BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of 2013-2015 storm hardening plan, pursuant to Rule 25-6.0342, F.A.C., by Florida Public Utilities Company.	DOCKET NO. 130131-EI ORDER NO. PSC-13-0638-PAA-EI ISSUED: December 3, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING FLORIDA PUBLIC UTILITY CORPORATION'S UPDATED STORM HARDENING PLAN FOR 2013-2015

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

The hurricanes of 2004 and 2005 that made landfall in Florida resulted in extensive storm restoration costs and lengthy electric service interruptions for millions of electric investor-owned utility (IOU) customers. On January 23, 2006, Commission staff conducted a workshop to discuss the damage to electric utility facilities resulting from these hurricanes and to explore ways of minimizing future storm damages and customer outages. State and local government officials, independent technical experts, and Florida's electric utilities participated in the workshop.

On February 27, 2006, this Commission issued Order No. PSC-06-0144-PAA-EI, in Docket No. 060078-EI, requiring the IOUs to begin implementing an eight-year inspection cycle of their respective wooden poles.[1] In that Order, we noted:

[1] Docket No. 060078-EI, In re: Proposal to require investor-owned electric utilities to implement ten-year wood pole inspection program.

> The severe hurricane season of 2004 and 2005 have underscored the importance of system maintenance activities of Florida's electric IOUs. These efforts to maintain system components can reduce the impact of hurricanes and tropical storms upon utilities' transmission and distribution systems. An obvious key component in electric infrastructure is the transmission and distribution poles. If a pole fails, there is a high chance that the equipment on the pole will be damaged, and failure of one pole often causes other poles to fail. Thus, wooden poles must be maintained or replaced over time because they are prone to deterioration. Deteriorated poles have lost some or most of their original strength and are more prone to fail under certain environmental conditions such as high winds or ice loadings. The only way to know for sure which poles must be replaced is through periodic inspections.

Order No. PSC-06-0144-PAA-EI, p. 2.

At the February 27, 2006, internal affairs meeting, we were briefed by staff on additional actions to address the effects of extreme weather events on electric infrastructure. We also heard comments from interested persons and Florida's electric utilities regarding staff's recommended actions.

On April 25, 2006, this Commission issued Order No. PSC-06-0351-PAA-EI, in Docket No. 060198-EI, requiring all IOUs to file plans and estimated implementation costs for ten ongoing storm preparedness initiatives (Ten Initiatives) on or before June 1, 2006.[2] The Ten Initiatives are:

1. A Three-Year Vegetation Management Cycle for Distribution Circuits.
2. An Audit of Joint-Use Attachment Agreements.
3. A Six-Year Transmission Structure Inspection Program.
4. Hardening of Existing Transmission Structures.
5. A Transmission and Distribution Geographic Information System.
6. Post-Storm Data Collection and Forensic Analysis.
7. Collection of Detailed Outage Data Differentiating Between the Reliability Performance of Overhead and Underground Systems.
8. Increased Utility Coordination with Local Governments.
9. Collaborative Research on Effects of Hurricane Winds and Storm Surge.

[2] Docket No. 060198-EI, In re: Requirement for investor-owned electric utilities to file ongoing storm preparedness plans and implementation cost estimates.

10. A Natural Disaster Preparedness and Recovery Program.

These Ten Initiatives were not intended to encompass all reasonable ongoing storm preparedness activities. Rather, we viewed these initiatives as a starting point of an ongoing process.[3] By Order Nos. PSC-06-0781-PAA-EI (addressing Tampa Electric Company, and Florida Public Utilities Company), PSC-06-0947-PAA-EI (addressing Progress Energy Florida, Inc., and Gulf Power Company), and PSC-07-0468-FOF-EI (addressing Florida Power & Light Company), we addressed the adequacy of the IOU's plans for implementing the Ten Initiatives.

