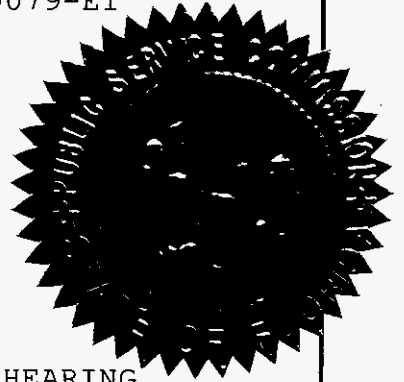


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090079-EI

In the Matter of:

PETITION FOR INCREASE IN RATES BY
PROGRESS ENERGY FLORIDA, INC.



PROCEEDINGS: NEW PORT RICHEY SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN MATTHEW M. CARTER, II
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER KATRINA J. McMURRIAN
COMMISSIONER NANCY ARGENZIANO
COMMISSIONER NATHAN A. SKOP

DATE: Wednesday, July 8, 2009

TIME: Commenced at 2:00 p.m.
Concluded at 7:28 p.m.

PLACE: Spartan Manor
6121 Massachusetts Avenue
New Port Richey, Florida 34653

REPORTED BY: LINDA BOLES, RPR, CRR
JANE FAUROT, RPR
Official FPSC Reporter
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P R O C E E D I N G S

1
2 **CHAIRMAN CARTER:** I'd like to call this
3 service hearing to order. First of all, I want to say
4 good afternoon to everyone that's here today. It turned
5 out to be a beautiful but wet day, but we're still here,
6 so that's a good thing.

7 Staff counsel, would you please read the
8 notice.

9 **MR. YOUNG:** Good afternoon. By notice, this
10 time and place has been set for a Customer Service
11 Hearing in Docket Number 090079-EI, petition for a rate
12 increase by Progress Energy Florida, Incorporated.

13 **CHAIRMAN CARTER:** Thank you. Now let's take
14 the appearances of the parties.

15 Mr. Glenn.

16 **MR. GLENN:** Mr. Chairman, Alex Glenn on behalf
17 of Progress Energy Florida.

18 **MR. KELLY:** J. R. Kelly, Office of Public
19 Counsel.

20 **CHAIRMAN CARTER:** You can come up to this --
21 why don't you just come up to this mike. Watch the
22 wires.

23 **MR. WRIGHT:** Thank you all for coming. My
24 name is Schef Wright. I represent the Florida Retail
25 Federation in this proceeding.

1 **MS. BRADLEY:** I'm Cecilia Bradley and I work
2 for Attorney General McCollum, and together with your
3 Public Counsel we represent all of you. So we
4 appreciate you coming out to this tonight.

5 (Applause.)

6 **CHAIRMAN CARTER:** Mr. Young, make your
7 appearance.

8 **MR. YOUNG:** Thank you, Mr. Chairman.
9 Keino Young, along with Marshall Willis and
10 Cheryl Bulecza-Banks.

11 **CHAIRMAN CARTER:** Thank you. Also on his way
12 here, Jack Shreve from the Office of the Governor, he's
13 the Governor's Special Counsel, and he kind of got a
14 little mixup there.

15 Let me do this, Commissioners. Let's give an
16 opportunity for each one of you to introduce yourself.
17 Let me start with Commissioner Edgar.

18 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman.

19 Good afternoon. My name is Lisa Edgar. I'm
20 glad to be here in New Port Richey again. Thank you all
21 for coming. I look forward to your comments.

22 **CHAIRMAN CARTER:** Commissioner McMurrian.

23 **COMMISSIONER McMURRIAN:** Hi. I'm Katrina
24 McMurrian. I too am glad to be here with you all this
25 wet afternoon. I look forward to hearing your comments.

1 **CHAIRMAN CARTER:** Thank you.

2 Commissioner Argenziano.

3 **COMMISSIONER ARGENZIANO:** Yes. Hopefully you
4 can hear me.

5 **CHAIRMAN CARTER:** Yes, ma'am.

6 **COMMISSIONER ARGENZIANO:** Thank you all for
7 coming. I'm sorry, I apologize, I cannot be there. I
8 have a broken leg. And I really appreciate staff
9 making, making me be able to come through the telephone.
10 This is your Public Service Commission and we're here to
11 hear what you have to say, and I'm very glad that you
12 showed up today and I'm waiting to hear from you, the
13 public. Thank you.

14 **CHAIRMAN CARTER:** Thank you.

15 Commissioner Skop.

16 **COMMISSIONER SKOP:** Thank you, Mr. Chair.

17 I'm Commissioner Nathan Skop, and good
18 afternoon. I'm happy to be in New Port Richey. It's
19 great to see a large turnout. And I would like to
20 recognize both Senator Fasano and Representative Nehr
21 for appearing today, and also for, commend them for
22 inviting their constituents to attend today's meeting.
23 So thank you again for attending, and I look forward to
24 hearing all your comments.

25 **CHAIRMAN CARTER:** Thank you, Commissioners.

1 Before we begin, let me just remind each of
2 our friends and neighbors that are here, first of all,
3 there's a green report that says "Special Report," and
4 it tells you the who, what, when, why, and where that
5 we're here today for the service hearing. Additionally
6 is that if you have a friend and neighbor or someone
7 that you know of that didn't have an opportunity to come
8 here today or if you're shy about speaking, the last
9 page in here is a little flyer. You can make your
10 comments and then fold it and send it in to us.

11 This is being transcribed. Our court reporter
12 to the left is transcribing everything that you say and
13 it will be part of the official record in this hearing.
14 So I wanted to make sure you knew that.

15 Also on a more serious note, not that we're
16 not serious about that, but out at the table, the Public
17 Service Commission table, we have this yellow sheet
18 saying "Be prepared." You know that we're in the middle
19 of hurricane -- well, not necessarily in the middle, but
20 we certainly have started hurricane season, and it
21 seemed like we were in the middle of a tidal wave on the
22 way down here with the rain this morning. But there's
23 some safety tips for you. We'd like to pass those out
24 to you, out there on the table again. If you know
25 someone that would like would have liked to speak and

1 they were not here or who is shy about speaking, please
2 use these green forms for that. Thank you.

3 Let me take a moment to say that we're here
4 because -- and by the way, my name is Matthew Carter,
5 Chairman of the Florida Public Service Commission.
6 We're here today because we want to hear from you. It's
7 a good turnout, good people. We want to hear from you
8 how you feel about this proposed rate increase. We're
9 going to get that.

10 Before we begin, we're going to have a few
11 brief comments by the parties, and they'll come at this
12 podium in front of me and they'll make a few brief
13 comments to you about the case. And after they finish,
14 we're going to have -- where's Dick? After they finish,
15 we're going to turn the podium around so that you can
16 speak to us here on the Commission. So we're going to
17 probably need to be delicate on that to make sure we
18 keep the microphones over here going.

19 Staff, are there any further preliminary
20 matters before we hear from the parties?

21 **MR. YOUNG:** No, sir.

22 **CHAIRMAN CARTER:** Okay. With that, we'll hear
23 the opening statements.

24 Mr. Glenn.

25 **MR. GLENN:** Thank you, Chairman Carter.

1 Before I begin my prepared remarks, I wanted to point
2 out Ken Talbott. He's the tall gentleman with glasses
3 and a blue tie. He is a Customer Service
4 Representative. We have a number in the back, in a back
5 room that if you have any questions about your bill,
6 specific issues about your service or any other issues
7 that you want to talk to a real person, talk to Ken and
8 we will get you to a Customer Service Representative in
9 the back. We have computers and they have realtime
10 access to your account. So I just wanted to offer that
11 to our customers today.

12 Chairman Carter, Commissioners, thank you for
13 the opportunity to be able to speak to our customers
14 today, but more importantly to listen because we value
15 what you have to say, whether it's a concern, a question
16 or a compliment.

17 We know that there is never a good time --

18 **UNIDENTIFIED SPEAKER:** Speak into the
19 microphone so we can hear you.

20 **MR. GLENN:** Can you hear me now? All right.

21 We know that there is never a good time to ask
22 for a base rate increase. No one wants to pay more for
23 electricity, especially during challenging economic
24 times. But we also know that everyone wants, needs and
25 you expect excellent service at a reasonable cost. It's

1 vital to our livelihood, it's vital to our quality of
2 life. Our state and our economy run on it -- if you
3 just recall the 2004 and 2005 hurricane season and the
4 importance of prompt, quick, safe power restoration that
5 occurred. Now it's essential that your electric utility
6 is financially healthy and capable of providing that
7 level of service, but that level of service comes at a
8 cost, and that's why we're here today to talk about our
9 filing.

10 Base rates, which is what our filing is about,
11 cover the cost of us producing and delivering
12 electricity to your homes and businesses. Now to put it
13 in context, on a dollar of your bill, about 24 cents of
14 that dollar goes to pay our cost of running the
15 business. Now over the last 25 years Progress Energy
16 Florida has invested about \$4.5 billion in plants,
17 poles, wires, advanced meters, bucket trucks, other
18 capital improvements over the last 25 years.

19 Now think about it, during that same time
20 we've limited our base rate increases to about
21 1 percent. Now you compare that to the cost of food,
22 which has increased 113 percent, housing, 115 percent,
23 and medical care, about 253 percent over that same
24 quarter of a century, and we've done this, we've been
25 able to keep our rates down while still maintaining top

1 quartile performance in the industry in safety,
2 reliability and power plant operations.

3 Now these cost increases that we're facing
4 now, combined with those that we've absorbed in the
5 past, can't be offset by our cost management, by
6 efficiencies or by customer growth.

7 Just quickly, I wanted to give you a couple of
8 examples of the investments we're making right now which
9 make up part of our rate request. We're spending today
10 \$300 million to replace steam generators at our Crystal
11 River Nuclear Power Plant. These are mammoth 500-ton
12 pieces of equipment that will ensure that you're going
13 to continue to get carbon-free around-the-clock lowest
14 cost energy from our lowest cost plant from the nation,
15 one of the nation's best performing and safest nuclear
16 power plants.

17 We've also just spent a billion dollars to
18 repower our steam -- our oil-fired Bartow power plant in
19 Pinellas County with clean burning, efficient natural
20 gas. This plant now, which went into commercial
21 operation, has doubled the output of the plant, but
22 significantly reduced emissions and lowered fuel costs
23 for our customers.

24 We've also got to invest in the backbone of
25 our system: Our poles, our wires and our power plants.

1 This is very expensive and it costs money.

2 And I want to show you just one example of how
3 capital-intensive we are as a business. This is a
4 turbine blade. This is one blade out of 800 blades in
5 one of our natural gas-fired power plants.

6 **UNIDENTIFIED SPEAKER:** Can you hold it up,
7 please?

8 **UNIDENTIFIED SPEAKER:** Hold it up.

9 **MR. GLENN:** Do you want me to stand up?

10 (Laughter.)

11 It's a turbine blade. This wears out after
12 being subjected to temperatures of 2000 degrees
13 Fahrenheit day in and day out and it's got to be
14 replaced every couple of years. It costs \$41,000 for
15 this one blade. General Electric. \$41,000. That's,
16 that's just \$400 million in turbine blades alone, and
17 that's just one part of one piece of equipment in our
18 more than 64 power plant system. We are a
19 capital-intensive business.

20 Now while we're continuously making these
21 types of investments, we've also got to plan for the
22 future to implement Florida's energy policy, and that
23 policy is aimed at developing a cleaner, more diverse
24 energy portfolio. And we're committed to meeting that
25 policy through renewable energy, increased energy

1 efficiency and new state of the art power plants that
2 are either low carbon or carbon free.

3 Implementing this policy and providing
4 customers with the service that you expect and need
5 depends on sustaining the financial health of the
6 company. We compete for investors. We compete with
7 other electric utilities for capital, we compete with
8 other businesses in other industries for capital. We
9 compete with the IBMs, the McDonald's, the Walmarts of
10 the world for investors. That we have a fair rate of
11 return and a reasonable opportunity to earn that return
12 is critical to us providing that level of service and to
13 attracting those investors.

14 And I bet dollars to do-nuts that many of you
15 sitting in this room, if you either have a mutual fund,
16 a 401K, or a pension, are Progress Energy stockholders
17 because they own and invest in our company.

18 Now will people invest in us or are they going
19 to invest in IBM, whose return was 68 percent this year,
20 or McDonald's, whose return was 31 percent this year?
21 These investors are crucial to running our business, to
22 buy those blades, to respond to storms and to keep the
23 lights on. We understand that customers expect reliable
24 service to be affordable and produced in an
25 environmentally sound manner.

1 So on behalf of all of the Progress Energy
2 employees, especially the 1,424 who live in Pasco,
3 Hillsborough, and Pinellas County and work hard every
4 single day to serve our customers, thank you for
5 listening and thank you for coming out today. I look
6 forward to listening to what you have to say.

7 (Applause.)

8 **CHAIRMAN CARTER:** Thank you.

9 Mr. Kelly. And also watch my wires there.

10 **MR. KELLY:** Good afternoon. Thank you so much
11 for showing up today. I can't emphasize enough how
12 important it is for you, the customers of Progress
13 Energy, to come here and say what is on your mind today
14 to these Commissioners that are behind me.

15 Who am I? My name is J. R. Kelly. I have the
16 distinct pleasure, folks, of being the Public Counsel
17 for the State of Florida, and that gives me the
18 opportunity to represent you. My office represents you,
19 the ratepayers, in front of issues that come before the
20 Public Service Commission, and we have intervened in
21 this case to oppose this rate increase being requested
22 by Progress Energy.

23 (Applause.)

24 Now what's the goal of my office? My goal is
25 to give you the best representation to do this, to

1 achieve the best quality electric service for you at the
2 least cost possible. We do that -- someone asked me
3 earlier, how do you do that? We do it through -- we
4 have attorneys in our office, we hire experts, we
5 litigate, just like Progress Energy is going to litigate
6 this case, on your behalf.

7 Now why are we here today? We're here because
8 Progress Energy has asked for an increase in what are
9 called base rates. What the heck are those? I'm going
10 to try to explain it to you real, real quick.

11 I want you to think of a test tube. Okay?
12 There's a lot of parts that go into a test tube. When
13 you get to the top, that's the rate you pay every month
14 when you consume electricity in your homes or
15 businesses. Okay? A portion of that test tube, about
16 44 percent, are base rates.

17 What's the other portion? The other portion
18 are called cost recovery clauses or pass-through charges
19 that you pay separately, but they go into the test tube
20 to make up your rates. A couple of the other ones are
21 nuclear charges, environmental charges, conservation
22 charges and, the one you hear a lot about, fuel charges.
23 And I'll discuss those in just a second.

24 But we're here today -- make sure you
25 understand -- we're here today because of a request by

1 Progress Energy to ask for an increase in base rates.
2 How much? \$500 million, a 31.46 percent increase in the
3 44 percent of your test tube. Okay? Now is what
4 Progress Energy asking, is what they're asking for
5 reasonable? We do not believe so. We don't believe so.

6 Now let me be the first one to tell you this.
7 I do not argue at all that Progress is a bad company.
8 As a matter of fact, they are a well run company. They
9 are made up of men and women that are dedicated to their
10 job, they're good people, they're a good corporate
11 citizen, we know they contribute to their communities
12 that they're in, and I don't argue that, dispute it at
13 all. Good company. But what they're asking for, ladies
14 and gentlemen, is unreasonable.

15 And here's a couple of the, some of the issues
16 that we're going to be arguing on your behalf. First
17 and foremost, rate of return on equity or return on
18 equity. You hear a lot about that. They're asking for
19 a 12.54 percent return on equity. How many of you right
20 now are getting 10 percent return on your stocks, your
21 bonds, your investments, whatever? Okay. They're
22 asking for 12.54 percent as being fair and reasonable.
23 We do not believe that is fair. We do not believe it is
24 reasonable.

25 The national average right now across the

1 United States of authorized rate of returns is only
2 10.29 percent. In a recent case involving another
3 utility back in January, the Public Service Commission
4 authorized a rate of 11.25 percent. We think that is
5 way too high. And we're going to be arguing again
6 through our expert witness that the rate should be more
7 in the neighborhood of 9.5, maybe 10 percent, but
8 somewhere much lower.

9 Now let's put that in terms of dollars. If
10 you just take 10 percent versus 12.54 percent, folks,
11 that's over \$130 million a year that would come out of
12 your pocket.

13 Depreciation expense. This is going to be a
14 huge issue in this case. Depreciation, for you that
15 don't fully understand depreciation, think of it like
16 this. When you buy a car, you expect it to run, let's
17 just say, ten years. You pay \$1,000 for it. Every year
18 part of that car wears out because you use it. And if
19 you have it, if you pay \$1,000 and it's ten years,
20 you'll lose about \$100 a year in value.

21 Same thing happens with Progress Energy. They
22 go -- they have hundreds of thousands, maybe in the
23 millions of assets that they buy, and they have various
24 years of useful lives that they will use up as the asset
25 until it is no good anymore. It's an extremely

1 complicated formula that goes into computing
2 depreciation expense. But depreciation expense is a
3 component of what you pay as part of your base rates.

4 Over the years, Progress Energy has over
5 collected \$700 million in depreciation expense. Now
6 there's a couple of options you can do to put that back
7 in your pocket. One is to just lower the depreciation
8 for the future years and go out 20, 30, 40 years as the
9 assets are being used up and give you your money back
10 incrementally by then. We don't think that's the right
11 approach.

12 Today's economy is bad. I don't need to tell
13 you that. Every one of you know it. We think the
14 better way to handle depreciation is to refund that
15 money now over the next three or four years, maybe
16 amortize it and put it back in your hands now and reduce
17 the amount of any rate increase that may be authorized
18 by the Commission behind me.

19 (Applause.)

20 The last issue I want to mention is that --
21 please understand that everything Progress Energy is
22 asking for when they file their testimony and their
23 estimates, this, that and the other, is all guesswork.
24 It is based upon projections, estimates, educated
25 guesses of how much they're going to need to run their

1 business in the future. We're going to be challenging
2 many, many of those guesstimates through our experts. I
3 don't know today to tell you how much that will add up
4 to, as our experts are working on those figures right
5 now, but that we believe will be significant also.

6 Now I want to set the record straight a little
7 bit here. Okay? You heard Mr. Glenn say that over the
8 past few years, I don't remember the exact time he said,
9 but your base rates have only gone up a little bit.
10 Okay? Well, let me tell you a little bit of the rest of
11 the story.

12 Remember the test tube I started with? Base
13 rates at the bottom, then you've got nuclear
14 pass-through charges. That's totally separate, folks.
15 Then you've got environmental charges. That's where
16 when they went and retrofitted some of their, their
17 equipment according to federal guidelines, they paid a
18 dollar, you paid a dollar to them to pay for those.
19 That didn't go into your regular expenses. They were
20 pulled out and went into the environmental pass-through
21 clause. Why do they call it pass-through? Because it
22 passes through from your hands into theirs into the
23 expenses they pay. Okay?

24 They are a monopoly. Okay? They are a
25 monopoly. And all of those pass-through clauses, folks,

1 whatever they spend, you pay. Okay? Dollar in, dollar
2 out. Setting the record straight.

3 Anything that we're arguing against with
4 respect to this base rate increase, folks, is not going
5 to change fuel. Whatever they pay for fuel, you're
6 going to pay for fuel. Okay? Up, down, good, bad,
7 whatever, does not affect base rates.

8 Going green, renewables. Folks, it's not
9 going to affect too much what they spend there because a
10 lot of will be recouped through environmental
11 pass-through. Okay? So I don't want you to think I'm
12 up here arguing against renewables.

13 Nuclear. Nothing to do in the base rate with
14 respect to nuclear. That's a separate clause, folks,
15 that whatever they spend in the nuclear is going to be
16 paid for by you separately. So I want to make sure you
17 understand that.

18 I want to wrap up here real quick. Why are we
19 here today? I spoke to many of you as you were coming
20 in here. I implore you, I beg you, I encourage you, get
21 up here and speak today. This is what a democratic
22 society is all about. You do not have to be an eloquent
23 speaker. I am not. I'm an old country boy from North
24 Florida. I don't know big words. But I do know how to
25 speak from my heart, and that's what I ask you to do.

1 Come up here.

2 If you signed up, fantastic. If you haven't,
3 please do. These folks behind me need to hear from you.
4 They need to know most importantly this, how is this
5 base rate increase going to affect you? And I'm going
6 to leave you with one thing because I don't want you to
7 think that I'm up here saying that Progress Energy
8 shouldn't get any money, make any money. No. That's
9 not the point.

10 But I do want to share this with you. From
11 the latest reports filed by Progress Energy themselves
12 with the Public Service Commission, the latest report
13 shows that for the previous 12 months when they filed a
14 report, which I believe was the end of April, they
15 earned a 9.16 percent return on equity, a very healthy
16 return on equity, especially in today's bad economic
17 times.

18 **UNIDENTIFIED SPEAKER:** Enough.

19 **MR. KELLY:** I'm sorry. I'll quit here.

20 **UNIDENTIFIED SPEAKER:** No. I mean that's
21 enough for Progress Energy to take.

22 **MR. KELLY:** I'm going to finish anyway.

23 (Laughter.)

24 The revenues that they earned, that they made
25 for that 12-month period was \$5 billion. They made

1 \$517 million. Should they be allowed to earn money?
2 Absolutely. But how much is the key. Thank you very
3 much.

4 (Applause.)

5 **CHAIRMAN CARTER:** Mr. Wright.

6 **COMMISSIONER ARGENZIANO:** Mr. Chair?

7 **CHAIRMAN CARTER:** Commissioner Argenziano.

8 **COMMISSIONER ARGENZIANO:** Yes. I just need to
9 make a comment, please. Can you hear me?

10 **CHAIRMAN CARTER:** You're recognized. You're
11 recognized.

12 **COMMISSIONER ARGENZIANO:** Okay. Just as I did
13 in the other public service hearings, and for reasons,
14 as I'll say, I need to make it clear that when Mr. Kelly
15 has mentioned, and rightfully so, the Commission had
16 voted for a different case, every case is different, but
17 voted for a rate increase in the last increase, last
18 rate case that came up with a different company, I want
19 it reflected that -- and it makes a difference, because
20 it wasn't a unanimous vote -- that one Commissioner,
21 myself, I voted not in favor of that, and it makes a
22 difference overall. So I just want it reflected that it
23 wasn't the entire Commission who voted yes for that
24 increase. Thank you.

25 (Applause.)

1 **MR. WRIGHT:** Thank you all. Thank you all
2 very much for coming. As the Chairman said, as
3 Mr. Kelly said, this is your hearing. This is democracy
4 in action. It is important for every one of you who
5 cares about this case, whether you love Progress and
6 want to say they ought to get the rate increase, whether
7 you're opposed to the rate increase, as my clients and
8 the Public Counsel are, please come up and tell the
9 Commissioners your opinions, your beliefs on this
10 important case.

11 My name is Schef Wright. I'm a native
12 Floridian. I've lived all but nine years of my 59 years
13 in the great State of Florida. I love this place.

14 I've been working in energy in Tallahassee,
15 first for Governor Graham's energy office, then on the
16 Public Service Commission staff, and then for the last
17 20 years as a private practice attorney, since 1980.
18 I've been doing this a long time.

19 I have the privilege today and in this
20 proceeding, through the whole run, of representing the
21 Florida Retail Federation. The federation is a
22 statewide organization of more than 9,000 members from
23 the smallest mom and pop commercial establishments to
24 the largest chains of grocery, department, drug,
25 electronics, pharmacies, et cetera, stores that y'all

1 shop at.

2 We are consumers. We are Progress's
3 customers. We are all in this together. We oppose this
4 rate case, rate increase, just as your Public Counsel
5 does and just as your Attorney General does.

6 I agree with a lot of what Mr. Kelly said. I
7 agree with everything Mr. Kelly said actually. Progress
8 is a good company. I've been doing this a long time,
9 and some of the finest people I've known in the utility
10 business have worked for Progress Energy. We agree that
11 Progress needs adequate revenues to provide safe,
12 adequate, reliable service to you and to our members.

13 This case is about whether Progress needs
14 another half a billion dollars a year of your money and
15 our members' money to provide that safe, adequate,
16 reliable service. It is our strong belief that they
17 don't need anything like that. We're not sure they need
18 any at all.

19 Why not? First, they've asked for a
20 12.54 percent after-tax rate of return on equity. In
21 this context, folks, that's the rate of profit that
22 their shareholders get to be compensated for the risks
23 they take in making their investment. We believe that
24 that is excessive. Why? Because it's not commensurate
25 with the risks that they face.

1 They recover, according to Mr. Glenn, they
2 recover three-fourths of all their revenues,
3 three-fourths of all their revenues through the
4 pass-through clauses that Mr. Kelly mentioned: Fuel,
5 environmental, energy conservation, nuclear and, when
6 appropriate, storm costs. Three-fourths of all their
7 costs through pass-through clauses. This is not a
8 high-risk proposition, folks.

9 What they really face with respect to the risk
10 of recovering their base rates is if there's mild
11 weather or if there's a turndown in economic conditions,
12 and that's where we are today. And they are asking for
13 more money because their sales are off, and I'm not
14 completely sure that's right. But the real point is the
15 risks they face do not justify a 12.5 percent after-tax
16 rate of return.

17 To put some dollars on the values in question
18 here, the return on equity number is worth, we believe,
19 should cut somewhere between \$120 and \$140 million a
20 year off their requested half billion dollars. We're
21 not saying they ought not to get any profit at all. We
22 think the number is probably in the range of 9 to
23 10 percent.

24 I got called out in one of the FPL hearings by
25 a, by a mayor who said 10 percent is too high. It may

1 be, it may not be. It's kind of at the top end of what
2 we think the reasonable range is. But we think that
3 12.5 percent after tax is way too high. So that's \$120,
4 \$140 million that ought to, ought to be taken out of
5 their rate increase request.

6 Mr. Kelly mentioned the accumulated
7 depreciation surplus. Flowing that back to you and to
8 our members who paid the money in that created that
9 surplus should cut another \$120 million a year, maybe
10 more. We believe they've overstated depreciation
11 expense. We believe they've overstated other expenses.
12 They've asked for equity returns on nonexistent equity
13 investment, what they called imputed equity, and we
14 think that ought to be cut. At the end of the day we're
15 not sure they can justify any rate increase.

