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—
George Ann C. Bracko
Executive Director

March 20, 2006

Blanca Bayo, Director
Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Notice of Intent to Participate in Rulemaking Docket No.
060173-EU, Proposed Rules Regarding Overhead Electric
Distribution Construction Standards

Dear Ms. Bayo,

Please accept this letter as notice of the Town of Jupiter Island, Florida's intent to participate as a party in PSC Docket No. 060173-EU, In Re: Proposed Amendments to Rules Regarding Overhead Electric Facilities To Allow More Stringent Construction Standards Than Required by the National Electrical Safety Code. In summary, the Town of Jupiter Island is a substantial customer of Florida Power & Light Company ("FPL"), a public utility under Florida law. The Town is deeply interested in promoting the safest and most reliable electric distribution infrastructure available, and accordingly, the Town has for several years been actively working and negotiating with FPL toward the conversion of existing overhead ("OH") distribution facilities in Jupiter Island to underground ("UG") facilities. Any contributions in aid of construction ("CIACs") paid by the Town will necessarily be determined, in part, by the difference between the cost of new UG facilities and the OH facilities that FPL would otherwise install, which will be determined by the construction standards applicable to, or applied by, FPL for OH facilities. Accordingly, the Town's interests will be affected - indeed, substantially affected - by the Commission's actions in these

proceedings, and the Town is thus entitled to participate herein as a party.

For several years, the Town of Jupiter Island has been actively working toward conversion of the existing overhead ("OH") electric distribution facilities in the Town to underground ("UG") facilities. These efforts have included extensive discussions and negotiations with FPL toward a conversion project, as well as monitoring the Commission's activities relative to undergrounding. In fact, on March 17, the Town filed its Petition to Intervene and Petition for Tariff Amendment in PSC Docket No. 060150-EI, In Re: Petition for Approval of Revisions to Contribution-in-Aid-of Construction Definition in Section 12.1 of First Revised Tariff Sheet No. 6.300, by Florida Power & Light Company, and today, the Town is also filing notices of intent to participate in several other rulemaking dockets relating to undergrounding and related infrastructure reliability issues.

The relevant contact information for the Town of Jupiter Island is as follows:

Town of Jupiter Island
ATTN: Donald R. Hubbs, Assistant Town Manager
Post Office Box 7
Hobe Sound, Florida 33475
Telephone (772) 545-0100
Telecopier (772) 545-0188.

All notices, pleadings, orders, correspondence, and other documents filed or submitted in this rulemaking proceeding should be directed to the Town's representatives as follows:

Robert Scheffel Wright, Attorney at Law
John T. LaVia, III, Attorney at Law
Young van Assenderp, P.A.
225 South Adams Street, Suite 200
Tallahassee, Florida 32301
(850) 222-7206 Telephone
(850) 561-6834 Facsimile
E-Mails - swright@yvlaw.net and jlavia@yvlaw.net,

with a courtesy copy to

The Honorable Charles Falcone, Commissioner
Town of Jupiter Island
Post Office Box 7
Hobe Sound, Florida 33475
Telephone (772) 545-0100
Telecopier (772) 545-0188
E-Mail - cafalcone@adelphia.net .

The Commission and at least some of Florida's utilities, with FPL at the forefront, have recognized the potential benefits of undergrounding electric distribution facilities and of constructing a more storm-resilient distribution infrastructure. See, e.g., FPL's petition in the above-referenced PSC Docket No. 060150-EI, where FPL stated the following:

Additionally, data from the 2004 and 2005 hurricanes which impacted FPL's service area indicated that underground facilities incurred fewer main line (feeder) interruptions than did overhead facilities during each hurricane.

* * *

It is in the public interest to promote local government-sponsored underground conversion projects, thereby reducing the likelihood of long term outages caused by extreme weather events.

Although the additional investment in rate base and other costs that will be incurred by FPL pursuant to the proposed revisions to its [underground conversion tariffs] will not be insignificant, FPL submits that such measures and expenditures are prudent and reasonable considering the benefits described above and, in particular, from the standpoint of public policy concerns that strongly favor a more storm-resilient electric infrastructure.

PSC Docket No. 060150-EI, FPL's Petition at 3-4 (paragraph numbers omitted).

Additionally, the Staff's recommendation that led to the initiation of this docket stated that the Commission should undertake a docket to investigate measures to withstand a Category 3 hurricane. The Town believes that the Commission's investigations in this docket should also encompass measures necessary to withstand Category 4 and Category 5 storms. With appropriate consideration of the cost-effectiveness of undergrounding and overhead construction at various strength

levels (i.e., to withstand Category 3, 4, and 5 storms), the Commission will be in a position to determine the appropriate construction standards, as well as the appropriate basis for calculating CIACs for OH-to-UG conversions.

The Town's general positions with regard to this rulemaking proceeding and to the overall issues of electric distribution infrastructure reliability, including undergrounding, can be summarized as follows.

1. The Commission should evaluate the total costs and benefits of UG electric service and the costs of OH facilities required to meet (a) minimum standards, i.e., the National Electrical Safety Code ("NESC") Class C standards; (b) "standard" or "typical" construction for individual utilities, e.g., FPL's use of Class B standards for a significant portion of its distribution system; (c) the NESC's "extreme wind" criteria, as proposed by FPL in a separate docket; and (d) the construction requirements to withstand Category 4 and Category 5 storms.

2. The Commission's evaluations and rules should encompass and recognize all costs and benefits of UG vs. OH service, as well as all costs and benefits of OH construction standards for different storm categories, that flow directly to the general body of a utility's customers, including not only the differences in initial construction costs between UG and OH facilities built to different construction standards, but also the reductions in: post-storm restoration costs; operating and maintenance costs; costs associated with traffic accidents, property damage, and injuries from vehicles striking poles; and costs associated with accidental electrocutions.

3. The Commission's evaluations and rules must also encompass and recognize the differences in reliability afforded by UG facilities vs. OH facilities. Finally, the Commission must consider the value that undergrounding of both new and existing distribution facilities would provide to Floridians generally, in terms of and as measured by the substantial value that people place on not having their electricity supply interrupted.

Requested Commission Action

The Town of Jupiter Island, Florida respectfully requests the Florida Public Service Commission to recognize the Town of Jupiter Island as a party to these rulemaking proceedings, and to provide the Town's representatives identified above with copies of all notices, orders, correspondence, pleadings, and other

documents filed herein. If the Commission issues an order on procedure in this docket, the Town respectfully asks that the Commission require all other parties to this docket to similarly provide the Town's representatives with copies of all pleadings, correspondence, comments, proposals, and other materials filed with or submitted to the Commission in this docket.

Thank you very much for your assistance with this matter. If you have any questions, or if I can provide any additional information, please give me a call.

Cordially yours,

A handwritten signature in cursive script that reads "Robert Scheffel Wright". The signature is written in dark ink and is positioned above the typed name.

Robert Scheffel Wright

Young van Assenderp, P.A.
Attorneys for the Town of
Jupiter Island, Florida

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Larry Harris, Esquire