

Jody Lamar Finklea, B.C.S.

General Counsel and Chief Legal Officer
Board Certified City, County and Local Government Lawyer

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VIA Electronic Filing

March 11, 2019

Florida Public Service Commission Carlotta S. Stauffer, Commission Clerk Office of the Commission Clerk 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: City of Quincy, Florida – Revised Tariff Sheets

Dear Ms. Stauffer:

This letter is submitted on behalf of the City of Quincy, Florida pursuant to Rules 25-9.05 through 25-9.071 of the *Florida Administrative Code*.

As has been the case with numerous Florida Panhandle cities, Hurricane Michael left behind great damage to the City of Quincy. In order to repair damages to its electrical infrastructure, the city has incurred significant debt which must be passed on to customers. A copy of the city's Ordinance No. 1102-2018 approving the storm recovery increase to various rate schedules is included with this filing.

Electronically filed are the city's following tariff sheets in legislative and final filing formats:

- a) Eighth Revised Sheet No. 7.0 Residential Service;
- b) Eighth Revised Sheet No. 8.0 General Service;
- c) Ninth Revised Sheet No. 9.0 General Service Demand, and
- d) Seventh Revised Sheet No. 10.0 General Service Large Demand.

Please contact our office if there are any questions.

Very truly yours, /s/ Jody Lamar Finklea General Counsel and Chief Legal Officer

REGULAR RESIDENTIAL SERVICE RATE SCHEDULE - RS

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory serviced by the city to individual (single-family) residences, apartments, farms or city service. This rate is not applicable to business houses, licensed boarding houses or rooming houses, or when advertised as such, educational institutions or apartment houses, except when the latter is served by a meter for each apartment. Single-phase motors used for residential purposes and rated at more than 7.5 hp may be connected only at the option of the city. All of All the electrical appliances to be served under this rate are subject to approval by the city.

CHARACTER OF SERVICE – Energy delivered under this schedule shall be alternating current, 60-hertz, single-phase, at a nominal 120/240 volts. The city may, at its option, provide three-phase, 120/240-volt service if and when readily available, but only where individual motors rated at 7.5 hp or larger are connected.

MONTHLY RATE:

Customer Charge

\$6.00 per meter

Flat Kilowatt-hour Charge

\$0.092411012 per kWh

(Includes added Temporary Hurricane Michael surcharge of \$.00879 per kWh)

MINIMUM CHARGE:

\$6.00 per meter, per month

TEMPORARY STORM RECOVERY CHARGE -

Recovery charge shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by subsequent ordinance of the city commission as may be determined necessary by the commission to fully accomplish the purposes of the adopted surcharge.

PURCHASED POWER COST ADJUSTMENT – The energy charge shall be increased 0.0106 cents/kWh for each increase of 0.100 cents/kWh or fraction thereof that is more than 3.8 cents per kWh in the average wholesale cost of purchased power to the City from all sources, including any fuel or other special adjustments. The energy adjustment shall be computed each month by the city and rounded to the nearest 0.01 cent/kWh.

TAX ADJUSTMENT – The rate and charges set forth herein shall be subject to proportional increases to compensate for any applicable new taxes or increases in existing taxes which may hereinafter be imposed by any state or federal taxing body.

Issued By: Mike Wade Jack L. McLean Jr.

2015 January 8, 2019

City Manager

Effective Date: November 1,

REGULAR RESIDENTIAL SERVICE RATE SCHEDULE - RS

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory serviced by the city to individual (single-family) residences, apartments, farms or city service. This rate is not applicable to business houses, licensed boarding houses or rooming houses, or when advertised as such, educational institutions or apartment houses, except when the latter is served by a meter for each apartment. Single-phase motors used for residential purposes and rated at more than 7.5 hp may be connected only at the option of the city. All the electrical appliances to be served under this rate are subject to approval by the city.

CHARACTER OF SERVICE – Energy delivered under this schedule shall be alternating current, 60-hertz, single-phase, at a nominal 120/240 volts. The city may, at its option, provide three-phase, 120/240-volt service if and when readily available, but only where individual motors rated at 7.5 hp or larger are connected.

MONTHLY RATE -

Customer Charge

\$6.00 per meter

Flat Kilowatt-hour Charge

\$0.1012 per kWh

(Includes added Temporary Hurricane Michael surcharge of \$.00879 per kWh)

MINIMUM CHARGE -

\$6.00 per meter, per month

TEMPORARY STORM RECOVERY CHARGE – Recovery charge shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by subsequent ordinance of the city commission as may be determined necessary by the commission to fully accomplish the purposes of the adopted surcharge.

