

**Antonia Hover**

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**From:** Ellen Plendl  
**Sent:** Thursday, January 09, 2020 2:50 PM  
**To:** Consumer Correspondence  
**Subject:** Docket 20190156  
**Attachments:** Governor's Assignment Case Number 747,575 EOG002110874; stephen-zercher-0109-fpsc-response-letter.pdf

See attached correspondence and reply and add to the correspondence side of Docket 20190156.

## Antonia Hover

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**From:** CRM.CitizenServices <CRM.CitizenServices@eog.myflorida.com>  
**Sent:** Wednesday, January 08, 2020 4:37 PM  
**To:** Ellen Plendl  
**Subject:** Governor's Assignment | Case Number: 747,575 | EOG:002110874  
**Attachments:** 747575,zercher.pdf

Case Number:	747,575
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Origin	Letter
EOG Source	Citizen Services
Created On	1/8/2020 9:06 AM
Letter Date	
Priority	Default

### Case Attribute(s)

Attribute	
Utilities	

### Primary Contact Information

First Name	Stephen	Last Name	Zercher	Phone	
City	1550 Lisa Avenue Fernandina Beach, Florida 32034 United States	County	Nassau County	State	Florida
	32034	Email	stevez@operamail.com		
Address Line 1	1550 Lisa Avenue				
Address Line 2					
Organization /					

Additional Information

Description

Note

Case Assignment

Assigned To:	PSC - Public Service Commission	Due Date:	1/28/2020 9:06 AM

You have an assignment from the Executive Office of the Governor.

Please have staff review and respond as appropriate.

Please copy the link below to close the assignment, provide resolution information or request an extension/reassignment.

[Click Here to Update the Case](#)

If you have questions about this assignment, please send an email to [CRM.CitizenServices@eog.myflorida.com](mailto:CRM.CitizenServices@eog.myflorida.com).

Sincerely,

Shametra Sanders

Office of Citizen Services

Executive Office of the Governor

Please note that under Florida law correspondence sent to the Governor's Office, which is not confidential or exempt pursuant to chapter 119 of the Florida Statutes, is a public record made available upon request.

Executive Office Of Governor Ron DeSantis  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

Utilities  
PSC  
December 19, 2019

Sir,

We are held hostage by the electric power providers in our state. I'm finding it difficult to think of another company where if we weren't satisfied with prices or service, we could find another provider. Not so with our utilities, which are only regulated by the state.

It seems like the Florida Public Service Commission has seldom seen a request for a rate increase that it didn't approve. Specifically, I refer to Florida Public Utilities, owned by Chesapeake Utilities, that has again been granted a rate increase (Docket No. 20190156-EL) comically referred to as an "interim rate increase" in notification to it's customers effective January 1, 2020. High fuel costs and unusually abnormal weather events have caused all utility companies in our state to request, and receive, rate increases. However, when fuel costs receded, and weather patterns returned to more normal conditions, major utilities like FPL and JEA reduced rates to their customers. Not so with Florida Public Utilities who maintained their higher rates and has been able to retain the windfall and amass even more, instead of reducing rates to their captive customers. Curiously, what did FPU do with their windfall, because now the whining for more money tells me that they might have given higher bonuses, but they certainly don't appear to have hardened their assets if 100% of their Northwest area customers lost power. I do know that they haven't changed above ground utilities to underground in Northeast Florida, opening them up for 100% power loss in case of a catastrophe in Northeast Florida.

Now, Florida Public Utilities has requested and been granted a 60% increase in the base rate that everyone pays monthly, plus an INCREASED charge of \$.012 p/KWH under 1000 KWH, and \$.01985 p/KWH over 1000 KWH for regular customers. Unfortunately, the additional charges by FPU could easily cause additional monthly charges of \$50-\$75 (or more) a month and concomitant additional taxes of 20% on the higher electric bill.

