State of Florida

ORIGINAL Jublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD ØAK ROUGEVARD 4: 0 | TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M- COMMISSION

DATE: January 16, 2007
TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director
FROM: Roberta S. Bass, Assistant to Chairman Edgar *Geb*RE: Resolution From Town of Gulf Stream Received in Docket Nos. 060172-EU, 060173-EU and 060150-EI

Please place the attached Resolution in the above referenced dockets. If you have any questions about this request, please call me.

Attachment

cc: Manuel Arisso William Garner Ralph Lair Kay Posey

CMP _____ COM _____ CTR _____ ECR _____ GCL _____ GCL _____ OPC _____ RCA _____ SCR _____ SGA _____

SEC

OTH _____

DOCUMENT NUMBER-DATE

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RESOLUTION NO. 007-1

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F.P.S.C. CHAIRMAN EDGAR

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF GULF STREAM, PALM BEACH COUNTY, FLORIDA, SUPPORTING THE CONVERSION OF OVERHEAD ELECTRIC DISTRIBUTION FACILITIES TO UNDERGROUND FACILITIES AND ENCOURAGING THE FLORIDA PUBLIC SERVICE COMMISSION TO IMPLEMENT ALL REASONABLE MEASURES TO ENCOURAGE THE CONVERSION OF ELECTRIC DISTRIBUTION FACILITIES TO UNDERGROUND FACILITIES.

WHEREAS, all Florida citizens, businesses, and institutions require reliable electric service and reliable electric distribution infrastructure; and

WHEREAS, in the tropical storm and hurricane seasons of 2004 and 2005, Florida experienced unprecedented numbers of landfalling tropical storms and hurricanes impacting Florida and her citizens, and also experienced unprecedented damage to the overhead electric distribution systems of Florida's electric utilities, resulting in widespread and prolonged outages of electric service; and

WHEREAS, numerous long-term forecasts of tropical weather activity indicate that Florida is likely to be impacted by more, and possibly more severe, tropical weather events over the next ten to twenty years than were experienced over the period 1960 to 2003; and

WHEREAS, it is generally recognized that underground electric distribution facilities are significantly more reliable, and less subject to wind damage, than overhead facilities in tropical storms and hurricanes; and

WHEREAS, wide-area conversions of overhead electric distribution facilities to underground facilities are reasonably expected to provide significant reliability, cost savings and other benefits both to customers in the areas converted and also to the utility's general body of customers, including, without limitation, reduced or eliminated storm restoration costs in many tropical and other storm events, reduced or eliminated vegetation management (tree-trimming) costs, reduced costs due to damage claims due to electrical contact accidents, preserved revenues, and the substantial economic benefits flowing from reduced and eliminated electric service outages; and

WHEREAS, wide-area underground conversions will result in enhanced traffic safety and fewer accidents involving vehicles striking overhead electric facilities; and

WHEREAS, wide-area underground conversions will enhance environmental values and aesthetic values; and

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WHEREAS, the Town of Gulf Stream, Florida and the residents of Gulf Stream are customers of Florida Power & Light Company ("FPL"); and

WHEREAS, the Town of Gulf Stream is a participant in the Municipal Underground Utilities Consortium, a group of Florida cities and towns that have joined together to fund a comprehensive evaluation of the costs and benefits of underground conversion projects, and the resulting cost-effectiveness study, has shown that substantial benefits would accrue to FPL and its general body of customers from underground conversions; and

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF GULF STREAM, FLORIDA, as follows:

<u>Section 1</u>. The Town of Gulf Stream believes that all responsible agencies of Florida government, including the Florida Public Service Commission, should encourage the conversion of overhead electric distribution facilities to underground facilities to the maximum extent possible.

<u>Section 2</u>. The Florida Public Service Commission is strongly encouraged to ensure that any utility tariff provisions relating to underground electric conversions include and reflect all values that such conversions provide, including not only the specific cost savings benefits, such as reduced storm restoration costs and reduced vegetation management costs, mentioned above, but also the general economic benefits that flow to all citizens from reduced outages.

<u>Section 3</u>. Where there is a difference of expert opinion as to the values and benefits of underground conversions, the Florida Public Service Commission is strongly encouraged to require utilities subject to its jurisdiction, including FPL, to reflect the greatest justifiable benefits in the utility's tariffs, so as to encourage underground conversions to the maximum extent possible.

Section 4. The above-stated policies favoring the conversion of overhead electric distribution facilities to underground facilities are hereby adopted by the Town of Gulf Stream, Florida.

Section 5. This Resolution shall be forwarded to the Florida Public Service Commission, to the Town of Gulf Stream's representatives in the Florida Legislature, to Florida Power & Light Company, to the Board of County Commissioners of Palm Beach County, Florida, and to any other interested parties. Section 6. This Resolution shall take effect immediately upon passage.

PASSED AND ADOPTED IN REGULAR, ADJOURNED SESSION OF THE Town of Town Commission OF THE Gulf Stream ASSEMBLED THIS 12... TH DA Town Commission OF THE ASSEMBLED THIS 12. TH DAY OF JANUARY, 2007.

William F. Koch, Jr., Mayor

(SEAL)

ATTEST:

PL

Rita Taylor, Town Clerk

Joan K. Orthwein, Vice Mayor

Fred B. Devitt III, Commissioner

Muchel Induson

Muriel Anderson, Commissioner

Chris D. Wheeler, Commissioner