

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 160186-EI

PETITION FOR RATE INCREASE BY  
GULF POWER COMPANY

DOCKET NO. 160170-EI

PETITION FOR APPROVAL OF 2016  
DEPRECIATION AND DISMANTLEMENT  
STUDIES, APPROVAL OF PROPOSED  
DEPRECIATION RATES AND ANNUAL  
DISMANTLEMENT ACCRUALS AND  
PLANT SMITH UNITS 1 AND 2  
REGULATORY ASSET AMORTIZATION,  
BY GULF POWER COMPANY.

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN JULIE I. BROWN  
COMMISSIONER ART GRAHAM  
COMMISSIONER RONALD A. BRISÉ  
COMMISSIONER JIMMY PATRONIS  
COMMISSIONER DONALD POLMANN

DATE: Thursday, January 26, 2017

TIME: Commenced at 6:00 p.m. CST  
Concluded at 9:11 p.m. CST

PLACE: Pensacola State College  
1000 College Boulevard  
Pensacola, Florida 32504

REPORTED BY: LINDA BOLES, CRR, RPR  
Official FPSC Reporter  
(850) 413-6734

## 1 APPEARANCES:

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5 Tallahassee, Florida 32399-1400, appearing on behalf of  
6 the Citizens of the State of Florida.

7 KEITH HETRICK, GENERAL COUNSEL, and KELLEY  
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9 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850,  
10 appearing on behalf of the Florida Public Service  
11 Commission Staff.

12 JEFFREY A. STONE, ESQUIRE, Beggs & Lane, P.O.  
13 Box 12950, Pensacola, Florida 32591-2950, appearing on  
14 behalf of Gulf Power Company.

15 BRADLEY MARSHALL and ALISA COE, ESQUIRES,  
16 Earthjustice, 111 S. Martin Luther King Jr. Boulevard,  
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18 Southern Alliance for Clean Energy and the League of  
19 Women Voters.

20 LANE JOHNSON, The Sierra Club, 50 F. Street  
21 NW, 8th Floor, Washington, DC 20001, appearing on behalf  
22 of the Sierra Club.

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1  
2           **CHAIRMAN BROWN:** Good evening. Okay. We are  
3 officially on the record now, and it is Thursday,  
4 January 26th, 2017. I'd like to thank you all for being  
5 here today in Pensacola, Florida, at this beautiful  
6 state college in Pensacola.

7           My name is Julie Brown, and I have the  
8 privilege of being Chairman of the Florida Public  
9 Service Commission. And I want to take this time --

10           **AUDIENCE SPEAKER:** Speak up.

11           **CHAIRMAN BROWN:** Oh, I can do that. Better?

12           (Chorus of affirmative responses.)

13           All right. I want to take this opportunity to  
14 thank you all for being here today in this Gulf Power  
15 rate case proceeding. My name is Julie Brown, and I'm  
16 Chairman of the Florida Public Service Commission. With  
17 me today are all of the Public Service Commissioners on  
18 the PSC, and I'd like to give them an opportunity to  
19 introduce themselves to you all, starting with my right.

20           **COMMISSIONER PATRONIS:** Good evening. My name  
21 is Jimmy Patronis. I look forward to hearing all the  
22 public testimony today, and thank y'all for  
23 participating in this process.

24           **COMMISSIONER GRAHAM:** Good evening. My name  
25 is Art Graham. And I'm actually very surprised to see

1 so many people here tonight, and I hope we get some good  
2 feedback from you all.

3 **COMMISSIONER BRISÉ:** Hello. Good evening. My  
4 name is Ronald Brisé, and I am glad to be here to hear  
5 from you. And as my colleagues have said, we're  
6 impressed with the number of people that are here. It  
7 shows that you're very interested.

8 **COMMISSIONER POLMANN:** Good evening. Thank  
9 you all for coming today. I look forward to hearing  
10 your comments. My name is Donald Polmann. And I  
11 appreciate everything that we're going to hear; look  
12 forward to all of your comments. Thank you.

13 **CHAIRMAN BROWN:** Thank you, Commissioners.

14 At this time, staff counsel, will you please  
15 read the notice?

16 **MR. HETRICK:** Thank you, Madam Chairman. By  
17 amended notice issued on December 22nd, 2016, this time  
18 and place has been set for a customer service hearing in  
19 Docket No. 160168-EI (sic), petition for rate increase  
20 by Gulf Power Company.

21 **CHAIRMAN BROWN:** Thank you very much. And at  
22 this time, we will take appearances of counsel, starting  
23 with Gulf Power Company, the petitioning party. If you  
24 can come up to the mike, please.

25 **MR. STONE:** Thank you, Chairman Brown. I'm

1 Jeff Stone with the law firm of Beggs & Lane in  
2 Pensacola.

3 **CHAIRMAN BROWN:** Louder is better.

4 **MR. STONE:** I'm Jeffrey A. Stone with the law  
5 firm of Beggs & Lane here in Pensacola, and I serve as  
6 general counsel to Gulf Power Company.

7 **CHAIRMAN BROWN:** Thank you. And we'll go to  
8 the Office of Public Counsel.

9 **MR. KELLY:** Thank you, Madam Chair.

10 Good evening. My name is J.R. Kelly. I'm  
11 here with Stephanie Morse, and we represent the  
12 ratepayers of Gulf Power.

13 **CHAIRMAN BROWN:** Thank you, Mr. Kelly.

14 Now we'll go with Southern Alliance for Clean  
15 Energy. If you could come to the microphone, please.

16 **MR. MARSHALL:** Good evening. My name is  
17 Bradley Marshall and, together with Alisa Coe, we're  
18 representing the Southern Alliance for Clean Energy and  
19 the League of Women Voters of Florida.

20 (Applause.)

21 **CHAIRMAN BROWN:** Thank you. Please, I will  
22 ask -- I'm sorry, but I have to do this, but I will ask  
23 that you refrain from clapping or yelling at this time.  
24 This is an official hearing that's being transcribed.  
25 We have a court reporter here. It'll become part of the



1 official record in this docket. I hate to do it, but  
2 I'm going to have to remind you all of that.

3 So, Sierra Club, if you could please come to  
4 the mike.

5 **MS. JOHNSON:** Hello. My name is Lane Johnson.  
6 I'm here on behalf of the Sierra Club.

7 **CHAIRMAN BROWN:** Thank you.

8 And staff.

9 **MR. HETRICK:** Keith Hetrick, General Counsel,  
10 representing the Public Service Commission, along with  
11 Kelley Corbari, attorney for the Public Service  
12 Commission.

13 **CHAIRMAN BROWN:** Thank you.

14 I will note for the record that we have other  
15 parties who have intervened in this proceeding, and I'll  
16 just lay them out for you all so that you're aware.  
17 Florida Industrial Power Users Group, who is represented  
18 by Jon Moyle, who is not here today; the Federal  
19 Executive Agency, who is represented by Thomas Jernigan;  
20 as well as Wal-Mart and Sam's Club, who is represented  
21 by Robert Schef Wright. And I appreciate you, counsel,  
22 for being all here today with me.

23 But first let me just begin by thanking each  
24 of you for coming out here on a wonderful, beautiful  
25 night in Pensacola, Florida, at 6:00. This is your

1 hearing, and it is extremely important to the overall  
2 rate case process. As such, I want to really emphasize  
3 how important it is for you to just speak your mind when  
4 you have an opportunity to do so at the microphone. We  
5 do appreciate your interest in the petition that's been  
6 filed by Gulf Power, and we're elated that you all took  
7 the time to come out here.

8 Later in March, we will have a technical  
9 hearing that will go for one week, and in that we'll  
10 take the substance and the evidence of the case as part  
11 of the proceeding. Later on we will have a decision,  
12 probably, I believe, around May. Please note, though,  
13 at this time there are Gulf Power Company customer  
14 representatives who are here today who are able to  
15 address any service or billing issues that you may have.  
16 We also have Public Service Commission staff members  
17 here to address any issues you may have.

18 If you do have a specific question for us, the  
19 Public Service Commission, when it's your time to speak,  
20 we do ask that you reserve those for later when we will  
21 have ample time to address those one on one. And we  
22 have wonderful staff here today, and I'd like to just  
23 introduce them right now for the record.

24 We have, from our accounting and finance  
25 department, we have Bart Fletcher. We have the

1 economics department; we have Elisabeth Draper. We  
2 have, from our engineering department, Tom Ballinger.  
3 You've heard from our General Counsel with legal as well  
4 as our senior attorney, Kelley Corbari. We have our  
5 Public Information Officer, who you all met when you  
6 signed in, Cindy Muir and Kelly Thompson. We have our  
7 court reporter, who is graciously typing away, Linda  
8 Boles. And we appreciate you speaking clearly and  
9 slowly, which I don't do. And from our Clerk's Office  
10 we have Rachel Arnold. From our IT department we have  
11 Chris Church, Mimi Hearn, and Conrad Howard. And thank  
12 you all for coming, being all here today.

13 As I mentioned, this is an official record  
14 that is being transcribed and it becomes part of our  
15 official record, so as such, you will eventually need to  
16 be sworn in. And that means that your comments will be  
17 subject to cross-examination, not just by the parties,  
18 but also by the Commissioners. And we'll just do that  
19 in a few moments.

20 I would ask at this time that you please  
21 silence your phones and electronic devices so as not to  
22 interfere with the flow of this proceeding. Again, I  
23 want to emphasize my appreciation to you all for  
24 respecting the professional nature of this proceeding,  
25 and we ask that you be courteous to your neighbors and

1 all. Thank you for silencing that. Again, appreciate  
2 it. And we're looking forward to hearing from you  
3 directly and we're going to give you our full attention.

4 So when you came in, you may have noticed the  
5 sign-up sheets. And if you plan on speaking, please  
6 make sure that you do sign up. If you really don't want  
7 to speak to us live today, you just want to hear and you  
8 want to provide written comments, you can do that too,  
9 and you can either leave the comments with us or you can  
10 mail them. Whether your comments are received orally  
11 tonight or in writing, this Public Service Commission  
12 will give them equal weight, and we appreciate either of  
13 those. So -- but if, during the course of these  
14 hearings today, another customer has said something that  
15 you wanted to say or maybe absolutely agree with, please  
16 also feel free to say ditto and the same weight will be  
17 given to all of those comments. So we appreciate you  
18 coming out here.

19 Now I would like to invite the parties who are  
20 here today to give us their opening statements briefly  
21 in the following order: We're going to start with Gulf,  
22 followed by Office of Public Counsel, Sierra Club, and  
23 then the SACE and League of Women Voters are combined.  
24 The petitioning party, Gulf Power, has six minutes, as  
25 do Office of Public Counsel, and then the intervening

1 parties have three minutes, although SACE and League are  
2 combined together to have five. And with that, we'll go  
3 with the petitioning party. Gulf Power, you have six  
4 minutes.

5 **MR. STONE:** Chairman Brown, before the six  
6 minutes starts, I have a few preliminary matters of a  
7 procedural nature that I need to take care of.

8 **CHAIRMAN BROWN:** Thank you.

9 **MR. STONE:** First, I'd like to advise, as the  
10 Commission has already noted, in the audience that our  
11 customer service staff is here. And our Pensacola  
12 district manager, Mr. Keith Hoskins, is leading that  
13 effort, and he is here to help any customers that have  
14 any service-related issues get in contact with our  
15 customer service staff to address those issues.

16 Next, I have -- before the session, I had  
17 provided the court reporter and each of the  
18 Commissioners with a copy of the affidavit addressing  
19 the efforts Gulf has taken pursuant to the rules and the  
20 applicable order regarding notice to our customers for  
21 the service hearings being held today here in Pensacola  
22 and tomorrow in Panama City, as well as for the  
23 technical hearing scheduled in Tallahassee in March.  
24 That affidavit is a composite exhibit that I would like  
25 to have marked for identification as Exhibit 1, if I

1 may.

2           **CHAIRMAN BROWN:** We will not mark it as 1.  
3 We'll mark it as 2 at this time.

4           (Exhibit 2 marked for identification.)

5           **MR. STONE:** Fair enough.

6           **CHAIRMAN BROWN:** And thank you for that.

7           **MR. STONE:** It actually consists of the  
8 affidavit and three attachments. Attachment A is the  
9 case synopsis that was approved by the staff for  
10 distribution, and the affidavit details what has been  
11 done with that synopsis.

12           Attachment B is the customer notice also  
13 approved by the staff, and the affidavit details how  
14 that customer notice was distributed through the mail.

15           Finally, Attachment C consists of affidavits  
16 of publication from the various newspapers in which Gulf  
17 has published the staff-approved display ad noticing  
18 this service hearing and the one in Panama City  
19 tomorrow.

20           Pursuant to the notice, the company is  
21 required to present a brief summary of the case, and  
22 when you are ready, Mr. Connally, Gulf's president and  
23 CEO, will be making those remarks on behalf of Gulf.

24           **CHAIRMAN BROWN:** That sounds great. Thank  
25 you, Mr. Stone. And we've already gone ahead and marked

1 that as Exhibit 2. So at this time, we'll take opening  
2 statements from Mr. Connally. Welcome.

3 **MR. CONNALLY:** Thank you. Good evening,  
4 Commissioners. If it's okay, I'd like to turn a little  
5 bit and face the audience as we go here.

6 I'm Stan Connally. I'm the president and CEO  
7 of Gulf Power Company, and I too want to thank you all  
8 for coming tonight. I appreciate the opportunity to  
9 speak. To our customers, thank you for coming. This is  
10 a healthy and important part of this process. And while  
11 we may disagree on some things, it is important for us  
12 to hear your feedback, and I mean that genuinely. So we  
13 look forward to hearing from you. And if there's  
14 anything we can do to serve you in the room next door, I  
15 hope you'll give us that opportunity.

16 Commissioners, thank you for being here.  
17 Welcome to Pensacola. We appreciate your attention and  
18 interest in this matter. You've given us the privilege  
19 of serving these customers for 90 years. You help make  
20 us better, and we hope to get better out of this process  
21 as well.

22 I quickly want to introduce some of my  
23 teammates. There's many around the room. There's some  
24 in particular -- I've got some line workers here with  
25 me. If they'll at least raise their hand. I appreciate

1 their service to our region. One, in fact, is an Army  
2 reservist that's just come off an active deployment. I  
3 appreciate his service to our country and our company.  
4 There's others in the room, and we want to take the  
5 opportunity to get to know you tonight as we have this  
6 conversation.

7           So we're here tonight because Gulf Power filed  
8 a petition for this Commission to review our rates, and  
9 associated with that is an increase in our price. We  
10 recognize that price and service and reliability go hand  
11 in hand as we serve you, and we don't take that lightly  
12 at all. And we know that any discussion about a price  
13 increase is never easy. We acknowledge that. For that  
14 reason, we've been very happy to work hard to deliver  
15 price decreases the last two years in January largely  
16 related to us managing our fuel expense. And hopefully  
17 that has helped, but, again, we recognize that any  
18 discussion of a price increase is a hard conversation to  
19 have, and these decisions were not made lightly.

20           But I want to quickly review for you a couple  
21 of the major components of why we're asking for this  
22 increase. We take the long-term planning obligation we  
23 have to serve you very seriously, and in doing that, we  
24 know that we've got to provide you with what we refer to  
25 as a balanced energy mix, a balanced generation fleet to



1 serve you for the long term. And in that vein, we are  
2 rededicating one of our reliable economic resources to  
3 serve you in northwest Florida for the long term. That  
4 is a piece of the request we're making here.

5 Further, we've also been investing in our  
6 grid, and we think you appreciate the fact that we have  
7 fewer and shorter outages, but we need to keep working  
8 on that. So we've been investing in that grid for the  
9 long term to ensure that we can deliver those fewer and  
10 shorter outages. Together, that balanced energy mix and  
11 that strong grid, we think, is a platform and a strong  
12 piece of the energy future of northwest Florida and our  
13 ability to serve you. And we want to keep getting  
14 better at that, but this increase is largely related to  
15 those kinds of things.

16 Not necessarily connected to the price  
17 increase but a part of our filing as well is an improved  
18 pricing package. It's improved on a number of fronts.  
19 First, it better aligns our costs with our price, but it  
20 also provides greater predictability for you, our  
21 customers. This pricing structure would reduce the  
22 volatility due to high weather fluctuation months and  
23 give you a more smooth bill month over month across that  
24 year. We've also included in that package some new rate  
25 options for those customers that want to more

1 aggressively manage their usage or invest in  
2 technologies like solar and battery technology. Those  
3 options would benefit them. We've included in that  
4 package some energy efficiency programs that are new  
5 and, as well, a low-income credit for those customers  
6 that might qualify.

7 So with that, that's the high level of our  
8 request here. But I want to commit to you that  
9 regardless of that request, day in and day out we're  
10 looking for ways to get better. We hope to hear some of  
11 those ideas tonight from you and continue working on  
12 them. We hope we can serve you in the back if you have  
13 anything specifically.

14 I'd add we live and work here too. Me, all of  
15 my teammates live in this community, and many of them  
16 work alongside you in this community to try to make this  
17 community better. Our commitment to you is we will  
18 continue to do that. Thank you for being here tonight.  
19 Again, I look forward to hearing your comments.  
20 Commissioners, thank you for being here. We look  
21 forward to hearing from this team. Thank you.

22 **CHAIRMAN BROWN:** Thank you, Mr. Connally.

23 At this time, we will take opening statements  
24 from Mr. J.R. Kelly from the Office of Public Counsel.

25 **MR. KELLY:** Madam Chair, I'm going to turn

1 around and address my clients, if that's okay.

2 **CHAIRMAN BROWN:** That sounds good.

3 **MR. KELLY:** Good evening again. My name is  
4 J.R. Kelly, as I said earlier, and our office represents  
5 all of the ratepayers of Gulf Power. That's the  
6 residential customers, the commercial customers, and the  
7 governmental customers. We're here today, as  
8 Mr. Connally said, because Gulf has filed a petition for  
9 a \$106.8 million annual rate increase. That equates to  
10 approximately an 18 percent increase for all the  
11 ratepayers. More importantly for a lot of you, it would  
12 amount to a 25 percent rate increase for residential  
13 customers.

14 To begin, Gulf is given a monopoly area in  
15 which it can provide service. In return, they're  
16 required to provide safe, adequate, and reliable service  
17 to you, and they get to recoup their prudent and  
18 reasonable operating expenses plus a fair and reasonable  
19 return on all of their investments.

20 In this case, we've intervened. We've hired  
21 several nationally recognized experts, we've reviewed  
22 the materials that Gulf has filed, and we've identified  
23 several issues that we believe should not be included in  
24 their request. And here's a few of those issues I'd  
25 like to highlight.

1           Number one, excess profit. Gulf is asking for  
2 an 11 percent return on equity. That's an after-tax  
3 profit. Quite honestly, we believe that's excessive in  
4 today's economy and with other states that are now  
5 awarding returns much lower than 10 percent. Our expert  
6 is a nationally and internationally known expert from  
7 Penn State University. He's recommending a  
8 8.875 percent return. The difference between what Gulf  
9 is asking for and what we're recommending is \$29 million  
10 less that you would pay in the rates that Gulf imposes  
11 upon you.

12           The other big ticket item that I want to  
13 identify, and Mr. Connally touched on it, is the Scherer  
14 coal plant. It's located up in Georgia. This plant was  
15 built in the 1980s, and Gulf has used it since it start  
16 -- since it went into service to sell power to wholesale  
17 customers. They're now asking to include this plant in  
18 the rates that you pay, even though it's not provided  
19 power to retail customers for some 30 years. However,  
20 Gulf has not met its burden to prove that there's a need  
21 for this plant before the year 2023 -- that's six years  
22 from now -- yet they want to include it in today's  
23 rates.

24           In addition, Gulf has admitted they did not do  
25 any kind of an analysis showing that that plant would be

1 the most cost-effective option to provide you power. In  
2 addition, if it is allowed into rates, you, the  
3 ratepayers, would be responsible for any environmental  
4 cost or cleanup cost that might be imposed by the  
5 federal or state governments.

6 We're opposing this request. And if the  
7 Commission agrees with our office, that would reduce  
8 Gulf's ask by \$19 million annually and, in addition, by  
9 another \$14 million that you would be responsible for  
10 for environmental costs annually.

11 A couple of other areas I'll point out real  
12 quickly. We believe that Gulf has requested \$23 million  
13 too much in salaries and their benefits. Since 2013,  
14 Gulf has consistently reduced its workload. In fact,  
15 over the past three years, they've budgeted anywhere  
16 from 86 to 120 positions more than they've actually  
17 employed, yet they are coming into this case and saying,  
18 "We need more employees." The bottom line is their own  
19 witness has testified in this case that with the  
20 decreased staffing levels over the past four years,  
21 they're still providing you reliable service. So why  
22 the need for additional employees other than you'll have  
23 to pay for them?

24 In addition, we believe they're asking for  
25 \$8 million in excessive charges that would be paid to

1 its parent company, Southern, which is in Atlanta,  
2 Georgia. And there's some smaller things, expenses for  
3 vacant land and other expense items we just do not feel  
4 are warranted.

5 The bottom line, we filed testimony on your  
6 behalf, and we're recommending that Gulf's rates be  
7 reduced by 2 million and not get any increase.

8 Now the bottom line today is --

9 (Applause and cheering.)

10 **CHAIRMAN BROWN:** Excuse me. You're  
11 interrupting the Public Counsel's opening statements,  
12 which interferes with his time. Please refrain from  
13 clapping or yelling. Thank you.

14 **MR. KELLY:** Thank you, Madam Chair.

15 The bottom line, tonight, folks, this is your  
16 meeting. It's not mine, it's not the Public Service  
17 Commission's, it's not Gulf's. This is your customer  
18 meeting. Please take the opportunity to come up to the  
19 microphone and give your comments to the Commissioners.  
20 It is vitally, vitally important that you share your  
21 feelings, comments, how you feel about the service that  
22 Gulf provides you, good or bad, as well as how this rate  
23 increase might affect you. I know many of you may be on  
24 fixed incomes. You need to come up and talk to the  
25 Commission. I can't impose to you how significant it is

1 for you to take this opportunity to speak to the  
2 Commissioners.

3 I want to thank you on behalf of my office,  
4 who we represent you, for being here tonight, taking the  
5 time out of your busy schedules, and I hope you'll come  
6 and share your comments with us tonight. Thank you.

