

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 110138-EI

PETITION FOR INCREASE IN
RATES BY GULF POWER COMPANY.

PROCEEDINGS: PANAMA CITY SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Thursday, September 15, 2011

TIME: Commenced at 6:00 p.m.
Concluded at 9:06 p.m.

PLACE: Holiday Inn Select
2001 North MLK/Cove Blvd.
Panama City, Florida

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

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

1 APPEARANCES:

2 JEFFREY STONE, ESQUIRE, Beggs & Lane Law Firm,
3 Post Office Box 12950, Pensacola, Florida 32591-2950,
4 appearing on behalf of Gulf Power Company.

5 J. R. KELLY, PUBLIC COUNSEL, Office of Public
6 Counsel, c/o The Florida Legislature, 111 W. Madison
7 Street, Room 812, Tallahassee, Florida 32393-1400,
8 appearing on behalf of the Citizens of the State of
9 Florida.

10 ROBERT SCHEFFEL WRIGHT, ESQUIRE, Young Law
11 Firm, 225 South Adams Street, Suite 200, Tallahassee,
12 Florida 32301, appearing on behalf of Florida Retail
13 Federation.

14 CAROLINE KLANCKE, ESQUIRE, FPSC General
15 Counsel's Office, 2540 Shumard Oak Boulevard,
16 Tallahassee, Florida 32399-0850, appearing on behalf of
17 the Florida Public Service Commission Staff.

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P R O C E E D I N G S

1
2 **CHAIRMAN GRAHAM:** Good evening, everyone.

3 (Audience response.)

4 I want to thank you all for coming out here
5 today. And I know there's a lot of things we ought to
6 be doing at 6:00 p.m. on a Thursday, and I'm glad that
7 you decided to come and give of your time.

8 My name is Art Graham, I'm currently the Chair
9 of the Public Service Commission. We are here for
10 Docket Number 110138, which is the Gulf Power Service
11 Hearing. I am with my fellow Commissioners. Starting
12 on my far right, is Eduardo Balbis, and next to Eduardo
13 is Lisa Edgar, and on my left is Ronald Brisé, and on
14 his left is Julie Brown.

15 We are here today specifically just to hear
16 testimony from you. All the testimony is actually going
17 to be part of the official record, so we encourage
18 anybody who would like to come speak to come speak to
19 us. If you would rather not come and speak in public,
20 we will also take your written comments. If you would
21 prefer doing that, you can do either one, and that will
22 also be part of the official record.

23 I'm going to have a timer here and try to keep
24 everybody to five minutes, and that is more so we can
25 get through everybody. And if anybody wants to speak

1 longer than that, at the end we will open it up to
2 whoever wants to continue their thoughts or want to
3 elaborate even further. But initially I want to keep
4 everybody to five minutes so that we can get through
5 this. I think that's it. We need to go to staff to
6 hear the notice.

7 **MS. KLANCKE:** By notice, this time and place
8 has been set for a customer service hearing in Docket
9 Number 110138-EI, petition for rate increase by Gulf
10 Power Company.

11 **CHAIRMAN GRAHAM:** All right. We also need to
12 take appearances of attorneys. Why don't we start over
13 here with Mr. Stone.

14 **MR. STONE:** For the record, I'm Jeffrey A.
15 Stone of the law firm of Beggs and Lane in Pensacola,
16 and I serve as Gulf Power Company's General Counsel, and
17 I'm here today to represent the company.

18 Mr. Graham, at the appropriate time I have a
19 couple of preliminary matters to take care of when the
20 Commission is ready.

21 **CHAIRMAN GRAHAM:** Thank you.

22 **MR. WRIGHT:** Thank you, Mr. Chairman.

23 My name is Robert Scheffel Wright, and I
24 represent the Florida Retail Federation in this
25 proceeding.

1 **MS. KLANCKE:** Caroline Klancke, Commission
2 staff.

3 **MR. KELLY:** Thank you, Mr. Chair.

4 My name is J. R. Kelly. I'm with the Office
5 of Public counsel, and I'm here representing the
6 ratepayers.

7 **CHAIRMAN GRAHAM:** Thank you, sir. Also, the
8 Commission staff that's with me -- you've already heard
9 from Caroline Klancke, she is the attorney representing
10 the PSC. We also have Marshall Willis and Andrew
11 Maurey.

12 We are going to let the attorneys of record
13 give their opening comments so they can tell you what
14 they are looking for and what they are trying to get out
15 of you for being here. I want to say I want to thank
16 you all for being here. We will swear you in a little
17 later because this is actually official testimony. And
18 we just ask that you be conscious of what you are
19 saying. I know there is going to be a lot of excitement
20 out here. We can't have any clapping or cheering or
21 booing, because that will kind of drag the meeting out
22 longer than it needs to be, and I think we can get
23 through this pretty quickly.

24 I know that a lot of people aren't used to
25 speaking publicly, so take your time when you get up

1 here. We all understand that this is an emotional thing
2 for most of you, not all of you. And with that all
3 being said, we will start with Mr. Stone and start with
4 the opening comments.

5 **MR. STONE:** Thank you, Chairman Graham.

6 First, at this morning's hearing in Pensacola we
7 provided a composite exhibit for the record consisting
8 of an affidavit from Ms. Sandy Sims, Gulf's Public
9 Affairs Manager, and it set forth the efforts regarding
10 public notice that Gulf has undertaken pursuant to the
11 Commission's rules and the applicable order establishing
12 procedure, both for this hearing and the rate case
13 itself. The exhibit we identified this morning covers
14 all of the efforts related to both service hearings held
15 today so that there is no additional exhibit to be
16 identified at this time.

17 Next, I would like to advise the Commission
18 and the audience that we have with us tonight Mr. John
19 McDaniel (phonetic), Panama City's District Manager,
20 Mr. Rod Grissom from Gulf's Fort Walton District Office.
21 These gentleman also have with them staff, customer
22 service representatives that are present and available
23 to address any individual customer's specific issues.
24 And if there are any customers that have matters that
25 they would like to present to the company, Mr. McDaniel

1 and Mr. Grissom are available to help guide them to
2 where our customer service representatives are set up to
3 assist them in that.

4 Pursuant to the notice for this hearing, the
5 company is required to present a brief summary of the
6 case, and Mr. Crosswhite, Gulf's President, is prepared
7 to make that presentation when you are ready.

8 **CHAIRMAN GRAHAM:** I'm ready for his
9 presentation.

10 **MR. CROSSWHITE:** Thank you, Commissioners.
11 Thank you for the opportunity to speak on behalf of Gulf
12 Power and its employees who live and work in this
13 community. The primary purpose of this meeting is to
14 hear from our customers, so I will be brief and to the
15 point tonight. Gulf Power has served --

16 **UNIDENTIFIED SPEAKER:** We can't hear you over
17 here. You need to face us.

18 **MR. CROSSWHITE:** I'll turn around.

19 **CHAIRMAN GRAHAM:** Go ahead. You can actually
20 speak to them.

21 **MR. CROSSWHITE:** Because earlier today you did
22 allow people to turn around. Is that okay for me to do
23 that?

24 **CHAIRMAN GRAHAM:** Sure.

25 **UNIDENTIFIED SPEAKER:** State your name again,

1 please.

2 **MR. CROSSWHITE:** Mark Crosswhite. I'm sorry.
3 I apologize.

4 But the primary purpose of tonight's meeting
5 is to hear from y'all. I'm with Gulf Power, so I'm
6 going to be brief and to the point, okay? I hate to
7 have my back to you. Is that okay with y'all? That's
8 the old lawyer in me coming out. That really makes me
9 nervous.

10 Gulf Power has been serving Northwest Florida
11 since 1926, and we understand that we can only be
12 successful if the communities we serve are successful.
13 We understand that electricity prices has a direct
14 impact on all of our customer, you, and we understand
15 that many of you are on a fixed income. We also
16 understand that customers have seen electricity prices
17 increase due to escalating fuel prices and environmental
18 requirements. And we understand the region has seen an
19 economic downturn. So we are sympathetic with people
20 who say this is just a bad time, Gulf Power. Don't do
21 this now.

22 And, in fact, Gulf Power has worked very hard
23 to try to avoid making this rate case filing. We have
24 not had an increase in our base rates in ten years,
25 since 2001. We wouldn't be here now if it weren't

1 absolutely necessary.

2 We take seriously our responsibility to keep
3 the lights on. The electric business is a long-term
4 business. We have an obligation to serve every new
5 customer, every one of you. An obligation to set the
6 poles, string the wires, build the substations, and
7 maintain the power plants so everyone has electricity
8 when they flip the switch.

9 We don't have the option of delaying
10 production or shutting down a portion of the business
11 until things get better. We can't delay expansion until
12 construction prices go down. We can't stop buying
13 copper wire just because the prices have increased
14 300 percent since the last time we had the Commission
15 give us a base rate increase.

16 Since our last rate filing, we have added
17 hundreds of miles of new power poles, we have added a
18 number of new substations, we have strengthened our
19 power lines after the tropical storms and hurricanes
20 that have hit the area, and we have constructed a
21 generator plant at Perdido landfill to convert landfill
22 gas to energy. Because this is a long-term business, we
23 have to plan today and take steps today to make sure
24 that when our customers flip the switch five or ten
25 years from now that the lights are going to go on.

1 That's why we are here now. It costs us much
2 more today to do business than it did when our base
3 rates were set in 2001. Simply put, the cost of making
4 and delivering electricity has increased, our base
5 prices have not. So while we are reluctant to ask for
6 an increase, we must do so. We have to cover our rising
7 expenses and we have to continue to make investments in
8 the electric system so that we can fulfill our
9 obligation to provide reliable electric service to all
10 of you.

11 Since 1926, Gulf Power has been an active part
12 of the communities that we serve, and our employees
13 volunteer and they get involved in local events to help
14 their communities, too. They live here and they work
15 here. They want Panama City to be a better place.
16 Today, I speak on behalf of all of those Gulf Power
17 customers -- excuse me, employees by saying that we
18 remain committed to ensuring reliable electric service,
19 providing outstanding customer service, and being a good
20 community citizen. We remain committed to helping this
21 community grow.

22 Mr. Stone indicated we will have some customer
23 service representatives available here to try to help
24 with any issues that come up. And I hope you will let
25 us try to help you. We would very much like to try to

1 identify what issues you may have, and find a way to
2 help resolve them. Thank you.

3 And thank you, Commissioners.

4 **CHAIRMAN GRAHAM:** Thank you. Mr. Wright.

5 **MR. WRIGHT:** Could Mr. Kelly go first, please,
6 Chairman?

7 **CHAIRMAN GRAHAM:** Sure.

8 **MR. KELLY:** Good evening. Again, my name is
9 J. R. Kelly. I am with the Office of Public Counsel.
10 And as I mentioned earlier, our office has the pleasure
11 and the honor to represent you, the ratepayers, in this
12 matter before the Public Service Commission.

13 For those of you who are not familiar with our
14 office, we are not part of the Public Service
15 Commission. We are funded independently by the
16 Legislature for one purpose, and that is to represent
17 ratepayers in front of the Public Service Commission on
18 rate -- excuse me, on utility-related matters.

19 Now, why are we here today? We are here
20 because Gulf has filed a rate request for an annual
21 94 -- almost \$94 million annual rate increase. That is
22 a 23 percent increase over the current base rates that
23 you are paying now. We have intervened on your behalf.
24 We are currently reviewing Gulf's filing and contesting
25 those areas where we don't believe the evidence that

1 they have submitted will prove that they are entitled to
2 the amount they are asking for. And I can tell you at
3 this point we are not through with our review, but we
4 believe we are developing some very strong arguments on
5 your behalf.

6 Let me state right up front this case is not
7 about personalities. Many of you probably have personal
8 knowledge, and you may hear tonight Gulf is a good
9 corporate citizen and they are very active in the
10 community. Folks, we don't dispute that. They are a
11 good-run company, and they have some very, very fine
12 people that work for them. But the law requires them to
13 prove to the Commission that they will incur the future
14 costs and charges that they are estimating, and that
15 these costs will be prudent and reasonable to run their
16 business in order to give you reliable and adequate
17 electric service. And we will absolutely insist that
18 the Public Service Commission holds them to that
19 standard.

20 Now, a few of you have when I came in tonight
21 asked me about the interim rate that was granted about a
22 month or so ago. And let me clear that up a little bit.
23 There was an interim request of about \$38 million that
24 was granted by the Public Service Commission. Do not,
25 do not view that as an indicator that the Commission

1 will grant any or all of the rate request that Gulf has
2 asked for.

3 In Florida there is a statutory scheme that is
4 set up that basically if you meet certain aspects or
5 conditions of the statute a utility is entitled to ask
6 for interim rate relief. That is what Gulf did in this
7 matter. And, basically, the Commission's hands are
8 pretty much tied. If they meet the conditions of the
9 statute, they have to grant the interim request.

10 However, that is not permanent, and it is all subject to
11 refund plus interest depending on the final decision the
12 Commission makes in this matter. So I want to make sure
13 everybody understands that.

14 Now, I want to tell you real quickly some of
15 the issues that we have identified and we will be
16 submitting evidence on your behalf. First off, excess
17 profit. Gulf is asking for 11.7 percent after-tax
18 profit in this matter. We think that that is entirely
19 excessive and bottom line is too much, especially when
20 many of you have already told me you're probably not
21 even getting one percent return on many of your
22 investments.

23 Storm damage reserve. That is money basically
24 that the utility puts away for just what it says, storm
25 damage in case a hurricane or other natural disaster may

1 hit. Folks, I'm not going to argue that storm reserve,
2 a rainy day fund isn't a good thing to have. But in
3 today's economy, our depressed economy when many people
4 are out of work, many people that still have a job have
5 been cut back on their hours, certainly nobody is
6 getting pay increases, that now is not the appropriate
7 time to ask you, the ratepayers, to double or triple the
8 amount of storm reserve that they currently have.

9 Gulf also wants to raise your rates now to pay
10 \$27 million for a 4,000 acre track of land for a
11 possible, possible nuclear plant that they may build,
12 maybe in the future. Well, that's another area we don't
13 believe you should be saddled with such a cost at this
14 time. We argue and will argue that wait until there are
15 more definite defined approved plans to build a plant
16 before you are saddled with a \$27 million expense.

17 And for those of you that may not know, over
18 the past 30 years you have already been paying for a
19 smaller track of land in Caryville where the same kind
20 of speculative plan was submitted some 30 or 40 years
21 ago, which I can tell you today is vacant. There is no
22 plant on it, nor are there any plans to put a plant on
23 it, yet you paid for it.

24 We are also reviewing some payroll costs and
25 related expenses that right now we do not believe are

1 justified. And, in addition, we are closely
2 scrutinizing affiliated transactions, and those are
3 transactions between Gulf and its brother/sister
4 organizations to make sure that the amounts they are
5 paying are fair and reasonable, and that there are no
6 abuses or excess profits being generated through those
7 affiliated relationships.

8 We have engaged a nationally renowned
9 accounting expert, a cost of capital expert, and an
10 affiliated transaction expert on your behalf that are
11 currently poring through mountains of documents and
12 discovery that we have submitted to Gulf, and that will
13 be testifying on your behalf in this matter.

14 Now, let's get to the most important thing.
15 Why are we here tonight? Folks, this is your meeting.
16 It's not my meeting. It's not the Commission's meeting.
17 This is your meeting. This is your opportunity to come
18 up here and speak to these men and women behind me.
19 Trust me, they want to hear from you. You need to take
20 the opportunity and share your opinion with them.

