

# Scenic Watch



Covering  
August  
2020  
News

## "Billboard Ad Sales Dive 40% With Americans Staying Off Road"



Photo: Charlotte Kesl, Bloomberg

"Surprising as it may seem now, 2020 was supposed to be a great year for billboard ads.

New kinds of marketers, like the burgeoning weed industry, were flocking to outdoor advertising, letting it outshine other media.



## Fun Festivals and Events

Our coverage will resume once events and activities become more available

Then Covid-19 hit, forcing restaurants and other stores to close. In all, local businesses that account for 60% of out-of-home ad sales began canceling spots. According to researcher Magna Global, the second quarter of 2020 will show a 40% drop in revenue from a year earlier. When financial results come out in two weeks, Clear Channel Outdoor Holdings Inc. and Outfront Media Inc. are expected to post declines of up to 50%, based on company forecasts and Wall Street estimates.

'We were really experiencing a golden age for out-of-home advertising,' said Anna Bager, chief executive officer of the Out of Home Advertising Association of America, an industry group.

Unlike other legacy media -- newspapers and magazines -- out-of-home ads were forecast to grow annually through 2024, buoyed by spiffy digital signs and new customers like weed dispensaries, Magna Global estimated in December. Shares of Lamar Advertising Co., the leader with a market value of more than \$6.6 billion, rose 29% last year.

The companies, which declined to comment or didn't respond to inquiries, have moved to conserve cash and refinance debt. Outfront suspended its dividend, cut its workforce and trimmed investment. Lamar slashed its payout and outlays on lucrative digital billboards by half amid forecasts of a 17% drop in quarterly sales. Outdoor companies are also offering clients discounts and easier payment schedules.

'Digital billboards make up 5% of all the billboards at most of these companies, but they bring in almost 20% to 25% of revenue,' said Geetha Ranganathan, a Bloomberg Intelligence analyst. 'It's a huge growth driver.'

During the pandemic, many advertisers have dropped billboards for online media. With so many people at home and working online, some marketers see the internet as a better buy..."



-- Renata S Geraldo, Bloomberg

[Read entire article](#)

## "Florida approves utility storm protection plans; analysts advocate measures beyond undergrounding"



Photo: Wikimedia Commons

"System hardening can help keep the lights on during a storm, but experts warn this addresses only the symptoms of a fragile grid.

The Florida Public Service Commission on Monday approved agreements authorizing storm protection plans (SPP) for four investor-owned utilities, clearing the way for billions of dollars in system hardening investments including the continued undergrounding of power lines and other equipment.

While moving distribution assets underground can help make them more resilient to storms and other disasters, experts say it must be done carefully--with an eye towards making equitable investments that have broader grid impacts.

The protection strategies are the result of legislation signed last year by Republican Gov. Ron DeSantis, which required utilities to develop 10-year plans that will be updated regularly. The law allowed for a cost-recovery rider, outside of a

utility's base rates, to pay for undergrounding power lines and other system improvements.

Regulators determined the agreements are in the public interest 'because the programs continue to strengthen Florida's grid and improve recovery times from severe weather events,' PSC Chairman Gary Clark said in a statement.

The agreements continue some hardening work that utilities have been doing for more than a decade, since Florida's electric grid was devastated during the 2004-2005 storm season. They also authorize some new work, while ensuring utility plans to underground power lines are completed in a methodical and data-driven way.

While moving power lines underground will help with system resilience, some experts warn that the expensive process addresses only the symptoms of a fragile system — and other types of modernization and distributed investments could provide system value even when the state is not facing hurricanes or other potential disasters.

"The costs of such efforts may be justified in some cases, but in general, undergrounding is an example of a resilience investment that only address the symptoms, not the root cause, of a fragile grid," Mark Dyson, principal at Rocky Mountain Institute (RMI), said in an email.

The agreements authorize SPPs for NextEra Energy subsidiaries Florida Power and Light (FPL) and Gulf Power, Duke Energy Florida, and Tampa Electric Company (TECO). Earlier this year, regulators granted Florida Public Utilities Company a one-year extension to complete its SPP, following system damage from Hurricane Michael in 2018.

Each agreement was reached with Florida's Office of Public Counsel (OPC), and in some cases specific customers...

The storm protection plan for FPL, the state's

largest electric provider, "is a continuation of the existing comprehensive hardening programs that the company has undertaken for nearly 15 years," utility spokesman Bill Orlove said in an email. "These programs have benefited customers by successfully reducing restoration costs and outage times during major storms, as well as improving day-to-day service reliability..."