Fortunately, or foolishly, I installed solar panels on my home to mitigate what I was sure would be the future rise in the costs for utilities. Time will tell whether my \$20k plus investment in solar is a wise investment, but I know that even my monthly bill will increase from \$17.56 a month to over \$28, including taxes, even though I return more power to the utility than I use, and therefore don't pay for any power used. Many can't afford the current rates charged by FPU much less a substantial increase in those charges. It's not like Florida Public Utilities is such a great company that people would flock to if given a choice. Cloudy = power losses, Rain = power losses, Wind = power losses, Sunny = power losses, Stormy = you can guess! I have lived all over the country and Florida Public Utilities is the worst and least reliable of all. Unfortunately we're stuck with them!

Please take a look.

VR,  
Stephen Zercher  
Fernandina Beach, FL  
[stevez@operamail.com](mailto:stevez@operamail.com)

747575  
1.28.20  
SS

PS: I had reservations, but you're doing a great job!

Account #: 0381950-5  
 Service Period: 10/15-11/14  
 Route: 001050

Page: Page 1 of 1  
 Billing Date: 11/18/2019

Florida Public Utilities  
 P.O. Box 610  
 Marianna, FL 32447-0610  
 Customer Care: 1-800-427-7712  
 www.fpuc.com  
 711 for TTY / Relay Service

Service Location:  
 STEPHEN J ZERCHER  
 1550 LISA AVE  
 FERNANDINA BEACH, FL 32034

Previous Account Balance	Less Payments	Past Due Or Credit Balance	Current Charges	Current Charges Due On	Total NOW Due
\$2.42	\$15.00CR	\$12.58CR	\$17.57	12/09/2019	\$4.99

\* A Late Payment Fee will apply if amount due is greater than \$5.00 and is not paid by due date.

\* Past due balances are due immediately and subject to previous disconnect dates.

\* The APR for installment contracts is 18%.

**Meter Information** - meter # 525526F

Current Reading		0003241
Previous Reading	-	0003241
KWH Used	=	0
Multiplying Factor	X	1
Total KWH Used	=	0.00
KW Used		

**Current Account Activity**

Billing For	RS FRE22	
Electric Service Amount**		14.69
Fernandina Bch E Franchise Fee		0.88
Fernandina Beach Municipal Tax		1.60
Florida Gross Receipts Tax		0.40
<b>TOTAL CURRENT ELECTRIC CHARGES</b>		<b>17.57</b>
<b>Total Current Charges</b>		<b>\$17.57</b>