16 I will tell you in the case Mr. Kelly
17 mentioned, the Tampa Electric case, we didn't say a
18 zero increase. Our position was -- the company asked
19 for \$228 million. We recommended about \$35 million. We
20 thought that was a fair number. The Commission gave
21 them more than that. They're the Public Service
22 Commission, they get to make that decision. We're not
23 saying that they're not entitled to make a reasonable
24 profit. We're not, certainly not saying that they're
25 not entitled to recover their costs.

1 On that point, let me mention a couple of
2 things that we're not talking about. I told you what I
3 think we ought to cut: Profit, depreciation surplus,
4 overstated expenses. We're not talking about cutting
5 jobs. We're not talking about taking people out of the
6 field who are keeping your lights on. We are not
7 talking about cutting the wages of the folks who are out
8 in the field keeping your lights on. We are not talking
9 about cutting the amounts that they invest reasonably in
10 their power plants, transmission lines, distribution
11 substations and distribution lines to provide you safe,
12 adequate, efficient, reliable service. We might be
13 looking at executive compensation and we are talking
14 about the amount that they earn.

15 The issue in this case is does Progress need
16 another half a billion dollars a year of y'all's money
17 and our members' money to provide safe, adequate,
18 reliable service? We don't believe so. The evidence
19 will tell. The Public Service Commission will make the
20 decision at the end of this case. Please come forward
21 and tell them your views on this important matter.
22 Thank you very much.

23 (Applause.)

24 **CHAIRMAN CARTER:** Ms. Bradley.

25 **MS. BRADLEY:** Thank you, Mr. Chairman,

1 Commissioners.

2 **CHAIRMAN CARTER:** Pull it a little closer.

3 There you go.

4 **MS. BRADLEY:** Let me see if I can get this
5 down far enough. I'm Cecilia Bradley and I work for
6 General, Attorney General McCollum.

7 And as I mentioned earlier, we work with
8 Public Counsel to represent all of you, and that is why
9 we appreciate you coming tonight. I know there are --
10 or this afternoon where we are right now. But this is
11 important for you to come, for you to hear and have the
12 information, but it's also important, and we can't
13 emphasize enough, for you to speak.

14 For us to represent you, we have to know how
15 this impacts you. Nobody likes an increase in anything.
16 You don't want pay more than you did yesterday. But
17 this is having a huge effect on some people, and we are
18 really concerned about that. We've had people at other
19 hearings that have come up and talked about the fact --
20 one lady said she had been retired for 15 years and she
21 hadn't had an increase in that retirement check in that
22 period of time. People talked and she said she was
23 raised that you live within your means. But when
24 everything is going up but your income, that puts a
25 whole different slant on things.

1 (Applause.)

2 We also had a couple of people last night that
3 talked about they were trying to -- actually one person
4 said, "I think people just need to be more careful and
5 use less electricity." Well, we had several people that
6 got up and said, "There are times we're not using our
7 air conditioner. We turn them off." And, folks, please
8 don't do that. Seriously, I mean, every summer we worry
9 about people that are not using, you know, air
10 conditioners and are suffering from heat strokes and
11 things, and we don't want to see that kind of thing.

12 But we know people are suffering and people
13 are complaining, "We don't have any more money to spend.
14 We're having trouble just paying for necessities."
15 Somebody said, "Well, it's only \$13.83. It's not that
16 big a deal." And another AARP member came up at one of
17 the other hearings and says, "Well, it is a big deal."

18 **UNIDENTIFIED SPEAKER:** That's right.

19 **UNIDENTIFIED SPEAKER:** That's right.

20 **COMMISSIONER BRADLEY:** That's my copayment for
21 my doctor visits. That's my copayment for my
22 prescription.

23 **UNIDENTIFIED SPEAKER:** That's right.

24 **MS. BRADLEY:** A mother came up that she had
25 started back to school before the economy went down and

1 she had two little kids. And she says, "My family, my
2 parents are, they're on, they're retired and they're on
3 a fixed income." She says, "There are times they're
4 having to help me out by giving me a jar of peanut
5 butter." She said, "That, you know, that 12 or \$13,"
6 she said, "that can pay for food for my kids for a
7 period of time."

8 And another person yesterday testified, "Well,
9 my folks, that's their breakfast money for the week."
10 So people are already having to really go beyond what
11 they have. They're having a hard time. And we are
12 concerned about the idea of them paying more, because
13 this is a rough time for many people.

14 (Applause.)

15 Now Mr. Kelly and Mr. Wright talked about the
16 12.54 return on equity. And as they've already stated,
17 you know, that's pretty nice. And a lot of Mr. Wright's
18 companies, they would love that kind of, that kind of
19 return on equity.

20 We had a stockbroker that came up for another
21 hearing and he testified, he said, "You know, that's the
22 kind of -- when you're looking to get money, you want a
23 high return on equity because you want to show that
24 you're a good risk." But that's not the same with
25 utilities. These are monopolies, they have guaranteed

1 rates, and they are one of the best risks, if you can
2 even call it that, around.

3 And we like to have strong, profitable
4 utilities in Florida. We want to make sure that they
5 can provide your electricity for a long time. But
6 please don't be mistaken. They're going to continue to
7 provide that service even if they don't get an increase
8 because that is required by law, and the Commission is
9 here to make sure you continue to get those services.

10 (Applause.)

11 We're also concerned about the trickle-down
12 effect. As I mentioned, Mr. Wright, some of his
13 companies, your grocery stores, your hamburger places,
14 your restaurants, all of these other places, if your, if
15 the electricity goes up, they're having to compete with
16 other companies. They're not a monopoly. But at some
17 point they're going to have to raise their rates too or
18 the cost of their goods and services.

19 So we're concerned about the trickle-down
20 effect; that not only would you have a higher electrical
21 bill, but you're going to have to pay more for other
22 goods and services. And we're concerned about that as
23 well.

24 Now we've talked about the fact we want people
25 to come up and speak and tell the Commission how this

1 affects you. We can't emphasize that enough. And I
2 heard some people coming in that said, "Well, I'm going
3 to wait and see what's said and think about it" or "I
4 just can't speak in front of people." You know, I was
5 the shiest girl in high school and college. If I can
6 get up here and speak, you can too.

7 And we want to hear what you have to say.
8 It's important to know how this affects you, because you
9 might have some condition or issue that nobody else has,
10 and we won't know it unless you come up and tell us.
11 So, please, even if you haven't already signed up,
12 please go out and fill out a thing and testify. And I
13 know this is a long, a long hearing, and I know
14 especially for the people standing it's tough. You
15 know, I can say we share your pain. But for the people
16 standing, I know it's a lot worse on you. And I think
17 there's still a few seats around if you want to come and
18 sit down. Please don't leave because it takes too long.

19 And I warn you, Progress is going to have some
20 people come in and they may talk about things that are
21 not really related to the rate hearing such as, you
22 know, that they've made contributions, and that's a good
23 thing. But please don't let that keep you from waiting
24 here and testifying because we need to hear what you
25 have to say. It's important.

1 And if you just get too tired, go take a
2 break. We'll hold your place. You know, you can come
3 tell Mr. Kelly or one of us that you had to step out but
4 you're back. And that's fine if you need to go out and
5 walk around a little bit, that's fine, but come back.
6 Please don't leave, because you are very important to
7 us. Thank you.

8 (Applause.)

9 **CHAIRMAN CARTER:** Thank you. You've heard
10 from the parties. In just a moment I'll be swearing in
11 all of the people that are wishing to speak. Let me
12 just tell you that when you do come up to speak, you may
13 or may not be asked questions by either the parties or
14 maybe a question from the panel of Commissioners.

15 What I'd like to do is that those of you that
16 are signed up to speak, I'm going to swear you in as a
17 group.

18 (Technical difficulties.)

19 While they're doing that, let me just ask, all
20 of you that are wishing to speak, would you please stand
21 so I can swear you in.

22 (Witnesses collectively sworn.)

23 Thank you. Please be seated. Our court
24 reporter, when you come up to speak, would you please
25 give your name and address to our court reporter so she

1 can transcribe that and have it part of the record? And
2 when we get to that phase, I'll defer, I'll defer to
3 Mr. Kelly to start calling people. But I'll let you
4 know before then.

5 (Technical difficulties.)

6 First, before I defer to Mr. Kelly to call the
7 names, let me call on a few people to speak, and we so
8 sincerely appreciate that they were able to come to be
9 with us today. First of all, we want --

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

11 **CHAIRMAN CARTER:** I'll put it close. How
12 about that?

13 **UNIDENTIFIED SPEAKER:** Thank you.

14 **CHAIRMAN CARTER:** Thank you very kindly.

15 The first person that I will ask to come up
16 will be the Majority Whip of the Florida Senate, Senator
17 Mike Fasano. Senator.

18 (Applause.)

19 **SENATOR FASANO:** Mr. Chairman, thank you very
20 much. Commissioners. Again, thank you for having
21 this --

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

23 **SENATOR FASANO:** Thank you for having us this
24 public hearing today. Is that better?

25 **UNIDENTIFIED SPEAKER:** No.

1 **SENATOR FASANO:** You seemed to be able to hear
2 Progress Energy quite well. Is that better?

3 (Technical difficulties.)

4 Commissioners, again, thank you very much for
5 scheduling today's public hearing. This hearing and the
6 others scheduled in other parts of Progress Energy's
7 service area will give Progress Energy customers the
8 opportunity to voice their concerns, concerns with the
9 outrageous high rate increases that have, that the
10 utility company has requested.

11 And to echo those comments from Mr. Kelly and
12 from -- I guess we're still --

13 (Technical difficulty.)

14 Any better? That's better. It's a
15 conspiracy, isn't it?

16 **CHAIRMAN CARTER:** I hope not.

17 (Laughter.)

18 **SENATOR FASANO:** Did Aloha Utilities hire you?

19 (Laughter.)

20 Again, I'm here to oppose this outrageous rate
21 increase. As a legislator who represents customers from
22 Pinellas County, Pasco County, Citrus County, I speak on
23 behalf of the countless numbers of people who have
24 called, e-mailed or sent letters expressing their
25 opposition to the rate increase as well. Many of them

1 are here today and many of them could not make it for a
2 variety of reasons.

3 For those who are not here, I'm expressing
4 their concern with the impact these potential rates will
5 have on the constituents already struggling to pay their
6 monthly bills.

7 Let me give you an example. I had a letter
8 from a constituent the other day, about two weeks ago, a
9 senior citizen, widow, fixed income. She had to go back
10 to work. She had to go back to work because she had to
11 pay her electric bill.

12 Now Progress Energy got up here just a few
13 moments ago and asked a question, "Has anyone seen their
14 electric bill go up recently?" Apparently he doesn't
15 have Progress Energy. Well, this, this woman, this
16 widow, this senior citizen could not pay her electric
17 bill, so she was late. She said paid it but she
18 continued to be late. What did Progress Energy do?

19 **UNIDENTIFIED SPEAKER:** Shut her off.

20 **UNIDENTIFIED SPEAKER:** Cut it off.

21 **SENATOR FASANO:** They sent her a letter and
22 said the only way she can continue the service is if she
23 sent them a \$600 deposit.

24 Now if she could not afford the rate that was
25 being imposed by Progress Energy on a monthly basis, how

1 in the world could she afford a \$600 deposit?

2 Mr. Chairman, members, if the rate increases
3 are granted, those on fixed incomes, the unemployed --
4 and let me impress to you, we have an unemployment rate
5 here in Pasco County of well over 10 percent, in the
6 Tampa Bay area as well. There are groups here today
7 that will speak to you who represent those who don't
8 have a job who they are training, helping them in trying
9 to find a job. Our families that are already trying to
10 make ends meet in these tough economic times are going
11 to be hurt the most.

12 This increase coupled with the proposed
13 nuclear advanced cost recovery rate increase translates
14 into a base rate of over \$26 per month and maybe even
15 higher. These are dollars that can't be conserved
16 any -- away. These are base rate increases that come in
17 part of the cost of the privilege to receive electricity
18 from Progress Energy. And just to reiterate, of course,
19 what Mr. Kelly said, this is a base rate. People can do
20 all they want. The bottom line is you're not going to
21 save on the base rates. You will be charged that base
22 rate. Their rates are going up.

23 Most people will be forced to pay these rates
24 if approved, will not have any way to come up with
25 additional monies other than to cut already their

1 stressed, stressed budgets further.

2 Progress Energy is a fine corporation, I agree
3 with that, that does many good things for our community
4 and I applaud them for their good work, but that's over
5 here. That's outside. That shouldn't be in this room
6 today. And those who have come today -- and Progress
7 Energy got a few people, I'm sure, to sign up to tell
8 everybody what a great company they are. They shouldn't
9 be here today to speak about what a great company they
10 are. They should be here to speak whether they're in
11 favor or opposing the rate increase.

12 (Applause.)

13 And although they are a great company, as some
14 will say, they are, they are a monopoly. They are the
15 only game in town, members. Because their customers
16 have no one where else to go to purchase their
17 electricity, the company has a captive customer base.
18 While the customers will have to scrimp and save to pay
19 for these increased rates if approved, Progress Energy
20 will be enjoying a greater guaranteed rate of return.
21 And that's what they want. They want a rate of return
22 over 12 percent without very little risk.

23 You know, I sit on the committee that deals
24 with energy, utilities, and I found out something --
25 that Progress Energy puts up no risk. They have no

1 risk. Any risk that they put out, these customers back
2 here wind up paying for, whether it be a nuclear power
3 plant, alternative energy, fuel costs. 60 percent of
4 someone's bill today when they get it in the mail are
5 recouped, are given back to Progress Energy because of
6 the monies that they put out. They put out no, no risk
7 whatsoever.

8 The proposed rate increase will also increase
9 Progress Energy's profit, a profit level that we've
10 heard today of well over 12.5 percent. In dollars this
11 translates into \$100 million of the \$500 million base
12 rate increase the company is requesting.

13 It is outrageous. It's outrageous that this
14 monopoly utility will be raking in huge profits while
15 its customers will be digging deep, digging deep into
16 their pockets just to pay their monthly power bill.

17 Now from an accounting point of view, reports
18 that Progress Energy has over collected from its
19 customers, we all know that, for more than ten years in
20 depreciation expenses. The excess collected during this
21 time equals to \$700 million. Now I know you have no
22 oversight on this, but if I was late on my electric
23 bill, if any of these people back here were late on
24 their electric bill, what happens? They get hit with a
25 penalty. They have their electric turned off. And to

1 have it turned back on, they're going to pay a charge,
2 and then they're going to have to put down maybe an
3 additional deposit.

4 Yet when Progress Energy is found to have
5 collected too much or taken too much of a depreciation,
6 they don't get hit with any fines. They're just ordered
7 to repay it back to the customers.

8 Despite this fact, the current application
9 includes an additional \$100 million in depreciation
10 expenses. And rather than asking for more depreciation
11 expense, the utility should be asking for the ability to
12 refund its customers the total amount of the over
13 collected dollars.

14 (Applause.)

15 If they did so, if they do so, the current
16 rate increase request application could be reduced by
17 more than \$200 million. Additionally, for the base rate
18 increase application it should be remembered that
19 Progress Energy's financial forecast for 2010 is only an
20 estimate. Currently the Public Counsel, the Attorney
21 General, the intervenors in this rate case, the Public
22 Service Commission and the staff, and the larger
23 customers of Progress Energy have completed their
24 respective reviews of Progress Energy estimates. It is
25 very possible that the rate hike request may be

1 excessive. Please keep in mind that the estimates were
2 made in the fall of 2008 and may of course be out of
3 date.

4 Although this hearing is primarily about the
5 base rate increase, it is important that the nuclear
6 advanced cost recovery application be taken into
7 consideration as well. And I realize this was done
8 legislatively. You have very little opportunity maybe
9 to take this into consideration, but hear me out anyway
10 because maybe we can change the law that gives you the
11 opportunity to take some --

12 (Applause.)

13 Progress Energy has requested a \$466 million
14 increase that, if granted, will go into effect on the
15 same day as the base rates. So we're not only talking a
16 \$500 million rate increase as far as the base rate, but
17 they're also asking for a \$466 million rate increase for
18 cost recovery.

19 In April, Progress Energy removed about
20 \$200 million systemwide from its customers' bills to
21 lessen the short-term impact of the nuclear cost
22 recovery. Although that move was appreciated, it just
23 delayed the implementation of a rate increase. Their
24 current request puts that \$200 million back into play,
25 as we all know.

1 It should be kept in mind that the nuclear
2 plant construction has now been delayed for at least
3 22 months. Twenty-two months. With the uncertainty
4 surrounding the federal Nuclear Regulatory Commission's
5 decision to put a hold on the project, why should
6 Progress Energy be granted a rate increase for a project
7 that is being delayed for nearly two years and
8 potentially more?

9 (Applause.)

10 I'm not going to put that on your, on your
11 shoulders because I realize legislatively you were
12 forced to do things maybe you didn't want to. However,
13 if there is a possibility you can take that into
14 consideration without violating the statute, or if you
15 think that we need to change the statute in some way
16 that you can take that into consideration when there's
17 going to be a delay of not just a year but two years,
18 that you should have the authority to say no more cost
19 recovery until you get your act together.

20 (Applause.)

21 But the earliest operational date, of course,
22 of the plant projected is now at 2018. It's conceivable
23 that those who pay for the advanced costs now, if
24 approved, may never see the benefits of the contribution
25 towards the plant's construction.

1 (Applause.)

2 Additionally, in '06, when the Legislature
3 allowed Progress Energy to file for advanced nuclear
4 cost recovery, it was so, it was done so when Progress
5 Energy cost estimates for the project was approximately
6 one-third of what it is now estimated the project will
7 cost. And that, that, of course, not only you guys, you
8 ladies and gentlemen, Commissioners, ought to know that
9 for a fact, but those questions were asked and answered
10 in committee as well, that the project that was
11 estimated when the legislation was asked to be approved
12 was one-third of what the cost apparently or the
13 projected cost will be.

14 Now you've got -- you know better than anyone
15 that those projected costs will probably increase as
16 time goes on as well. And either Progress Energy misled
17 the Legislature when it asked for the legislative
18 authority, something that I greatly doubt it would do,
19 or else it grossly miscalculated their costs. In either
20 case, it is fair to say that Progress Energy cost
21 estimates need greater scrutiny since time has proven
22 them to be incorrect. In either case, scrutiny should
23 be given to this application, which will have a monthly
24 impact of nearly \$13 per customer.

25 I would ask the Commission to think long and

1 hard before approving Progress Energy's application for
2 \$499 million of base rates, and of course the nuclear
3 advanced recovery as well. \$26 a month may not seem
4 like much to a company the size of Progress Energy, but
5 it probably does to its over 1,000 employees. But it is
6 also enormous to the individual or family struggling to
7 get through each and every day.

8 For some, the increase may be the cost of a
9 prescription or, for families, a couple of packets of
10 diapers. However it translates to each customer, it is
11 an expense that cannot be borne. I encourage you to
12 deny the application.

13 Mr. Chairman, thank you. Members, thank you.

14 (Applause.)

15 Thank you for coming out here. Something that
16 was said by our friends from retail and from Attorney
17 General McCollum's office, and that is to those who are
18 behind me today, I want to thank them for coming out.

19 And last time I heard somebody walk past me.
20 I said, "Are you going to speak?" And they said, "No.
21 They're already up to number 60."

22 **CHAIRMAN CARTER:** Sixty-five.

23 **SENATOR FASANO:** Sixty-five. I challenge
24 anybody to go out there and, please, be number 66,
25 number 67, 68, 69. If you haven't signed up, please do

1 so. These Commissioners came here because they want to
2 hear from you. It is important. It is important that
3 you voice your concerns. I don't think there's anybody
4 in my district who can afford these type of rate
5 increases.

6 **UNIDENTIFIED SPEAKER:** He's right.

7 **SENATOR FASANO:** Let me, if I may, let's look
8 at the economy in this area. Again, to reiterate, we
9 have over a 10 percent unemployment.

10 **UNIDENTIFIED SPEAKER:** 12.

11 **UNIDENTIFIED SPEAKER:** 11.7.

12 **SENATOR FASANO:** And in the Tampa Bay area in
13 some areas it is over 12 percent. We have one of the
14 highest foreclosure rates, not only in the state but in
15 the country. As you know, Citizens today announced that
16 they're going to push for a 10 percent increase on their
17 premiums. It goes on and on and on at the worst time
18 for any family who's trying to stay above water. And I
19 realize at times you can't consider that, but if you
20 look at the statute of what you're supposed to do, and I
21 know that each and every one will take this to heart,
22 you must put the ratepayer first to make certain that
23 ratepayer can afford what you're approving. And I will
24 tell you they cannot afford a half-a-billion-dollar rate
25 increase. Thank you very much.

1 (Applause.)

2 **COMMISSIONER ARGENZIANO:** Mr. Chair.

3 **CHAIRMAN CARTER:** Commissioner Argenziano.

4 **COMMISSIONER ARGENZIANO:** Yes. First, just
5 let me, let me do this, because I don't think you
6 realized you did this, with all due respect. Senator
7 Fasano is not just the Majority Whip, he is the Senate
8 President Pro Tem. The next -- the second man in
9 charge, so I want to give him the credit he is due.

10 **CHAIRMAN CARTER:** Thank you, Commissioner.
11 Senator, I apologize, and I considered myself as being
12 up to speed.

13 **COMMISSIONER ARGENZIANO:** That's okay. That
14 was just an innocent mistake.

15 But to Senator Fasano, thank him for always be
16 an extreme advocate, I mean, just a great advocate for
17 his constituents.

18 **CHAIRMAN CARTER:** Thank you. Also --

19 (Applause.)

20 **COMMISSIONER ARGENZIANO:** Senator Fasano, I
21 just have, if I could just touch base on a couple issues
22 that I had concern with, and not related to the fairness
23 of the matter. I'm not speaking to the rate.

24 I've heard a lot of people during the service
25 hearings who were very pleased with the community

1 service that the company gives, and that's to be
2 applauded. We think they are a good corporate citizen.
3 I've had great concern, and expressed it at each
4 meeting, much to the chagrin of some people, even some
5 of my fellow Commissioners, that I was afraid we were
6 dealing with issues that didn't pertain. Contributions
7 are wonderful, but they didn't pertain to the rate
8 increase. And I don't -- and just to reiterate what you
9 said about people in the audience, that we lost a lot of
10 people who came to talk specifically on whether they've
11 got good quality of service or whether they were opposed
12 or for the rate increase, which we are here today for,
13 but speak on the contributions, and many of the people
14 who didn't get the opportunity to come earlier left.
15 And I've asked people in the audience to please stay and
16 speak pertaining to the rate increase.

17 And, Senator Fasano, lastly, you know, I'm in
18 a unique position as being a past legislator and now
19 sitting on the PSC, and you've spoken with me, not on
20 particular dockets, but I'd love to be able to continue
21 the conversation with you on some of the changes that I
22 think, we think that you might be able to help
23 legislatively with. So I thank you for coming today and
24 look forward to speaking to you (inaudible) today.

25 **CHAIRMAN CARTER:** Thank you, Commissioner.

1 Next we'll have a representative from the
2 House of Representatives, Representative John Legg.

3 **REPRESENTATIVE LEGG:** Thank you. Am I on?
4 Thank you. I'm going to be very, very brief, because I
5 think you're here to hear from the people, the people of
6 Pasco County, not just elected officials.

7 But I want to make a couple of points. And
8 I'm not going to just reiterate the 12.5 percent rate of
9 return that no one in this audience is receiving right
10 now on any of their investments. It's not that -- I'd
11 like to just highlight that fact, that it's excessive.

12 But one point that I wanted to just hit on
13 very clearly is this concept of it being in the base.
14 And what do I mean by that? When I was a young person
15 growing up in Hudson, a hot July afternoon, my father
16 being a plasterer, and in this economy back in the '70s
17 and '80s he was often out of work, would come home and I
18 would come home wanting to turn the air down, get it
19 down to 78, 77, 76 degrees. My mom would come to me and
20 say, "You can't do that." "Why can't you do that?"
21 "Well, because we can't afford the electric bill."

22 Well, the difficult thing about this is I
23 can't tell individuals, "Don't lower your temperature
24 because it's going to cause your electric bill to go
25 up." Your electric bill is going to go up regardless.

1 It doesn't matter upon consumption, it doesn't matter
2 that they conserve, it doesn't matter that they are
3 frugal with their electricity. The bottom line is,
4 they're going to go without. They can't just shut off
5 their air anymore because their rate will go up.

6 And I've had several calls from individuals
7 who basically said in our county that they simply shut
8 off their air. Now what will they do when the rates go
9 into effect? I'll conclude, because you need to hear
10 from the constituents and not us.

11 From a constituent who did ask me to speak on
12 his behalf, and I ran into him the other day at Publix,
13 and I jotted it down, jotted it down. Actually I ran
14 into him the other evening, and he asked me to reiterate
15 something because he couldn't make it here. He said,
16 "Representative, can you send a message for me?" He
17 says, "In this day where I'm paying high, the highest
18 homeowners insurance in the State of Florida, where my
19 water rates are going up, where my property taxes are
20 going beyond belief, where I'm paying for almost three
21 bucks a gallon of gas," and I won't use the expletive
22 that he used, "and where those blank fireworks are
23 keeping me up all night long, can you do me a favor?
24 Can you cut a guy a break?"

25 And what I would ask the PSC to do is please

1 cut the guy a break in Pasco County, and I'm sure you'll
2 hear from them and other situations they're going
3 through. Thank you.

4 (Applause.)

5 **CHAIRMAN CARTER:** We do have some empty
6 chairs, for those of you that want to sit. They're over
7 to my right. There's some up front. It's okay to be
8 neighborly.

9 Next, we have next with us from the House of
10 Representatives, Representative Peter Nehr.
11 Representative, do you wish to speak?

12 **REPRESENTATIVE NEHR:** The Representative would
13 like to give up his time to the people of Pasco County.

14 (Applause.)

15 **CHAIRMAN CARTER:** Thank you very kindly.

16 We have Ms. Marilyn De Chant from the --
17 representing the -- Commissioner Jack Mariano from
18 the -- Pasco County.

19 **MS. DE CHANT:** That is correct.

20 **CHAIRMAN CARTER:** Did I get your name right?

21 **MS. DE CHANT:** Yes. My name is Marilyn
22 De Chant. I'm a citizen of Pasco County and of New Port
23 Richey, Florida, where we are right now. I am here,
24 however, representing our Commissioner Jack Mariano, who
25 is out of town. And since he and I are working with

1 some other folks on a relatively new committee seeking
2 alternative sources for energy supply, he has asked me
3 to speak for him.

