

Keys Energy Services
Relocation of Electrical Facilities Frequently Asked Questions

BACKGROUND

As a result of two active hurricane seasons (2004 and 2005), the Florida Public Service Commission (FPSC) has recognized how customers have been adversely impacted from storm damaged electrical facilities. While KEYS customers have been extremely fortunate with post-storm restorations, the FPSC developed and passed orders requiring utilities to test the integrity of their electrical infrastructures and to "Storm Harden" their system for new and replacement facilities.

In addition to hardening the system, KEYS and other local utilities (AT&T and Comcast) have been dealing with the issue of facilities in public right-of-ways (ROWS) and easements where customer structures, pools, fences, and vegetation have made these facilities inaccessible for utilities to perform safe and efficient operations.

In order for KEYS to conform to FPSC orders, the Utility Board approved on January 11, 2012 a Plan to Address Inaccessible Facilities - Phase I. This Plan will specifically address relocating high voltage lines that are currently behind your home to the front of your property.

FACILITIES

Question: What do I have to do to my property?

Answer: KEYS will arrange for one of our Engineering Field Representatives to visit your property and collaborate with you and your electrician to determine a solution that is best for you and KEYS.

Question: I thought KEYS owned the lines all the way into my house?

Answer: KEYS owns the service drop to the house. The homeowner owns the weather head, riser, and meter can. (see attached photo for more clarification)

Question: Are poles going in front of my house? Driveway?

Answer: Final site plans have yet to be drafted/developed, but KEYS will work with homeowners to ensure that new power poles do not block driveways. KEYS design will make every effort to make sure new poles are sited along the property lines rather than in-front of homes.

Question: Is the pole going to be a large pole? Will it be concrete or wood?

Answer: All new and/or replacement poles will be concrete. The size of the pole will be dependent on the individual needs of the home/neighborhood. As plans are developed more information will be known. Currently, the poles can range anywhere from 30 feet to 45 Feet in height. A typical pole will have a foot print size up to 16" x 16".

Question: There are already power poles in front of my house, are you placing more poles out front, or replacing them?

Answer: Depending on the final plan, KEYS will most likely replace the poles that are currently there in order to ensure their reliability and allow for the safe installation of electrical facilities.

Question: There are poles across the street, do I still need a pole in front of my house?

Answer: Depending on the final plan, poles may be needed on both sides of the street to accommodate upgraded electrical facilities. This depends on the width of the street and the customer's riser location.

Question: What about the tall trees in front of my house, are you going to trim/remove them?

Answer: Depending on the final plan and accessibility, it may be necessary to have the trees trimmed and/or removed. The location of the tree will determine who would be responsible for its pruning/removal. Trees in the Right-of-Way would be removed or trimmed by KEYS, trees on private property may be the responsibility of the homeowner.

Question: How come KEYS does not install electrical lines underground?

Answer: Converting utilities underground is extremely costly both to utilities and homeowners. While the reliability of such lines is greater than overhead lines, restoration times are longer because electrical faults are not immediately visible and accessible. Additionally, the use of underground facilities requires that customers "site transformers" on their property (rather than on overhead poles) and most customers are not willing to part with valuable property space for such equipment. Also, customers will have to pay approximately \$8,000 to install underground secondary lines from the transformer to their home. Similar work would also need to be agreed upon with AT&T and Comcast – such costs are unknown.

Question: Who will coordinate this work?

Answer: KEYS will coordinate this project, however, it will be the responsibility of the homeowner to work with a private electrical contractor to make necessary changes/upgrades to equipment (riser/meter center) that does not fall under the purview of KEYS. KEYS will make contact with each homeowner in order to explain all options and to discuss our customer assistance program.

TIMING

Question: When will work commence?

Answer: After the decision to relocate facilities to the front is made, KEYS hopes to have all work completed within the next four years. Please note that typically work will be block-by-block lasting approximately up to 6 weeks with minimal traffic or electrical service disruptions.

Question: When should I contact my electrician?

Answer: KEYS will notify all affected customers as the project proceeds as to what will be required from you and appropriate time frames. Customers should wait to contact their electricians until they have heard from KEYS on the details of the upgrades that KEYS has specifically recommended.

Question: When is all this going to happen?

