

July 24, 2014

To: Herb Firsching
Interim Director of Customer Operations
Gainesville Regional Utilities
PO Box 490
Station A117
Gainesville, FL 32627

From: Jim Konish, Esquire

§166.235 REFUND REQUEST

I, James Konish, as attorney for Freaky Baby, Inc, , Post Office Box 6020, Gainesville Florida 32627, hereby **DEMAND** a refund of overcharges for the §166.231, Fla. Stat. (2013) “Public Service Tax”, hereinafter referred to as the “Local Utility Tax” for each GRU (Gainesville Regional Utility) Account described in Item 1.

The reasons for these claims that Local Utility Tax amounts were paid that were not due to any municipal or County Government are:

A. ELECTRIC WITHIN GAINESVILLE CITY LIMITS: NON RESIDENTIAL

§166.231(1)(a), Fla. Stat. (2013) provides: “... The tax shall be levied only upon purchases ...”. “Purchase of electricity means the purchase of electric power by a person who will consume it ...”.

The current GRU Non Residential Rate Schedule (Item 2) describes the “Customer Charge” as “... a fixed customer charge ... whether or not any consumption is used”.

Violation #1: Since the GRU “Customer Charge” is not a “purchase”, it is not subject to the §166.231 10% Local Utility Tax.

Secondly, GRU has applied the §166.231 10% Local Utility Tax to the State of Florida §203.01, Fla. Stat. (2013) Gross Receipts Tax, which is first applied at a pre-pyramided rate of 2.5641%.

Violation #2: The §203.01 State of Florida Gross Receipts Tax is not a “purchase”. There is no authority in §166.231 for the §166.231 Local Utility Tax to be applied to any other tax. In fact, §203.01(4) and Florida Dept. of Revenue (DOR) Rule 12B-6.001(4) expressly prohibit such pyramiding with the State of Florida Gross Receipts Tax and any other tax.

Moreover, §166.231, Fla. Stat. (2013) expressly prohibits application of the Local Utility Tax to “any fuel adjustment charges”. “The term 'fuel adjustment charge' means all increases in the cost of utility services to the ultimate customer resulting from an increase in the cost of fuel ...”.

Since the §203.01 State of Florida Gross Receipts Tax applies to the “fuel adjustment charge”, GRU application of the §166.231 Local Utility Tax to the §203.01 Gross Receipts Tax results in an expressly prohibited local taxation of 2.5641% of the “Fuel Adjustment Charge”.

Finally, the impermissible local §166.231 taxation of the Customer Charge, the §203.01 Gross Receipts Tax (and 2.5641% of the Fuel Adjustment Charge) yields an effective tax rate between 13.5% & 16% - well above the §166.231(1)(a), Fla. Stat. (2013) “Shall not exceed 10%” rate.

B. GAS WITHIN GAINESVILLE CITY LIMITS: NON RESIDENTIAL

As with electricity, the gas Customer Charge is impermissibly subjected to the §166.231 Local Utility Tax. The same §166.231 provisions apply as with the electric customer charge. The same problems apply with a significant difference. GRU **DOES NOT** apply the §166.231 Local Utility Tax to the §203.01 Gross Receipts Tax on its gas sales.

**C. WATER WITHIN GAINESVILLE CITY LIMITS: NON
RESIDENTIAL**

As with electricity and gas, the water customer charge is impermissibly subjected to the §166.231 Local Utility Tax. The same §166.231 provisions apply. The same problems apply. There is no §203.01 State Gross Receipts Tax on water purchases.

Respectfully Submitted,

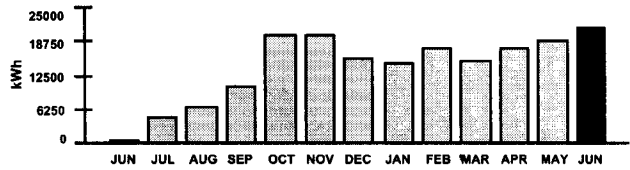
James Konish
Fla. Bar No 029287
Post Office Box 6020
Gainesville, Florida 32627
Attorney For
Freaky Baby, Inc.