21 I don't care if it's good, bad, I don't care
22 what you want to say, just be truthful, speak from your
23 heart. If you don't want to speak, you can submit
24 things in writing, but I am telling you we need you to
25 speak up and talk about how this rate impact will affect

1 you, will affect your livelihood, and the way you live
2 today.

3 Thank you so much for coming out. It is so
4 wonderful to see a room full of folks. And please take
5 advantage of this opportunity and speak up. Thank you.

6 **MR. WRIGHT:** Good evening. Thank y'all very
7 much for coming out. Can you hear me okay? Let me try
8 again. Good evening. (Audience response.)

9 Thank you all for coming out. I am proud to
10 see so many of you turn out at 6:00 o'clock on a
11 Thursday night, on a rainy Thursday night at that. This
12 is important. I'm glad you're here.

13 My name is Schef Wright. I'm a native
14 Floridian. I have lived 52 of my 61 years in this fine
15 state. I was born and raised in South Florida, and for
16 the last almost 31 years I have been working on energy
17 issues in this state. I started working for Bob
18 Graham's Energy Office in 1980. I served on the Florida
19 Public Service Commission staff from '82 to '88, and I
20 have been a private sector attorney for most of the last
21 19 years, and for three years before that I was in law
22 school.

23 I have the privilege tonight to be here
24 representing the Florida Retail Federation, which is a
25 statewide organization of about 9,500 businesses from

1 the largest chain stores, Publix, Wal-Mart, Target, Best
2 Buy, CVS, Walgreens, and so on and so on. Large grocery
3 stores, department stores, and so on to literally
4 thousands of small mom and pop individual sole
5 proprietorships.

6 We are customers like you. Electricity is one
7 of our biggest cost items. And like your Public
8 Counsel, we will fight for the consumers' interests to
9 ensure that any increase at all that Gulf gets must be
10 justified and must be shown to be necessary for Gulf to
11 provide safe, reliable service at the lowest possible
12 cost.

13 I agree with everything Mr. Kelly said, and I
14 want to say I'm not going to go into the technical
15 issues that he touched on. There is a bunch of them and
16 there is more than the ones he mentioned. We're early
17 in the case, and there's probably going to be about 115
18 issues that the Commissioners will have to vote on at
19 the end of the day before they can decide everything.

20 I want to touch on one technical issue,
21 because it is critically important to this, and that is
22 Gulf's requested rate of return on equity, which you and
23 most people with walking around language would recognize
24 as profit. They have asked for an after-tax rate of
25 return on equity, an after-tax profit rate of

1 11.7 percent. When you factor on the tax gross up, that
2 is a before-tax profit rate of 19 percent. In this
3 economy, and in light of the miniscule risks that they
4 face of actually recovering their costs and making
5 money, that is simply unreasonable and unjustifiable.

6 Gulf already recovers nearly 60 percent of all
7 of its costs through what we call, in regulatory talk,
8 cost-recovery clauses. You probably call them
9 pass-through clauses. Sixty percent of all of their
10 costs they get trued up on an annual basis through these
11 pass-through clauses.

12 The risks of them not recovering their base
13 rate revenues, which are the subject of this proceeding,
14 are truly miniscule. The rate they are asking for is
15 more than three times the current rate on twenty and
16 30-year United States Treasury bonds. Now, those are
17 risk free, and Gulf does face greater risks than the
18 U.S. Treasury does, but not three-plus times. It is
19 just overreaching. We believe that a rate of return
20 something in the range of 9 percent, maybe 9-1/2 would
21 be generous.

22 Again, Mr. Kelly talked about the technical
23 issues that we will be going into in the guts of the
24 case and at the trial in December, but I wanted to say a
25 couple of more things. You will probably say the same

1 thing. We know that these increases will hurt
2 consumers, it will take money out of your pocketbooks,
3 and it will squeeze your ability to pay for food,
4 medicine, and other necessities. And they will hurt
5 businesses. They will squeeze us. If our cost of
6 business go up, one of two things has to happen. One,
7 prices go up. Two, we may have to let people go. One
8 speaker at the hearing in Pensacola this morning said if
9 they get the full increase, I'm going to have to close
10 my furniture business and move elsewhere.

11 Now, I want to say I have great respect for
12 Gulf Power Company. I have known them for the 30 years
13 I have been working in this, and we want the lights to
14 stay on. We are business people, the Retail Federation,
15 and we know that nothing is free. We want Gulf to have
16 enough money to provide safe, adequate, reliable
17 service, but we want them to have only enough money to
18 provide safe, reliable service.

19 Bottom line, Gulf may be able to justify some
20 increase, but it is Gulf's burden to prove that they
21 need any increase at all. And we, along with the Public
22 Counsel and their witness team, will fight to ensure
23 that Gulf only gets what it needs to provide safe,
24 adequate, reliable service at the lowest possible cost.

25 Again, thank you all very, very much for

1 coming out. Tell the Commissioners what you think.
2 This is your hearing. They need to hear from you. Just
3 tell them what you think and what you believe. We are
4 customers like you. We're on your side. Thanks again
5 for coming. (Audience applause.)

6 **CHAIRMAN GRAHAM:** Now, once again, we can't
7 have clapping, or cheering, or booing. (Audience
8 laughter.)

9 I understand. Like I said, it is going to be
10 an exciting time for everybody. I think it's time now
11 for me to swear in all those people that are here to
12 speak today. So if I can get you all to stand and raise
13 your right hand, those of you that are here to speak.

14 (Witnesses sworn.)

15 **CHAIRMAN GRAHAM:** Thank you.

16 Once again, everybody is going to be allotted
17 five minutes to speak. At the four-minute mark, I will
18 tell you that you have a minute to conclude. Please
19 bear with us. If you have more that you want to say,
20 you can stay until the end and we will allow for you at
21 that time. But I want for everybody to get the
22 opportunity to speak.

23 I was told that we have this until about 10:00
24 or so, so we want to try to see what we can get through.
25 The Public Counsel will call your name, and you can come

1 up and speak. We will be taking a five-minute break
2 about the two-hour mark because our court reporter has
3 to rest her little fingers. But other than that, we
4 should move straight through this.

5 Before I move forward, are there any elected
6 officials in the audience? None at all. Okay. That
7 being said, Mr. Kelly. I'm sorry, Mr. Stone had some
8 preliminary matters.

9 **MR. STONE:** No, we have taken care of it.

10 **CHAIRMAN GRAHAM:** Okay. Mr. Kelly.

11 **MR. KELLY:** Mr. Chair, before I start calling
12 the names, there was one lady that approached me
13 tonight, she has a hearing disability, and she wrote out
14 her statement and asked would I read it on the record,
15 and then I will give it to you that she signed, because
16 she cannot communicate. So with your indulgence I will
17 read it.

18 This is from Pamela Dorwarth, D-O-R-W-A-R-T-H.
19 She is an ADA liaison, address, 6200 North Lagoon Drive,
20 Panama City Beach, 32408. I am a resident in a
21 60-resident low-income complex. We are people with
22 disabilities who need electrical service to run our
23 medical equipment to maintain life. This high
24 tremendous increase in cost of service would be beyond
25 detrimental to our survival. Many low income are unable

1 to pay today's billing costs. Some choose to eliminate
2 food or medical services to not lose their utility
3 service. I can appreciate your not requesting an
4 increase in past years and believe you deserve an
5 increase now, but will an increase not cost you your
6 life? Can an increase justify someone's survival?
7 Signed Pam Dorwarth, and she gives her telephone number.

8 **CHAIRMAN GRAHAM:** Thank you, sir.

9 **MR. KELLY:** Do you wish me to call two
10 names at a time, sir?

11 **CHAIRMAN GRAHAM:** Not right now. We don't
12 have an extra sheet, so we will get that for me.

13 **MR. KELLY:** Okay. The first speaker is Mr.
14 Stanley Porter.

15 **STANLEY PORTER**

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

18 **DIRECT STATEMENT**

19 **CHAIRMAN GRAHAM:** Mr. Porter, give your name
20 and address and spell your last name, please.

21 **MR. PORTER:** P-O-R-T-E-R, Stanley Porter, from
22 3676 Smokey Road, Cottondale, Florida.

23 **CHAIRMAN GRAHAM:** Thank you, sir.

24 **MR. PORTER:** Up 231 about 45 miles just south
25 of the Alabama line. And I'm a Gulf Power customer, and

FLORIDA PUBLIC SERVICE COMMISSION

1 appreciate the opportunity to be with y'all tonight.
2 Thank you for moving or even have the additional meeting
3 here in Panama City, because my plans was to be in
4 Pensacola at 9:00 o'clock this morning, but it saved a
5 round trip for you to be here. Thank you very much.

6 I'm in the dry cleaning and laundry business,
7 and have an all-electric plant. And I'm here to talk to
8 you about the L word. Light bill.

9 UNIDENTIFIED SPEAKER: Could you use the
10 microphone, please.

11 MR. PORTER: The L word, light bill. In the
12 past 12 months, in my little two-horse operation up in
13 Bonifay, Florida, and I have meters in Washington -- I'm
14 sorry, I have meters in Jackson and Holmes County, and
15 did have a meter in Washington County. But because of
16 electricity and light bill problems, we decided and
17 opted to go a joint venture in Chipley and turned the
18 meter off in Chipley because we couldn't afford the
19 electricity at the current rate that we were paying at
20 the end of last year and at the beginning of this year.

21 My little operation over the past 12
22 consecutive months have paid \$19,060.43 to Gulf Power.
23 And I, too, like the other ones here, compliment Gulf
24 Power for being so consumer oriented and such community
25 minded. Nothing wrong with Gulf Power. My Aunt Cybil

1 worked 40 years there; my Uncle Ed worked 40 years
2 there, and one of them said, yes, I would go with you,
3 and would like to go with you down there tonight, but
4 the dividends are pretty good. We would just like the
5 light bills to be like they are.

6 But there are just so many Gulf Power dividend
7 recipients out there. To us, the working people, and we
8 are the working people, and paying \$19,060 last year and
9 then having \$3,695 on deposit with them, with Gulf
10 Power, knowing what will happen when you can't afford a
11 light bill, I had to close the store down, two employees
12 lost their job this last year. We did what we did to
13 survive in Chipley at the time. I, like other folks up
14 here, cannot see where the timing is at all good at all
15 in order for Gulf Power to receive more money from us,
16 the electricity payers. Timing couldn't be worse.

17 It's a struggle every day in the business
18 world to stand at a counter at a cash register and have
19 the customer come to one side and have your six
20 employees behind the scenes knowing that you are fixing
21 to have to come up with another \$2,000, ten percent on
22 19,000-something, to pay the light bill for the next
23 year, and you are just struggling to get by this year.

24 It is virtually impossible to see how my
25 little operation in Bonifay at James Cleansers and

1 Americlean, how we can survive. And I'm just one of
2 many from along that Highway 90 and Interstate 10
3 corridor from Caryville over to the river at
4 Chattahoochee at the prison over there, who is a
5 customer of -- the only customer in that area of Gulf
6 Power, but that's not the point.

7 The money is just not there in America today
8 for us to do what Gulf Power is asking of us to do.
9 Each one of us out here are having to tighten our belts
10 in order to make payroll tomorrow? I've got to leave
11 here when I'm finished, to leave early, thank you for
12 letting me be first. I've got to go have four sets of
13 band uniforms ready for a ballgame tomorrow night. We're
14 going to work tonight while the electricity is cheap.
15 It is. It's 38 percent of what -- it's 38 percent on
16 the dollar to operate at night, and you have to do -- we
17 cut every corner we can, but when September runs out it
18 goes back to 100 percent, which soon might be 10 percent
19 more. And I don't see how the working man, the
20 payroll-making man can pay more by having to get more
21 out of what they do, because there is just so much over
22 there on that side that the public can stand for.

23 I went up on my prices a little bit, and I
24 began to hear my customers start squealing. Well, Gulf
25 Power is trying to go up, and obviously North Florida is

1 squealing a little bit.

2 **CHAIRMAN GRAHAM:** Sir, you've got about a
3 minute left.

4 **MR. PORTER:** Yes, sir.

5 We don't have -- we don't have the revenues
6 out there to be a part of more inflation because it's
7 just the passing on of the inflation. I would ask you
8 to do the public a service, Mr. Commissioner, Mr.
9 Commissioner, Mr., Mrs. and Mr. Commissioner, do the
10 public a service and don't let our light bills go up.

11 Thank you for your time. Y'all have a great
12 day.

13 **CHAIRMAN GRAHAM:** Thank you, sir.

14 **MR. KELLY:** The next speaker is Mr. Sammy Day.

15 **CHAIRMAN GRAHAM:** Mr. Day, welcome.

16 **SAMMY DAY**

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

19 **DIRECT STATEMENT**

20 **MR. DAY:** Thank you. And I appreciate y'all
21 letting us, giving us a chance to come and voice our
22 opinion on this. I'm Sammy Day of 1120 Tennessee
23 Avenue, Lynn Haven, Florida. And mine is going to be
24 short and quick. My light bill is running anywhere from
25 four to \$500 a month. I have seen it as high as over

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1 600 a month, and I am very disturbed about it. I mean,
2 Gulf Power is a touchy subject with me. With this rate
3 increase it's going to increase -- I'm figuring it will
4 average around \$50 more a month. And every month Gulf
5 Power sends me a letter, and in that letter it gives an
6 outline. It's based on like 100 people in the area I
7 live, and it tells me my category where I'm at out of
8 those 100 homes. Well, we just happen to be around 98.
9 Sometimes we hit 99. That's how high up we are. And we
10 are using somewhere around 4,500 kilowatts. And that's
11 what I'm basing it on.

12 We had a surge here not too long ago and it
13 knocked out my TV, messed it up, plus it knocked out my
14 computer; it messed it up, too. I went to Gulf Power to
15 see what they do about it. They said they would look
16 into it. Well, they did, they looked into it. About
17 three miles down the road they claimed lightning struck
18 over there. Well, I happen to know lightning didn't
19 strike at that particular time, because I could have
20 heard it three miles away. They didn't do anything. So
21 I lost out on that. I knew they would come up with a
22 good thing.

23 And another thing, Mr. Kelly here mentioned
24 awhile ago, and I just thought about this. We bought
25 this land in Cary, Florida, I think it is. Well, if

1 they bought that land and we paid for it back then and
2 all this, Gulf Power hasn't used it, I think it's
3 nothing but right for Gulf Power to reimburse us on it.
4 Because they are going to sell the land one day, and
5 when they do they are going to make a profit on it. And
6 what are they going to do with that profit? They are
7 going to keep it there with them. That's not right.
8 And to me it seems like that should be against the law.
9 I would like for Gulf Power to consider reimbursing us
10 on that. I thank you for giving me a chance to speak,
11 and I appreciate it.

12 **CHAIRMAN GRAHAM:** Thank you, Mr. Day. Thank
13 you for coming today.

14 **MR. KELLY:** The next speaker is Ms. Joyce Fox.

15 JOYCE FOX

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

18 DIRECT STATEMENT

19 **MS. FOX:** I think I could probably talk loud
20 enough. Commissioners, thank you for coming down here
21 and listening to us. This is the first one I have ever
22 been to. Frankly, I don't know if I want to give my
23 address or not, because if they don't get this hike, my
24 lights may go off more often than I want them to.