**Energy Usage**

	Last Year	This Year
KWH This Month	0	0
KWH/Day	0	0
Service Days	30	30

**\*\*Amount Includes the following charges\*\***

Customer Charge	14.69
Base Energy per Kwh	0.00000
PPA per KWH	0.00000

**FOR ACCURATE, TIMELY BILLING,  
PLEASE ALLOW US TO GET TO OUR METER!**

**EXPLANATION OF TERMS**

G E N E R A L	<p><b>CITY/COUNTY TAX:</b> Tax levied by City/County on utilities billed. Tax is remitted to the City/County.</p> <p><b>EST:</b> Will appear if we are unable to read your meter and is based on usage history.</p> <p><b>GROSS RECEIPTS TAX:</b> A tax levied by the State of Florida on utilities billed. Tax is remitted to the State of Florida.</p> <p><b>THERM:</b> 100,000 BTUs of heat.</p>
C F G & F P U	<p><b>BTU:</b> British Thermal Unit; a measure of heat.</p> <p><b>CCF:</b> One hundred cubic feet. This is the way gas is measured when it goes through the meter.</p> <p><b>CCF TO THERMS CALCULATION:</b> CCF's X Multiplying Factor = Therms.</p> <p><b>FRANCHISE FEE:</b> A fee paid to local governments for the right to utilize public property to provide utility service.</p> <p><b>MULTIPLYING FACTOR:</b> A numeric factor used to convert uncorrected hundred cubic feet to unit of heat energy (Therms)</p> <p><b>RATE:</b> Approved charges by the Public Service Commission for type of service received.</p>
F P U	<p><b>BASE ENERGY CHARGE:</b> Distribution costs included in rate.</p> <p><b>CUSTOMER CHARGE:</b> A fixed monthly amount to cover the cost of your service, meter and billing. This charge is applied regardless of the quantity of energy used.</p> <p><b>DEMAND CHARGE:</b> <i>FPU Electric Customers.</i> The charge per kilowatt (KW) of demand which reflects the cost of distribution plant investment.</p> <p><b>KW / KILOWATT:</b> <i>FPU Electric Customers.</i> One thousand (1,000) watts.</p> <p><b>KWH / KILOWATT-HOUR:</b> <i>FPU Electric Customers.</i> One thousand (1,000) watt-hours.</p> <p><b>PGA:</b> <i>FPU Natural Gas Customers.</i> Purchase Gas Adjustment: this cost is passed directly to the customer with no profit to FPU.</p> <p><b>PPA:</b> <i>FPU Electric Customers.</i> Purchase Power Adjustment: this cost is passed directly to the customer with no profit to FPU.</p>
C F G	<p><b>FIRM TRANSPORTATION CHARGE:</b> The amount charged per account each month based on rates approved by the Public Service Commission.</p> <p><b>USAGE / THERM:</b> The amount charged per therm each month based on rates approved by the Public Service Commission.</p>

**BUSINESS HOURS**  
Monday - Friday  
7:00 a.m. – 7:00 p.m. EST  
Call For 24-Hour Emergency Service  
Telephone number located on front upper left side of bill

**Call Sunshine State One Call Before You Dig.**  
Call: 800.432.4770 or 811.

**AVAILABLE PAYMENT OPTIONS**  
We have many electronic payment options to choose from.  
For more information visit our websites at  
[www.fpuc.com](http://www.fpuc.com) or [www.cfgas.com](http://www.cfgas.com)

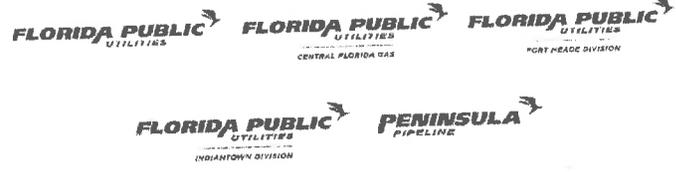
**WALK-IN PAYMENT SERVICE:**  
Free service. Pay at any Western Union partner, including Publix, Walgreens, Safeway and more. Payments posted next business day.  
Visit a [www.westernunion.com](http://www.westernunion.com) for a location near you.

**EzPay:** Free Service. Enroll online or call 800.427.7712 for assistance. Your checking or savings account is auto-drafted. You will no longer receive paper bills in the mail.

**QuickPay:** You can pay your bill online or call your local office, pay by credit or debit card or through your checking account. There is a small convenience fee of \$2.95 per every block of \$500.00.

**PAY BY PHONE (IVR):** You can pay your bill by credit or debit card or with your checking or savings account. Simply call 1.866.957.2948. There is a small convenience fee of \$2.95 per every block of \$500.00.

**Budget Billing:** Residential customers who have had service for one year may enroll in this levelized billing service at no charge. Please visit our websites for more information.



**! NOTICE TO CUSTOMERS OF INTERIM RATE INCREASE**

On August 7, 2019, Florida Public Utilities Company filed a Petition with the Florida Public Service Commission seeking approval to increase rates and charges to recover costs and investments necessary to restore its Northwest Division following Hurricane Michael. On October 25, 2019, Joint Stipulation requesting interim rates was filed with the Commission to allow recovery during the period the proceeding is pending and to avoid significant bill fluctuations. On November 5, 2019, the Commission approved the Joint Stipulation and allowed the implementation of the interim rate increase, which will temporarily increase the Company's annual revenues by \$11,802,455, pending the Commission's final decision on the Company's request for a permanent increase. The approved interim rates are attached to this Notice and reflected on the enclosed bill for service. Most of the increase to customer bills for this proceeding is expected to be offset by a decrease in fuel charges; therefore, the total bill for an average customer should remain relatively constant.

