# TALQUIN ELECTRIC COOPERATIVE, INC.

Post Office Box 1679 Quincy, Florida 32353-1679

COMMISSION CLERK 1640 West Jefferson Street Quincy, Florida 32351-2134

Quincy: (850) 627-7651

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OPC CLK September 27, 2011

Tallahassee: (850) 878-4414

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Ms. Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 HAND-DELIVERED

Dear Ms. Cole:

Talquin Electric Cooperative Inc.'s Outdoor Lighting Rate Schedule OL has historically reflected flat monthly charges per light for outdoor lighting service provided by the Cooperative. The Florida Department of Revenue has previously determined that these flat charges represent a "rental" charge because our member-consumer basically contracts for a lighting service and therefore the charge for the equipment was subject to State of Florida Sales Tax.

The current rate structure provides for sales taxes to be assessed on the entire amount of the charge. Therefore, to address this taxing issue, Talquin is revising the Outdoor Lighting Rate Schedule OL to break out the flat monthly charges into two components, an Energy Charge and an Equipment Charge. This rate modification will allow the respective tax (Gross Receipts Tax and Sales Tax) to be applied to the applicable charge in the rate schedule, resulting in a more accurate tax assessment and payment.

This rate modification has no impact on our member-consumers' monthly bills, other than the related tax effect, and is a revenue neutral change to the Cooperative. The previous single flat charges were \$9.00 and \$14.50 for Standard and Larger than Standard categories of lights, respectively. The sum of the Energy Charge and Equipment Charge components for each category of lights produces the same total charges of (\$3.15 + \$5.85 =) \$9.00 and (\$5.08 + \$9.42 =) \$14.50, respectively.

The purpose of this letter is to serve as a transmittal of the revised Outdoor  $4 \times 10^{11}$  Lighting Rate Tariff documents to the Florida Public Service Commission (FPSC) for review and approval. Enclosed are five (5) copies of revised Outdoor Lighting (oples of Dankf also find. PSC-COMMISSION CLERK

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Serving Gadsden, Leon, Liberty And Wakulla Counties, Florida

# ANN COLE, FPSC COMMISSION CLERK PAGE 2 September 22, 2011

Sheet 12.01 and three (3) copies of Revised Sheet 12.01 in legislative format for your reference and file. As shown on the revised tariff sheet, we are requesting that the revised rate become effective on November 1, 2011.

During the review process, should the staff have any questions, please do not hesitate to contact me (<u>billm@talquinelectric.com</u>) or Eugene Kanikovsky (<u>EugeneK@talquinelectric.com</u>). We may both be reached by phone at (850) 627-7651.

We will certainly appreciate approval of these revised tariff sheets since we believe the changes are in the overall best interest of the Cooperative and its Members.

Sincerely,

TALQUIN ELECTRIC COOPERATIVE, INC.

Bill May

Bill May Director of Cooperative Initiatives

Enclosures

cc: Kenneth A. Cowen, Interim General Manager Eugene Kanikovsky, Director of Financial Services Steve Shurbutt, GDS Associates, Inc.

## FOURTH REVISED SHEET NO. 12.01 CANCELS THIRD REVISED SHEET NO. 12.01

## TALQUIN ELECTRIC COOPERATIVE, INC.

# OUTDOOR LIGHTING

## RATE SCHEDULE OL

## AVAILABILITY:

Available throughout the entire territory served by the Cooperative in accordance with the Cooperative's Rules and Regulations for Electric Service.

## CHARACTER OF SERVICE:

The Cooperative will install, operate and maintain the luminaire and related equipment. Electrical service will be supplied from dusk to dawn. Service is subject to Cooperative's Rules and Regulations for Electric Service.

## MONTHLY RATE:

Standard Area/Street Light	Energy Charge Equipment Charge	\$3.15 per light \$5.85 per light
Larger than Standard Area/Street Light*	Energy Charge Equipment Charge	\$5.08 per light \$9.42 per light

\*For existing lights only. No new lights of this type shall be installed.

## **INSTALLATION CHARGES:**

Applicable installation charges shall be in accordance with Cooperative's Schedule of Fees and Charges.

## CONDITIONS OF SERVICE:

The Cooperative shall maintain the lighting equipment in accordance with the Cooperative's Rules and Regulations for Electric Service.

## TAX ADJUSTMENTS:

Amount computed at the above monthly rate, as adjusted by application of the monthly Wholesale Power Cost Adjustment, shall be subject to any applicable taxes, assessments, fees, and/or surcharges legally imposed by any governmental authority. The Florida Gross Receipts Tax on electric utility service shall be separately stated in full on all bills.

(Continued on Sheet No. 12.11)

Issued by: Kenneth A. Cowen Interim General Manager Effective: November 1, 2011

FOURTH REVISED SHEET NO. 12.01 CANCELS THIRD REVISED SHEET NO. 12.01 THIRD REVISED SHEET NO. 12.01 **CANCELS SECOND REVISED SHEET NO. 12.01**  Formatted: Font: Book Antiqua Formatted: Font: Book Antiqua

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#### MONTHLY RATE:

Standard Area/Street Light	Energy Charge	\$ <del>9.00 \$3.15</del> per light		Formatted: Font: Book Antiqua	
	Equipment Charge	\$5.85 per light		Formatted: Font: Book Antiqua	
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Larger than Standard Area/Street Light*	Energy Charge Equipment Charge	<mark>\$14.50 \$5.08</mark> per light \$9.42 per light	Formatted: Font: Book Antiqua		
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(Continued on Sheet No. 12.11)

Issued by:

John D. HewaKenneth A. Cowen		Formatted: Font: Book Antiqua
Interim General Manager	Effective: April 1, 2008 November 1, 2011	Formatted: Font: Book Antiqua
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