Annual Drinking Water Quality Report

Talquin Electric Cooperative, Inc. is pleased to provide you with this year's Annual Water Quality Report. We want to keep you informed about the excellent water and services we have delivered to you over the past year. Our goal is, and always has been, to provide you a safe and dependable supply of drinking water. The water Talquin Electric provides to your community is acquired from the Town of Havana. The groundwater source is four deep wells. The wells draw from the Floridan Aquifer. Because of the excellent quality of our water, the only treatment required is chlorine for disinfection purposes.

The Town of Havana and Talquin Electric routinely monitor for contaminants according to federal and state laws. This table shows the results of our monitoring for the period January 1 to December 31, 2016. As authorized and approved by EPA, the state has reduced monitoring requirements for certain contaminants to less often than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Some of our data, though representative, are more than one year old.

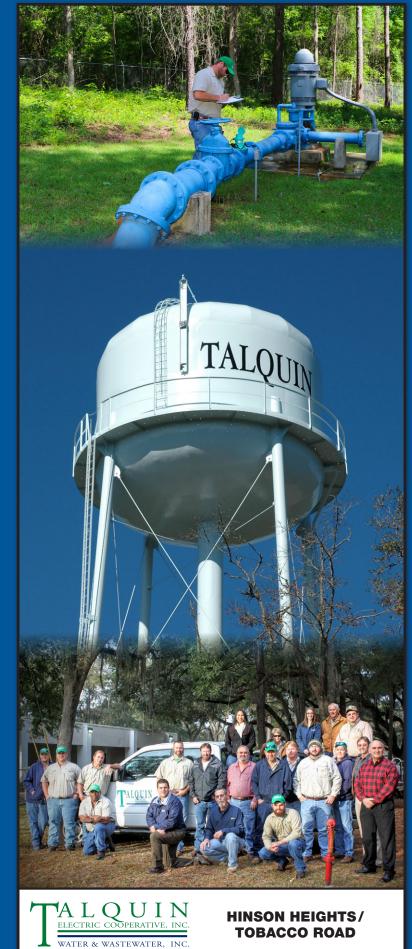
The source of drinking water (both tap water and bottled water) includes rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

We want our valued customers to be informed about their water utility. If you have any questions about this report or concerning your water utility, contact John Hallas, Talquin Electric's Manager of Water Services, at 850-562-2115. There are no regularly scheduled public meetings related to water services;

however, if you wish to meet with a Talquin Electric representative, please call Talquin Electric's water services at the number above to schedule an appointment.

Falquin Electric Cooperative





2016 WATER QUALITY REPORT

HINSON HEIGHTS / TOBACCO ROAD WATER SYSTEM TEST RESULTS TABLE

Dates of sampling MCL Violation Level MCLG MCL | Likely Source of Contamination Contaminant and Range of Unit of Measurement Results (mo./yr.) Detected Radioactive Contaminants (sampled by City of Havana) Alpha emitters (pCi/l) Mar2009&May2014 N 1.8 0.8-1.8 Erosion of natural deposits

Inorganic Contaminants (sampled by City of Havana)									
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.) MCL Violation Level Detected Range of Results MCLG MCL Likely Source of Contamin		Likely Source of Contamination						
Arsenic (ppb)	February 2014	N	1.4	ND-1.4	0	10	Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes		
Barium (ppm)	February 2014	N	0.033	0.023-0.033	2	2	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits		
Chromium (ppb)	Feburuary 2014	N	1.4	ND-1.4	100	100	Discharge from steel and pulp mills; erosion of natural deposits		
Fluoride (ppm)	February 2014	N	0.44	0.33-0.44	4	4.0	Erosion of natural deposits; discharge from fertilizer and aluminum factories. Water additive which promotes strong teeth when at the optimum level 0.7 ppm		
Lead (point of entry) (ppb)	February 2014	N	0.2	0.1-0.2	0	15	Residue from man-made pollution such as auto emissions and paint; lead pipe, casing, and solder		
Nickel (ppb)	February 2014	N	0.6	0.5-0.6	N/A	100	Pollution from mining and refining operations. Natural occurrence in soil		
Selenium (ppb)	February 2014	N	1.4	ND-1.4	50	50	Discharge from petroleum and metal refineries; erosion of natural deposits; discharge from mines		
Sodium (ppm)	February 2014	N	15	12-15	N/A	160	Salt water intrusion, leaching from soil		

Lead and Copper (Tap Water) for Hinson Heights (sampled by Talquin)										
Contaminant and Unit of Measurement Dates of sampling (mo./yr.) AL Exceeded Y/N Percentile Result No. of sampling sites exceeding the AL (Action Level) Likely source of contamination										
Copper (tap water) (ppm)	Jun-Sep. 2015	N	0.0695	0 of 5	1.3	1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives			

Lead and Copper (Tap Water) for Tobacco Road (sampled by Talquin)								
Copper (tap water) (ppm) Jun-Sep. 2	2015 N	0.0295	0 of 5	1.3	1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives		