Account #	Name	Date	Electric on bill	Corrected Electric	Electric Overcharge	Gas on bill	Corrected Gas	Gas Overcharge	Water on bill	Corrected Water	Water Overcharge	Total Overcharge
2000-1230-2597	Freaky Baby Inc	7/8/2014	\$ 1,331.22	\$	\$ 5.94	\$ 174.60	\$	\$ 4.00	\$ 97.99	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	6/6/2014	\$ 1,257.88	\$	\$ 5.78	\$ 195.23	\$	\$ 4.00	\$ 118.05	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	5/7/2014	\$ 1,131.34	\$	\$ 5.50	\$ 187.06	\$	\$ 4.00	\$ 108.02	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	4/7/2014	\$ 942.47	\$	\$ 5.08	\$ 177.08	\$	\$ 4.00	\$ 108.02	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	3/7/2014	\$ 1,003.20	\$	\$ 5.22	\$ 187.08	\$	\$ 4.00	\$ 108.02	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	2/7/2014	\$ 1,120.17	\$	\$ 5.48	\$ 199.79	\$	\$ 4.00	\$ 118.05	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	1/8/2014	\$ 886.35	\$	\$ 4.96	\$ 195.25	\$	\$ 4.00	\$ 118.05	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	12/6/2013	\$ 1,343.55	\$	\$ 5.97	\$ 265.12	\$	\$ 4.00	\$ 172.38	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	11/7/2013	\$ 1,499.44	\$	\$ 6.30	\$ 285.10	\$	\$ 4.00	\$ 182.41	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	10/7/2013	\$ 1,490.48	\$	\$ 6.28	\$ 249.69	\$	\$ 4.00	\$ 162.35	\$	\$ 0.90	\$
2000-1230-2597	Freaky Baby Inc	9/9/2013	\$ 1,751.17	\$	\$ 6.43	\$ 284.75	\$	\$ 3.50	\$ 219.60	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	8/7/2013	\$ 1,505.19	\$	\$ 5.89	\$ 277.48	\$	\$ 3.50	\$ 219.60	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	7/8/2013	\$ 1,488.88	\$	\$ 5.87	\$ 283.84	\$	\$ 3.50	\$ 209.67	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	6/7/2013	\$ 1,671.98	\$	\$ 6.27	\$ 340.50	\$	\$ 3.50	\$ 259.30	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	5/7/2013	\$ 1,419.99	\$	\$ 5.72	\$ 310.51	\$	\$ 3.50	\$ 269.22	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	4/5/2013	\$ 1,080.50	\$	\$ 4.97	\$ 301.40	\$	\$ 3.50	\$ 269.22	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	3/7/2013	\$ 1,096.50	\$	\$ 5.01	\$ 335.94	\$	\$ 3.50	\$ 279.15	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	2/7/2013	\$ 1,086.27	\$	\$ 4.99	\$ 319.59	\$	\$ 3.50	\$ 259.30	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	1/8/2013	\$ 1,027.41	\$	\$ 4.86	\$ 267.81	\$	\$ 3.50	\$ 249.37	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	12/6/2012	\$ 963.70	\$	\$ 4.72	\$ 265.05	\$	\$ 3.50	\$ 412.30	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	11/6/2012	\$ 1,052.30	\$	\$ 4.91	\$ 244.15	\$	\$ 3.50	\$ 308.92	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	10/5/2012	\$ 1,370.58	\$	\$ 5.61	\$ 255.07	\$	\$ 3.50	\$ 209.67	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	9/7/2012	\$ 1,949.79	\$	\$ 6.88	\$ 352.72	\$	\$ 3.50	\$ 300.88	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	8/7/2012	\$ 1,776.70	\$	\$ 6.50	\$ 301.20	\$	\$ 3.50	\$ 258.81	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	7/9/2012	\$ 1,620.36	\$	\$ 6.16	\$ 311.89	\$	\$ 3.50	\$ 249.29	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	6/7/2012	\$ 1,611.25	\$	\$ 6.14	\$ 307.74	\$	\$ 3.50	\$ 239.78	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	5/7/2012	\$ 1,377.06	\$	\$ 5.62	\$ 319.03	\$	\$ 3.50	\$ 277.84	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	4/6/2012	\$ 1,489.63	\$	\$ 5.87	\$ 359.58	\$	\$ 3.50	\$ 268.32	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	3/7/2012	\$ 1,250.44	\$	\$ 5.35	\$ 338.25	\$	\$ 3.50	\$ 258.81	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	2/7/2012	\$ 1,185.07	\$	\$ 5.20	\$ 337.18	\$	\$ 3.50	\$ 277.84	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	1/9/2012	\$ 1,201.02	\$	\$ 5.24	\$ 358.51	\$	\$ 3.50	\$ 239.78	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	12/7/2011	\$ 1,193.06	\$	\$ 5.21	\$ 327.25	\$	\$ 3.50	\$ 211.23	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	11/7/2011	\$ 1,289.84	\$	\$ 5.43	\$ 324.03	\$	\$ 3.50	\$ 230.26	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	10/7/2011	\$ 1,611.06	\$	\$ 6.13	\$ 360.39	\$	\$ 3.50	\$ 258.81	\$	\$ 0.87	\$
2000-1230-2597	Freaky Baby Inc	9/7/2011	\$ 1,620.72	\$	\$ 6.15	\$ 332.00	\$	\$ 3.50	\$ 208.40	\$	\$ 0.78	\$
2000-1230-2597	Freaky Baby Inc	8/5/2011	\$ 1,700.48	\$	\$ 6.33	\$ 315.45	\$	\$ 3.50	\$ 217.43	\$	\$ 0.78	\$
2000-1230-2597	Freaky Baby Inc	7/8/2011	\$ 1,689.81	\$	\$ 6.30	\$ 325.39	\$	\$ 3.50	\$ 217.43	\$	\$ 0.78	\$
					\$ 210.27			\$ 134.50			\$ 32.22	\$ 376.99