25 But, I am Joyce Fox and I live at 705 South

1 Tyndall Parkway. So make sure that my lights don't go
2 off, you know, on purpose. But like I said, this is the
3 first one I have ever been to, but this one was so
4 important because, you know, every time that we are
5 about to make ends meet, somebody moves the ends. You
6 have heard that saying. I haven't had a raise in three
7 years, but I'm happy to have a job. And I just wanted
8 to speak. We have used -- I called my husband right
9 before this meeting started, and I wanted to verify how
10 much our light bill was this year -- I mean, this month,
11 and we used over 7,000 kilowatts. But we have a house,
12 we have a mobile home, which some of my adult sons live
13 in because they don't have a job. They haven't been
14 able to get a job, so we pay the light bill for them.
15 And I have a little shop outside, and so it was a total
16 of about 7,000. So looking at the chart here, it's
17 going to be quite a bit more, and we don't see a raise
18 coming this year either. So I'm a little upset by it.

19 Now, Gulf Power, I have always been happy with
20 Gulf Power. I grew up here in Panama City. I remember
21 when Gulf Power had a little business down on Harrison
22 Avenue. That's how little it was, and I remember how
23 everybody fussed and fought because they built that big
24 place over here on 15th Street. I remember when they
25 did that, but I didn't go to any of those meetings.

1 My brother retired from Alabama Power Company,
2 so I don't begrudge them having a raise, but I don't
3 think this is the time to have it because of our
4 economy. My job -- I'm a code enforcement officer for
5 one of our municipalities. Over the past two years, I
6 have seen a very big change with foreclosures of homes.
7 People cannot afford to pay for their light bills or
8 water bills.

9 I answered a call over there this week, and
10 one of the mobile homes there in our city has been
11 foreclosed on and they have a new owner. Well, they are
12 selling off these the old mobile homes to people for
13 \$2,000. Now, I'm talking about old mobile homes. These
14 are not even fit to be pulled on the road. They have
15 got the particle board flooring in it that they are all
16 having to go in there and replace. But these people are
17 happy to have a home, and he's letting them make
18 payments on it and pay the lot rental fee on it.
19 \$2,000. When have you bought a home for \$2,000?

20 Okay. One gentleman, I went over because they
21 did not have water service with us. I got over there
22 and found out he doesn't have electricity, either,
23 because he can't afford to pay the light bill. He can't
24 pay the deposit on it. So he is having to try to repair
25 his trailer a little bit and trying to -- he said I'll

1 wait until October 1st, and then I should have the
2 money. But I have to go get my power cut on. But I
3 need water first, so I will have to have the water cut
4 on first. This is sad. And this is what you see all
5 over.

6 We are having problems with garbage service.
7 People is dumping garbage in everybody else's
8 containers. I have to put gloves on and go through
9 their garbage in the hot summer, looking at bugs, and
10 try to find an address of somebody to make them
11 accountable for putting garbage -- dumping it other
12 people's places. Our economy is really bad right now,
13 and I just don't think that this hike is good for us
14 right now.

15 I would like to see Gulf Power work with the
16 citizens and try to give them a chance to let's get this
17 economy snapped back a little bit. And maybe our
18 president will come through with his promises that he
19 made about new jobs and everything. And maybe some
20 people can sit back and be able to afford a little bit
21 more. And I just want to thank you, again, for coming
22 here and listening to us. And I would vote no, not to
23 give them this hike right now. Thank you.

24 **CHAIRMAN GRAHAM:** Thank you, Ms. Fox. Thanks
25 for coming today.

1 **MR. KELLY:** The next speaker is Pat Tagney.

2 **PAT TAGNEY**

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

5 **DIRECT STATEMENT**

6 **MR. TAGNEY:** My name is Pat Tagney. I live at
7 324 Porter Drive, Lynn Haven, Florida 32444. And my
8 purpose of coming is to tighten up some of the nuts and
9 bolts. I noticed in Paragraph 2 it says why is Gulf
10 requesting a rate increase, and if you read that it says
11 to cover increasing operating costs. Now, I want it on
12 the record, are they doing this as a preemptory move
13 against the EPA regulations being forced upon them by
14 the Obama administration, or are they shooting for a
15 11.7 percent increase in hopes that you will back them
16 down and they will get the 10 they really went after to
17 begin with?

18 Number two, Gulf Coast Cooperative provides
19 electricity in Bay County. I would like to know what
20 they're doing. What does their P&L sheet show? Are
21 they making a living? Are they over here groveling to
22 us, or begging to you to raise their prices and giving
23 you reasons.

24 And, third, competition is based upon the
25 service area. Homes are going away. In fact, the

1 consumption of electricity is down .7 percent in the
2 last ten years, and the only way that will go back up is
3 for homes to be built or to be sold, the foreclosures
4 and the repossessions to be put back into use. That is
5 not happening, so I see some holes in some of their
6 reasoning, and I'm asking you to look at the whole ball
7 of wax and melt it down to ground zero where we can see
8 where the facts are, where a prudent rate of increase
9 would be.

10 And last, but not least, I am happy to have
11 them service my area, and I know that if you do not take
12 care of your home, you do not insulate it, your prices
13 go up. So let's don't blame them for everything, but
14 let's do open up all the hold cards and see who has got
15 the best hand. Thank you.

16 **CHAIRMAN GRAHAM:** Thank you, Mr. Tagney.
17 Thank you for coming down today.

18 **MR. KELLY:** Charlotte Elsner.

19 **CHAIRMAN GRAHAM:** Ms. Elsner, welcome. You
20 can turn that mike down towards you.

21 CHARLOTTE ELSNER

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

24 DIRECT STATEMENT.

25 **MS. ELSNER:** Yes, sir. My name is Charlotte

1 Elsner. I live on 218 Lakeridge Drive, Panama City, zip
2 code 32405. And ladies and gentlemen of the Commission,
3 I am very happy to see you coming to Panama City giving
4 our people a chance to voice their concerns.

5 I am a senior citizen and have been a Gulf
6 Power customer for 29 years, and I would like to read
7 you a statement. In this bad economy where many Florida
8 panhandle residents, young and old, have already
9 experienced devastating price increases in food and in
10 many areas, and power is a life necessity for many
11 people. We have disabled people, and in the general
12 public it is a life necessity. I would like to -- the
13 power company has already a profit margin of
14 6.3 percent, which is a very good profit margin in
15 today's market. And to ask for 11.7, I think is an
16 outrage. This is out and out pure greed.

17 The Public Service Commission has a duty and
18 the responsibility to protect the public from unfair
19 price increases, and it is also detrimental to the
20 well-being of all Gulf Power customers in many, many
21 ways. And I want to thank you for allowing me to
22 address you in this manner. Thank you very much.

23 **CHAIRMAN GRAHAM:** Thank you, Ms. Elsner.
24 Thank you for coming down tonight.

25 **MR. KELLY:** The next speaker is Dan Smith.

1 **CHAIRMAN GRAHAM:** Mr. Smith, welcome.

2 **MR. SMITH:** Thank you. Can you hear?

3 **CHAIRMAN GRAHAM:** Yes.

4 **MS. KLANCKE:** Before Mr. Smith goes, the last
5 speaker had her -- the statement that she read and some
6 additional information, some numerals and whatnot, and
7 she asked previously if she could have that identified
8 for the record when she came up to speak.

9 **CHAIRMAN GRAHAM:** We will identify this as
10 Number 6, Exhibit Number 6. And a short title would be
11 Ms. Elsner's letter.

12 (Exhibit 6 marked for identification.)

13 **CHAIRMAN GRAHAM:** Mr. Smith, please continue.

14 DAN SMITH

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

17 DIRECT STATEMENT

18 **MR. SMITH:** My name is Dan Smith, 405
19 Wisconsin Avenue, Lynn Haven, Florida, 32444. I am
20 concerned that we are presented with a budget, or at
21 least a request, and there is no opportunity for me, as
22 a public person, or other public person to look at that
23 in detail. For example, it is stated in the material
24 that you provided tonight that the company asked for a
25 fair and -- a fair return on their investments.

1 Number one, we have heard of a few investments
2 tonight, one or two, including with regard to vacant
3 land acquisition proposals. How many other investments
4 do they have that could be utilized in this period of
5 extreme emergency by the entire situation and system.

6 Please define what fair return means.
7 Certainly there is some question that a 19 percent
8 increase is fair. I wonder which of the Commissioners
9 considered that fair. And I remind them that, as I
10 believe they are not elected, certainly there is a
11 politician up the line somewhere, if this a definition
12 of fair that is abroad in our community today.

13 A similar example has to do with the storm
14 damage funds that are to be used in case of a hurricane
15 or other major disaster. It has been some six years or
16 so since a major hurricane in our community. Does the
17 current request reflect the usual request, or the usual
18 increase, or does it take into consideration what should
19 have been, and it would be interesting to know if it has
20 been retained during that period where the expenses very
21 likely did not utilize those amount of funds at that
22 time.

23 I think the whole budget, the whole idea of
24 what is needed, the whole idea of what is fair certainly
25 deserves investigation and consideration. Thank you.

1 **CHAIRMAN GRAHAM:** Thank you, Mr. Smith.

2 **MR. KELLY:** Robert Wright.

3 ROBERT WRIGHT

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

6 DIRECT STATEMENT

7 **MR. WRIGHT:** Mr. Chairman, thank you and the
8 Public Service Commission, for being here today and
9 allow us to speak and address you. You earlier asked
10 about elected officials. I'm a former elected official.
11 I'm retired from politics. I am now enjoying the life
12 of being a full-time dad. I certainly respect the work
13 that y'all do. I was a county commissioner from 1996 to
14 2000. We had some hot button issues from time to time.
15 It seems like y'all take this on a daily basis. My hat
16 is off to you.

17 Robert Wright, 416 Harrison Avenue, Panama
18 City, Florida. I own and operate a restaurant, the
19 Cheese Barn Restaurant downtown. We have been in
20 business for 37 years. I had the occasion last year to
21 be working on some paperwork, and I came across my 2006
22 Gulf Power bill that just happened to be the coinciding
23 month for the month of July for 2010. And doing the
24 numbers, I went through and recognized that I was being
25 a good steward to Gulf Power, because I had -- by virtue

1 of the fact that my power bill had been going up, I had
2 been conserving. I had changed some of my operational
3 features, and I was actually using 13 percent less
4 kilowatts than I was in '06. The only problem was I was
5 paying 48 percent more in my bill.

6 I realize that a lot of this was due to the
7 fact of fuel increases that they were allowed to have,
8 which I understand they have got to do business. You
9 know, we have all got to do business. But that is quite
10 astounding to see that you have cut back, and yet you
11 still are paying such a substantial amount more.

12 I don't know the ins and outs of this 10
13 percent, or 11 percent increase and all that, but I did
14 want to -- while you were in town, I wanted to ask you
15 to consider a couple of things. And I appreciate the
16 fact, especially that you asked if there were any
17 elected officials in here tonight, because every elected
18 official that is in Gulf Power's service area is going
19 to receive additional revenues out of this.

20 It was just last month that I closed out an
21 account with Gulf Power, and they were kind enough, I
22 didn't have any power usage, but they sent me the final
23 bill. The final bill was for \$3, and that was for a
24 prorated amount of the customer charge for that period
25 of time. And I appreciated that. It was only \$10 a

1 month. The only problem is on that \$3 was 60 cents in
2 taxes. That's 20 percent. Now, in the State of
3 Florida, you don't pay taxes on the food you buy from
4 the grocery store. When you go into a grocery store,
5 you don't pay taxes on that. You pay taxes on paper
6 goods and some items, but on the food you don't pay
7 taxes.

8 It's kind of odd to me that we actually pay a
9 tax on a customer charge. Now, that may or may not be
10 under your purview, but I would certainly like for you
11 as a council to recommend to the legislature in the
12 future that that might be a bright and shining star that
13 they could say, hey, we can cut down on your taxes by
14 taking that off. I mean, it's an essential. We all
15 have to have power, and there is very few people that I
16 know of that are out there operating without it. There
17 might be some homeless people around the corner here.
18 That's one feature.

19 The other part of what I engaged with, and I
20 felt sorry for the man here in the dry cleaning business
21 having to work at night because his power was 38 percent
22 less. A couple of years ago I had the opportunity to
23 have my power bill -- my meter changed. I can tell you
24 it was a dramatic increase in my life. They said my
25 meter was broken, and I already believed it. They were

1 very kind. I will say this, they explained to me what
2 the demand feature was, and in the residential world you
3 don't deal with this.

4 In the commercial world we deal with it. And
5 back in the day, I remember that the power meters had a
6 little metal arm and the metal arm went up so high, and
7 every time the guy came to read the meter he turned it
8 back down to zero. So over the course of the month,
9 whatever that top number was you were charged that as
10 your peak demand.

11 Now, peak demand back then was a wild guess.
12 We called it a wag (phonetic). But it was a wild guess
13 as to when you may or may not have this. You
14 occasionally might have a brownout or you might have a
15 blackout, you may have a power failure totally. But in
16 today's world, what they placed on my business is an
17 instrument that can tell me to the minute what my power
18 usage is, what my peak usage is. It was a wonderful
19 tool for me. I requested records. I could see -- I
20 could see what days I came to work on time and what days
21 I showed up a little bit late, because I started turning
22 on lights and you could see the meter usage going up.

23 And it also made me a better consumer because
24 I was able to shift around. I bake my own bread, and it
25 uses 11 kW, so I've got an ice machine and an air

1 conditioner and a dryer. Well, you know what? That ice
2 machine works right now, and it is working at night. I
3 don't bake bread at night, so I'm saving. I'm like the
4 guy in here working 38 percent cheaper.

5 But, I'm curious. This Commission has been in
6 existence for a number of years and served millions of
7 people through it's time, has looked at policies, and I
8 would be curious if your policy is up-to-date with the
9 technology of today. I would be willing to venture a
10 guess that Gulf Power or any power company, regardless
11 of who, Panama City, the Pensacola area, all around the
12 country, they have the ability through the
13 computerization that we have today and the technology to
14 forecast when they are going to have peak demands, based
15 on either weather conditions and/or growth, what kind of
16 potential -- I mean, we have grown a lot from the beach
17 in the last number of years, a lot of different units.
18 And thank goodness nobody goes out there and turns the
19 lights on at one time. We probably wouldn't have enough
20 power because I don't think they would anticipate that.
21 But as a business person we pay for that, and I think it
22 would be right to see how we could adjust it.

23 Now, I would like to add one thing, and I'll
24 go. In that segment, the way it was explained to me by
25 Gulf Power, that if you burn whatever your peak demand

1 is per 15 minutes of any hour of that month, then that
2 is your rate for the entire month. You pay that rate.
3 Like my peak was 30.48, I think was the highest I
4 pulled. So even though for 16 minutes I pulled 30.48, I
5 paid the rate on that for the entire month. I could be
6 using this 26 kW for the rest of the month every day,
7 but that one time I pegged that meter to 30, I pay that
8 entire rate. I don't know if that's still accurate, but
9 that is what was explained to me by the Gulf Power
10 people. So that may be an area where we could encourage
11 some savings.

12 Oh, and there is no elected officials in here
13 tonight because their budget officers are working for
14 them. I would like to -- you know, the rates that we
15 pay, they may be 11 percent higher, but they are going
16 to get a 11 percent raise, too. Thank you.

17 **CHAIRMAN GRAHAM:** Thank you, sir.

18 Thank you, Mr. Wright, for coming. We have a
19 question for you.

20 **COMMISSIONER BROWN:** Thank you. Thank you,
21 Mr. Wright, for your testimony here today. And also,
22 not to underscore anything that you said, I just want to
23 point out and compliment you for your very well-behaved
24 children. They are wonderful, and thank you for your
25 patience.

1 I just wanted the attorney for Gulf to please
2 clarify --

3 **UNIDENTIFIED SPEAKER:** We can't hear you.