4 This is not going to be addressing directly
5 perhaps the additional costs being spoken about and
6 being added to the bills, but it is something that we
7 all need to think about, whether individual, whether
8 business, government, Progress Energy and the PSC.
9 Okay. I begin speaking on the behalf of our
10 Commissioner.

11 **UNIDENTIFIED SPEAKER:** You'll have to talk
12 much louder.

13 **MS. DE CHANT:** Where is the mike? Is this the
14 mike that I'm supposed to --

15 **CHAIRMAN CARTER:** That's the mike.

16 **MS. DE CHANT:** Okay. All right. Progress
17 Energy has real concerns about dealing with peak demand.
18 Our citizens, especially our seniors, have real concerns
19 about helping to pay for a nuclear plant that may or may
20 not benefit, they may or may not benefit from.

21 I do believe -- and this is Mr. Mariano
22 speaking -- I do believe there is a better way to
23 approach this issue. It has been said that the sun
24 provides more energy, enough energy to supply five times
25 the world's energy demand. Solar hot water heaters are

1 accepted to be the most effective investment a citizen
2 can make in using solar energy. Utility companies
3 agree. Electric on-demand hot water heaters are a
4 tremendous amount -- use a tremendous amount of energy
5 at peak demand. Eliminating these devices would be a
6 good idea. Swapping out these devices with either gas
7 tolerant hot water heaters or solar hot water heaters
8 would even be better.

9 However, solar hot water heaters would be the
10 best alternative because it is a renewable energy, gas
11 is not. Instead of customers having to pay an increase,
12 wouldn't it be a better idea to install a solar hot
13 water heater for the citizens and let them keep paying
14 the same amount of money per month for the electrical
15 use, and then use that energy savings to pay for the
16 unit? This would save the citizens the rate increase
17 being requested and reduce peak demand.

18 Now we know that cold winter mornings are a
19 peak demand time. For those persons on this special
20 financing and using the solar hot water heaters, a
21 condition could be made that on those peak demand
22 situations they may be limited in the amount of energy
23 they can use. This technology is currently being used
24 and could be expanded. It could be a classic win-win
25 situation for all.

1 And also photovoltaic or solar cells that are
2 used for the conversion of sun energy, photovoltaics is
3 a great way to approach this peak time. Cold weather
4 has very little impact on their productivity. If many
5 homes had this technology, these solar cells could help
6 dramatically in this peak demand period.

7 This is a time to look at what is best for the
8 citizens, our state and our country, not just the
9 investors' income. This approach will benefit everyone,
10 and it is time to ask the PSC to make the best choice
11 available.

12 On behalf of Commissioner Jack Mariano of
13 Pasco County, I thank you for your time.

14 (Applause.)

15 **CHAIRMAN CARTER:** Thank you.

16 We have Commissioner Ann Hildebrand,
17 Commissioner of Pasco County.

18 **COMMISSIONER HILDEBRAND:** I'm just here to
19 listen. Thank you.

20 **CHAIRMAN CARTER:** Thank you so kindly.

21 (Applause.)

22 And from the City of New Port Richey, our host
23 today, Ms. Judy DeBella Thomas. Did I get -- is she
24 here?

25 Okay. Welcome to New Port Richey.

1 Mr. Kelly.

2 **MR. KELLY:** I'll call two names out so that
3 you'll know who the next name will be and can be ready
4 to come up, or if you want to start making your way up.

5 The first speaker will be Rick Simmons,
6 followed by Carole Hanan.

7 **CHAIRMAN CARTER:** While you're getting up to
8 come, I did mention earlier, representing the Office of
9 the Governor, Mr. Jack Shreve. Jack, would you stand up
10 so people can see you.

11 (Applause.)

12 Jack served as the Public Counsel for the
13 State of Florida for over 25 years, and the Governor has
14 brought him on board to stay on top of a lot of these
15 energy issues. And we're fortunate to have Jack with us
16 today. Thank you, Jack.

17 **MR. SHREVE:** Thank you, Mr. Chairman.
18 Whereupon,

19 **RICK SIMMONS**
20 was called as a witness on behalf of the Citizens of the
21 State of Florida and, having been duly sworn, testified
22 as follows:

23 **DIRECT STATEMENT**

24 **MR. SIMMONS:** Can everybody hear me okay? My
25 name is Rick Simmons. I'm from Holiday, Florida,

1 2241 Roselawn Drive.

2 I would like to open by thanking the Inspector
3 General, Steven Stolting, and the Public Service
4 Commission, Nancy Argenziano, excuse me, Argenziano,
5 Lisa Edgar, Matthew Carter, Katrina McMurrian and Nathan
6 Skop, also known as the Progress Energy Service
7 Commission. Their motto is to give Progress Energy
8 whatever they want.

9 (Applause.)

10 We're here to fight their abnormal decisions
11 that they've made in the past. And to me they're very
12 disappointing, and they're taken over by the magical
13 powers of Progress Energy when they wave their wand.

14 They've guaranteed Progress Energy a
15 10 percent profit, per the June 1st, '09, article of the
16 *Citrus County Chronicle*. And I tell you, we the people
17 must stop this money grabbing.

18 Since January '07 to April '09, my own
19 electric bill just to April '09 has gone up 23 percent.
20 If they add the new July effect of \$4.88, which has
21 already going into effect, and the \$9.30 proposed in
22 2010, in three years that will be a 35.5 percent
23 increase. And if you want to, you can do the math.

24 This also includes the reduction in our bill
25 we had for 90 days. And may I add that Progress Energy

1 asked for a raise in March of '09 before the April '09
2 reduction even took effect.

3 My next beef is with the illegal collection of
4 money and banking it with interest for the proposed
5 power plant.

6 (Applause.)

7 They've declared -- they declare this the
8 clean energy of the world, but you all know about the
9 accident in Chernobyl. It only takes one. I don't know
10 what happened to the shareholders, I don't know what
11 happened to floating bonds to pay for this. All's I
12 want to know is if we pay for this, do we get a refund
13 if it's not built, with interest?

14 (Applause.)

15 **UNIDENTIFIED SPEAKER:** Some of us will be
16 dead.

17 **MR. SIMMONS:** In Florida, this is the only
18 state I know where the customer is forced to pay for the
19 company's power plant and then buy back the electric
20 too. We have the electric -- we have the technology to
21 go solar and wind power. I don't know why we can't put
22 these millions of dollars into solar or wind power.

23 (Applause.)

24 On your across-the-board summary of schedule
25 charges, it says that you're asking for permanent

1 relief. I take that to mean that you're not going to
2 ask for any more increases. Your service charge per
3 customer is \$8.03 a month. You want to increase that to
4 \$13.21 a month. That's a 64 percent increase. If you
5 go by the \$1.6 million, excuse me, 1.6 million
6 customers, that's \$12.848 million per month. If you get
7 the raise you want, it's \$21.136 million a month, for a
8 total of \$253.632 million a year just to be connected to
9 your wires.

10 On your fuel charges, you state that you don't
11 make any money on these fuel charges, but as a company
12 as big as you are, you do have the power for leverage to
13 get the best price, whether it be coal, oil. And I just
14 want just to say I don't think you're really negotiating
15 the lowest price. And it seems to me you're just
16 turning around, and we'll get it from the customers,
17 they'll give it to us.

18 Also --

19 **CHAIRMAN CARTER:** Sir, are you close to
20 winding up? We do want to hear from everyone, but we
21 don't want any one person to monopolize the time because
22 we've got a lot of people here that --

23 **MR. SIMMONS:** Okay. Well, I know. We
24 started -- I was number one on the list right there and
25 I heard from ten other people before that.

1 Okay. One more thing. Okay? I'll make it
2 short. Just to end this, we are the people, we're fed
3 up with your steamroller attitude. We're not taking
4 your increases any time you want them. And the PSC must
5 start working for the people, not for Progress Energy.

6 (Applause.)

7 And I just want to say, do not approve the
8 \$500 million increase. Thank you.

9 (Applause.)

10 **CHAIRMAN CARTER:** Thank you.

11 **MR. KELLY:** Carole Hanan, followed by Michael
12 Compolongo.
13 Whereupon,

14 **CAROLE HANAN**

15 was called as a witness on behalf of the Citizens of the
16 State of Florida and, having been duly sworn, testified
17 as follows:

18 **DIRECT STATEMENT**

19 **MS. HANAN:** I live in Holiday, Florida, and --

20 **CHAIRMAN CARTER:** Pull it a little closer to
21 you. Just move a little closer to the microphone.
22 There you go.

23 **MS. HANAN:** I live in Holiday, Florida, and
24 I've been here 15 years. I lived in a home for 12
25 years, in a much larger 1,700-square-foot home. And the

1 last four years I downsized and I'm in a
2 12,000-square-foot home, and my electric bill -- 1,200.
3 I'm sorry. No, not 12,000. 1,200.

4 (Laughter.)

5 And my electric bill has doubled, and I can't
6 understand it. I've had Progress Energy come out and
7 they have done an evaluation, and I did every single
8 thing that they asked me to do to cut my electric bill.
9 I had attic insulation put in, the hurricane windows,
10 and went to the levelization program and the wonderful
11 Pasco County grant program that they have here. And I
12 thank you and appreciate that. And in spite of all of
13 that, my electric bill is the same.

14 And I oppose the nuclear plant payment that's
15 going to be delayed for two years. I don't believe we
16 should pay it.

17 Mr. Fasano, I agree with everything he said
18 for the recovery of depreciation cost. I believe it
19 should be given back to the customers.

20 I do have a question. I don't know why we're
21 paying a customer service charge of \$30. And the other
22 issue I have is we're paying a fuel charge. Why can't
23 the fuel charge come out of your operating expense or
24 your profits?

25 (Applause.)

1 Why are us customers paying for the fuel
2 energy charge? Why are we paying for that? And I'd
3 like some answers for that.

4 I can't read my writing. Oh, and another
5 question is -- I don't know if this will help anyone or
6 if anyone has an answer. I heard now that they tell me
7 I need a humidistat, a humidistat connected to my air
8 conditioner to take the humidity out of the house.
9 Maybe that will reduce the electric bill. But I just
10 can't seem to get my electric bill reduced in here. We
11 keep getting more and more rate increases and we're on
12 fixed incomes. There's a lot of senior citizens, I see
13 the majority of the room, I believe, you know, our
14 senior citizens and we're on fixed incomes and we cannot
15 afford these rate increases.

16 And with the Public Service Commission reports
17 that I've just heard, I believe that you're asking, you
18 know, for the estimate prices of, and that makes up for
19 that rate increase, and I just think it's unfair.

20 (Applause.)

21 **MR. KELLY:** Michael Compolongo, followed by
22 Roslyn Linnen or Linnen.

23 Whereupon,

24 **MICHAEL COMPOLONGO**

25 was called as a witness on behalf of the Citizens of the

1 State of Florida and, having been duly sworn, testified
2 as follows:

3 **DIRECT STATEMENT**

4 **MR. COMPOLONGO:** Yes. My name's Michael
5 Compolongo. I reside in New Port Richey.

6 I'm not going to get into the statistics.
7 We've been all over that right now. What I want to do
8 right now is welcome all the honorable people here, the
9 honorable people. You are the government. We the
10 people are the voice. Not just at the state, local
11 level, but at the federal level. This is just one
12 battle and we will win. My motto is for God, for
13 country, for a better world. Not one world, a better
14 world.

15 (Applause.)

16 I would like to quote several quotes from our
17 founding fathers. First is Patrick Henry. "For when it
18 is the people that forget God, tyrants forge their
19 chains."

20 The next quote from two of our founding
21 fathers, Thomas Jefferson and Benjamin Franklin.
22 "Rebellion against tyrants is obedience to God."

23 Now I wish to make a statement. We the
24 people, we the people today came through these doors.
25 We've seen errors. We've seen mistakes. We are here to

1 correct these mistakes. Okay?

2 President John F. Kennedy stated, "A mistake
3 does not become an error unless it remains uncorrected."

4 We the people will not allow any more of these
5 mistakes to become errors. They will stop now.

6 (Applause.)

7 As I mentioned, I'm a person, but I'm going to
8 reference one of my mentors, Robert F. Kennedy, who
9 stated, "Let no one man be discouraged, no person be
10 discouraged that their voice does not make a difference.
11 For when one person stands up for an ideal or betters
12 the lot of others, it creates a ripple."

13 I hope I can create the ripple today, and that
14 you all, when you all come up, that you, every one of
15 you who will come up will create the mighty current that
16 will sweep down these mighty walls of oppression and
17 resistance. To Robert F. Kennedy -- and let us have the
18 spirit of youth that he believed in -- it's a state of
19 mind, the spirit of youth. It's not an age. It's a
20 spirit of youth, of energy and vision. This country
21 needs energy. We must seek God, we must serve our
22 country, and we must seek a better world, not a one
23 world.

24 And I say to Progress Energy, to all of you,
25 seek your money from the federal government.

1 (Laughter.)

2 Seek your federal -- seek your money from
3 Obama and all his czars. He has 22 czars. He has an
4 energy czar. The trillions. Okay. The trillions.

5 **UNIDENTIFIED SPEAKER:** Sit down.

6 **MR. COMPOLONGO:** Excuse me. Quit being, quit

7 --

8 **CHAIRMAN CARTER:** Mike, would you speak into
9 the microphone? She's transcribing. I have a
10 Commissioner on the phone, so if you'd speak into the
11 microphone.

12 **MR. COMPOLONGO:** That's fine. That's fine.

13 But I direct that the people are tired of
14 being scapegoated upon, that seek your relief from the
15 federal government, who has introduced all this
16 legislation. The people are not in the business to
17 build power plants or to upgrade power plants due to
18 carbon emissions.

19 So I call upon the Public Service Commission
20 not to lay deaf ears and not to be blinded as in the
21 past, and I ask for the public servants to serve the
22 people. We are the people. You work for us. We are
23 the people and you work for us. Not -- do not let any
24 Representative disregard that or be comfortable in their
25 seats. That's all I have to say.

1 (Applause.)

2 **CHAIRMAN CARTER:** Roslyn Linnen, followed by
3 Eugene Pool.

4 Whereupon,

5 **ROSLYN LINNEN**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. LINNEN:** Good afternoon, honorable
11 Commissioners, the legislators and everyone from the
12 public that's here.

13 I'd like to address the Commission because I'd
14 like to say that I would like to ask you to not approve
15 the increase of 31.5 percent because we are on a fixed
16 income and because of the increases just throughout life
17 today with the economic crisis. We cannot afford it,
18 and I cannot afford it, and I know there are people in a
19 worse position than I am.

20 I have gotten from my retirement system a
21 letter that stated I was going to get a cost of living
22 increase, and I was pretty happy about that. But it
23 turned out that what I thought would be my increase per
24 month was an increase for the year. So really it does
25 not even cover the increase of 31.5 percent, let alone

1 the increase of food, the increase in gas, the increase
2 in my maintenance. It just doesn't cover it. So when
3 we say that we are on a fixed income, even with the cost
4 of living increase it's just not enough.

5 So I'm asking you, please, will you consider
6 that this should not be passed. This 31.5 percent is
7 too much for people that are retired. Thank you.

8 (Applause.)

9 **MR. KELLY:** Eugene Pool, followed by Lillian
10 Deso or Deso.

11 Whereupon,

12 **EUGENE POOL**

13 was called as a witness on behalf of the Citizens of the
14 State of Florida and, having been duly sworn, testified
15 as follows:

16 **DIRECT STATEMENT**

17 **MR. POOL:** Honorable Commissioners, good
18 afternoon. For the record, my name is Eugene Pool. I'm
19 a customer of Progress Energy.

20 **CHAIRMAN CARTER:** Pull it up, the mike, just
21 pull it over to you just a little closer.

22 **MR. POOL:** Here? All right. Short guy.

23 I live in -- at 1336 Waterwood Drive in Lutz,
24 Lands of Lakes. I'm also the AARP Volunteer District
25 Coordinator of Advocacy for this area.

1 My job for AARP is to protect and promote the
2 rightful interests of the citizens of this state through
3 nonpartisan advocacy for the elderly, those who are
4 approaching their senior years, those that hope to
5 survive and enjoy a reasonable quality of life when they
6 get there, those that are needy, sick, disabled and/or
7 oppressed by powerful leaders and institutions who
8 cannot or will not see their suffering and their
9 limitations.

10 I ask you to think of them as I speak for
11 myself. This is not, my talk is not about numbers.
12 It's about people. This is not the time to further
13 burden the oppressed and even -- with even more
14 financial demands by a stoic, monopolistic
15 investor-owned utility. Those that read, hear, think
16 and care can detect the air of arrogance here. It's a
17 good company. They're making a bad mistake.

18 We read more and more people who simply cannot
19 keep up having their utility services terminated,
20 leaving them with no lights, no water, no air
21 conditioning, no refrigeration and virtually no hope.
22 The utility powers shrug and say that these destitute
23 customers should make wiser use of their vital services
24 by cutting back and sacrificing a respectable quality of
25 life. I say let the utility company sacrifice. Let

1 them live with the risks that we live with and that
2 these people that I speak of live with every day.

3 I've read your published Commission goals.
4 You have inherent divided loyalties. But I suggest that
5 of these goals your highest calling is your fiduciary
6 duty to, quote, provide appropriate regulatory oversight
7 to protect consumers, end quote. You are all we have
8 between the power consumer and the power provider.

9 I respectfully request and ask that you deny
10 the basic rate increase requested by Progress Energy.
11 Thank you.

12 (Applause.)

13 **MR. KELLY:** Lillian Deso or Deso, followed by
14 Elaine Geyer or Geyer.

15 Whereupon,

16 **LILLIAN DESO**

17 was called as a witness on behalf of the Citizens of the
18 State of Florida and, having been duly sworn, testified
19 as follows:

20 **DIRECT STATEMENT**

21 **MS. DESO:** Yes. Hello. Lillian Deso. I live
22 at 7614 Gulf Highlands Drive in Port Richey.

23 I'm one of those that are in their early 60s
24 and I do get my Social Security. They tell me I can
25 only work part-time. But when it's gotten to the point

1 where I can only work part-time, I either have to walk
2 or go take the bus because of my blindness. And trying
3 to maintain a house, even with a friend living with you,
4 is getting very, very hard because, besides the house,
5 you're trying to -- I put curtains on the wall to keep
6 the heat out. I've had -- my windows have been done.
7 I've had them all out. I've had my ductwork just
8 replaced and everything. I've been on budget since you
9 were Florida Power.

10 So it's -- right now I'm at the point of it's
11 \$138 a month just being on budget, and I've done
12 everything possible I can in the house. And if you make
13 an increase, where Social Security tells me I can only
14 make \$850 a month to pay my mortgage, try to pay you, I
15 have a feeling that over some time that I would be
16 filing bankruptcy. And whose fault would that be? If
17 we want to keep our electric, we have to pay that bill.
18 My mortgage, I still have to make that payment.

19 So what I would like to say is none of us, any
20 of us around here that has only fixed incomes, our
21 Social Security, a little bit of a mortgage payment
22 takes it away from us. So I appreciate it if you'd tell
23 them no, no increase on this one.

24 (Applause.)

25 **CHAIRMAN CARTER:** Thank you.

1 **MR. KELLY:** Elaine Geyer, followed by Paul
2 McClintock.
3 Whereupon,

4 **ELAINE GEYER**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MS. GEYER:** Hi. Thank you. My name is Elaine
10 Geyer. I live in Holiday, 3328 Coldwell Drive. I
11 really am going to make it short because my grandson is
12 making his own energy source here, and I think we need
13 to get him out.

14 But I wrote a couple of things down on the
15 back of a Progress Energy letter. There's several
16 reasons why I think that this is ridiculous. This is
17 the third rate request they've asked for within a year's
18 period of time. They no sooner give us one back, then
19 they're taking more. In January of '09 they wanted
20 25 percent, and the only reason that they dropped some
21 of that was that they were -- the public outcry forced
22 them to take some of it back. And then since July we're
23 getting another increase, and now they want another one.
24 They want an increase next year and they don't want
25 their profit to change.

1 The monopoly that we all know that they are
2 prohibits any competition. We can't take our business
3 elsewhere if we're unhappy with the product and the
4 service. Progress Energy is the only game in town.
5 It's them or the Dark Ages.

6 Many areas of Pasco now have a choice in cable
7 providers, and cable providers have had to sit up and
8 take notice because they know the customers can go
9 elsewhere. But we don't have that choice. And in the
10 economy that we're living with now, most businesses have
11 accepted the fact, even if reluctantly, that for the
12 foreseeable future their profits will be down. It seems
13 that only the oil industry and Progress Energy think
14 that their profits to the shareholders and their
15 salaries should remain unaffected. Who does that?

16 Let me tell you about my financial picture. I
17 live on Social Security disability. I'm raising a
18 grandchild -- not this one. I have another one at home.
19 His parents are deceased. Now we Social Security
20 recipients have been told that for the next two years we
21 will receive no COLA increases. Our income is not going
22 to go up at all. And, in fact, in three years when my
23 grandson that I'm raising is 18, I will lose the money
24 that I get to support him.

25 And let me tell you about my electric usage.

1 I keep my air conditioner around 80 degrees. 80 at
2 night. I turn it off. My family is continually angry
3 with me. But my bill went up \$80 from last month just
4 for nothing.

5 And no matter how much we conserve, the bill
6 keeps going up. And don't tell us that there are places
7 we can go to for help. Because the places that you can
8 go to for help, by the first of the month, all the money
9 that they're giving to help people, it's gone.

10 (Applause.)

11 What we need is for the Public Service
12 Commission to realize that people cannot take it
13 anymore. We need to put a stop to the continuous rate
14 increase requests, as we are all doing -- until we are
15 all doing better financially. It's time that we're able
16 to stop choosing whether to buy food or to pay our
17 electric bill. Public Service Commission, we need your
18 help. Thank you.

19 (Applause.)

20 **MR. KELLY:** Paul McClintock, followed by
21 Sharon Hughes.
22 Whereupon,

23 **PAUL MCCLINTOCK**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. MCCLINTOCK:** Good afternoon, members of
4 the Commission. It's my pleasure to be here. I'm Paul
5 McClintock. I live in New Port Richey.

6 And it's almost like watching an episode of
7 the magic -- the Masked Magician, because everybody is
8 talking but nobody is saying the real McCoy, the real
9 McCoy being we want to build a nuclear plant. Am I
10 correct? This is what this is all about, but now we're
11 talking about base rates and everything else. This is
12 all smoke and mirrors as far as I can see.

13 Now we all live on a fixed income. I have a
14 retirement. My wife is a state employee. You know
15 that's a fixed income. And we have a plan. We plan on
16 leaving Florida. We love Florida, we've been here for
17 30 years, but the time has come.

18 And now this is to Progress Energy. We are
19 scheduled to move from Florida to Tennessee in January
20 of 2013. We will have paid into a system for three
21 years that will not be completed in time to benefit us,
22 and many others by attrition. Will Progress Energy be
23 willing to put my collected funds in an interest-bearing
24 escrow account and return it to us upon leaving the
25 service area?

1 (Applause.)

2 And if not an escrow account, then would that
3 mean that a class action suit would be the proper way to
4 proceed? I wish you all luck.

5 (Applause.)

6 **MR. KELLY:** Sharon Hughes, followed by
7 Frederick Tomaski.

8 Whereupon,

9 **SHARON HUGHES**

10 was called as a witness on behalf of the Citizens of the
11 State of Florida and, having been duly sworn, testified
12 as follows:

13 **DIRECT STATEMENT**

14 **MS. HUGHES:** My name is Sharon Hughes and I
15 live in Holiday, Florida.

16 And I'd just like to say that, like everybody
17 else here, we're living on a fixed income. We recently
18 had to purchase a new air conditioner, which is now
19 energy efficient. But you can't afford the air
20 conditioning to turn it on, so it doesn't do you too
21 much good.

22 I think that everybody that's up here needs to
23 realize that we're not all as fortunate as the people
24 that get into public office that don't have to worry
25 about increases. We do, and I think it's time that

1 somebody stands up for us. Thank you.

2 (Applause.)

3 **MR. KELLY:** Frederick Tomaski, followed by
4 Judith Tilton.

5 Whereupon,

6 **FREDERICK TOMASKI**

7 was called as a witness on behalf of the Citizens of the
8 State of Florida and, having been duly sworn, testified
9 as follows:

10 **DIRECT STATEMENT**

11 **MR. TOMASKI:** My name is Frederick Tomaski. I
12 live at 5147 Worth Court, New Port Richey, Florida.

13 First I'd like to thank Senator Fasano for
14 mustering all these people to come out here today.

15 (Applause.)

16 Next, Mr. Kelly, I'll do as you said. I'm
17 going to speak from the heart, but rather I should be
18 speaking from the waistline because all I hear about is
19 tightening our belts. Tighten your belt so you don't
20 make so many trips with your car because we don't
21 have -- we can't afford the gas anymore. Tighten the
22 number of times that you go to the doctors because you
23 can't afford to pay the copay all the time.

24 (Applause.)

25 Buy generic foods. You don't have to buy the

1 best anymore. You can't afford it.

2 How can we afford another rate increase from
3 Progress Energy? I've been here for 39 years and I've
4 been under Withlacoochee Power, I've been under Florida
5 Power. But I have never ever had all the increases that
6 Progress Energy has asked for and has been given. It's
7 about time that they're stopped.

8 And we have taken a freeze on our pensions,
9 both Social Security, and probably 90 percent or more of
10 the people here receive Social Security. Two years
11 we're frozen. And as a federal employee -- a federal
12 retiree, I was frozen also with that for two years. I
13 suggest probably Progress Energy freeze their rates for
14 two years.

15 (Applause.)

16 When they need more money, come back when the
17 economy is, is improved. This is ridiculous asking us
18 to pay for a nuclear power plant that they're going to
19 use, their investors are going to make money off of, but
20 what are we going to get? We get the privilege of
21 paying for it.

22 **UNIDENTIFIED SPEAKER:** Twice.

23 **MR. TOMASKI:** Twice. And then we also have to
24 pay for the power that comes out of that thing. So
25 we're not getting ahead here. They are, but the public

1 isn't. And certainly us who have to pay the power rates
2 are not getting anything for our money. Thank you.

3 (Applause.)

4 **CHAIRMAN CARTER:** Thank you.

5 **MR. KELLY:** Judith Tilton, followed by -- I
6 apologize. I'm butchering these names, I know. Howie
7 Beilfus.

8 **UNIDENTIFIED SPEAKER:** You're close.