7 **CHAIRMAN BROWN:** Thank you, Mr. Kelly.

8 And, again, I want to thank you all for trying  
9 to work with us here in this paradigm. I appreciate you  
10 being considerate of the professional nature of these  
11 proceedings. We know that you are very passionate about  
12 these issues. We're aware of that. Please, again,  
13 refrain from clapping or outbursts.

14 At this time, we will have Sierra Club come  
15 and present opening comments. I want to welcome you to  
16 your first proceeding before the Commission.

17 **MS. JOHNSON:** Yes, it is. Good evening, Madam  
18 Chair, Commissioners. My name is Lane Johnson, and I'm  
19 here on behalf of the Sierra Club and its many members  
20 who are also Gulf customers, a few of which, I'm  
21 delighted to say, are here tonight, but others who have  
22 come.

23 The Sierra Club has submitted a number of  
24 sworn statements from these members, like I said, a few  
25 of which are here tonight, as well as sworn statements

1 from Sierra Club employees who represent Sierra Club's  
2 Florida members. Sierra Club has actively participated  
3 in electric utility matters in Florida because their  
4 outcomes have significant economic and environmental  
5 impacts on the club and its customers. Sierra Club's  
6 participation includes giving credit to utilities where  
7 credit is due for their good acts and also challenging  
8 their bad acts. This is true for Gulf Power. Sierra  
9 Club has publicly praised the company for its leadership  
10 in clean energy investments and past energy efficiency  
11 programs performance, but Sierra Club has also voiced  
12 concerns when the company appears to be falling short of  
13 robust transparent decision making.

14 In this case, we have two serious issues. We  
15 find two issues particularly concerning, the first being  
16 Gulf's rate restructure proposal. And we'll, you know,  
17 we'll leave it to our customers and members who are here  
18 tonight to mostly speak on the issues, and we've  
19 submitted testimony on these issues. But the first  
20 being the rate restructure proposal, which dramatically  
21 increases fixed charges. Gulf already has, at 18.60 a  
22 month, already has the highest fixed charges of any  
23 other investor-owned utility in the state and is  
24 proposing to impose fixed charges of nearly \$50 a month.  
25 That's \$50 a month before anyone ever flips on a switch.



1 And we find these -- you know, we've submitted testimony  
2 as to why these fixed --

3 **CHAIRMAN BROWN:** One minute. You have one  
4 minute left.

5 **MS. JOHNSON:** Oh, thank you. Sorry.

6 The second issue is that -- that Sierra Club  
7 imposes is Gulf's shift onto customers the cost of its  
8 portion of the -- of share in Georgia. And to that  
9 point, we mostly would like to reiterate the comments of  
10 Public Counsel. Thank you.

11 **CHAIRMAN BROWN:** Thank you so much for your  
12 opening statements.

13 And now at this time, we'll take testimony  
14 from SACE and League of Women Voters, which have a  
15 combined time of five minutes. Welcome.

16 **MR. MARSHALL:** Thank you, Madam Chair.

17 Good evening, everyone. My name is Bradley  
18 Marshall, and we're here representing the League of  
19 Women Voters of Florida, which has three chapters in  
20 Gulf's territory: One right here in Pensacola, another  
21 in Okaloosa County, and another in Bay County. And they  
22 have several members here, and they have some chapter  
23 heads here as well. We're also representing the  
24 Southern Alliance for Clean Energy. They have members  
25 here, and they even have their executive director here.

1           So why are we here? The vast majority of  
2 residential customers have two components to their  
3 electric bill: the customer charge and the energy  
4 charge. The customer charge is the amount you pay no  
5 matter how much energy you use. It's the amount you pay  
6 for being a customer, and there's nothing you can do to  
7 reduce this. The energy charge is how much you pay for  
8 energy. And so if you want to lower your bill, you use  
9 less energy. If you're not as concerned, you can keep  
10 it where it is.

11           Almost all utilities have customer charges.  
12 In Tallahassee, where I live, we have a customer charge  
13 of about \$7.41. Over in Jacksonville they pay \$5.50.  
14 If you cross the Apalachicola River and start going to  
15 Duke Energy's territory, they pay \$8.76. Florida Power  
16 & Light, by far the largest utility in the state, they  
17 pay \$7.87. Here in Gulf's territory you already pay  
18 over \$18 a month, and they want to raise that to be over  
19 \$48 per month. That's the improved pricing package that  
20 you heard Gulf refer to at the beginning. That's  
21 unprecedented. That's a 155 percent increase. Gulf  
22 should be lowering that charge, not raising it. That's  
23 out of step with the rest of the country, and that's out  
24 of step with the rest of the state. And what this means  
25 is that there will be big bill increases for all but the

1 largest users of energy in Gulf's territory.

2 We're also here because Gulf wants to increase  
3 its return on equity, its profit margin, from  
4 10.5 percent to 11 percent. We don't believe that Gulf  
5 Power has done anything to deserve that increase.

6 Everyone has done something that lowers their  
7 electric bill, whether it's having insulation,  
8 double-paned windows, having a more efficient heating or  
9 cooling system, not having the AC blasting during the  
10 summer or the heating blasting during the winter.  
11 Everyone does something that lowers their energy use  
12 that lowers their electric bill.

13 Under Gulf's new proposal, it's going to be  
14 much harder to lower your bill by reducing your energy  
15 consumption. So this imposes the highest bill increase  
16 on people who use the least amount of energy. Gulf is  
17 punishing those who have done their part to reduce  
18 dependence on fossil fuels and through conservation or  
19 investing in renewable energy resources. That's unfair.  
20 The increase in power bills will be hard for some people  
21 to pay, especially seniors on fixed incomes or even  
22 active duty military personnel who are called away and  
23 shut off all their appliances but are still going to be  
24 hit with a high fixed charge.

25 I'd like to use an example. For a person

1 using a moderate amount of energy, say 500  
2 kilowatt-hours a month, and thousands of Gulf's  
3 customers fall into this category, under their new  
4 rates, even if they cut their energy usage to 300  
5 kilowatt-hours a month, almost in half, their bill is  
6 still going to go up from where it is now. And if they  
7 stay at 500 kilowatt-hours, they'll see a 27 percent  
8 increase in their bill, over \$20 a month, hundreds of  
9 dollars a year.

10 Take another example. Someone who's invested  
11 a lot of money in energy efficiency and reducing their  
12 energy use and uses 300 kilowatt-hours a month, and,  
13 again, thousands of Gulf's customers fall into this  
14 category, under Gulf's plan, their bill will increase  
15 46 percent. That kind of increase is painful. That  
16 kind of increase is unfair. I want to thank you for  
17 coming. I look forward to hearing your comments. Thank  
18 you.

19 **CHAIRMAN BROWN:** Thank you so much for your  
20 opening statements.

21 So this is a customer meeting, so I will be  
22 very brief in some instructions before I swear you all  
23 who provide -- who plan on providing testimony. If you  
24 plan on speaking, you can come to either microphone. We  
25 have seats in the front. Office of Public Counsel will

1 be calling two names. He'll be calling the first name,  
2 which is the one that's ready to go. The second name,  
3 please feel free to sit right in one of these front row  
4 seats here. We like to run a very efficient meeting, so  
5 listen up, and Mr. Kelly will be calling them very  
6 clearly as much as he can.

7 And with that, I will just give you brief  
8 instructions here. When you come to the mike, every  
9 customer has three minutes, three minutes. And we want  
10 to hear as much as you can wrap up in three minutes,  
11 although you can please feel free to say ditto if you  
12 agree as well. We have a lot of customers here tonight.  
13 We're grateful for them all. And when the light gets to  
14 red, that means you should be wrapping up. And  
15 unfortunately I'm going to have to interrupt you. I  
16 don't like doing it, but I have to do it.

17 So with that, all of those who -- customers  
18 who are here today and intend to present testimony,  
19 please stand with me and raise your right hand.

20 Thank you. Do you swear or affirm to present  
21 the truth in this proceeding?

22 (Chorus of affirmative responses.)

23 (Speakers collectively sworn.)

24 Thank you. Please be seated.

25 All right. So you can see how many people are

1 here. All right. Thursday night.

2 Again, when you come to the microphone, please  
3 state your name, telephone number, address, and state  
4 whether you're a Gulf customer. Whether your comments  
5 are made verbally or in writing, we will give them equal  
6 consideration. And with that, I believe we've covered  
7 everything, counsel.

8 Mr. Kelly, you may proceed with your first  
9 customer, first two.

10 No, no, ma'am. Please proceed, Mr. Kelly.

11 **MR. KELLY:** The first speaker is Carol Tebar  
12 (sic), followed by Shannon Baker-Branstetter.

13 **MS. TEBAY:** Good evening. Carol Tebay,  
14 4060 Indigo Drive, Pensacola. Gulf Power customer. I  
15 would just like to suggest that instead of increasing  
16 the minimum rate, that perhaps higher customers who use  
17 more energy, they could trip an amount. Say, if you're  
18 using \$200 worth, you could increase theirs, and that  
19 would give them some incentive to use less while  
20 protecting those of us who don't use much. Thank you.

21 **CHAIRMAN BROWN:** Thank you so much. Just a  
22 second. Any questions, Commissioners?

23 Thank you for your testimony.

24 Next customer, Mr. Kelly.

25 **MR. KELLY:** After Ms. Baker-Branstetter will

1 be Tory Perfetti.

2 **MS. BAKER-BRANSTETTER:** Good evening. My name  
3 is Shannon Baker-Branstetter, and I am pleased to  
4 present public comment on behalf of Consumers Union, the  
5 policy and mobilization arm of Consumer Reports. So I'm  
6 based in the Washington, D.C., office. My phone number  
7 is (202)462-6262.

8 Consumer Reports is an independent non-profit  
9 organization. We serve consumers by providing unbiased  
10 product testing and ratings, research, journalism,  
11 public education, and advocacy. We do not accept  
12 outside advertising. Consumer Reports has more than  
13 7 million subscribers to our magazine website and other  
14 publications, and we have about 100,000 members here in  
15 Florida. 663 of our members in Gulf Power's service  
16 territory signed a petition opposing the plan to hike  
17 fixed charges, and I have that petition and those  
18 signatures that I'll submit to the record.

19 Gulf Power's proposed rate increase relies on  
20 a 155 percent increase to its fixed customer charge.  
21 Under Gulf Power's proposal, a customer's minimum bill  
22 would increase from \$18 to \$48 before they even flip on  
23 a light switch, meaning a residential customer would pay  
24 nearly \$30 more per month. At \$18 per month, Gulf Power  
25 already has a higher fixed charge than most utilities in

1 the region, which are at or under \$10 a month.

2 Increasing fixed charges further is unreasonable,  
3 inequitable, and unfair to Gulf Power customers.

4           Fortunately, many utility commissions around  
5 the country have recognized the problems of fixed  
6 charges and have rejected most proposals to increase  
7 them. We urge the Florida Public Service Commission to  
8 do the same.

9           No one wants to waste energy or money, and yet  
10 Gulf Power's proposal punishes those who choose to be  
11 thrifty with their energy use, as well as those who have  
12 no choice but to ration their electric usage to fit  
13 their budgets.

14           Gulf Power's proposal to increase fixed  
15 charges takes away even this modest degree of control  
16 over their own finances and self-sufficiency. Forcing  
17 low-usage customers to heavily subsidize high users is  
18 regressive, and this problem is not sufficiently  
19 addressed by Gulf Power's proposed subsidies.

20           In the spring of last year, Consumers Union  
21 issued a report with analysis conducted by Synapse  
22 Energy Economics that identified several problems that  
23 fixed charges create for consumers. These problems  
24 include: One, reducing customer control over bills;  
25 shifting a larger burden onto low-usage customers;



1 disproportionately impacting low-income customers; and  
2 increasing electric system costs. I will provide a  
3 written copy of this report as well.

4 I will conclude by saying Consumers Union  
5 strenuously opposes Gulf Power's proposal to  
6 dramatically increase fixed charges because fixed  
7 charges are an inequitable and inefficient means of rate  
8 recovery that prevents consumers from lowering their  
9 utility bills and saving money needed for other  
10 important household expenses. Thank you for your time  
11 and considering our time.

12 **CHAIRMAN BROWN:** Thank you. A few things to  
13 address before you leave. Could you spell your name for  
14 the record?

15 **MS. BAKER-BRANSTETTER:** Sure. Shannon,  
16 S-h-a-n-n-o-n B-a-k-e-r, hyphen, B-r-a-n-s-t-e-t-t-e-r.

17 **CHAIRMAN BROWN:** Okay. Thank you. We are  
18 going to go ahead and have our counsel take that as an  
19 exhibit, and we're going to mark that as Exhibit 3. I'm  
20 going to combine both the petition along with -- I think  
21 you mentioned, Ms. Baker, a report. Ms. Baker, was it a  
22 report that -- along with the petition?

23 **MS. BAKER-BRANSTETTER:** Yes.

24 **CHAIRMAN BROWN:** Okay.

25 **MS. BAKER-BRANSTETTER:** I gave you my full

1 written comments, except I abbreviated it just for three  
2 minutes. And then there is also the petition and also  
3 the full report.

4 **CHAIRMAN BROWN:** Okay. I'm just going to call  
5 it the Baker Composite - Consumer Report. Baker  
6 Composite - Consumer Report, Exhibit 3.

7 (Exhibit 3 marked for identification.)

8 Commissioners, any questions of Ms. Baker?

9 **COMMISSIONER PATRONIS:** I've got one.

10 **CHAIRMAN BROWN:** Commissioner Patronis has  
11 one.

12 **COMMISSIONER PATRONIS:** Thank you, Madam  
13 Chair.

14 This is the first time I've seen Consumer  
15 Reports testify. Is that something that y'all typically  
16 do with different rate cases around the United States?

17 **MS. BAKER-BRANSTETTER:** We have done it in  
18 Virginia before, but this is something that we're just  
19 starting to really get into in part because the higher  
20 fixed charges has attracted our attention.

21 **COMMISSIONER PATRONIS:** Good point. Thank  
22 you.

23 **CHAIRMAN BROWN:** Thank you.

24 Commissioners, any other questions? Parties?  
25 Thank you.

1 Commissioner Polmann.

2 Mr. Kelly, can you move that, if you could,  
3 that placard, please? Thank you so much, so I can see  
4 her. Thank you.

5 **COMMISSIONER POLMANN:** Did this come to your  
6 attention or was this issue something that Consumers  
7 Union initiated on their own?

8 **MS. BAKER-BRANSTETTER:** So we initiated the  
9 report on our own last year, and we looked at all  
10 states. And so we -- in the back of the appendix, you  
11 can see where higher fixed charges were being asked for  
12 last year. And so then this year when we were working  
13 with other groups throughout the states, they told us  
14 about -- you know, that this Gulf Power petition was  
15 going on.

16 **COMMISSIONER POLMANN:** I'm sorry. Could you  
17 clarify "they"?

18 **MS. BAKER-BRANSTETTER:** Sure. In this  
19 particular case, I believe it was AARP, NCLC, and SACE.  
20 SACE.

21 **COMMISSIONER POLMANN:** Oh, SACE.

22 **MS. BAKER-BRANSTETTER:** Yeah.

23 **COMMISSIONER POLMANN:** Okay. Thank you, Madam  
24 Chair.

25 **CHAIRMAN BROWN:** Ms. Baker, Commissioner Brisé

1 probably has the same question. NCLC stands for?

2 **MS. BAKER-BRANSTETTER:** National Consumer Law  
3 Center.

4 **CHAIRMAN BROWN:** Thank you.

5 All right. Commissioners, any other  
6 questions? Parties?

7 Seeing none, thank you for your testimony.

8 Mr. Kelly, next customer.

9 **MR. KELLY:** After Tory Perfetti is Ms. Vivian  
10 Faircloth.

11 **CHAIRMAN BROWN:** Good evening.

12 **MR. PERFETTI:** Good evening. How are you?

13 **CHAIRMAN BROWN:** Good.

14 **MR. PERFETTI:** Tory Perfetti, chairman of  
15 Floridians for Solar Choice. It's an honor to be here.  
16 Thank you.

17 So Floridians for Solar Choice, for anyone who  
18 is not aware, is a statewide organization that  
19 represents pretty much the full spectrum of all  
20 political sides within this great state: Conservatives,  
21 independents, liberals, Republicans, Democrats, and the  
22 business community. I'm going to try to be very brief.

23 We stand against the proposal to increase the  
24 fixed charges from \$18 to \$48. One of the largest  
25 issues with this is that you're basically paying, as has

1        been mentioned earlier, that \$48 whether you use more  
2        power or not. So if you invest into your future in your  
3        home to reduce your utility bills, you're already paying  
4        that \$48 no matter what. So if your current utility  
5        bill is \$100 a month and you reduce it to zero or 10 or  
6        15, now you have to tack on 48. And considering that we  
7        just went through, Floridians for Solar Choice, a  
8        political war regarding Amendment 1 and have  
9        demonstrated that the citizens of Florida are looking  
10       for better options for their future regarding energy to  
11       include solar and other options as well, I think that it  
12       is a large step backward as well to many of the allied  
13       organizations that we have for instituting what would be  
14       an increase of already the highest fixed charge in the  
15       state of Florida regarding ratepayers.

16                The other issue that is coming up happens to  
17       be the fact that there will be a minor carve out for  
18       what we believe will be SNAP users, food stamp users,  
19       which is, if we're going to be talking about carving out  
20       specific individuals that are going to have a problem  
21       paying an increase of \$30 per rate user, you have a lot  
22       of hardworking individuals, a lot of middle class,  
23       working class people who are going to struggle, fixed  
24       income individuals. So we also find that to be going  
25       backwards. So, again, Floridians for Solar Choice is

1 opposed to this fixed rate increase.

2 **CHAIRMAN BROWN:** Thank you, Mr. Perfetti, for  
3 your testimony.

4 Commissioners, any questions?

5 **MR. PERFETTI:** Do you need me to spell my  
6 name?

7 **CHAIRMAN BROWN:** I think --

8 **MR. PERFETTI:** Okay.

9 **CHAIRMAN BROWN:** We have it. We know you.

10 **MR. PERFETTI:** Yes. I -- yes.

11 **CHAIRMAN BROWN:** We know where to find you.

12 **MR. PERFETTI:** Yes, yes. The number is there  
13 as well. Thank you very much for your time.

14 **CHAIRMAN BROWN:** Thank you, Mr. Perfetti.

15 **MR. PERFETTI:** I appreciate it.

16 **CHAIRMAN BROWN:** All right. Next customer,  
17 please.

18 **MR. KELLY:** After Ms. Faircloth is  
19 Ms. Christina Todd.

20 **CHAIRMAN BROWN:** Good evening.

21 **MS. FAIRCLOTH:** Hello. My name is Vivian  
22 Faircloth. I live at 126 West Jackson Street,  
23 Pensacola, Florida. My telephone number is area code  
24 (850)438-5539.

25 I'm -- I have been the president of the League

1 of Women Voters of the Pensacola Bay area, which  
2 includes residents of both Escambia and Santa Rosa  
3 Counties, twice and a member of the board in various  
4 positions for 30 years. I was the treasurer of the  
5 League of Women Voters of Florida for eight years, and I  
6 have been on Habitat and Independence of the Blind  
7 boards. I believe that my involvement in government, I  
8 can represent the interests of those who cannot speak  
9 for themselves. I have done -- personally I have done  
10 everything that I can to reduce my own utilities. I  
11 have replaced all my lightbulbs, used nightlights where  
12 possible, do not use my one air-conditioning unit in the  
13 window unless it is about 95 degrees, and I have added  
14 insulation where possible. Since I have no central  
15 heat, rather than using electric heaters when the night  
16 gets cold, I wear more clothes and add another blanket  
17 or two or maybe three.

18 I expect my bill to increase approximately  
19 \$22. It is unfair to those who are unable to decrease  
20 their power usage for whatever reason or who are  
21 successful in using less power to be singled out for a  
22 basic increase. 10 percent profit is a great return on  
23 investment. I wish I had that. Why is that not enough?

24 Gulf Power is the sole source for electrical  
25 power in this area. As such, the company has a certain

1 responsibility to us, the users of electricity, as well  
2 as their stockholders. I am disappointed that Gulf  
3 Power has taken this route in an attempt to make up for  
4 potentially -- a potential reduced revenue as citizens  
5 turn increasingly to solar power.

6 I urge you to deny the request of Gulf Power  
7 to increase the basic rate for our citizens and at the  
8 same time to reduce the rate for those who use more  
9 electricity. Thank you.

10 **AUDIENCE SPEAKER:** Ditto.

11 **CHAIRMAN BROWN:** Thank you, Ms. Faircloth, for  
12 your testimony.

13 Mr. Kelly, next customer.

14 **MR. KELLY:** After Ms. Todd is Ellen Rostan.

15 **CHAIRMAN BROWN:** Good evening.

16 **MS. TODD:** I just wanted to say that, you know  
17 --

18 **CHAIRMAN BROWN:** Can you state your name and  
19 address for the record?

20 **MS. TODD:** I'm sorry. Christina Todd, 10204  
21 Sugar Creek Terrace, Pensacola. I'm a Gulf Power  
22 customer.

23 **COURT REPORTER:** I'm sorry. Could you speak  
24 us, please?

25 **MS. TODD:** Oh, I'm sorry. Christina Todd --



1           **CHAIRMAN BROWN:** It's fine. Loud and clear.

2           **MS. TODD:** 10204 Sugar Creek Terrace,  
3           Pensacola 32514, and I'm Gulf Power.

4           **CHAIRMAN BROWN:** She has a nice voice.

5           **MS. TODD:** Thank you. Anyhow, you know,  
6           utilities aren't a choice for us.

7           **AUDIENCE SPEAKER:** Speak up.

8           **MS. TODD:** Oh, I'm sorry. Utilities are not a  
9           choice for us that are consumers. You know, it's  
10          something that you have to have. You know, you want to  
11          work your stove and other items. So, I mean, and in  
12          hearing that -- I didn't realize we have the highest  
13          rate, so I would say no to a base increase, just like I  
14          feel everybody else would. There must be other ways to  
15          garner the money that they feel necessary.