PURCHASED POWER COST ADJUSTMENT – The energy charge shall be increased 0.0106 cents/kWh for each increase of 0.100 cents/kWh or fraction thereof that is more than 3.8 cents per kWh in the average wholesale cost of purchased power to the City from all sources, including any fuel or other special adjustments. The energy adjustment shall be computed each month by the city and rounded to the nearest 0.01 cent/kWh.

TAX ADJUSTMENT – The rate and charges set forth herein shall be subject to proportional increases to compensate for any applicable new taxes or increases in existing taxes which may hereinafter be imposed by any state or federal taxing body.

Issued By: Jack L. McLean Jr. City Manager

Effective Date: January 8, 2019

REGULAR GENERAL SERVICE RATE SCHEDULE – GS

AVAILABILITY – This schedule is applicable to electric service at a single metering point throughout the entire territory served by the city for all service other than residential service and security lights.

CHARACTER OF SERVICE – Service to be furnished under this schedule shall be alternating current, 60-hertz, single-phase, 120/240 volts, or three-phase at nominal 120/208, 120/240, or 277/480 volts, at the option of the city, depending upon the class of service available.

MONTHLY RATE -

Customer Charge Flat Kilowatt-hour Charge

\$16.62 per meter \$0.0931910200 per kWh

Effective Date: November 1 January

(Includes added Temporary Hurricane Michael surcharge of \$.00881 per kWh)

MINIMUM CHARGE -

\$16.62 per meter, per month

TEMPORARY STORM RECOVERY CHARGE - Recovery charge shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by subsequent ordinance of the city commission as may be determined necessary by the commission to fully accomplish the purposes of the adopted surcharge.

PURCHASED POWER COST ADJUSTMENT – The energy charge shall be increased 0.0106 cents/kWh for each increase of 0.100 cents/kWh or fraction thereof that is more than 3.8 cents per kWh in the average wholesale cost of purchased power to the city from all sources, including any fuel or other special adjustments. The energy adjustment shall be computed each month by the city and rounded to the nearest 0.01 cent/kWh.

TAX ADJUSTMENT – The rate and charges set forth herein shall be subject to proportional increases to compensate for any applicable new taxes or increases in existing taxes which may hereinafter be imposed by any state or federal taxing body.

Issued By: Mike WadeJack L. McLean Jr.

8, 20159

REGULAR GENERAL SERVICE RATE SCHEDULE – GS

AVAILABILITY – This schedule is applicable to electric service at a single metering point throughout the entire territory served by the city for all service other than residential service and security lights.

CHARACTER OF SERVICE – Service to be furnished under this schedule shall be alternating current, 60-hertz, single-phase, 120/240 volts, or three-phase at nominal 120/208, 120/240, or 277/480 volts, at the option of the city, depending upon the class of service available.

MONTHLY RATE -

Customer Charge Flat Kilowatt-hour Charge \$16.62 per meter \$0.10200 per kWh

(Includes added Temporary Hurricane Michael surcharge of \$.00881 per kWh)

MINIMUM CHARGE -

\$16.62 per meter, per month

TEMPORARY STORM RECOVERY CHARGE - Recovery charge shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by subsequent ordinance of the city commission as may be determined necessary by the commission to fully accomplish the purposes of the adopted surcharge.

PURCHASED POWER COST ADJUSTMENT – The energy charge shall be increased 0.0106 cents/kWh for each increase of 0.100 cents/kWh or fraction thereof that is more than 3.8 cents per kWh in the average wholesale cost of purchased power to the city from all sources, including any fuel or other special adjustments. The energy adjustment shall be computed each month by the city and rounded to the nearest 0.01 cent/kWh.

TAX ADJUSTMENT – The rate and charges set forth herein shall be subject to proportional increases to compensate for any applicable new taxes or increases in existing taxes which may hereinafter be imposed by any state or federal taxing body.

Issued By: Jack L. McLean Jr.

City Manager

Effective Date: January 8, 2019

REGULAR GENERAL SERVICE DEMAND RATE SCHEDULE - GSD

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory served by the city to those customers having billing demands not less than 50kW when, but only when, all electric service on a given customer's premises, other than security lights, is taken and paid for under this rate schedule at a single metering point.