9 Whereupon,

10 **JUDITH TILTON**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MS. TILTON:** Hello. I want to thank you for
16 having this opportunity to address the Commissioners.

17 **CHAIRMAN CARTER:** Get a little closer to it.

18 **MS. TILTON:** I want to thank you for having
19 the opportunity to address you today.

20 I'm here representing Connections Job
21 Development Program. We're a nonprofit program based in
22 New Port Richey since 1991, and we work with unemployed
23 and underemployed individuals from throughout the
24 county.

25 I'm not going to talk about whether the base

1 increase is the right thing or the wrong thing, but
2 rather the reality of the fact that people just simply
3 don't have the additional money, and that's really why
4 I'm asking you to deny it, because the money isn't there
5 for people.

6 As you can imagine with the current
7 unemployment rate, which is 12 percent, Pasco County has
8 the seventh highest unemployment rate in the State of
9 Florida, followed by Hernando County, which is just
10 directly north of us, as the number two highest in the
11 state, the unemployment rate, we're seeing the effect
12 every single day in our office. We had the same -- for
13 January 1st through June 30th of 2009 we had about 750
14 new people come through our program looking for help
15 with their job searches. The same time period in 2008,
16 we had 350 people.

17 When you have that many people, they're coming
18 in to see us and they're unemployed, but also their
19 situations have become more dire by the time that they
20 get to us for help. And so what we're seeing is that --
21 that's the part that I want to share, is the situations
22 that people are in right now, and I want you to be aware
23 of those situations. Because there are people being
24 placed into new jobs, but the time that it's taking for
25 people to get employed, the top tier employees, it's

1 taking them much longer than in the past. And even with
2 unemployment benefits being stretched, by the time
3 people get jobs, they're already so far behind on their
4 bills and they're so far stretched that they're barely
5 making it at the point that they get a job.

6 As someone who is charged with running a small
7 business, I can tell you that I lay awake at night
8 worried about how to make our meager revenues stretch to
9 meet the growing needs. So I can understand from a
10 business perspective that these are complex issues that
11 we're dealing with. But I feel that I have to share
12 with this Commission the fact that a base rate increase
13 at this time will have lasting and detrimental effects
14 on the people and the residents of our county and the
15 people in the area.

16 It is not simply a matter of what Mr. Glenn
17 said, which is that people don't want to pay an
18 increase. It's a matter of fact that they cannot pay
19 the increase. The unemployed and underemployed cannot,
20 simply cannot manage that. Daily I am working with
21 people who are struggling to keep the lights on as it
22 is. These are good people, they have skills, they want
23 to work. I had a gentleman call me, a professional. He
24 got a job interview. The interview was going to be
25 45 miles one way from his house. He wanted to know if

1 we could assist with filling his car with gas so that he
2 could get to the interview so he could get a job.

3 That \$25 for an increase in the rate, that's a
4 tank of gas for those people. So it's a very real
5 amount of money for people who are struggling in very
6 real ways. I have people who have gotten their
7 telephones, they've had to let the telephone get
8 disconnected. And, again, they come to my office to
9 call potential employers to set up appointments, because
10 how can employers reach them if they don't have a
11 telephone?

12 The people we work with are from all different
13 backgrounds, all different education levels. I have a
14 Ph.D. biology professor who was laid off from USF, and a
15 United Airlines pilot who was laid off who have come to
16 our office looking for help. There are realtors, and
17 anyone involved in the building industry, of course,
18 that have come through, and people who are homeowners.
19 And more and more in the last year we're seeing a
20 growing number of retirees or previously retired
21 individuals who thought they would be retired by age 62,
22 and they're not able to do that right now.

23 I had a gentleman last week that came in for
24 help. He's 62, he was a salesman, he's worked for
25 himself, had his own business, very successful. He's

1 realizing now it's not adding up. He's got to go back
2 to work. I had a gentleman who is 84 years old who
3 works who came in -- he works part-time as a janitor at
4 a hospital. He came in so he can get another part-time
5 job.

6 This is the reality of the people that are
7 here. Whether an increase is right or not right, that's
8 the reality. It isn't there.

9 For each of these people, the \$25 or \$35 could
10 mean a tank of gas, going without a haircut, which seems
11 like something so basic that everybody should be able to
12 get, or for some people it's more like going without
13 breakfast for their children.

14 I urge this Commission to seriously consider
15 the impact an increase will have on the daily lives of
16 so many people in our community. These are difficult
17 times for government, for big businesses, for nonprofits
18 such as my own, for the thousands of unemployed people
19 in our county and for the people like myself who are
20 fortunate enough to have a job every day to be working.
21 But difficult times call for difficult choices, not easy
22 steps like just passing a base increase. And I urge you
23 to oppose this increase. Thank you.

24 (Applause.)

25 **MR. KELLY:** Howie -- I'll try this. Howie

1 Beilfus.

2 Whereupon,

3 **HOWIE BEILFUS**

4 was called as a witness on behalf of the Citizens of the
5 State of Florida and, having been duly sworn, testified
6 as follows:

7 **DIRECT STATEMENT**

8 **MR. BEILFUS:** Yes. Howie Beilfus of Holiday,
9 Tanglewood.

10 Now is an extremely bad time to raise prices,
11 especially with a recession going on like this. Also,
12 my Social Security tax is frozen, thanks to Washington.
13 Now I don't have that extra money to pay for your
14 increase. So please, Commissioners, don't go in the
15 tank for this company. Don't be like Gallagher did with
16 Citizens Insurance. Thank you so much.

17 (Applause.)

18 **MR. KELLY:** Ray Watson, followed by Ernest
19 Dwight Douglas.

20 Whereupon,

21 **RAY WATSON**

22 was called as a witness on behalf of the Citizens of the
23 State of Florida and, having been duly sworn, testified
24 as follows:

25 **DIRECT STATEMENT**

1 **MR. WATSON:** Excuse me while I stretch my legs
2 from sitting so long.

3 **CHAIRMAN CARTER:** I understand, believe me.

4 **MR. WATSON:** Good afternoon. My name is Ray
5 Watson.

6 **CHAIRMAN CARTER:** Get a little closer to it.
7 There we go.

8 **MR. WATSON:** My name is Ray Watson, and my
9 address is 7015 Bougainvillea Drive, Port Richey.

10 Thank you. I'd like to thank you for the
11 opportunity of expressing the opinion on behalf of the
12 Society of St. Vincent de Paul, which is a 177-year-old
13 charitable organization. We are both customers of
14 Progress Energy and we -- and the society provides
15 funding to help our clients pay their monthly electric
16 bills. Our help in the five counties of West Central
17 Florida is quite large and does take a significant chunk
18 out of our annual budget.

19 We believe that when you consider a rate
20 increase such as you have before you right now, it
21 should be viewed with the total concept of what the cost
22 of energy is to an individual home. Take into
23 consideration gas, phone, et cetera, electric. The
24 addition of surcharges on a monthly household bill for a
25 nuclear power upgrade will increase our clients' bill by

1 almost \$300 a year.

2 I also understand that the Commission is
3 considering an interim rate increase for Progress Energy
4 that will add between \$4 and \$5 a month on many bills.
5 This additional increase for the conversion, is for the
6 conversion of a power -- a Bartow power plant -- I'm
7 sorry -- from oil to natural gas. These rate increases,
8 along with the Commission's recent approval of
9 \$19.1 million for Peoples Gas on June 18th, will
10 increase the average gas bill by about \$2.82 a month,
11 for a yearly increase of about \$33 per household.

12 If you add these known factors -- oh, excuse
13 me. Recently the U.S. House of Representatives, as I'm
14 sure you are all aware of, sent a bill to the Senate for
15 their approval and tacking on a \$15 tax to the average
16 utility bill throughout the country to pay for cleaner
17 air.

18 You take all of these into consideration, the
19 nuclear power upgrades Progress Energy is requesting,
20 the conversion of the Bartow power plant, Peoples Gas
21 rate increase, which the Commission has approved, and a
22 tax on utility by the federal government, increases the
23 yearly bills for households to almost \$653, a monthly
24 increase of \$54.41.

25 In the five-county area of West Florida, the

1 St. Vincent de Paul Society is at the present time just
2 barely keeping up with the requests for help. The
3 increased number of our clients requiring assistance is
4 overwhelming to help pay for in part their monthly
5 electric bill. However, adding the aforementioned
6 increases that I just read off, we would find it most
7 difficult to continue servicing the number of clients we
8 are now handling. It simply would mean that we won't be
9 able to satisfy all the clients' needs. Some will not
10 get any aid in paying their monthly bills.

11 Florida's unemployment rate in May 2009 has
12 increased to 2-point -- excuse me -- 10.2 percent, the
13 highest since 1975, with nearly 943,000 Floridians out
14 of work in the Tampa Bay area. Some economists predict
15 a continuous growth in the unemployment rate in the
16 coming summer. Those Floridians still working are
17 noticing that they are making less money. The average
18 weekly earnings in June fell to \$611.49, the lowest in
19 nearly a year. Most people believe the unemployment
20 situation will continue to worsen, and we await the June
21 numbers that will be coming out on July 17th to bear
22 that statement out.

23 While we believe in updating coal plants to
24 natural gas and the increase of nuclear and wind power,
25 we must, however, consider at this time the economy and

1 ask ourselves a simple question: Can this rate increase
2 be postponed to a certain time when the economy gets
3 better? And I ask you to really consider that in your
4 deliberations.

5 I would also request you to consider whether
6 or not the deposits for turning on electricity by
7 Progress Energy are really bona fide. Why are they the
8 only business that are entitled to paying up front for
9 something that you may not pay in the rear (phonetic)?
10 The phone company doesn't charge that, and their losses
11 are no greater or no lesser than are Progress's. That
12 deposit charge prevents many poor and needy families
13 from moving into an apartment or a house because they
14 can't afford that tacked onto the one month's deposit
15 for the rent and another month's deposit for security.
16 So, please, do take that into consideration. Thank you
17 very much.

18 (Applause.)

19 **CHAIRMAN CARTER:** Thank you.

20 **MR. KELLY:** Ernest Dwight Douglas, followed by
21 Mary Ellen McGee.

22 Whereupon,

23 **ERNEST DWIGHT DOUGLAS**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. DOUGLAS:** Ladies and gentlemen of the
4 council, my name is Dwight Douglas. I live at 5364
5 Peacock Drive in Holiday. I'm a 90-year-old World War
6 II veteran.

7 (Applause.)

8 I have two parts to my words this morning.
9 First of all, I would like to explain to you why my
10 income, which is my Social Security and a small pension,
11 is very, very small. I started working in the early
12 1930s at 25 cents an hour. When I was married in '39, I
13 got an increase of \$20 a week. They took out 20 cents
14 for Social Security. I got another increase of \$100 a
15 month and a promotion. They took out a dollar of Social
16 Security. On through the years I got several
17 promotions, but they always took out 1 percent Social
18 Security. My highest income was \$12,000 a year, \$1,000
19 a month, and I had a good job with a high company in the
20 United States.

21 And that shows you why my Social Security was
22 not very -- is not very high today, because of only
23 1 percent Social Security. And back in those days there
24 wasn't much income, so they didn't pay big pensions. I
25 didn't receive a \$1 million or a \$2 million bonus at the

1 end of each year. I got a month's paycheck.

2 (Applause.)

3 When I retired in '78, I didn't get a
4 \$5 million bonus and about \$2 million or \$3 million in
5 stocks. I got an extra paycheck and a party and my meal
6 was paid for.

7 Today in Social Security they take out
8 \$96.40 every month for Medicare, and the wife gets half
9 that much, so they take out \$96.40 out of hers. So
10 that's the reason my income is very low. And when you
11 stop and think about gas, groceries, car insurance and
12 everything else that's gone up, it takes a big bite out
13 of everything.

14 The rest of my part now is hypothetical, and
15 I'm addressing this to the CEO of Progress Energy and
16 others who might be high up. Assuming that they had
17 worked the same years I did and were getting a little
18 over \$1,000 a month Social Security and half of that for
19 their wife, less the \$96.40 from each for Medicare,
20 along with all the other expenses of high car insurance,
21 gas, and et cetera, assuming that I owned a grocery
22 store in Pasco County exclusively, no one else could
23 operate a grocery store, so I had thousands and
24 thousands of customers, but I decided that I wanted a
25 new location and I needed a bigger building to add to my

1 inventory, so I decided that I was going to add 50 cents
2 to everything in my store. That didn't do his \$1,000
3 Social Security very much good.

4 And then along with the fact that they want to
5 build this new nuclear plant, I wanted a new building so
6 that I could increase my inventory and also have a
7 better location. And I should have gone to the bank
8 like most places that want to expand, but they don't
9 either. They want us to pay for it.

10 So what I did, I started charging everybody
11 \$5 a month just because they were my customers to pay
12 for my new building.

13 (Laughter.)

14 I don't think it made them very happy. Thank
15 you.

16 (Applause.)

17 **MR. KELLY:** Mary Ellen McGee, followed by --
18 Whereupon,

19 **MARY ELLEN MCGEE**

20 was called as a witness on behalf of the Citizens of the
21 State of Florida and, having been duly sworn, testified
22 as follows:

23 **DIRECT STATEMENT**

24 **MS. MCGEE:** Hi. I'm Mary Ellen McGee, and I
25 live at 6106 Best Drive, Port Richey.

1 I'm here because I want to oppose this. I'm
2 on Social Security disability. I am just now making it
3 with my bills. I do not use my air conditioner because
4 I can't afford it. I also have a machine at my home
5 that supplies me with my oxygen. If this bill goes up,
6 I cannot pay it. How do I get my oxygen? I can't
7 afford it. So I'm really asking you to oppose this.
8 Thank you.

9 (Applause.)

10 **MR. KELLY:** Judy, Judy Twardzik, followed by
11 James Kershaw.
12 Whereupon,

13 **JUDY TWARDZIK**

14 was called as a witness on behalf of the Citizens of the
15 State of Florida and, having been duly sworn, testified
16 as follows:

17 **DIRECT STATEMENT**

18 **MS. TWARDZIK:** Thank you, the public
19 Commissioners, for hearing us. Thank you to our
20 counsel. Please keep up the big, big fight. We need
21 you in there. It's something we can't do.

22 I would ask the Commissioners to please go
23 over Senator Fasano's remarks. He has given you good
24 statistics, statistics that the average person does not
25 have right at their fingertips. He can give you those,

1 and we are depending on him being our mouthpiece. So,
2 please, listen to him very, very carefully.

3 I'm Judy Twardzik. I live at 3416 Bainbridge
4 Drive, Holiday, Florida. I represent four houses and
5 three families: A working family that's not sure if
6 they're going to have a job tomorrow, because you know
7 the economy. A small businessman who is making ends
8 meet the best he can. He is, of course, raising his
9 customers as little as possible, but his inventory and
10 the things that he must buy keeps going up at a very
11 high rate. And the last household is our retired
12 family. My husband is 76. He's out working right now
13 part-time. The other people that I spoke for are at
14 work too.

15 I am a retired schoolteacher. When we set up
16 and planned our life so that we were not dependent on
17 the state and looking out for charity, we invested in
18 real estate. Well, you know what real estate has done.
19 I have lost -- we have lost over 33 percent of our
20 capital. Florida Power wants -- or Progress Energy
21 wants a 31.5 really insured rate for their income and
22 their equity? I'd like something like that instead of
23 going negative.

24 I lost my train of thought here.

25 **CHAIRMAN CARTER:** Take your time.

1 **MS. TWARDZIK:** Excuse me. We, we are, are
2 living on a pension and Social Security. We cannot have
3 any pass-through charges. Whatever charge comes in we
4 are responsible for. Please, deny Florida -- or
5 Progress Energy, Florida Power -- now you know how long
6 I've lived here, 40 years. Please deny Progress Energy
7 any increases. Even a 10 percent increase is going to
8 be too much on top of what the federal government is
9 putting on. And please do not postpone the increase,
10 because that is only going to create inflation, which is
11 going to be the result as we start coming out of this
12 terrible depression. So please do not make inflation
13 grow. And, please, just deny this. We cannot afford
14 it. They don't need it. We all are tightening our
15 belts, and they have to be responsible for doing the
16 same thing. Thank you again.

17 (Applause.)

18 **MR. KELLY:** James Kershaw, followed by Wil
19 Nickerson.

20 James Kershaw.

21 (No response.)

22 Wil Nickerson.

23 Whereupon,

24 **WIL NICKERSON**

25 was called as a witness on behalf of the Citizens of the

1 State of Florida and, having been duly sworn, testified
2 as follows:

3 **DIRECT STATEMENT**

4 **MR. NICKERSON:** Good afternoon, everyone. I'm
5 Wil Nickerson. I reside at 5714 Ivy Lane in Holiday.

6 I'd like to thank everybody who put this
7 together today. And all that I can say is wow. One of
8 the first speakers, I can't remember his name, made the
9 statement that Progress Energy has to vie for the best
10 investors they can get. To me that translates to we're
11 paying the highest percentage on investment. And I'll
12 tell you, the people behind me here that have come out
13 today, most of them probably lost most of their
14 investments to pay the highest premiums.

15 I'd also like to know what Progress Energy is
16 doing at the corporate level when everybody else is
17 suffering. What is the CEOs and all the rest of the
18 alphabet soup below them doing? Are they doing anything
19 about the salaries they get? How about bonuses? How
20 about the rest of the greed factor that's out there?
21 I'm sorry, folks, it's greed that's pushing these
22 increases.

23 (Applause.)

24 It seems every time we turn around we're
25 getting asked for an increase on our energy. Maybe it's

1 the perception of what we only get from the media and
2 all. I think some of us came today thinking that we
3 were not just talking about the bottom of that vial, the
4 base, but we were talking about the whole thing.

5 There's a lot of talk about the nuclear power plant and
6 funding that up front. As many people have already
7 said, as a business person, if I need to go out and
8 start a business, I can't charge my customers up front
9 for it. I have to go find the funding somewhere else.

10 The accountability of the corporation, not
11 just for their investors, to the people that are paying
12 and allowing their investors to make that money --
13 there's so many issues going on here.

14 Yeah, we're all hurting. And it isn't just
15 your \$30 a month that's going to hurt. It's that
16 trickle down. Businesses haven't been addressed out
17 here, very little, it's individuals. But the businesses
18 in this economy across the State of Florida, they're all
19 going to be hurting. They're going to have to charge
20 their customers more. So now it isn't \$30 that it's
21 costing us, it's \$35 and \$40.

22 I'd like to know -- you're in the fuel
23 business, energy business, coal, oil, natural gas. When
24 oil went up last year, everything went up sky high
25 because of transportation costs, the cost of the fuel,

1 everything that goes into it. I didn't hear anybody
2 saying, "Oh, we're going to lower your rates because the
3 cost of oil went down." I didn't hear a lot of people
4 say that the cost of your goods that all seem to be
5 skyrocketing when you go out to the supermarket or
6 wherever, the increases have been bringing them down.
7 Is Progress Energy bringing those things down? I don't
8 think so.

9 Cap and trade, what are you doing there? Cap
10 and trade hasn't been addressed. Are you buying back
11 all these things without having to spend the money, much
12 as Unocal did in California? The government allowed
13 them to buy credits so they didn't have to spend
14 billions of dollars to clean up their pollution.

15 There are so many issues here, we could go on
16 all day. I'm not going to go on all day. But we need
17 to look into a lot of things that are going on in here.
18 You know, it's incredible the amount of waste and greed
19 that we're seeing in this economy today, and the number
20 of people and businesses that are hurting, going out of
21 business, losing their homes, and it's that trickle
22 down. And it's just, as I said, it is pushed by greed.

23 There are many ways the energy companies can
24 get into more profitable measures. I grew up two miles
25 from a nuclear power plant. We thought it was the

1 greatest thing since iced coffee, iced tea, until we
2 found out that nuclear power plant in our backyard was
3 not feeding our grid, it was feeding New York City from
4 Massachusetts.

5 I ask also, are all the power plants you have
6 feeding Florida, or are we paying for electricity that's
7 going elsewhere?

8 (Applause.)

9 What grid is it going to that we're paying for
10 right here in Florida? I don't have the figures. I'd
11 like to see them.

12 I'd just ask you, in hard times, economic
13 times for all of us, what is Florida, Florida Power,
14 Progress Energy, any of them, doing to bring down the
15 cost? Thank you, and don't give into the greed factor.

16 (Applause.)

17 **MR. KELLY:** Jim Turtle, followed by Harry
18 Bleth -- Blethroad.
19 Whereupon,

20 **JIM TURTLE**

21 was called as a witness on behalf of the Citizens of the
22 State of Florida and, having been duly sworn, testified
23 as follows:

24 **DIRECT STATEMENT**

25 **MR. TURTLE:** I'm Jim Turtle. I live at 2026

1 Society Drive, Holiday.

2 I'm here representing my community homes. We
3 have 2,007 homes in my community, and I talk to a lot of
4 the people. I talked to a fellow yesterday. He just
5 got their electric bill for last month. \$369. He and
6 his wife are in their 80s. They need the air
7 conditioning. She's, she's on oxygen, a diabetic, and
8 they're spending a lot of money on medical expenses.
9 They can't afford it. I really feel for them. I'm
10 sorry.

11 I wish we could have had this meeting on a
12 Saturday so that the working people could also be here.

13 (Applause.)

14 You would have seen a larger group here. Like
15 when we had insurance people that come down and talked,
16 Kevin something with the insurance, Citizens Insurance
17 rate increase, we had -- this place was packed, all the
18 way packed back here. You would have more people here.
19 So -- and they can talk to you. These are people who
20 are working people.

21 I don't know about you all, but I mentioned
22 and other people talking about here's a plant that's not
23 coming online until years on down the road. We don't
24 know how long. You know, there's always a delay in
25 construction, things like this. And the old saying of

1 some of these people, don't buy green bananas because
2 they might spoil before they die. Well, there's going
3 to be a lot of them dying before they even get to use
4 this, and I don't see that they should have to do that.
5 It's, it's wrong. It's wrong.

6 So I would appreciate you, next time you have
7 a meeting down here, have it on a Saturday.

8 (Applause.)

9 **MR. KELLY:** Harry Blethroad, Blethroad,
10 followed by Richard Pride. Sorry.
11 Whereupon,

12 **HARRY BLETHROAD**

13 was called as a witness on behalf of the Citizens of the
14 State of Florida and, having been duly sworn, testified
15 as follows:

16 **DIRECT STATEMENT**

17 **MR. BLETHROAD:** That's close. Harry
18 Blethroad. 5852 Sea Forest Drive, Apartment 145. I am
19 an apartment dweller. I'm also -- I was a United States
20 Marine. I'm 84 years old now.

21 (Applause.)

22 When I was on the GI Bill, and because of the
23 schedule I had, I couldn't really hold down a part-time
24 job, so I tried living on the GI Bill. This meant that
25 I mainly lived on beanie weenies and coffee.

1 Now that I'm 84, 85 in October, I live in an
2 apartment. Now I have to pay rent. A part of the rent
3 goes for utilities, the electricity. And believe me,
4 this apartment building uses a lot because the lights
5 are on in the hallways and the parking areas all night
6 long, all day long.

7 I have been forced to run around in my
8 underwear because I can't afford to keep the air
9 conditioning going. When it gets up above 85 in my
10 apartment, I have to turn it on. My bill still runs
11 around \$50 to \$60 a month, no matter how I economize. I
12 had to cut out television. I don't have television
13 anymore. I can't afford it.

14 What you are doing in increasing our rates is,
15 is -- it's unsupported by anything that you can say.
16 This so-called nuclear energy thing. I'm 84. How do I
17 know I'll be here in two years when you even start? Why
18 should I pay now?

19 (Applause.)

20 But I think you're forgetting, you're
21 forgetting all of the people in apartments. I grant
22 you, the homeowner might be able to use solar power.
23 Maybe they can put a windmill up on top of the house.
24 But in an apartment you don't have any options.

25 I have to pay the rent, I have to pay medical.

1 I'm diabetic, I'm a heart patient. I've had two heart
2 attacks. I've had five angioplasties. And I just plain
3 can't afford your rate increase.

4 So, please, I don't want to find out in a
5 couple of weeks that Progress Energy has listened to the
6 public and we're going to reduce our rate from
7 31 percent to 25 percent. I don't want to hear that.
8 Thank you.

9 (Applause.)

10 **MR. KELLY:** Richard Pride, followed by Ray
11 Lourenzi, Lourenzi. Sorry.

12 Richard Pride?

13 (No response.)

14 I apologize. Ray Lourenzi?

15 **CHAIRMAN CARTER:** And after this person we're
16 going to take a break so we can change out on the court
17 reporters and we can keep going. Okay?

18 **MR. KELLY:** Let me spell it then.
19 L-O-U-R-E-N-Z-I? I apologize.

20 (No response.)

21 **CHAIRMAN CARTER:** Okay. Let's do this. Hang
22 on, Mr. Kelly. Let's do this. Linda, are you ready for
23 a break?

24 **THE COURT REPORTER:** Sure.

25 **CHAIRMAN CARTER:** Let's just take a ten-minute

1 break and give the court reporter a break and we'll come
2 back. And we'll start with -- Mr. Kelly, we'll just
3 pick up where you left off.

4 **MR. KELLY:** Okay.

5 (Recess taken.)

6 **COMMISSIONER EDGAR:** Good evening. We can go
7 ahead and get started in just a moment. If I could ask
8 everybody to go ahead and take a seat, or if you need to
9 go ahead and continue your conversation, step out in the
10 hall. We are going to go ahead and get started.

11 And so, Mr. Kelly, whenever you're ready.

12 **COMMISSIONER ARGENZIANO:** I'm not sure if you
13 were speaking to me.

14 **COMMISSIONER EDGAR:** Commissioner Argenziano,
15 I'm glad to hear that you're there. We're just waiting
16 for people to get settled, again, and then we are going
17 to get started on the list.

18 **COMMISSIONER ARGENZIANO:** Okay. It's a little
19 hard to hear you now. It sounds like we went back to
20 the old sound.

21 **COMMISSIONER EDGAR:** No, but we will continue
22 to keep trying.

23 **COMMISSIONER ARGENZIANO:** Thank you.

24 **COMMISSIONER EDGAR:** Mr. Kelly, I'm ready when
25 you are.

1 **MR. KELLY:** Charles Salzman followed by Myrtle
2 Ratzel.