We also pursued rulemaking to address the adoption of distribution construction standards more stringent than the minimum safety requirements of the NESC and the identification of areas and circumstances where distribution facilities should be required to be constructed underground.[4] Rule 25-6.0342, F.A.C., was ultimately adopted.[5]

Rule 25-6.0342, F.A.C., requires each IOU to file an Electric Infrastructure Storm Hardening Plan for review and approval by the FPSC. The Rule also requires a description of construction standards, policies, practices, and procedures to enhance the reliability of overhead and underground electrical transmission and distribution facilities. The Rule requires, at a minimum, that each IOU's plan address the following items.

a. Compliance with NESC.

b. Extreme wind loading (EWL) standards for: (i) new construction; (ii) major planned work, including expansion, rebuild, or relocation of existing facilities; (iii) critical infrastructure facilities and along major thoroughfares.

c. Mitigation of damage due to flooding and storm surges.

d. Placement of facilities to facilitate safe and efficient access for installation and maintenance.

e. A deployment strategy that includes: (i) the facilities affected; (ii) technical design specifications, construction standards, and construction methodologies; (iii) the communities and areas where the electric infrastructure improvements are to be made; (iv) the impact on joint-use facilities on which third-party attachments exist;

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[3] Order No. PSC-06-0947-PAA-EI, p.2, issued November 13, 2006, in Docket No. 060198-EI, In re: Requirements for investor-owned electric utilities to file ongoing storm preparedness plans and implementation costs estimates.

[4] Order No. PSC-06-0556-NOR-EU, issued June 28, 2006, in Docket No. 060172-EU, In re: Proposed rules governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events; and Docket No. 060173-EU, In re: Proposed amendments to rules regarding overhead electric facilities to allow more stringent construction standards than required by National Electric Safety Code.

[5] Order No. PSC-07-0043A-FOF-EU, issued January 17, 2007, in Docket No. 060172-EU, In re: Proposed rules governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events; and Docket No. 060173-EU, In re: Proposed amendments to rules regarding overhead electric facilities to allow more stringent construction standards than required by National Electric Safety Code.

(v) an estimate of the costs and benefits to the utility of making the electric infrastructure improvements; and (vi) an estimate of the costs and benefits to third-party attachers affected by the electric infrastructure improvements.

f. The inclusion of Attachment Standards and Procedures for Third-Party Attachers.

On May 7, 2007, the storm hardening plans were filed by Tampa Electric Company (TECO), Progress Energy Florida, Inc. (formerly PEF, now Duke Energy Florida, Inc., or DEF), Gulf Power Company (Gulf), and Florida Power & Light Company (FPL). Docket Nos. 070297-EI (TECO), 070298-EI (PEF), 070299-EI (Gulf), and 070301-EI (FPL) were opened to address each filing. On June 19, 2007, we voted to set the dockets directly for an informal administrative hearing with the additional mandate for our staff to conduct a series of informal workshops to allow the parties and staff to identify disputed issues and potential areas for stipulation. By Order No. PSC-07-0573-PCO-EI, issued July 10, 2007, the dockets were consolidated for purposes of the hearing with the understanding that each utility's plan would be ruled on separately.[6] Florida Public Utilities Company (FPUC) requested to file its storm hardening plan as part of its petition for general rate increase and have it addressed concurrently.[7] FPUC's storm hardening plan was approved May 19, 2008.[8]

A formal administrative hearing was held October 3-4, 2007. During the course of the hearing, the parties reached agreement on a number of issues and the dockets were subsequently stipulated. We were also presented with a stipulated agreement entitled "Process to Engage Third-Party Attachers." This process, as designed, would allow for the exchange of information between the parties. Per the stipulation, annual status reports would be filed with this Commission.[9] In addition, the stipulation stated that any disputes or challenges to issues related to a utility's plan would be resolved by the Commission in accordance with Rule 25-6.0342(7), F.A.C. A customer, applicant for service, or attaching entity could file a request for dispute resolution at any time.

On May 3, 2010, FPL, PEF, TECO, Gulf, and FPUC each filed 2010-2012 storm hardening plan updates as required by Rule 25-6.0342(2), F.A.C.. Docket Nos. 100262-EI

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[6] Docket Nos. 070297-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company; 070298-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.; 070299-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company; 070301-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

[7] Order No. PSC-08-0019-POC-EI, issued January 4, 2008, in Docket No. 070300-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plans files pursuant to Rule 25-6.0342 F.A.C., submitted by Florida Public Utilities Company, and in Docket No. 070304-EI, In re: Petition for rate increase by Florida Public Utilities Company.

[8] Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070300-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan files pursuant to Rule 25-6.0342 F.A.C., submitted by Florida Public Utilities Company, and in Docket No. 070304-EI, In re: Petition for rate increase by Florida Public Utilities Company.