4 **COMMISSIONER BROWN:** Sorry. Can you hear me?

5 **UNIDENTIFIED SPEAKER:** No. You're mike might
6 not be on.

7 **COMMISSIONER BROWN:** How about now?

8 I just wanted the attorney for Gulf to clarify
9 something that Mr. Wright said regarding the peak
10 demand. Peak demand, is that the policy, set the price
11 for the entire month?

12 **MR. STONE:** Commissioner, I apologize. I am
13 not a rate design expert, but there are -- in
14 commercial, in our commercial accounts we do have demand
15 rates, and we have energy-only rates primarily for our
16 residential customers. The rate design is a complex
17 process that is, again, examined as a part of this case,
18 and I would actually have to ask someone else to answer
19 your question more directly. And I will be happy to get
20 that answer for you, but there are demand rates for some
21 of our commercial classes and industrial classes, and
22 they do have a demand component as well as an energy
23 component in the pricing.

24 **COMMISSIONER BROWN:** I'll follow up with you
25 on that at the hearing.

1 **MR. WRIGHT:** Commissioner Brown, if I could, I
2 did have the good fortune when I served this community
3 to have a wealth of elderly people that would show up at
4 our county commission meetings. We called them
5 gadflies, watch dogs, or whatever, but they were mostly
6 retired generals from the military base out here. And
7 one of my favorites was General Peterson, and he always
8 said words float with the breeze, and ink (phonetic)
9 leave tracks.

10 So whenever you ask legal counsel for their
11 opinion for something, always follow up and say I would
12 like the written legal opinion, because then you may get
13 the truth. Thank you.

14 **CHAIRMAN GRAHAM:** Thank you, Mr. Wright.

15 **MR. KELLY:** Richard Walker.

16 RICHARD WALKER

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

19 DIRECT STATEMENT

20 **MR. WALKER:** Good evening. Thank you for
21 letting me talk. Thank you for letting the people from
22 Lynn Haven talk. Lynn Haven is a very small little
23 town. My name is Rich Walker, 1106 Michigan Avenue,
24 Lynn Haven. It is a Yankee town.

25 **UNIDENTIFIED SPEAKER:** We can't hear you.

1 **MR. KELLY:** Pull the mike a little bit closer.

2 **MR. WALKER:** Okay. It is a Yankee town, and
3 that is our problem to start with. However, it is a
4 small town. As you notice, there are no elected
5 officials here. There is a reason. And I attend most
6 of the commission meetings, as the news media can
7 attest. They did not sign a referendum for a message to
8 you people. They are not here. They don't care. And
9 the reason they don't care is because they just
10 increased service rates to the town, an astronomical
11 amount never before done. Our town is not based on a
12 tax base to supply electric, sewer, or water. We are on
13 a pay as you go. We pay the sewer, we pay the garbage,
14 we pay for water, and we pay for their mistakes.

15 The problem here is that they just voted
16 raises for themselves. They have asked to tighten the
17 belts; the belts they are tightening are us. I would
18 like you to get a little lesson in the history of Lynn
19 Haven. In 1911, the Lynn Haven citizens gave the city
20 the property that Gulf Power uses to put its poles on,
21 then it turned around and charges the citizens for that
22 use in the franchise fees. My point is this: If you
23 get a raise in the cost to the citizens of Lynn Haven,
24 that's a snowball effect, an iceberg, it goes down and
25 that increases the franchise fees to the town.

1 What I do not see is Lynn Haven represented.
2 I do not see the people. I do see people from Lynn
3 Haven here. That's good. I do not see anybody speaking
4 up for the small towns around this community that have
5 to pay as they go for the services. And this
6 increase -- I'm not debating the increase to Gulf Power.
7 They need to run a business. They have to show some
8 profit. They have to stay alive. But what is happening
9 now as is evident by some of these people here, the belt
10 tightening is to us.

11 We are on a fixed income. These people have
12 not received a raise in many years. I have not received
13 a raise in ten years. However, my elected officials and
14 Gulf Power -- oh, yes, my elected officials and the city
15 employees are now driving around in Mercedes Benz.
16 Interesting. I don't drive a Mercedes Benz. I drive an
17 electric car. Oh, yes. I drive an electric car, and I
18 make my own electricity for that car. I am
19 environmentally conscious. I'm trying to save money.

20 I belong to an authorization that just asked
21 me, as secretary, why is the electric bill so high. I
22 said because they just raised their rates. And they are
23 going to continue to raise the rates. So they told me,
24 shut the building down. This is a benefactual (sic)
25 group that donates back to the country and the city.

1 They are giving me orders, and I have to shut parts of
2 this building down because they can't function to supply
3 help to the United States of America and the citizens.

4 Ladies and gentlemen, thank you very much for
5 allowing this meeting tonight.

6 **CHAIRMAN GRAHAM:** Thank you, Mr. Walker.

7 **MR. KELLY:** Ronald Shaner.

8 RONALD SHANER

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

11 DIRECT STATEMENT

12 **MR. SHANER:** I'm Ron Shaner at 5711 Kevin
13 Circle, Callaway, Florida. Now is just not the time for
14 this. You know, the citizens, the people have been hit
15 from just about every direction with increased costs. I
16 mean, it's just ridiculous. We see our government doing
17 stupid things, and who pays for that? We do. I mean,
18 you see this on the city level and the state level.
19 When it gets to the federal level it really gets stupid.

20 So, you know, this 27 million or whatever it
21 is for this, you know, speculation on the land, you
22 know, for a piece of land. I live in Callaway, and I'm
23 already on the hook for quite a lot here for the water
24 and the sewer system to nowhere. And there are, like,
25 you know, 15,000 people in Callaway, and according to

1 who you ask we are on the hook for fifty or \$60 million.
2 You know, a person gets a little tired of being on the
3 hook all time, and it is just increasing.

4 Anyway, this increase you're talking about,
5 you know, the City of Callaway has got two different
6 taxes they put on that. So, you know, they increased it
7 \$12 on my electric bill. They are going to -- one of
8 them I think is 10 percent, I'm not sure what the other
9 one is, but, you know, I mean, you know, you are looking
10 at another couple of dollars anyway on top of your --
11 just because of your increase, they are going to be able
12 to come back and whack us, you know, maybe 10 or
13 15 percent.

14 I'm not sure what the second one is, but when
15 I look at my electric bill, you know, my actual
16 electricity doesn't look that bad until I see all these
17 fees. The meter fee and, you know, the City of Callaway
18 franchise fee, and they have got two different taxes on
19 it, and this will just increase our taxes, you know,
20 there. So it don't end, you know, with just what you
21 would raise it, or let it raise. They are anxiously
22 awaiting, you know, they have got plans for that money
23 as soon as they can get their hands on it.

24 And, you know, it's just -- anyway, it's just
25 ridiculous. Why can't they buy this land when they need

1 it, or go out and get it, you know? You don't go and
2 buy 500 pounds of sugar thinking you might need it
3 sometime. You wait until you need it, and you go get a
4 bag. If they need land, I'm sure they can they get
5 whatever they want.

6 But, anyway, what about the pay of some of
7 these CEOs and top executives? I'm always really ticked
8 when I read, you know, in the paper what some of them
9 are getting. I don't know what the Gulf Power people
10 are getting, but it doesn't take long -- you know, when
11 you see some of these pharmaceutical companies, what
12 their CEOs and some of their top executives and benefits
13 and all that, I mean, that can really get in your craw
14 in a hurry when you have been doing a lot of belt
15 tightening. So, you know, maybe some of the top people
16 could do a little bit of belt tightening, too.

17 So I guess that's about it. And, thank you.

18 **CHAIRMAN GRAHAM:** Mr. Shaner, thank you for
19 coming today.

20 **MR. KELLY:** Pat Nease.

21 PAT NEASE

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

24 DIRECT STATEMENT

25 **MS. NEASE:** Hello. I'm Pat Nease, 4435 Pratt

1 Avenue, Parker, Florida. I think this is ridiculous. I
2 think that this shows a blatant lack of consideration
3 for the times in which we are living. We have a small
4 RV park. It is filled with people whose RV is now their
5 home. These are retirees. I cannot keep passing on the
6 rate increases to these folks, because they can't pay
7 them. Parker is going to have a 10 percent increase in
8 water, in their water rate, and then I get this on top
9 of that. I'm thinking what are they going to do.

10 There's nothing that I can say that hasn't
11 been said. I think a 12 percent, or a nearly 12 percent
12 profit would be wonderful. I think a 2 percent CD would
13 be great at this point. These are people who have --
14 who are living, well, hand to mouth in some cases. Many
15 of them have lost a lot, and to see this go through
16 would absolutely be devastating to us.

17 Someone mentioned technology. My daughter
18 lives up in Minnesota. They don't have people that come
19 around and read the meters. You can call the electric
20 company, and they can look at your meter right there and
21 tell you where your charges are and what is going on.
22 Now, I know we have people still running around doing
23 that. I think there are a lot of things that Gulf Power
24 could do to tighten their belts before they have us keep
25 tightening ours.

1 There was not long ago in the paper an article
2 about if Gulf Power and other utilities had spent the
3 extra money to do underground utilities, they would not
4 need massive millions of dollars every time we have a
5 hurricane or a catastrophe because those utilities are
6 not being blown over by the pine trees and the oak
7 trees. So I don't know. I don't know that they have
8 done their homework, and I don't think it's fair that
9 they pass what they think they want to do now onto our
10 backs.

11 Thank you so much for letting us speak.

12 **CHAIRMAN GRAHAM:** Thank you, Ms. Nease. Thank
13 you for coming today.

14 **MR. KELLY:** The next speaker is Mary Ann
15 Gardner.

16 **CHAIRMAN GRAHAM:** Ms. Gardner, welcome.

17 MARY ANN GARDNER

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

20 DIRECT STATEMENT

21 **MS. GARDNER:** Thank you. I'm glad to be here.
22 I'm glad you folks showed up tonight and give us a
23 chance to air our views.

24 **MR. KELLY:** Pull the mike a little bit closer,
25 please, ma'am.

1 **MS. GARDNER:** Okay. I am a former elected
2 official, and myself and two other elected officials of
3 this little town was very upset with the way the town
4 was handling things. We solved them. We were the first
5 in the State of Florida to do so. I can remember at one
6 of those meetings a Gulf Power representative came and
7 wanted us to sign a 15-year contract with Gulf Power.
8 All the promises, you know, you sign, your rates won't
9 go up. Well, we had one Commissioner that was -- oh, he
10 was very adamant about this. You know, he said I have
11 never heard of such a thing. Well, we had a couple of
12 others say, well, you know, if we don't sign this, you
13 know what's going to happen. They signed it. Two
14 months later our rates went up.

15 So I really don't think Gulf Power officials
16 understand. You folks have your jobs. You folks get
17 very good pay. I don't think you really understand what
18 the average person goes through. A person that is on a
19 fixed income. A person that can't afford to go and buy
20 something on a whim because they don't have the money.

21 I am looking at you folks sitting here tonight
22 and you are all very well dressed, and I'm sure you all
23 get a very, very good income. And I don't think you
24 have to squeak by every month, but those of us do. And
25 I think it's time that Gulf Power does what we have to

1 do.

2 We have to save. We have to budget our money,
3 and we have to understand you may have a rainy day
4 coming. And we have got to, you know, save for that
5 rainy day. I think this is what Gulf Power officials
6 have to do. Set aside a fund, but don't touch that
7 fund. Let that fund be there for whatever comes up.

8 And as far as purchasing this land, it's like
9 Cedar Grove. I'm sure all of you remember Cedar Grove.
10 We have to go up 231. We have to get up 231 before
11 everybody else does. Do you know what happened? It
12 fell. We have a development up there that's going
13 nowhere. And if Gulf Power purchases this property in
14 Caryville, and it has been there for 30 years unused,
15 forget about buying anything else. Concentrate on using
16 that one.

17 There is a lot that goes on in an individual
18 community. All the expenses that keep coming up and
19 coming up. And as I said, those of us, you know, that
20 are on a fixed income, we haven't gotten a raise. And I
21 just have a feeling that Gulf Power, if they get this
22 increase, regardless of whether it's what they want or
23 what they are going to get, all you folks are going to
24 get a substantial raise. There is going be a lot of
25 renovation done of buildings that is not necessary. The

1 CEOs are going to get their bonuses, just like the banks
2 did when they got bailed out, and then all of a sudden
3 they all got their bonuses. I'm just stating, it's time
4 now that you people that do have some control over us,
5 because they do have to have electricity understand, and
6 sometimes go and be with a person that has to really
7 balance their budget and see how difficult it is,
8 because I don't think you folks have a difficult time in
9 paying your bills.

10 That's all I have to say. Thank you.

11 **CHAIRMAN GRAHAM:** Thank you, Ms. Gardner.

12 Thank you for coming.

13 **MR. KELLY:** Janet Beier.

14 JANET BEIER

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

17 DIRECT STATEMENT

18 **MS. BEIER:** My name is Janet Beier, B-E-I-E-R,
19 and I live at 2805 East 17th Street in Panama City. And
20 I want to thank all of you for having this meeting for
21 us, because we don't get a chance to do this very often.
22 I want to thank Gulf Power also for keeping our services
23 going all summer long with the heat that we have been
24 having. We have no problem with that.

25 And here comes the however. However, I will

1 do believe that this increase is quite unreasonable. As
2 a retired individual, I am on a fixed income also. And
3 many of us do not know when we are going to get another
4 raise. There is really no money to pay an extra amount
5 whoever puts on their bill. We are not going to have
6 the money to pay it. We have already -- my husband and
7 I have already cut back on our groceries, and I have
8 stopped all of my medicine because I'm not going be put
9 on the street. So I am on a budget plan right now with
10 Gulf Power, and with all this heat that we have had this
11 summer, I'm going to be paying on that electric bill
12 throughout the winter, plus the winter that is going to
13 be coming up, and we don't know what the winter is going
14 to be like. So I just wanted to tell you that right now
15 we keep our thermostat at 78 degrees, and that is just
16 short of melting our candles in the house.

17 Our neighbors are military, and I don't think
18 that they are going to also be able to pay an increase.
19 And we have to keep them. They are our troops, and we
20 can't be doing this to them. And I saw on the other
21 sheet about the profit level. Well, in this last
22 sentence it says, for example, it could reduce the
23 annual cost to customers by 10 to 15 million. I have
24 never seen any company that would be willing to decrease
25 and give us a reduced rate on anything. Once they raise

1 it, they are never going to bring it back down, and that
2 is final. For the storm costs, I think that they have
3 already gotten enough money in there in order to -- with
4 the money they are getting for the increase for their
5 expenses, I believe they have already got the money in
6 there for that.

7 And for the land purchase, none of us can
8 afford to buy anything if we are not going to use it.
9 Why would we buy something which is going to sit around.
10 So I'm against that. The payroll costs, I do believe
11 that that money should have already been factored in
12 with the interest that they receive on this other money.
13 It has to be going somewhere. It's not just sitting
14 there. So it should be used to do this.

15 And if that land would be sold, I do believe
16 also they would have extra money. I don't think anyone
17 is going to buy it right now, but anyway it's something
18 that they can think about. And that's all I have to
19 say, so thank you very much.

20 **CHAIRMAN GRAHAM:** Ma'am, thank you for coming
21 tonight.

22 **MR. KELLY:** Marion Wallace.

23 **MS. WALLACE:** I decline at the present moment.

24 **CHAIRMAN GRAHAM:** Thank you, Ms. Wallace.

25 **MR. KELLY:** I believe it's Gussie Williams.

