

Collin Roehner

From: Janet Brunson
Sent: Wednesday, December 21, 2016 9:22 AM
To: 'Don Meyer'
Cc: Consumer Correspondence
Subject: Docket No. 160186-EI - Gulf Power Company Rate Increase

Dear Mr. Meyer:

Thank you for contacting the Florida Public Service Commission (PSC) about Gulf Power Company's (Gulf) rate increase petition. Your correspondence is included in Gulf's rate case docket file (No. 160186-EI) to give Commissioners and staff an opportunity to review and understand your concerns.

Service hearings are scheduled in Pensacola on January 26 and in Panama City on January 27. I encourage you to attend one of the hearings, so that you can directly speak to the Commissioners. All customer comments—written and verbal—become a part of the record and will be reviewed and considered when PSC staff prepares its recommendation to the Commissioners on Gulf's petition.

Gulf's technical hearing before the PSC will be in March in Tallahassee. Witnesses from the utility, the Commission staff, the Office of Public Counsel (representing Gulf customers), and other intervenors in the case will present testimony, introduce exhibits, and be cross-examined before the Commissioners. Commissioners will review Gulf's need for a rate increase, its existing and proposed rate structure, and its ability to provide safe and reliable service.

Commissioners are charged with making sure that Florida's utility companies fulfill their service obligation. In its petition, Gulf based its request on several factors, including transmission projects and replacing and repairing infrastructure. The PSC will ensure that final customer rates reflect only those costs that are prudent and necessary for Gulf to deliver quality electric service.

You can find Gulf rate case information on the PSC's website, www.FloridaPSC.com. Access the Clerk's Office tab, then hit Dockets and type in Docket No. 160186. All case submissions can be found in the Documents Filing Index. If you have additional questions or need further assistance, please call PSC Consumer Assistance at 1-800-342-3552.

Sincerely,

Bev DeMello
Assistant Director

From: Don Meyer [mailto:ritadon@hotmail.com]
Sent: Monday, December 19, 2016 2:07 PM
To: Consumer Contact
Subject: Gulf Power Proposed Rate Change

Thank you for the opportunity to comment on the proposed Gulf Power base rate increase of 6.9% for residential customers commencing in July 2017.

I find it interesting that Gulf Power indicates that residents are paying less for power (not base rate, but total) than in 2015. Yes, fuel costs have decreased and one would expect that just like at the gas station, our costs of using fuel has decreased. However, prices are again on the rise as a result of an OPEC agreement to cut oil output -- so the price we pay could again rise substantially. The bottom line for fuel costs is that they fluctuate -- when they rise again we can be assured that Gulf Power will raise their prices to consumers accordingly. So, the price of fuel is a red herring when it comes to the argument to raise residential power rates.

Gulf Power argues that it needs the 6.9% for improvements to their grid. One would note that in the last two years, the cost of living as reported by the US government has increased 0.3% -- over two years! Indeed, that (0.3%) is the total increase in Social Security payments that beneficiaries have/will receive over the 24 months from Jan 2016 to Dec 2017. Now we hear that Gulf Power wants a base rate increase exponentially larger than the reported inflation rate.

For comparison, the Escambia County Utilities Administration (ECUA) demanded (and received) an approx 3% increase for each of the past two years for their water, trash and recycling improvements -- again, well above the federally reported rate of inflation.

So, here we go -- yet another large increase proposed by a government-regulated utility -- government regulation of course meant to control the rates the monopoly can impose on its users.

What I would ask is proof that the rate increase will be used for infrastructure -- not for pay raises, bonuses to executives, further executive hiring, or return to shareholders. Senior citizens who live mostly on fixed income (what little income there is when interest rates on savings are less than 1%) made due with 0.3% over the past two years. So can others -- its done buy cutting non-necessary expenses, which is what I suggest Gulf Power do.

All that said, should a Gulf Power rate increase be justified by data that shows exactly how the money will be spent (and how that will be audited), then it should be held down to 2-3% in fairness to customers who continue to feel the effects of the 2008 financial crisis, that has in no way been resolved for those who must live on secure savings (not the speculative stock market).

Don Meyer
Pensacola, FL