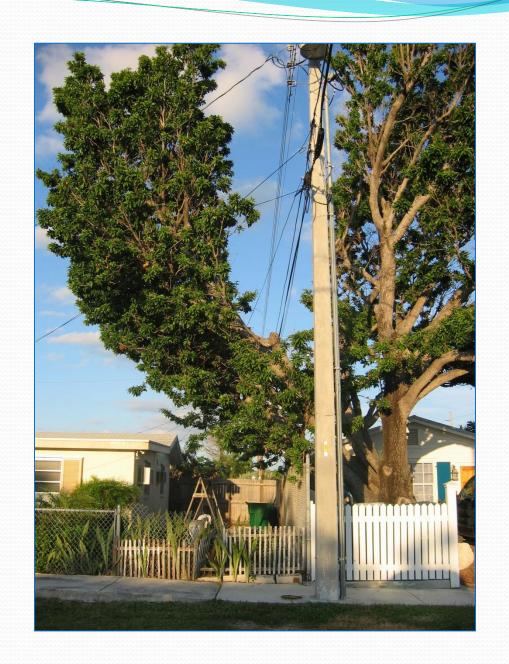


Inaccessible Facilities Project Phase 1

Key West City Commission April 3, 2012







Issue

• 2004 & 2005 Hurricane Seasons Led to PSC Order

25-6.0341 Location of the Utility's Electric Distribution Facilities.

- (1) In order to facilitate safe and efficient access for installation and maintenance, to the extent feasible and cost-effective, electric distribution facilities shall be placed adjacent to a public road, normally in front of the customer's premises.
- (2) For initial installation, expansion, rebuild, or relocation of overhead facilities, utilities shall use easements, public streets, roads and highways along which the utility has the legal right to occupy, and public lands and private property across which rights-of-way and easements have been provided by the applicant for service.
- (3) For initial installation, expansion, rebuild, or relocation of underground facilities, the utility shall require the applicant for service to provide easements along the front edge of the property, unless the utility determines there is an operational, economic, or reliability benefit to use another location.
- (4) For conversions of existing overhead facilities to underground facilities, the utility shall, if the applicant for service is a local government that provides all necessary permits and meets the utility's legal, financial, and operational requirements, place facilities in road rights-of-way in lieu of requiring easements.
- (5) Where the expansion, rebuild, or relocation of electric distribution facilities affects existing third-party attachments or the facilities of existing joint users, and will result in the relocation of such facilities to a new location adjacent to a public road, the utility shall notify and attempt in good faith to accommodate concerns raised by third-party attachers and joint users, including input and concerns related to the cost impacts of the proposed relocation on attaching entities. The electric utility shall also, to the extent practical, coordinate the construction of its facilities with the affected third-party attachers and joint users.
- (6) Any dispute or challenge related to the implementation of this rule by a customer, applicant for service, or attaching entity shall be resolved by the Commission.

Specific Authority 350,127(2), 366,05(1), FS, Law Implemented 366.04(2)(c), (5), (6), 366.05(1) FS. History–New 2-1-07.

Issue

- Utility Board & KEYS' Staff Agree with Order
 - Respect PSC's order
 - Reliability
 - Restoration Times
 - Safety



Concerns

- Cost
 - No cost solution available
 - \$2,100 rebate approved by Utility Board
 - Electrician Costs

Concerns

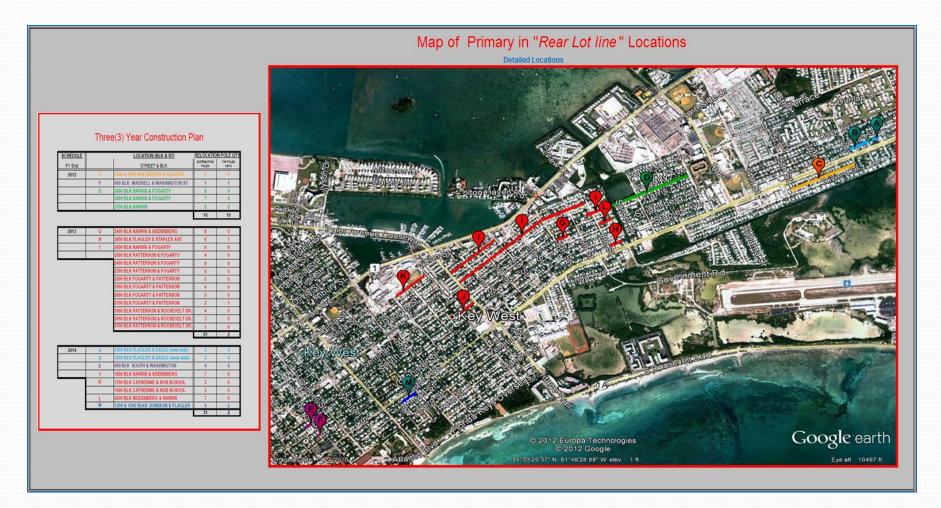
- Underground vs. Overhead
 - Cost prohibitive to KEYS & Customer
 - Transformer space required at ground-level



Concerns

- Telecom Lines
 - Hope to work with City to apply pressure
 - Letters sent to AT&T & Comcast

Areas Affected



Closing

- Reliability is Important
- Utility Board Committed to:
 - Help customers financially
 - Work with all players to make project run smoothly
 - Work with Telecom's to encourage them to move
- Would like to move forward with City Commission support of project.