1 **CHAIRMAN GRAHAM:** Ms. Williams, welcome.

2 **GUSSIE WILLIAMS**

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

5 **DIRECT STATEMENT**

6 **MS. WILLIAMS:** Good evening. My name is
7 Gussie Williams, and I manage an apartment complex here
8 in town for active seniors 55 and older. Most of them
9 are much older. Your mothers and fathers, they live on
10 that limited income, that Social Security that they have
11 not gotten an increase in four years. They have really
12 tightened their belts the last three years to buy
13 medicine. Food has gone up. I keep seeing them call
14 their children, I need money, can you help me pay my
15 utilities.

16 Council on the Aging, Salvation Army, get in
17 touch with them. I guarantee you every senior in this
18 town has gone to them for help with Gulf Power. They
19 help one time a year, and just about every one of my
20 seniors has gone and asked for help. I see them tighten
21 their belts. I tighten my belt at home. I know you
22 tighten yours. You have Gulf Power just like we have,
23 I'm sure. Everybody has utilities. I'm sure even the
24 people with Gulf Power have to pay their power bills,
25 too. It hurts everyone.

1 We all have to tighten our belts. We have all
2 been tightening our belts, but to increase it again?
3 Like I said, food has gone up; gas has gone up; rents
4 have gone up. Everything goes up but pay. I mean, I
5 don't know how they can live any longer. They live
6 longer, their checks are less. If you have an elderly
7 person that gets Social Security, the average Social
8 Security is maybe \$1,500 a month; 700 for rent,
9 utilities -- Gulf Power came out and did an energy thing
10 on my property. My property is relatively new. And
11 they tightened their belts so tight, these residents,
12 that their utilities went down last year. And, I mean,
13 they are still suffering, still having to go and ask for
14 help from their children, Salvation Army, Council on
15 Aging.

16 They have tightened their belts once. I don't
17 think they can tighten them any tighter. I think that
18 Gulf Power does a fabulous job, and I'm sure they need
19 lots of things and their employees have to pay utilities
20 just like we do. I understand that. But I think our
21 government -- everybody needs to stop and get their own
22 house in order. I don't think Gulf Power has their
23 house in order. If you are making 11 percent profit --
24 I don't make 11 percent profit. I haven't even
25 personally gotten a raise in four years. When the

1 seniors don't get a raise, I don't get one, either. So
2 I want you to understand that it's seniors in this town
3 that are hurting, and it is your mother that is going to
4 have to come and live with you because she can't pay the
5 power bill. And then companies like mine, when you
6 don't pay your power bill, I have to evict. I can't let
7 you live and burn an oil lamp. You know, maybe Gulf
8 Power is going to have to go back to where you put
9 quarters in the machine to get electricity. I don't
10 know.

11 It's tight everywhere. It's not just Gulf
12 Power. It's gasoline, it's food, it's insurance, it's
13 medicine, it's everything. It's doctor's costs. You
14 know, I don't know where it ends. I don't know what the
15 answer is. Our government doesn't even know what the
16 answer is. I just feel like everyone needs to get their
17 house in order. These seniors squeeze and squeeze a
18 dime harder than anybody I have ever seen, and they know
19 how to save. I mean, they saved, and they have spent
20 their savings. You know, I don't know what the answer
21 is, but I appreciate you listening to me. I just want
22 you to look out for the seniors.

23 **CHAIRMAN GRAHAM:** Thank you, Ms. Williams.
24 Thank you for coming.

25 **MR. KELLY:** Sue Taylor.

1 **CHAIRMAN GRAHAM:** Mr. Kelly, after this lady,
2 if you could start calling two at a time.

3 **MR. KELLY:** Sure.

4 **CHAIRMAN GRAHAM:** He is going to call two
5 names. The first will be the one at the mike, the next
6 one will be -- if you can sit in this front row here so
7 we can kind of expedite the people coming up.

8 **MR. KELLY:** Our next speaker will be Willis
9 Martin, if you want to come up to the front.

10 **UNIDENTIFIED SPEAKER:** May I speak for my
11 husband?

12 **CHAIRMAN GRAHAM:** Sure.

13 SUE TAYLOR

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

16 DIRECT STATEMENT

17 **MS. TAYLOR:** Hello. My name is Sue Taylor. I
18 am one of Ms. Gussie's seniors, and I just want to say
19 that I think it's the wrong time for Gulf Power to ask
20 for extra money. Nobody has it. There are so many
21 homeless people. I have two checks that come in. I'm
22 short last year and short this year. I mean, in other
23 words, they decreased because the government put more
24 taxes on one of them. And so, I mean, I'm not getting a
25 raise, I've got a decrease. And, I mean, there's a lot

1 of people that just don't have the money. And I think
2 Gulf Power should understand that. And I also think
3 that possibly in the next year or two some of these
4 restrictions of regulations and rules may be going to
5 disappear. I think the EPA should be just done away
6 with.

7 And some of these other things, too, you know,
8 that is hurting business so bad. But I think if Gulf
9 Power could wait a couple of years, maybe things would
10 pick up. You know, then maybe we can all afford a
11 little bit more. But that's my feeling, and I
12 appreciate you hearing them.

13 **CHAIRMAN GRAHAM:** Thank you, Ms. Taylor.

14 **MS. TAYLOR:** Do you need my address?

15 **CHAIRMAN GRAHAM:** Yes, please.

16 **MS. TAYLOR:** 901 West 19th Street, Panama
17 City, Florida 32304.

18 **CHAIRMAN GRAHAM:** Thank you, Ms. Taylor.
19 Thank you for coming tonight.

20 **MS. TAYLOR:** Thank you.

21 **MR. KELLY:** After Ms. Martin, Mary J.
22 Robinson.

23 **CHAIRMAN GRAHAM:** Ms. Martin, welcome.

24 **MRS. WILLIS MARTIN**
25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 DIRECT STATEMENT

3 **MRS. MARTIN:** Thank you for giving me the
4 opportunity to speak to you. Thank you for coming out.

5 My name is Mrs. Willis O. Martin, Winnifred,
6 and I live in College Point in Bay County, College
7 Point, Lynn Haven. The City of Lynn Haven is just
8 across the street, and we have lived at that address for
9 33 years.

10 My husband and I are both homeowners. And our
11 house, we tried to cut down on our electric bill. I'm
12 not very well organized here. We tried to cut down on
13 our electric bill. We tried to keep it at 79 in the
14 summer and at 62 in the winter. Our house has about
15 3,000 square feet, and my husband and I are 80 years
16 old, up in our 80s, and we have been on a fixed income
17 for 20 years, and we have a very tight budget.

18 Our biggest bill is our electric bill, and it
19 is always hard to pay it. That's our largest bill, even
20 though we have cut down. In fact, we have cut down to a
21 lot of hotdogs now so that we can cut down on the
22 grocery bill so we can pay the electric bill.

23 Now we don't know what else we can give up.
24 Our health bill, our insurance bill, supplemental
25 insurance keeps going up, and that's quite a bit. You

1 have to have that along with your Medicare. And so
2 that's all I have to say is that I just don't think they
3 need an increase, because we don't get an increase. We
4 haven't had one in 20 years. Thank you very much.

5 **CHAIRMAN GRAHAM:** Thank you, Ms. Martin.

6 **MR. KELLY:** After Ms. Robinson, Barbara Day.

7 **CHAIRMAN GRAHAM:** Welcome, Ms. Robinson.

8 MARY J. ROBINSON

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

11 DIRECT STATEMENT

12 **MS. ROBINSON:** Thank you. My name is Mary J.
13 Robinson. I live at 1121 Grace Avenue, Panama City,
14 Florida, 32401. And I would like to just read when we
15 first -- when I first heard this on TV about the rate
16 increase, I actually wrote a letter to Jerry Brown, our
17 local Channel 13 problem solver. And it turned out that
18 is not who can address this issue.

19 **UNIDENTIFIED SPEAKER:** We can't hear you.

20 **UNIDENTIFIED SPEAKER:** Can you talk into the
21 microphone?

22 **MS. ROBINSON:** However, Channel 13 did send a
23 young reporter out to interview me, and I would like to
24 read that first. And since we have five minutes, I've
25 got a short other page I would like to add.

1 I am not sure how Gulf Power can state with a
2 straight face they haven't asked for and received a rate
3 increase in ten years. Regardless of whether it is for
4 fuel, base rates, equipment upgrades, facilities, or
5 whatever, the bottom line for the consumer, us, is the
6 percentage and the number of increases we have had in
7 just the past three years. Four increases in the past
8 three years amounts to 25.8 percent using simple basic
9 math, which is what most of the general public
10 understands. Of course, this does not take into account
11 that each increase also adds a percentage to the prior
12 increase.

13 The average person does not use creative
14 accounting. In 2002, I had my older home completely
15 rewired and had the free energy audit from Gulf Power at
16 the suggestion of the electrician. After following
17 their advice and having new wiring, I did not save money
18 because that was the year of the rate increase ten years
19 ago, supposedly the one being referred to by Gulf Power
20 now ten years ago.

21 When I heard rates were increasing by
22 11.3 percent in September of 2008, and I do have
23 documentation for this, I paid \$2,000 to have the
24 exposed beams in my bedroom ceiling covering with a
25 ceiling and R30 insulation to prepare for the higher

1 rates. Then in January of 2009, we had a 9 percent
2 increase. Now, I note this is supposed to be a base
3 rate increase that is being asked for now. I broke even
4 again, almost. I am losing the battle.

5 The most recent increase is 4 percent. This
6 has been approved by the PSC as an interim rate. The
7 request is for 10 percent, which would bring the total
8 increases for the last three years to 31.8 percent. And
9 the rate increases since September of 2008, which is
10 when I really started watching this, is 4 percent in
11 August, which becomes effective this month for 2011;
12 1.5, January 2010; 9 percent, January of 2009;
13 11.3 percent, September of 2008.

14 And we don't know the difference in the base
15 rate and the other increases. I don't know what the
16 other increases were for, but I know that they took
17 effect, and I know that my power bills were increased.
18 So maybe at the end of the meeting someone from Gulf
19 Power can enlighten us on what the 11.3, and the
20 9 percent, and the 1.5 percent were for during the past
21 three years.

22 Now, I would just like to add something to
23 that that I have just --

24 **CHAIRMAN GRAHAM:** You've got about a minute
25 left.

1 **MS. ROBINSON:** Okay. Recently, Channel 13 had
2 a segment on poverty and hungry children. It turns out
3 that one in four children in Bay County is hungry every
4 day. Oakland Terrace Elementary School received a
5 federal grant to purchase fruit for snacks three days a
6 week. The reason the school qualified for the grant was
7 that 93 percent of the children qualified for free
8 lunches, an AP report based on 2010 census. An article
9 in the News Herald states one in six people in this
10 country live in poverty. We are told to adjust our
11 thermostats in order to conserve energy. My thoughts
12 are the parents or grandparents of these one in four
13 children who do not have enough to eat every day do not
14 have thermostats because they do not have air
15 conditioning. And I think that the children should be
16 the highest priority here.

17 I'm a senior citizen myself. I live on a
18 fixed income, as so many people here do, but they have
19 been spoken for. I would like for you to think about
20 the children that have been in the news lately who are
21 not even getting enough food. So I'm thinking they also
22 don't have air conditioning, nevermind food. Thank you
23 very much.

24 **CHAIRMAN GRAHAM:** Thank you, Ms. Robinson.
25 Thank you for coming tonight.

1 **MR. KELLY:** After Ms. Day, Janet Walker.

2 **BARBARA DAY**

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

5 **DIRECT STATEMENT**

6 **MS. DAY:** Hi. I'm Barbara Day, and it's nice
7 that you are here with us tonight. We are proud to see
8 you here. And all the nice comments that are coming out
9 and the opinions that everyone is so burdened with. And
10 I do represent AARP, and I am concerned that what has
11 happened here, that Gulf Power has requested a
12 \$93.5 million rate increase which will include an
13 increase, as we have all heard, of 11.7 percent profit
14 for their stockholders.

15 This is an excessive profit for stockholders
16 when those dollars will be coming from my pocketbook and
17 everyone else out here. 431,000 citizens, customers.
18 There are a lot of them hurting out there. They don't
19 have -- they don't have their money to pay their light
20 bill. Well, I see a lot of that, and then on top of
21 that to get their lights turned back on you have to come
22 up with a 200 or \$300 deposit. Now, you tell me, if
23 can't pay a \$200 light bill, how are you going to pay a
24 \$300 deposit?

25 Okay. This increase could result in nearly a

1 \$150 annual increase in residents' electric bill. You
2 know, that's just the beginning of 1,000 kilowatts.
3 That's not talking about over, if you extend yourself to
4 four or 5,000 kilowatts. This is a bad timing for the
5 rate increase. It comes at a bad time for all the
6 residents of this panhandle. We have hurt tremendously.
7 We have been hit hard with the results of the economic
8 problems and recent oil spills that a lot of people are
9 suffering from today.

10 This might not seem like a lot of money for
11 some of your seniors, that are just -- there are some
12 that are just barely, and many I will say barely -- that
13 if they have this increase, and it is approved by the
14 Public Service Commission, this will be detrimental to
15 their living. And I will put a little saying in. My
16 mother used to say -- she died two years ago, and I can
17 just imagine how my mother would feel if she was to be
18 here at 87 years old and know that she was going to have
19 a \$12 rate increase with a \$500 a month check. That is
20 awful bad when you have got so many other things to pay
21 for and you have got someone here in that same
22 condition, and my heart goes out to them.

23 This base raise that they have requested has
24 already started to have an effect on the ratepayers. On
25 August the 23rd, the PSC approved this interim rate

1 increase of \$4.49 per month starting in mid-September,
2 and where are we at? We're right there. If this entire
3 rate increase is approved in March of 2012, each
4 ratepayer will be charged an additional \$7.65 per month.
5 We must remember, this is a base rate of \$1,000 (sic),
6 people. However, the average base rate, the kilowatt
7 hours that are used are 1,200 per resident. You know,
8 think about it. So most of us will have this high
9 monthly rate increase.

10 AARP is fighting to stop the rate increase,
11 because we want it to be an increase that is justified.
12 We want it justified and is approved by the Public
13 Service Commission. That's what we want. We want this
14 rate increase justified. So thank you so much. And I
15 appreciate it, and I certainly hope you will take a lot
16 of these comments into consideration. Thank you.

17 **CHAIRMAN GRAHAM:** Thank you, Ms. Day. Thank
18 you for coming down today.

19 **MR. KELLY:** After Ms. Walker, Virgil Duffell.

20 JANET WALKER

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

23 DIRECT STATEMENT

24 **MS. WALKER:** Janet Walker. I live in Lynn
25 Haven, at 1106 Michigan Avenue in Lynn Haven. I have a

1 recent bill in front of me of mine at a little over 1300
2 kilowatt hours. And I'm not sure who put together the
3 figures on this green sheet of paper, whether it was
4 Gulf Power or the Commission, but for approximately 1200
5 kilowatt hours, staying at the present rate, is \$145 a
6 month. That did not take into account the over \$20 that
7 I have to pay to the City of Lynn Haven for a franchise
8 fee and taxes. If the normal rates go up, I'm sure my
9 franchise fee and my taxes that I pay to Lynn Haven will
10 also go up.

11 As my husband mentioned earlier, this is like
12 a snowball effect. When my husband and I first retired
13 here ten years ago, almost every week I could go to the
14 local food pantry with one or two bags of groceries that
15 we could afford to take out of our budget. Now, I
16 barely do that once a month. So not only is this
17 affecting me, it's affecting the people that go to local
18 food pantry for their daily rations of food. So I think
19 that needs to be taken into consideration. It's just
20 not the many, many people here in this room, but this
21 affects many others in our lives, in our daily lives.