3 Myrtle Ratzel.

4 Barbara Panici.

5 **BARBARA PANICI**

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

8 **DIRECT STATEMENT**

9 **MS. PANICI:** Good afternoon. My name is
10 Barbara J. Panici, and I live at 8340-1 High Point
11 Circle, Port Richey. I have been a native of Florida
12 for 30 years. I love the state. I want to see it
13 flourish. My concern is with this rate. It's
14 excessive, oh, yes. It's outrageous. But the word that
15 comes to my mind is greed, pure, simple, unadult -- you
16 know, I can't even think -- but it's greed. A 12.54
17 increase.

18 What money I have left in my bank I receive
19 1.75 percent interest. God knows how long that's going
20 to last me. I know people, I have heard them here and
21 they sound so sad, so pathetic. I almost had tears in
22 my eyes about the woman with the oxygen that couldn't
23 afford electric for her oxygen. No, thank God I'm not
24 that bad.

25 I am here for my neighbors who are seniors

1 citizens, like myself. Some of them are widows, like
2 myself. And, of course, there are men, too. They're on
3 a fixed income, like myself. This cannot keep going.
4 It goes up and up. There has to be a stop. There
5 really has to be a stop.

6 I hear fair rate. Obviously, their definition
7 of fair is not like my definition of fair. Please, do
8 not give them this increase. They don't deserve it.

9 Thank you.

10 **COMMISSIONER EDGAR:** Ms. Bradley.

11 **MS. BRADLEY:** Elaine Jacobine.

12 **ELAINE JACOBINE**

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

15 **DIRECT STATEMENT**

16 **MS. JACOBINE:** Thank you for giving me the
17 opportunity to speak to you. My name is Elaine
18 Jacobine. I live at 6420 Cabbage Lane, New Port Richey.

19 I believe it's Mr. Kelly who had stated that
20 no time is a good time to ask for an increase, but these
21 are extraordinary times. People are losing their jobs,
22 their homes. Businesses are closing. You just have to
23 go up 119, and it is really sad. It looks like ghosts.
24 Retirees have lost a lot of their savings. And let's
25 see here, a lot of people are cutting back and really

1 struggling to keep up with everyday expenses.

2 I don't believe that Progress Energy has lost
3 money, and I believe that it's all greed. I mean, greed
4 is what -- has been the downfall of our economy all over
5 the world. And I'm just asking to have some compassion
6 before you do decide. And I would say if you want a
7 nuclear plant, you pay for it, and when it's done,
8 figure out how much we have to pay.

9 Thank you.

10 **MS. BRADLEY:** Leslie Thorson. Leslie Thorson.

11 **UNIDENTIFIED SPEAKER:** She's gone.

12 **MS. BRADLEY:** How about Donna Rice? Donna
13 Rice.

14 Scott Walters.

15 Next up will be Antonia Riggs Miernik.

16 **SCOTT WALTERS**

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

19 **DIRECT STATEMENT**

20 **MR. WALTERS:** Good afternoon. My name is
21 Scott Walters. I live at 5545 Leeward Drive, New Port
22 Richey.

23 I would like to, first of all, thank Senator
24 Fasano for his public announcement. My wife and I
25 wouldn't have known of this, not saying it was not

1 advertised elsewhere. And I was very much surprised. I
2 didn't know that I could ask to speak here before the
3 Commission.

4 I would like to congratulate or point out one
5 Commissioner here that I notice has been taking, unless
6 she's writing a book, Ms. McMurrian, for taking notes.
7 I have watched her throughout this proceeding, and she
8 has been writing, writing, writing. I think she is
9 keeping up with the court stenographer.

10 First of all, I'm retired, and I'm an ex-heart
11 attack patient. Surgery. Have been told not to work.
12 It looks like if this keeps on going on, I'm going to be
13 forced to work, because the doctor said if I go back to
14 work I am going to die the first day back.

15 My wife and I here, our bills, electric bills
16 are running from 150 to \$300 a month. We just had a
17 conservation survey done by a firm and we were
18 congratulated for what we're doing. We are using the
19 fluorescent bulbs. We have got screening on the
20 windows, et cetera, et cetera. We are doing everything
21 almost possible except to rebuild the house and the air
22 conditioner to conserve.

23 He suggested that we run our air conditioner
24 from 78 to 79, and then run the fan, leaving a fan only
25 on in the room that we are occupying and then move on.

1 We have been doing that. And we have been -- my wife
2 has been setting it at 79 to 80, 81, okay. We are
3 trying to conserve as much as we can, but this is our
4 bills.

5 And, by the way, like some other people here,
6 we have experienced the power shutoff, and it has cost
7 us to put it back on, of course, okay? I'm only on
8 retirement and the retirement comes in at one time. We
9 have gone to Social Security and tried to ask them to
10 move it, but, no, they can't do that. It is a fixed
11 deal.

12 Yet the power company, we tried to explain.
13 My wife calls up -- not just Progress Energy, but other
14 firms trying to get them to adjust their billing to when
15 we have the check come in. My first time in my life I'm
16 running behind in paying bills because I can't make it.
17 We have got to keep on floating. It is stressing my
18 wife out because she pays the bills. At one point I
19 think -- these are not in proper order, because I didn't
20 plan to speak.

21 May I suggest that the Commission hold more
22 public hearings to hear the people. This certainly is
23 not the people, okay? And like one gentleman said,
24 maybe you could also plan on some Saturdays or something
25 for working people to make it.

1 The point about this stimulus. President
2 Obama has a stimulus package. He is talking about
3 backing companies that are going into solar energy, air
4 energy, et cetera, et cetera, all types of energy.
5 Nuclear energy certainly is an alternative energy and
6 why couldn't that come under the stimulus package in
7 some shape, manner, or form rather than hitting the
8 people?

9 I would also like to compliment the gentleman
10 back here in the yellow shirt, because he had some
11 research and percentages of his increases and everything
12 else. I worked for one of the -- an international
13 contractor firm. I have worked in (inaudible). I
14 worked in fossil fuels, nuclear fuel, hydro fuel jobs.
15 And I want to tell you, it was first stated by the
16 gentleman, I believe -- may I make a comment there? I
17 don't believe that I see the gentleman from Progress
18 Energy. I guess there was too much heat coming at this
19 meeting. Maybe he had to go to a country club for
20 cocktails. But if you can't stand the heat, you know,
21 get off the stove.

22 Oh, so -- and I'm not saying I've worked
23 with -- I've worn a hard hat for too many years, but I
24 have been in management, okay. Quite frankly, a safety
25 manager for the firm doing these multiple monthly

1 federal agency jobs. I want to tell you that on a daily
2 basis there is a basket that FCOs, field change orders,
3 are coming in on a daily basis. They come from all
4 different requirements. One, the plant is going to be
5 under NRC regulations. They come in with FCOs on a
6 regular basis, and a lot these changes are not cheap.
7 Okay.

8 So, the gentleman said educated guesses of
9 future costs. I don't think they have a guess of what
10 the future costs could be. Once they get started, those
11 changes keep on rolling in at that time, not now, but at
12 that time.

13 I don't know if the Bacon Act -- this power
14 plant is going to fall under the Bacon Act, but if it
15 does, you have a right-to-work state is my understanding
16 in Florida, right? It means no closed shop union. If
17 it falls under the Bacon Act -- because I was on one job
18 in South Carolina where -- well, it was the company's
19 fault. They bid a right-to-work act. They got nailed
20 for the prevailing wage. That was union wage. These
21 people didn't know -- I mean, respectfully they didn't
22 know what unions were, okay. They were barely craft
23 people and we had to put them to work at union wages,
24 journeymen union wages.

25 **COMMISSIONER EDGAR:** Mr. Walters, could I ask

1 you a question? I would like to go back a moment. Are
2 you receiving your electricity at your home today from
3 Progress Energy?

4 **MR. WALTERS:** Yes, ma'am.

5 **COMMISSIONER EDGAR:** Have you tried to talk to
6 them about changing the date that your bill is received
7 on a monthly basis?

8 **MR. WALTERS:** My wife has called them. I
9 can't tell you exactly what she said, but she's here
10 today.

11 **COMMISSIONER EDGAR:** Because if that is still
12 an issue for you, I think it was mentioned at the
13 beginning, but there are people and they can help you in
14 the hallway to see about getting that date changed
15 potentially, if that would be a help to your family to
16 change the date of your bill. I would certainly like
17 you to take advantage of that resource while you are
18 here today.

19 **MR. WALTERS:** Okay. Thank you.

20 **COMMISSIONER EDGAR:** And do you have any
21 closing thoughts for us?

22 **MR. WALTERS:** Pardon me?

23 **COMMISSIONER EDGAR:** Do you have any closing
24 thoughts for us?

25 **MR. WALTERS:** Yes. There was a comment by one

1 of the speakers that -- I worked at two nuclear power
2 plants, sites, one of them was San Onofre in Southern
3 California and Diablo Canyon, also in Southern
4 California. Diablo Canyon was designed to be of the --
5 one of the largest designs of nuclear power plants in
6 the world. Three-quarters of one plant would supply the
7 entire San Francisco Bay area. This is from PG&E,
8 Pacific Gas and Electric, okay, the owner of the plant.

9 The remainder of that one plant -- this was a
10 dual plant, okay -- the remainder of that plant, plus
11 the entire other plant's output would be sold to anybody
12 out there. So this was brought up. In other words, all
13 of this power is not going to be in your home, in our
14 backyard, it's going to go outside, also. And we are
15 paying for them to get our power that we pay for and
16 what Progress Energy is asking us to pay for their
17 plant. Why can't they take public funds, bonds, the
18 stimulus package from Washington D.C. and not take it
19 from these people?

20 **COMMISSIONER EDGAR:** Thank you, Mr. Walters.

21 **MR. WALTERS:** Thank you.

22 **MS. BRADLEY:** Antonia Riggs Miernik.

23 Ms. Miernik.

24 **MS. MIERNIK:** I'm on the way.

25 **MS. BRADLEY:** Okay. Sorry.

1 **MS. MIERNIK:** Besides after I sit so long, my
2 legs forget how to work.

3 **ANTONIA RIGGS MIERNIK**

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

6 **DIRECT STATEMENT**

7 **MS. MIERNIK:** My name is Antonia Riggs
8 Miernik. I live at 6335 Missouri Avenue in the City of
9 New Port Richey. I would like to thank the
10 Commissioners and all the other folks who came for this
11 hearing. I do think it is very important.

12 I would like to ask you to please not to
13 approve the rate increase. We are not able to afford
14 any increase during these recessionary times. I do all
15 of the little energy saving things that this little
16 conservation house says that we are supposed to do, and
17 I even use a solar dryer, which used to be called a
18 clothesline.

19 My husband has been retired for medical
20 reasons for 16 years. We pay very, very high medical
21 care costs just to keep my husband as healthy as
22 possible. No matter what we do for energy savings, we
23 are not able to afford the increase in the predetermined
24 costs, which is the base rate and the pass-throughs.
25 They are not justified increases and they should not be

1 passed on to the consumer. Please deny the application
2 for the rate increase from Progress Energy.

3 Thank you very much.

4 **COMMISSIONER EDGAR:** Thank you.

5 **MS. BRADLEY:** Kristin See.

6 Gloria Kalinsky.

7 **GLORIA KALINSKY**

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

10 **DIRECT STATEMENT**

11 **MS. KALINSKY:** Hi. My name is Gloria
12 Kalinsky, and I live in Port Richey, Florida. No sense
13 going over everybody's lost money. Thanks to General
14 Motors, so have I. Maybe Government Motors will help us
15 back.

16 I believe the gentleman from Progress Energy
17 is still here. Am I correct? No? Okay, whatever.
18 They have gotten increases over the years. November '07
19 to December '07, the base rate was \$5.15; December '07
20 to '08, it went up to 5.46; July '08 it went up to -- it
21 went down to \$5.09. It went back up December '08 to
22 \$6.35, and back down in March to 5.56.

23 I believe -- and I spoke to Progress Energy,
24 my billing was 32 days this month, which brought me 107
25 kilowatt hours over the base of 1,000. I have over a

1 year's bills here, and maybe out of a year and a half I
2 have been over three months because of the billing
3 dates. I was told they can't always bill in 30-day
4 periods because of holidays. Why should I be penalized
5 because of this and pay a dollar more per kilowatt hour
6 on the fuel charge and the energy charge because I am
7 being billed for 32 days?

8 I don't believe in Florida 1,000 kilowatts per
9 hour is high enough on a base rate. That should be
10 raised at least to 2,000 kilowatt hours. And when
11 people go over, they should not have an excess fee. I
12 don't understand these high fuel charges. They are even
13 higher than the base rate. Here, 29 days, 725-kilowatt
14 hours.

15 I sit with my air conditioner at 80 degrees or
16 81. I have not used heat in the winter and put on
17 fleece tops and fleece pants. We try to conserve. We
18 have all the new energy efficient light bulbs. We have
19 new low-e windows. We have done everything we have to.
20 I don't use my dryer unless I need to wash towels or
21 linens. My garage is hot, I dry it on a line.

22 To continue, 30 days, 490 kilowatt hours; 31
23 days, \$588, 800-kilowatt hours. This goes on and on.
24 They are all here. I try to conserve as much as I can.
25 Like everybody else, we are on a fixed income and have

1 lost income. As I said, the base kilowatt hours should
2 go up and the fuel charge, which I think is ridiculous
3 because oil, natural gas is all down, should go way
4 down.

5 There is no reason that Progress Energy should
6 get any kind of increase. If anything, they should get
7 a decrease and maybe some of the top brass should give
8 up some of their income.

9 Thank you.

10 **MR. KELLY:** Alan Berberich.

11 **ALAN BERBERICH**

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

14 **DIRECT STATEMENT**

15 **MR. BERBERICH:** I will try to keep this short
16 because everybody has already said what I wanted to. I
17 did not come with a prepared speech, other than my notes
18 say Public Service Commissioners. So I would like to
19 thank the Public Service Commissioners for affording me
20 the opportunity to speak to them.

21 There was a 12-1/2 percent increase I heard.
22 I'm calling for a 12-1/2 percent decrease. In fact, I
23 changed my mind after listening to everyone speak,
24 especially the World War II gentleman who was 90 years
25 old. I think Progress Energy should reduce their rates

1 60 percent. They want \$500 million in increases. If
2 you go to Wendy's you could buy a billion hamburgers
3 with \$500 million. That's a billion hamburgers.

4 I know we have throwing around billions and
5 trillions in this government of ours the last few years.
6 The country is in dire straits. Let's not let that
7 happen to Florida. I moved to Florida from New York. I
8 am just some crazy Bronx cop. I can afford to pay my
9 bills, but my neighbors can't.

10 I wish the room was fuller here. I came to
11 speak in front of hundreds and hundreds of elderly that
12 can't afford to pay that bills. I can pay my bills. My
13 children can't pay their bills. They bought homes.
14 They serve tables. They are making 3.48 or 4.12 an
15 hour. If they don't get a tip, no one is -- no one is
16 able to go out and eat anymore. The country is falling
17 apart.

18 Progress Energy wants, how much is it, \$500
19 million a year? I'm sorry. If you are going to build a
20 nuclear weapon with that \$500 million and point it at
21 our enemies, I will be the first one to chip in, other
22 than that, you should give us a decrease.

23 Thank you.

24 **MR. KELLY:** Patricia Holman.

25 **COMMISSIONER ARGENZIANO:** Hello.

1 **COMMISSIONER EDGAR:** Commissioner?

2 **COMMISSIONER ARGENZIANO:** Yes. Can you hear
3 me?

4 **COMMISSIONER EDGAR:** Yes, I can.

5 **COMMISSIONER ARGENZIANO:** Just a light
6 comment. From a crazy fellow Brooklynite, I don't think
7 you are crazy from the Bronx.

8 **MR. BERBERICH:** They're all crazy from the
9 Bronx. But I'm a Floridian, and I will never leave the
10 great state of Florida. I will die here and be buried
11 in this state.

12 **MR. KELLY:** Patricia Holman.

13 Ted Johns.

14 **TED JOHNS**

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

17 **DIRECT STATEMENT**

18 **MR. JOHNS:** I would like to thank the Public
19 Service Commission for being here today and for holding
20 these hearings. My name is Ted Johns. I live at
21 7246 Cedar Point Drive in New Port Richey.

22 I'm the president of the Lakewood Villas
23 Community Club. We have approximately 400 homes in our
24 community and just over 1,300 residents. Our residents
25 run the gamut. We have elderly retirees, widows, young

1 single mothers, and the neighborhood has over the recent
2 years, you can see, it's in decline. The incomes in
3 this area have gone down. I mean, this area is
4 depressed.

5 If Progress Energy wants to know, you know,
6 what -- what the rock bottom is, this is it. I mean,
7 the people can't take anymore, and we just can't take
8 any more. The previous woman said they have asked for
9 rate increase after rate increase and they have pretty
10 much been given it.

11 This nuclear power plant that they were
12 granted the right to build by our Republican
13 Legislature, this is a farce. I can't understand how
14 this was allowed to happen. In the state of Missouri,
15 the power company there went before the legislature and
16 asked for the same privilege. They wanted to build a
17 nuclear power plant at only \$6 billion. Well, the
18 common sense legislators of the common sense state of
19 Missouri, the Show Me State, said no. And that is what
20 the Florida Legislature should have said.

21 I mean, we are unwilling or unwitting
22 investors in this enterprise. Every other business has
23 to find investors. Progress Energy only had to go
24 before the Florida Legislature and get a bill passed,
25 and this is a travesty.

1 I oppose this rate increase. It has hit every
2 family in our community. We have a single mother on my
3 street whose power has already been shut off four times
4 this year, because -- with the rate increase of the
5 25 percent, which eventually got dropped 11 percent to
6 14 percent after the first three months of the year. I
7 guess the first three months of the year they are just
8 going to get to keep that additional 11 percent. I
9 don't think they should be allowed to. I think they
10 should have to give that back also.

11 But, in my own family, my son, my 25-year-old
12 son has been out of work nine months of the last two
13 years, and he is out of work again right now, and he's
14 back home living with us. So times are hard everywhere
15 and people just can't bear anymore, and I urge you to
16 refuse this rate increase.

17 Thank you.

18 **COMMISSIONER EDGAR:** Thank you.

19 **MR. KELLY:** Patty Sutton.

20 Ann Cureri, sorry, C-U-R-E-R-I.

21 Marlene Luchenbill, Luchenbill.

22 Bob Rock.

23 Jared Ochs.

24 **JARED OCHS**

25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 **DIRECT STATEMENT**

3 **MR. OCHS:** Thank you for giving me the
4 opportunity to speak today. My name is Jared Ochs, and
5 I'm originally from upstate New York. I put myself
6 through school, and as a result, I have earned two
7 Bachelor degrees as well as a Master's Degree. I'm the
8 son of a single mother disabled in a car accident, and
9 she raised me on less than \$10,000 a year.

10 My mother basically built our house with
11 energy efficiency in mind. Our house is run completely
12 by solar power and she has never had an electric bill in
13 the 20-plus years she has lived there. I have the
14 unique perspective of being very familiar with both the
15 advantages and disadvantages of that system of power
16 production.

17 If she was able to afford it, and if it is an
18 efficient and practical source of power production in
19 upstate New York where the winters are long and cloudy,
20 then in Florida it would be an optimal production
21 source. The great state of Florida --

22 **COMMISSIONER ARGENZIANO:** Hello.

23 **COMMISSIONER EDGAR:** Commissioner, are you
24 there? Commissioner Argenziano? Commissioner
25 Argenziano?

1 I think we lost her. She definitely will call
2 back if there is technical difficulties.

3 **MR. OCHS:** I apologize for that.

4 **COMMISSIONER EDGAR:** That's okay. We have
5 lots of wires and microphones and we appreciate
6 everybody bearing with us.

7 Please, go right ahead.

8 **MR. OCHS:** Perhaps it's time to start thinking
9 outside of the box. It may be time for the citizens of
10 Florida to begin imploring their elected representatives
11 to begin seeking an alternative source of power
12 production to alleviate the present situation if these
13 proposed slight rate increases are upheld. The great
14 state of Florida is in a very advantageous position to
15 become the innovator and lead the way for the rest of
16 the nation in terms of implementing a solar power
17 program.

18 The last time I checked the State of Florida
19 is known on the Sunshine State. Florida is one of the
20 few states to have an abundance of sunlight nearly all
21 year long. Why are we not taking advantage of this most
22 abundant natural resource the state has to offer? Is it
23 not worth a try?

24 I am not suggesting the state become totally
25 dependent upon this single source of power production.

1 What I am suggesting is that we develop a system where
2 solar power would greatly supplement the traditional
3 sources of power production and consumption. This would
4 significantly reduce the monthly expenses of the average
5 consumer and, consequently, reduce our dependence upon
6 foreign oil.

7 The state and federal government as well as
8 Progress Energy can offer tax-based incentives that will
9 help alleviate the initial start-up costs of
10 implementing such a program to residential homes. If we
11 can convince the state or federal government to invest
12 in programs such as these, even a fraction of what is
13 invested in other power sources, such as nuclear power,
14 our consumption of traditionally unclean resources will
15 significantly decrease.

16 As a corollary, newly innovative and high-tech
17 jobs will be created, thus benefiting the state greatly.
18 In these times of economic uncertainty, this would
19 undoubtedly create new well-paying jobs that will lead
20 to economic development and help the state as a whole.

21 Florida could develop production facilities of
22 solar panels and other required materials necessary for
23 the implementation of taking advantage of this abundant
24 and clean natural resource. Other states will then look
25 to Florida as a model of solar development and

1 innovation and follow in our great state's footsteps.

2 Time and time again we have seen the greed of
3 the oligarchy comprising the utility company industry
4 throughout the nation. This is nothing new to
5 consumers. Somehow the utility companies feel the need
6 to raise their rates for unfair and unnecessary reasons.
7 These companies attempt to legitimize their actions by
8 claiming the need to reinvest in their corporate
9 infrastructures or that their own costs are increasing.

10 I ask you this: What happens to the ordinary
11 person or the senior citizen living on a very fixed
12 income? These people are not consuming more power than
13 they normally do, but their rates are somehow going to
14 increase. How are they supposed to deal with these
15 sudden and unfair increases? They are the ones who are
16 suffering. And I would like to thank you for listening
17 to me today.

18 **COMMISSIONER EDGAR:** Thank you.

19 **MR. KELLY:** Hugh Townsend.

20 **HUGH TOWNSEND**

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

23 **DIRECT STATEMENT**

24 **MR. TOWNSEND:** Good evening, Commissioners.

25 Well, it has turned out to be quite a long day. My

1 name, of course, Hugh Townsend, 9701 Hermasillo Drive,
2 New Port Richey, Florida.

3 I am the President of Hunter's Ridge
4 Homeowners Association. We are an upscale community and
5 should be doing economically very well. Our homes have
6 been selling to and over 300,000. Unfortunately, I'm
7 being served on a regular basis with foreclosure
8 notices. Our area is filled with working professionals,
9 well-educated, but they are also suffering in these
10 economic times.

11 Generally speaking, in Pasco County 32,000 is
12 the average income for a working person. We are looking
13 at experiencing almost 12 percent unemployment, and now
14 we are finding that it is even affecting our communities
15 that are a little bit higher up on the economic social
16 stair.

17 I'm asking that we not allow this increase to
18 go through. All of us who have equities positions have
19 seen a horrendous decline. The overall economic climate
20 is much lower. There is no justification in granting
21 this type of secured income to a power utility company
22 when all the other equities have been so decimated. Our
23 incomes have been decimated. Many of the people in our
24 communities are taking lesser positions. They are not
25 getting the bonuses.

1 To look at it from a different perspective, I
2 am also on the parish council of St. George Greek
3 Orthodox Church. I'm being confronted every Sunday by
4 senior citizens who are exclaiming how poor they are
5 that they can't contribute to the church. They can't
6 even begin to live in a reasonable lifestyle any longer.
7 They have to begin choosing between medications and
8 food.

9 Now, if we burden them with an extra 25 to \$30
10 in baseline utility costs, they will be completely
11 decimated. They can't even sell their apartments, their
12 condos, their homes. There is no market left. They are
13 forced to live where they are. Their incomes are
14 drastically cut. As we have heard, Social Security is
15 not granting any increases. I doubt whether any of us
16 are going to see a mass bonus increase in our
17 remuneration at work.

18 Locally, an assistant superintendent of
19 schools, Ray Gadd, has been in the newspaper almost
20 every day that his contract was not renewed. On the
21 same night that 200 other employees, going all the way
22 down to part-time janitorial staff, did not have their
23 contracts renewed, and the school is the number one
24 employer here in Pasco. Everybody is hurting.

25 There is no justification that I can see to

1 allow a utility to get such a rate increase when
2 everybody is taking a loss. Every company that I have
3 experienced transactions with has seen a loss in profit.
4 Why, why then must we grant such an increase to a
5 utility?

6 I would ask that you all that have been
7 appointed to this position that you look into the fact
8 that it is not rational. If I'm not mistaken, our
9 Governor, when he was Attorney General, had entered into
10 a deal with this particular utility capping their
11 increases. Why then are we allowing them to have an
12 increase solely in profitability, not in their actual
13 expense, which we have already heard is passed along to
14 us irrespectively. This is just profit.

15 My equities position has gone down
16 dramatically, so should theirs. Nobody is ensuring my
17 economic welfare; why should we be ensuring theirs?
18 Enough is enough. No more increases. They are getting
19 remuneration for what they are actually expending. Let
20 their profits go down. Let the people that invest in
21 these utilities see some decline also.

22 Again, emphatically, representing my community
23 and the people that I work with in the Greek community,
24 we cannot allow such an increase. It is just not
25 justified. It is not economically justified. It is not

1 good fiscal policy, and your fiduciary responsibility to
2 us, the people of Florida, we cannot afford to be
3 putting more Floridians out into the street. Because if
4 they can't pay -- and I am seeing the foreclosures come
5 in, we are going to have insurrection in the street if
6 we just keep on granting all of these increases without
7 any type of justification. We must stop it right now.
8 No increase. Let them live with less of an equities
9 position as we all are.

10 Are there any questions?

11 **CHAIRMAN CARTER:** Thank you.

12 **MR. TOWNSEND:** Thank you.

13 **CHAIRMAN CARTER:** Mr. Kelly, one second. Let
14 me take a moment to mention to you the reason I stepped
15 out is in April of this year I had back surgery, and I
16 can usually sit for about an hour and then I have to get
17 up and walk around. So, I was not being rude, I just
18 wanted to let you know we are going to continue on, but
19 if you see me get up and walk around -- you know, if
20 anybody has had any back problems, when those spasms hit
21 you, you have got to get going. I just wanted to let
22 you know that is why I stepped out and got wet.

