CORRESPONDENCE SEP 07, 2016 DOCUMENT NO. 07328-16

Collin Roehner

From: Ellen Plendl

Sent: Wednesday, September 07, 2016 10:01 AM

To: Consumer Correspondence

Subject: Docket 160049-EI

Attachments: FW Vero Beach Electric; Consumer Inquiry

See attached correspondence and reply to add to the correspondence side of Docket 160049-EI.

Collin Roehner

From: Randy Roland

Sent: Wednesday, September 07, 2016 9:59 AM

To: 'Gee.David@bcg.com'
Subject: Consumer Inquiry

Mr. David Gee Gee.David@bcg.com

Dear Mr. Gee:

The Governor's office forwarded a copy of your email regarding Indian River Shores to the Florida Public Service Commission (PSC). The PSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the PSC. The PSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. We appreciate the opportunity to assist you.

You expressed a concern about the Town of Indian River Shores' petition for modification of territorial order based on changed legal circumstances emanating from Article VIII, Section 2(c) of the Florida Constitution. We will add your comments to the correspondence side of Docket No. 160049-EI.

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

Sincerely,

Randy Roland Regulatory Program Administrator Florida Public Service Commission

Collin Roehner

From: Governor Scott's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>

Sent: Wednesday, September 07, 2016 9:10 AM

To: Ellen Plendl
Cc: Sunburst

Subject: FW: Vero Beach Electric

From: Gee, David [mailto:Gee.David@bcg.com]
Sent: Saturday, September 03, 2016 11:13 AM

To: Governor Rick Scott < Governor Rick. Scott@eog.myflorida.com >

Subject: Vero Beach Electric

I own a house in Vero Beach (721 Shady Lake Lane). I will become a Florida resident in another year as well.

I have spent 38 years in the Energy industry including Chairman of Indianapolis Power and Light and I lead Boston Consulting Group's energy practice. In all of my experience I have never seen as egregious a situation as exists in Vero Beach right now. Indian River Shores residents (where my house is) are being help captive against their clearly expressed will by the City of Vero Beach and its municipal utility. They are required to pay above market rates for below market service.

I am writing to strongly encourage the State to forcefully intervene and allow Indian River Shores to sell its part of the current Vero Beach Utility's service territory to FPL. There is currently a proceeding in front of the PSC to decide this issue.

This is a "no brainer":

- 1. FPL rates will be 30% below the current levels
- 2. By <u>ANY</u> metric FPL provides better service than the current Vero Beach Utility, be it customer facing services, reliability metrics, etc.
- 3. Currently the Indian River Shores residents are disenfranchised and cannot vote to replace the Vero Beach authorities to make the sale happen. As a result the City is using the utility to enrich the city's coffers by "taxing" non-voting ratepayers in the service territory with above market electric rates
- 4. Shores residents have made their opinion and preferences clear at the polls. The Shores even offered to add \$3mm of Shores funds to help FPL buy their franchise territory from Vero Beach Electric. The City rejected a generous offer from the Shores that was well above comparable prices for utilities on a per customer basis.
- 5. The franchise agreement with the Shores expires in 2 months and the Shores should be allowed to exit and not be mandated into continuing service with above market rates and below market service levels.

FPL is one of the best run utilities in the country. It recently was named the best customer service ranking in the US by JD Powers. It would be a much better electric provider.

It defies any logic or any sense of fairness to have the Shores residents be held captive by the City of Vero Beach <u>into</u> <u>continuing service with above market rates and below market service levels</u>. I ask that you use your considerable powers and "bully pulpit" to forcefully engage to facilitate the Shores escape from the City's municipal utility's rates and service.

Sincerely, David Gee **David Gee**

Senior Partner and Managing Director

THE BOSTON CONSULTING GROUP

4800 Hampden Lane, Suite 400 Bethesda, Maryland 20814 • United States

Tel. +1 301 664 7597 • Mobile +1 301 204 4309 gee.david@bcg.com

Assistant: Alison McAndrew

Tel. +1 301 771 2338 • mcandrew.alison@bcg.com

Read BCG's latest insights, analysis, and viewpoints at bcgperspectives.com

The Boston Consulting Group, Inc.

This e-mail message may contain confidential and/or privileged information. If you are not an addressee or otherwise authorized to receive this message, you should not use, copy, disclose or take any action based on this e-mail or any information contained in the message. If you have received this material in error, please advise the sender immediately by reply e-mail and delete this message. Thank you.