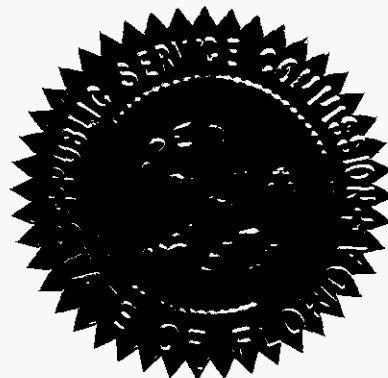


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090079-EI

In the Matter of:

PETITION FOR INCREASE IN RATES BY
PROGRESS ENERGY FLORIDA, INC.



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PROCEEDINGS: APALACHICOLA SERVICE HEARING

COMMISSIONERS PARTICIPATING: CHAIRMAN MATTHEW M. CARTER, II
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER KATRINA J. McMURRIAN
COMMISSIONER NANCY ARGENZIANO
COMMISSIONER NATHAN A. SKOP

DATE: Thursday, July 30, 2009

TIME: Commenced at 1:00 p.m.
Concluded at 3:13 p.m.

PLACE: Apalachicola Community Center
1 Bay Drive
Apalachicola, Florida 32320

REPORTED BY: JANE FAUROT, RPR
Official FPSC Reporter
(850) 413-6732

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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4 Petersburg, Florida 33733-4042, appearing on behalf of
5 Progress Energy Service Company.

6 ROBERT SCHEFFEL WRIGHT, ESQUIRE, c/o Young Law
7 Firm, 225 South Adams Street, Suite 200, Tallahassee,
8 Florida 32301, appearing on behalf of the Florida Retail
9 Federation.

10 CECILIA BRADLEY, ESQUIRE, Attorney General's
11 Office, The Capitol - PL01, Tallahassee, Florida
12 32399-1050, appearing on behalf of the Citizens of the
13 State of Florida.

14 CHARLES REHWINKEL, ESQUIRE, Office of Public
15 Counsel, c/o The Florida Legislature, 111 W. Madison
16 Street, Room 812, Tallahassee, Florida 32399-1400,
17 appearing on behalf of the Citizens of the State of
18 Florida.

19 CAROLINE KLANKE, ESQUIRE, FPSC, General
20 Counsel's Office, 2540 Shumard Oak Boulevard,
21 Tallahassee, Florida 32399-0850, appearing on behalf of
22 the Commission Staff.

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Letter from Chairman
Parrish, Board of
County Commissioners
of Franklin County

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COMMISSIONER EDGAR: Good afternoon.

I call this customer hearing to order. My name is Lisa Edgar. Our Chairman, Commissioner Carter, was not able to join us today, so I will be helping to move things along. Before we go any further, let me ask our staff to read the notice.

MS. KLANCKE: By notice, this time and place has been set for a customer service hearing in Docket Number 090079-EI, petition for rate increase by Progress Energy Florida, Inc.

COMMISSIONER EDGAR: Thank you.

And I would like to ask my colleague to introduce herself; Commissioner.

COMMISSIONER McMURRIAN: Hi. I'm Katrina McMurrian, and I'm happy to be here with you all today, and we look forward to hearing your comments about the petition that's before us. So thank you all for coming.

COMMISSIONER EDGAR: Thank you.

And Commissioner Nancy Argenziano is going to join us by phone. I'm not sure if she is with us, so let me ask.

Commissioner Argenziano, are you with us yet? Not net. So I'm sure she will be joining us shortly.

A couple of preliminary matters. We have some

1 procedural things to do and to go through. To my left
2 are members of our staff that will be helping us, and
3 will be able to answer any questions or points that may
4 arise. To my right is Office of Public Counsel and we
5 will go ahead and take appearances.

6 And, let's see, let's start with Mr. Glenn.

7 **MR. GLENN:** Alex Glenn on behalf of Progress
8 Energy Florida.

9 **COMMISSIONER EDGAR:** In the microphone,
10 please. I'm sorry, Alex.

11 **MR. GLENN:** Alex Glenn on behalf of Progress
12 Energy Florida.

13 **MR. REHWINKEL:** Charles Rehwinkel on behalf of
14 Office of Public Counsel.

15 **COMMISSIONER ARGENZIANO:** (Inaudible.)

16 **MR. WRIGHT:** Schef Wright on behalf of the
17 Florida Retail Federation.

18 **COMMISSIONER EDGAR:** Commissioner Argenziano,
19 there you are. Why don't you go right ahead and
20 introduce yourself, please.

21 **COMMISSIONER ARGENZIANO:** Yes. Thank you.
22 There seemed to be a mix up on the numbers to call in,
23 and I was listening to some advertisement for awhile.

24 **COMMISSIONER EDGAR:** Well, we are just getting
25 started.

1 **COMMISSIONER ARGENZIANO:** Okay, great. I'm
2 just thankful for everybody that's showing up to the
3 hearing. And whoever is there, I can't see you, but I'm
4 glad that you are there. We are your Public Service
5 Commission. Sorry I can't be there. I fractured my leg
6 a while ago, and it's just being very stubborn, and I
7 couldn't be there, but I'm thankful to be there by
8 phone, and will be there to hear everyone. And, again,
9 thank you. We are here to take your comments. Thank
10 you.

11 **COMMISSIONER EDGAR:** Thank you, Commissioner.

12 And thank you all for coming. We are very
13 appreciative. It's a beautiful day outside, and this is
14 just a wonderful, wonderful part of the state to be in
15 and to come to. So thank you for taking time out of
16 your day on this gorgeous afternoon to join us and here
17 shortly to share your comments with us.

18 And now we need to go back to finishing
19 appearances, I think, although -- or did we get
20 everybody?

21 Mr. Wright, we did get you, did we not?

22 **MR. WRIGHT:** Yes, Madam Chairman.

23 **COMMISSIONER EDGAR:** Will go ahead and put in
24 an appearance for Cecilia Bradley, who represents
25 Attorney General Bill McCollum, and she may be joining

1 us here shortly.

2 I would like to go ahead and recognize
3 Mr. Jack Shreve. Jack, please stand and be recognized.
4 Jack is a former Public Counsel, and he is here
5 representing Governor Charlie Crist.

6 Jack, we are glad you are here with us.

7 **MR. SHREVE:** Thank you.

8 **COMMISSIONER EDGAR:** I'm going to point out a
9 couple of other things. I hope that everyone, as you
10 were on your way in, saw the sign-up sheet which is
11 outside. We will here shortly be calling names in the
12 order that you have signed up. So if you would like to
13 speak, but have not put your name on the sign-up sheet,
14 please do so.

15 Also, I would like to point out, out at the
16 front on one of the tables there are some green sheets
17 that look like this. These have some very general
18 information about who we are and what we do and also
19 about the case or docket that is before us.

20 There also is -- welcome, come on in -- on the
21 very back page there is a place where you or somebody
22 you know could write comments if for some reason you
23 would prefer to do that rather than speaking to us
24 today.

25 Also, if you know people that would have liked

1 to have come this afternoon, but were not able to,
2 please be sure to take a stack with you and pass them
3 out to your family, or neighbors, or co-workers. This
4 is also available on our website and is very easy to
5 find there and can be printed out from the web and you
6 can mail it. It is self-addressed, and that will also
7 then become a part of the record in this case.

8 You will note that another one of our staff is
9 here with us serving as the court reporter. Everything
10 that is said today is going to be taken down and
11 transcribed and will become a part of the public
12 official record for this legal proceeding.

13 Hello, Jon. Would you like to put in an
14 appearance? Are you here officially or unofficially?

15 **MR. MOYLE:** Unofficially.

16 **COMMISSIONER EDGAR:** Unofficially, okay.
17 Because, as I was saying, everything is a part of the
18 legal record of the proceedings in this matter, I will
19 ask for all the witnesses, as we call it, but those of
20 you who are here to speak to us will need to be sworn
21 in, and we will do that as a group here in a few
22 moments. And we will be going to very brief opening
23 statements from the parties, and let me just ask our
24 staff if I have forgotten anything.

25 **MS. KLANCKE:** I don't believe so.

1 **COMMISSIONER EDGAR:** Okay. Then, Mr. Glenn,
2 you're first.

3 **MR. GLENN:** Thank you, Commissioner Edgar.

4 Just a couple of housekeeping matters. We
5 have customer service representatives here. They are in
6 the room to the side, and we have Ken Talbott.

7 Ken, why don't you stand up?

8 If you all have any issues regarding your
9 bill, your service, or any other issues, we have got
10 people here who have got access on the computers to go
11 into your account and, hopefully, address any issues
12 that you have. So please feel free to contact Ken, and
13 he will get you with the right people.

14 Commissioners, thank you for the opportunity
15 to speak to our customers this afternoon, but more
16 importantly to listen, to hear what you have to say. We
17 value it, whether it is a concern, a compliment, or any
18 kind of question.

19 We know that there is never a good time to ask
20 for an increase in base rates. No one wants to pay more
21 for electricity, or anything for that matter, especially
22 during difficult economic times. Yet we also know that
23 everybody wants, needs, and demands reliable electric
24 service. That comes at a cost and that's why we are
25 here today.

1 To give you an idea of just a couple of the
2 items that are in our request for base rate increases is
3 this year we are investing more than \$300 million to
4 replace steam generators at our Crystal River 3 nuclear
5 power plant. These are 500-ton pieces of equipment, the
6 guts of the reactor that we are replacing to ensure that
7 you get the continued low cost power that's the lowest
8 cost fuel source on our system.

9 We have also just completed last month the
10 repowering of our 1950s oil-fired Bartow steam power
11 plant with new state-of-the-art combined cycle natural
12 gas-fired technology. It's cleaner, reduces emissions
13 by about 80 percent, 90 percent, and significantly
14 reduces fuel costs to you, the customers.

15 These costs, these investments can no longer
16 be absorbed by the company without an increase. Our
17 effective cost management growth and efficiencies just
18 can't cover that anymore, and that's why we are here
19 today. We understand that customers, that you expect
20 electric service to be reliable, affordable, and
21 produced in an environmentally sound manner, and we are
22 committed to meeting that expectation.

23 So I know a lot of you want to speak, and that
24 is why we are here. So I just want to thank you for
25 coming up, for taking time out of your day to be here,

1 and I look forward to hearing what you have to say.

2 Thank you.

3 **UNIDENTIFIED SPEAKER:** Could I ask you a
4 question?

5 **MR. GLENN:** Actually, I can be -- after here
6 with your question, but this is more to provide your
7 comments to the Commission.

8 **COMMISSIONER EDGAR:** And we will look forward
9 to hearing from you. Have you signed up?

10 **UNIDENTIFIED SPEAKER:** I signed up, but I'm
11 way down on the list, and as you see I am supporting a
12 bag.

13 **COMMISSIONER EDGAR:** I see.

14 Marshall, could you see if we can give some
15 assistance to this gentleman, and work with him?

16 **MR. WILLIS:** Sure.

17 **COMMISSIONER EDGAR:** Thank you.

18 Mr. Rehwinkel.

19 **MR. REHWINKEL:** Good afternoon, ladies and
20 gentlemen, Commissioners. My name is Charles Rehwinkel.
21 I'm with the Office of Public Counsel. We are a
22 legislative office, and we are your attorneys in this
23 case.

24 I want to take a moment to thank Jack Shreve
25 from the Governor's Office for being here. When I was

1 out of law school in 1985, as the Public Counsel, Jack
2 gave me my first job, and I will always appreciate that
3 and the Public Counsel's office, and I'm glad that he is
4 here with Governor Crist on your behalf.

5 We are lawyers, like I said, in this case.
6 This case is why we are all here today, and it is a
7 case. It is just like a trial. The company is here
8 asking the Commissioners to award them a 31 percent
9 increase in the base rates that all of you pay. That
10 equals to \$500 million annually more than what you are
11 paying today. And on your behalf we are fighting this
12 request.

13 Let me boil it down for you. Most of you,
14 hopefully, got this yellow handout here. And in this we
15 have highlighted the three main differences between the
16 \$500 million that the company wants and what is fair to
17 you as customers at a time when the rest of the state is
18 just struggling to make ends meet. Let's look at the
19 two biggest issues that we will be contesting on your
20 behalf.

21 The company wants an after-tax profit
22 allowance of 12.5 percent at a time when comparable
23 utilities around the country are receiving an average of
24 10.3 percent for their profit allowance. That
25 difference is over \$100 million in extra profits.

1 Depreciation, that's the expense that the
2 company records to pay for the replacement of worn out
3 or obsolete equipment. It's a valid expense. Over the
4 last decade or so, however, the company has
5 overcollected at least \$700 million in depreciation
6 expense from you, the customers. We will be asking that
7 that money be returned to those of you who paid for it
8 in the way of an offset to what the company is
9 requesting. In addition, we will oppose their request
10 for an extra \$100 million approximately in depreciation
11 expense which is not needed since the company has
12 overcollected an enormous amount.

13 These two issues alone are the lion's share of
14 the difference between the company's request and what is
15 fair to you.

16 I'm going to sit down now, but I would ask for
17 you to recognize this is your hearing. I urge each and
18 every one of you who signed up to step up here and tell
19 the Commissioners about your service and what this
20 increase means to you and how it could affect you.

21 Thank you very much.

22 And, Madam Chairman, I can work with your
23 staff to find the right place in the queue for the
24 gentleman who has spoken.

25 **COMMISSIONER EDGAR:** Thank you, Mr. Rehwinkel,

1 we appreciate that.

2 Ms. Bradley, we did put in an appearance for
3 you. Would you like to make some comments? Would you
4 like for Mr. Wright to go first?

5 **MS. BRADLEY:** I think I will defer to
6 Mr. Wright first.

7 **COMMISSIONER EDGAR:** Okay. Mr. Wright.

8 **MR. WRIGHT:** Thank you, Madam Chairman.

9 Good afternoon. Thank you all very much for
10 coming. My name is Schef Wright. I'm an attorney
11 economist. I have been working in energy in Florida for
12 the last 29 years in Tallahassee.