[9] Order Nos. PSC-07-1020-FOF-EI, PSC-07-1021-FOF-EI, PSC-07-1022-FOF-EI, PSC-07-1023-FOF-EI, issued December 28, 2007, in Docket Nos. 070297-EI, 070299-EI, and 070301-EI, and Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070300-EI.

(PEF), 100263-EI (TECO), 100264-EI (FPUC), 100265-EI (Gulf), and 100266-EI (FPL) were opened to address the updates. FPUC filed an amended storm hardening update on May 28, 2010. On June 10, 2010, Commission staff conducted a workshop to better understand each IOU's plan. We approved the first updated storm hardening plans for PEF, TECO, Gulf, and FPUC at our October 26, 2010 Commission Conference. FPL's recommendation was deferred until the January 11, 2011 Commission Conference.[10]

On May 3, 2013, the five IOU's filed 2013-2015 storm hardening plan updates as required. Docket Nos. 130129-EI (DEF), 130131-EI (FPUC), 130132-EI (FPL), 130138-EI (TECO), and 130139-EI (Gulf) were opened. Staff did not conduct a workshop for these updated storm hardening plans, data request responses were sufficient in understanding the updated plans.

This Order addresses the IOUs' plan updates as required by Rule 25-6.0342, F.A.C. This Order will address:

I. Wooden Pole Inspection Program

II. Ten Initiatives

III. National Electric Safety Code (NESC) Compliance

IV. Extreme Wind Loading (EWL) Standards

V. Mitigation of Flooding and Storm Surge Damage

VI. Facility Placement

VII. Deployment Strategies

Attachment A to this Order describes the storm hardening requirements for each IOU. Attachments B contains a comparison of the provisions of the 2010-2012 approved and updated 2013-2015 storm hardening plan, and the cost of implementing the approved and updated plans.

This Commission has jurisdiction over this matter pursuant to Sections 360.04 and 366.05, Florida Statutes (F.S.).

[10] See Order Nos. PSC-10-0684-PAA-EI (DEF), PSC-10-0686-PAA-EI (TECO), PSC-10-0687-PAA-EI (FPUC), PSC-10-0688-PAA-EI (Gulf), PSC-11-0082-PAA-EI (FPL).

Decision

FPUC filed its updated storm hardening plan pursuant to Rule 25-6.0342, F.A.C., on May 1, 2013. On Attachment B, a summary of FPUC's currently approved storm hardening plan and the proposed changes contained in its updated plan is provided. In addition, where available, the costs associated with the 2010-2012 and 2013-2015 plans are shown. Components of FPUC's updated plan are summarized below.

I. Wooden Pole Inspection Program

FPUC seeks to continue its eight-year wooden pole inspection as required by Commission Order No. PSC-07-0078-PAA-EU. However, FPUC proposes to visually inspect, sound, and selectively bore (if internal decay is suspected) all Chromated Copper Arsenate (CCA) poles under 21 years of age. Unless a pole fails sound and bore, a full excavation will not be performed on these poles. The wooden pole inspections include visual inspections, sound and bore, excavation, and strength and loading assessments. FPUC will continue to file the results of these inspections in FPUC's Annual Electric Utility Distribution Reliability Report.

II. Ten Initiatives

Initiative One – Three-Year Vegetation Management cycle for Distribution Circuits

In its updated plan, FPUC proposes to continue its previously approved plan for Initiative One. Currently, FPUC has a three-year trim cycle for main feeders and a six-year cycle for laterals. FPUC will also continue annual inspections of feeders serving critical infrastructure prior to storm season; to identify and perform any mid-cycle trimming; to address danger trees located outside the normal trim zone that threaten main feeders; to educate the public regarding maintenance and placement of trees, and increase participation with local government to address vegetation management.

Initiative Two – Audits of Joint-Use Attachment Agreements

In its updated plan, FPUC proposes to conduct joint-use audits in accordance with the joint-use agreements. However, audits with joint-use attachers have not yet been completed. FPUC proposes in its updated plan to begin initiating audits in 2014 of all joint-use attachers and data collected during the audits will be analyzed to determine overloaded poles, unauthorized attachments, and outages relayed to these situations. FPUC will perform pole strength assessment and stress calculations for all FPUC-owned and third-party-owned poles through its eight-year wooden pole inspection cycle.

Initiative Three – Six-Year Transmission Structure Inspection Program

FPUC seeks to continue inspecting all of its transmission facilities. The inspections will include climbing patrols of the 69 and 138 kV transmission structures at a minimum of every six years. FPUC also proposes to continue inspecting all of its substations once a year.