16                    And I think what I was wondering, when Gulf  
17          Power was proposing all these increases, is in the time  
18          I've been back in Pensacola since 2009, I've watched  
19          this huge amount of growth happen in our city. It's  
20          just been amazing what's going on downtown and what's  
21          going on in the county. We're going to bear more  
22          expenses as a city and as a county due to the growth.  
23          So as you look even at Gulf Power, will you not be  
24          making more money off the new customers that are going  
25          to be coming into the fold? We have -- out by Nine Mile

1 we have thousands and thousands of homes going up, so  
2 that will generate an incredible amount of revenue and  
3 new customers as well.

4 And I do understand that there is cost to  
5 provide a new customer, so I -- you know, I've never had  
6 a utility come to me and say, "I want to give you money  
7 back" or "I want to give you something for free." So I  
8 don't think anybody minds bearing a small cost of the  
9 burden to help, anybody doing anything, but I don't  
10 think that the people that are relying on it should be  
11 bearing the entire burden. Thank you.

12 **CHAIRMAN BROWN:** Thank you, Ms. Todd.

13 I want to remind the customers we have two  
14 mikes too. You can please feel free to use this mike as  
15 well as that mike.

16 And Mr. Kelly.

17 **MR. KELLY:** After Ms. Rostan is Debbie Dooley.

18 **CHAIRMAN BROWN:** Good evening.

19 **MS. ROSTAN:** Good evening. My name is Ellen  
20 Rostan. I live at 1952 Crown Pointe Boulevard in  
21 Pensacola, and my number is 453-0730.

22 I'm co-president of the League of Women Voters  
23 of the Pensacola Bay area. We have about 140 members in  
24 Escambia and Santa Rosa Counties, all of whom will be  
25 impacted by the proposed rate change. I'm here to

1 represent the Florida League of Women Voters and our  
2 local league, and I'm also a customer of Gulf Power.

3 The state league opposes the increase in Gulf  
4 Power rates because it imposes the highest bill  
5 increases on people who use the least amount of energy.  
6 Gulf Power would punish those who do their part to  
7 reduce dependence on fossil fuels through conservation  
8 or investing in solar power, a renewable energy source,  
9 but instead this change in rates will discourage  
10 potential solar customers because it raises fixed costs  
11 and thus disincentivizes solar investment. It makes it  
12 harder and slower for solar to show a return. The  
13 change in the fixed rate -- fixed base rate from \$18 to  
14 \$48 is coupled with a decrease in the energy charge,  
15 which is the amount customers pay for every  
16 kilowatt-hour they use. That means energy hogs will pay  
17 less while energy savers would get hit with higher costs  
18 due to the boost in the fixed rate charge that everyone  
19 has to pay. This is unfair and it is unprecedented, and  
20 this is not good public policy. We urge you to deny  
21 Gulf Power's request for this type of rate increase.  
22 Thank you.

23 **CHAIRMAN BROWN:** Thank you for your testimony.

24 Mr. Kelly, next customer.

25 **MR. KELLY:** After Debbie Dooley is Haley

1 Richards.

2 **MS. DOOLEY:** Good evening. Thank you for  
3 allowing me to come and speak to you. I am one of the  
4 national co-founders of the Tea Party movement.

5 **CHAIRMAN BROWN:** Debbie -- Ms. Dooley, can you  
6 speak a little bit clearly and say your name and address  
7 for the record?

8 **MS. DOOLEY:** I'm sorry. Okay. I have a big  
9 mouth, so no one has ever told me they can't hear me  
10 before. So thank you.

11 **CHAIRMAN BROWN:** They tell me that all the  
12 time.

13 **MS. DOOLEY:** Debbie Dooley. I live in  
14 Atlanta, but I'm representing our members that live in  
15 Panama City and in Pensacola. I'm one of the 22  
16 national founders of the Tea Party movement. I was a  
17 founder of Conservatives for Energy Freedom, and I'm the  
18 president of Conservatives for Energy Freedom.

19 As a Tea Party founder, I have a major problem  
20 with bailing out bad decisions of others. That's why  
21 the Tea Party movement started in 2009. I find Gulf  
22 Power's request for the fixed rate particularly  
23 egregious because they made a bad decision in purchasing  
24 and being part of the Georgia coal plant. It was a bad  
25 decision. There's no customers for it. Now they

1 want -- instead of the stockholders that are making  
2 massive profits already, record profits, they're turning  
3 to their utility customers and attempting to use them as  
4 cash cows to bail out and pay for their bad decisions.  
5 I find that egregious. I think it's wrong. You don't  
6 reward irresponsibility and bad decisions.

7 And I would encourage you to think about the  
8 fixed rate aspect of it. I mean, before you even turn  
9 the lights on, you have a power rate. What about people  
10 that have second homes in this area that maybe stay here  
11 during the -- just the summer months or they come back  
12 and forth? They're being forced to pay a higher fixed  
13 rate.

14 And I encourage you guys to think about the  
15 consumer. And we heard from the Office of Public  
16 Counsel. Ditto to his comments. They don't need this  
17 rate increase. Why bail out and try to pawn their bad  
18 investments and force their utility customers to pay for  
19 it? And thank you for allowing me to speak to all of  
20 you here. Thank you.

21 **CHAIRMAN BROWN:** Thank you, Ms. Dooley.

22 Just a second.

23 **MS. DOOLEY:** Yes. Go ahead.

24 **CHAIRMAN BROWN:** I think we may have a  
25 question. Commissioners, any questions? Parties?

1 Thank you for your testimony.

2 **MS. DOOLEY:** Thank you. I love your dress, by  
3 the way.

4 **MR. KELLY:** After Ms. Richards is Madge Haven.

5 **MS. RICHARDS:** I'm Haley Richards. My phone  
6 number is area code (850)293-9565. I live at 1301 East  
7 DeSoto Street in Pensacola. I'm a -- also the  
8 co-president of the League of Women Voters of the  
9 Pensacola Bay area with -- along with Ellen Rostan. And  
10 so we're here -- and I'm also here as a Gulf Power  
11 customer. And so, again, I'm going to reiterate things  
12 that you've already heard and will probably hear again  
13 over and over and over.

14 **CHAIRMAN BROWN:** And you can feel free to say  
15 ditto.

16 **MS. RICHARDS:** Yeah. Well, I would still like  
17 to speak, though, but I do -- I do ditto all the other  
18 previous comments, particularly my fellow league  
19 members. And on behalf of the League of Women Voters of  
20 Florida, we are happy to be here tonight.

21 So as we've already mentioned, our rate  
22 hike -- we're already paying the highest in the state.  
23 This would make us even more famous for probably paying,  
24 you know, maybe one of the highest rates in the country.  
25 So I think again, as has been mentioned, this is a step

1 backwards. We in Florida -- I feel like -- some of what  
2 was mentioned earlier by Floridians for Solar Choice, we  
3 want more options as consumers.

4 I'm a young professional. I think I'm the  
5 youngest one that's gotten up to speak so far, just  
6 barely over 30. I'm starting out in my career. I'm a  
7 recent homeowner. And I live in a house that needs  
8 energy upgrades, and so for me personally, as a customer  
9 of Gulf Power, this is going to severely impact my  
10 ability in the future or even now to save money even  
11 though I'm already working on reducing my energy cost by  
12 turning off lights and ceiling fans and buying the right  
13 kind of lightbulbs, which, my God, if you've been to the  
14 aisle at the supermarket, how do you even tell which  
15 lightbulb is the right lightbulb because there's a  
16 thousand kinds on the shelf?

17 And so -- and I'm looking at a house that was  
18 built at almost the turn of the century, and so I want  
19 to preserve some of the history that's here. I'm a  
20 history teacher, so I'm looking at, you know, future  
21 generations, students that I have now, how is this going  
22 to impact them in the future? You know, it's something  
23 that we as consumers now, as the adults, community  
24 members, need to think about. You know, what are we  
25 doing for our future generations? What are their bills

1 going to be like? What are their jobs going to be like?  
2 Are they going to be able to afford this?

3 I know currently this would greatly affect me  
4 as a consumer and as a customer of Gulf Power. And as  
5 has been mentioned, this is our option right now. We  
6 have no other choice for utility service until we make  
7 additional changes in public policy.

8 So I would just like to reiterate some of the  
9 things that have already been said, if I still have  
10 time.

11 **CHAIRMAN BROWN:** 30 seconds.

12 **MS. RICHARDS:** Oh, 30 seconds. Well, I guess  
13 I will just say we urge you to deny Gulf Power's request  
14 for this type of rate increase. Again, it's out of  
15 step, it's backwards. To me, it seems a little greedy.  
16 And so, again, we urge you not to approve this rate  
17 increase. Thank you.

18 **CHAIRMAN BROWN:** Thank you, Ms. Richards, for  
19 your testimony.

20 Commissioners, any questions?

21 Seeing none, next customer, please.

22 **MR. KELLY:** After Ms. Haven, and I apologize  
23 if I butcher this, Janet de Lorge.

24 **CHAIRMAN BROWN:** Again, don't feel like you  
25 have to neglect this microphone over here.



1           **MR. KELLY:** They feel good. They feel the  
2 love over here.

3           (Laughter.)

4           **CHAIRMAN BROWN:** I appreciate the gentleman  
5 right in front of me. He keeps doing this  
6 (demonstrating) instead of clapping. He's got my love.  
7 Okay. Thank you.

8           (Laughter.)

9           Good evening.

10          **MS. HAVEN:** Good evening. Madge Haven, 5573  
11 Centerbrook Place, Gulf Breeze, Florida, (703)915-7099.

12           I have prepared remarks, but I want to thank  
13 you for presenting both the green paper and the blue  
14 paper. Both contain lots of numbers but no math that  
15 goes with it. So I'm not a believer in figures unless I  
16 know where they come from.

17           On the very front page of the green, page 1,  
18 it talks about operating costs with no definition.  
19 Page 3 is written as though I work for Gulf Power. I  
20 have no idea what cost recovery charges are. I don't  
21 know what capacity means. I don't know what  
22 conservation environmental issues cost. They should  
23 have been defined and told me whether or not they were  
24 effective.

25           Also if you look at the energy charges, if you

1 go across to July 2017, yes, the numbers do go down, but  
2 does it take into consideration where do the numbers  
3 come from? Does it take into consideration we've just  
4 lived through the three hottest years on our planet? So  
5 I just don't have a lot of faith in those numbers.

6 My general topic tonight is disincentive. My  
7 insurance company for my car told me that my prices were  
8 going up. I said, "Why? I've never had an accident.  
9 I've had no tickets." "Well, it's because you live in  
10 Florida and they're such bad drivers." Disincentive.  
11 Okay?

12 My health insurance, it's based on people not  
13 exercising, not eating properly, being obese, having  
14 diabetes, doing drugs and other things, not on the  
15 lifestyle that I follow. Disincentive.

16 I had Gulf Power come out and do a free  
17 evaluation. I wish I could remember her name because  
18 she did such a good job. And I paid for and made all of  
19 the suggestions, and now you're going to raise the  
20 residential rate from \$223.20 to \$568.80, and there's no  
21 conservation on my part that will have an effect on that  
22 number. Disincentive.

23 You're going to lower the cost per kilowatt,  
24 which is a disincentive for people to actually save  
25 energy. They're going to go, "Great. It costs less per

1 kilowatt."

2 I am not -- and then when talking about coal,  
3 coal 2017? Really? Do I have to say anything more? I  
4 can't believe China has a better program in regard to  
5 coal than Gulf Power. Do we have to start wearing masks  
6 so that we can make people hear the Earth's cry for  
7 help?

8 I'm not as optimistic as the Sierra Club about  
9 people being conservationists. I do not believe that  
10 people care. They don't care about conserving water,  
11 recycling. They -- I've suggested that a lot of people  
12 have the Gulf free -- Gulf Power come out and do the  
13 free evaluation. Absolutely no one I know has done  
14 that. It doesn't even cost a penny.

15 Plastic bottles at races, road races, no  
16 recycling.

17 **CHAIRMAN BROWN:** Ms. Haven, if you could wrap  
18 it up. Your time is up.

19 **MS. HAVEN:** Yes, okay. Your program is a  
20 disincentive.

21 **CHAIRMAN BROWN:** Thank you.

22 **MS. HAVEN:** And I used to be a teacher and  
23 teach environmental issues, and I concluded my  
24 presentation to my middle schoolers, "Please take care  
25 of the Earth. It's the only planet with chocolate."

1           **CHAIRMAN BROWN:** Thank you, Ms. Haven.

2           Ms. Haven, we do have -- look at all the hands. Ahh,  
3           that's beautiful.

4           **MS. HAVEN:** I like chocolate.

5           **CHAIRMAN BROWN:** Ms. Haven, I do want to make  
6           a point about some of the questions that you raised  
7           regarding the green flier.

8           **MS. HAVEN:** Yes.

9           **CHAIRMAN BROWN:** We have two staff members  
10          here who can help answer some of the questions you have,  
11          and I'm going to just suggest that they approach you.  
12          Mr. Fletcher or Ms. Draper, can you please approach  
13          Ms. Haven after her -- thank you -- and help explain  
14          some of these facts here and terms. Thank you so much.

15          **AUDIENCE SPEAKER:** But we all want to know  
16          them.

17          **AUDIENCE SPEAKER:** We all want to know them.

18          **CHAIRMAN BROWN:** Commissioners, any other  
19          questions?

20          All right. We're going to get to our next  
21          customer.

22          **MS. HAVEN:** And thank you.

23          **CHAIRMAN BROWN:** Thank you, Ms. Haven.

24          Next customer, please.

25          **MR. KELLY:** After --

1           **CHAIRMAN BROWN:** We do have 59 customers that  
2 want to speak.

3           **MR. KELLY:** After Ms. de Lorge is Linda  
4 Kennedy.

5           **MS. de LORGE:** I'm Janet de Lorge, 2928  
6 Sundance Lane, Cantonment. Phone, 607-9170.

7           Since 1969 I've been a resident of Pensacola,  
8 I've been a customer of Gulf Power, and I've been a  
9 member of the League of Women Voters of the Pensacola  
10 Bay area. I've served as the president of that  
11 organization three times, and over the years I've been a  
12 volunteer and involved in issues trying to improve the  
13 government of our local area and improve the lives of  
14 all of our citizens.

15           For the last 20 years, I have been a volunteer  
16 at Manna Food Bank in Pensacola. I have met people who  
17 usually don't have a voice when governmental decisions  
18 are made. Many times these adversely affect those  
19 people and certainly affect their financial outcomes.  
20 Each week I interview people who need -- who are  
21 requesting emergency food. Many of these people are on  
22 food stamps. I think the public should be aware that in  
23 households where there are no children, many of these  
24 clients receive only \$16 a month in food stamps. It is  
25 necessary for those people to recertify every six months

1 to qualify. And if for any reason an individual misses  
2 an appointment, the food stamps are cut off immediately.

3 I was very encouraged when I initially heard  
4 that Gulf Power was providing a means for people who  
5 receive the food stamps to be -- to be positively  
6 affected by this base rate increase. However, I learned  
7 tonight that the reduction would be \$21 a month for  
8 those people, but at the same time they have to apply  
9 for this. Now think about it. I maintain that unless  
10 we volunteers provide that, I don't know how in the  
11 world those people will apply, and they do need this  
12 help. That's one group of people.

13 There's a larger part of our community of  
14 people who don't qualify for food stamps, yet they are  
15 limited in their income and they hardly can meet their  
16 monthly financial obligations. Many of these people  
17 rent. They live in houses with very poor insulation.  
18 They lack money to provide upgrades to reduce their  
19 energy bills. Many of these are elderly people who get  
20 by without financial assistance.

21 **CHAIRMAN BROWN:** Ms. de Lorge, you have about  
22 ten seconds.

23 **MS. de LORGE:** These people need relief.  
24 Please, I urge you, deny this rate base increase to Gulf  
25 Power. Thank you.

1           **CHAIRMAN BROWN:** Thank you for your testimony.  
2           Commissioners, any questions?  
3           Thank you again.

4           Mr. Kelly.

5           **MR. KELLY:** After Ms. Kennedy is Dan Gardner.  
6           Linda Kennedy?

7           (No response.)

8           After Mr. Gardner is -- Dan -- is it Gunlan,  
9           Goolan?

10          **CHAIRMAN BROWN:** Okay. Welcome.

11          **MR. GARDNER:** Chairman, I would use the other  
12          side, but I'd have to climb over to get there.

13          **CHAIRMAN BROWN:** That's okay.

14          **MR. GARDNER:** My name is Dan Gardner. I'm a  
15          residential customer, 6086 Sunnyridge Drive. I'm also  
16          the vice president and co-founder of Compass Solar  
17          Energy, which is at 2302 Town Street in Pensacola,  
18          Florida.

19                 I've done a little bit of research, and I hope  
20          the numbers that I've pulled together are accurate  
21          because the internet, as we know, can be full of  
22          misinformation. But I wanted to focus really on what  
23          I've done as far as reading between the lines to really  
24          try to discover what's actually happening here in my  
25          opinion. I think the counsel has addressed some of

1 this.

2 But -- so I'm going to point out what  
3 Mr. Connally had indicated. This is from an article in  
4 the -- Channel 7 out of Panama City. It says that we  
5 are, of course, approaching a rate increase that is  
6 necessary now, and it's due to a combination of slower  
7 than forecasted growth and a decline in usage per  
8 customer. Okay. This is what he has stated. Then I've  
9 got a notice to customers that says mainly because of  
10 decreased fuel costs.

11 So I might ask how did the decrease in fuel  
12 costs cause a decrease in customer usage? And I think I  
13 see that when I look at the 2015 year because 2015,  
14 according to this progression here that I see -- and  
15 I've got five years worth of revenue and as well as  
16 profits. And, interestingly, 2015 was the first year  
17 that the revenue took a dip. It went from 1.5 billion  
18 down to 1.4 billion, and I'm rounding on these numbers.

19 But we saw, interestingly, in 2014 their  
20 profit was 9.78 percent, and that's income -- after  
21 income tax. In 2015, when the revenue dropped, their  
22 profits actually increased. They went up to  
23 157 million, which was 11 percent. In 2016, I only have  
24 three months' worth of data, but so far they're on  
25 target to do 10.59 percent interest -- I mean, profit,



1 which is higher than they did in the preceding months.  
2 So the question is what happened with the fuel cost that  
3 caused this and where did that decline happen? I've got  
4 it right here because this is in the -- I hope I'm not  
5 running out of time. I've got to be quick here.

6 **CHAIRMAN BROWN:** You kind of are.

7 **MR. GARDNER:** Resident kilowatt-hour sales  
8 increased from two thousand -- in 2015 over 2014.  
9 Commercial kilowatt-hours increased from two thousand --  
10 in 2015 over 2014. So where did the decrease occur? It  
11 was industrial kilowatt sales, and that's what they  
12 stated, and it was due to the increased customer  
13 cogeneration as a result of lower natural gas prices.  
14 So the big users in our market here went to using their  
15 generators so that they weren't purchasing power from  
16 the utility company.

17 **CHAIRMAN BROWN:** Mr. Gardner, if you'd wrap it  
18 up.

19 **MR. GARDNER:** And that's what's caused the  
20 increase. And now what they're proposing is taking that  
21 cost and shifting it over to the consumers who did not  
22 impact the usage. Thank you.

23 **CHAIRMAN BROWN:** Thank you. Thank you for  
24 your testimony. Oh, wait, just a second, Mr. Gardner.  
25 Commissioners, do you have any questions?

1 Mr. Gardner, if you'd like to submit anything  
2 in writing, you may do so as well.

3 **MR. GARDNER:** Okay.

4 **CHAIRMAN BROWN:** Thank you.

5 All right. Next customer, please.

6 **MR. KELLY:** And I apologize if I didn't  
7 pronounce it right. Is it Goolan, Goglan?

8 **MR. GOUGH:** Gough.

9 **MR. KELLY:** Goblan.

10 **MR. GOUGH:** Gough.

11 **MR. KELLY:** Gough. Oh, I'm sorry.

12 **MR. GOUGH:** Like the game. No, that's all  
13 right.

14 **MR. KELLY:** I apologize. He'll be followed by  
15 Mr. Jim Hunt.

16 **CHAIRMAN BROWN:** Good evening, Mr. Gough.

17 **MR. GOUGH:** Dan Gough, 2061 Intendencia  
18 Street, Pensacola.

19 This Commission must know, based upon the  
20 reports Gulf Power has filed with the Securities &  
21 Exchange Commission, Gulf Power has an outstanding  
22 principal balance of 14 million in pollution control  
23 revenue bonds as of December 31st, 2014.

24 **CHAIRMAN BROWN:** Could you speak a little bit  
25 clearer and a little bit more into the microphone?

1           **MR. GOUGH:** Sure.

2           **CHAIRMAN BROWN:** Get as close as you want into  
3 it. Maybe raise it up.

4           **MR. GOUGH:** Are you cutting into my time?

5           **CHAIRMAN BROWN:** I am not cutting into your  
6 time.

7           (Laughter.)

8           **MR. GOUGH:** I had to shorten this ten-minute  
9 speech up a lot.

10          **CHAIRMAN BROWN:** See, they paused it right  
11 there.

12          **MR. GOUGH:** Well, I'm not reading the whole  
13 thing, so ...

14          **CHAIRMAN BROWN:** Okay. Good.

15          **MR. GOUGH:** As of December 31st, Gulf Power's  
16 parent, the Southern Company, and other Southern Company  
17 subsidiaries' current outstanding variable rate  
18 pollution control revenue bonds is approximately  
19 1.9 billion. As of December 2014, the total long-term  
20 debt of the Southern Company and its subsidiaries  
21 amounts to 24,015,000,000. All this debt impacts the  
22 ratepayers in added cost per service. The interest  
23 expense carrying all this debt, excluding payments to  
24 certificate holders for the trust that they established  
25 securitizing each and every account holder, is

1 \$835 million annually. The Southern Company and its  
2 subsidiaries like Gulf Power Company for five years  
3 beginning 2010 through 2014 have reported to the SEC a  
4 steady kilowatt rate increase from 10.93 cents to  
5 12.18 cents for residential service. This represents a  
6 9 percent increase and an end user cost for this period.  
7 These rate increases were approved by this Commission at  
8 the time when kilowatt rate usage declined by  
9 9 percent -- I believe the previous speaker spoke about  
10 that -- from 15.2 billion kilowatt-hours in 2010 to  
11 13.8 billion kilowatt-hours in 2014. This is according  
12 to SEC records that have been filed.