13 I am a native Floridian, and I have the
14 privilege to be here today representing the Florida
15 Retail Federation. The Federation is a statewide
16 association of more than 9,000 members from thousands of
17 small mom and pop individual proprietorships to the
18 largest chains of grocers, department stores, et cetera.

19 The Florida Retail Federation opposes this
20 rate increase. Our members, Publix, Wal-Mart, Target,
21 Macy's, CVS, Best Buy, oppose this rate increase, and we
22 are working with your Public Counsel, as we worked with
23 Mr. Shreve in the past and other Public Counsels, and
24 with Attorney General McCollum to fight this rate
25 increase.

1 The issue in this case is pretty simple. Does
2 Progress Energy Florida need another half a billion
3 dollars a year of you all's money and our members' money
4 to provide safe, adequate, reliable service. Our answer
5 is probably not. You know, we're business people. And
6 we know we don't want an unhealthy utility. We don't
7 want them to go out of business. We want them to have
8 the people they need, and the plant they need, and the
9 trucks they need, and the wire they need to keep the
10 lights on. But in this case we don't believe that they
11 need another half a billion dollars a year of you all's
12 money and our money to do so.

13 Mr. Rehwinkel told you about some of the big
14 issues. Fixing the profit to a more reasonable level
15 like 10 percent would knock out \$140 million a year.
16 Flowing back the excess depreciation that we have
17 already paid in would knock out at least 120 million,
18 and adjusting for overstated depreciation expenses and
19 others may or may not wipe out the rest of it.

20 The evidence is going to tell. We are going
21 have two weeks of hearings in this case up in
22 Tallahassee. I urge you all to come up and watch your
23 Public Service Commission in action when that happens.
24 The evidence in the case is going to tell how this comes
25 out. The Public Service Commission is going to decide.

1 This is your hearing. Please tell the Commissioners
2 what you think. Thanks for coming.

3 **MS. BRADLEY:** I'm Cecilia Bradley, and I work
4 for Attorney General McCollum, and we work with the
5 Public Counsel to represent all of you. So we are glad
6 you are here to today to tell us your concern. We have
7 a few concerns about this. People frequently say, well,
8 what's the big deal, it's only \$13.83 a month. Well, we
9 have been all over the state, and people have told us
10 they are out of jobs, they are on fixed incomes, they
11 are retired, and \$13.83 is the medical payment to go see
12 their doctor, it's the pharmacy payment to get their
13 prescription filled.

14 One lady came in who was out of work and had
15 two small children, and she said that feeds my kids
16 breakfast for a week or two. So to a lot of people this
17 is a huge deal. As I said, we have gotten testimony
18 from different people all over the state, and people are
19 having a rough time right now. They're already at the
20 point that they can't pay any more, and that kind of
21 thing concerns us. We have had people say, well, I only
22 take my medicine every other day. I don't turn on my
23 air conditioning because -- until it get 85 or higher.
24 You know, in sunstroke temperature we worry about those
25 kind of things, and we are concerned about it.

1 These things affect everybody differently.
2 Nobody likes a rate increase, but to some people this is
3 a crucial thing. But it affects everybody differently,
4 so it's important that as many of you as possible
5 testify, because what you have to say may be a little
6 bit different from what your neighbor has to say. It
7 may have -- you may have special concerns.

8 We have heard from people that came in that
9 were in wheelchairs or they had children that are on
10 some type of breathing machine, and they say we have to
11 have air conditioning and electricity all the time. And
12 so everybody has an important issue, but in order to
13 defend you in these hearings, we need to hear what your
14 issues are.

15 We are also concerned about the 12.54 percent
16 return on equity that they are asking for. We have
17 heard from stockbrokers and other people that invest
18 heavily, and they say, well, what's the big deal. It is
19 important to have a higher return on equity if there is
20 some risk to show that there is not a risk, but said
21 with monopolies, state-regulated utilities, that's not
22 as big an issue. You know, they are one of the safest
23 investments. They don't need this high of a return on
24 equity.

25 Now, some people have said, well, they need

1 that so they can invest in their plants. And don't get
2 me wrong, we want safe, profitable utilities in Florida.
3 We want them to be able to provide service. But the
4 folks up here and the other ones in Tallahassee, that's
5 what they do. They make sure they provide and will
6 continue to provide, you know, services to you. You
7 will still have electricity even if they don't get any
8 increase.

9 And somebody figured up in one of the other
10 cases, because all the utilities are coming in this year
11 to ask for more money, and somebody did an analysis of
12 that and they said, well, it would benefit our client --
13 I mean, our customers about \$5 million. But then he
14 took it a step further and said, but it would cost them
15 10 million. That's kind of like somebody handing you a
16 five dollar bill and said here, have this. And you say,
17 great, thank you. And then he says, but you have to pay
18 me \$30. Actually, I said 10, I think it was 30 million.

19 And if somebody tells you you are going to
20 have to pay them \$30 in order to get five, suddenly it
21 doesn't seem like a very good deal anymore. So we are
22 looking at the benefits that you might derive, but the
23 cost to you of those benefits.

24 And the last thing I wanted to mention was the
25 trickle-down effect. Not only are your rates going up,

1 your school electrical rates are going up, your grocery
2 store, your pharmacies. So this is kind of like a
3 double whammy on everybody, because not only would it be
4 a higher electrical bill, but it will be a higher
5 everything bill.

6 And, unfortunately, the companies Mr. Wright
7 was talking about representing, they are not monopolies.
8 They have to compete for business, so it puts them in
9 the spot if they have to raise your rates, and it makes
10 it even worse for you. So those are some of their
11 concerns, but we want to hear what your concerns are and
12 how this may affect you.

13 And I appreciate you coming out today. It is
14 hot out there, and so we appreciate you being here.

15 Thank you.

16 **COMMISSIONER EDGAR:** Thank you, Ms. Bradley.

17 Okay. We are just about to get ready calling
18 names and hearing your comments to us. So, as I
19 mentioned, I need everybody who is planning to speak,
20 who has signed up to speak, please stand with me and
21 raise your right hand. We will do this as a group.

22 (Witnesses sworn.)

23 **COMMISSIONER EDGAR:** We are also very pleased
24 that we have a number of local elected representatives
25 here with us today. So I'd like to recognize

1 Commissioner Parrish, who is -- I know I saw him.

2 **UNIDENTIFIED SPEAKER:** He's around the corner.

3 **COMMISSIONER EDGAR:** Oh, there you are.

4 Hello. Give me just a moment. And also Commissioner
5 Jackel who is here with us. Thank you for joining us.
6 And Commissioner Putnal in the back, thank you for
7 joining us. And, Commissioner Cook, thank you for
8 joining us.

9 **UNIDENTIFIED SPEAKER:** Commissioner Edgar,
10 Commissioner Cheryl Sanders.

11 **COMMISSIONER EDGAR:** Oh, I didn't realize
12 that. Thank you for joining us.

13 Chairman Parrish, would you like to come up
14 and make some comments?

15 **COMMISSIONER PARRISH:** I guess I get to start
16 this thing off.

17 **COMMISSIONER EDGAR:** Yes, you do.

18 **COMMISSIONER PARRISH:** I'd like to begin by
19 welcoming you all to Franklin County. This is our
20 little edge of paradise, as we call it. On behalf of
21 the Franklin County Board of County Commissioners and
22 all of the citizens of Franklin County, welcome to
23 Franklin County.

24 I have been asked to come here today from a
25 lot of constituents from all over this county to let you

1 know that all the people in Franklin County that I have
2 talked to are opposed to this rate increase. There are
3 a lot of different ways to look at it. Referring to our
4 local economies, the construction industry is down, the
5 real estate industry is down. We have no industry here
6 in Franklin County, so to speak of, other than our
7 oyster industry and that relies on the natural
8 environment and protecting that.

9 It's just the people are not going to be able
10 to -- there's a lot people in this county that cannot
11 afford this rate increase. A lot of people here are on
12 fixed incomes, a lot of people here are doing the best
13 they can to provide for their families. There's a
14 tremendous amount of people right now that is under
15 foreclosure. Actually, in the first half of 2009 there
16 is actually -- let's see, 275 cases of foreclosure in
17 2008. So far in 2009, 247 in half a year. These are
18 people that cannot afford their mortgage. If they
19 cannot pay their mortgage, they're not going to be able
20 to pay their light bill. There was over 2,000 people
21 this year come tax time -- there was 2,400 and something
22 people that couldn't pay their taxes. When they cannot
23 pay their taxes, therefore, it affects the county
24 revenues and how we operate and offer services to the
25 people in this county.

1 I mean, the economy is in bad shape. The
2 whole country is in a recession. The state of Florida,
3 as a whole, is in bad shape. As you know, the sales tax
4 proceeds have been reduced in the state level,
5 therefore, the grants and stuff coming down to the small
6 rural counties like ours has been reduced. The schools
7 have been reduced in their funding. Our solid waste
8 department has been reduced on their funding. The money
9 coming down from the state to the local government has
10 been reduced.

11 Our property values have dropped by
12 30 percent, which, again, reduces the amount of ad
13 valorem taxes coming into the local county governments
14 to provide services to these people. And there's just a
15 whole host of issues that we are having to deal with
16 right now in the last two years from what is happening
17 in the state of Florida in the reduction of sales tax.

18 There's a lot of people in my county right now
19 that rely on the food banks to actually feed their
20 families. Which, again, the local government tries to
21 help subsidize to provide food for these people. There
22 is no way the people that I know of in Franklin County
23 is going to be able to meet this rate increase.
24 Everyone I have talked to is opposed to it.

25 And I would like to agree with the young lady

1 from Bill McCollum's office, there is a trickle down
2 effect. If your local businesses have to pay a higher
3 electrical fee, an increase in this fee, they are liable
4 to close or layoff employees, further exacerbating the
5 problems that we have in Florida right now.

6 When it gets to where you have to pay so much
7 for electricity that your business becomes economically
8 -- it's not economically viable anymore, your businesses
9 close, therefore, putting more people in the
10 unemployment line, therefore, again they can't afford
11 the increases in the service.

12 We do understand, I think everybody in the
13 room understands that we need -- as has been said here
14 today, reliable electrical service. We do need that.
15 But I agree with some of the other gentlemen's
16 statements that this increase is not needed. I don't
17 think the people are going to be able to pay it, and you
18 are actually going to make some of these businesses in
19 the state of Florida close. And like I said, not trying
20 to be redundant, but it's just going to be a huge
21 trickle-down effect. Just as she said, all of this
22 stuff is passed to the consumers and it's passed to your
23 business. When they turn around and take this increased
24 cost, then it passes to my constituents. And I'm
25 sitting here telling you, testifying before you today

1 that these people cannot handle it. There's 12,000
2 people in this community right here, and the majority of
3 them are on fixed incomes or on disability.

4 I know a lot of these people in this county
5 are living on \$400 a month. Some of the people I have
6 spoke to here in the last week, including myself, this
7 last month my bill was over \$400-something. It has
8 never been that high. It has never been over
9 \$280-something in the middle of the summer. Why is it
10 up so much when the cost of fuel is down? I don't get
11 it, and I don't think anybody else in here gets it.

12 I mean, it's just ridiculous. The business
13 that I employ people with here in Apalachicola down on
14 the water front, my electric bill runs between 40 and
15 \$50,000 a year. Now, you add 33 percent to that, my
16 business may be one that closes, too, because it is no
17 longer going to be economically viable in these tough
18 economic times.

19 And I would just encourage you and humbly beg
20 you to reconsider and not allow this rate increase to
21 happen because the people of Franklin County just can't
22 stand for it. And I would also like to ask the people
23 in here if you wouldn't mind, raise your hand if you're
24 opposed to this rate increase? I think that speaks for
25 itself. You know, I'm here to represent these people.

1 I'm asking you to not allow this rate increase to
2 happen.

3 Thank you, again, for your time and thank you
4 for coming to Franklin County.

5 **COMMISSIONER EDGAR:** Thank you, Commissioner
6 Parrish.

7 **COMMISSIONER PARRISH:** One more thing, I have
8 got a letter here from the Franklin County Board of
9 County Commissioners officially opposing this rate
10 increase, and I'd like to pass it to you today and have
11 it officially entered into the record.

12 **COMMISSIONER EDGAR:** Thank you. We will mark
13 it as 19. A letter from Joseph Parrish, Chairman,
14 Franklin Board of County Commissioners.

15 (Exhibit Number 19 marked for identification.)

16 **COMMISSIONER EDGAR:** As I mentioned, we are
17 very pleased that we have so many of your local elected
18 officials here with us. I know that we want to be sure
19 that we get to hear from everybody and keep things
20 moving, but with the other county and city
21 commissioners, are there any of you who would like to
22 make some very brief comments at this time?

23 Yes, sir.

24 **COMMISSIONER PUTNAL:** I want to thank you all
25 for coming, all of you folks, and it's good --

1 **COMMISSIONER EDGAR:** Tell us your name for the
2 record, please.

3 **COMMISSIONER PUTNAL:** -- that we have got
4 people that really cares whether we are held hostage by
5 a big company or not. And I thank you all for having
6 the interest in the people of Franklin County. And I
7 represent a portion of the people in Franklin County,
8 and, in fact, I help everybody in Franklin County when
9 they need the help.

10 And just like -- Gary wanted to say something
11 a while ago, Gary Shiver. He is one of the ones that
12 this is going to devastate. There's others in the
13 community it's going to devastate. I think what this
14 meeting is about is Progress Energy is trying to get our
15 attention off of the last increase, which last month
16 mine went up \$100. There are some citizens in this
17 county who can't pay that this month. They have already
18 been asking me if there is any assistance to help pay
19 utilities already, because in the summertime oystering
20 is not as good as it is in the wintertime, and people
21 are on a fixed income. They are just barely getting by
22 and this is going to devastate them.

23 A lot of them is going to work all day long
24 out there in that hot sunshine, come home and won't even
25 be able to turn their air conditioner on and get cool.

1 I'm telling you it's bad for people that is as poor as
2 people in Franklin County is to be held hostage, like I
3 said.