MONTHLY RATE:

Customer Charge

\$60.45 per meter

Demand Charge

\$ 7.508.2125 per kW of demand

Energy Charge

\$0.0557406100 per kW of demand

Flat Rate kWh charge

(Includes added Temporary Hurricane Michael energy surcharge of \$.00526, flat rate per kWh, and a demand charge of \$.7125 per kW of demand)

MINIMUM CHARGE - \$60.45 per meter, plus the currently effective demand charge

TEMPORARY STORM RECOVERY CHARGE - Recovery charges shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by a subsequent ordinance of the commission as may be determined necessary by the commission to fully accomplish the purposes of the surcharges adopted hereby.

TERMS AND CONDITIONS OF SERVICE -

Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service.

Customers taking service under another city rate schedule who elect to transfer to this rate must remain on this rate for a minimum term of twelve (12) months unless disconnected by the city under applicable rules.

Where special equipment to serve the customer is required, the city may require a specified term of service contract or a non-refundable contribution in aid of construction.

Service will be available at a single voltage 60-hertz, normally 120/240 volts, three-phase, open delta, 240 volts three-phase, 120/208 volts three-phase, or 277/480 volts three-phase, at the option of the city. Loads may be served at other three-phase voltages, at the option of the city.

(Continued Sheet No. 9.1)

Issued By: Mike WadeJack L. McLean Jr.

Effective Date: November

4January 8, 20159

REGULAR GENERAL SERVICE DEMAND **RATE SCHEDULE - GSD**

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory served by the city to those customers having billing demands not less than 50kW when, but only when, all electric service on a given customer's premises, other than security lights, is taken and paid for under this rate schedule at a single metering point.

MONTHLY RATE -

Customer Charge

\$60.45 per meter

Demand Charge

\$ 8.2125 per kW of demand

Energy Charge

\$0.06100 per kW of demand

Flat Rate kWh charge

(Includes added Temporary Hurricane Michael energy surcharge of \$.00526, flat rate per kWh, and a demand charge of \$.7125 per kW of demand)

MINIMUM CHARGE - \$60.45 per meter, plus the currently effective demand charge

TEMPORARY STORM RECOVERY CHARGE - Recovery charges shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by a subsequent ordinance of the commission as may be determined necessary by the commission to fully accomplish the purposes of the surcharges adopted hereby.

TERMS AND CONDITIONS OF SERVICE -

Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service.

Customers taking service under another city rate schedule who elect to transfer to this rate must remain on this rate for a minimum term of twelve (12) months unless disconnected by the city under applicable rules.

Where special equipment to serve the customer is required, the city may require a specified term of service contract or a non-refundable contribution in aid of construction. Service will be available at a single voltage 60-hertz, normally 120/240 volts, three-phase, open delta, 240 volts three-phase, 120/208 volts three-phase, or 277/480 volts three-phase, at the option of the city. Loads may be served at other three-phase voltages, at the option of the city.

(Continued Sheet No. 9.1)

Issued By:

Jack L. McLean Jr.

Effective Date: January 8, 2019

REGULAR GENERAL SERVICE - LARGE DEMAND RATE SCHEDULE - GSLD

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory served by the city to those customers having a billing demand of 2,000 kW or more, and who have requested service at a primary distribution voltage of 7.2/12.47 kV. Service is to be provided at the option of the city.

MONTHLY RATE -

Customer Charge

\$120.90 per meter

Demand Charge

\$ 7.508.2125 per kW of demand

Energy Charge

Flat Rate Kilowatt-hour charge

\$0.04938.05410 per kW of demand

(Includes added Temporary Hurricane Michael energy surcharge of \$.00472, flat rate per kWh, and a demand charge of \$.7125 per kW)

MINIMUM CHARGE -

\$120.90 per meter, plus the currently effective demand charge

TEMPORARY STORM RECOVERY CHARGE - Recovery charges shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by a subsequent ordinance of the commission as may be determined necessary by the commission to fully accomplish the purposes of the surcharges adopted hereby.

TERMS AND CONDITIONS OF SERVICE -

Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service.

Customer taking service under another city rate schedule who elects to transfer to this rate must remain on this rate for a minimum term of twelve (12) months unless disconnected by the city under applicable rules.

Where special equipment to serve the customer is required, the city may require a specified term of service contract or a nonrefundable contribution in aid of construction.

