

Statement written by UAB Chair Darin Cook for Item #170647

Back in April 2016, the Gainesville City Commission unanimously voted that all savings derived from the purchase of the biomass plant and associated power purchase agreement would be returned to the ratepayers of GRU. This vote was based on a unanimous recommendation by the Utility Advisory Board that if the biomass plant and its associated purchase power agreement was purchased by GRU that all savings would be returned to the ratepayers. Five of the seven commissioners that voted on that still sit on the Gainesville City Commission.

On the 14th of December the UAB voted and unanimously recommended to the Gainesville City Commission to return regular savings derived from the purchase of the biomass plant in the option GRU recommended weighted towards commercial ratepayers. In 2016 Dr. Denslow, a world renowned economist and one of our UAB members, calculated that commercial rates subsidize residential rates by \$18-19 million dollars. Furthermore, commercial rates are not only the highest in Florida but so high that they meet the criterion as being an outlier. Even with the adjustment towards commercial accounts, rates will still be the highest in Florida, but within striking distance of the next highest and no longer an outlier.