In October 2018, Hurricane Michael passed through FPU's electric distribution operation's service territory in Northwest Florida. The hurricane caused widespread and severe damage to FPU's infrastructure resulting in 100 percent of its customers losing electrical service. FPU, after exerting extraordinary hurricane restoration efforts, restored service to those customers who were able to accept it. FPU expended more than \$65.0 million to restore service, which has been recorded as new plant and equipment or charged against FPU's storm reserve. The Petition filed is requesting recovery of storm related costs associated with Hurricane Michael (capital and expenses) through a change in base rates.

Details regarding the Company's request are contained in the Minimum Filing Requirements, which also contain detailed financial, accounting, tariff and engineering data supporting the request. These are available for review at the business offices at the following locations during regular work hours.

2825 Pennsylvania Avenue  
Marianna, Florida 32448  
850.526.6800  
Monday through Friday  
9:00 a.m. to 5:00 p.m.

780 Amelia Island Parkway  
Fernandina Beach, Florida 32034  
904.430.4700  
Monday through Friday  
10:00 a.m. to 5:00 p.m.

Any customer comments regarding the Company's service or the proposed interim rate increase should include the docket number assigned to this case, **Docket No. 20190156-EI**, and should be addressed to:

Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

You may also contact the Commission at their toll free number: **800.342.3552**.

Additional information is also available by visiting the Company's website at **www.fpuc.com**. You may also obtain information about this request by calling the Florida Public Service Commission at 800.342.3552 or visiting the Commission's website at **www.psc.state.fl.us**.

The following chart provides a comparison of the current and new rates that will become effective January 1, 2020:

CUSTOMER CHARGE(S)			PRESENT RATES	INTERIM RATES
Residential (RS)			\$14.69	\$23.35
General Service (GS)			\$24.14	\$38.36
General Service Demand (GSD)			\$71.38	\$113.43
General Service Large Demand (GSLD)			\$136.45	\$216.83
General Service Large Demand-EXP			\$136.45	\$216.83
General Service Large Demand (GSLD1)			\$844.94	\$1,342.67
Interruptible Service-EXP			\$136.45	\$216.83
Standby (SB)	<500 kw		\$104.96	\$166.79
Standby (SB)	≥500 kw		\$844.94	\$1,342.67
ENERGY CHARGE \$/KWH			PRESENT RATES	INTERIM RATES
Residential (RS)	≤1,000 -		\$0.02057	\$0.03269
	>1,000 -		\$0.03369	\$0.05354
General Service (GS)			\$0.02516	\$0.03998
General Service Demand (GSD)			\$0.00474	\$0.00754
General Service Large Demand (GSLD)			\$0.00220	\$0.00350
General Service Large Demand-EXP			\$0.00220	\$0.00350
General Service Large Demand (GSLD1)			\$0.00000	\$0.00000
Interruptible Service-EXP			\$0.00220	\$0.00350
Standby (SB)	<500 kw		\$0.00000	\$0.00000
Standby (SB)	≥500 kw		\$0.00000	\$0.00000
DEMAND CHARGE \$/KW			PRESENT RATES	INTERIM RATES
Residential (RS)			\$0.00	\$0.00
General Service (GS)			\$0.00	\$0.00
General Service Demand (GSD)			\$3.89	\$6.18
General Service Large Demand (GSLD)			\$5.56	\$8.84
General Service Large Demand-EXP			\$5.56	\$8.84
General Service Large Demand (GSLD1)			\$1.57	\$2.50
General Service Large Demand (GSLD1)		KVAR	\$0.38	\$0.60
Interruptible Service-EXP			\$5.56	\$8.84
Standby (SB)	<500 kw		\$2.73	\$4.34
Standby (SB)	≥500 kw		\$0.68	\$1.08
Standby (SB)		KVAR	\$0.38	\$0.60
SERVICE CHARGES			PRESENT RATES	INTERIM RATES
Initial Establishment of Service			\$61.00	\$61.00
Re-establish Service or Account Changes			\$26.00	\$26.00
Customer Request Temp Disconnect/Reconn			\$65.00	\$65.00
Reconnect After Disconnect (Normal Hrs)			\$52.00	\$52.00
Reconnect After Disconnect (After Hours)			\$178.00	\$178.00
Temporary Service			\$85.00	\$85.00
Collection Charge			\$16.00	\$16.00
Returned Check Charge			Per Statute	Per Statute
Late Fees			Per Statute	Per Statute

