

Plan to bury power lines advances — at a cost to residents

FPL's "storm secure underground program pilot" kicks off in West Palm Beach. Company officials say that main transmission lines installed underground before Hurricane Matthew and Hurricane Irma meant shorter downtimes. Now they're moving into neighborhood areas most at risk to underground those lines too.



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Florida legislators say they're tired of getting calls from constituents every time their power goes out. That's one reason many support legislation to bury power lines underground — even if it raises your electric bills.

The state Senate passed a bill Friday — SB 796 — that could lead to more underground power lines in Florida, with increased costs to consumers. The measure passed 37-2 with little debate.

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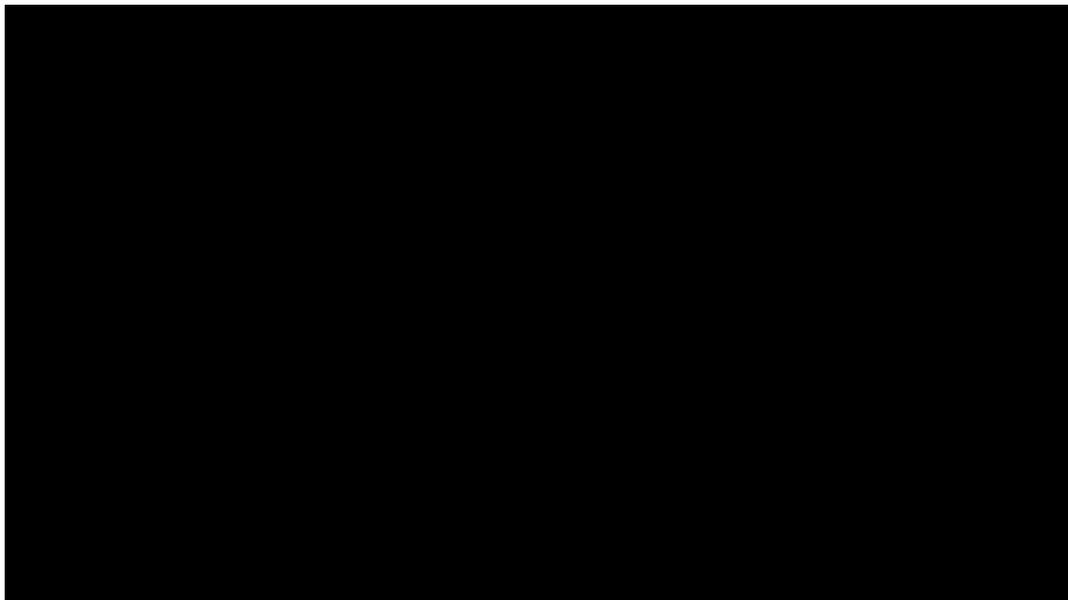
The House version of the bill, HB 797, is headed to the floor for **debate** next week, after it unanimously passed a House committee.

Some legislators say they think burying power lines in Florida makes sense for protection of residents and businesses. But opponents, including AARP and the Florida Industrial Power Users Group, warn that **electric bills will go up** over the next 20 to 30 years if utilities are given what they call a “blank check” to bill customers.

Over the years, states including North Carolina and regions such as Washington, D.C., have floated plans to bury utility lines, but scaled back when faced with the prospect of soaring electric bills.

Florida utilities so far have been pursuing “targeted” undergrounding, or putting lines underground where it makes sense, says Ted Kury, director of energy studies at the University of Florida’s Public Utility Research Center. He isn’t aware of any state that has been able to bury nearly all power lines.

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“What you want to avoid is spending all the money and then making things worse,” he said. Underground lines may be protected from high winds, flying trees or debris, but they’re also more susceptible to sudden rise in water level and flooding, he said.

“You’ve traded off one potential damage to the system for another potential damage to the system,” Kury said.

The House bill, like the one in the Senate, mandates that utilities draw up long-term hardening plans. But opponents say Florida Power & Light and other utilities are already burying power lines, and the legislation simply allows utilities to increase electric bills each year.

