

Ashley Quick

From: Ellen Plendl
Sent: Tuesday, February 16, 2016 12:53 PM
To: Consumer Correspondence
Subject: Docket 160001-EI
Attachments: RE Rate hike

See attached customer correspondence and PSC reply for correspondence side of Docket 160001-EI.

Ashley Quick

From: Governor Scott's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>
Sent: Tuesday, February 16, 2016 10:48 AM
To: seminoleconst@aol.com
Cc: Ellen Plendl; Sunburst
Subject: RE: Rate hike

Dear Mr. Lerch:

Thank you for contacting Governor Rick Scott regarding power companies rate hike.

The Public Service Commission is an arm of the legislative branch of government and regulates certain public utilities in Florida. To assist you, I forwarded your email to PSC for their review. If you want to contact PSC directly, please call (850) 413-6100 or visit <http://www.psc.state.fl.us/>.

Thank you again for contacting Governor Scott.

Sincerely,

Martha Lynn
Office of Citizen Services
Executive Office of the Governor
@FLGovScott

Information about the Governor's Florida First Budget Recommendations can be obtained online at <http://www.floridafirstbudget.com/HomeFY17.htm>

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

From: seminoleconst@aol.com [<mailto:seminoleconst@aol.com>]
Sent: Monday, February 15, 2016 4:47 PM
To: Governor Scott's Office of Citizen Services
Subject: Re: Rate hike

Thank you I guess. Your response should have included if they are going to respond. There was also the question on the extra cost for power companies fuel charge. Can you answer that question?

Ron

Sent from my iPhone

> On Feb 15, 2016, at 4:07 PM, Governor Scott's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com> wrote:

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> Dear Mr. Lerch:

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> Thank you for contacting Governor Rick Scott and sharing your concerns about your homeowners insurance rate increase.

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> To assist you, I forwarded your email to the Florida Department of Financial Services, the office that responds to consumer inquiries about insurance and licenses insurance agents and agencies. If you want to contact that office directly, please call (850) 413-3100 or visit www.floir.com.

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> Thank you again for taking the time to contact Governor Scott.

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> Sincerely,

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> Martha Lynn

> Office of Citizen Services

> Executive Office of the Governor

> @FLGovScott

> Information about the Governor's Florida First Budget Recommendations can be obtained online at <http://www.floridafirstbudget.com/HomeFY17.htm>

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> -----Original Message-----

> From: Ron Lerch [<mailto:seminoleconst@aol.com>]

> Sent: Friday, February 12, 2016 8:13 PM

> To: Governor Rick Scott

> Subject: Rate hike

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> From: Ron Lerch <seminoleconst@aol.com>

>

> County: Seminole

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> Zip Code: 32707

>

> Phone Number:

>

> Message Body: Governor Scott:

>

> My home owners insurance with UPC Insurance went up about 10%. I have lived in our home for close to 40 years and have never had a claim. Our Social Security didn't go up so how could insurance go up? Im 70 and living on Social Security.

>

> Another thought.

> Now the price of oil is down, why are we still paying an energy fuel charge to Duke power company? Prices need to come down now that there is a glut of oil and gas.

>

> I voted for you and would do it again if I could. Your doing a great job. Keep it going.

>

> Ron

>

Ashley Quick

From: Randy Roland
Sent: Tuesday, February 16, 2016 12:46 PM
To: 'seminoleconst@aol.com'
Subject: Consumer Inquiry - Duke Energy

Mr. Ron Lerch
seminoleconst@aol.com

Dear Mr. Lerch:

The Governor's Office of Citizen Services forwarded a copy of your email regarding Duke Energy Florida (DEF) to the Florida Public Service Commission (FPSC). The FPSC 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 FPSC. The FPSC 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 FPSC, 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 November 2, 2015, the PSC set the 2016 fuel adjustment charges for DEF customers. The fuel adjustment charges were decided at a hearing where the PSC considered DEF's projected costs of fuel and the purchased power for 2016 as well as 'trued up' costs for 2015. As a result of the November 2 hearing, residential customers using 1000 kWh saw their bill decrease from \$121.59 to \$117.41. The fuel portion of the bill decreased by \$4.18.

Thank you for sharing your views. We will add your comments to the correspondence side of Docket No. 160001-EI regarding the fuel cost adjustment.

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

Sincerely,

Randy Roland
Regulatory Program Administrator
Florida Public Service Commission