Initiative Four – Hardening of Existing Transmission Structures

FPUC's current plan requires that when it becomes necessary to replace a wooden pole due to construction requirements or concerns with the integrity of the pole, a concrete pole that meets current National Electric Safety Code (NESC) codes and storm hardening requirements will be used. FPUC proposes to continue this plan. FPUC plans to replace thirty-five 69kV wood poles with concrete poles in 2013.

Initiative Five – Transmission and Distribution Geographic Information System (GIS)

Since January 2008, both divisions of FPUC have GIS capabilities. FPUC's GIS currently is being updated and will be able to keep track of maintenance and inspections that are performed. The Company's GIS also interfaces with its Customer Information System to function as a Customer Outage Management System. FPUC's Customer Outage Management System allows for data collection and retrieval capabilities for analyzing and reporting reliability indices. The GIS will also collect data concerning joint-use attachments.

Initiative Six – Post-Storm Data Collection and Forensic Analysis

In its updated plan, FPUC proposes to continue employing contractors for post-storm data collection and forensic analysis, should a significant storm occur in either division. FPUC has established a forensic oversight team to coordinate with contractors. FPUC states that if damage caused by a storm is significant, forensic analysis will be performed after post-data collection is completed. The costs associated with this initiative will vary depending upon the degree of damage associated with the storm.

Initiative Seven – Collection of Detailed Outage Data Differentiating Between the Reliability Performance of Overhead and Underground Systems

FPUC currently has the ability to report performance information differentiating between overhead and underground facilities. FPUC proposes to continue collecting outage data for overhead and underground systems in order to evaluate the reliability indices associated with the two construction types. In addition, FPUC believes this data will further improve the operation of its automated Customer Outage Management system.

Initiative Eight – Increased Coordination with Local Governments

FPUC proposes to continue coordinating with local city and county emergency service agencies within its service areas. FPUC also proposes to continue its participation in regularly scheduled communication events with county emergency response organizations. The plan includes having FPUC personnel located at the County's Emergency Operations Center on a 24-hour basis, during emergencies, to ensure good communications. FPUC continues to cooperate with local government in actively discussing both undergrounding and tree trimming issues as they arise.

Initiative Nine – Collaborative Research on Effects of Hurricane Winds and Storm Surge

The electric utilities previously established a non-profit, member-financed organization to coordinate all research efforts through the Public Utility Research Center (PURC), located in the Warrington College of Business at the University of Florida. PURC's work is focused on three main areas of concern: hurricane wind effects, vegetation management, and undergrounding of electric infrastructure. FPUC entered into a Memorandum of Understanding with PURC that extends PURC's research efforts for the IOUs through December 31, 2013. FPUC will continue to support PURC's efforts and research.

Initiative Ten – Natural Disaster Preparedness and Recovery Program

FPUC has a proposed Disaster Preparedness and Recovery plan, which identifies how FPUC will operate in emergency conditions and efficiently restore service. The plan also covers the roles and responsibilities of FPUC's employees. FPUC's plan is contained within its Emergency Procedures and updated on an annual basis, if required. FPUC also proposes to have liaisons to communicate with local governments, county EOCs, and the media regarding the status of restoration activities.

III. National Electric Safety Code (NESC) Compliance

FPUC's updated plan addresses the extent to which, at a minimum, FPUC complies with the NESC pursuant to Rule 25-6.0345(2), F.A.C. FPUC's distribution facilities comply with, and in most cases exceed, the minimum requirements of the NESC. FPUC's transmission structures also comply with the NESC. FPUC's substation facilities are also in accordance with NESC requirements.

IV. Extreme Wind Loading (EWL) Standards

New Construction

In its updated plan, FPUC states its existing distribution, transmission, and substation facilities continue to be in compliance with the NESC. FPUC notes that it will continue to use new specifications for distribution facilities that have been developed to allow certain future installations to exceed the NESC by utilizing the EWL standards. FPUC states that all of its remaining wooden transmission poles will be replaced with concrete poles that meet or exceed the NESC EWL standards. Although FPUC does not state how long this process will take, the Company asserts that when it becomes necessary to replace a wooden pole due to construction requirements or concerns with the integrity of the pole, a concrete pole meeting the current NESC requirements will be utilized. Work has been completed around certain substations that will reduce the possibility of wind blown debris damaging substation facilities.