13 I'm going to skip a little bit here. Gulf  
14 Power Company states a rate increase for energy  
15 infrastructure. Well, I'd like to know just what that  
16 means. Does this mean improvement to existing  
17 infrastructure to provide for more cost-effective  
18 production of energy, thereby holding down future  
19 expenses? Or is this increase to offset increased  
20 maintenance costs for existing infrastructure? Or is  
21 this for the purpose of building new, more efficient  
22 power plant production systems?

23 I appreciate the OPC's recommendation;  
24 however, in December 2013, this Commission approved a  
25 rate of return midpoint of 10.25 percent. In other

1 words, a range between 9.25 and 11.25. So the  
2 recommendation to roll it back to 8.875 percent is going  
3 to be kind of tough right now.

4 Gulf Power earnings. Gulf Power in 2014 net  
5 income after dividends to preferred stock was 140.2  
6 million, representing a --

7 **CHAIRMAN BROWN:** Mr. Gough, could you wrap it  
8 up, pretty please?

9 **MR. GOUGH:** Sure -- representing a  
10 15.8 million or 12.7 percent increase.

11 **CHAIRMAN BROWN:** Thank you. Mr. Gough, I  
12 appreciate your testimony.

13 **MR. GOUGH:** Well, I've just got one last thing  
14 I'd like to get to.

15 **CHAIRMAN BROWN:** Sure.

16 **MR. GOUGH:** If you don't mind, I'd just make  
17 my closing statement.

18 **CHAIRMAN BROWN:** Really fast forward.

19 **MR. GOUGH:** Okay. All right. If Gulf Power  
20 is to receive Commission approval for its proposed rate  
21 increase, then the Commission needs to set certain  
22 targets that in the long term will effectively reduce  
23 power costs to the ratepayers. As a suggestion, the  
24 Commission could request Gulf Power to submit a plan to  
25 eliminate its debt obligations.

1                   **CHAIRMAN BROWN:** Okay, Mr. Gough. I'm sorry.

2 I have to stop you there.

3                   Commissioners, any questions? Parties?

4                   Thank you for your testimony, Mr. Gough. We  
5 encourage you to file written comments, and they will be  
6 take into consideration. Thank you.

7                   **MR. GOUGH:** All right. Thank you.

8                   **CHAIRMAN BROWN:** Hi.

9                   **MR. HUNT:** I'm ready to go. I'm Jim Hunt,  
10 11659 Wakefield Drive, Pensacola, Florida. Phone  
11 number, (850)968-2133. Gulf Power customer.

12                   I conserve energy and Gulf Power should also.  
13 I'm retired Navy with a fixed income, but I have  
14 invested in efficiencies in my home. I drive a  
15 gasoline/electric hybrid car. I have a heat pump and  
16 electric hybrid water heater and received a Gulf Power  
17 rebate, as measly as it was. Additionally, I have an  
18 on-demand water reserve pump system. I have an  
19 efficient heat pump air-conditioning system and heating  
20 system. I have Energy Star® appliances. I have LED  
21 lights inside and outside. I've added attic insulation.  
22 I have a white roof to lower thermal loading. I have a  
23 small wind turbine and a 5.5 kilowatt photovoltaic  
24 system on top of my roof. I did not get a Gulf Power  
25 rebate.

1           Every Gulf Power facility should conserve in a  
2 similar manner. They should have photovoltaic on every  
3 building and structure roof. They should have a wind  
4 turbine at every facility. They should use tankless or  
5 hybrid water heaters in every occupied GP building. All  
6 the Gulf Power facilities should be LED lighting inside  
7 and out. All streetlights that Gulf Power powers should  
8 also be LED. All service trucks should be either  
9 diesel, natural gas, or gasoline/electric hybrid. All  
10 company cars for Gulf Power should be fully electric.  
11 These are the conservation efforts GP needs to show me  
12 that they want to conserve what they produce. I dislike  
13 paying the \$18 a month for my grid tie system, but I  
14 like to provide my excess energy to others and like  
15 having the electricity at night.

16           If Gulf Power increases the base rate and  
17 continues to fund non-renewable energy sources, then I  
18 may need to go fully off grid and GP will lose this  
19 customer. I conserve energy, and Gulf Power should  
20 also.

21           **CHAIRMAN BROWN:** Thank you for your testimony.  
22 Sir, can I get you to spell your last name, please, for  
23 the record?

24           **MR. HUNT:** Hunt, H-u-n-t, like the ketchup  
25 with no S.

1 (Laughter.)

2 **CHAIRMAN BROWN:** Thank you.

3 Commissioners, any questions?

4 I appreciate your testimony. Thank you.

5 Next customer, please.

6 **MR. KELLY:** The next customer is William  
7 Ribbing, followed by William DuBois.

8 **CHAIRMAN BROWN:** And I just want to give the  
9 customers in the audience a kind of point of reference  
10 where we're at. We're at number 14, and we've got 59  
11 customers so far. So if you -- again, please feel free  
12 to say ditto if you, you know, reiterate some of the  
13 comments. Obviously we're considering everything that  
14 is being said here tonight.

15 All right. Let's go.

16 **MR. RIBBING:** My name William Ribbing. I live  
17 at 3205 East Olive Road, Apartment 106, Pensacola. I'm  
18 a Gulf Power customer.

19 **CHAIRMAN BROWN:** A little louder, a little  
20 clearer.

21 **MR. RIBBING:** I'm a Gulf Power customer. My  
22 phone number is 475-1924.

23 I've been really concerned about the  
24 Commission itself and the integrity of the Commission.  
25 There are a number of things that are concerning the



1 public here. But one of the most important things I  
2 have concern is this so-called rate increase they've  
3 asked for. If you take all the numbers of the rates and  
4 add them together percentage-wise, it comes to a  
5 31.8 percent increase. That's just the routine figuring  
6 (phonetic). A 6.9 percent rate increase requested of  
7 each domestic customer is outrageous because I don't  
8 know how many retired people around here have gotten a  
9 rate increase in the past three years. If you look at  
10 all your senior citizens, and they haven't had a rate  
11 increase in COLA for over three years. This past year  
12 they had a 0.3 percent, which is less than 1 percent,  
13 increase, and that was eaten up by the Medicare. The  
14 numbers that I came up with are really actually numbers  
15 based on the lowest rate, and that is a domestic rate.  
16 And I'm looking at the current rate of 184,000 --  
17 \$184.64 times 4,300 -- oh, boy -- 438,000 customers. It  
18 equals \$65 million every month, which multiplied by 12  
19 months comes to \$781,251,480 a year. I mean, what  
20 company gets that kind of rate increases? I'm sure that  
21 there's not a person in this room who's ever gotten that  
22 kind of a rate increase.

23 A 31.8 percent increase is ridiculous. The  
24 actual increase of \$10.22 per month requested raises the  
25 increase to \$4,380,000 every month. That's crazy. If

1 you give them a percentage of increase of these numbers,  
2 we'd have to look for a whole new Commission because  
3 you're not representing us. I'll give you a copy of  
4 this, if you like.

5 **CHAIRMAN BROWN:** Thank you. Mr. Ribbing, can  
6 you spell your last name?

7 **MR. RIBBING:** Ribbing, R-i-b-b-i-n-g, just  
8 like you're joking with someone.

9 **CHAIRMAN BROWN:** All right. Thank you. We're  
10 going to go ahead and mark that as Exhibit 4.

11 (Exhibit 4 marked for identification.)

12 **MR. RIBBING:** Thank you. Any questions?

13 **CHAIRMAN BROWN:** One second. Ribbing -- thank  
14 you -- Ribbing exhibit. Thank you.

15 Commissioners, any questions?

16 Seeing none, thank you for your testimony.

17 Next customer.

18 **MR. KELLY:** After Mr. DuBois is Enid Sisskin.

19 **MR. DuBOIS:** Good evening, Commissioners. My  
20 name is Bill DuBois. My wife and I are 14-year  
21 residents of Milton, Florida, 4982 Creekside Lane,  
22 Milton. Phone number is (850)626-9853. Of course, we  
23 are Gulf Power customers.

24 Who we are, I'm a retired Navy pilot. My wife  
25 is a retired cost engineer. In full disclosure, we are

1 members of the Sierra Club. We have had business  
2 dealings with Gulf Power selling electric easements  
3 through vacant land that we own in Santa Rosa County and  
4 through --

5 **CHAIRMAN BROWN:** If I could ask the audience  
6 to please kind of silence. It's hard to hear  
7 Mr. DuBois.

8 **MR. DuBOIS:** I'll be more enunciating then.

9 **CHAIRMAN BROWN:** Thank you.

10 **MR. DuBOIS:** And we also have holdings with  
11 Southern Company through our investments here. What has  
12 not really been discussed a lot tonight -- and ditto for  
13 a lot of the things obviously -- is with that fixed rate  
14 increase is also a decrease in the -- what's known as  
15 the energy charge. It's down -- it seems modest. It's  
16 a penny and a third or something like that, but that  
17 takes that variable cost down about 28 percent. And if  
18 you're somebody who's really into the conservation  
19 aspect, such as like Mr. Hunt before me, that really  
20 eats into the part of the bill where you have some  
21 control.

22 What we've done -- I've got a  
23 2,400-square-foot home. I was probably using close to  
24 60 kilowatt-hours a day in August before I made a lot of  
25 these improvements, which include -- I've put foam seal

1 insulation in the attic. It made a dramatic  
2 improvement. Special high -- low eave windows. Got rid  
3 of the hot water heater and put in a solar hot water  
4 system. We use a clothesline. I've got a really  
5 gorgeous live oak tree that provides a lot of shade, but  
6 I've hired an arborist to help do an awful lot of work  
7 with that so that it's much more resilient against high  
8 winds and still provides the adequate shade that I need  
9 and does not obscure the solar PV system that I have on  
10 the roof of my garage, which is a 5,000 watt system.

11 Talking about some of the customers who might  
12 have a lower monthly power consumption, with a  
13 2,400-square-foot home, now I'm down well below that 60  
14 kilowatt-hour per day. In August of this past year, I  
15 was averaging 34 kilowatts per day purchased from Gulf  
16 Power. I used about -- purchased about 700 kilowatts  
17 from Gulf Power. I returned about 180 excess.

18 **CHAIRMAN BROWN:** Mr. DuBois, you have about  
19 ten seconds.

20 **MR. DuBOIS:** Okay. In March, I had about 350  
21 out. So my average is around 500. Those kinds of  
22 numbers, if you look at some of the examples we've got  
23 here, would put my -- my relative cost way, way above  
24 the 6.9 percent. The whole point of this is that --  
25 let's not penalize those that have made significant

1 investments in reducing their dependence on the energy  
2 here. Thank you.

3 **CHAIRMAN BROWN:** Thank you. Mr. DuBois, we  
4 have a question for you from Commissioner Patronis.

5 **MR. DuBOIS:** Yes, sir.

6 **COMMISSIONER PATRONIS:** Thank you for your  
7 testimony. I'm just curious because -- some of the  
8 audience members may want to know the same answer. It's  
9 obvious you did some changes in your lifestyle in order  
10 to be more sensitive to the kilowatt usage.

11 **MR. DuBOIS:** Yes, sir.

12 **COMMISSIONER PATRONIS:** Out of all those  
13 improvements, which one do you think you get the most  
14 value for changing the consumption of your August bill?

15 **MR. DuBOIS:** Number one is clearly the  
16 photovoltaic system on the roof because that has paid  
17 about 60 percent of my total utility bill throughout the  
18 year. You get a much higher sun angle, so -- but you  
19 have a much longer day. The efficiency of the solar  
20 panels is directly dependent upon how much of a right  
21 angle they are coming to the panel. We're at 30 degrees  
22 north latitude here. The roof pitch is 30 degrees.  
23 It's ideal in March. It's ideal in October. Ambient  
24 temperature dramatically affects the performance of  
25 solar panels so that I get a much better return off

1 those 5k panels in March and April than I do in, say,  
2 August. But since the day is longer, it winds up being  
3 about the same throughout the year.

4 **COMMISSIONER PATRONIS:** Got you.

5 **CHAIRMAN BROWN:** Thank you.

6 Commissioners, any follow-up? Commissioner  
7 Brisé.

8 **COMMISSIONER BRISÉ:** Thank you.

9 Using the current rates, not the proposed  
10 rates, how long is the payback period for you?

11 **MR. DuBOIS:** My estimate, Commissioner, has --  
12 was going to be 12 to 13 years. I did receive a  
13 substantial rebate from Gulf Power as well as a federal  
14 tax rebate. My out-of-pocket cost for the solar PV  
15 system wound up being about twelve-five. I have not run  
16 a calculation, sir, on what it would be. Obviously the  
17 payback would extend it out. I'm a little bit concerned  
18 because the PV system, the panels are probably rated for  
19 about a 20-year life. The inverter is rated for  
20 probably eight years. So I'm probably going to have to  
21 do an inverter replacement about halfway through, and  
22 I'd like to see, you know, the return on investment go  
23 into the positive for me before the 20-year timeframe  
24 there.

25 But the more important thing is even if it

1 doesn't work out, I feel good because in the five --  
2 I've had these since 2011 -- equates to roughly about  
3 55,000 pounds of carbon dioxide that the Christ plant  
4 didn't put up the smokestack.

5 (Applause.)

6 **CHAIRMAN BROWN:** Okay. Okay. Thank you.  
7 Thank you, Mr. DuBois.

8 **MR. DuBOIS:** Thank you, Commissioners.

9 **CHAIRMAN BROWN:** I'm going to do something a  
10 little unconventional. I -- as a mother of two small  
11 children, I have -- thank you, Mr. DuBois -- I have some  
12 empathy for the woman here who has her young child here.  
13 If she would like to speak, I'd like to take her out of  
14 order so that we could have the young child go home too.

15 Sorry, Mr. Kelly.

16 Welcome.

17 **MS. MacWHINNIE:** Thank you.

18 **CHAIRMAN BROWN:** You're welcome. I heard you.  
19 If you could state your name and address for the record,  
20 that would be great.

21 **MS. MacWHINNIE:** I'm Elizabeth MacWhinnie, and  
22 this is my daughter, Ruby.

23 **CHAIRMAN BROWN:** Hi, Ruby. Are you tired?  
24 I'm tired.

25 **MS. MacWHINNIE:** She's never tired.

1           **CHAIRMAN BROWN:** You're up.

2           **MS. MacWHINNIE:** I live at 9680 Hollowbrook  
3 Drive, Pensacola. I am a customer. I'm also a board  
4 member of Earth Ethics, Incorporated, also Earth  
5 Actions, Incorporated.

6                   For the environmental reasons I really can  
7 just say ditto to all of the wonderful stuff that has  
8 been said. But if anyone wants to know about -- more  
9 about that, I'm happy to give my opinion on it. And I  
10 really say ditto to all of the comments about people who  
11 cannot afford to have their rate increased.

12                   I consider myself to be middle class, and my  
13 power bill is probably my second highest bill after my  
14 mortgage. I try really hard, but my bill is nowhere  
15 near what they say is the average customer. I -- you  
16 know, we turn off the lights. We haven't had our air on  
17 for a month, but still my bill is well over \$200. So  
18 how is the average person at one-something? You know, I  
19 don't know. But I just know for me that would be huge.

20                   We actually own two homes, not because I'm a  
21 snowbird or, you know, have a condo, but because my  
22 mother-in-law passed away. And so it's going to take a  
23 long while for us to be able to fix up the home and work  
24 on those things. But -- so we keep the power going so  
25 that the things that are in there don't grow mildew and



1 mold and that sort of thing. And so right now that's  
2 perfectly fine. It only costs somewhere between \$20 and  
3 \$30. But if you increase the base payment on the house  
4 I live in and the house I'm trying to do something with,  
5 you know, I'm going to be paying more than a  
6 hundred-something increased a month. And I'm sure there  
7 are a lot of people in situations like that, so I just  
8 thought that would be an interesting example of how this  
9 could affect people more than just 18 to 48. I'm sure  
10 there are a lot of different examples out there like  
11 that. Thank you very much.

12 **CHAIRMAN BROWN:** Thank you, Ms. MacWhinnie,  
13 and Ruby as well.

14 Commissioners, any questions?

15 Thank you for your testimony.

16 **MS. MacWHINNIE:** Thank you.

17 **CHAIRMAN BROWN:** Mr. Kelly, next customer.

18 **MR. KELLY:** After Ms. Sisskin is Loretta  
19 Cooper.

20 **MS. SISSKIN:** My name is Enid Sisskin. I live  
21 at 4172 Madura Four in Gulf Breeze, Florida. I am a  
22 Gulf Breeze -- a Gulf Power ratepayer. I'm also a  
23 member of the Southern Alliance for Clean Energy and the  
24 League of Women Voters.

25 This Gulf Power request for a rate increase

1 cannot be justified. Gulf Power is already profitable  
2 and the people in this community cannot necessarily  
3 afford higher electricity rates, which are already among  
4 the highest, if not the highest, in the southeast.

5 I teach at the University of West Florida and  
6 I teach public health and environmental health, and I  
7 see this as a public health issue. Many people are  
8 already barely scraping by. They often need to decide  
9 whether to buy food or medicine or heat their homes in  
10 the winter or cool them in the summer. People in this  
11 situation are often the ones who are living in the least  
12 energy-efficient, worst-insulated residences, and this  
13 increase will disproportionately affect them. That's  
14 because it isn't just the rate increase that's the  
15 problem, it's the way that it's structured. By  
16 increasing the base rate of more than 150 percent, it  
17 makes it harder for people here to afford it. Even  
18 without using their heat or their air conditioner to  
19 make the temperature in their home tolerable, there's an  
20 automatic 48 percent charge.

21 In my well-insulated, energy-efficient home,  
22 I've had monthly energy bills of less than \$48, and I  
23 have a 2,700-square-foot home. I've replaced all 23 of  
24 my windows with energy-efficient windows, I have  
25 energy-efficient appliances, all my lights have been

1 changed to LEDs, and I've gotten a new air conditioner  
2 and heating system. This further -- and so this will  
3 increase my bill even if I don't use any additional  
4 electricity. It further eliminates benefits from energy  
5 conservation, energy efficiency, and it makes it less  
6 attractive to conserve or add features like solar  
7 panels, and perhaps that's Gulf Power's intent. I urge  
8 this Commission to deny the rate increase.

9 **CHAIRMAN BROWN:** Thank you for your testimony.  
10 Commissioners, any questions?

11 Seeing none, thank you.

12 **AUDIENCE SPEAKER:** Ditto.

13 **CHAIRMAN BROWN:** Mr. Kelly, next name.

14 **MR. KELLY:** After Ms. Cooper is Ray Hudkins.  
15 Loretta Cooper?

16 (No response.)

17 **CHAIRMAN BROWN:** All right. Mr. Kelly, next  
18 one.

19 **MR. KELLY:** Mr. Hudkins, will be Rebecca -- is  
20 it Hayer?

21 **MS. HEYER:** Heyer.

22 **MR. KELLY:** Heyer. Sorry.

23 **CHAIRMAN BROWN:** Good evening.

24 **MR. HUDKINS:** Thank you for this public  
25 hearing. Have you got me?

1                   **CHAIRMAN BROWN:** Got you.

2                   **MR. HUDKINS:** Okay. It didn't sound like it  
3 did. My name is Ray Hudkins. I live at 1126 East La  
4 Rua Street, Pensacola, Florida. My phone number is  
5 (850)346-5199. I've been a Gulf Power customer since  
6 about 2002 when I moved here from a CHELCO Power  
7 Company's facility. I'm a member of the Pensacola Bay  
8 area League of Women Voters as well, and you've heard  
9 some of my cohorts.

10                   Before I came tonight, I gassed up, and my  
11 bill was \$47. So I got to thinking, what about the  
12 people that drive a long distance to get to work every  
13 day of the week, that's when they (phonetic) gas up. I  
14 mean, what are we doing to those people? We're causing  
15 them a significant problem.

16                   Several years ago I put in a geothermal system  
17 because my air-conditioning and heating system was just  
18 about dead and I wanted to do something that was energy  
19 efficient and long term, and it's paid off. I missed  
20 out on the incentive by about a year because I was ahead  
21 of the curve a little bit. But I look at what Gulf  
22 Power is doing as a disincentive, and ditto to the lady  
23 who brought up all of the disincentives that we've heard  
24 about. My current bill would increase about 17 percent.

25                   Part of my career was in private industry

1 working on government contracts and the like, and we  
2 considered a decent profit margin to be 7 to 10 percent.  
3 So when I hear 11 percent in a monopoly, I really wonder  
4 what's going on here. And I would bring that rate down  
5 a whole lot more than 8.8 percent.

6 If Gulf Power is asking for a rate increase, I  
7 would deny it and I would ask them to roll back what  
8 they're currently charging when you look at the charges  
9 from other companies in this area. How can they ask for  
10 an increase that is that substantial when everybody else  
11 is already lower? Thank you.

12 **CHAIRMAN BROWN:** Thank you, Mr. Hudkins, for  
13 your testimony.

14 Mr. Kelly.

15 **MR. KELLY:** After Ms. Heyer is -- is it Cary  
16 Schwencke?

17 **CHAIRMAN BROWN:** Good evening, Ms. Heyer.

18 **MS. HEYER:** Rebecca Heyer, 2101 Scenic  
19 Highway, Pensacola, 32503. My phone number is  
20 (850)378-8787. I am a Gulf Power customer, and I am,  
21 like many people here, on social security. I'm on a  
22 fixed income. I have a small one-bedroom apartment. I  
23 don't use very much power. As a matter of fact, last  
24 month I used a little over 400 kilowatt-hours. The  
25 month before that it was about 320. So it's very energy

1 efficient. I have made some changes recently in terms  
2 of lighting, in terms of use of central heat and air,  
3 more -- higher-efficiency appliances, and I've actually  
4 cut my electric usage year over year from last year by  
5 about 20 percent. So I'm making an effort to get my  
6 power usage down. It really bothers me that we are --  
7 that this rate increase will penalize people who make  
8 efforts to conserve energy. Conservation is the hot --  
9 the best form of energy savings. It's the most cost  
10 efficient and it's one of the easiest ones to do, and I  
11 encourage everyone to do that.