----- Greater of 1.5% or \$5.00 -----



	PRESENT RATES				INTERIM RATES				
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge	
<b>LIGHTING</b>					<b>LIGHTING</b>				
1000w HPS Flood	\$19.38	\$18.46	\$2.60	\$40.44	\$30.80	\$29.33	\$4.13	\$64.26	
1000w MH Flood	\$17.87	\$18.46	\$2.53	\$38.86	\$28.40	\$29.33	\$4.02	\$61.75	
1000w MH Vert Shoebox	\$22.06	\$18.46	\$2.88	\$43.40	\$35.05	\$29.33	\$4.58	\$68.96	
100w HPS Amer Rev	\$8.38	\$1.87	\$2.85	\$13.10	\$13.32	\$2.97	\$4.53	\$20.82	
100w HPS Cobra Head	\$6.29	\$1.87	\$1.83	\$9.99	\$10.00	\$2.97	\$2.91	\$15.88	
100w HPS SP2 Spectra	\$21.51	\$1.87	\$2.69	\$26.07	\$34.18	\$2.97	\$4.27	\$41.42	
100w MH SP2 Spectra	\$21.34	\$1.87	\$2.60	\$25.81	\$33.91	\$2.97	\$4.13	\$41.01	
150w HPS Acorn	\$17.06	\$2.77	\$2.16	\$21.99	\$27.11	\$4.40	\$3.43	\$34.94	
150w HPS ALN 440	\$24.33	\$2.77	\$2.88	\$29.98	\$38.66	\$4.40	\$4.58	\$47.64	
150w HPS Am Rev	\$7.85	\$2.77	\$2.89	\$13.51	\$12.47	\$4.40	\$4.59	\$21.46	
175w MH ALN 440	\$23.28	\$3.26	\$2.26	\$28.80	\$36.99	\$5.18	\$3.59	\$45.76	
175w MH Shoebox	\$19.66	\$3.26	\$2.54	\$25.46	\$31.24	\$5.18	\$4.04	\$40.46	
200w HPS Cobra Head	\$8.48	\$3.69	\$2.19	\$14.36	\$13.48	\$5.86	\$3.48	\$22.82	
250w HPS Cobra Head	\$10.08	\$4.59	\$2.89	\$17.56	\$16.02	\$7.29	\$4.59	\$27.90	
250w HPS Flood	\$9.86	\$4.59	\$2.10	\$16.55	\$15.67	\$7.29	\$3.34	\$26.30	
250w MH Shoebox	\$20.93	\$4.59	\$2.84	\$28.36	\$33.26	\$7.29	\$4.51	\$45.06	
400w HPS Cobra Head	\$9.41	\$7.40	\$2.40	\$19.21	\$14.95	\$11.76	\$3.81	\$30.52	
400w HPS Flood	\$15.47	\$7.40	\$1.97	\$24.84	\$24.58	\$11.76	\$3.13	\$39.47	
400w MH Flood	\$10.50	\$7.40	\$1.92	\$19.82	\$16.69	\$11.76	\$3.05	\$31.50	
175w MV Cobra Head	\$1.21	\$3.20	\$1.07	\$5.48	\$1.92	\$5.09	\$1.70	\$8.71	
400w MV Cobra Head	\$1.33	\$6.89	\$1.15	\$9.37	\$2.11	\$10.95	\$1.83	\$14.89	
<b>POLES</b>					<b>POLES</b>				
10' Alum Deco Base	\$16.09	\$0.00	\$0.00	\$16.09	\$25.57	\$0.00	\$0.00	\$25.57	
13' Decorative Concrete	\$12.26	\$0.00	\$0.00	\$12.26	\$19.48	\$0.00	\$0.00	\$19.48	
18' Fiberglass Round	\$8.65	\$0.00	\$0.00	\$8.65	\$13.75	\$0.00	\$0.00	\$13.75	
20' Decorative Concrete	\$14.23	\$0.00	\$0.00	\$14.23	\$22.61	\$0.00	\$0.00	\$22.61	
30' Wood Pole Std	\$4.64	\$0.00	\$0.00	\$4.64	\$7.37	\$0.00	\$0.00	\$7.37	
35' Concrete Square	\$13.72	\$0.00	\$0.00	\$13.72	\$21.80	\$0.00	\$0.00	\$21.80	
40' Wood Pole Std	\$9.29	\$0.00	\$0.00	\$9.29	\$14.76	\$0.00	\$0.00	\$14.76	
30' Wood pole	\$4.18	\$0.00	\$0.00	\$4.18	\$6.64	\$0.00	\$0.00	\$6.64	

