



# Florida Public Service Commission **SPECIAL REPORT**

SEPTEMBER 2013

Petition for rate increase by  
**Gulf Power Company**

DOCKET NO. 130140-EI

*On July 12, 2013, Gulf Power Company (Gulf) filed a petition with the Florida Public Service Commission (PSC or Commission) for a rate increase. Gulf provides electric service to more than 438,000 customers in 8 Northwest Florida counties.*

## QUESTIONS & ANSWERS

### **1 Is there an opportunity for public input on this rate case?**

Yes. As part of the evaluation process for Gulf's rate request, the Commission will conduct two customer service hearings to allow customer feedback about Gulf and the rate-setting process. Customer comments, written and oral, will be taken into consideration before the Commission reaches a decision. Commissioners will attend and participate during the customer service hearings.

### **2 Why is Gulf requesting a rate increase?**

Gulf states that it is requesting a rate increase to cover increasing operating costs and for an opportunity to earn a fair rate of return on its investment.

### **3 When was Gulf's last approved base rate increase?**

Gulf's last approved base rate increase was in 2012.

### **4 Presently, how much is the monthly electric bill for a residential customer using 1,000 kilowatt-hours (kwh)?**

Currently, the monthly electric bill for a residential customer using 1,000 kwh is \$118.88.

#### **CUSTOMER SERVICE HEARINGS**

**Tuesday, September 3, 2013  
4:00 p.m. CST**

Pensacola State College  
Hagler Auditorium  
1000 College Boulevard  
(corner of Underwood Ave. and Ninth Ave.)  
Pensacola, FL 32504

**Wednesday, September 4, 2013  
10:00 a.m. CST**  
Edgewater Beach Conference Center  
11212 Front Beach Road  
Panama City Beach, FL 32407

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## 5 Using Gulf's proposed rates, how much would the monthly electric bill be for a residential customer using 1,000 kwh?

Under Gulf's proposal, the monthly electric bill for a residential customer using 1,000 kwh would be \$127.82.

## 6 What would be the proposed monthly electric bill for a residential customer using 1,000 kwh if Gulf is granted a step increase in 2015?

If the Commission does not approve recovery of certain costs through the Environmental Cost Recovery Clause, but grants recovery through base rates as requested in this docket, then the 1,000 kwh residential monthly electric bill would be \$129.81, effective July 2015.

## 7 What if I cannot attend the customer service hearings or prefer not to speak? Are there other ways to comment on this case?

Any person who wants to comment or provide information to the Commission regarding this matter may do so orally at the hearings or in writing.\* Written comments should be mailed to:

Florida Public Service Commission  
Office of Commission Clerk  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

The PSC will also accept faxes and e-mails.

Fax number: 1-800-511-0809

Internet e-mail address:  
*contact@psc.state.fl.us*

Please be sure to include the  
Docket Number, **130140-EI**.

Customer comments are placed on the correspondence side of the docket file and are taken into consideration by the Commissioners in reaching their decision. In accordance with Florida Statutes, the PSC will also consider Gulf's quality of service and other matters. If you have questions, contact the Florida Public Service Commission's Office of Consumer Assistance & Outreach at 1-800-342-3552.

*\* Any e-mail or other correspondence sent to a Florida Public Service Commissioner, or any other public official and/or employee of the PSC, in the transaction of public business is considered a public record and is subject to Florida's Public Records Law. This means that Florida law generally requires the PSC to provide a copy of any such e-mail or correspondence, upon request, for inspection and copying to any Florida citizen or to any member of the media.*

## 8 Who can answer technical or legal questions?

**For technical questions, contact:**

Andrew Maurey  
(850) 413-6465

Laura King  
(850) 413-6588

Paul Vickery  
(850) 413-6592

**For legal questions, contact:**

Suzanne Brownless  
(850) 413-6218

## 9 Where on the Internet can I obtain more detailed information?

Detailed docket information is available on the PSC website at [www.floridapsc.com](http://www.floridapsc.com). Click on **Clerk's Office/Dockets** and then type in the Docket Number, **130140-EI**.