4 And, in fact, I put up the biggest argument
5 back when they took our services away from us and took
6 them to the neighboring counties. If we have something
7 go wrong, they have got to call in somebody from another
8 county. That's wrong. We pay the same kilowatt hours
9 as everybody else in this state does. We deserve the
10 same services as everybody else does, not having to call
11 somebody from another county. And when that young man
12 laid in that vehicle or by that vehicle for two solid
13 hours, we don't know if he would have been hurt any
14 worse or not, but it could have been that he died laying
15 there for two hours because Progress Energy wanted to
16 cut.

17 I'm telling you, we don't need any more rate
18 increases from public utilities. We can't stand it.
19 Because there's a lot of people gonna suffer, some of
20 them may even die because of this. That is how serious
21 it is. And most people when they get in trouble
22 financially, they call me because I have always fought
23 for them to have help with their utilities and stuff. I
24 don't know if I can help with this kind of money or not
25 any more because of the economy, because the state don't

1 help us with a lot of these assistances that we need for
2 poor people.

3 And this is a poor county, and I want you all
4 to keep that in mind when you are making your decision.
5 Franklin County, we have a few rich people here, but the
6 majority of the people are poor, and we can't stand this
7 kind of increase. And it's going to be hard for us to
8 even accept what they have already put on us. And I
9 thank you all, and please keep us in mind.

10 **COMMISSIONER EDGAR:** Thank you.

11 **MR. REHWINKEL:** Mr. -- is it Putnal?

12 **COMMISSIONER PUTNAL:** Putnal.

13 **MR. REHWINKEL:** Could you say your name for
14 the court reporter.

15 **COMMISSIONER PUTNAL:** My name is Bevin Putnal.
16 I'm the County Commissioner in District 5.

17 Thank you.

18 **COMMISSIONER EDGAR:** Thank you, Commissioner.

19 Any other elected officials? Come forward and
20 then we'll take you next. And if you would, I know
21 everybody here knows your name, but so that we get it
22 into the record, please --

23 **MR. HARRIS:** My name is James Harris. I'm the
24 Franklin County Tax Collector.

25 I see everybody in Franklin County at least

1 once during the year. I collect property taxes. I
2 issue hunting and fishing licenses. I issue tags to go
3 on the cars. As many of you know, there's a lot of
4 state mandates and your tags have just about doubled.
5 In September you are going to be paying double for your
6 tags. People can't afford that in Franklin County.

7 I have an 88-year-old grandmother who lives by
8 herself on a fixed income. She cannot afford a rate
9 increase from Florida Power.

10 I sold, as Chairman of the Board, Commissioner
11 Tony Parrish said earlier, by law I have to sell
12 certificates on properties that do not pay their taxes.
13 I sold more certificates this year than I have ever sold
14 in 17 years being in office. When you sell those
15 certificates, those people can ill-afford to pay their
16 taxes, and it goes -- most of them go at a rate of
17 18 percent to the lowest bidder, and most of them went
18 at 18 percent. So people have to pay those taxes at
19 18 percent because they could not afford their taxes.
20 They most certainly cannot afford another rate increase
21 from Progressive Energy (sic).

22 We appreciate what Progressive Energy does in
23 our community, and we feel like that sometimes you do
24 provide a good service, and it's a necessary service.
25 But the people of this county, Franklin County, cannot

1 afford another rate increase.

2 And I'm going to do like Commissioner Tony
3 Parrish, I'm going to ask everybody that's opposed to
4 this rate increase, please raise your hand.

5 Let the record state that I am speaking for my
6 88-year-old grandmother and for the people of Franklin
7 County, that I oppose the rate increase at this time.

8 Thank you.

9 **COMMISSIONER EDGAR:** Thank you.

10 **COMMISSIONER SANDERS:** I just want to --
11 Cheryl Sanders, District 5 County Commissioner, for the
12 record.

13 I just want to go one step further. I am
14 against any permanent base rate hike for any
15 investment-owned utility. Any of them. Progress
16 Energy, Florida Power, anybody. So, you know, I have
17 constituents in my district and the majority in my
18 district is made up of retirees. And I spoke to one
19 today who gets an \$800 Social Security check, and this
20 month their light bill is \$598. So I would ask you all
21 to not approve this rate hike.

22 And I think if I'm not mistaken the Florida
23 Association of Counties is against it, also. I read a
24 news notice last night where they are opposing it also,
25 the Florida Association of Counties. So just consider

1 it, and I know you all will.

2 They have already gotten all the rate
3 increases that they need, talking about Progress Energy,
4 and I would appreciate it if you all would continue on
5 and just keep on telling them no. They don't need it
6 right now. The economic climate is not good in the
7 state, let alone Franklin County.

8 Thank you.

9 **COMMISSIONER EDGAR:** Thank you.

10 **COMMISSIONER WEBB:** Hi. I'm Valentina Webb,
11 and I'm Commissioner for the City of Apalachicola,
12 District 4.

13 My concern is is there anything that is going
14 to be put in place for the ones that cannot -- for the
15 citizens that cannot afford to pay this bill? Does
16 Progressive Energy have any mechanisms in place to
17 assist us here in this county? That's one of my number
18 one concerns. And I echo the sentiments of the other
19 Commissioners that have come before you on behalf of the
20 citizens of Apalachicola. I ask everyone in this
21 audience to vote, again, against this.

22 Thank you.

23 **COMMISSIONER EDGAR:** Have I missed anyone?
24 Yes, ma'am. Come forward, please.

25 **COMMISSIONER JACKEL:** Thank you.

1 I've Vicki Jackel; I'm Franklin County
2 Commissioner, District 1. And I want to thank you,
3 Commissioners, for coming here today, and your staff. I
4 want to thank the Progress Energy folks and our citizens
5 for the great representation today. It is great to look
6 around this room and to see the folks that are here
7 today that care about these issues and that come out to
8 talk about them.

9 These are tough times that we are living in,
10 especially in Franklin County. Living on the coast is a
11 blessing, but we live in an area of critical concern.
12 The Apalachicola Bay area is fragile, and so are the
13 citizens. Our citizens are disabled, unemployed. We
14 live on fixed incomes. We face property values that
15 have fallen up to even 80 percent. Property insurance
16 rates are up. And our insurance is high, but we have to
17 have it here.

18 Licenses, tags, fees, all will go up in this
19 calendar year for our citizens. Substantially in this
20 year we are seeing rate increases. All throughout the
21 state of Florida citizens will be experiencing this. We
22 are living in tough times. Times when we're seeing
23 customer service in every area of our lives diminish and
24 the price of everything go up.

25 As a Commissioner, I understand the difficult

1 position that you are in today. You have to balance the
2 needs of business and the affect of rate increases on
3 our citizens. This is not a time for an increase in
4 taxes in this county or the cost of energy. Please let
5 the record reflect that I'm opposed to any rate
6 increases in Franklin County and the state of Florida.
7 Thank you.

8 And the theme has been everybody voting today,
9 so I'm going to ask, again, everybody to raise their
10 hand or both hands if they are opposed to a rate
11 increase. Double votes there.

12 Thank you, again.

13 **COMMISSIONER EDGAR:** Commissioner Cook.

14 **COMMISSIONER COOK:** I'm Commissioner Cook,
15 Commissioner in Apalachicola. I would just echo what
16 most of the people have already said, the Commissioners
17 who have already been up here. There's no reason to go
18 over and over the same things. But the thing that
19 really attracts my attention more than anything else is
20 the multiplying factor that you have on any rate
21 increase for power, because it comes not once, but
22 several times. Each time it goes out to the businesses
23 it comes back to the citizens. And it just continues to
24 multiply. So it's not just a one stroke type thing. It
25 affects you many, many times, and I just don't think our

1 economy right now can afford that luxury.

2 And I thank you very much. And, once again,
3 we can vote. All those against, raise your hand.

4 Thank you.

5 **COMMISSIONER EDGAR:** Anybody else who is a
6 local government official that I have missed?

7 Yes, sir.

8 **MR. GANDER:** Hi. Welcome to Franklin County.
9 I am Jimmy Gander, Chairman of the Franklin County
10 School Board, and I've got with me -- I want him to come
11 up here when I get through and give some numbers,
12 Mr. Sam Carnley, our director of financial services.

13 But everybody has talked about the trickle
14 down effect, and everybody has talked about what the
15 effects are going to have. We have just consolidated
16 our schools as all the citizens know, and we have worked
17 diligently to pull our power bill down.

18 We have taken a big hit with our FTE funding
19 being cut, and we have utilized all the local tax money
20 that's available. We did have a little emergency
21 funding the other day. If we lose this approximately
22 \$100,000, I don't know where we're going to get it from.
23 We don't raise our taxes and get it out of -- like some
24 of the other governments and get that money and spend
25 it.

1 I mean, Tallahassee has got a good deal with
2 the Franklin County School Board, because the old
3 saying, let me count your money on halves. We send them
4 our money up there, and they send it back in the form of
5 FTE funding. So we're stuck with this. And the only
6 thing we can do is cut teachers and cut classrooms and
7 cut the children. That will be the effect on us.

8 Another thing I kind of wondered about, I've
9 got some -- a small piece of property in Liberty County,
10 and I believe that my kilowattage rate is cheaper in
11 Liberty County than it is in Franklin County. And that
12 is on a co-op. And I've been told, I don't know, that
13 they buy their energy from Progress Energy. So that
14 kind of stings that we are in a franchise area paying
15 more for the energy that they're selling.

16 Something has been, you know, said about
17 service. And I am not -- I hoped somebody from the fire
18 department would be here, because I have heard stories
19 about the slow service time getting here. I have to
20 wonder when I'm out manually in 100-degree heat
21 rebuilding my docks that got tore down with Hurricane
22 Dennis, and we're just getting back, because we can't --
23 and this is for my private business, we can't just raise
24 our rates.

25 Progress Energy has people at the new motel,

1 \$190 a night. Their trucks -- how many of you all stay
2 in a \$190 a night room? If they're not staying there,
3 they're parking the trucks in the parking lot. I don't
4 know. And we talked about the trickle down effect.

5 Another thing that hadn't been mentioned is
6 the deposits. One of my stores, I simply moved from one
7 location to another, and I was told that because I
8 moved, I now had to have a deposit. I was no longer
9 grandfathered in. The same account number, same federal
10 identification number. It was an opportunity for them
11 to get that.

12 Last year we had a store that just simply used
13 more electricity, so we had to up the deposit. And
14 sure, supposedly they pay interest on it, but you have
15 got to have electricity until you die, so what good is
16 it? It's not like you are going to get that for old age
17 or anything. So everybody is -- you know, everybody
18 that is commercial you have got to pay your deposit.

19 Another thing, you know, on the service, they
20 came down and trimmed all the lines, you know, for
21 whatever reason going into all my property and left the
22 limbs where they fell. I paid a lady to go pick them up
23 because she needed to pay her electric bill. And so
24 help me, that happened last month, and we just swore,
25 and that's the truth.

1 And I greatly appreciate you all being here
2 and listening, because if some us here remember the last
3 meeting we had with Progress Energy they basically told
4 us what they were going to do and they were going to
5 spend all this money to run new lines to -- a new
6 service line down and take our property and go through,
7 you know, some of our front yards. That was more like a
8 meeting with the gestapo, so this was a very pleasant
9 surprise.

10 But I thank you you all, and I wish, Sam, if
11 you could, you would just give the numbers on the --

12 **COMMISSIONER EDGAR:** And tell us your name,
13 please.

14 **MR. CARNLEY:** My name is Sam Carnley, Director
15 of Financial Services with the Franklin County School
16 Board.

17 As the Director of Financial Services, I am
18 the one that has to pay the bills for the school
19 district. And last year our electric bill was about
20 \$270,000. A 30 percent increase, you're looking at
21 another 80 to \$90,000 that is going to be tacked onto
22 that. As Mr. Gander indicated, we get a large portion
23 of our funding from local taxes. That means that, as
24 other folks have said, we'll have to find some way to
25 raise the money to pay that additional electric bill.

1 We may not -- we may not be able to -- we may
2 have to cut services elsewhere, possibly teachers'
3 salaries, lay off teachers, that sort of thing. So
4 those are some of the issues that we are looking at here
5 if this rate increase goes in effect. So I also would
6 strongly oppose it.

7 Thank you.

8 **COMMISSIONER EDGAR:** Thank you. (Applause.)

9 **COMMISSIONER ARGENZIANO:** Madam Chair.

10 **COMMISSIONER EDGAR:** Yes, Commissioner.

11 **COMMISSIONER ARGENZIANO:** Just a general
12 question, I guess, for the last couple of speakers.
13 Could you just tell me who your House of Representatives
14 representative is and your senator is. Is it Senator
15 Lawson for Franklin County? And I can't keep track. I
16 remember Will Kendrick was your House member. Who is
17 your House member now, or are there a few different
18 ones?

19 **COMMISSIONER EDGAR:** We are having nods on
20 Senator Lawson. And, I'm sorry?

21 **UNIDENTIFIED SPEAKER:** Bemby.

22 **CHAIRMAN CARTER:** Bemby, Representative
23 Bemby.

24 **UNIDENTIFIED SPEAKER:** And Representative
25 Jimmy Patronis.

1 **COMMISSIONER EDGAR:** And Representative
2 Patronis.

3 **COMMISSIONER ARGENZIANO:** Madam Chair, I'm
4 sorry, I only heard Senator Lawson. I think a few
5 people were talking over one another. Who were the
6 representatives?

7 **COMMISSIONER EDGAR:** Representative Patronis
8 and Bembry.

9 **COMMISSIONER ARGENZIANO:** Okay. And I just
10 would like to urge the people in the audience that you
11 need to speak to your -- those elected officials, also,
12 so that they can follow the progress of this one way or
13 the other, and just so they know how you feel.

14 Thank you.

15 **COMMISSIONER EDGAR:** Thank you.

16 Mr. Rehwinkel, I think we are ready to begin
17 calling names. I will ask you to call two at a time, so
18 that if you hear you're the second person, you will know
19 to kind of get ready to come up. That will help us keep
20 things moving. I also will ask everyone when you do
21 come forward after your name is called, if you would, if
22 it is not really obvious, spell your last name for us.
23 That helps us and helps our court reporter. We do want
24 to hear from everyone, so I will ask for your assistance
25 in helping me to kind of keep things moving along.