23 Mr. Kelly.

24 **MR. KELLY:** Virginia Sippel.

25 Hanna Neubauer.

HANNA NEUBAUER

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

DIRECT STATEMENT

4
5 **MS. NEUBAUER:** Good afternoon, or should I say
6 good evening, ladies and gentlemen, from the --

7 **CHAIRMAN CARTER:** Pull the mike up closer to
8 you. Give her a hand.

9 **MS. NEUBAUER:** Got it.

10 **CHAIRMAN CARTER:** There you go. Thank you.

11 **MS. NEUBAUER:** Thank you.

12 Ladies and gentlemen from the Public Service
13 Commission, first of all, I would like to say thank you
14 for being here. I would like to say thank you to
15 Senator Fasano. He is always here trying to help.

16 This is my personal opinion on the situation,
17 and I would like to add onto the gentleman which was
18 talking about solar energy. This is just one little
19 example. I am German, and I read a lot of German
20 newspapers and watch the news from there. The City of
21 Munich has along the interstate or autobahn a slew of
22 solar panels, which are generating a majority of the
23 electricity for the City of Munich. And I think we
24 should take a little bit of an example of what other
25 countries are doing.

1 Also wind power is very much over there being
2 used. And in Florida we have got a lot of wind around
3 us. All right. Put this aside.

4 What I'm trying to say here is at a time when
5 a large number of people are struggling due to
6 unemployment, due to home foreclosures, when grocery
7 prices are sky-rocketing, I think it is unrealistic for
8 Progress Energy to grant a price hike, especially on the
9 base rate. I could see if there is a huge fuel
10 surcharge because the gasoline goes up. That's one
11 thing. But what you pay monthly, I don't think so,
12 because people which try to conserve energy cannot do
13 so.

14 Then the other thing is, like it has been said
15 before, people on fixed income, as we all are, what are
16 they supposed to do, pay for food, electricity,
17 medication? You go to the grocery store. You buy
18 something one day and the next day it's 20 percent
19 higher. We can't do so.

20 And getting back to the power plant. I am not
21 so sure if this is such a good idea. I also know people
22 which used to work in the power plant, three or four of
23 them all died of cancer, so there is a stipulation which
24 is it good or not, we don't know yet. But anything --
25 we can do a lot with solar energy and wind power. But

1 we need to concentrate on the present. In my opinion we
2 are doing just fine with the current power plants. Yes,
3 there will be always times when we need more energy,
4 just like in the hot summers in Florida, but I guess we
5 just have to deal with it one way or another.

6 Let me see. Okay. That was it. Thirty
7 percent increase, I don't think so, because none us are
8 getting 30 percent increase in our wages, or Social
9 Security, or pension plans.

10 But thanks for listening to us and please,
11 please do not approve of it. We really cannot afford
12 it.

13 Thank you very much.

14 **MR. KELLY:** Jane Walker.

15 **JANE WALKER**

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

18 **DIRECT STATEMENT**

19 **MS. WALKER:** Good afternoon. My name is Jane
20 Walker. I braved U.S. 19 from south St. Petersburg,
21 because I'm going to be out of town next week and
22 thought this was extremely important to be here and say
23 a few things.

24 Before I get started, a couple of comments.
25 One, I suggest -- I know a lot of people had to leave

1 and with the age of the group in here transportation was
2 probably one of those issues, along with the bad weather
3 that perhaps like they do at some of the Commission
4 meetings on the sign-in they can have a yes or a no for
5 or against. So if people have to leave, at least you
6 know where they are leaning.

7 And, also, the two meetings you are having in
8 Pinellas County, the room that the City of St. Pete --
9 at City Hall, I think up here we are in it. So if you
10 have the crowd that you have today, I don't know where
11 they are going to stand. There is not even a real
12 hallway outside.

13 And as far as the Pinellas County Commission
14 room, it's slightly bigger, probably a quarter of this
15 room. They do put people downstairs, so I just wanted
16 to point that out to you, since maybe it will give you a
17 little bit of time to work on that.

18 I am a citizen of Florida. I am the wife of a
19 small business owner. We have some other properties.
20 We are a homeowner, and I run an agency called Day Star
21 Life Center that provides basic needs assistance to
22 people who can't make their food, clothing,
23 identification, which is becoming outrageous, and basic
24 needs assistance.

25 In the 12 months last year, we gave -- gave

1 Progress Energy to assist people 72,000 -- around
2 \$72,500 to help people with their utility bills. This
3 year in ten months it is 76,000, and we are in the heat
4 of the summer.

5 We have seen -- my agency is mostly run by
6 volunteers. We are a grassroots agency. We have two
7 and a half staff, basically, and all the rest
8 volunteers. I am very, very frugal. Ninety-five
9 percent of everything that we do goes back to client
10 assistance. We have very low overhead. So I am
11 nit-pickey almost to the point of irritating people
12 about running water or electricity.

13 Last year -- our bills compared to last year
14 are anywhere from 3 to 12 kilowatts lower, and our bills
15 are over \$100 higher. That's just speaking for our
16 agency. I can say the same thing about our home bills,
17 but we are already dealing with that.

18 The folks we have coming in, some in this
19 economic situation are in these situations for the first
20 time. Some of them, the housing that they have, the
21 lifestyles that they are used to, even with cutting back
22 are making it hard for them to make it.

23 A lot of the people who are chronically poor
24 are living in neighborhoods in houses that are run down,
25 not very energy efficient, and I have seen bills and I

1 have been in houses where there is no electricity and
2 because of bad wiring bills are running high. So it's
3 not always -- we shouldn't judge somebody unless we are
4 in their shoes, but these are -- these are the things
5 that we are seeing.

6 One of the things that I am -- obviously, I am
7 opposed to this rate increase, but, you know -- and I
8 have heard a lot of comments about Progress Energy being
9 a good neighbor. And, yes, perhaps they are. They can
10 afford to be. We run on the widow's might. You know, I
11 much more appreciate a \$5 donation from an individual on
12 a fixed income that that is actually a percentage of
13 their giving than somebody who gives a large stipend
14 that doesn't even miss it. Not that I won't take it,
15 but you understand where I'm going from, and that is
16 what it is.

17 Progress Energy, their lean is towards
18 education and children. Now, how is a child going to
19 learn if they can't study at night, or if they can't get
20 a hot meal, or if they can't take a hot bath, or a warm
21 bath, if they are embarrassed to bring their friends
22 home? These are the kinds of things that they are
23 facing.

24 One of the other -- you know, in our county
25 there has been a lot of activity with the leaders of

1 Progress Energy with the homeless. Well, you know,
2 people are homeless. They are losing their houses
3 because they can't afford them, and a lot of them get
4 put out of public housing because they can't keep their
5 utilities on. So, again, there is more solutions that
6 they can handle.

7 Safety. You know they are into children and
8 safety. You know, every time I read in the newspaper or
9 hear a report of a house fire, I hold my breath that it
10 wasn't started by a candle because there wasn't
11 electricity in the home. So these are the things that
12 people are facing.

13 The lady with the oxygen, my understanding is
14 unless she is hooked up to that thing 24 hours a day she
15 can't get a hardship. You know, somebody who has a
16 child that is asthmatic, that needs things from time to
17 time, or an adult that is on an oxygen machine, or has
18 a -- there are certain eczemas that you need to have
19 regulated air. If you are not hooked up, that is --
20 that is not considered a hardship.

21 One of the things -- I have been working with
22 the poor for 30 years. When we had Florida Power, we
23 had a much more responsive to the community agency, one
24 you could walk in and talk to somebody. There is no
25 place in Pinellas County that you could go face-to-face

1 and pay a bill and explain your situation.

2 And now those check -- those check cashing
3 places, unfortunately, lure the poor into them and then
4 take advantage of, you know, the predatory lending type
5 thing. But, now there's a dollar service charge. Now,
6 the reason people wait until the end to pay is because
7 they don't have it. Why are these people having to pay
8 extra and we are still raising money?

9 So, not that I have anything against Progress
10 Energy. I see their name plastered all over stadiums
11 and everything else. It's a monopoly. Why do they need
12 to advertise? Why is there advertising money going into
13 promoting all the good works they do in the community?
14 Think about the people that are living in this
15 community, even those that are middle class and are not
16 being able to afford basic needs.

17 Just in conclusion, one of the big things is
18 look at our city government, our county governments, all
19 of those are facing anywhere from 20 to 30 percent cuts,
20 in their general operations running the cities and the
21 counties and the state. And a lot of this is some of
22 the programs that are to help people who can't pay their
23 utility bills.

24 There was a comment earlier that everybody is
25 out of money at the beginning of the month. That is

1 true in Pinellas for the most part. We pretty much are
2 one of the only agencies that aren't, and that is
3 because if a donation comes in, it goes immediately out.
4 I don't budget it by the month. But, they are --
5 they're being asked to cut back 30 percent, and now we
6 want to increase the utilities.

7 So, these increases are adding to the cost of
8 running our state, and we can't afford it, either. That
9 is going to come out of somewhere else. That's going to
10 come out of necessary basic services, streets, street
11 lighting, all of those kind of things.

12 So, please, no time, like he said, is a good
13 time. Nobody wants to hear about a rate increase, but
14 reasonable rate increases are acceptable at the right
15 time, but this is not the right time for any kind of
16 increase. People can barely hold it together as it is.

17 Thank you.

18 **MR. KELLY:** James Brennan. James Brennan.

19 **JAMES BRENNAN**

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

22 **DIRECT STATEMENT**

23 **MR. BRENNAN:** My name is Jim Brennan. I am
24 President of the Summer Lakes East Homeowners
25 Association, and I was going to come up here and do a

1 chapter and verse on why you shouldn't go with this
2 thing. As an engineer in my former life, I see we have
3 an engineer on the board here, so he knows. You know,
4 we are facts and figures guys.

5 I never made a proposal that did not have
6 linear logic connected to it. I can make an argument
7 for whatever clients wanted the proposal to come out to.

8 But, I am going to make this easy for you.
9 I'm glad I was one of the last people to speak here,
10 because I have listened to this all day long. I knew
11 things were bad. I didn't know they were this bad.
12 This is a moral issue. It is not an engineering issue;
13 it's not a financial issue; this is one of the easy
14 ones. Seldom do you get to make a decision where you
15 can come down 100 percent on the right side.

16 **COMMISSIONER ARGENZIANO:** I apologize. I
17 can't hear you.

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

20 **MR. BRENNAN:** I'm sorry.

21 **COMMISSIONER EDGAR:** That's okay.

22 **MR. BRENNAN:** Do I have to start over?

23 **UNIDENTIFIED SPEAKER:** No. Thank you.

24 **MR. BRENNAN:** Here is my point. You can make
25 a decision based upon the morals of this proposal and

1 you are going to feel good about it if you turn this
2 down.

3 These people cannot afford this. That's
4 apparent. Now, a lot of the decisions you are going to
5 make as Commissioners, you know, they are not black and
6 white. All government is ambiguous, we know that. Not
7 this one. If you listen to the people that came up this
8 podium, and if that doesn't move you, there's not much I
9 can say about it. I will be very interested to see how
10 you come down on this proposal. Please vote no.

11 Thank you.

12 **MR. KELLY:** Eric Stewart.

13 Kraig Downey. Kraig Downey.

14 Virginia Beil.

15 **VIRGINIA BEIL**

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

18 **DIRECT STATEMENT**

19 **MS. BEIL:** Well, I'm going to be 80 years old
20 in two weeks, and I'm waiting for my golden years. They
21 haven't shown up yet. I'm still waiting. I live in a
22 sinkhole house. It has electric ceiling heat, which is
23 twice the expense of anything else, any other kind of
24 electricity. I have a -- let's see, the Florida room
25 has separated now almost. Not completely, but because

1 of the sinkhole it is separated. I couldn't sell the
2 house because nobody wants it. And the problem is a lot
3 of things are going on, just on that.

4 What I wanted to make a point, one thing was,
5 I think sometimes in some jobs like, for instance, when
6 I was in college, I was studying management at the time.
7 And we were in a class, all the guys -- there was only
8 guys in my class. I was the only girl at that time,
9 because we were still reaching for the management thing.

10 Anyway, the teacher wanted us to reorganize a
11 fertilizer company. Well, I knew nothing about
12 fertilizer, but in the process of what we were studying
13 and learning, it said that management is supposed to
14 work with the community and to get together on a caring
15 basis, not the money/profit basis. But, to work
16 together in both ends so that they can make a profit and
17 we can be comfortable without taking all of our money
18 away from us by the time we get my age. But, I
19 understand in today's college training, they don't teach
20 you any of the -- they don't teach you any of those
21 things anymore that you have to work together; it is all
22 about image making.

23 And, I hate to say this, but I got very
24 suspicious when Florida Power changed their name to
25 Progress Energy. I said, that's -- I mean, why would

1 they do that unless they are going to start charging us
2 some excess rates somewhere, and they did. So, I'm
3 really against this whole thing for saving money for a
4 power plant.

5 First of all, when a power plant is built, it
6 has nuclear waste. Everybody seems to forget about
7 that. And I said, first of all, my home state of
8 Missouri, I just discovered, has been receiving
9 hazardous material from this state to be buried in my
10 home state of Missouri. And on top of that, they were
11 sending this stuff, this nuclear waste into the
12 atmosphere. I don't know if many of you remember this.
13 I can't remember how long ago this was. It was from
14 Cape Kennedy. They sent it on a missile to go into
15 outer space. That's our waste. I said is this what we
16 are going to do with all our waste? We are going to
17 ship it up -- and that affects the weather, by the way,
18 too, when it comes back.

19 The other thing was -- I mean, I am for solar
20 energy, number one, and wind energy. And I think we
21 should work together with Europe and Asia, who are not a
22 bunch of little -- that we seem to think we're better
23 than they are. And by the way, I'm an American. I was
24 born and raised here with some Indian background
25 somewhere.

1 Anyway, the thing was that when you don't work
2 together with other countries, you have much more --
3 many more minds working together to get along together,
4 instead of having wars and all of this other nonsense
5 going on. Not that it's nonsense, it's horrifying. But
6 we have to work together with other countries that are
7 having -- that are ahead of us in so much things. They
8 are ahead of us in the caring part. You have got to
9 care for people, and you have got to care for your
10 fellow person; that is, what's going on with them.

11 You know, it is impossible without doing that,
12 because then you just become a robot. You are not even
13 a thinking machine anymore. Well, you are a machine,
14 but that's about it. Anyway, I just wanted to finalize
15 that one.

16 But, please, I would consider dropping this
17 whole business, not only the nuclear plants, but
18 certainly the increase. I can't afford it. I don't go
19 to doctors; I can't afford them anymore. They are
20 just -- everything -- when one person goes up, they say,
21 oh, we are going to jump on the bandwagon and raise our
22 prices. We have to do that to compete with the other
23 prices. And pretty soon everybody is raising prices.

24 I don't know if you remember Roosevelt. When
25 he was in at the end of the war, you couldn't raise

1 anything. Everything was frozen, gasoline, rent, the
2 whole thing. Do they remember that? That is what saved
3 us from a depression.

4 As far as I am concerned this is a depression.
5 I don't care how you look at it. You can put all the
6 glorifying words you want to it, but it is, because we
7 are all depressed, and from money problems and not being
8 able to even live like a human being anymore. Like I
9 said, I'm still waiting for my golden years. I hope
10 they show up soon.

11 **MR. KELLY:** Patrick Hicks. Patrick Hicks.
12 Jean Wooten.

13 **JEAN WOOTEN**

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

16 **DIRECT STATEMENT**

17 **MS. WOOTEN:** I'm Jean Wooten. I live at 4650
18 Bay Boulevard in Port Richey. Thank you for coming
19 today. It's a pleasure to meet you, and it's my
20 pleasure to speak with you.

21 I'm here to represent my family, the Wooten
22 family. I have a 65-year-old son who is on Social
23 Security medication -- Social Security disability. He
24 has severe asthma, so he needs the air conditioner on.
25 He is -- I have had to help him a few times. He has had

1 to call for help from the counties and things like this.
2 They have helped him sometimes with his electricity.

3 I also have a young son, and he and his wife
4 are both on Social Security disability, and anytime
5 there is a raise in gas, electric, food, whatever it is,
6 that takes it out of their pockets.

7 I am retired. I have a small income. I'm 80
8 years old, and for them to raise the monies so that they
9 can build this plant -- I budget everything. I budget.
10 I go to the Goodwills. I go to the places where I can
11 get discount clothing. I buy one pair of shoes a year.
12 I take my medicine every other day instead of every day.
13 I have an automobile that is 12 years old, and it has
14 over 100,000 miles on it. It needs repair.

15 So I thought, well, maybe I will take this
16 voucher thing up that the government is giving. I can't
17 afford a new automobile even with the vouchers. I can't
18 afford that and eat and do the things that I need to do.

19 I am not extravagant. I do help when I can,
20 but for them to do this to people who are strapped and
21 tightening their belts every day, it is a shame. They
22 should be ashamed of themselves.

23 I grew up and worked hard. My parents worked
24 hard. We did everything that we could to be proud to
25 live in America. I have been here for 49 years, and

1 it's very hard to be alone. I'm sorry, but my heart
2 just says this: Why do the people are so greedy? Why?
3 I don't go on vacations because I can't afford it. I go
4 out and eat maybe once in a while to treat myself to a
5 good dinner. Why? People have so much greed. The
6 grocery stores. The gas. Now the electricity, again.
7 I'm not saying that I am a pauper, but I am saying I am
8 damn mad. And everybody around here should be mad to
9 allow people to do this to people who can't help
10 themselves.

11 Thank you very much.

12 **CHAIRMAN CARTER:** Thank you.

13 **MR. KELLY:** David Fryling.

14 **DAVID FRYLING**

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

17 **DIRECT STATEMENT**

18 **MR. FRYLING:** I am David Fryling. I live in
19 Port Richey, Florida, and I'm opposed to the rate
20 increase. Basically, I work in retail, and in the past
21 year or so my salary has went down, not up, not even
22 close to being up. And I'm sure I speak for a lot of
23 people who work out there in the stores, the
24 restaurants. We cannot afford anything else. I can't
25 even put a dollar a week in a savings account for my

1 retirement because of this.

2 And even more, it's just going to make
3 everything even harder. And I'm really -- I just don't
4 understand why they want a 31 percent increase. It just
5 doesn't make any sense to me.

6 And a nuclear power plant, we got -- this is
7 the Sunshine State. Hello. People, wake up. Solar
8 power, a lot cheaper.

9 Thank you.

10 George Brower. George Brower.

11 Marilyn Valliere or Valliere.

12 **MS. VALLIERE:** Valliere.

13 **MR. KELLY:** Sorry. I apologize.

14 **MARILYN VALLIERE**

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

17 **DIRECT STATEMENT**

18 **MS. VALLIERE:** When I came here today I had no
19 intention of speaking at all. I had brought a friend
20 who could not drive. But when I pulled up, and I saw
21 all of these trailer-sized limos out here, I was
22 wondering is some of that our tax money that are driving
23 and pulling these people around in these large vehicles
24 when they could be using their cars instead of maybe our
25 money? I don't know, or if it is some of these

1 executives back here from Progress Energy? And God
2 bless all the line workers who are out there every day
3 on our behalf. Thank them all.

4 But do these executives really know what it's
5 like living down here on the floor where we have to work
6 and strive every day just to get money enough to eat, or
7 if we have pets, even feed them? If I tighten my belt
8 any tighter, I'm going to be living in a teepee in the
9 woods somewhere, because I am that down. I don't even
10 make \$700 a month, and I have become disabled, so no one
11 is going to hire me. I'm over the hill and through the
12 woods, you might say.

13 President Bush when he was in office he had no
14 clue that gas at the time was \$4 a gallon, and God thank
15 that it went down this year, but it is going back up. I
16 can't afford to go to the doctors. And because I have
17 reinjured myself, I have to go, like, to the doctors
18 every other day. I cannot afford the gas.

19 And I can't afford the electricity. If I
20 cut -- I have lost my electricity once or twice, and I
21 couldn't even afford to get it turned on for like three
22 weeks to a month almost, and some of my friends helped
23 me out. That is how far down I have come.

24 And I was an American farmer. I was one of
25 those one percent that was so proud to feed the world,

1 and I mean feed the world. And all of us from 100 years
2 back had solar power and the wind. There's nothing
3 wrong with that. It's a wonderful opportunity and, like
4 everyone has said, we live in the Sunshine State. There
5 is no reason why we can't also have solar power along
6 our freeways, just like this other young lady who said
7 that they do that on the autobahn. There is no reason
8 why we don't have wind and solar at all.

9 And I can't afford anything just like anybody
10 else. Like I said, I am very depressed right now,
11 because I don't have the finances to take care of myself
12 the way I had a long time ago been accustomed to. I had
13 a lot of money, and like everyone else I lost it, and I
14 just cannot afford.

15 Please do not pass this. We cannot afford it
16 at this time. If everyone else has to tighten their
17 belts, then they should also. I bet you they haven't
18 lost money in their accounts or their bonuses, but I
19 certainly have.

20 Thank you.

21 **MR. KELLY:** Rudy Sable.

22 **RUDY SABLE**

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

25 **DIRECT STATEMENT**

1 **MR. SABLE:** My name is Rudy Sable. I am from
2 491 Westfield Circle, Palm Harbor. I feel like an alien
3 here because everybody was from New Port Richey,
4 Holiday, and so.

5 And before I mention some of the things, the
6 thing I want to bring out, I retired 15 years ago. I
7 worked with Westinghouse. What was Westinghouse
8 Electric, and all those years was in the nuclear field.
9 I'm familiar. I worked at their testing reactor, and my
10 brothers have gray hair, and I haven't. I tell them
11 they should have worked at our nuclear facility for
12 testing.

13 And I also spent time with their advanced
14 energy systems division, and lot of things that were
15 mentioned. It is easy to talk about the windmills, the
16 photovoltaic, and things like that, but there are other
17 problems other than saying, hey, we have this, let's put
18 it together. It is putting it together and getting
19 everything to work right that takes time.

20 Now, the gentleman from Progress Energy showed
21 the part that they had to replace every so often. Well,
22 my last 15 years I worked in the nuclear service
23 division. I was responsible for providing nuclear
24 repair parts, and I can understand why it's expensive,
25 because it was very critical that the parts that went

1 into a nuclear power plant did pass all the tests
2 required.

3 The requirements in the nuclear field are like
4 no other place, and I feel it is a safe form of energy,
5 and if people would think a little bit, the United
6 States has approximately 100 nuclear power plants.
7 France is, I believe, almost 100 percent nuclear. Japan
8 is almost 100 percent nuclear, and South Korea. Then
9 you look at our naval vessels, how much nuclear there is
10 there. So it's like anything else, it is safe if things
11 are done correctly, but human error sometimes eliminates
12 that.

13 But, to get back to some of the -- I'm not
14 going to go into any of the financials. You have heard
15 enough of that. In fact, I feel sorry for your future
16 sessions you are going to have, because a lot of it is
17 going to be a repeat.

18 But I cannot see paying up front for something
19 that they will not deliver on time no matter what they
20 say. They initially said eight years. Well, whenever I
21 retired, and the U.S. was no longer building any nuclear
22 power plants, it was taking approximately 18 years.
23 Now, how they come up with eight years, I would like to
24 know which power plant was built in eight years.

25 They have already got a two-year extension.

1 That means we are going to be paying two additional
2 years. So we are up to ten years, and I don't know of
3 any project that ever was completed on time. There will
4 be reasons why it's not, but that ten years will
5 probably gradually grow to 18 years of taking money from
6 people.

7 And Florida is loaded with retirees. I am 75.
8 I will be paying for something where I will not even get
9 one amp of power. So why take this money from retirees
10 or the elderly to pay for something that they will never
11 benefit from?

12 And as far as a lot of these increases, have
13 the executives of Progress Energy taken any cuts? Have
14 they cut the dividends? Why is it the consumer has to
15 foot the whole bill while they continue having their
16 good times? So I just don't feel their rate increases
17 are justified until they show signs that they are going
18 to work with the communities.

19 Oh, one other thing I happened to think about
20 is the power plant, Crystal River is a Westinghouse
21 designed plant. It has been there for quite a number of
22 years. And they also have it at Port St. Lucie, which
23 is, I think, Florida Power and Light. They have it down
24 at Turkey Point, south of Hollywood, Florida. They also
25 have Catawba up in the Carolinas, and H. R. Robinson up

1 there. They are all Westinghouse power plants.

2 My question is, and I have seen rates, they
3 say that -- I don't look at a monthly bill as I look as
4 the cost per kilowatt hour. Now, why is it Progress
5 Energy per kilowatt hour is more than what it is with
6 their sisters up in the Carolinas? Are we subsidizing
7 Carolina? Are they using the same methods there? Why
8 aren't we the same rate as South Carolina? Tampa
9 Electric, Florida Power and Light, the rate per kilowatt
10 hour is less than Progress Energy. Why is that? I
11 don't know.

12 And whenever a lot of these fees that come
13 through, let's say for fuel, I remember years ago
14 whenever there was a fuel crisis that the ships stood
15 out in anchor out in the ocean waiting for the price of
16 oil to go up. After the price went up, then they
17 brought the oil in.

18 Do they go out for bids, or do they buy it
19 from a sister company of Progress Energy? I don't know.
20 But I think something needs to be looked into. How are
21 they spending the money that they are getting if we are
22 the ones that are paying for it?

23 Thank you.

24 **MR. KELLY:** Mark Abbott.

25 **MARK ABBOTT**

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

3 **DIRECT STATEMENT**

4 **MR. ABBOTT:** I used to be a mayor, so I used
5 to sitting through these meetings all the time.

6 Mark Abbott, Port Richey, Florida.

7 My theory is we all work together. I have
8 worked for Progress Energy, which was Florida Power
9 years ago. I can tell you all kinds of things. I went
10 to the nuclear public service meeting, which was FPHCC.
11 They had the wrong time, so they re-adjusted it for 7:00
12 o'clock that night. Hardly anybody showed up.

13 But, I pay attention, and I have worked around
14 the world. The rest of the world is kicking our butt.
15 And I personally had power turned off earlier in the
16 year, and I just left it off, when I could afford it
17 again, because it makes the creative mind work. So I
18 live off of solar, but I can do that, because I'm just a
19 single person. And I know the elderly can't do that.

