NextEra Energy's Sabal Trail Transmission and Florida Southeast Connection natural gas pipelines. NEECH also successfully financed the approximately \$660 million acquisition of the GridLiance companies in 2021. Through NEET's access to capital provided by NEECH and given NEECH's proven track record in executing project financings, NEET has the financial capability to acquire, own, and operate the transferred Transmission Assets.

Q. DOES GLL HAVE ACCESS TO SUFFICIENT CAPITAL TO FUND THE UPDATE AND REPLACE PLAN SET FORTH IN EXHIBIT 2 OF MR. PATRICK JEHRING'S TESTIMONY?

1 A. Yes. The proposed Update and Replace Plan as presented by Mr. Jehring includes capital
2 upgrades, capital upgrades which, as explained herein, GLL has access to through NEECH.

3 Q. PLEASE ADDRESS FACTOR 3 FROM GENERAL ORDER 1994: WHETHER THE
4 TRANSFER WILL MAINTAIN OR IMPROVE THE FINANCIAL CONDITION OF
5 THE RESULTING PUBLIC UTILITY OR COMMON CARRIER?

6 A. The Proposed Transaction will improve the financial condition of Southwest Louisiana
7 Electric Membership Corporation ("SLEMCO"). The Proposed Transaction includes a
8 purchase premium, which SLEMCO would not otherwise receive. Additionally, to the
9 extent that the Transmission Assets require upgrades, SLEMCO will benefit from GLL's
10 ability, through its affiliates, to raise capital, which results in SLEMCO forgoing the need
11 to incur debt to pay for the upgrading of the Transmission Assets. Also, GLL, not
12 SLEMCO, will be responsible for compliance with North American Electric Reliability
13 Corporation ("NERC") Reliability Standards and any applicable SERC Reliability
14 Corporation regional standards applicable to the Transmission Assets, which benefits
15 SLEMCO financially as discussed in Mr. Jehring's testimony. For example, GLL will
16 operate the Transmission Assets at MISO's direction from an existing control center in
17 Austin, TX, with NERC certified operators, which also saves SLEMCO the cost of
18 constructing a control center and hiring NERC certified operators.

19
20 Q. PLEASE ADDRESS FACTOR 17 FROM GENERAL ORDER 1994: THE MANNER OF
21 FINANCING THE TRANSFER AND ANY IMPACT THAT MAY HAVE ON
DIRECT TESTIMONY OF MATTHEW BOYKIN

1 ENCUMBERING THE ASSETS OF THE ENTITY AND THE POTENTIAL IMPACT
2 ON RATES.

3 A. The manner in which the transfer of the Proposed Transaction will be financed will not
4 result in the encumbrance of the Transmission Assets, and, thus, no encumbrance will
5 impact rates.

6 Q. DOES THIS CONCLUDE YOUR PREFILED DIRECT WRITTEN TESTIMONY?

7 A. Yes.

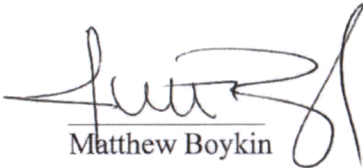
BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

DOCKET NO. U-

SOUTHWEST LOUISIANA ELECTRIC MEMBERSHIP CORPORATION AND
GRIDLIANCE LOUISIANA, LLC'S JOINT APPLICATION

AFFIDAVIT OF WITNESS

I, Matthew Boykin, being duly sworn, depose that the Direct Testimony in the above referenced matter on behalf of GridLiance Louisiana, LLC is true and correct to the best of my knowledge, information and belief.


Matthew Boykin

Subscribed and sworn before me on February 26 2025