12 In addition, I am a member of the Ecosocialist  
13 Commission of the Socialist Party USA. Now we advocate  
14 local control of power, for instance, through a consumer  
15 cooperative. And it really concerns me -- not only we  
16 have Gulf Power here and that there are offices here in  
17 Pensacola, but Gulf Power Company is 100 percent owned  
18 by Southern Company, which is in Atlanta. Hardly local  
19 control. On top of that, over 51 percent of their  
20 investors are Wall Street banks and hedge funds, and  
21 it's a who's who. People like BlackRock Capital, Wells  
22 Fargo, Citibank, they own -- they own Southern Company,  
23 which owns Gulf Power, which means that the policy  
24 decisions are driven by the profit motives of Wall  
25 Street firms, not by the needs of the local community.

1           So I encourage transfer of control to a local  
2 level. Let the consumers control how to get our power,  
3 and we will be able to control our own cost. Thank you  
4 very much.

5           **CHAIRMAN BROWN:** Thank you for your testimony.

6           Commissioners, any questions?

7           Thank you.

8           Mr. Kelly, next customer, please.

9           **MR. KELLY:** After Ms. Schwencke is Randy  
10 Sharp.

11           **MS. SCHWENCKE:** My name is Cary Schwencke. I  
12 live at 56 Deluna Drive, Pensacola, Florida. Phone  
13 number, (850)418-9526.

14           As you know, the Florida Public Service  
15 Commission is here for us, the consumer, to protect our  
16 rights, and I hope that they do listen to everything  
17 that is said. They are appointed by the governor and  
18 confirmed by the senate. So if you don't agree with the  
19 way they vote in the future or the way this is handled,  
20 then the midterm elections are coming up in a couple of  
21 years.

22           **CHAIRMAN BROWN:** Ms. Schwencke, if you could  
23 address the Commission, though. This is public comment  
24 to give us your input on the Gulf Power rate increase.

25           **MS. SCHWENCKE:** Yes. And Gulf Power is part

1 of Southern Company, which it has control over four  
2 states. Already Florida is paying higher rates. Both  
3 residential, commercial, and industrial, their rates are  
4 higher than the average rates anywhere else in Florida  
5 and they're higher than the national average. This on  
6 top of the fact that the poverty rate in Escambia County  
7 is 17.89 percent. We have a fairly high poverty rate,  
8 but we are going -- required to pay a higher power rate.  
9 For children, the poverty rate is 27.9 percent, which  
10 does -- ditto on the person who said this is a health  
11 concern, health and safety concern because people  
12 responsible for children are going to be in a real  
13 crunch.

14 Earnings by Southern Company in the third  
15 quarter were 1.64 billion. Salaries for the top  
16 executives were over a million dollars -- \$1.7, \$1.3,  
17 and \$1.4 million salaries. Net income, one -- I already  
18 said that.

19 **CHAIRMAN BROWN:** You have about twenty seconds  
20 left.

21 **MS. SCHWENCKE:** Okay. We have Escambia River  
22 Cooperative that is not too far from us. It's up in Jay  
23 and Walnut Hill. We might want to consider or try to  
24 talk people into hooking into them. They have lower  
25 power rates. The super PAC contributions from Southern



1 Company, 80 percent went to Republicans, 20 percent to  
2 Democrats. Thank you for the League of Women Voters.

3 **CHAIRMAN BROWN:** Thank you, Ms. Schwencke.

4 **MS. SCHWENCKE:** I would have not known to vote  
5 for -- I would have voted for the referendum that would  
6 have helped the power company, but because of them  
7 explaining it to me --

8 **CHAIRMAN BROWN:** Ms. Schwencke, your time has  
9 expired. Thank you.

10 Mr. Kelly, your next customer here.

11 **MS. SCHWENCKE:** -- I did not.

12 **CHAIRMAN BROWN:** Thank you.

13 **MR. KELLY:** After Mr. Sharp -- I apologize, I  
14 will probably misstate this -- Brian, is it Seifstein?

15 **CHAIRMAN BROWN:** Good evening, Mr. Sharp.

16 **MR. SHARP:** Good evening. My name is Randy  
17 Sharp. I appreciate you allowing me to address the  
18 Commission. I live at 1634 Kalakaua Court, Gulf Breeze,  
19 Florida, (850)916-0120. I am a Gulf Power customer.  
20 I'm also a Gulf Power shareholder.

21 Does Gulf Power need a bunch of money to buy  
22 into their sister company's plant in Georgia? I have no  
23 concept what the answer to that is. I assume there's  
24 some validity there since -- or we wouldn't be here.  
25 Should they need that money, the kind of rate increases

1 they're looking at I think are off the board.

2           There's been a lot of talk about the base rate  
3 increase. Let me give you a couple of other examples  
4 that haven't been mentioned. What if you have rental  
5 property that's completely vacant? I'm getting charged  
6 \$19 a month. I don't see any value there. I'm sure not  
7 going to see any value -- I'm kind of dense, but I'm not  
8 going to see any value when it goes to \$47. I'm getting  
9 nothing for 19. I'm still getting nothing for 47. If I  
10 want to go to the beach -- you know, we live near the  
11 water. I like to go to the beach sometimes. If I want  
12 to be a beach bum for a month and leave my house, the 19  
13 difference -- the difference between 19 and 47, that's  
14 my beer money. You're taking that away from me.

15           (Laughter.)

16           Two other suggestions. Gulf Power is a  
17 monopoly. Why do they spend money advertising?  
18 Seriously, I have choice.

19           (Laughter.)

20           And lastly, I'm trying to save money for the  
21 ratepayers as well as make more money for the  
22 stockholders, although hopefully the gross profit will  
23 be reduced.

24           Lastly, stop throwing money at misleading  
25 political campaigns similar to Amendment 1. Thank you.

1           **CHAIRMAN BROWN:** Wait just one second,  
2 Mr. Sharp.

3           Commissioner Brisé.

4           **COMMISSIONER BRISÉ:** Just -- just for the  
5 record, the advertisement money is shareholder money,  
6 not your money.

7           **CHAIRMAN BROWN:** Thank you.

8           **MR. SHARP:** Okay. Where does the shareholders  
9 get their money? It comes from the power company.

10           (Laughter.)

11           **COMMISSIONER BRISÉ:** Money that goes up the  
12 chain, not the money for operations.

13           **MR. SHARP:** Okay. Well, let's stop it from  
14 going up the chain.

15           **CHAIRMAN BROWN:** Thank you, Mr. Sharp.

16           One second, for a second, please.

17           Commissioners, any other questions?

18           All right. We're at 22 right now. We have  
19 63 right now customers that want to speak. I'm going to  
20 give our court reporter a little opportunity to take a  
21 break at this time. We will reconvene -- the time is  
22 7:35. We'll reconvene at 7:45. Thank you.

23           (Recess taken.)

24           **CHAIRMAN BROWN:** We have a quorum here, so we  
25 are going to continue at this time. We're back on the

1 record. And we are at -- if you could kindly take your  
2 seats. Thank you. And, again, I just want to remind  
3 those that have signed in who have not been sworn in,  
4 could you please raise your hand if you have not been  
5 sworn in. Okay. Everyone has been sworn in that plans  
6 on speaking today. That's great. All right. So -- guy  
7 in the back.

8 **AUDIENCE SPEAKER:** I have not been sworn in.

9 **CHAIRMAN BROWN:** All right. Is there anybody  
10 else who has not been sworn in who plans on addressing  
11 the Commission tonight? Please stand with me and raise  
12 your right hand. Do you swear or affirm to provide the  
13 truth in this proceeding?

14 **AUDIENCE SPEAKER:** Yes, I do.

15 (Witness sworn.)

16 **CHAIRMAN BROWN:** Thank you. Please be seated,  
17 if you want.

18 All right. Mr. Kelly, your next customer.

19 **MR. KELLY:** Ryan -- and I hope I got it right  
20 the first time -- Bryan Seifstein.

21 **MR. SEIFSTEIN:** Seifstein.

22 **MR. KELLY:** Seifstein. I'm sorry.

23 **MR. SEIFSTEIN:** That's all right.

24 **MR. KELLY:** Boy, I butchered that. I  
25 apologize. Followed by Frank Sansone.

1           **CHAIRMAN BROWN:** Good evening.

2           **MR. SEIFSTEIN:** I just want to say that,  
3 first, this increase is enough to where I will not eat  
4 lunch with --

5           **CHAIRMAN BROWN:** Please state your name. I'm  
6 sorry.

7           **MR. SEIFSTEIN:** I'm sorry. I'm Bryan  
8 Seifstein. I live at 6594 Alvarado Road, (850)361-9864.

9           This rate increase of just \$15 is what the  
10 numbers are saying, more or less, that's going to make  
11 it to where one of my friends will not be eating dinner  
12 with me, will not be eating lunch with me again. He  
13 just won't have the money.

14           The comment that Gulf Power gives us great  
15 service, our Sacred Heart Hospital, the power grid that  
16 powers it goes offline multiple times a year. My mother  
17 works at Children's Medical Services and they're on  
18 Sacred Heart's power grid. Their power goes off  
19 multiple times a year.

20           I think it's disingenuous to say that they are  
21 providing us good service, that they're using the  
22 profits that they have to maintain the system. The most  
23 important part of our energy grid should be the  
24 hospitals, and yet it still fails. That's insanity.  
25 That's all I wanted to say.

1           **CHAIRMAN BROWN:** Thank you, Mr. Seifstein.

2           **MR. SEIFSTEIN:** Seifstein.

3           **CHAIRMAN BROWN:** Seifstein. There are Gulf  
4 Power representatives here tonight who I'm sure would be  
5 happy to talk to you more about those intermittent  
6 outages. And they're in the back, so they will come  
7 find you. Thank you.

8           **MR. SEIFSTEIN:** If -- most of the days  
9 intermittent, yes.

10           **CHAIRMAN BROWN:** Thank you.  
11           Commissioners, any questions?  
12           Seeing none, thank you, sir.  
13           Go ahead, Mr. Kelly.

14           **MR. KELLY:** After Mr. Sansone is Gail -- is it  
15 Honea, Honea?

16           **MS. HONEA:** Honea.

17           **MR. KELLY:** Honea.

18           **CHAIRMAN BROWN:** Good evening.

19           **MR. SANSONE:** Hi. Good evening to you all.  
20 Thank you for being here this evening and listening to  
21 your citizens and consumers. My name is Frank A.  
22 Sansone. I'm a retired professor of social policy at  
23 the University of West Florida, member of the League of  
24 Women Voters, lifelong member. I'm also a member of the  
25 Sierra Club and AARP. And I live at 8680 Scenic

1 Highway, Unit 12, Pensacola, 32514. I'm a customer and  
2 I'm also -- what is it? You needed a phone number.  
3 (850)207-6686.

4 It kind of looks like this rate increase is  
5 Plan B for citizens coming out to vote against the solar  
6 amendment that the utility companies tried to put over  
7 on us. And then we voted the one that's for giving us  
8 freedom of choice and using energy, and perhaps this is  
9 our punishment. But being not as cynical as some people  
10 -- (laughter) -- I'm also a shareholder of Gulf -- of  
11 Southern Company, the parent company of Gulf Power, a  
12 \$48-billion-listed-on-the-stock-exchange company, that  
13 just completed its third-quarter earnings that were  
14 higher than any other quarter they've had in their  
15 history. And their gross profit margin, as bragged  
16 about in the Street's rating report right off the  
17 TD Ameritrade, is 44 percent gross profit margin and  
18 18 percent net profit margin.

19 I'm a shareholder. I'm retired. I live off  
20 those dividends. But as other shareholders have talked  
21 about, Gulf Power, Southern Company really, doesn't need  
22 this increase to be profitable because, as it says here,  
23 their quarter and their usual net profit is higher than  
24 the average of most public utility companies in this  
25 country.

1           **CHAIRMAN BROWN:** Thank you. You have about 20  
2 seconds, if you could wrap it up.

3           **MR. SANSONE:** Okay. So really all you need --  
4 and I ditto the blue sheet. Why are you asking us? You  
5 have your information. You have the data that is very  
6 objective. And I also support their idea of why should  
7 we, as consumers, be responsible for their failure with  
8 that Scherer coal company plant? That is bizarre. I  
9 mean, that is almost embarrassing to ask us to pay for  
10 that.

11           **CHAIRMAN BROWN:** Thank you, Mr. Sansone.

12           **MR. SANSONE:** Thank you for listening.

13           **CHAIRMAN BROWN:** Commissioners, any questions?  
14 Seeing none, thank you for your testimony.  
15 Mr. Kelly.

16           **MR. KELLY:** After Ms. Honea is Gilbert -- is  
17 it Cichi?

18           **CHAIRMAN BROWN:** All right. Good evening.

19           **MS. HONEA:** Yes. My name is Gail Honea. I  
20 live at 8680 Scenic Highway in Escambia County. I am a  
21 resident of Escambia County and a consumer of Gulf  
22 Power. I'm also a member of the League of Women Voters  
23 and the Sierra Club.

24           Many years ago, a good friend of mine found  
25 herself divorced with two children to raise and wanting,



1 as everyone here does, to live the American dream. For  
2 her, that was finishing college and becoming a teacher.  
3 She did many things to save money, including using  
4 clotheslines and racks instead of her dryer, keeping the  
5 heat setting low and the air-conditioning off. She did  
6 just what people do when they are seeking to better  
7 themselves: they scrimp and save. But under a Gulf  
8 Power world, her ability to save significantly on  
9 electricity would be taken out of her hands.

10 This request from Gulf Power to raise its base  
11 charge is not only a disincentive to consumers who wish  
12 to use other power sources such as gas or solar, it also  
13 eliminates the ability of anyone who is trying to manage  
14 their finances by limiting their use of electricity.  
15 With a high base and low use charge, the energy wasteful  
16 are rewarded.

17 One does not have to be a low in -- a low  
18 income to be harmed by this increase. We are  
19 comfortable in our retirement, which includes some  
20 Southern Company dividends, but on winter days we often  
21 use our gas fireplace to keep our electric heat from  
22 going into the emergency mode. We have a budget too.

23 This request from Gulf Power, stated as a  
24 Southern Company shareholder, is simply greedy. No  
25 other utility in this country seeks such high fixed

1 rates. Instead of actually helping consumers to save  
2 and to help us all to conserve our nation's resources,  
3 this takes power from the consumer who is trying to be a  
4 responsible citizen.

5 **CHAIRMAN BROWN:** You have about 30 seconds.

6 **MS. HONEA:** I request that the Florida Public  
7 Service Commission support the American dream over the  
8 Gulf Power greed and refuse this rate increase. Thank  
9 you.

10 **CHAIRMAN BROWN:** Thank you, Ms. Honea.

11 Commissioners, any questions?

12 Seeing none, thank you.

13 Next customer.

14 **MR. KELLY:** After Mr. Cichi is Rena  
15 Lautzenheiser.

16 **CHAIRMAN BROWN:** Come on up.

17 **MR. CICHI:** Oh, I didn't realize I was next.  
18 I thought there was somebody in front of me.

19 **CHAIRMAN BROWN:** Are you Mr. Cichi?

20 **MR. CICHI:** I am. I am. I'm Gilbert Cichi.  
21 I live at 8515 Golf Boulevard in Navarre. My phone  
22 number is (850)515-1166. Excuse me.

23 And I have sent to the Commission some  
24 questions that I would suggest you ask for good customer  
25 service. I am a member -- or I do own Southern Company

1 stock and I'm very happy with it and I love the  
2 dividends. But I think the main thing is customer  
3 service, good customer service. Excuse me.

4 I worked for Commonwealth Edison for 27 years  
5 in Illinois, and a lot of the questions that I have were  
6 things that I did. And there is management -- if you  
7 had too many complaints with customer service, you  
8 didn't get a raise. And the writing -- excuse me -- was  
9 on the wall that if you didn't get a raise, you might as  
10 well look for another job because you wouldn't.

11 But I'd like to know what the boundary is of  
12 Gulf Power: north, south, east, and west. And Gulf  
13 Power is a monopoly, but they're entitled to get enough  
14 money to cover operating and maintenance costs. And I  
15 know when the operating and maintenance costs go down,  
16 there are bonuses given to the top executives, and the  
17 operating and maintenance is cutting down on the  
18 maintenance, not hiring enough people that are needed.

19 And for customer outages there should be  
20 reports listing all the devices. Those should be  
21 monitored monthly or quarterly. And if there are repeat  
22 items, they should be replaced.

23 **CHAIRMAN BROWN:** You have about 30 seconds,  
24 sir.

25 **MR. CICHI:** The other thing, their loads

1 balanced on the feeders, are their recording volt meters  
2 put on the feeders, and are their area voltage  
3 regulators, capacitors being maintained?

4 So the main thing is good customer service. A  
5 rate increase is going to go through. There's no doubt  
6 about it.

7 (Noise from audience.)

8 **CHAIRMAN BROWN:** Excuse me.

9 **MR. CICHI:** It might not be what they're  
10 asking, but it will happen.

11 And I just heard about the power plant, and I  
12 know there had to be another commission or another  
13 organization that agreed to that. It wasn't just Gulf  
14 Power or Southern Company doing it, so it's not their  
15 fault. And, anyway, I did send this to you, and  
16 hopefully you'll get to see it and ask these questions  
17 for good customer service.

18 **CHAIRMAN BROWN:** Thank you, Mr. Cichi.

19 **MR. CICHI:** Thank you.

20 **CHAIRMAN BROWN:** Wait just one second. And I  
21 appreciate your testimony, and if you emailed them to  
22 us, then they're absolutely in the docket file and we  
23 will look at them and review them. So we appreciate  
24 your testimony.

25 **MR. CICHI:** I did.

1           **CHAIRMAN BROWN:** Commissioners, any questions  
2 or comments?

3           Commissioner Graham has one.

4           **COMMISSIONER GRAHAM:** Yes. You mentioned  
5 customer service issues. What specific customer service  
6 issues have you had or do you have?

7           **MR. CICHI:** I live in a condo, and I'm  
8 fortunate that I don't have any.

9           **COMMISSIONER GRAHAM:** Okay.

10          **MR. CICHI:** And I live on the island. But  
11 when I look across the sound after a good storm,  
12 sometimes I see on the mainland that the shopping  
13 centers are out of service.

14          **COMMISSIONER GRAHAM:** But what customer  
15 service issues do you have? Any?

16          **MR. CICHI:** I personally am lucky in that I  
17 don't have any.

18          **COMMISSIONER GRAHAM:** Okay.

19          **MR. CICHI:** But I'm sure a lot of folks do.

20          **CHAIRMAN BROWN:** Thank you, Mr. Cichi.  
21 Appreciate your testimony.

22          Commissioners, any other questions?

23          Seeing none, next customer, please.

24          **MR. KELLY:** After Ms. Lautzenheiser is Tim  
25 Miller.

1           **CHAIRMAN BROWN:** Could you spell that for us,  
2 please?

3           **MS. LAUTZENHEISER:** Sure.

4           **CHAIRMAN BROWN:** Thank you.

5           **MS. LAUTZENHEISER:** T-h-a-t. No.

6           (Laughter.)

7           **CHAIRMAN BROWN:** You got me. That was  
8 awesome.

9           **MS. LAUTZENHEISER:** I learned that from my  
10 uncle.

11          **CHAIRMAN BROWN:** That was awesome.

12          **MS. LAUTZENHEISER:** L-a-u-t-z-e-n-h-e-i-s-e-r.

13          **CHAIRMAN BROWN:** Okay. Thank you for that.  
14 "That."

15          **MS. LAUTZENHEISER:** First name is Rena. 1705  
16 East Cross Street. I am a Gulf Power customer, and I'm  
17 a numbers person. I'm on a budget. I watch my finances  
18 carefully, and one of the things that I do is monitor my  
19 monthly electric bill and do what I can to reduce that.  
20 So I use the solar lights, the high-efficiency lights,  
21 LEDs. I have sensors, timers. I avoid using lights  
22 unnecessarily. I've installed a tankless water heater.  
23 I use clothes -- a clothesline and drying rack. I've  
24 not owned a dryer for over 28 years. And I've added  
25 more insulation. I did the energy audit, so I've added

1 insulation, did the weather stripping, storm doors,  
2 double-paned windows, all that good stuff, and I raise  
3 my air-conditioning temperature. These are all things  
4 that I can control in order to reduce my monthly bill.

5 What I can't control is Gulf Power's base  
6 rate. And I went back and looked at my last 14 months'  
7 worth of bills. The proposed base amount alone, that  
8 \$48, is greater than each of my four lowest electric  
9 bills, and it's within 50 cents of the fifth lowest.

10 The base rate increase of almost \$30 would  
11 raise my average monthly electric bill to almost  
12 150 percent of what it is right now. So -- and that's  
13 not including any additional electricity. That's just  
14 the base rate increase.

15 Gulf Power offers many options for reducing  
16 energy consumption, and in the interest of our  
17 environment, of reducing my cost, of conserving our  
18 natural resources, I have opted to implement several of  
19 those. So, please, don't let Gulf Power punish me  
20 financially for doing what everybody should be doing,  
21 and that's saving energy.

22 **CHAIRMAN BROWN:** Thank you for your testimony.

23 Commissioner Graham has a question.

24 **MS. LAUTZENHEISER:** Sure.

25 **COMMISSIONER GRAHAM:** Yes, ma'am. You said

1 that you went from a traditional hot water heater to a  
2 tankless?

3 **MS. LAUTZENHEISER:** Yes, I did, sir.

4 **COMMISSIONER GRAHAM:** How much of an impact --  
5 this is more curiosity -- how much of an impact did that  
6 have on your monthly bill?

7 **MS. LAUTZENHEISER:** I did not actually compare  
8 that, but I can tell you, sir, that my lowest bill was  
9 \$37 and my highest bill was under -- right at \$100, and  
10 that's including the air-conditioning and everything.  
11 So I have not actually taken the time to go back and  
12 look at that, but I know that I'm not using -- I'm not  
13 heating water around the clock. I'm heating water when  
14 we're running the laundry, the washing machine, or doing  
15 dishes or showering, and that's it. And then it shuts  
16 off.

17 **COMMISSIONER GRAHAM:** Thank you.

18 **CHAIRMAN BROWN:** Thank you for your testimony.  
19 Next customer, please.