Major Planned Work

FPUC's updated plan proposes to continue incorporating EWL standards described by the NESC code. These standards will continue to be evaluated along with a cost/benefit analysis

when new construction and major planned projects are being designed to determine the overall value and contribution to the reliability of the system.

Critical Infrastructure

FPUC states it will focus on using EWL standards for distribution facilities along major highways and where service is provided to critical infrastructure, such as hospitals, water plants, and sewage treatment plants. FPUC provides in the updated plan a list of CIF projects for the 2013-2015 timeframe.

V. Mitigation of Flooding and Storm Surge Damage

FPUC seeks to continue to develop an expanded specifications book. This book includes details on how to mitigate damage of underground and overhead distribution and overhead transmission facilities. In the Northeast Florida Division, transmission lines are currently located near and across coastal waterways. To mitigate damage, FPUC proposes to use foundations and casings to stabilize the structures due to soil conditions. FPUC does not currently have transmission facilities in its Northwest division.

In both divisions, FPUC states overhead distribution lines are subject to flooding and storm surge because lines are located near the coast or inland rivers. FPUC proposes to continue evaluating these areas and add supporting mechanisms, if needed. As for underground distribution lines, storm surges and flooding are most likely in the Northeast Florida Division. FPUC does not propose any changes to its underground distribution lines at this time. The company states a significant amount of underground infrastructure is in place and it is impractical to make any significant changes to what is currently installed. If it is determined in the future that storm surges may impact these facilities, FPUC proposes that its installation practices will be reevaluated, and may encase the conduits, where the underground distribution lines are placed, in concrete ducts if necessary.

VI. Facility Placement

Pursuant to Rule 25-6.0341, F.A.C., FPUC's updated plan proposes safe and efficient access for installation and maintenance placement of new and replacement distribution facilities. FPUC will continue to promote placement of facilities adjacent to public roads; to utilize easements, public streets, roads, and highways; to obtain easements for underground facilities; and to use right-of-ways for conversions of overhead to underground. Placement of facilities along rear lot lines will not occur except in certain commercial applications when open access concrete/asphalt driveways are located at the rear of the development.

VII. Deployment Strategies

Facilities Affected, Including Specifications and Standards

FPUC states in its updated plan that all areas of FPUC's service territory are affected and benefit by infrastructure improvements. Transmission line inspections and transmission pole

replacements will only affect the Northeast Florida Division, since there are no transmission facilities in the Northwest Florida Division. However, FPUC's distribution line rebuilding will equally benefit both divisions and comply with the NESC EWL standards.

Areas of Infrastructure Improvements

FPUC's updated plan provides a detailed description of areas where electric infrastructure improvements will be made, including facilities identified by the utility as critical infrastructure.

Joint-Use Facilities

FPUC proposes several projects intended to upgrade existing facilities to critical infrastructure. Significant numbers of poles to be upgraded will have one or more joint-use attachments. FPUC provided a list of projects for the 2013-2015 timeframe in its updated plan. The design phase of these projects will include application of NESC EWL standards to all poles being installed and all joint-use attachments.

Utility Cost/Benefit Estimates

FPUC states it does not have the supporting data to develop the cost/benefit analysis for these programs. FPUC provided estimates of costs to be incurred in connection to its updated plan. These costs seem to be reasonable as compared to the last approved storm hardening plan. However, as these programs are implemented, data will be collected that can be used in the future to develop the associated benefits. Attachment B provides a comparison of the costs associated with implementing FPUC's current and updated storm hardening plans.

Attachers Cost/Benefit Estimates

FPUC sent notification to third-party attachers of its updated and amended plan. At this time, no third-party attachers submitted information regarding FPUC's plan. However, FPUC states that it will forward estimates of costs and benefits from third-party attachers when they are received.

VIII. Attachment Standards and Procedures

FPUC's updated plan includes Attachment Standards and Procedures addressing safety, reliability, and pole loading capacity. The updated plan also addresses engineering standards and procedures for attachments by others to the utility's transmission and distribution poles that meet or exceed the NESC pursuant to Rule 25-6.034, F.A.C.

IX. Conclusion

FPUC's updated plan is largely a continuation of its current Commission-approved plan. We find that FPUC is taking proactive steps to improve its system to withstand severe weather events and thus presents a reasonable approach to storm hardening that has the potential to

enhance reliability and reduce restoration costs and outage times. Therefore, we hereby approve FPUC's updated 2013-2015 storm hardening plan.