Service shall be at available at 7.2/12.4y kV, 3-phase, 4-wire wye, 60-hertz, at the option of the city.

(Continued on Sheet No. 10.1)

Issued By: Mike Wade Jack L. McLean Jr.

Effective Date: November 1 January 8,

20158

REGULAR GENERAL SERVICE - LARGE DEMAND RATE SCHEDULE - GSLD

AVAILABILITY – This schedule is applicable to electric service throughout the entire territory served by the city to those customers having a billing demand of 2,000 kW or more, and who have requested service at a primary distribution voltage of 7.2/12.47 kV. Service is to be provided at the option of the city.

MONTHLY RATE -

Customer Charge

\$120.90 per meter

Demand Charge

\$ 8.2125 per kW of demand

Energy Charge

Flat Rate Kilowatt-hour charge

\$0.05410 per kW of demand

(Includes added Temporary Hurricane Michael energy surcharge of \$.00472, flat rate per kWh, and a demand charge of \$.7125 per kW)

MINIMUM CHARGE -

\$120.90 per meter, plus the currently effective demand charge

TEMPORARY STORM RECOVERY CHARGE - Recovery charges shall become effective on the first billing cycle of the first month following the effective date of Ordinance 1102-2018 and shall remain in effect until January 31, 2023, unless extended or terminated earlier by a subsequent ordinance of the commission as may be determined necessary by the commission to fully accomplish the purposes of the surcharges adopted hereby.

TERMS AND CONDITIONS OF SERVICE -

Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service.

Customer taking service under another city rate schedule who elects to transfer to this rate must remain on this rate for a minimum term of twelve (12) months unless disconnected by the city under applicable rules.

Where special equipment to serve the customer is required, the city may require a specified term of service contract or a nonrefundable contribution in aid of construction.

Service shall be at available at 7.2/12.4y kV, 3-phase, 4-wire wye, 60-hertz, at the option of the city.

(Continued on Sheet No. 10.1)

Issued By: Jack L. McLean Jr.

City Manager

Effective Date: January 8, 2018

ORDINANCE NO. 1102-2018

AN ORDINANCE OF THE CITY OF QUINCY, FLORIDA ENACTING A ELECTRIC UTILITY RATE SURCHARGE RELATING TO RECOVERY FROM HURRICANE MICHAEL: RECITING AUTHORITY; MAKING FINDINGS RELATED TO THE PURPOSE OF THIS ORDINANCE; AUTHORIZING THE ENACTMENT OF AN ELECTRIC UTILITY STORM RECOVERY SURCHARGE FOR THE PURPOSE OF PAYING FOR REPAIR, RESTORATION AND RELATED COSTS INCURRED FROM HURRICANE MICHAEL, INCLUDING (1) THE REPAYMENT OF ANY RELATED INTERIM OR OTHER FINANCING ARRANGEMENT, (2) THE UPGRADING OF THE ELECTRIC SYSTEM TO BE MORE HURRICANE RESISTANT, AND (3) ESTABLISHING A STORM RESERVE FUND; PROVIDING FOR THE CARRYING OUT OF OTHER RELATED MATTERS: PROVIDING FOR CONFLICTS AND SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

SECTION 1. AUTHORITY.

This Ordinance No. 1102-2018 (hereinafter called the "Ordinance") is enacted pursuant to the City Charter, provisions of Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS.

It is hereby ascertained, found, determined and declared by the City Commission of the City of Quincy, Florida, that:

WHEREAS, the City of Quincy, Florida, (the "City") desires to establish electric rates, charges, and fees by ordinance; and

WHEREAS, on October 10, 2018, Hurricane Michael, a category 4 hurricane, made landfall on the northern Gulf Coast of Florida, moving inland to the north, and causing extensive damage to the City's electric grid and leaving approximately 4,750 customers without electricity for more than one week; and

WHEREAS, the City proceeded to expeditiously to repair the City electrical system and restore power to the City's customers, incurring significant unanticipated costs through employment of resources from other electric utilities through a mutual aid agreement; and

WHEREAS, although the City expects to be reimbursed form the Federal Emergency Management Agency (FEMA) and the State of Florida the majority of these costs, and possibly the entire cost, the City expects that it will be an extended period of time before such reimbursement is completed, requiring that interim financing be obtained; and

WHEREAS, the City has identified the need to make certain identified upgrades/improvements to the electric system to make the system more resistant to damage from future hurricane events; and