20 **MR. KELLY:** After Mr. Miller is Kat Miller.

21 **MR. MILLER:** Hi. I'm Tim Miller. I live at  
22 4020 Collingswood Road, Pensacola, 32514. I'm one of  
23 the lucky ones in the room tonight. I know that a  
24 couple of others before me have mentioned that they own  
25 more than one home in the area. I own two homes that



1 are both Gulf Power customers. I've also heard a lot of  
2 people mentioning percentages as far as how much prices  
3 are going up by percentage and so forth. Well, the  
4 percentages I've heard were very low as far as -- I'm  
5 not really good at the new math. I am pretty good at  
6 the old math, though. And usually in the old math, I  
7 can tell you that \$17 to almost \$50 is well more than  
8 doubling, almost tripling. So in my book, you know,  
9 that's almost a 200 percent raise in price of the base  
10 rate. I hope that you also see it the same way.

11 One of my homes we are not living in at the  
12 moment, but we do have the power on out there for  
13 climate control and so forth to keep everything  
14 maintained and in good order. I am going out there a  
15 couple of times a week and doing some work at the other  
16 home too. But there's almost no power being used there.  
17 Now you're talking about almost a triple on my base rate  
18 from that home. And with the two homes together, that  
19 would be almost \$100 in just base rates for those homes.

20 There's also other people in the area who  
21 maybe have some plants in a greenhouse or have some  
22 horses in a barn. Those things, they're not, on normal  
23 days, going to be using any power for those, but in a  
24 greenhouse they may run a couple of lights or something  
25 just to keep it up a couple of degrees at night whenever

1 those cold temperatures come around or maybe a space  
2 heater or something for a horse in a stall. Now that's  
3 not going to cost them hardly anything throughout the  
4 year right now except for \$17 a month for that base  
5 rate. When you're talking about moving it up to \$50 or  
6 close to \$50 for that base rate is a drastic increase.

7 Also for the people who have been putting in  
8 money and investments in lowering their bills with newer  
9 technologies and so forth that are available, they are  
10 going to be penalized under these. And many people that  
11 we've already heard from tonight, and I know there are  
12 several more in here, who are paying less in their power  
13 bills right now than what the base rate is suggested to  
14 be moved up to, so all of those people would be  
15 penalized as well.

16 You're talking about penalizing many, many,  
17 many people in our community instead of rewarding them  
18 for trying to drop their power usage. Instead, they're  
19 going to be penalized. I think we need to get off of  
20 fossil fuels altogether. And so everybody who's trying  
21 to get off the fossil fuels with the new technologies  
22 nowadays, they're being penalized.

23 I think part of this comes because we did deny  
24 the false solar bill that the power company tried to ram  
25 through showing people, "Oh, we're going to take care of

1 you." Well, the way they were going to take care of us  
2 was to suck more money from us.

3 **CHAIRMAN BROWN:** Mr. Miller, if you could wrap  
4 it up, please.

5 **MR. MILLER:** I also want to say ditto to the  
6 Sierra Club --

7 **CHAIRMAN BROWN:** Thank you.

8 **MR. MILLER:** -- to the Women's League, and to  
9 SACE.

10 **CHAIRMAN BROWN:** Thank you. Thank you.  
11 Mr. Miller --

12 **MR. MILLER:** And so for all of these other  
13 things, thank you, Commission. Thank you.

14 **CHAIRMAN BROWN:** Thank you.

15 Next customer, please.

16 **MR. KELLY:** After Kat Miller is Sandra  
17 Spencer.

18 **MS. MILLER:** Good evening. My name is Kat  
19 Miller, K-a-t Miller, 4020 Collingswood Road, Pensacola.  
20 I am a Gulf Power customer. I'm here tonight to ask you  
21 to please deny their request for the rate increase.  
22 Ditto to Mr. Kelly. Ditto to Sierra Club. Ditto to the  
23 League of Women Voters. Ditto to the handsome man that  
24 was before me. (Laughter.) Thank you very much.

25 Oh, I also wanted to add that the majority of

1 the scientific world thinks that the Earth's climate is  
2 warming. We need to be conserving our energy. We need  
3 to be encouraging people to conserve it, not encouraging  
4 people to use more of it. Thank you.

5 **CHAIRMAN BROWN:** Thank you, Ms. Miller, for  
6 your testimony.

7 Mr. Kelly.

8 **MR. KELLY:** After Ms. Spencer is James  
9 Scaminaci, Scaminaci.

10 **CHAIRMAN BROWN:** Good evening.

11 **MS. SPENCER:** Hi. My name is Sandra Spencer.  
12 I live at 1292 Ailanthus Drive, Pensacola, Florida  
13 32507, and my phone number is (850)516-8447.

14 Good evening, Chairwoman and Commissioners. I  
15 appreciate you taking the time to come down here and  
16 listen to us.

17 \$48 a month times 12 months is \$576 a year.  
18 For some of us, that's a lot of money. My husband and I  
19 have made a lot of efforts to improve our home over the  
20 years, specifically the last five years, getting ready  
21 for my husband to retire because then we'll really be  
22 living on a limited income. So we've insulated our roof  
23 and added a metal roof. We've installed a timer control  
24 on our hot water heater, on the thermostat. We've  
25 installed window ACs and space heaters so that we cannot

1 run the central unit during the -- at nighttime while  
2 we're sleeping. And we've installed new windows where  
3 we needed to, and we've installed new entryway doors,  
4 and we've updated our weather stripping.

5 Installing the metal roof significantly  
6 lowered our power bill by at least \$100 a month. So  
7 we -- our power bill sometimes is under \$100. Actually  
8 often it is. So we're really down there, and that's  
9 with no solar. I mean, that's just conserving. So this  
10 increase is really significantly going to affect us, so  
11 I want you to know that. And then I want you to know --  
12 a lot of people have asked me to mention that there are  
13 a lot of people who live on limited incomes who do  
14 not -- who do not qualify for assistance, and those  
15 people are going to be greatly affected by this raise  
16 also. Because we're talking about children who are  
17 going to go without school clothes, children who are  
18 going to go without food, we're talking about senior  
19 citizens who are going to go without medication, because  
20 \$48 is a lot of money for some people, a lot of money a  
21 month for some people. And that's all I have to say.

22 **CHAIRMAN BROWN:** Thank you, Ms. Spencer, for  
23 your testimony.

24 Commissioners, any questions?

25 Appreciate it. Thank you.

1 Next customer, please.

2 **MR. KELLY:** Is it Scaminaci?

3 **MR. SCAMINACI:** Yeah, you got it right. You  
4 got it right. Amazing.

5 **MR. KELLY:** Yes, it is.

6 The next speaker would be David Oberhausen.

7 **CHAIRMAN BROWN:** Good evening.

8 **MR. SCAMINACI:** Good evening, Chairman. James  
9 Scaminaci. I'll spell it. S-c-a-m-i-n-a-c-i. I live  
10 at 70 -- 7050 Heathers Oaks Drive in Pensacola. And I'm  
11 retired Navy intelligence. I live on a fixed income.

12 When I got my -- when I bought my house last  
13 year, my first bill was \$176 in August. It was a shock.  
14 I don't have the money to do all the other things that  
15 people have done, but I did get the smart thermometer --  
16 smart thermostat from Gulf Power. I set the  
17 air-conditioning at 82 degrees in the summertime. I set  
18 the heater at 68 degrees in the wintertime. I've  
19 reduced my bill dramatically. Gulf Power said, "Oh, if  
20 you get -- if you went into automatic payments, you  
21 would pay, like, \$100 a month." So this \$30 raise --  
22 this \$30 increase in just the base is a 30 percent  
23 increase in my bill from \$100 to \$130 a month. So I  
24 don't have control over that.

25 The other thing I think the Commission should

1 consider is that Escambia County and Florida as a whole,  
2 the population is 10 percent veterans. In Escambia  
3 County, according to the Census Bureau, it's 15 percent.  
4 That's 50 percent more veterans in Escambia County than  
5 you would find in Florida. A lot of those veterans are  
6 on fixed incomes and, therefore, this rate increase is  
7 really going to affect veterans.

8 And so you have this perverse regressive  
9 payment here where people who only use -- according to  
10 the figures, people who only use 1000 kilowatt-hours  
11 would have their cost increased by \$240 a year, but  
12 people who use 3,000 kilowatts, they'd receive a  
13 reduction of 120. That's not equal. That's not fair.  
14 And so I'd like the Commission just to consider the cost  
15 that it's going to impose on veterans and people on  
16 fixed incomes.

17 **CHAIRMAN BROWN:** Thank you so much for your  
18 testimony.

19 Commissioners, any questions?

20 Thank you again, and thank you for your  
21 service.

22 **MR. SCAMINACI:** Thank you.

23 **CHAIRMAN BROWN:** Mr. Kelly.

24 **MR. KELLY:** After Mr. Oberhausen is Susan  
25 Creel.

1           **CHAIRMAN BROWN:** Good evening.

2           **MR. OBERHAUSEN:** Good evening. My name is  
3 David Oberhausen. I live at 2121 Whaley Avenue at  
4 32503. Phone number of (850)434-9773. And I am a Gulf  
5 Power customer.

6           Thank you for holding this hearing here. We  
7 don't get a lot of this kind of attention. Ditto to the  
8 Public Counsel; the League of Women Voters; and the  
9 Sierra Club; and an article, a column, viewpoint that  
10 appeared in today's *Pensacola News Journal*. And this  
11 gentleman is going to be speaking later, I think.

12           I appreciate Gulf Power's level of service and  
13 extensive level of community involvement. Their past  
14 and current efforts to slow the rate of increase in  
15 demand for power through providing free energy audits  
16 and other such helpful assistance is also appreciated.  
17 The smartest way to achieve financial success for any  
18 company is cost avoidance, which is achieved by not  
19 having to build additional expensive traditional power  
20 plants as frequently as in the past because of the slow  
21 rate of demand.

22           This proposal flies in the face of the help  
23 they provide customers, and it penalizes those customers  
24 who conserve by following recommendations from Gulf  
25 Power regarding increasing insulation and better sealing



1 in many older homes in this historic city. It also  
2 penalizes those who have invested in photovoltaic  
3 panels. This level of increase is unjustified.

4 **CHAIRMAN BROWN:** Thank you for your testimony.

5 Commissioners, any questions?

6 Seeing none, thank you again.

7 Next customer, Mr. Kelly.

8 **MR. KELLY:** After Ms. Creel is Sam Matthews.

9 **CHAIRMAN BROWN:** Good evening, Ms. Creel.

10 **MS. CREEL:** Hello. My name is Susan Creel,  
11 C-r-e-e-l. My address is 7017 Dorr, D-o-r-r, Fence,  
12 F-e-n-c-e, Road, Bagdad, Florida, in Santa Rosa County.  
13 My number is 564-1134. Ditto to everyone that came  
14 before me. Thank you.

15 **CHAIRMAN BROWN:** Thank you for your brief,  
16 very impacting statements. Thank you so much.

17 (Laughter.)

18 **MR. KELLY:** Sam Matthews.

19 (No response.)

20 **CHAIRMAN BROWN:** Seeing no Sam Matthews.

21 **MR. KELLY:** Erin -- is it Kadan, Kadan?  
22 K-a-d-a-n.

23 (No response.)

24 **CHAIRMAN BROWN:** Seeing no Kadan, Erin.

25 **MR. KELLY:** Larry Chamblin, followed by Duane

1 Tant.

2 **CHAIRMAN BROWN:** Good evening.

3 **MR. CHAMBLIN:** Good evening. My name is Larry  
4 Chamblin. I live at 2130 Athens Avenue in Pensacola.  
5 My phone number is (850)207-1997. I've been a Gulf  
6 Power customer for about 16 years, and for much longer  
7 than that I've been a member of the Sierra Club.

8 As a Gulf Power customer, I'm opposed to this  
9 rate restructuring for basically two reasons. And I  
10 know you've heard them before, but I'm going to repeat  
11 them. I might give you a little different twist on some  
12 of these. But the people who least can afford to pay  
13 more for energy will be hurt by this. And actually to  
14 some degree, not as much as for some people in our  
15 community, that will certainly affect my family.

16 Second, this proposal represents an attempt to  
17 revive coal as a source of power at a time when we need  
18 to move swiftly away from coal and other fossil fuels.  
19 By raising the base rate and lowering the energy charge,  
20 the new rate structure would achieve exactly the  
21 opposite of what electric utility companies should seek  
22 to achieve in 2017. We customers who try to keep our  
23 power bills as low as possible and conserve energy would  
24 essentially be penalized.

25 As Gulf Power customers, we have always tried

1 to conserve energy. You've heard many of the ways  
2 people do that. Obviously adding insulation, including  
3 high-end double-paned windows, computerized thermostats.  
4 We have a ground source heat pump, geothermal heating  
5 and cooling, LED lights. We've done just about  
6 everything, a lot of things we could do. We still have  
7 some other things we would like to do and we really, we  
8 plan to do. One of them is to add solar panels to our  
9 roof. And I was very disappointed in the -- what has  
10 happened over the last few months in the last election  
11 in terms of some of the things that are going on there  
12 that would provide an incentive.

13 **CHAIRMAN BROWN:** You have 20 seconds, sir.

14 **MR. CHAMBLIN:** Okay. Let me just say one of  
15 the things that this rate increase is going to pay for  
16 is that Scherer plant up in Georgia. Now the -- the --  
17 sorry -- this has been rated by the Environmental  
18 Protection Agency as one of the most polluting in the  
19 country. In fact, it's been rated as one of the most  
20 polluting in the world, and it also has caused great  
21 damage to -- or potentially, anyway, in terms of coal  
22 ash waste and contamination of water. So my reasons are  
23 both personal in terms of the impact it has on me and  
24 also the global concern I have for climate change.  
25 Thank you.

1           **CHAIRMAN BROWN:** Thank you for your testimony.  
2           Commissioners, any questions?

3           Thank you.

4           All right.

5           **MR. KELLY:** After Mr. Tant is Ms. Barbara  
6           Albrecht.

7           **CHAIRMAN BROWN:** Good evening.

8           **MR. TANT:** Hi. My name is Duane Tant. I live  
9           at 3101 East Gonzalez Street, Pensacola, Florida 32503.  
10          I am a Gulf Power customer.

11                   I'm going to take a more macro view, as many  
12          people have taken a --

13           **CHAIRMAN BROWN:** Could you speak a little bit  
14          louder?

15           **MR. TANT:** I'm going to take a macro view at  
16          this more than a micro view of my own personal  
17          situation. I've been scratching off -- ditto to the  
18          Sierra Club, and I'm trying to make coherence out of  
19          this because I've taken so much of it off.

20                   After just coming from the Climate Mitigation  
21          and Adaptation Task Force inaugural meeting just several  
22          hours ago, I stand before you representing our  
23          children's grandchildren to soundly reject and criticize  
24          this proposal as lacking reason, effectivity, and moral  
25          maturity. If you want an example of what I mean by

1 moral maturity, a living standard designed to a high  
2 level of moral maturity, I refer you to the description  
3 of Mr. Hunt's living standard.

4 We've heard about shareholder value and the  
5 value of a kilowatt-hour. Because definitions matter,  
6 let me give you a meaningful -- meaningfully labeled and  
7 specifically defined family value that I seek to live  
8 by. I call it the Gen 4X Parental Responsibility Value.  
9 To preserve, protect, and defend into perpetuity a life  
10 support system, the creation, and our children's  
11 rightful inheritance of infinite resilient wealth.

12 This proposal, as we've heard, does not  
13 contribute to climate adaptation or mitigation. It  
14 strengthens the bands of brewing storm threats that are  
15 bearing down on our life support system, that of our  
16 children and of their grandchildren. I ask that Gulf  
17 Power please go back to the drawing board and reengineer  
18 and reintegrate a rate structure that values our life  
19 support system. Thank you.

20 **CHAIRMAN BROWN:** Thank you, Mr. Tant, for your  
21 testimony.

22 Mr. Kelly, next customer.

23 **MR. KELLY:** After -- is it Albrecht?

24 **MS. ALBRECHT:** Albrecht.

25 **MR. KELLY:** Albrecht -- is Christian Wagley.

1           **MS. ALBRECHT:** Hello.

2           **CHAIRMAN BROWN:** Good evening.

3           **MS. ALBRECHT:** Good evening. Thank you for  
4 allowing me to speak. I'm Barbara Albrecht,  
5 A-l-b-r-e-c-h-t. I live at 1528 East Brainerd Street,  
6 Pensacola, Florida 32503. I've been a Gulf Power  
7 customer since --

8           **CHAIRMAN BROWN:** Could you speak up just a  
9 smidgen, please?

10           **MS. ALBRECHT:** Sure. I have been a Gulf Power  
11 customer since 1983. I bought an old house, restored it  
12 lovingly, and was not able to afford air-conditioning  
13 until basically the next century, in 2000. So I lived  
14 in this house for a long time without AC, lovingly  
15 restoring it, and we basically live on the low end of  
16 the spectrum. We recycle everything. I think a lot of  
17 people that are in this room have done everything that  
18 they can in their power to reduce their costs. And so  
19 I'd like to see Gulf Power put their money where their  
20 mouth is. I was very deceived by the lobbying that went  
21 on for Amendment 1, very, very deceptive. Some of the  
22 older members that have left already said, "You know  
23 what? This meeting was poorly advertised." And if it  
24 had been better advertised like in the *Current*  
25 *Connection* which comes with every bill that we get, you

1 would have seen a lot more people here. And, you know,  
2 I think that these are issues. I applaud and I say  
3 ditto to all the people who have spoken this evening.  
4 And I think that everybody needs to go back and maybe  
5 tighten their belts a little bit. I know Gulf Power  
6 does a great job in our area, but these rate increases,  
7 they're unbelievable, and we have a lot of elderly in  
8 our community who cannot afford such a thing. So please  
9 rethink about it because you're affecting all of us.  
10 Thank you.

11 **CHAIRMAN BROWN:** Thank you for your testimony.  
12 Commissioners, any questions or comments?  
13 Thank you again.

14 **MR. KELLY:** After Christian Wagley is Kerri  
15 Kent.

16 **MR. WAGLEY:** Good evening. Christian Wagley.  
17 I'm a Gulf Power customer living at 801 East La Rua  
18 Street here in Pensacola. Phone number is  
19 (850)687-9968. I'm a longtime member of the Sierra  
20 Club, also a member of Southern Alliance for Clean  
21 Energy. I'm a volunteer director of a local  
22 organization called 350 Pensacola that works on clean  
23 energy and climate change issues. So thank you all for  
24 being here.

25 I'm strongly opposed to this proposed rate

1 increase. It would certainly affect me personally but  
2 also affect thousands of others. I looked back at my  
3 bills for this past year, and I'm using anywhere between  
4 147 and 372 kilowatt-hours a month, so really less than  
5 3,000 kilowatt-hours a year. When I look at the filing  
6 from Gulf Power Company, there's probably about 16,000  
7 other people somewhere close to me within that category.  
8 For us, it would be about \$20 a month extra, \$240 a year  
9 more for me. That's a dramatic increase from what I'm  
10 paying now.

11 I've done the things that Gulf Power has  
12 recommended that I do. I mean, I've added a more  
13 efficient air-conditioning system, I've added  
14 insulation. I've done things like add screens so I can  
15 open windows and not have to run air-conditioning, LED  
16 lights, weather stripping, and yet, you know, this rate  
17 structure would really be regressive. And even though  
18 Gulf Power is saying to do these things, these things  
19 now would actually be disincentivizing. It would  
20 actually penalize us for doing those things, so -- under  
21 such a regressive -- regressive type of policy.

22 There's also a state energy policy, there's  
23 also comprehensive plans in every city and county in the  
24 Panhandle. All of them preach energy conservation, and  
25 this regressive rate structure would actually encourage



1 us to use more energy. So it would be contrary to  
2 those -- to those documents.

3 And I really can't think -- help but think but  
4 who would really be offended in all of this, and that  
5 would be my mother and probably all of our mothers who  
6 preached to us the value of conservation, the virtues of  
7 conservation. "Close the front door. You're letting  
8 all the air-conditioning out. Close that refrigerator  
9 door. You're letting the cold air out. Turn off the  
10 lights when you leave the room." Right? And yet all  
11 these things would really be penalized by that rate  
12 structure. And, you know, mom knows best. Right? I  
13 mean, that's what I know, and I think all of us  
14 certainly know as well.

15 So just in summary, I would ask you to reject  
16 this proposal, ask Gulf Power Company to come back with  
17 something that's more friendly to the community, that  
18 rewards responsible behavior, rewards conservation, and  
19 ultimately respects our mothers and the values that they  
20 taught us. Thank y'all.

21 **CHAIRMAN BROWN:** Thank you so much for that.

22 Next customer.

23 **MR. KELLY:** After Ms. Kent is Renée Perry.

24 **MS. KENT:** Hi. Good evening. I'm Kerri Kent,  
25 K-e-r-r-i K-e-n-t. I'm at 2290 Dupont Drive. My phone

1 number is (850)554-5474.

2 And I'm a mom, and I'm one of those moms that  
3 does nag my three sons to close the door. When they  
4 complain they're hot, I tell them to go find a fan.  
5 When they complain they're cold, I tell them to put on a  
6 jacket. So I hope I would make his mother proud.

7 So at my house, I'm the bossy mom, but we  
8 do -- we have gotten LED lightbulbs, we have  
9 high-efficiency appliances, we've sealed our attic,  
10 we've gotten rid of our garage refrigerator where we had  
11 our sodas. I already told you I'm constantly nagging my  
12 children. And we set our thermostat high in the summer  
13 and lower in the winter. We also have a tankless hot  
14 water heater. My family still has projects on our to-do  
15 list to try to make our home more efficient and more  
16 environmentally friendly, but this base rate hike  
17 would -- is a disincentive for us to do that.

18 Because of the way our energy bill would be  
19 calculated under this new rate hike, sometimes my energy  
20 bill would actually be lower, sometimes it would be  
21 higher. So I'm one of those people, it's not going to  
22 be a huge hit for me financially, it's not, but I'm part  
23 of the community. And as a member of the community, we  
24 don't just worry about ourselves. We look at for one  
25 another, especially those who would be most vulnerable

1 to this base rate increase, specifically those on fixed  
2 incomes and those who are working hard but earn just  
3 enough to disqualify them from receiving any financial  
4 help to ease the burden of the rate hike. To these  
5 customers, the hike -- the hike works to threaten their  
6 financial stability and rob them of their ability to  
7 save money on their energy bills by making smart  
8 choices.

