



Gulf Coast
Electric Cooperative

A Touchstone Energy® Cooperative 

May 10, 2019

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: kWh Increase to Recover Storm Costs

Dear Mr. Teitzman:

This letter is submitted on behalf of Gulf Coast Electric Cooperative (GCEC) pursuant to Rules 25-9.051 through 25-9.071 of the Florida Administrative Code.

Hurricane Michael made landfall as a category 5 storm on October 10, 2018, just twenty miles from GCEC's two main offices, leaving 100% of Gulf Coast's meters without power and its buildings and grounds badly damaged. With a workforce of only 75 employees, Gulf Coast had to bring in more than 1600 mutual aid Line Workers and contractors to help restore our distribution system. The Line Workers immediately began replacement of almost 4,000 poles and 2,095 transformers, along with 349 miles of line. By October 31st, just 21 days after Hurricane Michael made landfall, all GCEC's meters that could receive power, were restored.

The restoration cost to GCEC has totaled over \$90 million to date. Our restoration will continue through 2019, as we convert temporary construction to permanent construction throughout our entire system. To pay for the restoration, GCEC had to borrow \$84 million, which cost GCEC \$268 thousand in monthly interest expense, while we await FEMA reimbursement.

On April 27, 2019, Gulf Coast Electric Cooperative's Board of Trustees voted unanimously to approve a Rate Rider storm restoration recovery surcharge to recover a portion of the Hurricane Michael restoration costs which is attached hereto. This rate will become effective on June 10, 2019 and will be in effect for a period of 5 years/60 months.

Respectfully,

John M. Bartley

C.E.O./General Manager



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Original Sheet No 12.0

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Effective Date: June 10, 2019

Rate Rider

Hurricane Michael Cost Recovery

Applicability

Applicable to each rate schedule listed below which receives electrical service from Gulf Coast Electric Cooperative.

Hurricane Restoration Recovery Surcharge

This surcharge is designed to recover a portion of the costs that the Cooperative suffered during the restoration process of Hurricane Michael. Each factor listed below is an addition to the base energy charge already active under the Gulf Coast Electric's current rate schedules:

<u>Rate Schedule</u>	<u>Dollars/kWh</u>
Residential	\$0.0110
General Service Non-Demand	\$0.0092
General Service Demand	\$0.0098
Large Power	\$0.0078

Effective Date: June 10, 2019

Signature of Issuer: _____