22 And thank you for inviting all of us here this
23 evening.

24 **CHAIRMAN GRAHAM:** Thank you, Ms. Walker.

25 **MR. KELLY:** After Mr. Duffell is Robert

1 Beamer.

2 VIRGIL DUFFELL

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

5 DIRECT STATEMENT

6 MR. DUFFELL: I, too, live in Lynn Haven. We
7 seem very well represented here tonight. However,
8 contrary to my friend, Robert Walker, talking about Lynn
9 Haven being a small town, I grew up in one of about
10 5,000, and we had Florida Power and Light, called
11 Arcadia, Florida. I was very fortunate that we moved to
12 the big city and no longer had to depend on kerosene
13 lamps in the rented house that we were in. My dad left
14 when I was seven, and I went to work when I was seven.
15 So I can match poor-boy stories with most people. But
16 that is not why we are here actually.

17 It's not most of us, I don't know that, but
18 most of us one way or the other we will manage to keep
19 up with our utility bills. But it is difficult to
20 comprehend the 6 percent to 11 percent that has been
21 talked about here. So I am very thankful for many, many
22 things, and the experience I have had through these
23 years in various pursuits, that we have the government
24 that we have, whether it be local, state, or national
25 that gives us the opportunity to appear before you at

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1 the Commission who obviously take your responsibilities
2 very seriously, even though you have had a day in
3 Pensacola and another day in Panama City. So we
4 appreciate that.

5 But I'm here also to speak, at least no one
6 has deputized me to do that, however I have some
7 statistics that I think are worthy of note. In Bay
8 County, according to statistics that were released in
9 February of '07, there were 196 mobile home parks in Bay
10 County. 196 mobile home parks. And six of those had
11 over 100 spaces owned by whomever. Now, I personally, I
12 live in Lynn Haven in an individual residence, and I own
13 two mobile homes downtown in Panama City.

14 By the way, I didn't say my -- my address is
15 1009 Colorado Avenue, Lynn Haven, Florida. But the
16 mobile homes here, I have been involved and I'm
17 fortunate that I am able to do that financially in
18 helping people whose power was turned off, who went
19 without for a period of time. And then, of course, the
20 cost of bringing it back. I mean, every business, I
21 don't care how small or large, a business has to make a
22 profit or you are not in business. That has happened to
23 many, many of us. So I just want to bring those
24 statistics to your attention.

25 I am also involved in nonprofits here in the

1 county. Some of those are disadvantaged people. One of
2 the primaries is called the National Alliance on Mental
3 Illness, and many of those people, some of them that I
4 know personally, many of them. I am involved in other
5 nonprofits, including the NAACP. You know, I grew up
6 poor enough to know what poor meant, and I remember when
7 things changed on May 17th, 1954. That was when the
8 Supreme Court issued the decision outlawing separate but
9 equal. I was selling Bibles at that time doing my
10 summer from college. So I have been involved in many
11 things over the years, ending up as a school principal
12 for many years in Fairfax, Virginia. But a landowner
13 there and here. So I am very appreciative of the
14 efforts of everyone here, and that we care enough about
15 what happens, and that you do, to be here. Thank you.

16 **CHAIRMAN GRAHAM:** Thank you, Mr. Duffell.
17 Thank you for coming down tonight.

18 **MR. KELLY:** After Mr. Beamer, Joan Harriman.

19 **CHAIRMAN GRAHAM:** Is Mr. Beamer here?

20 **MR. KELLY:** Robert Beamer.

21 **CHAIRMAN GRAHAM:** Call another name.

22 **MR. KELLY:** Joan Harriman followed by Audrey
23 Tobias.

24 **CHAIRMAN GRAHAM:** Ma'am, just come on up.

25 JOAN HARRIMAN

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

3 DIRECT STATEMENT

4 MS. HARRIMAN: My name is Joan Harriman. I
5 want to thank you all for coming here to listen to us
6 today. I live in Blountstown, and I take care of an
7 elderly person's house in Panama City Beach, and I pay
8 Gulf Power on both ends. It is not extreme for one
9 small house and one small person in Blountstown to have
10 a \$600 electric bill per month. The little towns are
11 going to put their costs on top of what Gulf Power
12 people pay here, so we must remember those little towns.
13 And a lot of them are full of senior citizens like
14 myself.

15 I pay the bills here in Panama City Beach
16 directly to Gulf Power. The person is a senior citizen.
17 They have a limited income. They haven't had a raise in
18 two years. If I haven't had a raise in two years as a
19 senior citizen, I don't know why this utility company
20 should have a raise. We have all been asked throughout
21 the country to tighten our belts. They have to tighten
22 theirs.

23 I just ask Mr. Crosswhite, who left the room a
24 minute ago, what his salary was per year. He said I
25 don't have to tell you that. Now, that should give you

1 an indication that maybe there's an awful lot of fat
2 cats in Gulf Power who have a very high salary who are
3 going to get increases from this increase. If they want
4 their increase or any part of it, it should be very
5 tiny. And they should freeze -- if they haven't come
6 for a rate increase in over ten years, it has been ten
7 years ago, they should freeze. If they freeze salaries
8 for ten years, that's the deal. You want a small
9 increase? We'll give you a small increase, but you will
10 freeze your salaries for ten years.

11 I don't know where your getting your figures
12 here, because you have \$122 for a current bill on 1,000
13 kilowatts, and then it would be 134. \$122 times the
14 20 percent would be another \$24, and 23 percent would
15 bring it up to \$150. Now, \$122 to \$150-something, and
16 it will probably be close to \$30 a month, \$30 a month is
17 a awful lot for a senior citizen who hasn't had a raise
18 in two years. I'm 78. I do all of my laundry by hand
19 because I can't afford to turn the washer and dryer on
20 because I can't afford to pay the utilities. I worked
21 all of my life for a house that is all paid off, and I
22 don't want to have to go out and get a loan. Seniors
23 citizens probably can't get a loan, because we don't
24 have credit. They won't give us a loan. And I don't
25 think any one of us should have to go out here and get a

1 loan to pay our utility bills.

2 And as far as opening a nuclear plant, that is
3 absolutely a no-no. If you see their circle of where
4 they are getting their power, one little sliver is for
5 solar. Florida is the solar state. Why aren't they
6 doing anything on solar? They should not be opening a
7 nuclear plant period. Look at Chernobyl. Look at the
8 disaster in Japan. You should not okay them any rate
9 increase, and absolutely X a nuclear plant. We can't
10 afford to be killed with radiation. Would you want that
11 to happen?

12 Thank you.

13 **CHAIRMAN GRAHAM:** Thank you, Ms. Harriman.

14 **MR. KELLY:** After Ms. Tobias, George McNitt.
15 Mr. Chair, I believe starting with Mr. McNitt you are
16 going to need to swear everybody after him. But we will
17 double-check that. I think I got those afterwards.

18 **CHAIRMAN GRAHAM:** Ms. Tobias, welcome.

19 **MS. TOBIAS:** Is this about right?

20 **CHAIRMAN GRAHAM:** Yes, ma'am.

21 AUDREY TOBIAS

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

24 DIRECT STATEMENT

25 **MS. TOBIAS:** My name is Audrey Tobias, and I

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1 live at 902 North Tyndall Parkway in Callaway. I would
2 just like to request very briefly after you have heard
3 the concerns of the people, would you please
4 conscientiously reconsider what you think is a fair rate
5 of return. Especially since I heard today that this
6 area is one of the most poverty stricken areas in the
7 state. Thank you.

8 **CHAIRMAN GRAHAM:** Thank you, ma'am. Thank you
9 for coming down tonight.

10 **MR. KELLY:** After Mr. McNitt, Douglas Hale.
11 Were you sworn, Mr. McNitt?

12 **MR. McNITT:** Yes, I was.

13 **MR. KELLY:** Okay.

14 **GEORGE McNITT**

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

17 **DIRECT STATEMENT**

18 **MR. McNITT:** Thank you for coming, folks.
19 This was really a treat for our area to have you folks
20 come here, and don't think we are all not very
21 appreciative.

22 My name is George McNitt. I live at 149 Grand
23 Heron Drive, Panama City Beach, Florida. I haven't
24 heard anybody here tonight from the beach. Is anyone
25 else here?

1 (Audience response.)

2 **MR. McNITT:** I want to start by saying on the
3 positive side, as a Gulf Power customer, I must say that
4 we do have a very stable rate of power. Outages are
5 slim to none with us. Now, I am in the Glades at the
6 Umbria Golf Course. We have a community within there, a
7 golf course community. And we have a -- I am treasurer
8 of the homeowners association, which is a point I wanted
9 to bring out, too, because it is having an effect. As
10 treasurer, I have proposed to our board of directors
11 that we increase our annual assessment due to water and
12 electric utilities. We are not -- we are struggling now
13 to meet our utility expenses.

14 **CHAIRMAN GRAHAM:** Mr. McNitt, if I could get
15 you to hold the mike up a little bit.

16 **MR. McNITT:** Okay. I'm sorry.

17 Anyway, I did want to bring that point out.
18 It's not that I'm an unhappy customer. However, as that
19 lady said earlier, you start talking 11 percent,
20 23 percent, that's pretty ambitious. And I think that
21 that is going to take a lot of thought on your part to
22 not let that happen.

23 Maybe they should get a little something. I
24 think most of us feel nothing, but maybe they have got
25 something coming. In my working life, I worked for

1 Proctor and Gamble, and my task was as a manager of
2 telecommunications, so I had to deal with the Public
3 Service Commission quite often when telephone rates
4 wanted to increase. So I'm used to standing up and
5 speaking that way, but I'm sure glad that we have public
6 service commissions.

7 My experiences in New York State were nothing
8 but good. They were very fair in anything they handled.
9 Some things were granted that we didn't want, but I can
10 fully understand why. I have a broad enough mind to
11 say, okay, business is business. You have to really
12 look at the numbers.

13 These numbers are pretty big. A gentleman
14 earlier that said he was a politician and was talking
15 about in the restaurant business that they had what they
16 call a peak rate. I as a customer with Gulf Power, I am
17 very energy efficient, and my wife and I are very
18 conservative when it comes to what we use. So we are on
19 their Energy Select program and have been for many
20 years. Are you familiar with that?

21 **CHAIRMAN GRAHAM:** Yes, sir.

22 **MR. McNITT:** Where we have four rate schedule?
23 Critical is the peak period, and we pay dear if we let
24 something run during that critical period. The smart
25 thermostat let's us know when we get into that. I have

1 had it happen a number of times this summer, and it's
2 always in the afternoon hours when we are in our high
3 rate period anyway. And I do have a thermostat, and
4 when it sense it, if you're having a real hot day, I
5 will pay attention to it. And I have a program so it
6 will kick up to 86 degrees, I think. It won't give me
7 my cooling up to that point, and then I have to make a
8 decision do I want to override that if I can stand it.
9 But we usually run our house in the morning hours at 78,
10 in the afternoons 80. We are not comfortable, not at
11 all. But I'm trying to be a good corporate citizen and
12 work with Gulf Power to use this program like it's
13 supposed to be used.

14 The most recent think I just did, I just
15 invested \$1,500 in a high efficiency pool pump, because
16 Gulf Power has been in and done studies for me, and they
17 said one of your biggest users in a household, if you
18 have a pool, is that pump. So I bought one of these
19 fancy new variable speed pumps. Maybe I just spent
20 \$1,500 for nothing, because I was going to get a return
21 based on what I was told I would save per month on the
22 bill. I was going to have a return within 18 months, so
23 I would get my money back, because Gulf Power right now
24 is giving a \$600 rebate when you buy that because they
25 are encouraging this so we can be more energy efficient.

1 Great. But every time something like this comes up,
2 that goes out the window for me. I have done something
3 that maybe I could have done better with that 1,500
4 bucks, you know.

5 The same thing with an air conditioning
6 system. I replaced my complete AC system in 2009. I
7 went to the new gas they have, and I also increased it
8 SEER rating-wise, being conscientious about that. I
9 went from 11 to 14 SEER. I didn't go into the high,
10 high efficiency units, which are, I guess, 16 to 18
11 SEER, but you had to pay an enormous amount of money for
12 those, and I didn't feel that in my lifetime I would get
13 the payback. That's just not a smart move on my part.
14 So what I'm trying to say is I'm trying to work with
15 Gulf Power, but I don't think they are trying very hard
16 to work with me.

17 I think maybe -- you know, so much has been
18 said tonight it would just be repetition. I'm not going
19 put you through it. But, anyway a good example, and one
20 of the things that distresses me a little bit is using
21 this 1,000 kilowatt thing for a base, for a benchmark,
22 whatever you want to call it. I think that's pretty
23 farfetched. I don't think there's many people in this
24 entire room tonight and in the entire area that gets off
25 on 1,000. I took the last 12 months of my bills today,

1 I sat down and I started calculating out what I did, and
2 I average over the last 12 months, including the August
3 bill, 1816, 1,816 kilowatts per hour (sic). No 1,000.
4 And that's an average. The highest that I have had was
5 July I used 2,531. And my mind you, like I said, I'm
6 about as efficient as I can get using the select
7 program, and, you know, having the better air
8 conditioning system, living in a comfort zone of 80
9 degrees in the afternoon. When it's 95 or 100 outdoors,
10 it's still not comfortable in the house at that rate.

11 So, anyway, thank you for being here, and I
12 hope that the turnout has impressed you. I was so
13 concerned that maybe there wouldn't be very many people
14 showing up, because they would just kind of say, ah,
15 it's just one more thing, they are going to get it
16 anyway. And, boy, that's not true. I found that with
17 the PSC back home in New York State. They pay attention
18 and they listen, and I know you folks do, too. So,
19 thank you, again.

20 **CHAIRMAN GRAHAM:** Thank you, Mr. McNitt. We
21 had no concerns. We knew there were people coming here
22 today.

23 **MR. KELLY:** We don't have any more speakers.

24 **CHAIRMAN GRAHAM:** That is the last of the
25 speakers that were sworn?

1 **MR. KELLY:** We need to check from here on out,
2 because I was given --

3 **UNIDENTIFIED SPEAKER:** I was sworn.

4 **MR. KELLY:** Okay. Maybe they were. Do you
5 want me to name the names real quick?

6 **CHAIRMAN GRAHAM:** Well, no, right now it's
7 about time for us to take our five-minute break for the
8 court reporter. So it's about five minutes till 8:00.
9 We will break until about 8:00 o'clock so she can rest
10 her fingers, and we will start back again.

11 (Recess.)

12 **CHAIRMAN GRAHAM:** Has everybody been sworn so
13 far?

14 **MR. KELLY:** I believe everyone told me that
15 they had been.

16 **CHAIRMAN GRAHAM:** Okay.

17 **MR. KELLY:** I will double-check the last name
18 or two, but the next four or five said they all have.

19 **CHAIRMAN GRAHAM:** Okay. So who is next?

20 **MR. KELLY:** Mr. Hale followed by William
21 Swift.

22 **CHAIRMAN GRAHAM:** Mr. Hale, welcome.

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

DIRECT STATEMENT

1
2 **MR. HALE:** Good evening. I want to thank
3 y'all for being here, and I want to thank you for the
4 opportunity to let folks like me speak.

