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Ms. Blanca S. Bayo Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0862

August 8, 2006

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Dear Ms. Bayo,

Rule 25-6.0343

Following Order No. PSC-06-0632-PCO-EU on bifurcation of the proceedings and establishment of a separate docket for Rule 25-6.0343 relating to Municipals and Cooperatives I wish to file a Notice of Intent to Participate in Rulemaking Docket 060512-EU.

I am attaching my comments on the proposed amendments to Rule 25-6.0343.

Yours sincerely,

Trevor G. Underwood

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Florida Public Service Commission Docket 060512-EU

Comment of Trevor Underwood, resident of the City of Fort Lauderdale, regarding the proposed amendments to Rule 25-6.0343 relating to Standards of Construction for Municipal Electric Utilities and Rural Electric Cooperatives.

As Rules 25-6.034, 25-6.0341, 25-6.0342, 25-6.0345, 25-6.064, 25-6.078 and 25-6.115 have been restricted or defined to apply only to distribution facilities owned by investor-owned electric utilities (IOUs) and only Rule 25-6.0343 appears to apply to distribution facilities owned by Municipal Electric Utilities or Rural Electric Cooperatives this appears to be the only current or proposed Rule that might need to address any issues arising from the creation of a new municipally-owned underground local utilities distribution system to replace the existing investor-owned distribution systems at the termination of the current municipal franchises as I have proposed to the Utilities Advisory Committee of the City of Fort Lauderdale.

The primary objectives of my proposal are (a) to underground the local utility distribution system for electricity, telephone, Internet access and cable services throughout the City to ensure greater reliability in the future; (b) to facilitate open access to multiple suppliers in a fully competitive environment for electricity, telephone, Internet access and cable services to reduce costs and improve the quality of service; (c) to remove the dependency on restricted access and price regulation for these services; and (d) to achieve these objectives at no cost to residents of the City of Fort Lauderdale either in the form of non-refundable deposits, CIACs, rate increases, surcharges or taxes. The latter would be achieved through a municipally owned authority funding the construction with a bond issue and servicing the interest and capital repayments on the bond from rental income charged to the providers of the various services. The cost reduction, increased income and other benefits achieved though a more competitive environment, a more robust local distribution system and the avoidance of duplication of local distribution costs should easily outweigh the amortized cost of constructing a uniform local utilities distribution system.

In particular this proposal would avoid the problems faced by third party attachers both in terms of passed-on costs and the opportunities for anti-competitive behavior resulting from above ground local distribution system hardening proposals that have already featured strongly in the PSC Rulemaking proceedings under Dockets 060172 and 060173. These problems disappear in my proposal since all service providers would be on an equal footing in renting the underground local utility distribution facilities from the municipal authority. My proposal would also provide protection against "build-out" and "cherry-picking" that was of concern to State legislators in their attempt earlier this year to open up cable services to increased competition.

As Rule 25-6.0343 is a subsection of Rule 25-6.034 addressing Standards of Construction it may be too restrictive to address all issues arising from my proposal that might be subject to PSC Rules.

I would like to formally request these comments be considered under the proposed rule change for Rule 25-6.0343 and be included in the Hearing scheduled for October 4, 2006, so that this situation can properly be addressed.