Rep. Randy Fine, R-Palm Bay, who co-sponsored the bill with Rep. Kristin Jacobs, D-Coconut Creek, defended the potential cost of undergrounding, saying the bill wouldn’t allow Florida’s utilities to install “gold-plated, undergrounded wires. ... It has to pass muster with the Public Service Commission.”

“I’m OK if they make a little bit more money because my power doesn’t go out and the power of my constituents doesn’t go out,” Fine added.

Many legislators agreed with Fine that Florida needs its utilities underground, even if it increases electric bills:

-- Rep. Evan Jenne, D-Hollywood: “I’m voting for this bill. It has to do with the fact that I’m a lifelong resident in Florida, and having lived through lots of storms and the outcry every post-storm. ... Time and time again [constituents] ask, ‘Why can’t we go underground?’ ”

-- Rep. Tobin Overdorf, R-Palm City, who supports the bill, described how his Florida home was without power for 14 days after Hurricane Frances in 2004. “My family lived in one room with a generator. My wife and I decided never again,” he said.

After the Overdorfs moved to a community that had underground utilities, “36 hours is the longest we’ve gone without power,” he said.

-- Rep. Heather Fitzgenhagen, R-Fort Myers, said the bill would help protect Florida’s economy. “If we can put [utilities] underground, more businesses will be secure because they know more employees will be secure and not be missing work,” she said.

But Jon Moyle, who testified on behalf of the Florida Industrial Power Users Group, made up of big power users, said FPL and other utilities are already putting many of their power lines underground — and it is

being paid for in base rates.

“We think the right approach is to recover the costs in a base rate case, not increasing rates every year,” he said. In a base rate case, regulators look at the utility’s revenues and expenses, weighing them to determine a fair rate to charge consumers.

The legislation would give utilities a new cost-recovery avenue that would allow them to pass on expenses to customers for hardening the grid — costs that could include trimming overgrown trees and putting power lines underground. It also would provide utilities with a profit on those expenses.

The similar bill in the **Florida Senate** is SB 796, sponsored by Sen. Joe Gruters, R-Sarasota. That bill is heading to the Senate for debate.

FPL, the state’s largest utility, has been promoting more underground power lines because they helped get power restored more quickly after **Hurricane Irma in 2017**. Before then, FPL would often say that burying power lines was “no panacea.”

After Irma, FPL pointed out that **overgrown trees knocked down many lines** and that communities with underground utilities that still lost power in the storm were likely connected to nearby overhead lines.

So late last year, FPL began what it calls its “storm secure underground program,” a **three-year pilot project** to bury certain neighborhood power lines — typically the power lines in backyards or side streets. The utility already buried lines in two trouble spots in Boca Raton, and this week began an undergrounding project in a West Palm Beach neighborhood.

Some legislators said they doubted whether statewide undergrounding would cost as much as opponents expect. They reasoned that utilities can’t do the work everywhere, because some areas are prone to flooding or other problems. That’s bound to bring the price tag down, they said.

FPL “wholeheartedly” support the legislation, said Bryan Olnick, vice president of distribution operations.

“We can’t start something so important to the economy of Florida and have a significant change in course.” he said. “This [bill] really helps the Senate, the House, the Public Service Commission and the governor set a long-term vision and solution. And it adds a lot more transparency by having it evaluated every year, instead of every four years.”

But Kury said many communities have tallied the expense of undergrounding — generally about \$1 million a mile — and decided that it wasn’t worth the price. He points to North Carolina, for example, which ended its pursuit after estimating burying the entire state’s utilities would raise electricity prices by 125 percent.

In Florida, rural areas aren't likely to cost as much to underground while cities that have dense population and infrastructure and coastal areas are more problematic.

Kury has no doubt that electric bills would be affected: "I think it's reasonable it would double rates in Florida," he said.

He said it's the Public Service Commission's job to monitor those costs, which, under the legislation, it would do annually.

"Utilities aren't spending their money — they're spending customers' money. We have to be vigilant about how we're spending customers' money," Kury said.

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