Sunday, March 07, 2010

Public Service Commission of South Carolina
Att. Docketing Department
P. O. Drawer 11649
Columbia, S. C. 29211

Ref. 2009-489-E

Dear Members of P. S. Commission:

SCE&G has made a request for a 9.5% increase. This request should be REJECTED for the following reasons, followed by my recommendations for this situation!

As one who has a degree in Economics, an annual request for rate increases is a sign of an inefficient operation and/or incompetent leadership.

1. Annual request.

   2008 – 4.4% rate increase granted.
   2009 – 2.5% rate increase annually for the next 10 years granted.
   2010- 9.5% rate increase requested.

2. A second sign of inefficiency/incompetency is a comparison to other public utilities

   1. Duke Power: Cost of 1,000-Kilowatt hours about $93 after rate increase.
      SCE&G: Cost of 1,000 Kilowatt hours $118.
      If the 9.5% rate increase is granted that figure increases to $130. That is a $37 difference...

   2. SCE&G has higher rates than other investor-owned utilities, as well as publicly owned Santee-Cooper

Public utilities, including SCE&G, are a monopoly. We depend upon the PSC to protect us from price gouging and the effects of a giant monopoly. As mentioned, there are signs of inefficiency and incompetency. I recommend the following:

   1. Deny the 9.5% rate increase.
   2. Require an efficiency consultant/management company to do a thorough investigation of SCE&G.
   3. The PSC chooses the consulting firm. SCE&G pays for the cost. Their leadership put them in this annual high rate mess.
4. They do not appear before you for a rate request until the recommendations of
the consulting form are operational.

We, the citizens, are depending upon you to protect us against this monopoly. That is
what your responsibility is as a Commissioner. I urge you to take your responsibility
seriously.

Thank you.

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