1 Mr. Rehwinkel.

2 **MR. REHWINKEL:** Yes, Madam Chairman.

3 Just a couple of preliminary matters. I just
4 wanted to make sure that the audience knows that as the
5 Public Counsel, traditionally, we call our clients up,
6 and that's the tradition at these service hearings, so
7 that's why I'm here calling the names.

8 I intend to call Mr. Gary Shiver first, but I
9 wanted to make sure -- I have cards for Mr. Harris, Mr.
10 Putnal, and Mr. Carnley. They were in the queue, and
11 I'm calling these names, other than Mr. Shiver, in the
12 order that people signed up. But I'm assuming that
13 everyone who has already spoken that I just mentioned
14 does not want to me to call them, again. Is that
15 correct?

16 **UNIDENTIFIED SPEAKER:** That's correct.

17 **MR. REHWINKEL:** With that, Madam Chairman, our
18 first witness that we would call is Gary Shiver. And
19 then after Mr. Shiver, Roy McLeod.

20 GARY SHIVER
21 appeared as a witness and, swearing to tell the truth,
22 testified as follows:

23 DIRECT STATEMENT

24 **MR. SHIVER:** My name is Gary Shiver. I'm a
25 citizen of Franklin County for 65 years. I'm disabled.

1 I'm on Social Security. I draw \$296 a month. My light
2 bill is \$306. How am I going to pay my light bill and
3 eat and pay my house payments? I would like to know.
4 If this gentleman from Progress Energy can tell me how
5 to do it, I would be glad to hear him say it. And
6 there's a lot more out there besides myself that's in
7 the same predicament. And I'm baring my soul.

8 And, frankly, in my opinion, we have had worse
9 service out of Progress Energy than we ever got out of
10 Florida Power. I have a street lamp in my house that
11 had been reported for six months. It will come on and
12 stay on for about three minutes, and it'll go off and
13 stay off for five minutes, come back on for three
14 minutes. I have reported it time and time again.
15 Nothing has ever been done about it. I mean nothing.
16 And we deserve a rate hike. For what? Please someone
17 tell me. Could you tell me why? I'm asking you, sir.

18 **COMMISSIONER EDGAR:** Mr. Shiver to us, please.

19 **MR. SHIVER:** Well, I get upset about things
20 like this. But if this man can tell me how I can pay my
21 light bill, \$306. Now, I've got to go and hit my kids
22 up for money to pay my light bills. And I don't like to
23 do that. I've never had to do it before, but now I've
24 got to do it. And I have to have my air conditioning
25 because of my breathing. I'm on oxygen 24 hours a day.

1 And if Progress Energy is interested in the people, they
2 can do something about it. If they're not, they won't.

3 Thank you.

4 **COMMISSIONER EDGAR:** Thank you.

5 **MR. REHWINKEL:** Madam Chairman, we would next
6 call Roy McLeod, and after Mr. McLeod is Gail, I believe
7 it is Riegelmayr.

8 ROY MCLEOD

9 appeared as a witness and, swearing to tell the truth,
10 testified as follows:

11 DIRECT STATEMENT

12 **MR. MCLEOD:** Good afternoon, Commissioners,
13 Progress Energy, and people of Franklin County. My name
14 is Roy McLeod. I wasn't born here. I moved to the
15 south side of Ochlockonee River about 30 years ago, and
16 I'm retired from the State of Florida. I enjoyed the
17 talk from Progress Energy, but they didn't tell you all
18 the truth. I enjoyed what the gentleman from the
19 Commission said, but he didn't give you the facts
20 either. I don't know the facts. But I know one thing;
21 they are going to raise your electrical power costs.

22 **COMMISSIONER EDGAR:** Mr. McLeod, I'm sorry. I
23 need you to speak to us and into the microphone.

24 **MR. MCLEOD:** They're going to raise your cost
25 of electricity. Why? Because of the lobbyists, because

1 of the \$6 million salary they pay their top executives.
2 Because they have pulled all of their equipment and
3 employees, I think, except one truck out of Franklin
4 County. You have to go to Crawfordville. I was
5 thinking, the lady -- ma'am, are you still on the phone?

6 **COMMISSIONER EDGAR:** Commissioner Argenziano,
7 are you with us?

8 **COMMISSIONER ARGENZIANO:** Yes, I am, sir.

9 **MR. MCLEOD:** I thought to myself, now if she
10 was coming over a Progress Energy wire and a bird lit
11 out here on the electric wire coming into this building
12 and tripped a transformer. We would be here until
13 9:00 o'clock after you got through all the computers and
14 all the answers that you have to give to get service.
15 We would need somebody to deliver dinner.

16 But that's not why I'm here either, because we
17 all have experienced that. It is the most ridiculous
18 time in the history of this state. To raise one penny
19 in addition to what we are having to pay to try to feed
20 our families, pay our taxes, and buy a little gasoline.

21 Progress Energy could wait. They don't have
22 to build that power plant down at Inglis or wherever it
23 is. But why are they doing it? Do you know who gave
24 them the money? Those two representatives and senators
25 that was called out a few minutes ago.

1 Now, the only way to stop this Commission from
2 raising costs is to contact your representative and
3 senators and just simply tell them, if you raise it, you
4 will never get my vote again.

5 Thank you very much.

6 **COMMISSIONER EDGAR:** Thank you.

7 **MR. REHWINKEL:** Madam Chairman, the Citizens
8 call Gail Riegelmayer and Bobby Miller is up next.

9 GAIL RIEGELMAYER

10 appeared as a witness and, swearing to tell the truth,
11 testified as follows:

12 DIRECT STATEMENT

13 **MS. RIEGELMAYER:** Gail Riegelmayer, spelled
14 R-I-E-G-E-L-M-A-Y-E-R. And I wanted to thank you for
15 coming here to see us and have this meeting here instead
16 of asking all of us to go to Tallahassee.

17 I want to speak out against this obscene, and
18 I call it obscene, request for the rate hike. And as
19 has been already covered, the people in Franklin County
20 are suffering. We only have three industries here;
21 seafood, tourism, and real estate. And then we have
22 retail companies and restaurants and all of that feed
23 off of those three industries.

24 As also already been mentioned, we have a
25 record number of foreclosures. Right now we're in our

1 budget workshop time with our county government, and
2 there is talk of increasing our county property taxes.
3 In last week's paper we have got the school is needing
4 more money for them and their purposes.

5 Also, in last week's paper county jobless
6 rates increasing. So everywhere you look it is getting
7 worse and worse. Our property insurance tax -- our
8 property insurance is going up. Health insurance, if
9 you can get it, is going up. Retirees and people on
10 fixed incomes has also been pointed out. What do they
11 do? As Mr. Shiver pointed out, his expenses exceed his
12 income.

13 How much more can people take? I, myself, am
14 asking what is driving all of this? And the only answer
15 I can come up with is greed. Now, I'm a believer in
16 profit. I'm a believer in the free enterprise system.
17 But there is a difference in my mind between greed and a
18 capitalistic society. And it's not like Progress Energy
19 is not making a profit. Right now they are making a
20 9 percent profit. They have no sales expenses. They
21 have -- it's not like a typical for-profit business that
22 they have to run their business by.

23 Greed has contributed to our national economic
24 crisis, with Wall Street, banks, and credit. A 12-1/2
25 percent profit is over the top, in my opinion,

1 especially in these tough times. I implore you not to
2 approve this ridiculous request.

3 And, in addition, I ask Progress Energy or ask
4 you to ask Progress Energy to refund the \$700 million in
5 excess depreciation expense that they collected from all
6 of us and that has been sitting in the bank collecting
7 interest. And that money could have been used by these
8 people in this room to feed their families, clothes, and
9 pay their electric bill.

10 And, again, thank you.

11 **COMMISSIONER EDGAR:** Thank you.

12 **MR. REHWINKEL:** Madam Chairman, Bobby Miller
13 is the next, and following him is Roger Bybee.

14 I have a card from Jimmy Gander, and I think
15 he has already spoken. I just want to make sure.

16 BOBBY MILLER

17 appeared as a witness and, swearing to tell the truth,
18 testified as follows:

19 DIRECT STATEMENT

20 **MR. MILLER:** Hi. Welcome to Franklin County.
21 Glad to have you all here today. I think it has all
22 been said. This is just procedural from here on out to
23 get your name on the record as being opposed to this
24 rate increase.

25 However, I would like to point out that the

1 guys, the boots on the ground with Progress Energy are
2 not the problem. We respect those guys. If they were
3 left alone and you throw the computer away and call them
4 on the phone and tell them what the problem is, they
5 would come fix it for us. They have a problem in
6 administration somewhere along the line. But I
7 reiterate, the boots on the ground are not the problem.
8 The problem is, as Gail just pointed out, is greed. I
9 mean, you know, when you want to go 2-1/2 percent above
10 the national average, give me a break.

11 What I would like to ask you to do is not only
12 flatly reject this request, I would like for you to also
13 put in a request for a reduction in rates, because they
14 are sitting on \$700 million of our money, and we'll
15 never get it back unless we do it through a rate
16 decrease. Consider it for us. Please take this message
17 back to Tallahassee. And, sir, please take this back to
18 the Governor when you get back and tell him how we feel.

19 Thank you very much.

20 **MR. REHWINKEL:** The Citizens call Roger Bybee,
21 and after him is Joan Barfield.

22 ROGER BYBEE

23 appeared as a witness and, swearing to tell the truth,
24 testified as follows:

25 DIRECT STATEMENT

1 **MR. BYBEE:** Yes. My name is Roger Bybee. I'm
2 a consulting electrical engineer. I'm actively engaged
3 in the business still. I'm licensed in six states,
4 including Florida. And I work a lot with -- in the
5 electrical power industry.

6 The whole basis for this rate increase is
7 probably for another time, because the time is not now,
8 and it's not here, and it certainly is not involved with
9 Franklin County. As has been told to you by other
10 speakers, when it was Florida Power, we had the same
11 people, the same boots on the ground. We had enough
12 service people and service equipment in Franklin County
13 to get things done. It even worked a little better if
14 you had to call Florida Power. After Progress Energy,
15 that all changed.

16 I had the electricity go out at my office. I
17 called Progress Energy and told them what the problem
18 is. That usually puts you -- as a business that usually
19 puts you in the front of the line. I heard nothing back
20 for, actually, probably four hours. I didn't even get a
21 call back as to what was happening.

22 But I did call our local serviceman, Ray Tyre
23 (phonetic). He came over; they fixed the problem at my
24 office; and two days later he got a notice from Panama
25 City that I was having a problem at my office. It had

1 already been fixed. And so what those of us over in the
2 Carrabelle area do is if there is ever a power outage,
3 if we can -- if we can only make one call, we're going
4 to call Ray, because he is the only guy left in the
5 county now. We have one man and a truck.

6 **UNIDENTIFIED SPEAKER:** He's gone.

7 **MR. BYBEE:** And so it's a real, real problem
8 that we are having, and Progress Energy doesn't deserve
9 any increases. I do believe they should be reduced.

10 One of the other things that hasn't been
11 spoken about by other speakers is that a large part of
12 Franklin County is in the subsistence fishing kind of
13 business. And that's a cash business. A lot of those
14 people don't have the ability or the cash left over to
15 pay taxes, or they never get up to a level where they
16 have to pay taxes. So when anything happens that shuts
17 down the bay for any reason, then these people do not
18 have a tax background that they can go and -- or tax
19 history to get money or assistance from all the regular
20 sources. So they just do without. And that is a real
21 problem for our people.

22 And Franklin County is part of Florida, but we
23 are unique in many ways. But we are not unique in that
24 we don't need this rate increase, because our fuel and
25 energy costs are going up also, so we have to pay our

1 own, we have to pay theirs, and then we have to pay
2 again when it comes down in this trickle-down situation
3 when the other prices go up.

4 Thank you.

5 **COMMISSIONER EDGAR:** Thank you.

6 **MR. REHWINKEL:** Next is Joan Barfield, and
7 after Joan will be Ned Pooser.

8 **COMMISSIONER EDGAR:** One more time, Mr.
9 Rehwinkel.

10 **MR. REHWINKEL:** Joan Barfield, and then Ned
11 Pooser, P-O-O-S-E-R.

12 NED POOSER

13 appeared as a witness and, swearing to tell the truth,
14 testified as follows:

15 DIRECT STATEMENT

16 **MR. POOSER:** Good afternoon. My name is Ned
17 Pooser, P, as in Papa, O-O-S-E-R. I'm retired on Social
18 Security, retired from the state. And I'm not in a
19 position to pass my cost overruns to my neighbors or
20 anyone else. When I get hit, I absorb it or do without.

21 I have two meters on my property. The meter
22 at my house this most recent billing cycle was 2,100
23 kilowatt hours. My bill was \$288, or 13 and a half
24 cents per kilowatt hour. The second meter only -- the
25 only thing hooked up to it is a low-voltage street lamp,

1 which I paid to have put up, and my electric gate
2 opener. It only uses 17 kilowatt hours a month, yet
3 that bill was \$19, or a \$1.11 per kilowatt hour. By any
4 standard of fairness, an 800 percent increase in per
5 kilowatt hour is outrageous.

6 Now, Progress Energy can bundle these two
7 bills in the same envelope. I don't know why they can't
8 bundle the kilowatt hours into a single bill.

9 I take issue with a statement or a testimony
10 of the representative from Progress Energy, Mr. Len, I
11 believe, when he said their future costs cannot be
12 covered in the absence of a rate increase. I took this
13 off their website this morning: Reports first quarter
14 on-going earnings of 66 cents per share compared to 56
15 cents per share for same period last year. That is an
16 18 percent increase in earnings per share over the last
17 year.

18 Further down there is a quote, "In the midst
19 of this economic slow down, we delivered solid financial
20 returns in the first quarter by living within our means
21 and aggressively managing our business," said Bill
22 Johnson, Chairman, President, and CEO. And further, "In
23 addition, we successfully raised \$1.9 billion in the
24 capital markets and made several important regulatory
25 filings, which should position us well to execute our

1 plan in these challenging economic times," Johnson said.