20 But we have all got to work together. You are
21 the Public Service Commission. Whenever you get a
22 chance and you see alternatives, choose that route.
23 Because now you are taking a monopoly, and we have to
24 have a monopoly because that is the way it works, we
25 can't run two sets of wires, but when you have a choice,

1 make a choice. And if you are going to use solar, if
2 you are going to use wind, if you are going to use
3 incentives, hammer those choices in because the grid is
4 where we lose all of our power. We don't build power
5 plants in cities because of pollution, or nuclear.

6 But if we lower the grid so we don't have so
7 much energy being wasted shipping from Crystal River,
8 Anclote, all of these places to our locations of where
9 our people are. But if you put that solar hot water
10 heater, which is the most efficient one there is -- I
11 invited an inventor here today. I am helping them
12 through the city routing, because cities and counties
13 and states have got to start letting these inventions
14 come forward, instead of shutting them down.

15 Their particular invention, because there is
16 no codes, there is no regulations, there's no building
17 permits, there's no way of putting a windmill up. It's
18 out front here, a lot of you all have seen it. I'm not
19 being paid by them, but I donated some time about six
20 months ago, and I said, here I go again. Here is
21 another eight hours. I'm trying to help them through
22 the government regulations, and I will go to the city
23 meeting next week and try to do the same thing.

24 But, I implore you as you go forward take your
25 time and whenever you have got a chance pick up solar or

1 wind and let's get in competition with Germany and some
2 of these other countries.

3 Thank you.

4 **MR. KELLY:** S. H. Rogers.

5 **S. H. ROGERS**

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

8 **DIRECT STATEMENT**

9 **MR. ROGERS:** My name is Hank Rogers. I live
10 at 5235 Sagamore Court in New Port Richey. I moved to
11 Florida four years ago. To make a long story short, I
12 can't believe what I'm paying for electricity down here.
13 I have seen this rigmarole of public service hearings in
14 other states. People appeal when they have the
15 opportunity, so I thank you all for being here today,
16 and I thank most of you for paying attention, most of
17 you. These folks over here are to be commended for all
18 they have done.

19 I would make a couple of suggestions. You
20 need more publicity. You need to try your damndest to
21 make these meetings available for younger people with
22 children that are out trying to make a living right now.

23 What we have heard earlier this afternoon,
24 these people that are older than I am and are suffering,
25 not of their own fault, they are victims of the times.

1 It is sad enough, but think of the younger people with
2 children to educate, what they are going through.
3 Nobody is listening to them. Make yourselves more
4 available, if you can, before you render a final
5 decision. I implore you to do that.

6 You folks have more power than a lot of our
7 elected officials. All I can say to you with regard to
8 this base rate charge is it is uncalled for, and it
9 should be. And if you are listening, and if you
10 continue to listen over the next eight or ten hearings
11 you have, and you take it in your hearts with what you
12 are hearing, you will agree with everybody in this room
13 that these rates should be turned down. Not just now,
14 but they will be coming back again, and again, and
15 again. And also the phone companies, okay.

16 So thank you very much for your time. I
17 appreciate it.

18
19 **MR. KELLY:** Elaine Frenette.

20 Phyllis Aleci.

21 **MR. ALECI:** That's Phillip.

22 **MR. KELLY:** Phillip, I'm sorry.

23 **PHILLIP ALECI**

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

DIRECT STATEMENT

1
2 **MR. ALECI:** Good afternoon, members of the
3 Commission, Mr. Kelly, and members of the Office of
4 Public Counsel. My name is Phillip Aleci of New Port
5 Richey, and I have but a few comments to make.

6 First of all, I request you deny Progress
7 Energy's request in totality, totality. I will not
8 speak to numbers as Progress Energy, staff engineers,
9 they can work numbers to their own discretion and
10 opportunity and benefit.

11 Take notice, please, of the people that have
12 been here in this audience today. The majority, of
13 which I am one, will not be alive to see this plant that
14 Progress Energy is recommending and requesting that we
15 should pay for in advance. That's an awful bad
16 investment.

17 Also, earlier you swore me to attest to the
18 truth, and I will. Forgive me, but I believe the name
19 Public Service Commission should be changed, because of
20 past service, to the Business Service Commission. I
21 thank all who made this meeting possible, and I thank
22 those of you truly committed to the public benefit.

23 Thank you.

24 **MR. KELLY:** Carol Harse.

25 **CAROL HARSE**

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

3 **DIRECT STATEMENT**

4 **MS. HARSE:** Wow. Well, I haven't figured out
5 what to say. I just know that if my electric bill goes
6 higher, I'm not going to be able to afford it. The next
7 thing they will be doing is putting me in assisted
8 living or a nursing home. That doesn't make any sense,
9 because it costs the state more money.

10 This electric rate increase that they are
11 asking for is -- it looks like it's built of, excuse me,
12 but stuff and nonsense, and that I should have to pay
13 and all of my neighbors in the 55-plus condo building
14 that we live in, just doesn't make logical sense.

15 Thank you very much for listening.

16 **MR. KELLY:** Frenchy Krauss.

17 **FRENCHY KRAUSS**

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

20 **DIRECT STATEMENT**

21 **MS. KRAUSS:** Thank you. My name is Frenchy
22 Krauss, and I am the inventor who Mark Abbott talked
23 before. We, at Air Power Systems, we created a new
24 power system absolutely free-standing using wind energy.
25 Our system can work together with hydrogen and solar and

1 is for smaller usage, not for the big usage. You can
2 apply it to any home, business, RV, boats. We actually
3 run for two weeks our 42-foot sport fishing boat on
4 electro power, not on diesel, and it was working.

5 Nuclear power plant, is it really necessary?
6 Solutions are out there. We tried so many times to get
7 ahold of Progress Energy for our own. The management
8 never listened. We got ahold of James (inaudible), from
9 Progress Energy who is responsible for renewable energy.
10 He is very excited about our product and say, great,
11 wonderful, and presents it over and over and over to the
12 management, but they do not respond because we are that
13 close to finishing our research and development, so why
14 don't do it together. Because the last little piece
15 from our research and development is actually how to
16 connect this to our house. Isn't this Progress Energy's
17 job, as well?

18 How to create the codes to attach it to a
19 house. That is all questions where Progress Energy can
20 help us. So our unit is compared to other units
21 relatively small, absolutely noiseless, and, yes,
22 everyone can see it outside. It is spinning, that's why
23 I am at work here, so it is working perfect.

24 When we approached Mike Fasano, he was more
25 than excited about our project and put us together with

1 Tallahassee. We called Tallahassee and says -- told us,
2 oh, no, Florida is not for wind energy. Florida is
3 solar.

4 Incentives, over 20 millions are already
5 committed, and the last incentive, what was given, was
6 only one company from Florida who got it. We tried to
7 finish our project and create right at the first day
8 when we go on the market with our unit. When we opened
9 our factory doors, 21 work places inside our company and
10 another 12 work places from the beginning, the first day
11 for installers. Isn't this a goal?

12 All what we offer, let's do it together. I
13 mean, Progress Energy tried to do something. We need
14 more energy and whatever, but there are sources out
15 there what doesn't cost. Sun doesn't cost, wind doesn't
16 cost, and right now we try to create on partnering on a
17 joint venture with an inventor from a hydrogen unit.
18 And we work right now on a solution to integrate solar
19 power in our system so that we are able to provide a net
20 zero building anywhere in the United States.

21 And that Florida is not possible for wind
22 energy is a lie, because we run it out there. It's
23 spinning out there. (Inaudible) taped it, actually,
24 yesterday as we connected this to our house. It is
25 working. So we are open for any solution.

1 And I think first thought, maybe, is use a
2 system like this and bring it on the market for people
3 who really need it. I mean, we hear so many sad stories
4 from citizens here. It's just impossible to listen and
5 don't do anything. So why not use it?

6 Use incentives. Go for grants or whatever,
7 and provide these people with a unit like this or solar
8 and rent it like a satellite dish to a flat rate, and
9 let them produce their own power. It would be a
10 solution working together with power companies, as well.

11 It is there. It is out there. Just look a
12 little bit around, and think outside the box. Solutions
13 are there, everywhere. And it's possible.

14 Thank you. And if I missed someone, look up
15 our Internet page, our web page. It is all described,
16 what it starts, how it works. It's absolutely different
17 from everything else what is on the market.

18 Thank you.

19 **MR. KELLY:** Edwina Zaiser.

20 **EDWINA ZAISER**

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

23 **DIRECT STATEMENT**

24 **MS. ZAISER:** Hello. My name is Edwina Zaiser.
25 I live in New Port Richey. And does anyone else see the

1 irony in sitting in a freezing room while we talk about
2 electricity?

3 When most of us are dissatisfied with any
4 company, be it our cell phones or grocery stores, we
5 have the option of switching companies, telling them,
6 sorry, we're not going to shop here anymore; no, we will
7 boycott your products. But you can't do that with the
8 power company, and that is the real root of the problem.
9 It's a monopoly. So what incentives or competition does
10 Progress Energy have to limit costs and become more
11 efficient? None that I can see.

12 The Public Service Commission is the only
13 entity that can limit or make this company more
14 efficient. And you are the only entity that can limit
15 their prices. And they are guaranteed profit,
16 regardless of their efficiency.

17 I hear a lot on the news about our economic
18 climate and different companies that have been working
19 with that in posting gains, profits. Home Depot,
20 Walmart, how are they doing it? They are becoming
21 leaner. They are cutting costs. And how is Progress
22 Energy becoming leaner? I know that they have the
23 Save-the-Watts guy, the little cartoon guy that comes
24 and tells us to become more efficient. He will come to
25 your house. They will tell you to get double-pane

1 windows, and they will tell you to insulate your attic,
2 but how is Progress Energy becoming more efficient?

3 They are telling us, the consumer, to cut
4 back, to save, but I don't see them doing it. They
5 don't take their own advice. And all they do is they
6 come to you. Instead of becoming more efficient, they
7 come to you looking for another rate increase. They
8 come looking for a handout, not doing what they are
9 telling the citizens to do.

10 And the only way to force it to become
11 efficient, other than opening it up to market
12 competition and deregulating the market, would be to
13 limit their profits, because they have to answer to
14 their shareholders just like any other company. And
15 will they become more efficient if you say, no, I'm not
16 going to give you more profits? If you guys want to pay
17 nice dividends to your shareholders, then, you know, you
18 become more efficient. You cut costs. You cut top
19 executive salaries.

20 The Progress Energy representative in the
21 beginning today said that big companies like IBM
22 invested in Progress Energy. Well, of course, it's a
23 no-brainer. They get, what, 10.29 percent guaranteed
24 profit. Gee, you know, that is not hard math to do.
25 When you guarantee profit, hey, that's no risk for the

1 shareholders.

2 And, you know what, this increase, to increase
3 their guaranteed profit to 12.54 percent, that is going
4 go to the shareholders. You know, our money will go to
5 them. And, I mean, why should I give my money to the
6 shareholders? I know some of them are individuals, some
7 of you probably have shares in them, but why should I
8 give this money to these shareholders and big companies,
9 like he said, IBM.

10 What am I getting for the increase? Am I
11 going to get better service? Am I going to have
12 18-year-old single electricity pouring out of my outlet?
13 No, my electricity is not going to get better. My
14 service is not going to get better. Is the
15 Save-the-Watts guy going to come to my house and play
16 with my cat? No, none of these things are going to
17 happen. What do I get? Nothing. This money is going
18 to go to the shareholders.

19 And the guy who alerted the FCC, or kept
20 trying to alert the FCC about the Bernie Madoff scandal,
21 he figured it out in ten minutes, okay? He looked at
22 the Ponzi scheme, and he said, I'm sorry, but it's not
23 possible that the same investment would post 10 to
24 12 percent returns every single year. It goes up, it
25 goes down. He knew there was something wrong in the

1 first place, and as did all the other big Morgan Stanley
2 and everything. They didn't touch it. They knew
3 something was wrong. Yet we guarantee them this much
4 profit.

5 And then they want an increase for upgrading
6 the nuclear power plant and the Bartow plant. And what
7 private sector company charges their customers in
8 advance for construction? You know, that plant won't be
9 built until 2018, which -- and I'm sure some of the
10 people in this room will have moved away, or, you know,
11 they will not be here anymore to enjoy any of the
12 plant's whatever, because I'm not sure exactly what the
13 plant will give me. I don't think it will give me any
14 better electricity. I mean, I guess they're estimating
15 population growth so they can make more money off of
16 more customers. Great, that's where my money is going.

17 If I wanted to install solar panels on my
18 house, I have to take out a loan, and I have to pay for
19 them and then from the savings in my electricity, they
20 will eventually pay off. Also, it makes my home value
21 worth more. Private companies float bonds to pay for
22 things. They don't just get money so they can build
23 nuclear power plants or upgrade their own plants. They
24 don't extort the captive audience into paying it
25 beforehand.

1 Senator Fasano mentioned earlier that their
2 estimates on the nuclear power plant were about a third
3 of what the current estimates or what they originally
4 said. And Progress Energy estimated its -- the
5 depreciation in its projected electric use, but we don't
6 know how accurate it is. These are all projected. In
7 fact, in the yellow sheet that I got from the Office of
8 Public Counsel, they said the Office of Public Counsel
9 believes the amount to be much higher of their
10 depreciation. So we have absolutely no idea. We have
11 no idea -- you know, Public Counsel thinks they are
12 ripping us off, but we don't know. We don't know if we
13 are being overcharged.

14 And then I look at the green sheet you gave me
15 here, and it says approved interim in Bartow base rate
16 increase. Interim increase? Okay, what interim?
17 Interim of increase between another increase? I mean,
18 that is what interim means, right? It is an increase
19 between another increase. And we just had a 25 percent
20 increase in January. And this interim increase has
21 already been approved. And, you know, it's a little by
22 little increase.

23 It's like the frog. The frog jumps into the
24 water, and if you slowly turn up the water, he feels
25 warm. Maybe he gets a little uncomfortable, just like

1 us with our conditioning. You know, we turn up the
2 thermostat just a little bit, little bit, little by
3 little. You know, it's not so uncomfortable. But
4 before you know it the frog is boiled. The frog won't
5 jump into a boiling vat of water, and that is what these
6 little interim increases are doing.

7 So they want to increase the base rate, which
8 is a very aggressive form of rate increase in the first
9 place, because it really doesn't promote energy
10 conservation. It's not environmentally friendly, and it
11 is impossible for you -- almost impossible for you, as a
12 consumer, to just reduce and save money. But that is
13 their goal. That's Progress Energy's goal, because
14 Progress Energy has no interest in you reducing
15 consumption. Why would they? They don't make money
16 when you reduce consumption.

17 The little ads and the Save the Watts, and
18 those helpful programs, that is just dog and pony show.
19 All right? That's trying to look nice. The fact is
20 they make more money the more electricity you use.

21 And the beautiful irony of this is let's say
22 all of us reduced our consumption by half. Tomorrow we
23 totally turned off our air conditioners. Progress
24 Energy would be in front of you again because they
25 wouldn't be making enough money. They would not be

1 making enough profit. So if we all reduced, they would
2 have to be back. So, either you are damned if you do,
3 you are damned if you don't.

4 Now, I don't particularly like to give my
5 money to a monopolistic large plant. And many people
6 have mentioned solar. So I wanted to just speak about
7 the program that Gainesville has. And I know Mr. Skop
8 is a University of National Champions, and the rest of
9 you are FSU, from what I read from your bio. So I know
10 at least Mr. Skop would be rational person who will
11 listen to me.

12 But, Gainesville followed a German model,
13 okay. We had some people talk about Germany. What they
14 did was they pay twice to the homeowner for electricity.
15 So if you put solar panels up on your house, they will
16 pay you to put into the grid twice, twice as much to the
17 put in than you take out. So the more electricity you
18 put in, you know, that you're putting into the grid, you
19 will get money back from.

20 Now, this saves, because so many people will
21 now make money from their solar panels. People are
22 willing to put up the initial investment to put into
23 their house to have solar. And that is how Germany now
24 has 50 percent of the solar market in the world, or
25 solar production.

1 Now, I sympathize with government officials
2 because there is too many citizens who expect a free
3 lunch. There is no such thing as a free lunch, I know
4 that. This costs Gainesville residents 74 cents per
5 month, okay? And, you know, there are state and federal
6 tax credits. And I know right now that the state solar
7 energy system incentives program is completely -- it has
8 paid out all it can, but it will -- it will pay about up
9 to \$20,000 for a residential solar panel. And there is
10 also federal tax credits that you can get, and the state
11 of Florida does not charge you sales tax for your solar
12 panels, and it also will not make you pay top property
13 tax on the increase in the value of your home.

14 And so a \$55,000 system after the \$20,000
15 credit and federal tax credits actually ends up costing
16 you about 30,000 or so, or less, which is still a lot of
17 money. But if you pay those consumers then to put money
18 into the grid, you are getting renewable energy, all
19 right. You don't have to invest in big monopolistic
20 plants. And, frankly, if I had to put my money
21 somewhere, and if I had to -- because, you know, this,
22 as a taxpayer, would cost me money instead of putting it
23 on my electric bill, that's where I would rather have
24 it.

25 And to finish off, I just wanted to say if you

1 think about the nature of the public, the word public,
2 what image is elicited from the word public. What does
3 this word conjure up. It is not exactly a good thing.
4 You have got public schools, public transportation,
5 public pool. Usually people associate things with
6 dirty, dilapidated, or dangerous when it comes to
7 public. The epitome of which would be the public
8 restroom. All right? So I just want to -- I hope that
9 the Public Service Commissioner will somehow not live up
10 to that archetype of public.

11 Thank you.

12 **CHAIRMAN CARTER:** Thank you.

13 Commissioner Skop.

14 **COMMISSIONER SKOP:** Thank you, Mr. Chairman.

15 I'll keep this real brief. Just real quickly,
16 I appreciate the comments on solar. I do have a house
17 in Gainesville, so I am a GRU ratepayer. And, you know,
18 I have mixed emotions on that, because, frankly, with
19 their feed-in tariff that they are claiming credit for
20 and bragging about, it might be good if that were
21 actually going to distributed generation for homeowners.
22 The majority of that has been gobbled up by out-of-state
23 developers. So they can brag all of that want, I'm not
24 fooled.

25 But to your point, why I believe that current

1 state incentives are more adequate than what Gainesville
2 is claiming credit for, we do have funding restored
3 through the economic stimulus package for the state
4 rebates. There is about \$6.8 million left in the
5 Governor's Energy Office, so those rebates have now been
6 funded. On top of that you have, under the federal
7 economic stimulus package, a 30 percent federal
8 convertible investment tax credit.

9 **COMMISSIONER ARGENZIANO:** I'm sorry, I can't
10 hear you at all.

11 **COMMISSIONER SKOP:** I'm sorry. The
12 microphones here are not the best in the world.

13 Just briefly, the state funding for state
14 rebates at 4,000 per watt has been restored. The
15 convertible federal investment tax credit at the federal
16 level provides for payment if the taxpayer is eligible
17 of 30 percent of the qualified project costs, a direct
18 payment from the Treasury.

19 Also, the Commission, my colleagues, have
20 adopted net metering in our interconnection rule, which
21 provides for paying for net metering. Combined with the
22 tax incentives that you mentioned, the property tax and
23 no sales tax, all of those allow a homeowner to put
24 solar on their house and receive a payback in probably
25 seven to ten years under the current funding that is

1 available.

2 So, again, I think the state does have many
3 incentives in place. I wish we had more funding for
4 that. But, again, to be fair, Gainesville, I think, has
5 taken a lot more credit for something that -- getting a
6 lot of publicity and it is more hype and not a lot of
7 substance. As a ratepayer, I have seen my prices go up
8 as a result of that policy. So I just wanted to comment
9 on that, because I have heard that from many consumers.

10 But, thank you very much.

11 **MS. ZAISER:** Okay. And one more thing. A lot
12 of homeowners associations tried to limit the
13 photovoltaic cells on their house, and that is against
14 Florida Statutes.

15 **COMMISSIONER SKOP:** Yes, the Legislature has
16 acted on that --

17 **MS. ZAISER:** And clotheslines, too.

18 **COMMISSIONER SKOP:** -- and I am happy to see
19 that, as well as other legislation that allows flying
20 the United States flag. Thank you.

21 **MR. KELLY:** Stephen Lintzenich.

22 Kenneth Brown.

23 **KENNETH BROWN**

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

DIRECT STATEMENT

1
2 **MR. BROWN:** It has been a long afternoon.

3 Hi. My name is Kenneth Brown, and I live in
4 Holiday, Florida. And just unequivocally, I'm against
5 any base rate increase.

6 I do have a question as to why we're standing
7 here before the Commission. Why are you even
8 considering it? I mean, it's private business. It's no
9 longer a public utility. I'm sure everyone that doesn't
10 know has an idea. You have got Progress Energy Florida,
11 Progress Energy, and then you have Florida Light and
12 Power. They are all interconnected. Everything is a
13 profit and we can't afford it. You have heard of
14 hardship after hardship.

15 Why would we even consider paying for a plant
16 in advance with no idea what it's going to cost? No
17 regulation over construction. Why even consider it?
18 Stop it at the beginning. Why aren't we prosecuting
19 them for taking our money for excess fuel costs to the
20 tune of millions of dollars? That's fraud, blatant
21 fraud. And we are letting them get away with it. Will
22 somebody tell me why? Nobody. Why are you even
23 considering it? I'm not being facetious, believe me.
24 I'm looking for an answer.

25 **CHAIRMAN CARTER:** We are here to get

1 information from the public on this proposed rate
2 increase that Progress is requesting.

3 **MR. BROWN:** I understand that, but the rate
4 increase is to build a plant or pay for a plant in
5 advance. Why is that even being considered?

6 **CHAIRMAN CARTER:** Because that is the law of
7 the state of Florida. It was approved by the Florida
8 Legislature and signed by the Governor into the law. So
9 we are following the law on that.

10 **MR. BROWN:** Okay. That's what I'm asking.
11 You are giving me an honest answer.

12 **CHAIRMAN CARTER:** Yes, sir.

13 **MR. BROWN:** I mean -- but, the Commission does
14 have the right to refuse it right from the get-go,
15 right? They have to have hearings? Okay. Thank you.
16 You're answering my question. And I wasn't -- like I
17 say, I wasn't being facetious. I was asking you, and
18 now you have given me a reason. Why aren't you
19 prosecuting them for -- another answer, please -- for
20 fraud?

21 The excess fuel cost. Okay. It is public
22 now, and you know how many hundreds of millions of
23 dollars. Where did that go? You have -- you can look
24 at their books, and you can look at them hard, and rates
25 should come down. I'm sure they could come down if the

1 books are examined properly. Where does the excess
2 profit go?

3 Ten percent. I can't get 10 percent anyplace
4 right now investing. And a public utility, which is as
5 safe as, quote, Fort Knox, people should be able to
6 invest -- everyone in the room would buy stock in
7 Progress Energy if you're guaranteed 10 percent a year.
8 Nobody else is guaranteeing that. But they are
9 guaranteeing it to their investors, and they are taking
10 it from us, the public.

11 That is not a public utility. That is a power
12 company. It's part of a bigger conglomerate that is
13 even a bigger power company. And that doesn't serve the
14 community. It serves a larger conglomerate. I think we
15 ought to serve the community. Just keep that in mind.
16 You are the only people that can do that for us.

17 Now, you're listening to us today, and you
18 know all the hardships and everything that is taking
19 place. And I agree with everyone that spoke today. I
20 have done everything possible to bring energy costs
21 down, but my monthly bill goes up. How is this
22 possible? Please put a stop to it.

23 If you're going to review something, review
24 what their real expenses are, what their real profits
25 are, and have the rates come back down to where it is

1 real. I mean, they are only paying, what, \$50 a barrel
2 now for fuel, not 100. But none of that money came
3 back. It's going someplace, and you can check into
4 that, but don't give them an increase. I mean, there is
5 just no sense, no logic. And as a gentleman said
6 earlier, right now that is morally wrong. Morally
7 wrong. Bad. That's all I have to say.

8 **CHAIRMAN CARTER:** Thank you.

9 **MR. KELLY:** Elsiemae Johnson.

10 **CHAIRMAN CARTER:** Say again, Mr. Kelly.

11 **MR. KELLY:** Elsiemae Johnson.

12 **ELSIEMAE JOHNSON**

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

15 **DIRECT STATEMENT**

16 **MS. JOHNSON:** Thank you for giving me the
17 opportunity to speak before you today. I didn't realize
18 that I -- I know as a citizen I realize I have an
19 opportunity to speak, but when they sent me the e-mail,
20 I went, yeah, I want to go to that meeting.

21 In this last month, for myself -- I'm a senior
22 citizen. I work part-time for a living, very sparsely
23 part-time. We work about four times a year. There are
24 whole months that we go without any income at all. So I
25 depend on my Social Security. Last month my bill was

1 \$77.77, and although I didn't do anything different this
2 past month than I normally do, my bill went up to
3 \$315.76. That is a 24.64 percent increase. I tried to
4 call -- I paid some on it, and I tried to call Progress
5 Energy through that automated line, and it says after
6 hours you can call and if you press 2, I think it is,
7 you can get the automated. And every time I would call
8 it would say we can't -- we need more information. We
9 can't help you at this time. Call when we're open.
10 When I have to work, I have no access to a phone. So I
11 think there is a major glitch in the system. Now,
12 that's the first point.

13 Another lady that spoke before mentioned this.
14 When Progress Energy bought out Florida Power, there had
15 been a pay station, there had been an actual office,
16 somebody you could go in and talk with. And there were
17 several places that took payments for Florida Power, and
18 then consequently for Progress Energy. And so you could
19 go to many different places and pay your bill.

20 However, when they closed that one that was up
21 on Main Street near Davis Hardware, there wasn't
22 anyplace to pay bills, except there was like gas
23 stations and different places, and then all of a sudden
24 all of those places closed down. And the only places
25 that are open now in Pasco County and Pinellas County,

1 all want that extra dollar.

2 Now, in some of those check cashing places,
3 they will only take the payment in cash. I don't ever
4 pay anything in cash because it's unsafe to carry cash.
5 My husband was murdered in a carjacking 13 years ago
6 over in Central Florida. And that's the reason that I
7 relocated to this side of the state, because my son and
8 daughter-in-law live over here, and I bought a home. I
9 have been over here 12 years now. And I love it on this
10 side of the state, but I'm not going to carry cash for
11 anybody. And so that is -- I think that Progress Energy
12 needs to institute some more free pay stations so people
13 don't have to pay the extra dollar, because it is hard
14 enough to pay the bill as it is.