5 Now, I have been sitting in this meeting, and
6 I have heard excuses after excuses about people that own
7 their homes, own businesses, and this and that and can't
8 worry -- I mean, worry about the little increase. What
9 about people like my wife and I that live on \$600 a
10 month, one check disability. We have to struggle. I am
11 just now recuperating from a \$400 electric bill from the
12 hottest summer, the second hottest summer recorded in
13 Bay County. I am just struggling to get by that. That
14 means I have to give up the food that other people get
15 to enjoy, but I don't. I have to get rice and beans.
16 It seems to me being a Vietnam veteran, I shouldn't have
17 to live like that.

18 These increases, even though they are minute,
19 it might be minute to Gulf Power, but it's extensive to
20 people who can't afford it. I just want to let
21 everybody know we have to live. Without the power,
22 you're done. I can go buy candles, sure, but as it is,
23 I have to live in fixed income housing, which I hate
24 because it's all I can afford.

25 I don't own my own house, I don't own a brand

1 new car, and I don't own a business. I'm lucky Gulf
2 Power has been there for us. And I respect Gulf Power
3 for sending 65 people to Washington D.C. for Hurricane
4 Irene, and I know they had to give up time with their
5 families, but in the same respect we didn't ask them to
6 go, and we should not have to pay for it.

7 All I'm saying is think about this. It's not
8 automatically passed. Before you pass the increase,
9 think about the people out here that really can't afford
10 it because without power we have nothing. I just wanted
11 to take this time to thank each and every one of y'all.
12 Mr. Chairman, all the Commissioners, Mr. Kelly, everyone
13 here for letting something be heard that needs to be
14 heard, because a lot of these people are retired and
15 they are on fixed income. We don't get 1,500, \$1,600 a
16 month. 660 bucks a month, and we have to stretch that
17 for all our utilities, and we are trying our best. And
18 if it wasn't for people like the Council on Aging that
19 does come into a factor here in the community, because
20 they help people. They help people that are struggling,
21 but they can only help so much. I want to thank each
22 and every one of you once again. Have a wonderful
23 weekend.

24 **CHAIRMAN GRAHAM:** Thank you, Mr. Hale. Thank
25 you for coming out today.

1 **MR. KELLY:** Mr. Swift will be followed by
2 Alison Rivers.

3 WILLIAM SWIFT

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

6 DIRECT STATEMENT

7 **MR. SWIFT:** My name is William Swift. I live
8 at 1505 Dunnett Court in Lynn Haven, Florida 32444. And
9 like one of the other gentleman here, I'm a Lynn Haven
10 Yankee. My wife and I retired from Baltimore, Maryland,
11 about four years ago where we faced \$600 gas and
12 electric bills. I mean routinely it was \$600. I was
13 thrilled at the electric bills that -- I lived in an
14 all-electric home now, but I was thrilled at the bills
15 that we were getting. We were really thrilled. Then we
16 looked around and things started escalating. Things
17 started to grow and grow and grow.

18 Now, I would like to take us back to a time
19 when I was a boy, when the public service commissions in
20 Pennsylvania where I grew up, Ohio and Pennsylvania
21 where I grew up were public utility commissions where
22 the utilities were owned by the citizenry. There was no
23 profit motive in it. The profit motive in delivering
24 electricity, and water, and gas was -- the profit was to
25 the citizenry.

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1 We have gotten away from that. We have
2 transitioned into a profit motive based utility complex
3 where the citizenry is responsible for delivering
4 profits to investors. There were no investors. The
5 investors in the public utilities were the citizens.
6 The citizens built it. You're talking about acquiring
7 property to build a nuclear power plant. I'll give you
8 a nuclear power plant. Calvin Cliffs in Baltimore in
9 Maryland was bought with funds from the citizenry. We
10 paid on our bill monthly for the construction of a
11 nuclear power plant. We had another line on the bill
12 where we paid for the use of the power that was
13 generated by the plant that we built. How ridiculous is
14 that? So this is what's going on. But it boils down to
15 the profit motive of the utilities and their ability to
16 return profits to their investors.

17 Okay. Where is the profit to the citizenry?
18 You know, we built the plant. We paid for the
19 electricity that comes from it. We paid for -- this is
20 what gets me when I look at the bill, the fuel costs,
21 the delivery costs. I'm saying the delivery costs? You
22 put the lines in the ground or in the air, you know, 25
23 years ago. You know, and I have to pay every month for
24 you to deliver the electricity that we -- that I paid
25 for generating. I've got to pay you to deliver it to

1 me, and then I've got to pay, you know, for the fuel.
2 You know, it's just -- it goes to the bottom line. The
3 bottom line. We have to get the investors out of
4 delivery of public utilities. It's supposed to be for
5 the utilization of the public, not for the utilization
6 of the fat cats who can buy the big blocks of stock in
7 these companies that are listed on the exchanges, on the
8 various exchanges.

9 I take it down one more level to the level of
10 profit sharing. We get into profit sharing.

11 **CHAIRMAN GRAHAM:** You've got about a minute
12 left.

13 **MR. SWIFT:** About another minute? Okay. We
14 get into profit sharing. We get into 401(k)s. What
15 does that do? That puts all of us who have 401(k)s, we
16 may have a portfolio that has Gulf Power or Southern
17 Company in your portfolio. Therefore, you, as a citizen
18 out there are pushing yourself. You are pushing
19 yourself, you know, because the 401(k) is based in
20 nothing. It has no foundation, none, except the profits
21 of the companies in the portfolio. And so everybody is
22 saying we want more, we want more, so that we can fund
23 our 401(k)s and that sort of thing. So, you know, it's
24 on us. We need to take our utilities back. We need to
25 take them back to the public. We need to take them back

1 and let them be public owned.

2 **CHAIRMAN GRAHAM:** Thank you, Mr. Swift.

3 **MR. SWIFT:** Thank you.

4 **MR. KELLY:** After Ms. Rivers, Frank Tamberino.

5 **CHAIRMAN GRAHAM:** Welcome, Ms. Rivers.

6 ALISON RIVERS

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

9 DIRECT STATEMENT

10 **MS. RIVERS:** Hello, you guys. Can you guys
11 hear me?

12 **CHAIRMAN GRAHAM:** Yes.

13 **MS. RIVERS:** Can you hear me back there? My
14 name is Alison Rivers, and I have done transcription so
15 I know what you're going through. I am a disabled
16 veteran. I am also on SSI and food stamps. I
17 get \$600 -- less than \$600 a month, and that's not
18 including the food stamps. I survive on the food stamps
19 because I try to eat healthily, and I am actually able
20 to.

21 I don't have nothing against anyone who smokes
22 or drinks, I can't afford to, I never have. It's hard
23 enough. I own a mobile home. I rent the lot that the
24 mobile home is on, and the rent is going up there
25 20 bucks, which is getting close to half of the money I

1 get.

2 Now, the water bill over in Callaway, as
3 somebody else has mentioned, they are going up on that.
4 And, I have a two bathroom place, and I don't use one of
5 the bathrooms, and this may be TMI, which is too much
6 information, but I don't even flush all the time, if you
7 catch my drift. Okay. And I know this is a bit
8 humorous, but this is the situations I'm in. Being that
9 I am unemployed, I do like to watch TV, and today I was
10 watching Cspan and Cspan 2, and I don't know anyone is
11 aware of the grilling that the solar company is going
12 through and the Department of Energy is going through
13 right now. I've got names of people I have been just
14 jotting down.

15 Well, they received, what was it, almost half
16 a billion, 535 million, that's a government loan
17 guarantee, and come to find out that the Republican
18 representative who is grilling them thought he was --
19 you know, he was doing it because he was trying to make
20 a point with them, and the Democratic congressman Edward
21 Markey, or Markey, Democrat from Massachusetts actually
22 mentioned that Southern Company, which is the owner of
23 Gulf Power, received 15 times more than the 535 million
24 that Solyndra received. Well, on my little calculator I
25 added that up, and 15 times 535 is 7.5 billion, as Carl

1 Sagan would say, billion with a B dollars. And that has
2 evidently been very recent, and I am wanting to know
3 what is going on with the money that was received from
4 them. And in addition to decades ago solar was the big
5 thing. I remember I had made a parabolic solar
6 reflector cooker, which actually worked. I'm not a
7 geometry major, so, of course, I didn't have the correct
8 ratios, but that would have been nothing to fix. And
9 I'm thinking in the interim since then, nothing has
10 really been done with solar.

11 And I know that everyone wants green, however
12 -- and, of course, sun light is free. However, Gulf
13 Power could have invested somehow in some kind of solar
14 technology. I do not agree with nuclear at all, because
15 the building around here is shoddy enough, any of the
16 building that goes up. I certainly wouldn't want
17 anybody here making a nuclear facility other than the
18 Navy, and I'm very aware of what the consequences can
19 be.

20 Anyway, as I said, I think that something
21 should be checked as far as the money that -- the
22 billions of dollars that were government loan guarantees
23 to Southern Company, which is, of course, the parent
24 company of Gulf Power. And regarding that also, the
25 government has lately stated that there is no inflation.

1 There is no reason, you know, we don't -- there hasn't
2 been an increase in anything, and I don't know what
3 world they live on, because I know I have noticed with
4 the minimal amount of food stamps I receive it doesn't
5 seem to go quite as far.

6 The food, energy, and gas are not included in
7 the equations for inflation, which is -- pardon my
8 words, it's asinine, because that's usually what
9 constitutes things that people consume. Let me see.

10 **CHAIRMAN GRAHAM:** Ms. Rivers, you have a
11 minute left.

12 **MS. RIVERS:** Okay. They were saying about,
13 you know, being the cost of fuel went up, that's why
14 they had to increase some of the pricing and stuff.
15 However, when fuel goes down we don't get reimbursed.

16 I would also like to know -- this is something
17 a little bit different from that. I know I have been
18 billed, double billed different times with my Gulf Power
19 bill, which means that I was home the whole time. I'm
20 not using any more than normal, and I have been doubled
21 billed. And since then I have found that there have
22 been other people.

23 I would like an investigation into how many
24 people in the usage of Gulf Power Company have been
25 double billed, whether it is one time in their tenure of

1 being tenants or consumers with Gulf Power as opposed to
2 how many actually are using that. I think that --
3 because if they actually did that on one block in each
4 neighborhood, we have got several cities, Callaway,
5 Parker, Springfield. If one or two people in each of
6 those places has been double billed and they are forced
7 to pay money back that was not really consumed by
8 them -- I know how to read my meter. I have worked on
9 my car. I'm just saying stuff like this. This is
10 extraneous money that is given to them for no reason
11 that -- you know, you can't fight them. If you have
12 been double billed for something, you can't prove it.
13 They just say, well, did somebody else hook up to your
14 trailer? I'm like, well, I live there, and I have a
15 sword and I will cut their hand off, okay. That's just
16 protecting yourself. And I'm not a violent person.

17 But, anyway, my point is that I fix things in
18 my own house. I have actually fixed my own vehicle from
19 last century, and I just do that because I can't afford
20 to get anything done professionally. So, unfortunately,
21 I have learned to do it myself. And, yes, I know about
22 timing chains, and water pumps, and stuff, and that they
23 don't mix.

24 **CHAIRMAN GRAHAM:** Thank you, Ms. Rivers.

25 **MS. RIVERS:** I'm sorry. Well, that's my

1 point. Thank you.

2 **CHAIRMAN GRAHAM:** Thank you.

3 **MR. KELLY:** After Mr. Tamberino, our next
4 speaker is Joe Anderson.

5 **FRANK TAMBERINO**

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

8 **DIRECT STATEMENT**

9 **MR. TAMBERINO:** Thank you. My name is Frank
10 Tamberino, and I live at 7577 Yellow Bluff Road in
11 Callaway. And I'd like to thank you folks on the
12 Commission for taking the time to conduct this meeting.
13 I would like to thank all of these people that have come
14 here, and I can't help but tell you that if we were
15 working on a situation that defied logic, that is the
16 logic of people being in business to make money, there
17 is no doubt in my mind that the stories I have heard
18 here tonight might touch the minds and hearts of some of
19 the people that are supposedly making these big
20 decisions. We're not.

21 No, we're in a business situation here, and I
22 have not so much a series of personal history type
23 situations to tell you, but I have some specific
24 questions that, you, as the Public Service Commission,
25 need to address in discussions with this rate situation.

FLORIDA PUBLIC SERVICE COMMISSION

1 Number one, do we have a copy of the most
2 recent -- the audit by the public auditing firm of this
3 organization, Gulf Power? Okay. Do we have a copy of
4 that audit? And amongst the data in that audit, does
5 the audit firm, the CPA firm that has done that audit
6 concur in the management decision and direction that the
7 management of this company has decided to take. At a
8 time when our economy is where it is, they wish to
9 almost double their profit margin. Okay. In a market
10 area where there is apparent, apparent poverty.

11 Earlier someone mentioned about Caryville,
12 okay, and apparently that is an investment that was made
13 by this company with some potential thought towards
14 development either for nuclear energy or some other
15 situation. And they just recently acquired in Okaloosa
16 County some significant acreage.

17 I would like to know amongst the audit
18 findings of their CPA firm has this company been
19 subjected to an evaluation of the assets that are being
20 held for future investment, for future development? And
21 if so, what is the viability of disposal of these assets
22 to benefit the people who are in their rating areas?

23 We are paying for these people's old rusty
24 sock that they want to hold against whatever. I want to
25 know, as you should well want to know, what assets are

1 being held for generating, you know, future financial
2 enhancement.

3 They talk about no rate increase. Now,
4 earlier we heard from other people who have apparently
5 borne out that there have been fuel surcharges over a
6 period of time. Now, you can call it by any other name,
7 but a wound is a wound. When you hit me with more money
8 on my bill, you wound me. Not only do you wound me
9 once, but you wound me with these little fiefdoms around
10 here that add their surcharges on taxes to what we are
11 already paying with no intelligible basis. They double
12 up. Callaway, Springfield, all these places around
13 here, these little fiefdoms where we have the overpaid
14 dollar a year mayors.

15 I want to know, as you well should want to
16 know, what is the asset holdings of these people? What
17 are their plans for them? And what is the potential
18 benefit to the people that they provide electrical
19 service to? Do we get a copy of the CPA audit? And if
20 so, does that CPA firm concur with this management's
21 direction in attempting to increase the rates? And what
22 intelligible basis do we have for that level of rate
23 increase? Oh, gee, 5-1/2 to 11.6, 11.7. Oh, those
24 aren't real big numbers, are they? But when you talk
25 doubling, you're talking about a lot more money. And as

1 the people have indicated here, when you add on those
2 local taxes it really pumps it up.

3 I do want to thank you. I want to thank the
4 people here because, you know, it's interesting. These
5 elected officials who stand to gain from this, as we
6 fortunately over in Callaway just hired another \$65,000
7 a year clerk. And I will tell you that's a clown act
8 over there. I headed up a citizens committee several
9 years ago. There is nothing illegal going on, it's just
10 stupidity the way they spend money.

11 We need to speak up. We need to stand up.
12 And I'm so glad to see public involvement. And I thank
13 you, again, for listening and hopefully taking action on
14 what has been said here tonight. Thank you very much.

15 **CHAIRMAN GRAHAM:** Thank you, Mr. Tamberino.

16 **MR. KELLY:** Joe Anderson followed by Glennis
17 Anderson.

18 **JOE ANDERSON**

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

21 **DIRECT STATEMENT**

22 **MR. ANDERSON:** First of all, thank y'all for
23 coming. I know you have had a really long day between
24 Pensacola and here. I live at 1531 Oak Avenue, Panama
25 City, Florida.

1 **MR. KELLY:** I'm sorry, were you sworn earlier,
2 sir?

3 **MR. ANDERSON:** Yes, sir.

4 **MR. KELLY:** Okay. I'm sorry.