2 Progress Energy, and, again, this is from
3 their website, is a Fortune 500 energy company with
4 \$9 billion in annual revenues. To put 9 billion into
5 perspective, if you were able to spend \$10,000 a day
6 every day from the time that Christ walked this earth to
7 today, you would have to continue spending \$10,000 a day
8 every day for the next 466 years to reach \$9 billion.
9 They are in very good financial shape. They don't need
10 this rate increase.

11 Thank you.

12 **MR. REHWINKEL:** Next is Phil Calandra, and
13 after Phil is Blanche Cameron.

14 PHIL CALANDRA

15 appeared as a witness and, swearing to tell the truth,
16 testified as follows:

17 DIRECT STATEMENT

18 **MR. CALANDRA:** Thank you very much for having
19 me here. It's a pleasure to speak with you. I have to
20 hand it to Ned, the last speaker, because I did
21 something really quite similar.

22 Oh, Phil Calandra, C-A-L-A-N-D-R-A, 957 West
23 Pine Avenue. The parent company earnings per share last
24 year was 3.19 compared to \$1.97 the year before.
25 Progress Energy Florida was \$1.47 compared to \$1.23 the

1 year before. So what's the big deal with that? I think
2 the big deal is last year oil prices hit over \$140 a
3 barrel. So in the underlying energy costs for this
4 utility, they were able to make a pretty hefty earnings
5 per share increase.

6 So I guess what I really don't understand is
7 where is the justification for the rate hike? This is
8 like going to your bank and saying, please, sir, may I
9 have some more interest on my deposits. There is no
10 risk. There is no cost of sales. There is -- it is
11 basically a guaranteed income stream.

12 Now, we did hear from Progress Energy's
13 representative that they have got steam generators to
14 replace and so forth, but all of these capital
15 facilities are predictable. So they know how much money
16 they need in the future. They can calculate that out.
17 I'm sure they've got MBAs just like any other major
18 company. So why is it that they need to come to the
19 customers and say please give us more money so that we
20 can replace these capital facilities that we know we
21 need to replace.

22 It seems to me that that is something that
23 they need to do out of their operating income, that
24 should be planned into their annual plan, their
25 five-year plan, and their ten-year plan, and not ask for

1 more money and say, oh, now I need a new car, so I need
2 to go ask for more money. It just doesn't make any
3 sense to me.

4 The other thing that doesn't make any sense to
5 me is the second portion of the rates. Because as I
6 understand it, they are asking for just a flat out
7 increase on the base, and that there is another sort of
8 56 percent that has to do with a nuclear power plant and
9 other things like that. And what I really don't
10 understand that is how a company can ask for their
11 customers to prepay for a major capital investment that
12 will be at some point in the future.

13 I guess my understanding of how that would
14 work is if you know you need to build something, you
15 save for it, you borrow the money, you build it, and
16 then you get a reasonable degree of profit off of it.
17 You don't ask your customers to pay for it in advance,
18 because paying for it in advance they may never do it.
19 You know, there is no guarantee that they are going to
20 open up a nuclear power plant.

21 So I am really categorically opposed to this
22 rate hike because I simply cannot see the justification
23 for it. They are making huge amounts of money, and they
24 are asking the customers to pay for their capital
25 investments in advance. For me, it just simply doesn't

1 add up. So I hope this is a slightly different take
2 than the people are suffering. You have heard that over
3 and over again. That is very clear from the first
4 person up to myself. But the thing for me is the
5 numbers don't add up. There is no financial
6 justification for asking for more money. It is
7 basically monopolistic greed.

8 Thank you very much.

9 **COMMISSIONER EDGAR:** Thank you.

10 **MR. REHWINKEL:** After Ms. Cameron, Blanche
11 Cameron, Toni Taranto.

12 **BLANCHE CAMERON**

13 appeared as a witness and, swearing to tell the truth,
14 testified as follows:

15 **DIRECT STATEMENT**

16 **MS. CAMERON:** My name is Blanche Cameron, and
17 I'm a resident of Franklin County here, and I have a
18 small business, the B&J New and Used. We cannot afford
19 a hike in our utilities. Many of us live on Social
20 Security, which I do. I am fortunate, I get a very
21 small DOT retirement check. But we have a lot of
22 citizens in our county that can no longer work and need
23 every dime they have for medication and different needs.

24 This will create a hardship for our county.
25 We rely on oystering. The commercial fishermen have had

1 it very hard. The shrimp boats are just about all tied
2 up due to the imports and the high price of fuel. So,
3 therefore, I ask ya'll, do not increase our utilities.

4 Thank you.

5 **MR. REHWINKEL:** Toni Taranto, and after her,
6 William O. Falk.

7 TONI TARANTO

8 appeared as a witness and, swearing to tell the truth,
9 testified as follows:

10 DIRECT STATEMENT

11 **MS. TARANTO:** My name is Toni Taranto,
12 T-A-R-A-N-T-O, and I appreciate you letting us speak. I
13 have a personal story that I would like to share.

14 Progress Energy has affected us personally
15 with negligence, we feel. On October 27th of 2007, the
16 outside neutral wire broke going to our house. We had a
17 terrible power surge. We could not find what it was.
18 We finally called Progress Energy and a man did come out
19 after about 35 minutes. I did smell smoke and something
20 had burned in the house.

21 The worker indicated that it was an old wire.
22 Apparently, Progress Energy does not inspect or upkeep
23 their equipment. Consequently, as I said, we had this
24 terrible power surge. We lost all of our appliances:
25 TVs, phones, electronics. Progress Energy would not

1 replace according to their policies. We had to file
2 under homeowners insurance to have this replaced. But
3 then we did hire an attorney to get a very small
4 fraction of what the cost of the replacements were.

5 Progress Energy only wanted to give a
6 depreciated rate. And, for instance, I had a good
7 refrigerator that was still working, and when we bought
8 it it cost \$1,200. They wanted to offer \$100. I
9 understand that is their policy, but I think they are
10 wrong.

11 My husband was replacing light bulbs in the
12 bedroom ceiling fan and he fell. He hit his head on a
13 piece of furniture and his vertebra jumped track, and he
14 was part -- it pinched his spinal cord, and he was
15 paralyzed. This accident left him a partial
16 quadraplegic. He is now progressing, but he had to be
17 away from home for five and a half months in hospitals
18 and nursing homes, and then another stay in a rehab for
19 two months, all at our cost.

20 He did begin to walk and now he uses two
21 forearm canes, but still has other problems which
22 require me to be with him most of the time. We feel
23 that the underlying cause of this accident was Progress
24 Energy's negligence in protecting their customers, in
25 inspecting their equipment, in taking care of it.

1 We also feel that they do not care for their
2 customers if accidents like this happen. Because I have
3 spoken to somebody else who lost a lot of their
4 appliances and equipment, but nothing was ever --
5 nothing was ever settled.

6 We are totally against Progress Energy ever
7 getting any kind of an increase. We have no love for
8 Progress Energy. Mr. Glenn spoke of growth and
9 efficiencies, well, they can't take care of what they
10 have got now, so we respectfully request that you do not
11 approve their rate hike, ever.

12 **COMMISSIONER EDGAR:** Thank you.

13 **MR. REHWINKEL:** I believe it is William O.
14 Falk, but it could be Fair. And after him Richard
15 Murray.

16 Richard Murray. Then Ken Fish.

17 **COMMISSIONER EDGAR:** Go ahead, Mr. Fish.

18 **MR. FISH:** I think everything has been said
19 pretty well.

20 **COMMISSIONER EDGAR:** All right. Thank you.

21 **MR. REHWINKEL:** Karen Foley.

22 KAREN FOLEY

23 appeared as a witness and, swearing to tell the truth,
24 testified as follows:

25 DIRECT STATEMENT

1 **MS. FOLEY:** Thank you for being here. My name
2 is Karen Foley, F-O-L-E-Y. I represent a business that
3 I do called Dust Busters. We clean homes on the island
4 and throughout the county. And the increase like this,
5 the trickle effect, your renters that come down, the
6 folks that come are not going to come down because
7 already house prices are high. The trickle-down effect
8 from the increases will make them even higher. It gets
9 to where then if you don't have homes to clean, you have
10 no job.

11 And then the same thing with Progress Energy
12 as far as not holding up and doing their part on things.
13 Every other week my electricity flickers, flickers,
14 flickers, and then it goes out for a couple of hours.
15 And then you call them and ask them, it comes back on,
16 but they have no knowledge of it. And that happens not
17 only on my road, which is Wilderness Road in Eastpoint,
18 it is on Ridge, too. And it's about every other week.

19 And I guess that is pretty much all I have to
20 say. Just please don't increase. I wish Florida Power
21 was back. They were a great company.

22 Thank you.

23 **MR. REHWINKEL:** Madam Chairman, we next call
24 Bev Hewitt, and then after Bev Hewitt, Susan Leach.

25 BEVERLY HEWITT

1 appeared as a witness and, swearing to tell the truth,
2 testified as follows:

3 DIRECT STATEMENT

4 **MS. HEWITT:** Thank you for being here. My
5 name is Beverly Hewitt. I am a downtown business owner.
6 I have been here for about 17 years in the same
7 location, which is one of the old historic buildings in
8 Apalachicola, Seafood Row.

9 My power bill last year, which I was quite
10 shocked at, was \$1,500. I opened the same bill for this
11 July, it was over \$2,000. We cannot afford this
12 increase. I also have the soda fountain across the
13 street, and you have to keep ice cream frozen. The bill
14 there was \$900 this month. My personal home bill was
15 \$400 this month.

16 Right now I'm looking at about \$2,800 in
17 deposits to Progress Energy. I'm not getting 12 percent
18 back on that as the increase that they are asking for,
19 that they want to give it their stockholders. I am
20 against this increase, and I hope that you hear the
21 message in Tallahassee.

22 Thank you.

23 **COMMISSIONER EDGAR:** Thank you.

24 **MR. REHWINKEL:** After Susan Leach, Donald
25 Rozhon.

1 SUSAN LEACH

2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

4 DIRECT STATEMENT

5 **MS. LEACH:** Good afternoon. My last name is
6 spelled L-E-A-C-H.

7 I have three issues. One has to do with the
8 service being a threat to my life. The second one has
9 some financial concerns that have just occurred. And
10 the third has to do with my employer in the county.

11 As Ms. Foley said, the reliability of the
12 service. I have a medical condition where I stop
13 breathing when I go to sleep. Approximately 22 times an
14 hour I will stop breathing. So when I sleep I have to
15 be on a machine. When I stop, if I'm not on that
16 machine, if I don't wake up when I stop breathing, then
17 I am in danger of having a fatal heart attack or stroke.
18 And, no, my insurance will not pay for it, because they
19 are preexisting. It's preexisting because of the
20 condition.

21 Maybe, as Ms. Foley said, the power will only
22 be out for a couple of minutes, or maybe an hour or two.
23 It still, hopefully, awakens me, and I'm not getting
24 then a good night's sleep, or I have to stay -- try to
25 stay awake until the power comes back on, and that does

1 not make me a productive employee during the day,
2 either. So I'm concerned about that.

3 There was a power surge this past week, and
4 not to get into a lot of details, but I guess air got in
5 the lines, and now we have got a leak. A gentleman
6 tried to fix the pump and such last night, thought he
7 could do a quick-fix, but, no, it was leaking this
8 morning. So now this is going to be costing money, and
9 the feeling was because of the power being off and then
10 the surge as it comes on.

11 The third matter regarding my employees here
12 in the county. They have cut phone lines which,
13 perhaps, does not help business, but we needed to cut
14 back utilities to save money. We have cut garbage waste
15 containers because of the financial money. We cannot
16 cut the electric, per se, because the business that we
17 are in has to do with food and medicines, and you have
18 to have them at a stable temperature. So we're kind of
19 locked into that.

20 But I want to end with a story that happened
21 this morning. A lady from the county, she's 59, so she
22 is not on Social Security, but she came in today. And
23 she presented me with a symptom, and I said, you know, I
24 think we have something that will treat that, \$8.16.
25 And she said I can't afford it. And I am thinking

1 \$8.16, you know, that is probably the most economical
2 thing I have. And she said, Susan, my electric bill was
3 \$50 more than it should have been this month, and I have
4 to get that money from someplace, so I won't be able to
5 get the medicine for this.

6 So I ask you to take all of these things into
7 consideration and please deny the rate increase.

8 **COMMISSIONER EDGAR:** Thank you.

9 **MR. REHWINKEL:** Sarah Moody, followed by
10 Darrell McKinley.

11 DONALD ROZHON

12 appeared as a witness and, swearing to tell the truth,
13 testified as follows:

14 DIRECT STATEMENT

15 **MR. ROZHON:** Greetings, Commissioners. My
16 name is Donald Rozhon. I'm retired, 33 years at
17 People's Energy of Chicago. I have been well-versed in
18 manipulation of the public, and I would like to read you
19 a few things here, and then I'm going to summarize
20 People's Energy -- I mean, Progress Energy, how they're
21 doing.

22 Here is a quote from Mr. Lyash, who was
23 president and CEO, and this was released from Progress
24 Energy on 1/5/2009. The majority of the project's costs
25 will be invested by the company and its shareholders and

1 will not be recovered from the customers through rates
2 until the plant goes into service. Progress Energy
3 Florida has developed and implemented some of the most
4 innovative and aggressive energy efficiency programs in
5 the country. Progress Energy Florida also leads the
6 state's utilities in using cost-effective renewable
7 energy.

8 Now, I don't know what happened between
9 1/5/09, but on March 20th, '09, Mr. Levy (sic) states
10 that we must now increase base rates to cover
11 investments necessary to progressively implement
12 Florida's energy policy, which is aimed at developing a
13 cleaner more diverse energy portfolio. So what he is
14 saying is we have to pay for this nuke plant up front.

15 Now, if they are doing so well and they are
16 implementing all of this stuff, and we have all heard
17 how reasonable Florida's rates have been supposedly on
18 electricity -- this is from the official Nebraska
19 government website, and it's electricity rates
20 comparison by state.

