RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE LAND USE AND SUSTAINABILITY COMMITTEE AND DIRECTING THE CITY ADMINISTRATION TO WORK WITH FLORIDA POWER AND LIGHT (FPL) TO ACCOMPLISH THE UNDERGROUNDING OF UTILITIES WITHIN THE CITY IN ACCORDANCE WITH THE FPL STORM PROTECTION PLAN AND SUCH OTHER PROGRAMS AS MAY BE APPROVED BY THE FLORIDA PUBLIC SERVICE COMMISSION, AND TO WORK WITH FPL ON ALL OTHER PLANNED IMPROVEMENTS TO PROTECT AND STRENGTHEN TRANSMISSION AND DISTRIBUTION INFRASTRUCTURE FROM EXTREME WEATHER CONDITIONS, REDUCE OUTAGE TIMES AND RESTORATION COSTS, AND IMPROVE OVERALL SERVICE RELIABILITY TO CUSTOMER.

WHEREAS, since the historic hurricane seasons of 2004-2005, Florida Power and Light ("FPL") has launched several "hardening" initiatives across the State of Florida in order to protect and strengthen transmission and distribution infrastructure from extreme weather conditions, reduce outage times and restoration costs, and improve overall service reliability to customers; and

WHEREAS, these initiatives are set forth in FPL's Storm Protection Plan ("SPP") approved by the Florida Public Service Commission ("FPSC"), as may be amended or modified from time to time upon approval by the FPSC; and

WHEREAS, included in FPL's current FPSC-approved SPP is the Distribution Lateral Hardening Program ("Lateral Hardening Program"), whereby FPL targets certain overhead laterals that were impacted by recent storms and have a history of vegetation-related outages and other reliability issues for conversion from overhead to underground; and

WHEREAS, analysis conducted by FPL after the 2023 storm season demonstrated significantly better performance of underground laterals compared to overhead laterals, with underground neighborhood lines performing approximately 12 times better during Hurricane Idalia; and

WHEREAS, timelines for Lateral Hardening Program projects are dictated by prioritization criteria approved by the FPSC, which currently include: power line performance during previous named storms, outages on power lines due to vegetation issues, and performance of power line during day-to-day operations; and

WHEREAS, currently, more than 50% of FPL customers on the City of Miami Beach (the "City") already receive their power via underground service; and

WHEREAS, the City currently has several overhead lateral lines currently projected to be converted to underground as part of FPL's Lateral Hardening Program by 2031, which estimate may change based on application of the FPSC-approved prioritization criteria or future modification of the SPP as approved by the FPSC direction; and

WHEREAS, the City reserves the right to opt out of the Lateral Hardening Program and instead may voluntarily agree to pay the costs associated with undergrounding these laterals through a community-led process in which the City would lead the project; and

WHEREAS, in a community-led undergrounding process, all up-front costs are paid by the municipality or community, which the municipality or community may elect to recover through the implementation of one or more special assessment districts; and

WHEREAS, if the municipality or community elects to implement one or more special assessment districts to recover the upfront costs associated with community-led undergrounding process, each property owner must either pay the full cost of the assessment upfront or over a ten-year period, which adds a financing cost; and

WHEREAS, conversely, if the City declines to voluntarily pursue a community-led undergrounding process, there are no upfront out-of-pocket costs required for converting these overhead laterals to underground, which may be converted to underground in accordance with the Lateral Hardening Program included in FPL's SPP, which may be amended from time to time upon FPSC approval; and

WHEREAS, upon FPSC approval, all costs incurred under FPL's SPP, including costs associated with the Lateral Hardening Program, are allocated to and recovered from all FPL customers systemwide through a Storm Protection Plan Cost Recovery Charge, which is reviewed and reset annually by the FPSC; and

WHEREAS, for a typical residential 1,000-kWh customer, the Storm Protection Plan Cost Recovery Charge was less than $4 a month in 2023; and

WHEREAS, by declining to pursue a community-led undergrounding process for the City's overhead utilities, there would be no need for the City to lead the project or impose new taxes on residents; and

WHEREAS, based on the foregoing, the City Commission proposes to not pursue a community-led undergrounding process for the City's overhead utilities and, instead, elects to have the City's overhead laterals converted, as applicable, through the Lateral Hardening Program included in FPL's SPP, as may be amended from time to time upon FPSC approval, which will avoid imposing new taxes on City residents; and

WHEREAS, the City Commission recognizes that implementing the Lateral Hardening Program and such other FPSC-approved projects related to overhead-to-underground electric infrastructure conversion and hardening are subject to changes based on actual conditions experienced and requirements or modifications adopted by the FPSC; and

WHEREAS, the City Commission is committed to continue working with FPL to facilitate any potential SPP projects, which includes the lateral hardening, distribution and transmission inspections, feeder hardening, transmission hardening, vegetation management, and flood mitigation projects in order to strengthen the City's energy grid and increase service reliability for residents.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1. That the foregoing recitals are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon the adoption hereof.

SECTION 2. That the City Commission hereby directs staff to work expeditiously with FPL to facilitate the successful implementation of SPP projects citywide. This includes, but is not limited

to, preparing a utilities relocation agreement with FPL, developing an enhanced and expedited permitting process for SPP projects, providing the public with information about upcoming SPP projects as it becomes available from FPL, and working with telecommunications providers and other overhead non-electric utilities to underground their infrastructure.

PASSED and **ADOPTED** this _____ day of _____, 2024.

ATTEST:

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Rafael E. Granado
City Clerk

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Steven Meiner
Mayor