Stage 2 Disinfectants and Disinfection By-Products for Hinson Heights (sampled by Talquin)									
Disinfectant or Contamination and Unit of Measurement	Dates of sampling (mo./yr.)	MCL or MRDL Violation Y/N	Level Detected	Range of Results	MCLG or MRDLG	MCL or MRDL	Likely source of contamination		
Chlorine (ppm) (Stage 1)	Jan Dec. 2016	N	0.9	0.8-1.0	MRDLG=4	MRDL=4.0	Water additive used to control microbes		
Haloacetic Acids (five)(HAA5)(ppb)	July 2015	N	7.28	N/A	N/A	MCL=60	By-product of drinking water disinfection		
TTHM [total trihalomethanes](ppb)	July 2015	N	27.26	N/A	N/A	MCL=80	By-product of drinking water disinfection		

Stage 2 Disinfectants and Disinfection By-Products for Tobacco Road (sampled by Talquin)									
Disinfectant or Contamination and Unit of Measurement	Dates of sampling (mo./yr.)	MCL or MRDL Violation Y/N	Level Detected	Range of Results	MCLG or MRDLG	MCL or MRDL	Likely source of contamination		
Chlorine (ppm) (Stage 1)	Jan Dec. 2016	N	0.9	0.7-1.0	MRDLG=4	MRDL=4.0	Water additive used to control microbes		
Haloacetic Acids (five)(HAA5)(ppb)	July 2015	N	6.93	N/A	N/A	MCL=60	By-product of drinking water disinfection		
TTHM [total trihalomethanes](ppb)	July 2015	N	25.38	N/A	N/A	MCL=80	By-product of drinking water disinfection		

In this table you will find many terms and abbreviations you might not be familiar with. To help you better understand these terms, we have provided the following definitions:

Maximum Contaminant Level or MCL: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Maximum Contaminant Level Goal or MCLG: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Maximum residual disinfectant level or MRDL: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that the addition of a disinfectant is necessary for control of microbial contaminants.

Maximum residual disinfectant level goal or MRDLG: The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLG's do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Non-detect or "ND" means not detected and indicates that the substance was not found by laboratory analysis.

Non applicable (n/a). Does not apply.

Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Parts per million (ppm) or Milligrams per liter (mg/l) – one part by weight of analyte to 1 million parts by weight of the water sample.

Parts per billion (ppb) or Micrograms per liter ($\mu g/l$) – one part by weight of analyte to 1 billion parts by weight of the water sample.

Picocurie per liter (pCi/l) - measure of the radioactivity in water. We monitored for Unregulated Contaminants (UCs) in 2014 as part of a study to help the U.S. Environmental Protection Agency (EPA) determine the occurrence in drinking water of UCs and whether or not these contaminants need to be regulated. At present, no health standards (for example, maximum contaminant levels) or likely sources have been established for UCs. We did not detect any of the UCs for which we tested. If you would like more information on the EPA's Unregulated Contaminants Monitoring Rule, please call the Safe Drinking Water Hotline at (800) 426-4791.

Many of our systems have a natural occurring trace of fluoride in the source water. No additional fluoride is added.

The water to your residence is provided from the City of Havana's four wells.

Contaminants that may be present in source water include:

- (A) Microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (B) Inorganic contaminants, such as salts and metals, which can be naturally occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (C)Pesticides and herbicides, which may come from a variety of sources such as agricultural, urban stormwater runoff, and residential uses.
- (D)Organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems.
- (E) Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities.

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Talquin Electric is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Water Hotline or http://www.epa.gov/safewater/lead.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. The Food and Drug Administration (FDA) regulations establish limits for contaminants in bottled water, which must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 1-800-426-4791.

MCLs are set at very stringent levels. To understand the possible health effects described for many regulated constituents, a person would have to drink 2 liters of water every day at the MCL for a lifetime to have a one-in-a-million chance of having the described health effect.

Thank you for allowing us to continue providing your family with clean, quality water this year. In order to maintain a safe and dependable water supply, we sometimes need to make improvements that will benefit all of our customers. These improvements are sometimes reflected as rate structure adjustments. Thank you for your understanding.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by cryptosporidium and other microbiological contaminants are available from the Safe Drinking Water Hotline at 1-800-426-4791.

In 2016 The Department of Environmental Protection performed a Source Water Assessment on the City of Havana's water system. The assessment was conducted to provide information about any potential sources of contamination in the vicinity of Havana's wells. There are two potential sources of contamination identified for this system, with low and moderate susceptibility levels. The assessment results are available on the FDEP Source Water Assessment and Protection website at www.dep.state.fl.us/swapp or they may be obtained from John Hallas at (850) 562-2115.

As you have reviewed the test results, you have seen the excellent quality of drinking water Talquin Electric has provided you in the past year. Talquin Electric's Board of Directors, Management and employees will continue to strive to provide an excellent quality of drinking water and service in the future.