21 Well, Florida doesn't even make the first page
22 of being reasonable. Wyoming is the cheapest. Go to
23 the back page, Hawaii is the highest. But what is
24 interesting is Florida is Number 37, but the same
25 company in South Carolina is 21. North Carolina is 23,

1 the same company. We are on an energy grid. They can
2 move that electricity wherever they want. We all know
3 about Enron and their shenanigans.

4 But I did a little bit of a comparison here of
5 Progress Energy's competitors, okay. Quarterly revenue
6 growth year on year, PGN, 18.2 percent; Duke, minus .9;
7 FPL, which is New York, 7.9 percent; Southern, minus
8 .50. The industry average is 6.5.

9 Gross margins, Progress 34.61; Duke, 38; FPL,
10 33; Southern, 33; industry, 29. That's nationwide. So
11 they are already there. Earnings per share, 303; Duke,
12 97; FPL was very high at 4. I don't know what they did.
13 Southern was 190, but the national average is only -- is
14 98 cents a share.

15 **COMMISSIONER EDGAR:** Mr. Rozhon, do you have
16 other comments --

17 **MR. ROZHON:** Pardon me?

18 **COMMISSIONER EDGAR:** Do you have any more
19 specific comments on the proposal before us?

20 **MR. ROZHON:** Well, the other thing is they are
21 paying out 6.2 percent on the dividends, which is one of
22 the highest in the nation. They're doing quite well.
23 They don't need a raise.

24 Thank you.

25 **COMMISSIONER EDGAR:** Thank you.

1 **MR. REHWINKEL:** Mr. McKinley.

2 **MR. MCKINLEY:** I pass.

3 **MR. REHWINKEL:** Next, Madam Chairman, will be
4 Sandra Jenkins, followed by -- the last name is Bowie, I
5 think.

6 **COMMISSIONER EDGAR:** Sandra Jenkins.

7 **MR. JENKINS:** They have already said what we
8 want to say.

9 **COMMISSIONER EDGAR:** Okay.

10 **MR. REHWINKEL:** I can't read the first name, I
11 apologize. But I think the last name is Bowie.

12 **COMMISSIONER EDGAR:** Would you like to come
13 speak? No, you waive your time? Okay. Thank you very
14 much.

15 **MR. REHWINKEL:** Next will be Billy Jack Foley
16 followed by Crystal Russell.

17 **COMMISSIONER EDGAR:** Billy Jack Foley.
18 Crystal Russell.

19 **MR. REHWINKEL:** Susan -- it's either Ficklen
20 or Fickler.

21 **MS. FICKLEN:** Ficklen.

22 **MR. REHWINKEL:** Ficklen. And then Mason Bean
23 would be after Ms. Ficklen.

24 SUSAN FICKLEN
25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 DIRECT STATEMENT

3 **MS. FICKLEN:** That's F-I-C-K-L-E-N, F as in
4 Frank. And thank you for being here.

5 I would like to make one comment about the
6 boots on the ground, and that is I support Mr. Miller's
7 comment earlier. At a point in time awhile back when we
8 had a power outage from a power pole down on St. George
9 Island, they were marvelous in restoring that power. I
10 will just leave my comment -- compliment there.

11 I work for Collins Vacation Rentals. I,
12 therefore, represent 275 homeowners, most of whom are
13 absentee. They have been sent this information of the
14 proposed rate increase. They have been sent the
15 information of this meeting. They have asked that they
16 be represented, because most of them don't live here.

17 So on their behalf, I am stating that they are
18 property owners just the way we are in Franklin County.
19 They pay their taxes. As a result of their owning these
20 homes here, they generate hundreds of thousands of
21 dollars for this county every year by opening their
22 homes to visitors.

23 Their expenses are increasing. They are
24 concerned that when their visitors are here, their
25 enormous enjoyment of the community often encourages

1 them to leave the windows open and the doors open and
2 their rates are going to be up anyway. We try to remind
3 them of that, but they have asked that I ask that you
4 consider not allowing this increase in their rate.

5 Thank you very much.

6 **COMMISSIONER EDGAR:** Thank you.

7 **MR. REHWINKEL:** Madam Chairman, after Mason
8 Bean, Cora Russ.

9 MASON BEAN

10 appeared as a witness and, swearing to tell the truth,
11 testified as follows:

12 DIRECT STATEMENT

13 **MR. BEAN:** Mason Bean, B-E-A-N, as in pork
14 and. Commissioner Edgar, thank you for coming. We
15 never apologize for bringing people to the beach, so we
16 are glad to have you down here. I do want to thank
17 everybody for showing up at a 1:00 o'clock public
18 hearing. To have the crowd we have, that's tremendous.

19 A couple of things that haven't been brought
20 up is one is what is going happen to the cap and trade
21 bill that is presently in Washington and how that's
22 going to affect us without a hearing.

23 And I want to re-emphasize, once again, that
24 we are going through the county with a millage increase,
25 we are going through the school board with a rate

1 increase. My business is off 80 percent over the last
2 three years. We are trying to do, in our office, things
3 more efficient. We have got administration that is
4 taking over either reservations or the front desk once a
5 month trying to circulate that employment. So I just
6 want to plead that this rate hike be denied.

7 Thank you.

8 **COMMISSIONER EDGAR:** Thank you.

9 **MR. REHWINKEL:** Madam Chairman, we would call
10 Cora Russ, and then after --

11 **MS. RUSS:** I pass.

12 **COMMISSIONER EDGAR:** Okay. Thank you,
13 Ms. Russ.

14 **MR. REHWINKEL:** Thank you. Ron Harrison.

15 RON HARRISON

16 appeared as a witness and, swearing to tell the truth,
17 testified as follows:

18 DIRECT STATEMENT

19 **MR. HARRISON:** My name is Ron Harrison, and I
20 speak on behalf of Leavins Seafood. We are an oyster
21 company right next door here. We employ up to 80-plus
22 people a year. Probably one of the largest employers in
23 Franklin County. We vote no against this. We are
24 trying to survive in an economic downturn like the rest
25 of us, but we run trucks from Miami to Virginia. We are

1 a producer -- a processor of oysters. Our fuel bill
2 just on trucks costs us a dollar a mile. We run nine
3 semis all over the country.

4 With that, I compared -- we pulled our utility
5 bills, which run over 10,000 a month collectively for
6 all of our locations, and we have averaged up about 10
7 percent from the month of July to the month of July last
8 year. So we're up 10 percent. The fuel surcharge was
9 up 15 percent from last year to this year.

10 And right now our business, basically, is
11 focused on broad line distribution and retail. There
12 business is down 20 percent. The restaurant business is
13 suffering in this country. So with that said, we are
14 definitely against it. We have got 80-plus people that
15 live in this county that we want to keep employed. We
16 have cut office staff back one day a week. So everybody
17 is doing what we can on Water Street to survive. And
18 just to have this kind of rate increase, it's simply
19 uncalled for. We are just trying to break even, and so
20 I think that our friends in the power company need to
21 look hard at what we're doing here.

22 Thank you.

23 **COMMISSIONER EDGAR:** Thank you.

24 **MR. REHWINKEL:** Next we call Pierre St.
25 Germain and Beth Moseley. I guess Beth Moseley. And

1 after Beth Moseley, Kenneth LaPaz.

2 BETH MOSELEY

3 appeared as a witness and, swearing to tell the truth,
4 testified as follows:

5 DIRECT STATEMENT

6 **MS. MOSELEY:** My name is Beth Moseley,
7 M-O-S-E-L-E-Y, and I speak on behalf of the First
8 Baptist Church of St. George Island. I am the treasurer
9 there. We have had to double our benevolence fund.
10 Just last night after church, my pastor and I wrote out
11 a \$200 check so a lady would not get her electricity
12 turned off today.

13 I vote against this. My mother-in-law, she's
14 on a fixed income. She had a stroke a year ago. She
15 is -- Social Security is all she gets. And it hurts
16 older people to have to ask their children to help them
17 pay their electric bill. So I vote no.

18 **COMMISSIONER EDGAR:** Thank you.

19 **MR. REHWINKEL:** After Mr. LaPaz, Jimmy Peters.

20 KENNETH LAPAZ

21 appeared as a witness and, swearing to tell the truth,
22 testified as follows:

23 DIRECT STATEMENT

24 **MR. LAPAZ:** My name is Kenneth LaPaz, L-A-
25 capital P-A-Z. I am the owner/operator of a mom and pop

1 restaurant in Carrabelle called Hog Wild Bar-B-Q.

2 Around this time last year the economy started
3 taking a real downturn in Franklin County, and
4 definitely for me, and I was faced with the decision
5 that I knew I was going to have to make real quick, and
6 that was to either lock my doors or find a way that I
7 could stay in business.

8 My accountant and other people that I consult
9 kept telling me, you have got to raise your prices,
10 raise your prices, raise your prices. I told them no, I
11 can't do it. That's my problem now, customers aren't
12 coming in, they can't afford it. So I had to find a way
13 to get smart, to operate smart, to the point that I
14 personally weekly hauled off all of my recyclable
15 garbage, so I could cut my garbage bill \$200 a month.

16 Well, last January I get a 28 percent increase
17 on my power bill, so Progress Energy gets all of that
18 plus some. With that 28 percent last January, and now
19 we're looking at a 31 percent this January, and I
20 roughly figured with pencil and paper a few minutes ago,
21 and if anybody else would like to figure it for me, I
22 would like to know. But from January of last year until
23 January of this year, that will be a 60 percent increase
24 in my power bill. We cannot do it.

25 Now, I said I had to get smart. I'm still

1 here, so evidently I did some things right. And I'm not
2 near as worried about going into this fall as I was last
3 year. And it's time for Progress Energy to get smart.
4 They cannot keep sticking their customers with rate
5 increases. We can't afford it.

6 People keep talking about the trickle-down
7 effect. Well, the trickle-down effect is close to
8 coming to a stop, and when it does, it's going to be an
9 explosion, and it's going to be ugly. So on behalf of
10 my business and my ten employees, I ask that you reject
11 this increase.

12 Thank you.

13 **COMMISSIONER EDGAR:** Thank you.

14 **MR. REHWINKEL:** Next up is Jimmy Peters
15 followed by Dieter Ambros.

16 JIMMY PETERS

17 appeared as a witness and, swearing to tell the truth,
18 testified as follows:

19 DIRECT STATEMENT

20 **MR. PETERS:** My name is Jimmy Peters. Many,
21 many good points have been made here today, and I
22 haven't heard anybody say please vote for this. So I
23 would just reiterate a couple of them.

24 You know, the trickle-down effect. It is
25 going to hurt everybody. It appears to me that PEF is

1 guilty of greed. They are guilty of poor management.
2 They're trying to either be reactive and say, gee, we
3 didn't plan ahead, we need another 31 percent increase,
4 or they are trying to be greedy and be proactive and
5 say, gee, we need to get another 31 percent increase.

6 It's not right. And they're cutting off their
7 nose to spite their face, because when these businesses
8 go out of business, they quit using electricity, so what
9 are they going to do then? I definitely am one, with
10 all the others, against this increase.

11 **COMMISSIONER EDGAR:** Thank you.

12 **MR. REHWINKEL:** Dieter Ambos.

13 DIETER AMBOS

14 appeared as a witness and, swearing to tell the truth,
15 testified as follows:

16 DIRECT STATEMENT

17 **MR. AMBOS:** I would just like to say that --

18 **COMMISSIONER EDGAR:** We need to have the
19 comments into the microphone for the court reporter and
20 also for the record.

21 **MR. AMBOS:** That's fine. Dieter Ambos. I am
22 a resident of Apalachicola. I would just like to say
23 that -- thank all the speakers that have come up here
24 before me, and I think they are absolutely correct. I
25 am opposed to this rate increase myself, and I certainly

1 would like to have somebody tell me since I'm retired
2 and live on the interest of my investments, how I could
3 personally come up with, say, even 10.3 percent. And I
4 can't do that. Thank you. I'm opposed to it.

5 **COMMISSIONER EDGAR:** Thank you.

6 **MR. REHWINKEL:** Madam Chairman, I previously
7 called Richard Murray, and I have been informed that he
8 may have difficult speaking and that there is someone
9 that wants to speak for him using his card.

10 **COMMISSIONER EDGAR:** Is there somebody here to
11 help Mr. Murray?

12 Thank you, Chairman.

13 RICHARD MURRAY

14 appeared as a witness and, swearing to tell the truth,
15 testified as follows:

16 DIRECT STATEMENT

17 **COMMISSIONER PARRISH:** Thank you for allowing
18 me to speak for Mr. Murray. He is not in good health
19 and he didn't feel like he could come up and speak to
20 the council -- Commission on this issue.

21 **COMMISSIONER EDGAR:** And for the record, this
22 is Commissioner Parrish.

23 **COMMISSIONER PARRISH:** Yes.

24 Mr. Murray is standing there at the back door
25 with the straw hat on, as you can see, he is

1 approximately 80 years old. I have a copy of his bill
2 here, \$598. This man lives on a fixed income as I spoke
3 earlier to the Commission about, and he is one of the
4 individuals that I am here to represent and try to
5 protect against this rate increase, because he cannot
6 afford it. He doesn't draw that much money on Social
7 Security. He is not able to work. And for him and for
8 the record, he votes no on this rate increase.

9 Thank you.

10 **COMMISSIONER EDGAR:** Thank you.

11 **MR. REHWINKEL:** Thank you for your help, Madam
12 Chairman.

13 Next, Bill and Cherry Watson, followed by Joe
14 Taylor.

15 **BILL WATSON**

16 appeared as a witness and, swearing to tell the truth,
17 testified as follows:

18 **DIRECT STATEMENT**

19 **MR. WATSON:** Good afternoon. My name is Bill
20 Watson, and this is my wife, Cherry. We would ditto
21 everything that has been said here this afternoon. My
22 wife and I moved here about a year and a half ago to St.
23 George Island, and we are on fixed incomes like a lot of
24 people who are retired in this area. Anybody that's
25 going to have a rate increase of this size is going to

1 hurt us dramatically, and I would urge you to vote no on
2 anything of a rate increase such as they have asked for
3 so far.