5 **MR. ANDERSON:** You're showing here the base
6 rate charges for the thousand kilowatt hours of 48.30,
7 and then you have a fuel purchased power cost-recovery
8 clause, and another cost-recovery clause. It winds up
9 being more than your base rate charge. I personally
10 have been a Gulf Power customer for 23 years. I have
11 never had my power disconnected. I got behind last year
12 because I'm unemployed, and my wife is disabled. They
13 charged me another deposit.

14 They called me and told me -- or sent me a
15 bill that I had to pay another deposit, even though I
16 have never had my power disconnected, because I got
17 behind. They have not returned that deposit. I don't
18 think that's a very fair thing that if you have been a
19 customer for 23 years and you have never had your power
20 turned off that they should take money from you that
21 costs more than the power bill. Because if you get
22 behind, it's hard to catch up. And then when they take
23 the deposit, that could have been the next month's bill.
24 That could have covered your next month bill, and you
25 wouldn't be behind anymore.

1 Gulf Power put up poles 20 years ago, as
2 somebody said, to provide power. On my street the poles
3 have never been replaced. I have been there since 1997.
4 We have never had a pole replaced, but I pay for those
5 poles every month. I pay for those lines every month.
6 The gentleman from Gulf Power said, oh, our copper
7 prices have gone up 300 percent. Yes, that's true.
8 Copper has gone up 300 percent. If you are in a
9 business where you see that you use copper, you should
10 buy and invest in copper. You should buy more line
11 than you need for that year to cover for your next year
12 because you know that cost is going up and continues to
13 go up.

14 I don't think that going up this rate
15 increase, doubling their profits is a good thing. I
16 agree, everybody in business needs to make a profit. I
17 understand that, but at the same time when everybody's
18 cost of living has gone up so much -- nobody is getting
19 a raise, there are no jobs. If you looked in today's
20 News Herald, there is probably about 60 jobs in there.
21 Most of them are in the medical field. If you're not
22 the medical field, there's no jobs out there for you.
23 And I don't think that this is a good time for an
24 increase, and I think that Gulf Power needs to realize
25 that, and I think it's basically corporate greed.

1 They said they have never had an increase, but
2 like that gentleman said, you know, you go up 31 percent
3 in three years, you can call it whatever you want to,
4 it's still an increase. And it has increased on my
5 bill, and it has increased on all of these other
6 people's bills. And so you can call it a tax, or you
7 can call it whatever. And every time they go up on this
8 bill, like that other gentleman said, these fiefdoms
9 around here go up on their taxes and surcharges. So my
10 bill doesn't go up to \$145, it winds up being 189 or 190
11 because of the taxes that are added to it. And I
12 understand that, you know, you need to make a profit,
13 but at the same time, you don't need to price gouge
14 people. Thank you.

15 **CHAIRMAN GRAHAM:** Thank you, sir. Thank you,
16 Mr. Anderson.

17 **MR. KELLY:** After Ms. Anderson, George
18 Alepakos.

19 GLENNIS ANDERSON

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

22 DIRECT STATEMENT

23 **MS. ANDERSON:** My name is Glennis Anderson. I
24 live at 1222 Marie Ann Boulevard in Panama City,
25 Florida. I, again, would like to thank all of you for

1 being here and for listening to our concerns.

2 UNIDENTIFIED SPEAKER: Talk into the
3 microphone.

4 MS. ANDERSON: Can you hear my now?

5 UNIDENTIFIED SPEAKER: Thank you.

6 MS. ANDERSON: So much has already been said
7 tonight, and I think that it's foolish for me to try to
8 reiterate all of it, but I would like to say a few
9 points. One of which is, of course, I, like so many of
10 the other people here, I'm a senior citizen. My husband
11 is a senior citizen. We live on a fixed income, as so
12 many of these other people do, and we have had no raises
13 on our COLAs and our Social Security for three years.
14 However, everything has increased except our income.
15 This makes it difficult for us in getting by with
16 medical, with gas, with food, with utilities, with any
17 incidentals that we may have. And to face an
18 unrealistic increase in our power bill at this time, I
19 think, is totally without merit.

20 I do not understand why a company as solvent
21 as Gulf Power is would require an 11.7 increase at this
22 time when things are so difficult throughout not only
23 the panhandle and our area, which is a depressed area,
24 as many of you may know, but also when the country
25 itself is in such dire straits. It seems to me that

1 this is just greed. I'm sorry, but, you know, you just
2 can't call it anything else. And this business of
3 saying that on 1,000 kilowatts the bill would only be
4 \$122.67, that is just kind of ridiculous, because nobody
5 uses only 1,000 kilowatts.

6 I keep my thermostat in the summer at
7 80 degrees, and my bill is a lot higher than 1,000
8 kilowatts. And there is just the two of us in my house,
9 so we are not overly using power. And that's the way it
10 is with power. You just simply cannot limit yourself to
11 1,000 kilowatts a month. That's an impossibility.

12 Now, I would like to hope that all of you will
13 take into consideration what has been said here tonight
14 and please act upon it. Thank you, again, for coming.

15 **CHAIRMAN GRAHAM:** Thank you, Ms. Anderson.
16 Thank you for your time tonight.

17 **MR. KELLY:** Mr. Alepakos, have you been sworn?

18 **UNIDENTIFIED SPEAKER:** I don't think he has.

19 **CHAIRMAN GRAHAM:** Mr. Alepakos, have you been
20 sworn tonight?

21 **MR. ALEPAKOS:** No, I haven't.

22 **CHAIRMAN GRAHAM:** Can I get you to raise your
23 right hand?

24 **MR. KELLY:** We have one more speaker after
25 him, Mr. Merritt Saye. Were you sworn in?

1 **MR. SAYE:** I was sworn in myself earlier in
2 the night.

3 **MR. KELLY:** You're okay, then.

4 **CHAIRMAN GRAHAM:** Mr. Alepakos, would you
5 raise your right hand?

6 (Witness sworn.)

7 **CHAIRMAN GRAHAM:** Thank you, sir.

8 **GEORGE ALEPAKOS**

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

11 **DIRECT STATEMENT**

12 **MR. ALEPAKOS:** My name is George Alepakos, and
13 I came here 35 years ago because my job called me to
14 come here. So I put in my work, and I retired, and I
15 live here permanently. I made a home of it, and I look
16 around, and I'm assuming that most of the people here
17 are in my age bracket and they are all living here
18 permanently.

19 Now, I have one question, maybe two. I would
20 like you to take the average of the permanent -- the
21 income that we get here as retired people, and compare
22 it to the income that you people have in today's world.

23 Okay. Can you hear me now?

24 **UNIDENTIFIED SPEAKER:** Yes.

25 **MR. ALEPAKOS:** Okay. I would just like you to

1 make a comparison. You take the average of the income
2 that we have here and compare it to the income that you
3 have now. I realize there's improvements that have to
4 be made and they have to be paid for. If you stop and
5 think of the difference, and I would like your opinion
6 when you were in -- if you were in our shoes. Thank
7 you.

8 **CHAIRMAN GRAHAM:** Thank you, sir. Thank you
9 for coming out tonight.

10 **MR. KELLY:** The last speaker I have signed up
11 in Merritt Saye.

12 MERRITT SAYE

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

15 DIRECT STATEMENT

16 **MR. SAYE:** Good evening. We're talking about
17 money, aren't we?

18 **CHAIRMAN GRAHAM:** Sir, can I get your name and
19 address for the record, please?

20 **MR. SAYE:** And you notice I wear a hearing
21 aid, and I would like to share this with you. I have a
22 friend George. He needed a hearing aid bad. I finally
23 convinced him to go buy him a hearing aid. One day he
24 come out to the fence and said, look, Merritt, what I
25 got. I got the best money can buy, and I'm hearing real

1 well. I said what kind? He said 4:30. (Audience
2 laughter.)

3 The gentleman that was representing retailers,
4 is he still here?

5 **MR. WRIGHT:** Yes, sir.

6 **MR. SAYE:** I appreciate those comments. The
7 very thought when I came here tonight was anytime you
8 have got a product and you are selling that product, you
9 have got to make money to pay for that product.
10 Retailing is all over the country. If you go down and
11 buy a car, if the rate goes up, you're going to pay more
12 for that car. If you go to a pop and mom grocery store
13 out on the corner, you're going to pay more if their
14 light bill goes up. No two ways about it.

15 I worked in a power plant, a manufacturing
16 power plant for 43 years. I'm hard of hearing. Part of
17 it. Great job. We did more than just produce
18 electricity. And when I left we were buying electricity
19 from Gulf Power, and we had to depend on them. Today if
20 they want to pick up our rates or we use more of their
21 current, they would have a window, and on our computers
22 we are going to make our change. We will have a
23 timetable for making our change. But here we are, and
24 we're talking about money. And right now all my
25 kinfolks back here, we are all in the same boat. We're

1 all talking about money.

2 So, please, ladies and gentlemen, as late as
3 it is, take this thought home with you. Not
4 emotionally, but take it home with you. The ball is in
5 your court, so please, please put the ball in the ring.
6 Thank you very much.

7 **CHAIRMAN GRAHAM:** Thank you, sir. Mr. Kelly,
8 if I could get you to spell his last name?

9 **MR. KELLY:** S-A-Y-E.

10 **CHAIRMAN GRAHAM:** Thank you, sir.

11 Is there anybody in the audience that would
12 still like to speak that either didn't have enough time
13 in their five minutes before or has not filled out a
14 card?

15 **MS. WALLACE:** I declined earlier. May I go
16 now?

17 **CHAIRMAN GRAHAM:** You sure may. If you would
18 give us your last name and your address when you come
19 up, we will give you your five minutes.

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

23 **DIRECT STATEMENT**

24 **MS. WALLACE:** I'm Marion Wallace at 901 West
25 19th Street, Panama City, Florida 32405. I'm not going

1 to be repetitive, but I just want to let everybody know
2 that I am so totally appalled at what I'm hearing in the
3 past, or in the past month with the economy being so
4 down right now, and the amount of people that are having
5 to take out loans to pay for their electric bill.

6 I have never, never in all my life experienced
7 that type of financial stress, so I just wanted to let
8 you know.

9 And then for the Gulf Power to come up and
10 want a rate hike, it just doesn't seem to be feasible.
11 Thank you.

12 **CHAIRMAN GRAHAM:** Thank you, ma'am. I
13 appreciate you coming down here.

14 Yes, ma'am. Come to the microphone.

15 **MS. HARRIMAN:** May I say something?

16 **CHAIRMAN GRAHAM:** Sure. Come to the
17 microphone.

18 **JOAN HARRIMAN**

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

21 **DIRECT STATEMENT**

22 **MS. HARRIMAN:** My name is Joan Harriman. I
23 would like to know from the Public Service Commission
24 why you gave Gulf Power a 4 percent interim rate hike?
25 On what basis without hearing from us first?

FLORIDA PUBLIC SERVICE COMMISSION

1 **CHAIRMAN GRAHAM:** The state statute, ma'am.

2 **MS. HARRIMAN:** Pardon me?

3 **CHAIRMAN GRAHAM:** It's the law.

4 **MS. HARRIMAN:** What law?

5 **CHAIRMAN GRAHAM:** The state statute, Florida
6 State Statute.

7 **MS. HARRIMAN:** What statute is that? Could
8 you give me the number of the statute?

9 **CHAIRMAN GRAHAM:** Hold on just a second,
10 ma'am.

11 **MS. KLANCKE:** Chapter 366 of the Florida
12 Statutes provides for a mechanism for utility companies
13 to seek rate increases that are based on pass-throughs.
14 Oh, the interim statute, which was the 4 percent
15 increase that OPC talked about previously, is based
16 on -- also on Florida Statute, and it's contained in
17 Section 366.

18 And if they make a prima facie showing that is
19 set forth in the statute of a need, our hands, to a
20 large extent, are tied. The discretion of these
21 Commissioners, in most part, is almost not existent.
22 Once they make that showing, the statute provides for an
23 entitlement. However, it is provided for subject to
24 refund. And we are going to analyze it in December, all
25 that interim rate increase, and we will analyze the

1 feasibility of it and we will look at those numbers. In
2 the event that it is determined that it was too high or
3 not entitled, it is subject to refund with interest.

4 **MS. HARRIMAN:** Can you tell us what that need
5 was that they showed?

6 **MS. KLANCKE:** It is a prima facie showing.
7 That's a legal term that means basically --

8 **MS. HARRIMAN:** I'm a retired paralegal, I know
9 what prima facie means.

10 **MS. KLANCKE:** Certainly.

11 **MS. HARRIMAN:** But the need -- can we get a
12 copy of that?

13 **MS. KLANCKE:** I will give a copy of the
14 statute.

15 **MS. HARRIMAN:** Thank you. I appreciate that.

16 **CHAIRMAN GRAHAM:** Thank you, ma'am.

17 All right. Once again, I want to thank
18 everybody for coming out here. As you heard Ms. Klancke
19 say earlier, it is going to December before we sit down
20 and start digging through more of this stuff. This is
21 just the beginning of this process, and it's probably
22 not going to be until March that a final decision is
23 going to be made.

24 But we do thank you for coming out tonight.
25 It really, really does mean a lot. And as Mr. Kelly

1 told you earlier, we need to hear firsthand from you,
2 because we hear firsthand from the utilities. And as
3 you understand, it is Mr. Kelly's job to present your
4 side of the case; it is Mr. Stone's job to present the
5 utility's side of the case. And it is our job to kind
6 of play the middleman and figure out where the balance
7 is, because there has got to be a balance between
8 keeping the utility company viable and making sure that
9 it is just not too taxing upon the ratepayers.

10 That all being said -- yes, ma'am.

11 **UNIDENTIFIED SPEAKER:** If you're not finished,
12 I just wanted to speak.

13 **CHAIRMAN GRAHAM:** Come up.

14 **UNIDENTIFIED SPEAKER:** I would just like to
15 see if there is anyone here -- would like to see if
16 there any anyone here from Gulf Power that could tell us
17 what the rate increases were actually for in
18 September of 2008, January of 2009, and January of 2010?

19 **CHAIRMAN GRAHAM:** There's somebody in the back
20 of the room.

21 **UNIDENTIFIED SPEAKER:** Because they actually
22 did occur.

23 **CHAIRMAN GRAHAM:** There is somebody in the
24 back of the room right there that would be more than
25 happy to give those specifics to you.

1 **UNIDENTIFIED SPEAKER:** Because the way this
2 was presented by the news media was sort of like, well,
3 this is the first time we have asked for a rate increase
4 in ten years, and I knew that was not all of the truth.
5 It wasn't a lie, it just did not include all of the
6 truth.

7 **CHAIRMAN GRAHAM:** Okay. They'll answer those
8 questions for you.

9 **UNIDENTIFIED SPEAKER:** Okay.

10 **CHAIRMAN GRAHAM:** He is back there smiling
11 waiting for your questions.

12 Once again, though, I want to thank you all
13 for coming. And I hope y'all will drive safely home
14 tonight. That all being said, we are adjourned.

15 (The service hearing concluded at 9:06 p.m.)
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1
2 STATE OF FLORIDA)

3 : CERTIFICATE OF REPORTER

4 COUNTY OF LEON)

5
6 I, JANE FAUROT, RPR, Chief, Hearing Reporter
7 Services Section, FPSC Division of Commission Clerk, do
8 hereby certify that the foregoing proceeding was heard
9 at the time and place herein stated.

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

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

20 DATED THIS 30th day of September, 2011.

21
22
23
24
25


JANE FAUROT, RPR
Official FPSC Hearings Reporter
(850) 413-6732