

## Underground Wiring Project

**Background:** In the early fall of 2014 Florida Power and Light (FPL) made a presentation to residents of Punta Gorda Isles (PGI) on converting overhead wiring to underground wiring. Some Burnt Store Isles Association (BSIA) members also attended. While PGI decided the process too complex and costly, the BSIA members thought it worthy of investigation. They based their decision on the advantages of underground wiring having smaller voltage drops, lower chances of developing faults and power loss during storms, as well as lower maintenance costs. As a result, BSIA conducted surveys and held discussions with the BSIA residents, the City and FPL.

**Major Project Timelines:** The following are the major timeline events leading to the feasibility study of underground wiring for BSI. It does not include the numerous meetings, discussions, and emails that have taken place between BSIA, FPL and the City over the years.

Nov 2014	Survey to determine interest: 78 respondents, 64% in favor, 11% opposed, 35% no response
Dec 2014	BSIA established committee to investigate moving toward underground conversion
Dec 2014	BSIA requested FPL for an estimate to convert to underground wiring
Jan 2015	FPL provided a letter stating it would cost \$88K to conduct a study to determine conversion cost
Jan 2015	FPL gave a *"ballpark" estimate of \$9M for conversion allowing preliminary discussions with City.
Jan 2015	Jan 2015 to Jan 2016 BSIA communicated findings to BSIA members in mailings and meetings
Feb 2015	Survey to determine interest: 276 total respondents, 76% in favor, 24% opposed
Jan 2016	FPL provided sample switch cabinets and transformers to BSI residents at Presbyterian Church
Feb 2016	FPL gave requirements needed from the City to move forward with the study
May 2016	1244 Straw Ballots mailed to affected properties
Jun 2016	Deadline for Straw Ballot return: 830 ballots received, 430 yes (52%), 400 no (48%)
Dec 2016	FPL requested additional information from the City causing additional discussions and delay
Aug 2017	City provided all information necessary and sent 88K to FPL to start study
May 2018	City sent notice letter to affected property owners of meeting to challenge the \$75 assessment

\* Ballpark estimate may qualify for 25% waiver for local government sponsored projects.

**BSIA and City Relationship:** It should be noted that BSIA works in the interest of BSI residents on this project. However, the City of Punta Gorda is responsible for entering into a contract and managing the project directly with FPL. The residents of BSI are responsible to reimburse the City of Punta Gorda through property assessments for financial outlay to FPL on behalf of BSI residents.

The City paid \$88,000.00 to FPL for a feasibility study towards the end of 2017. The study is nearing completion. BSI property owners (including vacant lots) not already having underground wiring will be assessed \$75.00 in the 2019 property assessment cycle to reimburse the City.

**BSIA Underground Project versus FPL Pilot Program:** The City of Punta Gorda Staff recently reported receiving communication of a rumor that Florida Power & Light (FPL) plans to underground all electric lines in the state within 20 years, so why should the property owners in BSI consider their own project at this time. This is not accurate. Below is the response from FPL.....

"In May, FPL announced that we would be launching a three-year pilot to explore an underground power line initiative. This pilot will focus on how we can cost-effectively underground portions of neighborhood power lines to enhance reliability in good weather and bad. We are reviewing these power lines in all 35 counties we serve to determine which power lines would benefit the most from undergrounding to enhance overall reliability. Our staff has used a number of criteria to determine the best candidates for the pilot project, including:

- ✓ Outages during Hurricane Irma and other storms
- ✓ Outages due to vegetation issues
- ✓ The reliability of power lines in day-to-day operations.

There are **currently no pilot programs occurring within the City or Charlotte County**. Underground conversions projects, such as what Burnt Store Isles is considering, are different from the underground pilot project. For instance, when communities decide to initiate and pay for a conversion project, they are typically converting all overhead service lines in a given area, including FPL's main (feeder) and neighborhood (lateral) lines, as well as phone and cable service lines. This pilot project will only underground certain segments of neighborhood power lines to determine whether the company can cost effectively enhance reliability during good weather and bad by undergrounding these lines. The pilot program will provide us with important information on how all customers may benefit from the undergrounding of certain neighborhood lines. FPL's standard build cost is for overhead service. This is the cost built into our rate structure. In addition, we also offer the option for underground service. Since undergrounding is more expensive than overhead, the cost differential is borne by the customer making the request and not by FPL's customer base. For example, many residential subdivisions built by developers are served by underground lines. In these cases, the developers pay for the undergrounding and then recoup the cost per lot in the price of the home. For Burnt Store Isles, we are in the process of preparing preliminary underground design estimates. This is an overhead to underground conversion utilizing a program offered specifically to governmental entities; which, if certain criteria is met, gives a reduction in cost of 25%. BSI does meet the criteria and expressed interest to FPL and to the City in pursuing the possibility of undergrounding through this program. We have been working in conjunction with the City and BSI to provide information regarding this option. BSI plans to bring this information to the BSI community for a vote in 2019, and the estimates will be complete by that time."

**Moving Forward:** No conversion will move forward without another voting opportunity for all affected property owners. After completion of the study, property owners will be able to make a more informed decision about moving forward with underground wiring or remaining with overhead lines.