

Collin Roehner

From: Janet Brunson
Sent: Wednesday, February 01, 2017 1:13 PM
To: 's.wielenga'
Cc: Consumer Correspondence
Subject: Docket No. 160168-EI - Gulf Power Company Rate Increase Request

Dear Mr. Wielenga:

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.

January service hearings were held in Pensacola and Panama City. 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: s.wielenga [mailto:sawtango@aol.com]
Sent: Monday, January 30, 2017 3:46 PM
To: Consumer Contact
Subject: Gulf Power proposed base rate hike

To the Florida Public Service Commission and whom ever else this may concern:

It is with a heavy heart I regret to inform you, that because your department has failed in the past to serve in the public's best interest, you have ceased to function for the purpose for which the commission was originally created--to serve the people's best interests (you must be outside your element and not well-grounded). While you have failed miserably at this in the past, you now have another chance to revive your purpose by truly serving the people of Florida, and NOT those who are exorbitantly profitable, all at the people's expense.

It is first of all prudent to point out that Gulf Power's (GP) claim of increased prices is all a gimmick and a ploy. GP's consumers' resistance to such a rate hike is unprecedented because this rate hike is unprecedented. The perception GP

is giving is that the proposed rate hike increase is relatively mild (6.9%) for residential consumers. On the notice GP sent to their customers, this is the average percentage they state, and the rates are similar for business consumers. There are two problems with this misleading statement in which GP is being disingenuous to their consumers.

The first is what is purposely not stated. The GP notice only states the average rate hike increase, but for a consumer who uses less than average kWh in a typical month (a low consumer), the rate increase amounts to anywhere from a 20% to 66% increase of their total monthly bill. By GP's own admission (October 12, 2016 ELECTRONIC FILING, p.37-38) (a document I had to find and research) in their analysis, any consumer who uses less than an average of 1000 kWh will face a substantial increase, not the 6.9% as claimed. For those who qualify for the Low Income Rider under GP's proposed plan, and also have low energy consumption, the subsidy makes the difference balance out; for those who have a higher energy consumption, the increase is more mild as stated. But for those residential consumers who have low energy consumption but do not qualify for the subsidy, their rates would increase almost 70%!

The second problem is that GP already has a history of being allowed to raise their base rates above what is considered fair for inflation. GP's energy charges (between 7 and 11 cents per kWh in the past 10 years) fluctuate by year and season and those have also increased and decreased (more up than down). But I would like to highlight what GP fails to highlight. In 2004 (the base line for my personal records), GP's base rate for residential consumers was \$10/month; that increased to \$10.89/month in September 2011; \$15.00/month in April 2012; \$18.60/month in January 2014; and recently to \$19.22/month in January 2015. These present increases of 9%, 38%, 24%, and 3% respectively--a cumulative increase of 74% in base rates in the last 10 years! And now they are requesting to increase that rate by 250%??? The effective drop in their energy rate is negligible in comparison (a 20-25% drop), which they will surely request to increase in the next couple years (as they have done historically), wiping out any potential "savings" for the consumer! Electrifying, isn't it? The historical record is that the energy charge may decrease temporarily from time to time; however, the base rate has NEVER been reduced and keeps adding a profit margin for GP every year.

This brings me to another reason GP does NOT NEED a rate hike. In their own filing GP states that they need to give their stakeholders an 11% return. I personally have friends who make tons of money from their investments in Southern Company (the parent company of GP). In fact these friends who live in northern states always joke around and thank me for providing them with their retirement. Multiple agencies and organizations have already stated that in the economy we currently live in, a minimum expected 11% return on investment is outrageous compared to other utility companies. The only individuals who stand to gain from such rate hikes are the investors and leadership of GP--certainly not the consumers of GP.

One final problem with GP's rate hike is in the ideological realm. I am in no way an earth activist, but I do believe in conserving energy. A last major problem (certainly not the last one) with GP's proposed rate hike is that it does NOT promote conserving energy. Instead of rewarding those who use little energy like it does at present, the rate hike distributes the cost of energy consumption among the consumers (specifically the residential ones). This sounds blatantly like communism/socialism to me! So why would I now want to conserve energy? In essence I am already paying for the energy whether I use it or not, or one could look at it like a punishment for low energy consumption.

In regard to this proposed GP rate hike, a vote against it is a vote for the people, a vote for free enterprise, and a vote for equality payment based on energy usage. A vote for the GP rate hike is essentially a vote for socialism and inequality (all in the guise of equality by the way) for the people of Florida whom you claim to serve. By the way, GP does plan (if the rate hike is approved) on subsidizing (Low Income Rider) those with low income to help defray the cost. And where does GP state this money will come from? From those who pay the full amount. Yet another proof that this rate hike has underlying currents of socialism.

Please do not get magnetized or swayed by GP's fanciful claim that the customers pay "less than the costs the Company incurs to serve them." If that was the case, GP would not be make such enormous profits. On what side of the historical fence does the commission want to be remembered for? Here is a chance to discharge your duties aptly and land on the correct side.

So, will the Florida Public Service Commission make the right choice? For the sake of the people whom the Florida Public Service Commission supposedly serves, I hope so.

Respectfully & Sincerely,
Stephen Wielenga