



# TALQUIN ELECTRIC COOPERATIVE, INC.

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Quincy: (850) 627-7651

August 19, 2013

Tallahassee: (850) 878-4414

**HAND-DELIVERED**

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

Dear Ms. Cole:

Talquin Electric Cooperative Board of Directors has adopted a modified Line Extension Policy effective September 1, 2013.

Enclosed are two (2) copies of the revised tariff sheets in the standard format and two (2) copies in the legislative format. This new policy reflects a current industry standard formula based approach rather than a flat amount.

Our intent is to implement this policy effective September 1, 2013 barring any unforeseen circumstances. During the review process should the staff have any questions, please do not hesitate to contact me ([eugenek@talquinelectric.com](mailto:eugenek@talquinelectric.com); 850-627-7651). I will be glad to answer any questions that you may have during that process.

It is my understanding that a formal approval of FPSC is not required in this matter. However, we would be happy to discuss any issues that you may wish to address.

Sincerely,

TALQUIN ELECTRIC COOPERATIVE, INC.

Eugene Kanikovsky  
Director of Financial Services

COM  
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Enclosures

cc: Steve Shurbutt, GDS Associates, Inc.

TALQUIN ELECTRIC COOPERATIVE, INC.

(Continued from page 4.1)

Line Extension

Consistent with Rural Utilities Service, USDA bulletin 7CFR 1710.103, electric service shall be made available to the largest possible number of customers in the Cooperative's service area. The Cooperative shall serve consumers within its service area to the maximum practicable extent at the rates and minimum charges established in standard rate schedules and without payment such consumers (other than seasonal or temporary consumers) of any contribution in aid of construction. This area coverage policy shall be applicable to as many consumers within the Cooperative's area as possible.

TECI will share the line extension costs of construction of a TECI approved project, up to a capped amount, based upon the following formula. This will apply to both permanent residential services and small commercial services up to 300KW

Total CIAC will be determined in the following manner:

**Non Demand Applicants**

*CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base)] - Engineering Fee*

**Demand Applicants**

*CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base) + (estimated monthly KW X current monthly demand rate)] - Engineering Fee*

TALQUIN ELECTRIC COOPERATIVE, INC.

(Continued from page 4.1)

Service Item

Amount of Charge

For loads like camps, seasonal homes, signs barns, pumps etc., Total CIAC will be determined in the following manner:

**Non Demand Applicants**

***CIAC = estimated costs of construction -  
4X[(estimated kWh annual usage) X (current  
energy rate - PCA rate base)] - Engineering  
Fee***

**Demand Applicants**

***CIAC = estimated costs of construction -  
4X[(estimated kWh annual usage) X (current  
energy rate - PCA rate base) + (estimated  
monthly KW X current monthly demand rate)]  
- Engineering Fee***

Temporary line extensions for short-term use such as carnivals, fairs, parties, special promotions, construction and removal costs less salvage

General Service Demand - Loads Greater than 300 KW All services of this type will be evaluated by the Cooperative on an individual basis.

Marinas and other marine structures will be served from a shore based delivery point only. No Cooperative facilities will be mounted on marine type structures.

In cases where line extensions are required to serve developing areas, the Developer(s) will be required to pay 100% of the cost for installing the required facilities (labor, overhead and material).



TALQUIN ELECTRIC COOPERATIVE, INC.

(Continued from page 4.1)

Line Extension

Consistent with Rural Utilities Service, USDA bulletin 7CFR 1710.103, electric service shall be made available to the largest possible number of customers in the Cooperative's service area. The Cooperative shall serve consumers within its service area to the maximum practicable extent at the rates and minimum charges established in standard rate schedules and without payment such consumers (other than seasonal or temporary consumers) of any contribution in aid of construction. This area coverage policy shall be applicable to as many consumers within the Cooperative's area as possible.

TEC will share the line extension costs of construction of a TEC approved project, up to a capped amount, based upon the following formula. This will apply to both permanent residential services and small commercial services up to 300KW

Total CIAC will be determined in the following manner:

Non Demand Applicants

CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base)] - Engineering Fee

Demand Applicants

CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base) + (estimated monthly KW X current monthly demand rate)] - Engineering Fee

~~Permanent residences requiring more than 1,000 feet of primary line construction shall contract for increased monthly minimum bills for a five year period which is calculated as the standard rate schedule monthly minimum charge plus 2% construction costs over 1,000 feet. Permanent residences requiring more than 3,500 feet of primary line construction shall~~

pay a CIAC equal to the line construction costs  
over 3,500 feet in  
addition to the increased monthly minimum  
described above.

~~(Continued on Sheet No. 4.1.1)~~

TALQUIN ELECTRIC COOPERATIVE, INC.

(Continued from Sheet No. 4.1)

Service Item

Amount of Charge

For loads like camps, seasonal homes, signs, barns, pump, etc., Total CIAC will be determine in the following manner:

Non Demand Applicants

CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base)] - Engineering Fee

Demand Applicants

CIAC = estimated costs of construction - 4X[(estimated kWh annual usage) X (current energy rate - PCA rate base) + (estimated monthly KW X current monthly demand rate)] - Engineering Fee

~~requiring line construction at less than 500 feet, the required contract shall be for increased monthly minimum bills for a five-year period, which is calculated as twice the standard rate schedule monthly minimum charge. Such loads requiring more than 500 feet of primary line construction shall pay a CIAC which equals all construction costs over 500 feet in addition to the increased monthly minimum described above.~~

Temporary line extensions for short term events or operations such as carnivals, fairs, etc., construction and removal costs less salvage.

General Service Demand - Loads Greater than 300 KW All services of this type will be evaluated by the Cooperative on an individual basis.

Marinas and other marine structures will be served from a shore based delivery point only. No Cooperative facilities will be mounted on marine type structures.

~~In view of the wide variation in loads service requirements, investment required, and risks involved, service to commercial and industrial consumers shall be considered on an individual basis by the Cooperative. Such consideration shall be costs based and equitably protect the general body of rate payers against uneconomic line extensions.~~

~~In cases where line extensions are required to serve developing areas, the Developer (s) will be required to pay 100% of the cost for installing the required facilities (labor, overhead and material). Cooperative may elect to prorate the total line extension costs and CIAC's owed over the number of future consumers expected to connect to the line.~~

~~The CIAC may be waived in whole or part by the Cooperative.  
(Continued on Sheet No. 4.2)~~