WHEREAS, the City Commission has determined that it is necessary to enact a temporary electric utility rate surcharge to finance (1) the cost of obtaining a loan financing costs of repair and restoration of the electric system from damage by Hurricane Michael, (2) to pay for upgrading the electric system to make the system more resistant to future damage by hurricanes and (3) to establish a storm reserve fund to insure that, in the future, funds will be available to pay for repair and restoration of the electric system in the aftermath of a hurricane; and

WHEREAS, the City Commission has determined that the rate adjustment as effectuated hereby will result in rates which are reasonable, equitable and in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF QUINCY, FLORIDA, as follows:

SECTION 3. RATE ADJUSTMENT AND APPROVAL OF STORM RECOVERY SURCHARGE.

The City Commission hereby adopts the findings provided above in Section 2 herein above as the factual basis and its intent in adopting this Ordinance.

The City Commission of the City of Quincy hereby approves the adjustments to the electric rates of the City of Quincy and the enactment of a storm recovery surcharge on all electric customers of the City as provided for in Exhibit A. The storm recovery surcharge imposed by this Ordinance shall become effective on the first billing cycle of the first month following the effective date of this Ordinance and shall remain in effect

Until January 31, 2023, unless extended or earlier terminated by subsequent ordinance of the City Commission, as may be determined necessary by the City Commission to fully accomplish the purposes of the surcharge adopted hereby.

SECTION 4. OTHER MATTERS.

The Mayor and the City Manager are hereby authorized and directed to take such actions as they may deem necessary or appropriate in order to implement the provisions of this Ordinance, including the execution of related documents or instruments. All action taken to date by the aforementioned officers of the City in furtherance of this Ordinance is hereby approved, confirmed and ratified.

SECTION 5. CONFLICTS AND SEVERABILITY.

- (1) All resolutions or ordinances, or parts thereof, of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.
- (2) If any Section or any portion of a Section of this Ordinance proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other Section or part of this Ordinance.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its enactment.

INTRODUCED in open session of the City Commission of the City of Quincy, Florida on the 11th day of December, 2018.

[Signature page follows]

APPROVED:

Angela/G. Sapp, Mayor and Presiding
Officer of the City Commission and of the
City of Quincy, Florida

City of Quilicy, Florida

ATTEST:

By: Betty Powell

Acting Clerk of the City of Quincy and Acting Clerk to the Commission thereof

APPROVED AS TO FORM AND LEGALITY:

Scott Shirley, City Attorney

ORDINANCE NO. 1102-2018

EXHIBIT A

CITY OF QUINCY ELECTRIC RATES AND STORM RECOVERY SURCHARGE

City of Quincy Code of Ordinances Chapter 74, Article VI, Electric System, Division 2, Rates and Charges, is hereby amended as follows:

Sec. 74-177. Residential electric service rate schedule.

- (a) and (b), no change.
- (c) Monthly rate.
 Customer charge, per meter . . . \$6.00
 Flat rate, per kwh 09241

Temporary Hurricane Michael Surcharge: flat rate, per kwh .00879. This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(d), (e) and (f), no change.

Sec. 74-178. General service electric rate schedule.

- (a) and (b), no change.
- (c) Monthly rate.

Customer charge, per meter . . . \$16.62

Flat rate, per kwh 09319

Temporary Hurricane Michael Surcharge: flat rate, per kwh . .00881. This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(d), (e) and (f), no change.

Sec. 74-179. Regular general service demand rate schedule.

(a), no change.

- (b) Monthly rate.
 - (1) Customer charge, per meter . . . \$60.45
 - (2) Demand charge, per kw of demand . . . 7.50
 - (3) Energy charge, flat rate per kilowatt-hour charge, per kw of demand 05574

Temporary Hurricane Michael Surcharge: energy charge, flat rate per kilowatt-hour charge 00526, per kw of demand .7125. This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(c) - (h), no change.

Sec. 74-180. Regular general service demand, large demand rate schedule.

- (a), no change.
- (b) Monthly rate.
 - (1) Customer charge, per meter . . . \$ 120.90
 - (2) Demand charge, per kw of demand . . . 7.50
 - (3) Energy charge, flat rate per kilowatt-hour charge, per kw of demand 04938

Temporary Hurricane Michael Surcharge: energy charge, flat rate per kilowatt-hour charge .00472, per kw of demand .7125. This surcharge shall begin and terminate as provided in Ordinance No 1102-2018.

(c) - (h), no change.