Based on the foregoing, it is

ORDERED that Florida Public Utility Company's updated 2013-2015 Storm Hardening Plan is hereby approved. It is further

ORDERED that the findings set forth in the body of this Order are hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed upon the issuance of a consummating order.

ORDERED by the Florida Public Service Commission that By ORDER of the Florida Public Service Commission this 3rd day of December, 2013.

Carlotta S Stauffer

CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 24, 2013.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Storm Hardening Requirements: Wooden Pole Inspection Program & 10 Initiatives

Eight-Year Wooden Pole Inspection Program
1. Implement an eight-year wooden pole inspection cycle by Order Nos. PSC-06-0144-PAA-EI and PSC-07-0078-PAA-EU.
2. File an annual report with the Commission.
3. Provide cost estimates.

Initiative 1 – A Three-Year Vegetation Management Cycle for Distribution Circuits
1. Three-year tree trim cycle for primary feeders (minimum).
2. Three-year cycle for laterals as well, if not cost-prohibitive.
3. Provide cost estimate.

Initiative 2 – Audit of Joint-Use Attachment Agreements
1. (a) Each investor-owned electric utility shall develop a plan for auditing joint-use agreements that includes pole strength assessments.
(b) These audits shall include both poles owned by the electric utility poles owned by other utilities to which the electric utility has attached its electrical equipment.
2. The location of each pole, the type and ownership of the facilities attached, and the age of the pole and the attachments to it should be identified.
3. Each investor-owned utility shall verify that such attachments have been made pursuant to a current joint-use agreement.
4. Stress calculations shall be made to ensure that each joint-use pole is not overloaded or approaching overloading for instances not already addressed by Order No. PSC-06-0144-PAA-EI.
5. Provide compliance cost estimate and cost estimate for alternative action, if any.

Initiative 3 – Six-Year Transmission Inspection Program
1. Develop a plan to fully inspect all transmission towers and other transmission supporting equipment (such as insulators, guying, grounding, splices, cross-braces, bolts, etc.).
2. Develop a plan to fully inspect all substations (including relay, capacitor, and switching stations).
3. Provide compliance cost estimate and cost estimate for alternative actions, if any.

Initiative 4 – Hardening of Existing Transmission Structures
1. Develop a plan to upgrade and replace existing transmission structures. Provide a scope of activity, limiting factors, and criteria for selecting structure to upgrade and replace.
2. Provide a timeline for implementation.
3. Provide compliance cost estimate and cost estimate for alternative actions, if any.

Initiative 5 – Transmission and Distribution Geographic Information System
1. To conduct forensic review.
2. To assess the performance of underground systems relative to overhead systems.

3. To determine whether appropriate maintenance has been performed.
4. To evaluate storm hardening options.
5. Provide a timeline for implementation.
The utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 6 – Post-Storm Data Collection and Forensic Analysis
1. Develop a program that collects post-storm information for performing forensic analyses.
2. Provide a timeline for implementation.
The utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 7 – Collection of Detailed Outage Data Differentiating between the Reliability Performance of Overhead and Underground Systems
1. Collect specific storm performance data that differentiates between overhead and underground systems, to determine the percentage of storm-caused outages that occur on overhead and underground systems, and to assess the performance and failure mode of competing technologies, such as direct bury cable versus cable-in-conduit, concrete poles versus wooden poles, location factors such as front-lot versus back-lot, and pad-mounted versus vault.
2. Provide a timeline for implementation.
The Utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 8 – Increased Coordination with Local Governments
1. Each utility should actively work with local communities year-round to identify and address issues of common concern, including the period following a severe storm like a hurricane and also ongoing, multi-hazard infrastructure issues such as flood zones, area prone to wind damage, development trends in land use and coastal development, joint-use of public right-of-way, undergrounding facilities, tree trimming, and long-range planning and coordination.
2. Incremental plan costs.

Initiative 9 – Collaborative Research
1. Must establish a plan that increases collaborative research.
2. Must identify collaborative research objective.
3. Must solicit municipals, cooperatives, educational and research institutions.
4. Must establish a timeline for implementation.
5. Must identify the incremental costs necessary to fund the organization and perform the research.

Initiative 10 – A Natural Disaster Preparedness and Recovery Program
1. Develop a formal Natural Disaster Preparedness and Recovery Plan that outlines the utility's disaster recovery procedures if the utility does not already have one.