4 Thank you very much.

5 **COMMISSIONER EDGAR:** Thank you.

6 **MR. REHWINKEL:** Joe Taylor followed by Gail
7 Burdulis.

8 JOE TAYLOR

9 appeared as a witness and, swearing to tell the truth,
10 testified as follows:

11 DIRECT STATEMENT

12 **MR. TAYLOR:** My name is Joe Taylor. My wife
13 and I have a two small businesses here in town, and we
14 are lucky enough to sit on several volunteer boards and
15 organizations. And not to beat a dead horse, but for
16 all the reasons before, no one has brought up about our
17 food pantry. We have seen a 53-point-some-odd increase
18 in participants just this past year in the food pantry.
19 And I think that's something that makes a comment on
20 what is happening in our community.

21 The other thing is we have been fortunate
22 enough to live here for eight years, and in that time I
23 have never been in a public meeting with so many people
24 from such a broad range of people in our county where
25 everyone agreed on the same thing. And so it's nice to

1 be part of a group that can share one opinion, and
2 that's against the rate increase.

3 **COMMISSIONER EDGAR:** Thank you.

4 **MR. REHWINKEL:** Gail Burdulis.

5 Harolyn Walker.

6 HAROLYN WALKER

7 appeared as a witness and, swearing to tell the truth,
8 testified as follows:

9 DIRECT STATEMENT

10 **MS. WALKER:** Good afternoon. I am Harolyn
11 Walker, and I am speaking on behalf of my family and my
12 grandmother who was in the audience. She was just
13 sharing with me just the other day the amount of her
14 electric bill, and I was very, very surprised to hear
15 her say that git was 170-something dollars, which might
16 not appear to be much to some people, but to her that is
17 like -- she's on a fixed income like so many have said
18 before me, and it's just something that she cannot
19 afford.

20 And I was listening when Mr. Gander came up, I
21 am a teacher with the school board here, and I would
22 really hate to see some of our teachers let go because
23 we cannot afford the electric bill. The electric bill
24 needs to be paid so, therefore, we have to let teachers
25 go.

1 So with that said, I am strongly opposed to a
2 rate increase in our electric bill.

3 Thank you.

4 **COMMISSIONER EDGAR:** Thank you.

5 **MR. REHWINKEL:** Next is Derrick Crum followed
6 by Judy Parks.

7 DERRICK CRUM

8 appeared as a witness and, swearing to tell the truth,
9 testified as follows:

10 DIRECT STATEMENT

11 **MR. CRUM:** I'm Derrick Crum from -- I own a
12 business in Tallahassee, Jackson-Cook Crane Service. I
13 am in a unique situation. I got a -- one of our plants
14 is down in Wakulla County where we pay Progress Energy
15 quite a bit of -- quite a substantial fee last year, and
16 begged them to run current to our piling fabrication
17 facility to try to cut costs to fabricate pilings on the
18 coast, because we need to put people to work down here.
19 We have got framers not working.

20 It was terrible and ridiculous dealing with
21 Progress Energy. I have been with Jackson-Cook 23
22 years. I worked with Florida Power. They were awesome.
23 The people from North Carolina who took over Progress
24 Energy are terrible. When I was sitting at the supper
25 table the other night, and I had to pray about coming up

1 here, if this is the right thing to do, because this can
2 affect my business. But I'm here for you all, for the
3 citizens.

4 I was told a month ago when I called the
5 purchasing agent of Progress Energy, I said -- I called
6 her and I said, listen, I said, I haven't heard from you
7 in two months because I do crane service. We have been
8 on the island working around the clock when them storms
9 hit. My operators slept in cranes working with Progress
10 Energy. We've been right there at that bridge there
11 unloading poles last year. We have been right over here
12 with the transformers, but I hear that you all want a
13 doggone price increase. And I was told before -- back
14 in the end of June, I was told -- when I called her up,
15 I said, what's going on? I haven't heard from you. I
16 said I'm concerned about you, because she is up in age.
17 She said, you don't know? We can't do business with you
18 no more.

19 We have been doing business with them for
20 forty years, Jackson-Cook has. She said they had a
21 panel, a ten-panel from North Carolina -- this is the
22 CEO of Progress Energy -- to pick crane services out of
23 the southeast. So now if you all have a problem in
24 Carrabelle, Wakulla, Franklin County, you get a
25 company -- they didn't call and tell me -- our service

1 to them don't mean nothing. They get a company out of
2 Ocala that was picked and a company out of Valdosta.
3 They don't even pay taxes to the state of Florida. All
4 right.

5 If you have to replace a pole in Sopchoppy,
6 which we have to do -- we were doing three or four times
7 a year, it would cost 600 to \$1,000. Well, now they
8 have got to call Childers (phonetic) Crane Company out
9 of Ocala. It is a day to drive it, a day to do the job,
10 and a day to drive back. That's if they don't get
11 caught by DOT, because it's oversized and heavy weight
12 equipment. So you are talking about tripling or four
13 times the cost of your calls, not only for crane rental
14 for like RSC, United Rentals, all the rental companies,
15 that is the way they have done it.

16 They only picked, they said -- and I called up
17 to North Carolina and talked to one of the guys of the
18 panel, and he said, well, we're trying to cut costs. I
19 said, well, if I run my business like you are running
20 your business, I would be out of business. Because what
21 they have done, is they have -- that is why they want
22 the increase, the decisions they are making. And it
23 didn't just -- and it hurt me to sit there and see that
24 they wanted a dadgum price increase knowing that the
25 inside -- I know the inside of how they are making the

1 decision. And I don't care if I ever do another crane
2 job for them, but what's right is right, and it is not
3 that it come out of our pockets.

4 I am paying a light bill down in Wakulla
5 County on the coast to fabricate pilings, and they are
6 going to rent a crane company from Valdosta and charge
7 all of us for it. You know, and I sit -- when we was
8 working on a barge up here, I lay there with my dadgum
9 telephone at night, and, you know, and sit there and get
10 phone calls during the night. Did they care to call us
11 up and tell us that we didn't work -- that after forty
12 years of service, that we didn't work for them. And
13 they said we were the safest crane company; we were just
14 jam up. But that is how they feel about the public.

15 It is greed. And in the Bible greed kills us,
16 and that's what is wrong with this country. So we can
17 raise hands or do whatever, but when you leave this
18 room, I ask you to pray for Progress Energy for them to
19 have a change of heart.

20 **COMMISSIONER EDGAR:** Thank you.

21 **MR. REHWINKEL:** Judy Parks followed by Liz
22 Sisung. Judy Parks.

23 Liz Sisung. Did I pronounce that right?

24 LIZ SISUNG

25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 DIRECT STATEMENT

3 **MS. SISUNG:** Liz Sisung, and it's spelled
4 S-I-S-U-N-G. My husband and I live in Eastpoint, and we
5 are retired and we live on a fixed income. And over the
6 years, I would keep track of our various bills in order
7 to meet our bills, and we have bought various things so
8 that we can be more energy efficient. And I noticed our
9 electric bill wasn't going down at all. And then I
10 heard people say, well, there's a rate increase.

11 So I went back a few years, and I looked at
12 the changes in what the rate was, and I was surprised,
13 16 or 20 percent, I just compared my bills, and that's
14 it. That is a year or so ago, and now they want another
15 12.5 percent. And as you heard from so many people in
16 the county, it can't be afforded. So, please, please
17 consider a no on that.

18 Thank you.

19 **COMMISSIONER EDGAR:** Thank you.

20 **MR. REHWINKEL:** David Allen followed by Mike
21 N-E-P-O-T-E. I'm not sure if I pronounced that right.

22 DAVID ALLEN

23 appeared as a witness and, swearing to tell the truth,
24 testified as follows:

25 DIRECT STATEMENT

1 **MR. ALLEN:** A-L-L-E-N. Just a couple of
2 questions really. My understanding of this 9-1/2
3 percent that they are guaranteed is that that is a
4 guaranteed refund on an investment. If that's true, I
5 don't understand why you would ever need a rate
6 increase. You are a public utility. Nine and a half
7 percent seems like a fair price for a no risk
8 investment. So why would you want to raise that to
9 12-1/2 percent?

10 As far as the investment in equipment, they
11 already have ways to recover their investment on that
12 equipment. I agree with everyone else, we shouldn't
13 have to pay for it in advance.

14 The last thing is if -- someone mentioned
15 earlier, hey, let's think about giving them a rate
16 decrease. I worked for an airline for 30 years, and
17 whenever our union contract became amendable, it was a
18 two-way street. You could make money or you could lose
19 money. So let them come ask for a rate increase, but
20 let's make it so that whenever they do, instead of
21 saying, yes, we will give you one; we could say, no,
22 let's cut it 6 percent. And that's about all I've got.
23 Thanks. I am opposed.

24 **COMMISSIONER EDGAR:** Thank you.

25 **MR. REHWINKEL:** Mike Nepote.

1 **MR. NEPOTE:** That's pretty close.

2 **MR. REHWINKEL:** Followed by Ronald Page.

3 MIKE NEPOTE

4 appeared as a witness and, swearing to tell the truth,
5 testified as follows:

6 DIRECT STATEMENT

7 **MR. NEPOTE:** Mike Nepote, N-E-P-O-T-E. The
8 first name is M-I-K-E. I didn't get here at the very
9 get-go. So would you all mind -- are you all -- are all
10 of you all PSC up here?

11 **COMMISSIONER EDGAR:** I'm Lisa Edgar and my
12 colleague, Katrina McMurrian, and we are Commissioners,
13 and these are members of our staff.

14 **MR. NEPOTE:** So you all are with the Service
15 Commission?

16 **COMMISSIONER EDGAR:** Mr. Rehwinkel.

17 **MR. REHWINKEL:** And I'm your attorney. I'm
18 with the Public Counsel's Office. We are the customers'
19 advocates before the Commission.

20 **MR. NEPOTE:** You are what, I'm sorry?

21 **MR. REHWINKEL:** I am the Public Counsel's
22 Office. We are your lawyers in the case before the
23 Commission.

24 **MR. NEPOTE:** Oh. So are the people with
25 Progress in the squawk box?

1 **COMMISSIONER EDGAR:** No. Commissioner
2 Argenziano, are you still with us?

3 **COMMISSIONER ARGENZIANO:** Yes, I am.

4 **COMMISSIONER EDGAR:** One of our colleagues,
5 Commissioner Argenziano, was not able to be here in
6 person, and she is on the phone.

7 **MR. NEPOTE:** Okay. Thanks. Anyway, I have
8 got two issues. One of them sounds kind of chintzy, but
9 when you have some of these humongous bills, like \$500,
10 it could make a difference, and I have been -- actually,
11 I called the PSC about this. I had looked at my bills,
12 and they are honest enough to tell you what their
13 billing period is. And whoever I spoke to at the PSC
14 was pretty polite, but they said you need to call the
15 company, and gave me some special numbers, you know,
16 and I -- actually, they were supposed to call me, and
17 they did and left a message on the phone machine, very
18 polite messages. And then I tried call back and never
19 got to talk to anybody. Of course, you know, went
20 through the rigmarole. So I kind of let it go.

21 But, anyway, I have noticed that their billing
22 periods can be different. Like, I tried to find some of
23 my old bills. I had one last year -- let's see, that
24 was in August for 34 days, okay. And now I'm going to
25 go over to this year, most of this year, January,

1 February, March, I had 29 days. Then it starts kind of
2 getting -- going up hill in the number of days as you
3 get to the warmer months for some strange reason.

4 It was 32 days in April, if I can read my
5 writing. May it was back down to 29 days, which is fair
6 for that time of year. In June I got 30 days. Now,
7 July it moved up to 32 days. So my question is why
8 can't we have 28 -- I think I had seen 28 days one time,
9 but I couldn't find any bills that indicated that. But
10 why do we have to have these 32 to 34-day periods of
11 billing?

12 I know you have to break it up because of the
13 number of days in the year, blah, blah, blah. But why
14 can't we have the 29 days and 28 days in the hot months,
15 so that when you get -- like if you got a -- like I had
16 a \$300 bill. You know, I have never heard of that
17 before in my life. And that's nothing compared to what
18 some of these people are paying, but if I had had, say,
19 a \$300 bill, if you break it down by day, that is about
20 ten dollars savings a day if I get \$3 -- I mean three
21 days knocked off the bill. So if I had a bill in the
22 \$300 area, then I would save \$30, and that would be
23 enough to pay another bill like garbage or something
24 like that. And Progress would still get their total
25 money at the end of the year, because then they could

1 put the longer intervals in the middle of it, or towards
2 the winter months when it's not as cold here.

3 I know some people have electric power for
4 their heat, but not as many as are dependent upon the
5 cold air or the AC in the summer. So that's just a kind
6 of small beef of mine, and I am wondering why they can't
7 give us some kind of little break during the summer
8 months, in the hot months.

9 And this gentleman over here that addressed an
10 issue, Mr. Bean, he just barely glanced over it about
11 cap and trade. And I'm very concerned about that,
12 because this stuff here is nothing compared to what is
13 going to happen to us if cap and trade goes through from
14 everything that I understand. And I urge everybody here
15 to go research it if you don't know what is going on
16 about it, because our representative in this area voted
17 in the House for cap and trade, which means they are
18 going to -- the government is going to get more involved
19 with our energy, and they are going to try to force us
20 to go to green energy when we are not ready for it.

21 I'm all for green energy. I was with the
22 Georgia Conservancy the first year when it was in Athens
23 in the '60s. So I am -- I am for environmentalism, but
24 I think that they are trying to force, you know, solar
25 and all of this other stuff. And we are also going to

1 disservice -- I'm talking about the government now. If
2 Progress Energy wanted to get on a good standing with
3 its customers again, they would tell us what's going on
4 with cap and trade and let us know what an evil thing
5 this is.