## 10 When will the PSC make a decision?

The PSC staff is scheduled to file a recommendation with the Commission regarding revenue requirements on February 14, 2014. The Commissioners are expected to vote on revenue requirements at the February 26, 2014 Commission Conference.

The PSC staff is scheduled to file a recommendation with the Commission regarding rates on March 5, 2014. The Commissioners are expected to vote on rates at the March 11, 2014 Commission Conference.

## PSC Commissioners



COMMISSIONER  
Eduardo E. Balbis



COMMISSIONER  
Lisa Polak Edgar



CHAIRMAN  
Ronald A. Brisé



COMMISSIONER  
Art Graham



COMMISSIONER  
Julie I. Brown

### Gulf Power Company Monthly Residential Bills at Various Usage Levels

	Utility Present Rates	Utility Proposed Rates*	Proposed Step Increase Rates**
<b>1,000 kwh</b>			
Base Rate Charge	\$ 58.13	\$ 66.84	\$ 68.78
Fuel and Purchased Power Cost Recovery Clause	\$ 38.32	\$ 38.32	\$ 38.32
Other Cost Recovery Clauses	\$ 19.46	\$ 19.46	\$ 19.46
Gross Receipts Tax	\$ 2.97	\$ 3.20	\$ 3.25
<b>Total</b>	<b>\$ 118.88</b>	<b>\$ 127.82</b>	<b>\$ 129.81</b>
<b>1,200 kwh</b>			
Base Rate Charge	\$ 66.76	\$ 76.61	\$ 78.82
Fuel and Purchased Power Cost Recovery Clause	\$ 45.98	\$ 45.98	\$ 45.98
Other Cost Recovery Clauses	\$ 23.35	\$ 23.35	\$ 23.35
Gross Receipts Tax	\$ 3.49	\$ 3.74	\$ 3.80
<b>Total</b>	<b>\$ 139.58</b>	<b>\$ 149.68</b>	<b>\$ 151.95</b>
<b>1,500 kwh</b>			
Base Rate Charge	\$ 79.70	\$ 91.26	\$ 93.87
Fuel and Purchased Power Cost Recovery Clause	\$ 57.48	\$ 57.48	\$ 57.48
Other Cost Recovery Clauses	\$ 29.20	\$ 29.20	\$ 29.20
Gross Receipts Tax	\$ 4.27	\$ 4.56	\$ 4.63
<b>Total</b>	<b>\$ 170.65</b>	<b>\$ 182.50</b>	<b>\$ 185.18</b>

\* Utility proposed rates effective April 2014.

\*\* Proposed step increase rates effective July 2015.

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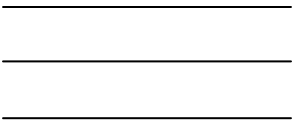
## Gulf Power Company Monthly Residential Bills at Various Usage Levels

	Utility Present Rates	Utility Proposed Rates*	Proposed Step Increase Rates**
<b>2,000 kwh</b>			
Base Rate Charge	\$ 101.26	\$ 115.68	\$ 118.96
Fuel and Purchased Power Cost Recovery Clause	\$ 76.64	\$ 76.64	\$ 76.64
Other Cost Recovery Clauses	\$ 38.92	\$ 38.92	\$ 38.92
Gross Receipts Tax	\$ 5.56	\$ 5.93	\$ 6.01
<b>Total</b>	<b>\$ 222.38</b>	<b>\$ 237.17</b>	<b>\$ 240.53</b>
<b>3,000 kwh</b>			
Base Rate Charge	\$ 144.39	\$ 164.52	\$ 169.14
Fuel and Purchased Power Cost Recovery Clause	\$ 114.96	\$ 114.96	\$ 114.96
Other Cost Recovery Clauses	\$ 58.38	\$ 58.38	\$ 58.38
Gross Receipts Tax	\$ 8.15	\$ 8.66	\$ 8.78
<b>Total</b>	<b>\$ 325.88</b>	<b>\$ 346.52</b>	<b>\$ 351.26</b>

\* Utility proposed rates effective April 2014.

\*\* Proposed step increase rates effective July 2015.





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Florida Public Service Commission  
Office of Commission Clerk  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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