Jensen  
Fernandina,  
FL 32034

JACKSONVILLE FL 320

19 DEC 2019 AM 11



RECEIVED  
OFFICE OF THE GOVERNOR  
19 DEC 23 AM 9:11

Executive Office of  
Governor Ron DeSantis  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

32399-330099



COMMISSIONERS:  
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ANDREW GILES FAY

STATE OF FLORIDA



OFFICE OF  
CONSUMER ASSISTANCE & OUTREACH  
CYNTHIA L. MUIR  
DIRECTOR  
(850) 413-6482

## Public Service Commission

January 9, 2020

Mr. Stephen J. Zercher  
1550 Lisa Avenue  
Fernandina Beach, FL 32034

RE: PSC Inquiry 1330592C

Dear Mr. Zercher:

The Governor's Office of Citizen Services forwarded your correspondence about Florida Public Utilities (FPU) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. We appreciate the opportunity to respond to you.

You expressed a concern about FPU's petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael. On November 5, 2019, the FPSC approved a stipulation offered jointly by FPU and the Office of Public Counsel, which represents Florida's consumers. The "Storm Interim Stipulation" will help cover the electric utility's restoration costs from Hurricane Michael, a Category 5 hurricane that caused extensive damage to FPUC's facilities in its Northwest Division.

The approval allows interim recovery of the storm costs to begin in January 2020, to coincide with an anticipated drop in fuel costs that would have been reflected on customer bills. It avoids a rate increase a few months later by offsetting the new storm costs against the decrease in fuel costs, providing rate continuity rather than inordinate bill fluctuations that are unpopular with customers.

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CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850

An Affirmative Action / Equal Opportunity Employer

PSC Website: <http://www.floridapsc.com>

Internet E-mail: [contact@psc.state.fl.us](mailto:contact@psc.state.fl.us)

Mr. Stephen J. Zercher

Page 2

January 9, 2020

To protect FPUC customers, the storm cost recovery revenues will be collected subject to refund of any excess when actual storm restoration costs are determined in a future evidentiary hearing.

We appreciate your comments regarding the petition and will add your correspondence to Docket No. 20190156.

You also requested competition in the electric industry in Florida. It would be up to the Florida Legislature to make changes in the Florida Statutes to allow competition within the electric industry in Florida.

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

Sincerely,



Shonna McCray

Regulatory Program Administrator

Office of Consumer Assistance & Outreach

SM:mep