Item 1

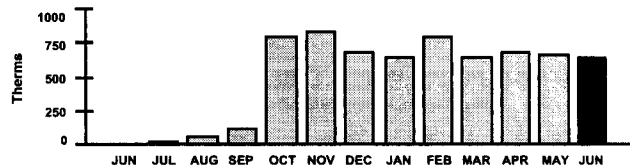
Electric Service Details

Meter Number	METER READING DATES Previous Present	Meter Read Type	Days of Service	METER READINGS Previous Present	Meter Multiplier	Electric Consumption	Peak Demand	Next Meter Read on or About	
E031571850	05/25/2013 06/25/2013	ACTUAL	32	39633 60704	1.00000	21,071 kWh	N/A	07/25/2013	
Description	Usage	Rate	Amount Billed						
ELECTRIC CUSTOMER CHARGE		\$ 26.00	\$ 26.00						
ENERGY USE, TIER 1 (1 - 1500 kWh)	1,500	\$ 0.0800	\$ 120.00						
ENERGY USE, TIER 2 (OVER 1500 kWh)	19,571	\$ 0.1080	\$ 2,113.66						
ELECTRIC FUEL ADJUSTMENT	21,071	\$ 0.0510	\$ 1,074.62						
FLORIDA GROSS RECEIPTS TAX			\$ 85.49						
GAINESVILLE ELEC UTIL TAX			\$ 234.52						
ELECTRIC STATE SALES TAX			\$ 239.38						
Total for Electric Service Details			\$ 3,893.67						



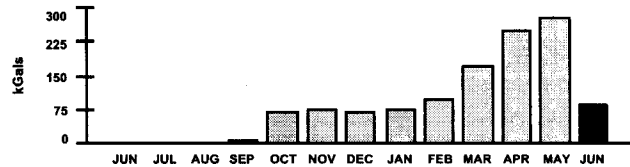
Gas Service Details

Meter Number	METER READING DATES Previous Present	Meter Read Type	Days of Service	METER READINGS Previous Present	Meter Multiplier	BTU Factor	Gas Consumption	Next Meter Read on or About	
G85669	05/25/2013 06/25/2013	ACTUAL	32	81196 81823	1.00000	1.01500	636 Therms	07/25/2013	
Description	Usage	Rate	Amount Billed						
NATURAL GAS CUSTOMER CHG		\$ 35.00	\$ 35.00						
NATURAL GAS USE	636	\$ 0.3430	\$ 218.15						
MANUFACTURED GAS PLANT REC	636	\$ 0.0505	\$ 32.12						
PURCHASED GAS ADJUSTMENT	636	\$ 0.4000	\$ 254.40						
FLORIDA GROSS RECEIPTS TAX			\$ 16.98						
GAINESVILLE GAS UTIL TAX			\$ 28.53						
GAS STATE SALES TAX			\$ 33.40						
Total for Gas Service Details			\$ 618.58						