6 And I say evil, because it is about big taxes
7 on a hoax about global warming, the sky is falling and
8 everything like that. And if they do pass it, it is not
9 going to make that much difference anyway. Even if
10 there was such a thing of global warming, it is not
11 going to make less than one percent difference in
12 anything. But it will double our power bills just like
13 that as far as everything I have seen on that.

14 And if anybody doubts that, they can go to
15 wwwheritage.com -- I mean, excuse me, .org, .org. Sorry
16 about that. That could make a big difference. But,
17 anyway, there is a lot of other places that have
18 information about that, but that is one that I have
19 checked on.

20 But, anyway, that is a big deal, I think,
21 coming down at us, and this is going -- I feel like
22 these rate increases are just to prepare us for the big
23 boom. And if Progress wanted to make points with the
24 people, instead of buddying up to the government and
25 saying, oh, we are going to do what you tell us to do,

1 maybe they should listen to the citizens and the
2 customers and say, hey, we're going to work with you to
3 try to keep the rates from going up ridiculously high.
4 So that is my point on that. Thanks for the time.

5 **COMMISSIONER EDGAR:** Thank you.

6 **MS. BRADLEY:** Commissioner.

7 **COMMISSIONER EDGAR:** Ms. Bradley.

8 **MS. BRADLEY:** Can I ask the speaker a quick
9 question?

10 **COMMISSIONER EDGAR:** Mr. Nepote -- Nepote.
11 I'm sorry.

12 **MR. NEPOTE:** Yes. N-E-P-O-T-E.

13 **COMMISSIONER EDGAR:** Okay. I need you to come
14 forward to the mike, if you would, for just a moment.

15 **MS. BRADLEY:** I just have a quick question of
16 you.

17 **MR. NEPOTE:** Oh.

18 **COMMISSIONER EDGAR:** You need to come to the
19 microphone if you would. Thank you.

20 **MS. BRADLEY:** I just wanted to understand a
21 comment that you made. Are you saying that you got
22 bumped into a higher billing rate because they billed
23 for 32 or 34 days?

24 **MR. NEPOTE:** I didn't say anything about a
25 rate.

1 **MS. BRADLEY:** Okay.

2 **MR. NEPOTE:** I'm just talking about when you
3 have got -- when you have got a longer interval, it can
4 go from 28 to 34 days. I've got one bill that was 34
5 days. If you have a bill that was in the \$300 realm,
6 you -- if you got it down -- if every day in the summer
7 was like when you get \$300 bills in the mail, if you got
8 it bumped down three less days than it would normally --
9 than those 32 or 34 days, and all that kind of stuff,
10 then you could save -- well, just on the bill at that
11 time you would save like \$30 or something like that on
12 the bill. And that can make big difference when you are
13 stretching to pay 300, then you could pay your garbage
14 bill or have enough money to get some survival food or
15 something like that.

16 **MS. BRADLEY:** Thank you, sir.

17 Thank you, Commissioner.

18 **COMMISSIONER EDGAR:** Thank you.

19 Mr. Rehwinkel.

20 **MR. REHWINKEL:** Ronald Page followed by Mary
21 Kitamura.

22 RONALD PAGE

23 appeared as a witness and, swearing to tell the truth,
24 testified as follows:

25 DIRECT STATEMENT

1 **MR. PAGE:** My name is Robert Page. I'm here
2 to represent me, and some of you folks around here.

3 My concern, though, is this: I'm talking to
4 my wife the other day, and she said, you know, this year
5 we are using -- I forget how much less. She will tell
6 you in a few minutes, because she is going to follow me
7 and probably make a fool out of me. But our rates, we
8 are using less electric this year than we did last year,
9 but our bills are still higher.

10 Our bill is running around my house probably
11 350 to 400 bucks a month, okay. And I'm doing like a
12 lot of other people, I was born and raised here in this
13 county right here where they're a new park right on that
14 property. I'm going to put my claim on it, too, folks.

15 But the thing of it is, we don't need any more
16 taxes in this county, no more price raises, or anything
17 else. I was president of the Seafood Workers
18 Association in this county for the last -- in the '80s,
19 from '85 until the early '90s, during the time the
20 hurricanes came in here and wiped us out. But it used
21 to, and we run into this with this gentleman sitting
22 over here. It's going in this ear and out that one,
23 because he is not going to make any difference anyway.
24 He is just here as part of their company.

25 This gentleman over here sitting in for the

1 Governor's Office, he's tired of hearing us. I mean, I
2 know he is, because I'm getting tired of hearing us.
3 And I know these attorneys and everybody else are tired,
4 but it is time somebody woke up and started saying
5 something that really makes a difference.

6 We can say you're kicking the same old horse
7 to death right now that we kicked last year, and
8 everything else. These big companies are going to have
9 to realize that the people are being tired of being bled
10 to death. Now, Franklin County is being bled to death,
11 I can tell you that right now, because when you don't
12 have but a little bit of blood, and everybody comes
13 along and gets a little bit out of it, there ain't much
14 left. And that's what we have been going through. Our
15 commissioners stated it absolutely perfect whenever they
16 got in and done the job they done.

17 But let me go back to the thing here. When I
18 was president of the Seafood Workers Association, we
19 never could get anybody in Tallahassee to listen to us,
20 because we are just this little community down here.
21 But they eventually found out -- and I know all or part
22 of my people is gone here behind me from Eastpoint and
23 Apalachicola that are really in this part -- is that I
24 could go before Dempsey Barron and the rest of them and
25 try to get a meeting on there to try to get the money to

1 keep this county going with at that time, and they
2 ignored me. And I said, well, that's all right. I'll
3 be back tomorrow with a half a dozen of these oystermen
4 from Eastpoint and Apalachicola.

5 They would say, come on in, let's talk,
6 because they didn't want the oystermen and the shrimpers
7 and the fishermen from Franklin County up there at the
8 courthouse -- I mean, at the state house. So we may
9 have to say this whole thing again, and they might have
10 to understand that if Progress Energy and the Governor
11 and the cabinet and everybody let's this go through that
12 they might have to meet with some people from Eastpoint
13 and Apalachicola.

14 It is getting time somebody done something to
15 put a stop to this. We just absolutely have been milked
16 to death. So thank you very much, and that's about it.

17 **MR. REHWINKEL:** Okay. Mary Kitamura, then
18 Grace Page, followed by John Horlbeck.

19 GRACE PAGE

20 appeared as a witness and, swearing to tell the truth,
21 testified as follows:

22 DIRECT STATEMENT

23 **MS. PAGE:** I think it has just about all been
24 said. But this is going to affect everybody in Florida
25 that pays an electric bill, that goes to you all if you

1 live in Florida. And I have heard so much about these
2 meetings about trickle-down on us. Ya'll don't let them
3 flush it.

4 **COMMISSIONER EDGAR:** Thank you.

5 **MR. REHWINKEL:** John Horlbeck.

6 TERRY BREWER

7 appeared as a witness and, swearing to tell the truth,
8 testified as follows:

9 DIRECT STATEMENT

10 **MR. BREWER:** That's my meter base from my
11 business.

12 **COMMISSIONER EDGAR:** Please state your name.

13 **MR. BREWER:** I'm Terry Brewer of Harry A's
14 Restaurant on St. George Island. And I am mad. Shortly
15 after 8:00 o'clock this morning, Progress Energy came to
16 change my meter. They set fire to my building. For 15
17 to 20 minutes power fluctuated through the place. I had
18 one leg on another leg was blasting through it. So I
19 don't -- right now I know I have one conditioner and one
20 cooler down. They finally brought a crew in, unhooked
21 my power, and said call us when you get it fixed and
22 left.

23 They set fire to my building. This is the
24 service. I apologize for not being here sooner. I
25 didn't get my power back on until a quarter after 2:00.

1 I have been walking around my business with an
2 electrician checking everything. We have no idea what
3 further damage I have because of compressors and
4 everything like that. There's the proof of it right
5 there. I want it back.

6 But I called for an hour and a half after
7 10:00 o'clock. I told them when they left at 11:00
8 o'clock that I'd have it back up, because I brought in a
9 whole crew of electricians. They never showed up. I
10 called from 10:00 o'clock on, going through all of their
11 damned watts numbers. I got pushed around to -- well, I
12 needed new construction, I needed to be commercial, I
13 needed to be this. I got cut off.

14 Finally, I asked for supervisors. I was put
15 on 18-minute waits. Then these clowns come on, and they
16 tell me, well, until you go get a building permit -- and
17 this is emergency power I need -- until you go get a
18 building permit and an inspection, we are not coming
19 back. So I am sitting around all of this time with all
20 of these people, all my employees. I'm out of business.
21 I open up at 7:00 o'clock in the morning.

22 They don't care. I got a couple of apologies
23 on the phone from a couple of those clowns. You know
24 what, the service people are not the ones I have a beef
25 with. They come out whenever I need them. They are

1 people that are Johnny on the spot. But you have got
2 all these clowns up there on the upper echelon, and they
3 are getting paid the big bucks, getting rid of all these
4 little people that take care of us.

5 Where are they at? Well, we sent them to
6 Mexico Beach, and we sent them back over to
7 Crawfordville, so they won't be back until 1:00 o'clock.
8 They knew my power was ready to go. The county was
9 ready to sign off to do whatever it took to get me back
10 up. But, no, they are not back until 1:15.

11 Now all they are looking for is an excuse of
12 why my power went out. I had a transformer go out,
13 smoke and lose oil and burn up Monday night. They
14 changed it. Nobody bothered to check to see if there
15 was a problem with that. Nobody told that service guy
16 when he came to change that meter that there had been a
17 problem before. That's the third transformer I have had
18 in three years over there at that place.

19 Now, I'm not the power company, but in my mind
20 I would think there's a problem. Maybe I would look to
21 see what is going on. I have a \$7,000 deposit with
22 those yahoos. And if I'm a day late, they don't have
23 any problem coming right over there to put a red tag on
24 me, but they are holding on to all that money.

25 But there is living proof, and they don't

1 care. They do not care about anybody. I talked to
2 everybody I could possibly talk to, and I got the run
3 around, believe me. And I've got enough witnesses to
4 show you who I talked to. It's ridiculous.

5 If you give these people a nickel's worth of
6 money, it's crazy. I have went through two power
7 outages on that island because they have wooden poles
8 going across the bay. Put a concrete pole in. How
9 smart do you have to be to do that? I was out for a
10 week the last time; the first time three days. I spent
11 \$20,000 on a generator just to keep myself going.

12 I apologize, you know, if I'm coming across
13 wrong, but I'm upset. I have been sitting over there.
14 I have got no business. I am turning people away. Now
15 the people that came, you know, will they come back? I
16 don't know. But there is this living proof, and all
17 they want is that, and then they are looking for an
18 excuse.

19 They owe me. The last time one of their
20 transformers went out, I had to pay for all of it. I
21 had to put in an all new subpanel and all wiring. That
22 wasn't their fault. It wasn't their fault. What am I
23 going to do, sit and argue, or do I put myself back in
24 business and pay for it? That's what I did. They have
25 a monopoly, and I'm tired of it.

1 **COMMISSIONER EDGAR:** Mr. Brewer, is the power
2 on in the restaurant now?

3 **MR. BREWER:** It is on now, yes.

4 **COMMISSIONER EDGAR:** Have you talked to any of
5 the Progress representatives here since you have come
6 here today?

7 **MR. BREWER:** Here?

8 **COMMISSIONER EDGAR:** Yes.

9 **MR. BREWER:** No.

10 **COMMISSIONER EDGAR:** Okay. Whatever they can
11 or cannot do today, I don't know, and it certainly does
12 not make up for the difficulty that you have had earlier
13 today. But I would ask that you take advantage of the
14 representatives --

15 **MR. BREWER:** If they want to step outside, I
16 will be glad to talk to them, any of them.

17 **COMMISSIONER EDGAR:** Okay. And thank you for
18 coming, especially with all the difficulty you have had
19 today. Thank you for coming.

20 **COMMISSIONER ARGENZIANO:** Madam Chair.

21 **COMMISSIONER EDGAR:** Commissioner Argenziano.

22 **COMMISSIONER ARGENZIANO:** Yes. Yes. I would
23 ask our staff, even though the gentleman is going to go
24 outside and talk to them, and he has no reason to
25 apologize, this is his Public Service Commission, and we

1 are here to hear good things about the company as well
2 as the things that aggravate you.

3 And what I would ask our staff is to please
4 look into this situation that the man is describing, and
5 at least let me know, I'm sure all the other
6 Commissioners would like to know, too. But I would like
7 to know the events of what occurred this morning, and if
8 there is any follow-up. I just want to make sure that
9 we follow up and make sure that this gentleman gets the
10 service that he is deserving of.

11 **COMMISSIONER EDGAR:** Thank you, Commissioner.

12 And we are going to ask Mr. Moses to join
13 Mr. Brewer with the Progress reps here and see if there
14 is anything further that can be done today and
15 absolutely follow up.

16 **COMMISSIONER ARGENZIANO:** Great.

17 **COMMISSIONER EDGAR:** Thank you.

18 Mr. Rehwinkel.

19 **MR. REHWINKEL:** Madam Chairman, on that rather
20 dramatic note that was the last speaker who signed up.
21 I guess I could ask if there is anybody whose name I
22 called and you didn't respond, if you would like to at
23 this time. Well, that's all I have, and I don't think
24 there are any more cards coming forward from the sign-up
25 table.

1 **COMMISSIONER EDGAR:** Okay. Then let me just
2 ask our staff is there anything additional that we need
3 to attend to before we adjourn?

4 **MS. KLANCKE:** There's nothing, to my
5 knowledge.

6 **COMMISSIONER EDGAR:** Okay. And I will give
7 you the exhibit that we have marked as 19, and ask you
8 all to distribute to the parties and Commissioners and
9 other appropriate.

10 On behalf of our staff and my colleagues, I
11 want to thank everybody for your participation, and
12 thank you for your interest, and we are adjourned.

13 (Applause.)

14 (Service hearing adjourned at 3:12 p.m.)

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STATE OF FLORIDA)

: CERTIFICATE OF REPORTER


COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 7th day of August, 2009.



JANE FAUROT, RPR
Official FPSC Hearings Reporter
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