

February 15, 2025

Tara Kivett  
City of Clearwater  
100 S Myrtle Ave  
Clearwater, FL 33756

RE: *Binding cost estimate to underground S Myrtle Ave – New City Hall location*

Dear Ms. Kivett:

Thank you for submitting your request to Duke Energy. The purpose of this proposal is to provide a binding cost estimate for the area you have identified. The effective date of this proposal is February 15, 2025. This cost estimate is based on current labor and material rates and is valid for 180 days (August 14, 2025). Requests beyond that period will require review and adjustments as needed.

### **Project Scope**

Underground the existing Duke Energy electrical distribution facilities along S Myrtle Ave. Duke Energy to perform the work associated with this undergrounding as outlined in the forthcoming agreement.

### **Binding Cost Estimate**

The binding cost estimates is:

- S Myrtle Ave – Between Cleveland Ave and Court St: \$ 671,431.56

### **Proposal Assumptions**

Below is a non-inclusive list of assumptions used in calculating this estimate:

- All underground facilities to be located in private property easements, not in the right of way. Easements to be obtained by customer at no cost to Duke Energy.
- Does not include cost to underground joint users, such as telephone and cable television.
- Does not include cost for restoration of any street, right of way, easement, private property or pavement reconstruction that may be necessary as a result of the construction. This cost only includes backfilling the affected area to safe condition.
- Does not include costs associated with new streetlights.
- Does not include cost to replace existing meter can to accept new underground service.
- Does not include any survey work that may be required to identify right of way and easements.
- Duke Energy's design does not guarantee construction feasibility in the field until a constructability review is completed.



4121 St Lawrence Dr  
New Port Richey, FL 34653

o: 727.372.5164  
miriam.tucker@duke-energy.com

### **Next Steps**

Below is a high-level list of next steps if you wish to proceed with this project.

|   | Task                                                                                                             | Responsible Party                       |
|---|------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| 1 | Gather cost estimates from all other joint utilities (Telephone, cable television, etc.)                         | Applicant                               |
| 2 | Obtain easements to install facilities and locate equipment                                                      | Applicant with support from Duke Energy |
| 3 | Coordinate customer obligations and possible outages                                                             | Applicant with support from Duke Energy |
| 4 | Sign and approve agreements required by Duke Energy. Provide payment to Duke Energy prior to construction start. | Applicant                               |
| 5 | Schedule and complete conversion                                                                                 | Duke Energy / Other utilities           |

Enclosed is a breakdown of the facility charges per the Duke Energy Tariff for your reference.

If you would like to proceed with this project, please contact me at the email address above. We appreciate your business and look forward to providing you with excellent customer service.

Sincerely,

*Miriam Tucker*

Miriam Tucker  
Project Manager  
Power Grid Operations

Enclosure



### Facility Charges per Tariff Section 12.05(2)

|                                                                                                                                                                                 |                                                  |                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------|
| Project Name                                                                                                                                                                    | City of Clearwater - City Hall                   |                 |
| Location                                                                                                                                                                        | Myrtle Ave - Extended scope - Cleveland to Court |                 |
| Substation                                                                                                                                                                      | Clearwater                                       |                 |
| Date                                                                                                                                                                            | 2/15/2025                                        |                 |
|                                                                                                                                                                                 |                                                  | Tariff Charges  |
| a) Remaining Net Book Value                                                                                                                                                     |                                                  | \$ -            |
| Of existing overhead facilities to be removed*                                                                                                                                  |                                                  |                 |
| b) Removal Cost                                                                                                                                                                 |                                                  | \$ -            |
| Of existing overhead facilities*                                                                                                                                                |                                                  |                 |
| c) Salvage Value                                                                                                                                                                |                                                  | \$ -            |
| Of existing overhead facilities*                                                                                                                                                |                                                  |                 |
| d) Construction Cost of Underground                                                                                                                                             |                                                  | \$ 1,110,915.57 |
| Estimated construction cost of underground facilities including underground service laterals to residential customers meters or point of delivery for general service customers |                                                  |                 |
| e) Construction Cost of Overhead                                                                                                                                                |                                                  | \$ (405,732.11) |
| Estimated construction cost of overhead facilities Including overhead service drops to customers' meters                                                                        |                                                  |                 |
| f) Cost Estimate Fee                                                                                                                                                            |                                                  | \$ (1,756.00)   |
| Qualifying binding cost estimate fee                                                                                                                                            |                                                  |                 |
| g) Lifecycle Operations Costs                                                                                                                                                   |                                                  | \$ (31,995.90)  |
| The net present value of the lifecycle operational costs differential including storm restoration                                                                               |                                                  |                 |
| Total Charges                                                                                                                                                                   |                                                  | \$ 671,431.56   |
| Total credits applied to project:                                                                                                                                               |                                                  | \$ (439,484.01) |

\* In calculating the Applicant's Facility Charge, elements a, b, and c of the Facility Charge formula above are to be excluded from Facility Charge due from an Applicant who submits an application providing a binding notification that the Applicant intends to convert existing non-hardened overhead facilities to underground facilities.