Water and Wastewater Service Details

Meter Number	METER READING DATES Previous Present	Meter Read Type	Days of Service	METER READINGS Previous Present	Meter Multiplier	Water Consumption	Wastewater Consumption	Next Meter Read on or About	
W49914988	05/25/2013 06/25/2013	ACTUAL	32	3647 3735	1.00000	88 kGals	84 kGals	07/25/2013	
Description	Usage	Rate	Amount Billed						
WATER CUSTOMER CHARGE		\$ 8.70	\$ 8.70						
WATER USE	88	\$ 3.7500	\$ 330.00						
GAINESVILLE WATER UTIL TAX			\$ 33.87						
WASTEWATER CUSTOMER CHARGE		\$ 7.40	\$ 7.40						
WASTEWATER BILLING	84	\$ 5.8000	\$ 487.20						
Total for Water and Wastewater Service Details			\$ 867.17						



*Tree: Please note
how your electric rates
dropped on the next bill
due to the reclassification
of your account*

*This Bill:
.185 kWh -
(.051 Fuel)*

Customer Inquiries

Customer Service	(352) 334-3434	Nationwide Toll-free Number	1-800-818-3436
Emergencies or Outages	(352) 334-2871	Stormwater Service	(352) 334-5070
		Solid Waste Service	(352) 334-2330

Payment Information

Make checks payable to GRU; return stub and check to: P.O. Box 147051, Gainesville, FL 32614-7051. You may also pay your bill online, by phone at 1-866-269-2881 or at a convenient location in your neighborhood. Visit www.gru.com for details.

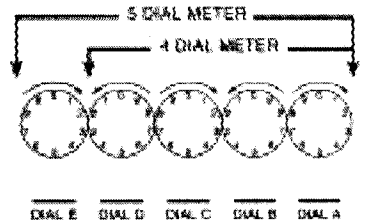
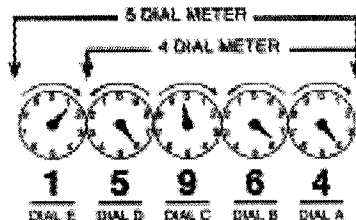
Lobby 8 AM - 5 PM: M, T, Th, F and 9 AM - 5 PM: W

Drive-thru 7:30 AM - 6 PM: M - F

Night depository payments will be posted the next business day if received after 3:30 PM weekdays.

HOW TO READ YOUR METER

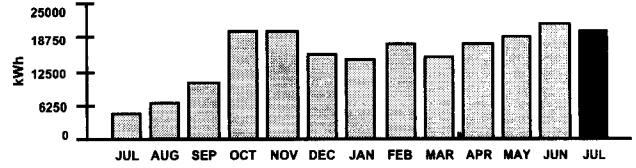
Read the dials from right to left (A-E). If the dial hand is between two numbers, use the lower number.



Electric Service Details

Meter Number	METER READING DATES		Meter Read Type	Days of Service	METER READINGS		Meter Multiplier	Electric Consumption	Peak Demand	Next Meter Read on or About
	Previous	Present			Previous	Present				
E016499891	07/01/2013	07/25/2013	ACTUAL	25	0	15829	1.00000	19,913 kWh	44 kW	08/26/2013
E031571850	06/26/2013	06/30/2013	ACTUAL	5	60704	64788	1.00000	19,913 kWh	N/A	08/26/2013

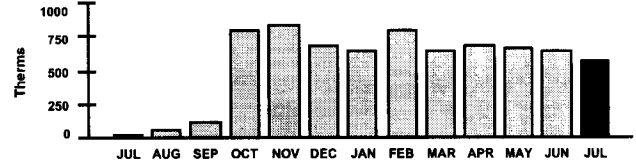
Description	Usage	Rate	Amount Billed
ELECTRIC CUSTOMER CHARGE		\$ 50.00	\$ 50.00
ENERGY USE	19,913	\$ 0.0510	\$ 1,015.56
ELECTRIC DEMAND	44	\$ 9.2500	\$ 407.00
ELECTRIC FUEL ADJUSTMENT	19,913	\$ 0.0510	\$ 1,015.56
FLORIDA GROSS RECEIPTS TAX			\$ 63.80
GAINESVILLE ELEC UTIL TAX			\$ 153.64
ELECTRIC STATE SALES TAX			\$ 178.63
Total for Electric Service Details			\$ 2,884.19