9 **CHAIRMAN BROWN:** You have about 30 seconds.

10 **MS. KENT:** Okay. Regarding the plant in  
11 Georgia, in seven years my son will be 18. I -- it's my  
12 greatest hope that in seven years we are not using that  
13 dirty plant. And so I urge you to deny this request for  
14 a rate hike. Thank you.

15 **CHAIRMAN BROWN:** Thank you for your testimony.  
16 Mr. Kelly, next customer.

17 **MR. KELLY:** After Ms. Perry will be Lane  
18 Johnson.

19 **CHAIRMAN BROWN:** Good evening.

20 **MS. PERRY:** Hi. My name is Renée Perry. I'm  
21 a Gulf Power customer. I live at 18 -- I live -- shoot,  
22 I don't remember -- 1908 East Hatton Street in  
23 Pensacola. My phone number is (850)292-8155.

24 First off, thank you all for being here and  
25 listening to us. I know it's going to be kind of a long

1 night. And thank you very much to the Office of Public  
2 Counsel for the work that you guys have done.

3 I just want to say please oppose this rate  
4 increase for all the reasons that you've already heard.  
5 And I also want to bring up the way this was advertised,  
6 as Ms. Albrecht said, was not well done. I know they  
7 sent it out to everybody. We all got it, but a lot of  
8 us threw it away or recycled it because it look exactly  
9 like junk mail. Okay? Very plain. There was no Gulf  
10 Power logo on it. I've never known Gulf Power not to  
11 slap their logo on anything they could. And even the  
12 envelope had no return address, nothing on the front or  
13 the back. There was just a little place that was  
14 stamped on the corner where you -- where the stamp  
15 usually goes and it wasn't even in color. So it seemed  
16 incredibly deceptive to me, and just -- that makes me  
17 want to question pretty much anything they say. So,  
18 anyway, I do oppose the rate increase, and I thank you  
19 very much for your time.

20 **CHAIRMAN BROWN:** Thank you, and thank you for  
21 that feedback too.

22 Next customer, please.

23 **MR. KELLY:** After Ms. Johnson is the Honorable  
24 Betty Ann Wilson.

25 **MS. JOHNSON:** Hello again. My name is Lane

1 Johnson.

2 **CHAIRMAN BROWN:** You look different.

3 **MS. JOHNSON:** I took my hair down. My name is  
4 Lane Johnson. I am based out of Washington, D.C. Phone  
5 number is (912)222-6746. Again, here on behalf of the  
6 Sierra Club and its members. I would like to ditto a  
7 big thank you to all of you for being here late tonight  
8 and everyone for being here late tonight.

9 If it pleases the Madam -- pleases Madam  
10 Chair, I would like to offer as a hearing Exhibit Number  
11 5, I believe.

12 **CHAIRMAN BROWN:** Yes. And, Ms. Johnson, you  
13 could have done that during opening comments, just so  
14 you know. I think you may have been instructed --

15 **MS. JOHNSON:** Yeah. I'm sorry. I didn't  
16 realize.

17 **CHAIRMAN BROWN:** We'll give it -- I know it's  
18 your first time presenting before us, so we'll give it  
19 to you here. We'll go ahead and mark as Exhibit 5, and  
20 our staff will go ahead and help assist with the  
21 document that you'd like to enter.

22 **MS. JOHNSON:** It would be five sworn  
23 statements by Sierra Club members.

24 **CHAIRMAN BROWN:** So you're speaking on behalf  
25 of Sierra, not Lane Johnson.

1           **MS. JOHNSON:** Yes.

2           **CHAIRMAN BROWN:** Okay. So we will mark as  
3 Exhibit 5 Sierra Club affidavits?

4           **MS. JOHNSON:** Yes.

5           **CHAIRMAN BROWN:** Okay.

6           **MS. JOHNSON:** Declarations.

7           **CHAIRMAN BROWN:** Declarations. Sierra -- we  
8 will title that Sierra declarations --

9           **MR. HETRICK:** Composite.

10          **CHAIRMAN BROWN:** -- composite. Thank you,  
11 counsel. All right. Thank you.

12                   (Exhibit 5 marked for identification.)

13          **MS. JOHNSON:** Thank you.

14          **CHAIRMAN BROWN:** All right. Next customer,  
15 please.

16          **MR. KELLY:** After Ms. Wilson is Ms. Michelle  
17 Hudson.

18          **CHAIRMAN BROWN:** Good evening.

19          **MS. WILSON:** Good evening. I'm Betty Wilson.  
20 I'm "Honorable" because I'm on the Escambia County Soil  
21 and Water Conservation Board. But I'm speaking as an  
22 individual, not as a member of that board of directors.

23                   I want to echo or ditto Christian Wagley and  
24 most of the others who have spoken. I agree with just  
25 about everything that's been said here tonight. But I

1 also want to add that this is going to hurt a lot of  
2 people, and it's going to hurt the people who are on the  
3 fixed incomes like myself and my husband. We live in a  
4 small, older condominium at 2299 Scenic Highway T-2.  
5 It's a condo built in 1983. So there's not much we can  
6 do about lowering the cost except that we've been using  
7 LED bulbs since -- for 25 years, and we -- but my  
8 husband has to use an oxygen generator and a CPAP  
9 machine. And some of us, you know, some of us have  
10 these extra expenses because of medical problems, so our  
11 money is tight. And I ask that you not approve this  
12 rate increase, that you have them restructure it so that  
13 it will encourage energy conservation and not discourage  
14 it.

15 **CHAIRMAN BROWN:** Thank you, Ms. Wilson, for  
16 your testimony.

17 Next customer, please.

18 **MR. KELLY:** After Ms. Hudson is Tanya Kruk.

19 **MS. HUDSON:** Hi there.

20 **CHAIRMAN BROWN:** Hi.

21 **MR. HUDSON:** My name is Michelle Hudson. I  
22 live at 1824 West Gregory Street, Pensacola. Please  
23 don't hold this against me. I kept my North Carolina  
24 telephone number, but I live and I'm a resident in  
25 Pensacola. So my number is (919) 672-6952.

1           This is my first time ever speaking, and this  
2 has been very enlightening and informative. And I just  
3 want to say please say no to this type of an increase.  
4 It's detrimental to me. I do work and I work full time.  
5 I also work in the home healthcare industry. So I'm  
6 also just kind of saying for a lot of my people that I  
7 work with, this is going to hurt them. They're not  
8 going to be able to afford it. And I'm also one of  
9 those people that will not be able to -- will have a  
10 difficult time affording this to go, you know, to what  
11 they say on the numbers here. Anyway, thank you so  
12 much.

13           **CHAIRMAN BROWN:** Thank you. No way that's  
14 your first time public speaking.

15           **MR. HUDSON:** Ditto to everything.

16           **CHAIRMAN BROWN:** There's no way.

17           **MR. HUDSON:** It is.

18           **CHAIRMAN BROWN:** Thank you for your testimony.  
19 Next customer, please.

20           **MR. KELLY:** Is it Tanya Kruk, Kruk, K-r-u-k?

21           (No response.)

22           All right. Neil Pape.

23           (No response.)

24           Eric Schmitz.

25           **CHAIRMAN BROWN:** Eric Schmitz.



1 (No response.)

2 Keep going.

3 **MR. KELLY:** Dianne Krumel.

4 **MS. KRUMEL:** Present.

5 **CHAIRMAN BROWN:** Come on up.

6 **MR. KELLY:** Followed by Barry Goodson.

7 **AUDIENCE SPEAKER:** What number are you?

8 **MS. KRUMEL:** 49.

9 **AUDIENCE SPEAKER:** You barely look 30.

10 **MS. KRUMEL:** I'm number 49.

11 (Laughter.)

12 **CHAIRMAN BROWN:** You're technically the 41st  
13 person actually speaking.

14 **MS. KRUMEL:** My name is Dianne Krumel. I've  
15 lived here in Pensacola for 50 years at 2420 Bluff  
16 Circle here in Pensacola, (850)434-3556. I am also the  
17 president of the Escambia County Democratic Women's  
18 Club, and I'm here to express my concerns about the  
19 proposed rate hike. And I would like to say ditto and  
20 go sit down, but I'm not going to. So I just feel like  
21 you just need to hear everything that everybody has to  
22 say.

23 And what I would like to say is with  
24 increasing numbers of consumers opting to upgrade to  
25 efficient appliances and lighting, conserve energy or

1 install solar panels at their home, Gulf Power's move is  
2 nothing but a ploy to raise rates on consumers who are  
3 using less electricity. This, to me, is nothing more  
4 than the greed of Gulf Power. And, to me, you're  
5 nothing but hypocrites. How can you say, when you want  
6 to encourage people to insulate their homes, to upgrade  
7 appliances, to do all these things, but yet you propose  
8 to give a better rate to those who use more electricity  
9 and punish those of us that try to lower our bills by  
10 using solar panels or adjusting our thermostats to  
11 supposedly save money? And we certainly have seen many  
12 of your feel-good commercials.

13           The math for me just doesn't add up. How can  
14 you put this absurd charge on the backs of everyday  
15 people? This horrific rate increase will have serious  
16 impacts on people with fixed incomes, people on social  
17 security, and the poor who are stretched to the limit  
18 now. People will be forced to make choices of basic  
19 necessities, of food or clothing or medicine, because of  
20 this rate -- this proposed rate hike, which I think is  
21 absolutely absurd.

22           Do you really honestly think that we are blind  
23 to all of this? For me, I see Gulf Power that puts  
24 profit over people and their basic needs. I am asking  
25 you not to pass this rate increase on the backs of the

1 citizens of Florida in order to meet your so-called  
2 needed bottom line. So, please, I'm asking you, you  
3 know, I speak for those that are not -- here to speak  
4 for those that don't have a voice, that, you know, you  
5 listen to us and our concerns and know that this is  
6 going to affect many people's lives and their basic  
7 needs to get through. So thank you for the time.

8 **CHAIRMAN BROWN:** Thank you, Ms. Krumel.

9 Next customer.

10 **MS. KRUMEL:** Krumel.

11 **CHAIRMAN BROWN:** Krumel.

12 **MR. KELLY:** After Mr. Goodson is -- is it  
13 Nephi Clanton?

14 **MR. CLANTON:** Nephi Pratt Clanton, and I don't  
15 need a microphone.

16 (Laughter.)

17 **CHAIRMAN BROWN:** Don't do that again.

18 **MR. CLANTON:** Nephi Pratt Clanton, and I don't  
19 need a microphone.

20 **CHAIRMAN BROWN:** No, no. Don't -- I said,  
21 "Don't do that again." I said, "Don't."

22 **MR. CLANTON:** Oh, I thought you said, "Do."

23 **MR. GOODSON:** Barry Goodson, Pensacola,  
24 Florida, 2420 Bluff Circle. Veteran, served this  
25 country proudly, put my life on the line, and I did not

1 put my life on the line for corporate America to take  
2 such an advantage of dedicated citizens in this area.  
3 This area is composed of, and you've heard it before --  
4 ditto to everybody else that has said my thoughts and  
5 everybody else's thoughts here.

6 One thing that has gone unspoken, and I think  
7 nobody knows who exactly you guys are. We know that you  
8 represent the State of Florida. We don't know who  
9 appointed you, but I think it's Rick Scott. And given  
10 his record on what he does for corporate America, I  
11 think we're out of luck, and we've been out of luck for  
12 a while. So, you know, the next time you give out the  
13 paperwork explaining why the -- why we're going for this  
14 slush fund is what I consider it because Gulf Power, you  
15 know, before the amendment situation, they took out ad  
16 after ad after ad. Every time there is a reason for  
17 them to increase their rates, which is -- you know, this  
18 isn't the first time and it won't be the last time, it's  
19 an ongoing thing, and it has the same thing for all of  
20 the utility companies.

21 And the track record that you guys have is not  
22 very good for the citizens of Florida when it comes to  
23 getting the rate increases brought down. And if I'm  
24 wrong on that, maybe Julie, since you're very good at  
25 speaking, could tell us a different story on that. You

1 know, when you give out that paperwork at the beginning  
2 explaining everything, maybe you should explain exactly  
3 what and how much rate increases you have brought down.  
4 You know, it would help us, and maybe we wouldn't want  
5 to sit here for -- right now going on, I guess, two  
6 hours, because your record does not help --

7 **CHAIRMAN BROWN:** Two and a half.

8 **MR. GOODSON:** -- the citizens. Yes. I was  
9 waiting for you to explain to me something. Thank you  
10 very much.

11 **CHAIRMAN BROWN:** Thank you, sir.

12 **MR. GOODSON:** But, anyway, I disagree with  
13 that. Mostly everybody, if they're a concerned citizen,  
14 is going to try to bring their rates down. But when  
15 corporate America just slaps us with the fees and then  
16 tries to tell us, "Oh, well we've brought your rates  
17 down because we've -- the price of the coal has gone  
18 down," well, that's just how it goes with how you adjust  
19 your rates for Gulf Power. That's nothing Gulf Power  
20 did for us. That's just the economy working and that's  
21 how that works.

22 **CHAIRMAN BROWN:** Thank you.

23 **MR. GOODSON:** So, anyway, please, next time  
24 you give out the paperwork, why don't you put out the  
25 statistics there of how many times you did help the

1 citizens or how many times you helped corporate America.

2 **CHAIRMAN BROWN:** Thank you for your testimony,  
3 sir.

4 **MR. GOODSON:** Yes, ma'am. Thank you.

5 **CHAIRMAN BROWN:** Commissioners, any questions  
6 or comments?

7 Seeing none, thank you.

8 Next customer, please.

9 **MR. KELLY:** After Mr. Clanton, who doesn't  
10 need a microphone, Anna (sic) Bennett.

11 **CHAIRMAN BROWN:** But he's coming up anyway.

12 **MR. CLANTON:** I think everybody will like it  
13 better. The microphone is a very friendly device  
14 because at work they'd always tell me, "Tone it down."

15 My name is Nephi Pratt Clanton, in case nobody  
16 didn't get that a while ago. My phone number is  
17 (850)477-1972. My address is 2071 Lansing Drive,  
18 Pensacola, Florida. I have been at that location for  
19 52 years this June. I've been in Escambia County for  
20 66 years. I'm a patron of Gulf Power.

21 I'm going to take a little turn that's  
22 different than others. I want to relate an experience  
23 that I had about 25 years ago. I carpooled and drove  
24 about four people to work with me for a couple or three  
25 years. I experienced, in the course of conversation

1 back and forth to work, that they didn't have but about  
2 40 percent of the utility usage -- or I didn't have  
3 about 40 percent of the utility usage that they had at  
4 their house, and yet my bill was two and a half or three  
5 times more than theirs. Over a four- to five-year  
6 period, I had them replace a meter two years on my house  
7 because I wasn't smart enough to figure out how in the  
8 world they were stealing my money. The third time  
9 around I told the guy, and he was a college student, he  
10 said, "Mr. Clanton, they're not going to change that  
11 meter up. They've done done it two years in a row." I  
12 said, "Tell your boss if he don't want me to come back  
13 down here and bounce it off the middle of his desk,  
14 please change it."

15 The guy came that worked for Gulf Power came  
16 in the next morning as I was coming in from work off of  
17 a night shift, and when he drove up, I asked him, I  
18 said, "Do you have any idea what my problem is?" He  
19 said, "I saw your problem before I got to your house."  
20 I said, "Would you mind telling me what it is?" He  
21 said, "Yeah, that transformer you have on that pole  
22 that's supplying your house, they will not install it on  
23 any issue where there's more than two houses, and you've  
24 got three or four hooked to that sucker." He said,  
25 "It's a wonder everything in your house ain't burnt up

1 because that thing is running 900 miles an hour, but you  
2 just ain't getting what it says you're getting."

3 So I went back down to the Gulf Power office,  
4 I went up the back stairs. He give me instructions how  
5 to do it. And I sat in the man's office when he walked  
6 in. He said, "What is your problem, Mr. Clanton?" I  
7 said, "You're my problem." I said, "It took me four  
8 years to corner you," but I said, "I need a transformer  
9 changed and right away." And I kid you not, they came  
10 out, they took down that transformer. And he added a  
11 couple of other things that I think was pretty  
12 significant.

13 The first thing was, he said, "Any time  
14 they're looking for a rate increase, Mr. Clanton," he  
15 said, "they pull outlying areas, all of the billing  
16 into their -- billing into the area they're going to get  
17 the rate increase." He said, "Then after they get it,  
18 then they move them back where it belongs."

19 And he said another thing was, "I have never  
20 seen a transformer retired because of age." And they  
21 got to wear out. He said, "But every one of them were  
22 struck by lightning."

23 **CHAIRMAN BROWN:** Mr. Clanton, your time is  
24 expiring. Could you wrap it up?

25 **MR. CLANTON:** Yes, ma'am.



1           **CHAIRMAN BROWN:** Very, very interesting story.

2           **MR. CLANTON:** The incident of responsibility  
3 in America everybody has witnessed, that's how come  
4 we've had a change in leadership, and if we don't -- if  
5 this is approved, we need a change in leadership in the  
6 State of Florida across the board. Thank you.

7           **CHAIRMAN BROWN:** Thank you, sir, for your  
8 testimony.

9           Mr. Kelly, next customer, please.

10          **MR. KELLY:** After Ms. Bennett is Jean Walden.

11          **CHAIRMAN BROWN:** Could you help -- could you  
12 help her?

13          **MS. BENNETT:** Anne Bennett, 7622 Pontiac  
14 Drive, (850)207-6065. I appreciate y'all coming over  
15 here. I know it's a long night, but I'm going to bend  
16 your ear on all different stuff.

17                 I first have a couple of questions about Gulf  
18 Power and their costs. Gulf Power advertises as if it  
19 is their doing that their employees contribute so many  
20 hours into community service. My question is: Do these  
21 employees get paid time off for Gulf Power to take the  
22 credit, or is this just something that they do on their  
23 own? Is it a condition of employment? That goes to  
24 their costs. So I'd like an answer on that.

25                 Secondly, Gulf Power gives away large checks

1 to various and sundry charities throughout the decades.  
2 Where did they get that money? From us is my guess. If  
3 they've got that kind of money to give away, they got it  
4 by overcharging us.

5 The next thing is I, too, serve on the Soil  
6 and Water Conservation District board. I don't care  
7 whether you call me "Honorable" or not. I'm going into  
8 my fourth term. During my work with the board, I  
9 discovered that in our agriculture community many of our  
10 farmers have separate meters on their fish ponds, their  
11 barns, their dairy sheds, wherever it may be, and on  
12 every one of those meters they receive a separate  
13 customer charge. We really try, with the Soil and Water  
14 Board, we do a lot of the -- work with the ag company  
15 business -- ag community, not agribusiness. Many of our  
16 farmers would be put out of business with this kind of  
17 rate increase. Many of them are very marginal. No  
18 farms, no food. I suggest you think very carefully  
19 about the impact that you have on our agricultural  
20 sector.

21 Another thing I'd like to know is with this  
22 rate increase, how much money is going to go to  
23 exorbitant salaries, bonuses, or other -- will it go to  
24 the shareholders? Will it go to improving their  
25 emissions? How is this money going to be used? Thank

1 you.

2 **CHAIRMAN BROWN:** Honorable Bennett --

3 **MS. BENNETT:** Yes, ma'am.

4 **CHAIRMAN BROWN:** -- thank you, and thank you  
5 for your service too. We have a couple of folks here  
6 who can help assist you with some of these questions.  
7 In addition to Gulf Power and Light (sic), they have  
8 several staff members in the back. I'd love for them to  
9 assist her so we don't waste the other customers' time  
10 at this time. And there are also Public Service  
11 Commission representatives who will approach you as you  
12 exit the back. They will help guide you and give you  
13 ample time. Thank you for your testimony, and also  
14 thank you for your service to our state.

15 **MS. BENNETT:** Thank you. By the way, folks,  
16 no pay, no benefits, no reimbursement of costs. All  
17 politicians are not crooks.

18 (Laughter.)

19 **CHAIRMAN BROWN:** Thank you.

20 All right. Next customer, please. We are at  
21 45 and we have 63 who have signed up, so ...

22 **MR. KELLY:** After Ms. Walden is Justin Price.

23 **CHAIRMAN BROWN:** Good evening.

24 **MS. WALDEN:** I thought this mike was higher.  
25 My name is Jean Walden, and as of April of

1 this year, I will be a two-year resident at 220 Betty  
2 Road of Pensacola. My number -- my phone number is  
3 (850)377-0144.

4 I chose Pensacola to retire in because I lived  
5 in Gulf Breeze during Ivan. It presented as a family  
6 community, a fair community to raise your family. I did  
7 that in Gulf Breeze and then I decided to retire here.  
8 I spend half of my year out of the country, so I work  
9 very hard to keep my electric at a minimum. I have a  
10 place in France. When I'm not there, I turn the  
11 electric off. It is zero dollars a month. I have a  
12 place in Clearwater. When I am not there, it is \$5.83 a  
13 month.

14 I'm okay with the \$18 here. I am not okay  
15 with \$48. Not being here and doing everything I can, I  
16 had the audit from Gulf Power come in, lovely gentleman,  
17 fabulous suggestions. I have done half of those. And  
18 when I am not here, my power bill is between \$18 and  
19 \$22. I keep my -- I keep my Joe Patti's seafood in the  
20 freezer so I have it any time I come back.

21 The problem is this will change my life as a  
22 retiree as I am a community in the church, in the tennis  
23 community. I give Thanksgiving meals on Thanksgiving  
24 Day to people who need them. I will leave. I will sell  
25 my house and I will leave this community. This speaks

1 to me egregiously, and I think that -- I hope the  
2 gravity of having Consumer Reports, the Sierra Club, and  
3 many of the other eloquently spoken people who I ditto  
4 -- this is a penalty tax. This is not a rate increase.  
5 And I hope we don't end up on *60 Minutes*, *Dateline*, or  
6 *20/20*. To me, it is that horrible. And I have lived in  
7 nine communities in this state of which I am a  
8 fourth-generation Floridian. Thank you.