15 Now, senior citizens on a low fixed income
16 cannot even afford to eat because of the ever increasing
17 rates of utility companies, such as Progress Energy.
18 Everything is increasing in today's economy, and when
19 gas goes to \$10 a gallon, and groceries, water, and
20 other necessities increase to exorbitant rates out of
21 sight, we cannot afford our energy bills to continue to
22 escalate.

23 By the way the rate hikes are increasing at
24 the present rate, we will no longer have a place to
25 live, and we may even have to resort to several families

1 pooling their resources and living together communally,
2 and each person giving their fair share to pay one
3 month's energy bill.

4 Now, I have fans in my house, and I keep my --
5 in the summertime I keep my thermostat on 80. In the
6 wintertime I don't even run it. I wear sweaters and get
7 under blankets, because I can't afford my electric bill,
8 and yet it continues to increase. And I'm not doing
9 anything different. I take one shower a week. I heat a
10 24-ounce 7/11 cup in my microwave to take sponge baths
11 every day. All of these things are to save energy.

12 Progress Energy told me that they would like
13 to regulate my water heater, and I must pay them
14 something like 5.95 a month for the privilege of them
15 doing that. I said thank you very much. I regulate it
16 myself. I turn it off. When I need it I turn it on
17 half an hour before I go to take a shower, and then it
18 goes off again. I know how to do that by myself, and I
19 don't have to pay you 5.95 a month for that privilege.

20 Now, Citizens Insurance Company -- property
21 insurance is a monopoly, and they have been robbing us
22 blind for the last seven years, and we are not going to
23 stand for Progress Energy to follow suit. There are
24 alternatives, solar and wind power. If you go on-line
25 and you look up these things, you will be able to find

1 them because they are available. In other words, our
2 electric bill would go down to zero, and then that would
3 be more for our benefit than having to pay these
4 exorbitant rates month after month when we are scrimping
5 and scraping everything together just to exist. And
6 with everything going up in this country as it is, we
7 don't need the only place that we can get electricity
8 from to just take every last penny we have so that we
9 have to do without everything else.

10 Thank you for letting me speak.

11 **COMMISSIONER EDGAR:** Thank you.

12 Commissioner Skop.

13 **COMMISSIONER SKOP:** I wanted to ask if we
14 could perhaps take five for the court reporter. She
15 needs a break.

16 **COMMISSIONER EDGAR:** Okay. Commissioner Skop
17 has asked that we take a break, a stretch for all of us,
18 I think. I have 6:41, so we will come back at 6:51,
19 approximately, as close as we can gather together. And
20 we are on break. Thank you.

21 (Recess taken.)

22 **CHAIRMAN CARTER:** Okay. Mr. Kelly.

23 **MR. KELLY:** Diane Krivo? Krivo. Diane Krivo,
24 K-R-I-V-O?

25 (No response.)

1 I know I'm going to butcher this one. Gary
2 Quetschenbach. Q-U-E-T-S-C-H-E-N-B-A-C-H.

3 (No response.)

4 Rita Youngerman.

5 (No response.)

6 Suzy Webster.

7 (No response.)

8 Michael Mizok. Mizok. M-I-Z-O-K.

9 (No response.)

10 Darlene Niehaus or Nie -- I'm sorry. Darlene
11 Niehaus, Niehaus.

12 (No response.)

13 Mark Klutho.

14 Whereupon,

15 **MARK KLUTHO**

16 was called as a witness on behalf of the Citizens of the
17 State of Florida and, having been duly sworn, testified
18 as follows:

19 **DIRECT STATEMENT**

20 **MR. KLUTHO:** Mark Klutho, 14496 120th Avenue
21 North, Largo. The podium here is stupid. It's designed
22 for one thing, huh?

23 I support nuclear power, 93 million miles
24 away. Here we have this article from the *St. Pete*
25 *Times*, May 14th, Hot in Here? Required by the Water

1 Authority if they have these chilled water, they're
2 supposed to keep the thermostat at 78 degrees. And in
3 the lobby of the Regressive Energy building, downtown
4 St. Pete, it's 74.8. An example of gross mismanagement.

5 But you see here, a stupid building. The new
6 man in charge just interviewed in the paper sitting in
7 his office with windows in the corner there allowing for
8 all that direct solar gain. And here we are in another
9 hearing with the stupid lighting system.

10 Remember when I was up there in Tallahassee,
11 told you about your lighting fixtures with 96 watts in
12 each fixture? Did you get those fixed? I doubt
13 seriously, doubt seriously.

14 And here is the *New York Times* from May 29th,
15 and the new nuclear power plant over there in
16 Scandinavia. This is how they're going to be building
17 them here in this country. Not so fast nukes, cost
18 overruns plague new breed of reactor. This new reactor,
19 about 4.2 billion, has climbed at least 50 percent.
20 While the reactor was originally meant to be completed
21 this summer, the French company building it, they now
22 say they make no predictions when it will go online.
23 Uh-huh. Yeah.

24 Remember what they said when they first
25 started building these things? They were going to be

1 too cheap to meter. Now this is an example. You can
2 say this hearing isn't about the nuclear power, but this
3 is about this company and gross mismanagement. That's
4 the bottom line. They are completely on the wrong path,
5 completely on the wrong path.

6 Here we have solutions. The newsletter from
7 the Rocky Mountain Institute, and in here, you'll
8 remember I had with me when I testified Amory Lovins'
9 book, copyright 1975, *Nonnuclear Futures, The Case for*
10 *an Ethical Energy Strategy?* Well, here he is writing in
11 the newsletter from this past spring, and what he writes
12 in this newsletter, new nuclear reactors, same old
13 story. No one better to write about it.

14 And if you go and look up this article about
15 the new nuke in this *New York Times*, May 29th, you'll
16 see the story about what's going to happen. I mean, and
17 what Lovins says in here is that this talk about nuclear
18 power being cheap, it's only because all of these plants
19 were completed many, many, many years ago. You factor
20 in the cost of one nuke plant and the price goes way,
21 way up.

22 And in this, the *National Geographic* special
23 here, you should all get a copy of it, "Repowering the
24 Planet, Energy for Tomorrow," there's an interview with
25 Amory Lovins here. And it says, "Energy expert Amory

1 Lovins argues to Michelle" -- whatever it is -- "that
2 energy efficiency improves the quality of life and
3 strengthens our national security. You popularized the
4 term negawatt." Well, he didn't popularize it; he
5 coined the term. "What are negawatts and why should we
6 care about them? Negawatts are watts saved by more
7 efficient use. It's enormously cheaper, probably eight
8 times cheaper on average to save electricity than to
9 make it."

10 Now, everybody here today, it's about making
11 watts. Well, the fact is, it doesn't matter if it's
12 nuclear, if it's gas, if it's coal, if it's oil or if
13 it's any form of renewable. The vast majority of it is
14 being wasted. And these people at Regressive Energy,
15 when I testified up there in Tallahassee, 25 minutes of
16 testimony at the Nuclear Regulatory Commission hearing,
17 not there -- not long after, an engineer from the
18 utility came up wanting to shake my hand. I said,
19 "There's no way, buddy."

20 He told me Mr. Lyash was upset to hear that
21 their new building down there in downtown St. Pete was
22 not an efficient building. Well, he learned that from
23 my testimony. But these people, they don't know about
24 high performance buildings, but yet they're going to say
25 we need nuclear, and they can't get the lighting system

1 right. They don't know about using the right gauge of
2 wire.

3 And here again, look at all the incandescent
4 bulbs. We had the solar installed on our house. Guess
5 what? For a whole year after the solar was installed
6 for our hot water we didn't pay an electric bill. And
7 there wasn't fine print with the advertisement that
8 said, you know, you do this solar, you'll get a
9 \$450 rebate. Well, after our installation, then they
10 put the fine print in there that said you have to have a
11 big electric bill or we don't give you the \$450 rebate.

12 I made sure we got it, but after ours, then
13 people that are really efficient, they can't get that
14 \$450 rebate. You have to be using electricity or they
15 don't want to give it to you.

16 Now as I stated before in testimony before
17 you, it is perverse that the rates and the use are not
18 decoupled. And what's being done? There are quite a
19 few states where decoupling has occurred. But if you
20 people saw that program that was on not too long ago,
21 Earth 2100, you know, for this young child here, this
22 planet is going to be a hellhole when he's my age if it
23 keeps on going the way Regressive Energy has it planned.
24 And you people keep on rubber stamping, the way the
25 Legislature, Fasano, and all these fools keep on going,

1 you know. The Rocky Mountain Institute, Snowmass,
2 Colorado, 40 degrees below zero and built without a
3 furnace. Like this article from *Solar Today*, Better
4 Buildings by Design. We shape their buildings there
5 after they shape us. Winston Churchill, *Time Magazine*,
6 1960.

7 And here it has the sidebar about that high
8 performance building program from the Department of
9 Energy. And it says, "To enter the program, you must
10 anticipate cutting your utility bill by a minimum of
11 70 percent," which means the science is there to do
12 that. And this is *Solar Today* from March/April 2001.
13 Well, it's like that other *Solar Today* that I've had at
14 the meetings over and over again. This says it's the
15 architecture, stupid, who really holds the key to the
16 global thermostat. And here it has the library
17 demonstration project. They were passively heated,
18 passively cooled, where they cut the utility bill by
19 80 percent when they compared that library with others
20 in the region.

21 Now, again, every bulb in here, an
22 incandescent bulb. I mean, you go down to that
23 Regressive Energy building, brand-new building, and, I
24 mean, this thing is a monument to ignorance. These
25 fools are just burning the money, and then they say they

1 need a rate increase?

2 You know what Amory Lovins says about heating
3 your water with electricity? It's like cutting butter
4 with a chainsaw. And Spain and Israel, a law, you build
5 a new single-family home, it must come with solar hot
6 water. And they just did that in Hawaii.

7 Now, again, these kids, you know, they're
8 going to look at the people like you, like you, like
9 you, like the Fasanos of this world, and they're going
10 to say you were the powers that be, you could have made
11 a difference. And then they're going to look at the
12 world that they have to live in and they're going to
13 harbor some great resentment because this science is
14 there. Remember when I gave you that little quiz, see
15 that picture right there, when I testified in
16 Tallahassee, asked them how many bulbs are in the
17 picture? They couldn't answer that.

18 **CHAIRMAN CARTER:** Mr. Klutho, I'm going to
19 give you two more minutes.

20 **MR. KLUTHO:** Fine.

21 One bulb in that picture. One bulb there.

22 I mean, what this utility is doing is nothing
23 for the community. They are destroying the community.
24 The US&A, less than 5 percent of the population using
25 25 percent of the world's energy. As a result, we spend

1 more on defense than all of the rest of the world
2 combined, and the hole keeps on getting deeper. This
3 is, as somebody said before, not a recession. This is a
4 depression. Things are not going to get better. The
5 stimulus? The stimulus is not going to solve the
6 problem as it is planned.

7 I mean, there needs to be a plan that is, you
8 know, many multiples of what Obama sees, what you guys
9 are seeing right now, what Florida, the Legislature
10 sees, what Crist sees. And, you know, of course the
11 staff here, I mean, you took it beyond what the staff
12 thought the renewable needs to be, but, you know. I
13 mean, this is, this is sad, really sad.

14 **CHAIRMAN CARTER:** Thank you.

15 Mr. Kelly.

16 **MR. KELLY:** Mary Ann Sciortino -- I'm sorry.
17 Sciortino.

18 **CHAIRMAN CARTER:** Spell it.

19 **MR. KELLY:** You don't trust my pronunciation?
20 S-C-I-O-R-T-I-N-O.

21 (No response.)

22 Christine Thomas.

23 (No response.)

24 Cheryl Crane.

25 **CHAIRMAN CARTER:** There we go. Are you going

1 to speak, too?

2 **MASTER CRANE:** Yeah.

3 Whereupon,

4 **CHERYL CRANE**

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 **DIRECT STATEMENT**

9 **MS. CRANE:** Cheryl Crane, this is -- Holiday,
10 Florida. This is my grandson, Nathan. Did you want to
11 say something?

12 **MASTER CRANE:** I was going to say it at the
13 end.

14 **MS. CRANE:** Okay. I don't know what I can say
15 that hasn't already been said, you know, that I've -- my
16 whole family has been affected by this rate increase.
17 I've -- I mean, I'm living with my daughter because I
18 can't afford to live alone.

19 I wanted to say that I think that you should
20 definitely deny the increase. I think more information
21 needs to be put out there for the homeowners so that
22 maybe they can get involved in lowering their energy. I
23 mean, I, I use the lightbulbs, I did all those things,
24 and I even checked into solar panel water heating, but
25 it was so expensive. And I don't know if there's any

1 kind of financing with the way, you know, the economy is
2 right now, you know, people losing their homes, losing
3 their jobs. Every week you're thankful that, you know,
4 your children are still working.

5 And we've been affected by this increase. Our
6 electric bill went up by \$120 one month. My daughter --
7 my other daughter's electric bill went up. My neighbor
8 next door to me, their electric bill went up by \$120 in
9 one month. We didn't change anything that we were
10 doing.

11 It just -- and I found out about this hearing
12 because my daughter called up to complain about her
13 bill. So it was kind of like one of the best kept
14 secrets around. I think that if they, if this hearing
15 had been when younger people who are at work were able
16 to attend, you would have had, you would have the
17 room -- you wouldn't have had enough room for everyone
18 that would have been here.

19 I'm here representing three families just in
20 our neighborhood alone, and I'm sure there would have
21 been a lot of people. My daughter did show up after
22 work, working all day. And her son, I guess, wants to
23 address everyone. But, please, I urge you, you know,
24 not to pass this.

25 **CHAIRMAN CARTER:** Help Nathan with the mike

1 there.

2 Whereupon,

3 **NATHAN CRANE**

4 was called as a witness on behalf of the Citizens of the
5 State of Florida and, having been duly sworn, testified
6 as follows:

7 **DIRECT STATEMENT**

8 **MASTER CRANE:** And I wanted to say that we all
9 know the 10 Commandments; right?

10 **CHAIRMAN CARTER:** Amen.

11 **MASTER CRANE:** There's one that I wanted to
12 say. Do unto others as they'll be done unto you. Like
13 they're raising our bills 31 percent. How about, what,
14 what if we raised their bills 31 percent? Okay. And,
15 and so please help lower our -- the bill, please. Thank
16 you.

17 (Applause.)

18 **CHAIRMAN CARTER:** Thank you. I want everyone
19 to know, I want everyone to know that Nathan is an
20 outstanding math student, so he knows what he's talking
21 about when it comes to those percentages.

22 Mr. Kelly.

23 **MR. KELLY:** Frank Yore.

24 (No response.)

25 Frances Brand.

1 (No response.)

2 Carol Christie.

3 **CHAIRMAN CARTER:** There's Carol.

4 Whereupon,

5 **CAROL CHRISTIE**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MS. CHRISTIE:** Okay. Hi. I'm Carol Christie.

11 I live at 1920 Hacienda Way in Holiday. I bought that
12 house four years ago as my first home, and I'm near
13 retirement age. And it's worth about \$10,000 less now
14 than I owe on it. So that would be a problem for me to
15 be stuck here if I can't afford other expenses. And I
16 just lost my job April 15. But I fortunately, I do
17 bookkeeping and I've got a few small bookkeeping clients
18 helping me out. I make about \$500 or \$600 a month right
19 now. I don't plan on taking Social Security, by the
20 way. I don't ever take government help. Never have.

21 And I just wanted to say I'm opposed to this
22 obviously, like everyone else, but I'm very adamantly
23 opposed to the building of a nuclear power plant. And
24 it's only mentioned by a couple of people, but I'm
25 adamantly opposed to any kind of nuclear energy use

1 because that waste material is not -- you can't get rid
2 of it. They bury it deep in the earth and they shoot it
3 out into space, like that lady was saying, but that
4 material is forever dangerous to us. Okay? It's never
5 not going to be dangerous to us.

6 When they create that waste material, it
7 doesn't disappear. It doesn't dissipate in its strength
8 of radioactive, you know, what it would put out if it
9 was exposed. And they deep bury it in salt mines, I
10 heard years ago. I don't know what they're doing with
11 it now. But all you have to do is have it in an area
12 where there's an earthquake or something and then it
13 gets exposed. That actually got -- happened in Amchitka
14 Island in the Aleutian chain. I grew up in Alaska. And
15 they are having problems right now with radiation leaks
16 in that area, I understand, and it's dangerous.

17 We can't get rid of the waste. There is no
18 technology for it, to reduce its danger. Okay? So I
19 don't care what excuses they use, it's not a clean
20 energy, never has been, never will be, unless somebody
21 comes up with a way to reverse it. And I think that
22 takes just as much energy as it does to create it to
23 begin with. So that would be something that wouldn't be
24 done. Okay. There's no such thing as clean nuclear
25 energy. That's my reason for it. Okay? I don't want

1 any of it.

2 And there's plenty of other energy, as has
3 been mentioned, alternate energy sources. And I do have
4 a future client, I'm not making money from him yet, but
5 he has developed a wind energy that is -- he has a
6 patent in Europe, in China, and it's been four or five
7 years it's taken him to get the patent approved in the
8 U.S., but it got approved about two months ago. Okay?
9 He got his first contract in Michigan for \$100,000.
10 This wind energy is totally environmentally safe. It
11 doesn't kill birds, there's no noise pollution, and it
12 works in the lowest of wind conditions, the way I
13 understand it. Okay.

14 There's plenty of alternatives. The lady
15 speaking earlier told you about hers. Solar energy is
16 obvious for Florida. So I just wanted to state that.
17 No nuclear energy, and we don't need to pay for it. I
18 don't want to pay for it for that reason alone. Okay?
19 Thank you.

20 **CHAIRMAN CARTER:** Thank you very kindly.

21 Mr. Kelly.

22 **MR. KELLY:** Shelly Corbin.

23 (No response.)

24 And possibly last, Ms. Marie Grimard.

25 **MS. GRIMARD:** Grimard.

1 **MR. KELLY:** Grimard. I'm sorry.

2 Whereupon,

3 **MARIE GRIMARD**

4 was called as a witness on behalf of the Citizens of the
5 State of Florida and, having been duly sworn, testified
6 as follows:

7 **DIRECT STATEMENT**

8 **MS. GRIMARD:** My name is Marie Grimard, and
9 I'm from New Port Richey. And at first when I come in I
10 was deliberating whether to sign up to speak or not, but
11 I decided I'd talk for the generation that's really the
12 older generation, between the 85 and 90.

13 But I'll tell you that when I graduated from
14 high school in 1939, my first paying job was \$25 a week,
15 and everybody else was also in the same category because
16 money was of a different value and everything. And so
17 my husband and I got married in 1944, and we were both
18 in the same energy group, I guess if you want to call
19 it, because we knew each other from high school.

20 And so we are in the generation that never
21 really made what you'd call big money, like the
22 generations make today. I have a daughter who has all
23 the college degrees you can have and she has a marvelous
24 job and she probably makes more in one month than I made
25 in a year. And even when my husband and I were working

1 for people, sometimes I made maybe \$75, \$85 a week, and
2 I thought I was really the king of the hill, but I found
3 out later that I wasn't.

4 Anyway, when I was in high school, I had a
5 part-time job because I lived alone with my mother. And
6 so I used to work in a dry cleaners in the afternoon
7 and, to pick up a few extra bucks. And so by the time
8 that, like I said, when I graduated, gasoline was 19
9 cents a gallon, milk was 10 cents a quart, bread was
10 like 10 or 12 cents. You have no idea about the price,
11 prices because you're not from the generation that I'm
12 from at all.

13 And my children always keep telling me, "Mom,
14 you should get with the program." And I said, "Well,
15 Mom can't get with the program because I don't live in
16 that generation." And I was always brought up to live
17 by the Golden Rule, that you treat others as you'd like
18 to be treated yourself. And we lived in a very small
19 town, and so I just, like I said, I was just brought up
20 that way. But I moved to the big city and I got a, I
21 really got an education, I can tell you that.

22 But anyway, as I started to tell you, my
23 husband and I never made what you'd call big money, but
24 we managed to save out of what we earned. And we did
25 have a little nest egg, but not too much. So we decided

1 to build a house, and we lived in this small town,
2 4,000, 5,000 people, and everybody knew everyone else.

3 And so the banker there, of course, I guess
4 knew me from when I was a little girl because I used to
5 deposit money in the bank. They had a little silver
6 bank that looked like the little, what is it, that
7 little one that had the little box with the handle that
8 you buy cookies in. Well, this was a little
9 chrome-plated one, and all my pennies and things went in
10 there. And my mother would take me up to the bank and
11 they would unlock it, and I had a savings account. And
12 I thought I was pretty, pretty wealthy.

13 But, anyway, as I said, as time went on, we,
14 we decided we wanted to build a house. And living in a
15 small town like that, everybody knew you. And we did
16 not have a lot of money, like I said. We were, we were
17 not -- like today, it seems like everybody is really,
18 really making lots and lots of money or there's a lot of
19 people that are really hurting.

20 And I've often said if I had a lot of money, I
21 would help a lot of people because I know of a lot of
22 widows like myself that are really hurting worse than I
23 am. And my husband and I were married 57 years before
24 he died nine years ago. So if he was still living, this
25 year would be our 64th.

1 And so, like I said, we always saved for what
2 we earned, and that's the way we were. And we never
3 even had a charge account until after we were married
4 for a long, long time, because we had to buy a lawn
5 mower. We bought a little house and it had a big lawn
6 that had to be mowed. And my husband said, "Well, maybe
7 we should buy a riding mower because Sears has a good
8 sale." So we went to Sears. And when we went to pay
9 for the lawn mower, the man said, "Well, how would you
10 like to charge this?" And my husband and I said, "We
11 don't have a charge account." And he said, "You don't
12 have a charge account?" I said, "No, we don't." And I
13 said, "If we don't have the cash for it, we don't buy
14 it." And he said, "Well, for goodness sakes," he said,
15 "charge it," and he said, "and pay it every month. And
16 then as things go on and you want to buy other things,
17 you will have a good credit rating." So to this day I
18 still have only a couple of charge accounts which I very
19 rarely use. And I still believe in paying for what I
20 get.

21 And so the fact that every single thing that I
22 have had happen since the first of the year -- first my
23 rent went up \$15. Then I get another thing in the mail,
24 something else went up another \$10 or \$15. And then
25 when I -- in January when I got my electric bill for

1 \$243.63, I about died. I looked at the bill and I
2 couldn't believe it. And I said, "How could I use that
3 much electricity and everything?" And I have done
4 things like everybody else says. I got the smaller
5 bulbs, I got everything else.

6 But everything is going up so much that there
7 just isn't any more to stretch. And the little savings
8 account that my husband and I had is all going to pot
9 too because we just had it in CDs. My husband never
10 believed in stocks and bonds and higher things, the
11 higher priced things because he says, "We can't afford
12 to lose the money." We had children to bring up. And
13 he said, "The stock market is for people who can afford
14 to take the loss." And so consequently, I'm stretching
15 it as far as I can.

16 So I urgently ask you to please not put any of
17 this into motion. Because as I looked at the thing that
18 said you wanted an atomic planet, like all the others
19 have said, I don't believe in that because they don't
20 know what to do with the garbage that comes out of the
21 ones that they have. And so it seems to me that the
22 people that were sitting in Florida all this time that
23 have been, you know, elected and everything, that they
24 would have sensed that sun and air is the thing to go
25 with because we're the Sunshine State.

1 And my husband and I bought a little motor
2 home when we retired and we traveled all around the
3 United States, and we kept our little house here to --
4 and that's home. And all around in Arizona and all
5 those places where they have those big windmills that
6 are producing -- there's miles and miles of them. And I
7 says, "I can't understand," just like all these other
8 people did, "how the electricity kept going up and going
9 up and going up." And with all these taxes and extra
10 stuff they add on, I don't know how the people are
11 really going to afford it.

12 And like I said, I know a lot of widows that
13 are a lot worse off than I am. And, of course, my kids
14 always say you can come and live with us, but I don't
15 want to live with my kids because, because they live a
16 different lifestyle than I do. And when I go for a
17 vacation, my daughter usually buys me the plane ticket,
18 and she'd like me to come for a month or something like
19 that. And I said, "No, I need another vacation after I
20 get back," because, because they keep me so active.

21 And my grandson up in Raleigh, I just came
22 from there because my oldest granddaughter graduated
23 from high school, and I come from a very small family.
24 You can count the members of my family on your hand.
25 And so whenever anything is going on, my daughter here

1 and her husband and I flew up to see Lindsey graduate
2 from high school. And she's going into training to be a
3 nurse, by the way.

4 And so my grandson plays baseball, and he is
5 an outstanding player, not because he's mine, but when
6 he was 12 years old, he was the national champion of the
7 United States. His team won all the competition in
8 North Carolina and then they competed nationally and
9 they beat Hawaii. So they were the United States
10 champions at 12 years old. And he still plays baseball
11 and he's a junior in high school, and next year he's
12 going to be graduating and he's hoping to get some
13 scholarships because he's still playing. All the
14 all-star teams ask him to compete, so he plays all the
15 sports. And he's a very smart boy, just like my
16 daughter is too.

17 And I thank you for all your time, and I hope
18 you won't, you won't go along with this.

19 (Applause.)

20 **CHAIRMAN CARTER:** Thank you so kindly. I
21 think we got everyone.

22 And just as a reminder, Commissioners,
23 tomorrow morning we'll be at the City Hall in Live Oak.
24 That'll be kicking off at 10:00. 10:00 a.m.

25 Thank you, Mr. Kelly. Thank you all for

1 participating.

2 Commissioners, with that, we are adjourned.

3 (Service hearing adjourned at 7:28 p.m.)

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STATE OF FLORIDA)
 :
COUNTY OF LEON)


CERTIFICATE OF REPORTERS

WE, JANE FAUROT, RPR, and LINDA BOLES, RPR, CRR, Official Commission Reporters, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.


IT IS FURTHER CERTIFIED that we stenographically reported the said proceedings; that the same has been transcribed under our direct supervision; and that this transcript constitutes a true transcription of our notes of said proceedings.

WE FURTHER CERTIFY that we are not a relative, employee, attorney or counsel of any of the parties, nor are we a relative or employee of any of the parties' attorneys or counsel connected with the action, nor are we financially interested in the action.

DATED THIS 3rd day of August, 2009.



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