Gas Service Details

Meter Number	METER READING DATES		Meter Read Type	Days of Service	METER READINGS		Meter Multiplier	BTU Factor	Gas Consumption	Next Meter Read on or About
	Previous	Present			Previous	Present				
G85669	06/26/2013	07/25/2013	ACTUAL	30	81823	82393	1.00000	1.01500	579 Therms	08/26/2013

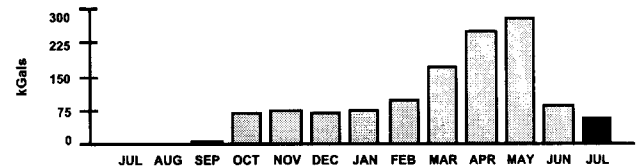
Description	Usage	Rate	Amount Billed
NATURAL GAS CUSTOMER CHG		\$ 35.00	\$ 35.00
NATURAL GAS USE	579	\$ 0.3430	\$ 198.60
MANUFACTURED GAS PLANT REC	579	\$ 0.0505	\$ 29.24
PURCHASED GAS ADJUSTMENT			\$ 231.60
FLORIDA GROSS RECEIPTS TAX			\$ 14.82
GAINESVILLE GAS UTIL TAX			\$ 26.28
GAS STATE SALES TAX			\$ 30.56
Total for Gas Service Details			\$ 566.10



Water and Wastewater Service Details

Meter Number	METER READING DATES		Meter Read Type	Days of Service	METER READINGS		Meter Multiplier	Water Consumption	Wastewater Consumption	Next Meter Read on or About
	Previous	Present			Previous	Present				
W49914988	06/26/2013	07/25/2013	ACTUAL	30	3735	3796	1.00000	61 kGals	58 kGals	08/26/2013

Description	Usage	Rate	Amount Billed
WATER CUSTOMER CHARGE		\$ 8.70	\$ 8.70
WATER USE	61	\$ 3.7500	\$ 228.75
GAINESVILLE WATER UTIL TAX			\$ 23.75
WASTEWATER CUSTOMER CHARGE		\$ 7.40	\$ 7.40
WASTEWATER BILLING	58	\$ 5.8000	\$ 336.40
Total for Water and Wastewater Service Details			\$ 605.00



*This Bill:
 .145 kWh
 (.051 Fuel)*

Customer Inquiries

Customer Service	(352) 334-3434	Nationwide Toll-free Number	1-800-818-3436
Emergencies or Outages	(352) 334-2871	Stormwater Service	(352) 334-5070
		Solid Waste Service	(352) 334-2330

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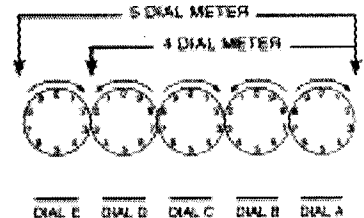
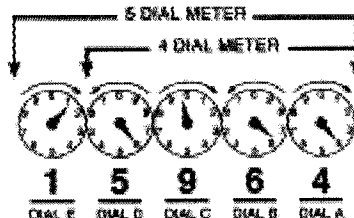
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Drive-thru7:30 AM - 6 PM: M - F

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FALR, Inc.

From: "Firsching, Herbert F" <FIRSCHINGHF@gru.com>
To: "FALR, Inc." <accts@falr.com>
Sent: Tuesday, August 19, 2014 9:01 AM
Subject: RE: Refund Request

Mr. Konish,

I am in receipt of your request and will get back with you on this, as well as the prior few soon.
Thanks for your patience!

Herb Firsching

Interim Director of Customer Operations
GRU Customer Operations
PO Box 147117, MS A117
Gainesville, FL 32614
(352) 393-1379

From: FALR, Inc. [mailto:accts@falr.com]
Sent: Monday, August 18, 2014 9:52 AM
To: Firsching, Herbert F
Subject: Refund Request

Please see attached documents for refund request.