9 **CHAIRMAN BROWN:** Thank you, Ms. Walden, for  
10 your testimony.

11 Next customer, please.

12 **MR. KELLY:** Justin Price.

13 (No response.)

14 **CHAIRMAN BROWN:** No Justin Price. All right.

15 **MR. KELLY:** Edward Booth. After Mr. Booth  
16 is -- is it Hakan?

17 **MR. DUZAGADUSMEZ:** Hakan, sir.

18 **CHAIRMAN BROWN:** Hello, Mr. Booth. Good  
19 evening.

20 **MR. BOOTH:** Good evening. I want to -- I live  
21 at 4111 Gale Drive, Pensacola, about two miles down the  
22 road. Phone number (281)914-4263.

23 I think what we have here tonight are  
24 basically two issues, the first issue being what is the  
25 revenue required bottom line to support ongoing

1 operations? The second issue is what should the rate  
2 structure be in terms of base rate?

3 I think the proposed base rate is all wrong.  
4 All you have to do is look at what other companies are  
5 doing. They've got a \$5, \$10, or a very low base rate.  
6 I think the high base rate, what it does, it actually  
7 benefits those higher consumers, basically subsidizing  
8 their usage. I don't think that's fair, especially the  
9 people that are paying more in the lower end of the  
10 scale. For that reason, I think the Commission -- I  
11 recommend, I respectfully request that the Commission  
12 reject this rate increase.

13 I kind of feel like Donald Trump has sold a  
14 lot more books, *The Art of the Deal*, because I think  
15 what is being proposed here is that going in at a real  
16 high request and settle for something less.

17 So that's all I want to say. Again, I  
18 respectfully request that this rate structure be  
19 rejected and something more reasonable be imposed like a  
20 \$5 or \$10 base rate charge.

21 **CHAIRMAN BROWN:** Thank you, Mr. Booth, for  
22 your testimony.

23 Next customer, please.

24 **MR. KELLY:** I'm going to let him pronounce his  
25 name. I apologize.

1           **MR. DUZAGADUSMEZ:** I'm here. I'm Hakan --

2           **MR. KELLY:** And -- just a second -- and then  
3 the next speaker would be Justin Spence.

4           **CHAIRMAN BROWN:** Good evening, sir.

5           **MR. DUZAGADUSMEZ:** Hello. I'm Hakan  
6 Duzagadusmez. I wrote down my name and address on the  
7 paper.

8           **CHAIRMAN BROWN:** Okay. Thank you.

9           **MR. DUZAGADUSMEZ:** For personal reasons, I  
10 would not want to share it.

11          **CHAIRMAN BROWN:** That's okay, sir.

12          **MR. DUZAGADUSMEZ:** I am a retired Air Force --  
13 I'm a retired Air Force member here. I just moved here  
14 a year, year and a half ago. Due to medical reasons --  
15 I don't want to bore you -- this place serves my health  
16 better due to implants I have in my body. And I'm on a  
17 fixed income, like many people mentioned here. And  
18 speaking of this blue paper, I think this is what this  
19 rate should be based on, along with, of course, a lot of  
20 people put their input.

21                 A 48 -- from \$18 to \$48, I agree with the  
22 gentleman before me. I think they're shooting high and  
23 they're hoping to get an increase of probably 25, 30  
24 bucks, which is still outrageous. And \$18 is the most I  
25 have paid anywhere in this country. Due to my job, I've

1 been bounced around many places. I've never seen  
2 anything more than \$10, unless some other people has. I  
3 don't know. My last state of New Mexico, I was paying  
4 \$7 base charge.

5 And in this community, we have military  
6 members, retired people, people that are not going to be  
7 here most out of the year, but still has to pay a  
8 minimum 48, 50 bucks a month for not even being at home.  
9 That is unacceptable.

10 And I'm very surprised to see actually -- this  
11 was brought up in this form under their request of the  
12 increase from \$18 to \$48. That is not moral. That is  
13 unacceptable. I'm very surprised that y'all are  
14 considering this, to be honest.

15 I don't know how things work as far as in your  
16 level, but I'm really surprised and disappointed that we  
17 are actually discussing this. Not only am I against the  
18 increase to \$48, but I think -- I believe that it should  
19 be decreased from \$18. Thank you.

20 **CHAIRMAN BROWN:** Thank you. Thank you for  
21 your testimony and for your service to our country.

22 Next customer, please.

23 **MR. KELLY:** After Mr. Spence is Rick Fountain.

24 (No response.)

25 **CHAIRMAN BROWN:** No Spence.



1           **MR. KELLY:** No Spence. Justin Spence?

2           **CHAIRMAN BROWN:** Fountain?

3           **MR. KELLY:** Rick Fountain, Jr. After  
4 Mr. Fountain is Tim Dorsey.

5           **CHAIRMAN BROWN:** Good evening.

6           **MR. FOUNTAIN:** Hello. My name is Rick  
7 Fountain, Jr. I live at 1415 Lansing Drive here in  
8 Pensacola, (850)696-9323.

9                   I'd like to thank the Commission for being  
10 here and your staff, everyone that's helped you. It's  
11 very professional. I'd like to compliment the CEO or  
12 the president of Gulf Power to still be here and not  
13 send somebody else to hear this stuff.

14                   But I think part of the problem here is the  
15 spending of money at Gulf Power. If you look at their  
16 2015 annual report with their income of 1.4 billion, and  
17 I know you guys are going to audit their books, the most  
18 important thing to look at is their expenses. The two  
19 major expenses they have are purchased power and the  
20 fuel that they buy. Last year, their purchased power  
21 was \$135 million. Now according to my electrical bill,  
22 the electrical mix, 60 percent of the power that they've  
23 sold me was from purchased power. So that leaves  
24 40 percent that they created using coal or gas that they  
25 created themselves.

1           If you go back to their expenses, the fuel  
2 that they spent just to create that 40 percent cost us  
3 \$445 million on top of the operating and maintenance  
4 expenses of 354 million. So we're at almost  
5 \$800 million for them to make 40 percent of the power  
6 that they're supplying us. I think they need to get out  
7 of the power generation business and get more into the  
8 resale business because they'll make more money and  
9 we'll have lower rates. But there's no incentive for  
10 them to save money. We all know that. They came before  
11 you in 2012 with a rate increase request, and you denied  
12 it but you gave them less of a request, which is  
13 probably what's going to happen here. That's why you  
14 come in high like they have, so you come in with an  
15 acceptable low offer that we'll all bend over and gladly  
16 accept.

17           **CHAIRMAN BROWN:** Sir, you have 30 seconds.

18           **MR. FOUNTAIN:** Just to give you a comparison,  
19 their maintenance and operating budget of \$354 million,  
20 the entire budget for the FWC for the whole state of  
21 Florida for 2015 was \$365 million.

22           **CHAIRMAN BROWN:** Thank you for your testimony.

23           Next customer, please.

24           **MR. KELLY:** Tim Dorsey. After Mr. Dorsey, is  
25 it Tom -- D-o-u-t-h-a-t?

1           **CHAIRMAN BROWN:** Good evening.

2           **MR. KELLY:** I'm sorry. Douthat?

3           **CHAIRMAN BROWN:** Good evening.

4           **MR. DORSEY:** How are you? My name is Tim  
5 Dorsey. I live at 1933 Dunlap, Pensacola, Florida.  
6 Phone number is (850)232-4561.

7                   And I must have missed the part of where you  
8 can get a reduction if you're on food stamps. Is that  
9 accurate?

10           **CHAIRMAN BROWN:** I'm sorry. I don't know who  
11 said that, sir.

12           **MR. DORSEY:** Okay. But I'm here to oppose the  
13 increase, and I don't understand the expectation from  
14 the legislative body that every year we just get an  
15 increase. I mean, some of us, since Obama got in  
16 office, we haven't even gotten a pay raise, you know,  
17 but every year our taxes go up, our insurance goes up,  
18 our utilities go up. And I'm a maintenance man. What I  
19 do is I'm a maintenance man at an apartment complex. I  
20 have lots of apartments; I have lots of tenants.

21           **CHAIRMAN BROWN:** Could I just pause you for a  
22 second? There's a lot of chitter-chatter going on, and  
23 I'm having a hard time just listening to him, and I know  
24 our court reporter probably is too. Could I please ask  
25 the audience to just kind of tone it down while we

1 listen to the customer? Thank you.

2 **MR. DORSEY:** And so, I mean, the things that  
3 I've noticed is like after the -- you know, the price of  
4 copper has gone way down, so the cost -- the material  
5 cost to replace these lines has just -- have gone down  
6 over the years and gas prices have gone down, but yet  
7 we've still got to have an increase in our energy  
8 prices. And I see things like Solyndra where we just  
9 throw money after all this, you know.

10 And a lot of people have talked about Gulf  
11 Power coming out. We had over 320 units that Gulf Power  
12 come out and did the CheckMe inspection on. You know,  
13 it's like 450, you know, for the HVAC guy to come out  
14 and look at hundreds of units to tell you, "Oh, it's  
15 fine. Oh, it's good. Maybe a little Freon." And it  
16 was just a total waste of money. And so I know that was  
17 kind of like a legislative, you know, grant kind of  
18 thing, but we also had the free hot water heaters. So  
19 instead of just giving people free stuff, maybe we  
20 should make people pay for their own stuff and not  
21 subsidize other people.

22 And also in addition to that, I mean, a lot of  
23 my tenants are -- most of it is Section 8s. Most of  
24 it's low income. It's the poorest of the poor people.  
25 And, you know, the fire tax just got raised last year.

1 You know, Vicki Campbell, ECUA, said, "Hey, your  
2 taxes -- your ECUA rates are going up. I'm going to try  
3 to keep them low." But these people over here are  
4 getting, you know -- between the taxes and the utilities  
5 and all that, they're increasing their monthly output,  
6 but social security is only giving them dollars on the  
7 penny. And they truly are struggling over here. I see  
8 it daily, you know.

9 And so I would reject this. And I think the  
10 big oil companies, I think they run McDonald's, Burger  
11 King, all those, earn like a 2 or 3 percent, you know,  
12 maybe even a 5 percent profit margin, and that's exactly  
13 where Gulf Power needs to be, you know. It doesn't need  
14 to be profiting with all the subsidies. If they want to  
15 be a separate enterprise without any handouts from the  
16 government, then they can do whatever they want. But as  
17 long as they're connected with the government, they  
18 shouldn't be a 10 or 11 percent profit margin. That's  
19 where I'm at with it.

20 **CHAIRMAN BROWN:** I appreciate, Mr. Dorsey,  
21 your comments. And, Commissioners, any questions or  
22 comments or responses?

23 Thank you very much.

24 Next customer.

25 **MR. KELLY:** Mr. or Ms. Douthat.

1 (No response.)

2 Michael LeMaster, followed by Bob Rettie.

3 **CHAIRMAN BROWN:** Good evening.

4 **MR. LeMASTER:** Hello.

5 **CHAIRMAN BROWN:** Hi.

6 **MR. LeMASTER:** Michael LeMaster. I'm at 360  
7 North M Street, and phone number is (850)378-7861. I'm  
8 just a neighbor. I'm a friend. I'm a mechanic. As a  
9 mechanic, I get on ToolTruck. ToolTruck, they love me.  
10 They always want to sell me stuff, and that's kind of  
11 how I feel this is to a degree. You have operating  
12 expenses and such, everybody does. Profit is not a  
13 dirty word; however, in this instance, it's really put a  
14 bad taste in my mouth. And you have costs where you're  
15 replacing vehicles. As the gentleman before me had  
16 stated, you know, look at your expenses.

17 As a mechanic, I can do a lot of repairs on a  
18 truck for \$35,000 instead of just replacing the thing.  
19 Those \$35,000 could come back in savings to Gulf Power  
20 and they can get their profit from there instead of from  
21 our backs where we're out here working; where our  
22 sisters who have kids are working; where my co-worker  
23 who has kids, he couldn't make it here because he has to  
24 be with his kids. You know, there's other things that  
25 are happening in our lives where an extra \$30 a month at

1 \$360 a year is just really going to make things really  
2 hard and unacceptable for us when we're able to see, as  
3 has been stated, the massive profit margins. Ditto.  
4 Thank you so much.

5 **CHAIRMAN BROWN:** Thank you, Mr. LeMaster, for  
6 your testimony.

7 Next customer.

8 **MR. RETTIE:** Yes, I'm Bob Rettie, 317 Sudduth  
9 Circle, Fort Walton Beach, (850)243-1763. And I hereby  
10 respectfully petition the Commission to authorize only a  
11 decrease. And one thing, on their *Current* newsletter,  
12 they mention wind power and solar power. They don't say  
13 what the return on investment is. If they're not  
14 getting that same 11 percent, they're just milking off  
15 of us to subsidize another Solyndra here. And, hey,  
16 we're taxpayers. We're subsidizing them to get their  
17 9 percent. They shouldn't be getting any more return on  
18 investment than taxpayers get when they try to invest  
19 their money. And we shouldn't be forced to pay for them  
20 to get more than we can get ourselves. They're living  
21 off of us and yet living higher than we live.

22 So, now, they give all these recommendations  
23 about saving energy, saving money and all this. So I  
24 followed them. I invested in a high-efficiency  
25 air-conditioning unit. The payback is marginal. Well,

1 right now they're going to make it go negative. They're  
2 getting 11 percent. My payback is negative based on  
3 their recommendations, and I don't think they have any  
4 credibility.

5 On this newsletter, it says we're going to get  
6 a 3 percent reduction next month -- or this month.  
7 Well, they didn't say anything about the 9 percent or  
8 all these other increases in here. It's very deceptive.  
9 I feel they have no credibility whatsoever, and I do  
10 expect that you just go ahead and grant a decrease.  
11 Thank you.

12 **CHAIRMAN BROWN:** Thank you, Mr. Rettie, for  
13 your testimony.

14 Next customer, Mr. Kelly.

15 **MR. KELLY:** Kathy Smith, followed by Linda  
16 Harris.

17 **CHAIRMAN BROWN:** Good evening.

18 **MS. SMITH:** Hello. Kathy Smith, 3746 McNemar  
19 Court, Gulf Breeze, Florida. And phone, (850)830-3369.

20 I'm here as a citizen and also a customer of  
21 Gulf Power, my husband and I, and I have two different  
22 perspectives for you.

23 First of all, for myself, I am very fortunate.  
24 I'm only nearly blind in one eye, so that means that I'm  
25 able to see most about everything. I'm also an advocate



1 for people with disabilities. I've worked in many areas  
2 helping people with disabilities. I know you've  
3 heard -- you've heard from a veteran here who is very  
4 fortunate to be living here. And I do appreciate his  
5 service very much, as myself, I've been involved with  
6 the military for a great deal of my life in many  
7 capacities.

8 Also elderly, but I'm going to talk a little  
9 bit about people who get services under the Agency for  
10 Persons with Disabilities. I worked for that agency as  
11 a monitor most recently, and I am now self-employed as a  
12 consultant to providers. I've also been in the trenches  
13 working with people that have disabilities with young  
14 children in the early childhood. So also I've been a  
15 job coach. So I've been in the trenches.

16 I want you all to do something for me, if you  
17 don't mind. I would like for you to put down your pens  
18 for a second, and then I'd like you to close your eyes  
19 just for -- count to two, if y'all don't mind doing  
20 that. You don't have to.

21 **CHAIRMAN BROWN:** I'm scared.

22 **MS. SMITH:** Okay. All right. Just think if  
23 you couldn't see for a couple of seconds and then try to  
24 grab that pen that you've put down. That's just a  
25 little way that you can see how people who don't have

1 all of their things you take for granted, all these  
2 powers of using their body and using their mind, all  
3 these things that you don't even think about, not being  
4 able to read, not being able to write, and I want you to  
5 understand that these people are not much different from  
6 you and they did not choose to be this way. But they're  
7 living on fixed incomes without the benefit of all these  
8 things we take for granted. These are the people you're  
9 going to hurt and you're going to hurt very badly with  
10 this rate increase. And why? You need 11 percent  
11 profit? How can you explain that?

12 I want to say also that I'm a person of faith  
13 and I read my Bible. And in that Bible, it says that  
14 God wants us to be good stewards of the Earth. A good  
15 steward of the Earth is not going to promote a coal  
16 plant, because we all know that these dirty coal plants  
17 are detrimental to our environment. I'm also a parent;  
18 I have children. And I know in Gulf Breeze, if we  
19 continue on the path that we are burning this filthy  
20 coal, Gulf Breeze will be underwater. I'll be dead by  
21 then, but what about my kids?

22 **CHAIRMAN BROWN:** Ma'am --

23 **MS. SMITH:** This is unconscionable. Thank  
24 you.

25 **CHAIRMAN BROWN:** Ma'am, your time is up.

1 Thank you for your testimony.

2 Next customer, please.

3 **MR. KELLY:** Linda Harris, followed by -- is  
4 it -- is it Dave Hoxeng, Hoxeng.

5 **CHAIRMAN BROWN:** Okay. Good evening. Good  
6 evening, Ms. Harris.

7 **MS. HARRIS:** Good evening. Linda Harris, 3260  
8 Tallship Lane, Pensacola, Florida 32526, (850)457-3642.  
9 Gulf Power customer and consumer.

10 Thank you, Commission, for this hearing. I  
11 learned about it through social media. Perhaps it was  
12 in print, but, alas, I don't think it was very well  
13 advertised, as an aside.

14 I am here to be on record opposing the rate  
15 increase proposal. I'm a retired teacher who worked the  
16 last 20 years of my 40 years with low-income families.  
17 Those families also want the American dream. This is a  
18 very punitive rate increase for those families. You've  
19 heard that already, but I want to say it again because  
20 those are families who mean a great deal to me and I'm  
21 very invested in them.

22 I'm a community volunteer. I'm a Democratic  
23 woman. I'm a member of the Pensacola Museum of Art.  
24 And I thought it was a good turnout tonight until I  
25 realized how many people are impacted by this across

1 hundreds, probably a thousand square miles. Maybe I  
2 don't know my geography.

3           Anyway, perhaps I was living, as I recently  
4 saw *Aida*, ushering at the Saenger Theatre because, you  
5 know, I'm retired and can't afford to pay for it, so I  
6 usher and get to see it, but she said, Aida said,  
7 "Perhaps I will find peaceful oblivion." I think I was  
8 living there, but this is bringing me out of it again.  
9 I'm not just going to enjoy retirement now. I am going  
10 to say that I think this is very punitive. I think  
11 it -- I can't think of anybody that it helps except --  
12 oh, yes, I do remember. Corporations are people, so it  
13 must be Gulf Power that it's going to help.

14           And I do have a question. Is it 18 -- raising  
15 it from \$18 to \$48 a month or is it a scale from \$18 to  
16 \$48 a month? Then do I multiply one of those by 12? Is  
17 it going to be for some people \$216 a year increase and  
18 for others \$576, or -- all we know is it's going to cost  
19 us more money and Gulf Power is going to make more  
20 money. And I am pleased with my services, but it sounds  
21 like it's the cost of them doing business that we're  
22 going to be paying for. Thank you for your time and  
23 have a good evening, the rest of it.

24           **CHAIRMAN BROWN:** Thank you so much for your  
25 testimony.

1           Next customer, which I think is the last. Is  
2 that correct, Mr. Kelly?

3           **MR. KELLY:** Right.

4           **CHAIRMAN BROWN:** All right. We've got the  
5 last customer here.

6           **MR. HOXENG:** Well, batting cleanup is Dave  
7 Hoxeng, 7251 --

8           **CHAIRMAN BROWN:** Wait, wait, wait, wait, wait.  
9 That's way too fast. I'm so sorry. Could you just slow  
10 down and speak your name for the record, please.

11           **MR. HOXENG:** Batting cleanup is Dave Hoxeng,  
12 7251 Plantation. I filled out a form.

13           Thank you, Commissioners, for bothering to  
14 come. I know many of you have traveled a ways to get  
15 here to come and listen to us.

16           I'm a small businessperson. I spend about  
17 \$6,000 a month on electricity, so obviously costs are  
18 important to me. And nobody really wants to pay more  
19 for electricity, but we do love the reliability that  
20 this company provides to us. It's really important that  
21 we get good service with good reliability, and they  
22 deliver that. So I support Gulf Power.

23           I've lived in a lot of different places, but  
24 I've really never seen any utility that is committed --  
25 as committed to the community as Gulf Power is, both in

1 terms of customer service, reliable service, and  
2 uplifting the community in terms of economic  
3 development, something that's very, very important to  
4 me.

5 So as a utility in Florida, these people are  
6 entitled to a rate of return. To me, it doesn't seem  
7 like these changes have anything to do with changing the  
8 rate of return, so, therefore, I recommend that you guys  
9 proceed. Thank you.

10 **CHAIRMAN BROWN:** Thank you, Mr. Hoxeng, for  
11 your testimony.

12 All right. Is there any other customer who  
13 has not spoken who would like to address the Commission?

14 (No response.)

15 I do not see any. Seeing none, going once,  
16 going twice. On behalf of the Commissioners and the  
17 Public Service Commission, I want to take this  
18 opportunity to thank you again for coming out here.  
19 Your comments are extremely important. We heard you and  
20 we'll absolutely take them into consideration as part of  
21 our overall process. And with that, if Commissioners  
22 don't have any other closing comments, this service  
23 hearing is adjourned.

24 (Service hearing adjourned at 9:11 CST.)  
25


1 STATE OF FLORIDA )  
 :  
2 COUNTY OF LEON ) CERTIFICATE OF REPORTER

3  
4 I, LINDA BOLES, CRR, RPR, Official Commission  
5 Reporter, do hereby certify that the foregoing  
6 proceeding was heard at the time and place herein  
7 stated.

8 IT IS FURTHER CERTIFIED that I  
9 stenographically reported the said proceedings; that the  
10 same has been transcribed under my direct supervision;  
11 and that this transcript constitutes a true  
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,  
14 employee, attorney, or counsel of any of the parties,  
15 nor am I a relative or employee of any of the parties'  
16 attorney or counsel connected with the action, nor am I  
17 financially interested in the action.

18 DATED THIS 10th day of February, 2017.

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21  
22  
23  
24  
25  
  
\_\_\_\_\_  
LINDA BOLES, CRR, RPR  
Official FPSC Hearings Reporter  
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(850) 413-6734