TECO's plan calls for spending more than \$100 million in most years to underground distribution laterals, totaling about \$977 million from 2020 through 2029..."

-- Robert Walton, Utilitydive.com

[Read entire article including details on plans](#)

Update: "Hurricane-wary Palm Beach slowly, but steadily, burying all overhead utilities"



Photo: Meghan McCarthy, pbdailynews.com

"The 2020 hurricane season is cranking into high gear, and with it comes the dread of storm surges, wind damage and power outages.

This is the first hurricane season in recorded history to bring nine tropical storms before Aug. 1...

Nowhere is the threat more real than on a barrier

island such as Palm Beach, where construction began three years ago on town-wide conversion to buried power, phone and cable television lines.

Town officials say an underground system will be more resistant to damage from high winds, which can wreak havoc on overhead utility poles and wires and, of course, force people to endure days or even weeks without power.

'We can't definitively say they will never be without power,' said Steve Stern, manager of Palm Beach's underground utilities program. 'But the fact is there are no overhead wires or poles or aerial transformers to break in a future windstorm. If they do lose power, these areas can be repaired much quicker than those that still rely solely on overhead utilities.'

The project is being done in phases and completion expected as early as 2026. The construction cost is expected to be around \$121 million, Stern said.

Thus far, three neighborhoods have been converted to the new underground system...

The three areas that have been converted to underground power represent only a fraction of the total 2,997 parcels in town. But a few streets and neighborhoods, such as Nightingale Trail and La Puerta Way, and Everglades Island, already have buried their utilities on their own.

Over the years, a significant portion of properties throughout town have buried utility lines up to the property line but still receive power from overhead lines, town officials have said.

It also is important to note that all electrical power reaches the island via main transmission lines that may be storm-hardened but are still overhead, Stern said...

In May 2018 Florida Power and Light Co. told state regulators that underground utilities performed so

well during Hurricane Irma in 2017 and Hurricane Matthew in 2016 that the utility's goal is to have its entire distribution system 'hardened or placed underground by 2024.'

FPL took 10 days to restore power in the state after Irma, which made landfall in the Florida Keys, then swept through the state, knocking out power to 90 percent of the utility's customers.

FPL said 82 percent of non-hardened main overhead power lines lost power, compared to 69 percent of hardened overhead main power lines and 18 percent of underground power lines."

-- William Kelly, pbdailynews.com

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## "Why didn't New Orleans bury its power lines after Katrina?"



Photo: Rusty Costanza, NOLA.com | The Times-Picayune

"Ten years after Hurricane Katrina, the conversation over how to protect the New Orleans electricity grid against stronger storms continues to return to a single question: Why don't we bury our power lines?"

Katrina changed the way New Orleans and the state prepares for the cost of turning the lights back on after a storm and spurred critical infrastructure upgrades. Still, the wooden utility poles holding up distribution lines in most New Orleans neighborhoods look much as they did before Katrina hit in 2005.

Buried lines -- like those in the French Quarter and Central Business District -- are generally more resilient during storms. So, why didn't New Orleans bury its power lines after Katrina?

'The primary answer is cost,' said Melonie Stewart, director of customer service for Entergy and its subsidiaries, including Entergy New Orleans, which serves the city.

It costs about \$1 million per mile to bury electric distribution lines, compared with \$100,000 per mile for above-ground lines, according to a widely cited Edison Electric Institute research paper.

The majority of the cost of converting lines would be passed to customers. Stewart said monthly electric bills could double, triple or even quadruple during such a project. That would have crippled the city after Katrina and remains too high a cost today, she said...

Burying lines is not a silver bullet solution. Though outages are less frequent, it can take longer to identify and repair problems when they do occur. Underground lines are also prone to flood damage.

When Katrina storm surge crumbled federal levees and flooded the city, outages lingered in the handful of eastern New Orleans subdivisions that had buried lines.

Casey DeMoss Roberts, CEO of the Alliance for Affordable Energy, a New Orleans consumer advocacy group, agreed the cost of burying power lines is too high. Roberts said measures such as regular tree trimming are low cost and go a long



way toward storm damage prevention.

'What we need to be talking about is tree maintenance and upgrading utility poles as well as raising and securing substations.' Roberts said.

Still, many locals see an opportunity to lay underground at a lower cost while the Army Corps of Engineers completes several Uptown drainage projects over coming years, digging up major roads and disrupting traffic.

Stewart said Entergy would have to lay underground transmission lines far from existing water and natural gas lines. At the end of the day, it is possible buried lines would run nowhere near corps drainage work, she said...""

-- Jennifer Larino, NOLA.com, The Times-Picayune

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