Answer: Over the next one to three years. KEYS will be prioritizing the work and moving through the neighborhoods. For details on the anticipated time for your block, please contact Engineering.

FINANCIAL IMPACT

Question: How much will this cost?

Answer: Customers may have to hire a licensed electrical contractor if it necessary for a homeowner to relocate or raise their weather head/riser. This could cost anywhere from \$2,000 to \$2,800. Please note these are estimates that will be charged by an electrician not KEYS. If the customer has additional work or if the customer's meter center is particularly old or in a difficult location, this cost could vary significantly.

Question: Who is going to pay? Who do I pay?

Answer: Customers will be responsible for all upgrades to their meter center and will have to work with, and pay, a licensed electrical contractor to make the necessary repairs. However, KEYS will be offering rebates in the amount of up to \$2,100 to help offset or cover the costs. The rebate will be provided in a separate check to the customer.

Question: Are my electric bills going to increase as a result of this project?

Answer: No. KEYS does not anticipate an increase to customer electric bills as a result of this project.

Question: Can KEYS add the cost of this project to my electric bill?

Answer: No. KEYS can only bill for services it provides, any work performed by a private electrical contractor will have to be billed separately by them. KEYS will however, provide a rebate of up to \$2,100 to help offset or cover the costs.

Question: I don't have the money to do this now, what am I supposed to do?

Answer: KEYS will offer rebates to help offset costs for this project. Additionally, KEYS can set a customer pole at no cost to you that will enable you to maintain your current meter center/riser. This pole will become yours and you will be responsibility for future maintenance, upgrades or replacement.

Question: If KEYS indicates that the appropriate solution for me is to extend my riser, can I opt to pay the additional costs to move the meter center and riser to the side of my house?

Answer: Yes

RESPONSIBILITY

Question: It was like this when I bought the property, why should I have to fix it?

Answer: The Florida Public Service Commission passed new regulations in order to make the electrical infrastructure throughout the entire state more storm ready. Regardless of what the property was like when you purchased it, all affected properties must be storm hardened in preparation of future hurricanes.

Question: Why should I have to pay?

Answer: You are not being asked to pay for the relocation of KEYS electrical facilities – only of your own facilities. However, keep in mind that KEYS will be helping by offering rebates to help offset or cover the majority of costs.

Question: Why should I pay if my section of easement is not affected?

Answer: As long as electrical facilities are inaccessible to KEYS in your neighborhood, your reliability could be affected. While your pole specifically may be accessible - the

next pole may not be and unfortunately, this project cannot be pole by pole but rather must be for an entire pole line.

Question: How come you are not making my neighbor pay, they are the ones that took over the easement?

Answer: Each customer will have to be responsible for the costs of getting power from our facilities into their home.

MISCELLANEOUS

Question: Can KEYS come to my house to show and explain to me what the problem is and what I have to do?

Answer: KEYS would be pleased to set up an appointment with you, simply contact KEYS Engineering at 305-295-1042

Question: The roadway behind my house is clear, why does this project still impact me?

Answer: While your block may be in compliance, your entire neighborhood may not. KEYS, AT&T, and Comcast cannot zig-zag utility poles/lines in order to accommodate compliant and non-compliant properties.

Question: If the poles are moved from the back, does this mean I can build on the easement or "Right-of-Way"?

Answer: All questions concerning property should be referred to the City of Key West. If the poles are relocated to the front of homes, KEYS will have no need for the easement and will process any paperwork to relinquish them.

Question: If KEYS moved the electric from back to front, what about Comcast and AT&T?

Answer: KEYS is working with Comcast and AT&T to encourage them to relocate to the new poles in a timely manner. KEYS and the City of Key West cannot legally require them to move, but we are aggressively working with them.

Question: What if I do not understand these questions and answers? Can KEYS help?

Answer: Absolutely. A KEYS representative will meet "one on one" with homeowners to explain the project and options.

Question: I have a street light on a pole near my house, will that stay?

Answer: KEYS is working with the City of Key West to reinstall new lighting on the new poles out front. The ultimate decision on light placement is made by the City.

