

Regular Workshop – December 10, 2012
Agenda Item 7

Agenda Item: Florida Power & Light – Overhead to Underground Conversion

Presenter: Rae Dowling, Florida Power & Light Governmental Affairs
Coordinator

Summary: Rae Dowling will present information to the Commission
regarding FPL's program for overhead to underground
conversion.

Attachments: PowerPoint - Overhead to Underground Conversions

Recommended
Action: None, informational only.



FPL

Town of Longboat

Overhead to Underground Conversions

December 10, 2012

Topics:

- What are Overhead to Underground Conversions?
- Storm Secure
 - Encouraging Underground Facilities
 - Eligibility Criteria
 - CIAC Computation
- Conversion Process
- Questions

Overhead to Underground Conversions

- The removal of any existing overhead electrical facilities and replaced with electrical facilities placed underground.

aerial...



...to padmount



Storm Secure

- Four Point Program
 - Hardening the Electric Network - Adopt N.E.S.C. “extreme wind velocity” standards for new and upgraded poles
 - Line Clearing/ Vegetation Management –
 - Main lines (Feeder): Three year average cycle
 - Neighborhood lines (Lateral): Six year average cycle
 - Pole Inspections - Adopt an eight-year pole inspection and record keeping program
 - Encouraging Underground Facilities– Governmental Adjustment Factor (G.A.F) proposed, 25% of the base C.I.A.C, Contribution-in-Aid-of-Construction

Eligibility Criteria

- 3 pole line miles or minimum 200 detached dwelling units for the Conversion Area
- Local Governments must require all customers within the Conversion Area served by an overhead service to convert to and underground service within 6 months after completion of the UG facilities installation
- Easements required or the Local Governments must be willing and able to execute a Right-of-Way Agreement.
- No state or federal funds available to the Local Government to cover any portion of the cost of the Conversion.

CIAC Computation

- Contribution-In-Aid-Of-Construction (CIAC)
 - + New Underground
 - Hypothetical Equivalent New Overhead
 - + Existing Overhead - Net Book Value
 - + Existing Overhead - Removal
 - Existing Overhead - Salvage Value
 - CIAC due FPL (non-GAF)
 - GAF (25%)
 - CIAC due to FPL (GAF)

The CIAC formula does not include the following costs:

- **Undergrounding other utilities** (*e.g. Phone & CATV*)
- **Easements** (*describing, securing, recording, and opinion of title*)
- **Site Restoration** (*sod, landscaping, pavement, sidewalks, etc*)
- **Rearranging of customer electric service entrances** (*requires electrician*)
- **Trenching/backfilling for service laterals on private property**

All of the above are applicant responsibility and expense

Conversion Process

- Sequence of Events
 - Applicant provides written request to FPL
 - FPL provides non-binding ballpark estimate
 - Applicant secures easements and pays engineering deposit
 - FPL performs detailed engineering and determines cost
 - Engineering deposit applied to total cost if project proceeds

Responsibilities

- **FPL provides non-binding “ballpark” estimate, no charge**
(to help you decide whether to proceed or not)
- **FPL provides binding estimate for non-refundable deposit**
 - **Deposit amount = \$1.20/ft**
 - **Applied toward CIAC if contract signed within 180 days**
 - **Estimate is valid for 180 days**
 - **Estimate requires 10 to 16 weeks to produce**
(pending agreement on easement locations)
- **Applicant makes arrangements with other utilities**
- **Applicant arranges conversion of service entrances**



Questions



End of Agenda Item