

Christopher Cooney

From: Ellen Plendl
Sent: Friday, January 23, 2015 12:27 PM
To: Consumer Correspondence
Subject: Docket 150001-EI
Attachments: FW power bill; Consumer Inquiry - Gulf Power Company

See attached customer correspondence and PSC reply for correspondence side of Docket 150001-EI.

Christopher Cooney

From: Governor Rick Scott <Rick.Scott@eog.myflorida.com>
Sent: Friday, January 23, 2015 11:51 AM
To: Ellen Plendl
Cc: Sunburst
Subject: FW: power bill

-----Original Message-----

From: william m pepper [<mailto:bigpepp@hotmail.com>]
Sent: Friday, January 23, 2015 11:45 AM
To: Governor Rick Scott
Subject: power bill

From: william m pepper <bigpepp@hotmail.com>

County: Escambia

Zip Code: 32526

Phone Number: 8505255125

Message Body: Sir, My name is Michael Pepper and i have a question for you that i hope you can answer for me. On my power bill from Gulf Power i am paying a fuel charge on top of my power bill. I would love to know why. Last i check gulf power is making money hand over hand. The cost of of running a compay is paying for fuel and passing on to your customers and i know that. But why i am paying for it in separte charge. This back room deal is hurting the people of this great state. Andi know this will never see your eyes but only your staff but prove me wrong. Call me any time. Send me a letter but just dont pass me over.

Michael Pepper
5224 Westwind. Cir Pensacola FL 32526
(850)525-5125

Christopher Cooney

From: Randy Roland
Sent: Friday, January 23, 2015 12:02 PM
To: 'bigpepp@hotmail.com'
Subject: Consumer Inquiry - Gulf Power Company

Mr. William Pepper
bigpepp@hotmail.com

Dear Mr. Pepper:

The Governor's office forwarded a copy of your email regarding Gulf Power Company (Gulf Power) to the Florida Public Service Commission (PSC). The PSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the PSC. The PSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. You expressed a concern about the fuel cost adjustment.

The fuel cost charge allows the utility to recover the actual expenses associated with securing and processing fuel necessary to run the power plants used to generate electricity. Fuel rates mirror rising and falling fuel costs as reflected in the international marketplace. The revenue generated by the fuel adjustment charge does not add to the profit of the utility companies, but goes to pay fuel suppliers and transporters. The cost of fuel is shown as a separate cents per kilowatt-hour charge, and fuel costs are not contained in any other charge on your bill.

Each year, utilities file their projected fuel expenses for the upcoming calendar year. The PSC, along with the Office of Public Counsel and other consumer representatives closely examine the fuel costs requested by the utilities. Public hearings are held annually to set the fuel factors for the next year. Since rates are set on projected costs, at the end of the year, the costs are "trued-up" or compared to the audited actual expenses incurred by the utility. If the utility recovered more than its actual costs, the amount of over-recovery is used to reduce the next year's costs. If the utility under-recovered (costs were higher than expected) that deficit is likewise rolled into the next year. The fuel cost adjustment is recognized by virtually all state commissions, by the Federal Energy Regulatory Commission, and is also used by most municipal electric utilities and rural electric cooperatives.

On October 22, 2014, the PSC set the 2014 fuel adjustment charges for Gulf Power customers. The fuel adjustment charges were decided at a hearing where the PSC considered each utility's projected costs of fuel and the purchased power for 2015 as well as 'trued up' costs for 2014. As a result of the October 22 hearing, a residential customer using 1000 kWh will see their bill increase from \$132.00 to \$139.29. The fuel portion of the bill will increase by \$7.29. Thank you for sharing your views. We will add your comments to the correspondence side of Docket 140001-EI regarding the fuel cost adjustment.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Randy Roland
Regulatory Program Administrator
Florida Public Service Commission