Florida Public Utilities Company

Eight-Year Wooden Pole Inspection Program	
Current Plan	Updated Plan
1. Implement an eight-year wooden pole inspection cycle for distribution poles.	1. No change
2. File the progress of this inspection in the Annual Reliability Report.	2. No change
3. Costs for 2010-2012 were $364,520.	3. Costs for 2013 are estimated to be $116,738.

Initiative 1 – A Three-Year Vegetation Management Cycle for Distribution Circuits	
Current Plan	Updated Plan
1. All feeders are on a three-year trim cycle.	1. No change
2. Laterals are on a six-year trim cycle.	2. No change
3. Costs for 2010-2012 were $2,190,758.	3. Costs for 2013 are estimated to be $821,682.

Initiative 2 – Audit of Joint-Use Attachment Agreements	
Current Plan	Updated Plan
1. (a) Perform pole strength assessment during the eight-year wooden pole inspection cycle	1. (a) No change
(b) FPUC conducts a thorough joint-use audit once every five years in addition to the eight-year pole inspection.	(b) No change
2. All required data collected during inspections and stored in a database.	2. No change
3. Verify attachments have been made pursuant to current joint-use agreements during the eight-year wooden pole inspection cycle.	3. No change
4. Stress calculations performed on select poles during eight-year wooden pole inspection cycle.	4. No change
5. Costs for 2010-2012 were $0.	5. Costs for 2013 are estimated to be $0.

Initiative 3 – Six-Year transmission Inspection Program	
Current Plan	Updated Plan
1. Develop procedures for climbing inspections of Company-owned 69 and 138 kV structures. Coordination/process for customer-	1. No change

owned 69 KV lines to be developed.	
2. Substations are fully inspected at least once a year.	2. No change
3. Costs for 2010-2012 were $151,800.	3. Costs for 2012 are estimated to be $0.

Initiative 4 – Hardening of Existing Transmission Structures*	
Current Plan	Updated Plan
1. Continue to replace wooden poles on 69 KV lines.	1. No change
2. Plan is ongoing with no completion date.	2. No change
3. Costs for 2010-2012 were $0.	3. Costs for 2013 are estimated to be $0.

Initiative 5 – Transmission and Distribution Geographic Information System	
Current Plan	Updated Plan
1. FPUC's plan includes forensic reviews.	1. No change
2. FPUC's plan includes underground versus overhead.	2. No change
3. Plan includes determination of appropriate maintenance.	3. No change
4. Plan includes evaluation of storm hardening options.	4. No change
5. Currently being implemented.	5. No change

Initiative 6 – Post-Storm Data Collection and Forensic Analysis	
Current Plan	Updated Plan
1. FPUC has procedures developed to track all specific hurricane outages, post-storm data collection, and forensic analysis.	1. No change
2. Data is dependent upon storm events in FPUC's service area.	2. No change

Initiative 7 – Collection of Detailed Outage Data Differentiating between the Reliability Performance of Overhead and Underground Systems	
Current Plan	Updated Plan
1. Collect outage data of overhead and underground facilities to evaluate reliability indices.	1. No change
2. Implementation is ongoing.	2. No change

Initiative 8 – Increased Coordination with Local Governments	
Current Plan	Updated Plan
1. Coordinate with local and county	1. No change

emergency service agencies within its service area. In addition, to provide personnel at county EOC's, during emergencies.	
2. Costs for 2010-2012 were $0.	2. Costs for 2013 were estimated to be $0.

Initiative 9 – Collaborative Research	
Current Plan	Updated Plan
1. Collaborative research efforts, led by PURC, which began in 2007.	1. No change
2. Research vegetation management during storm and non-storm times, wind during storm and non-storm events, hurricane and damage modeling towards further understanding the costs and benefits of undergrounding.	2. No change
3. FPUC will solicit participation from other utilities and organizations.	3. No change
4. Implementation is ongoing	4. FPUC has entered into a Memorandum of Understanding with the University of Florida's PURC, which extends research through December 31, 2013.
5. Costs for 2010-2012 were $0	5. Costs for 2013-2015 are unknown at this time.

Initiative 10 – A Natural Disaster Preparedness and Recovery Program	
Current Plan	Updated Plan
Disaster Preparedness/Recovery Plan has been developed and filed.	Continue to refine.

*Hardening cost for existing transmission structures are not included since these are capital expenditures.