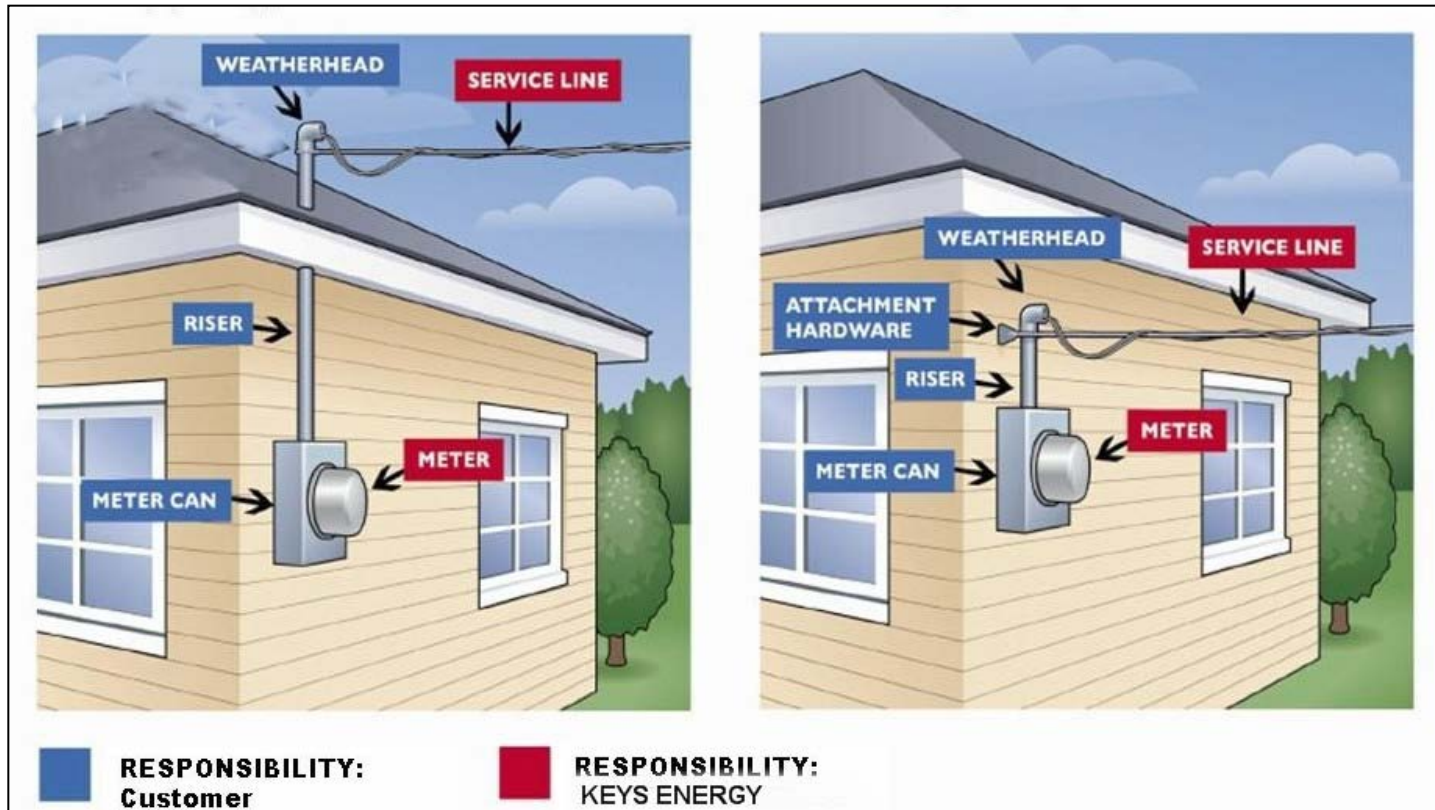
Question: I have a sidewalk in front of my house. How will the new poles affect the sidewalk and ADA (accessibility) around the pole?

Answer: KEYS and the City of Key West are working very closely on the design and pole locations in order to maintain code clearances in accordance with all Local and Federal Laws.

Please see attached diagram to understand some of the terminology used in these Questions and Answers.



METER CENTER RESPONSIBILITIES



The diagram on the right illustrates a meter center that no longer meets current electrical codes. If/when this type of meter center is replaced, KEYS customers will have to update their facilities to reflect the diagram on the left.