

PUC clears the way for municipal streetlight savings

By Chris Church, Special to The Block Island Times

A July 25 vote by the state's Public Utilities Commission (PUC) has cleared the way for municipalities to purchase streetlights in their town from National Grid, rather than essentially rent them, and save a total of more than \$8 million each year.

Municipalities currently pay the utility company a standard rate, or tariff, that includes the price of power and the cost of the lighting fixture service. That rate is set by the PUC.

Money paid toward the cost of the lighting fixture service is used by National Grid when a streetlight pole is hit by a car, the light fixture is broken, light bulbs need to be replaced or the wiring malfunctions.

Last year, the General Assembly passed the Municipal Streetlights Investment Act, which was sponsored by Sen. James Sheehan (D-Dist. 36) of North Kingstown and Narragansett, and signed into law in July 2013 by Gov. Chafee.

The law directed the PUC to set alternative tariffs that eliminate the lighting fixture service costs if a municipality chooses to purchase the

streetlights. It also directed the PUC to establish different rates for different types of lighting, including newer, more energy-efficient lights.

Most streetlights use low- or high-pressure sodium lights that consume more energy and cast a broad, orange light. Newer LED lights consume less energy; they're also brighter and can direct light more precisely.

The reform began nearly three years ago when the Washington County Regional Planning Council, which is comprised of town officials from North Kingstown, South Kingstown, Exeter, Narragansett, Charlestown, Hopkinton, Richmond, Westerly and New Shoreham, and the Rhode Island Foundation funded a study evaluating the costs. The study showed those municipalities spend about \$1.2 million each year for the costs of maintaining the telephone poles and lighting fixtures.

Massachusetts and Connecticut, as well as many other states, have passed similar laws.

In Massachusetts, at least 70 cities and towns that have purchased their streetlights have saved between 15 and 70 percent of their streetlight

expenses, according to the study.

National Grid has testified it is in favor of the legislation, which would allow it to rid itself of much of its streetlight maintenance responsibility and focus on its primary responsibility of delivering power to its customers.

Jeff Broadhead, the director of the WCRPC, said municipal ownership of the lights also allows cities and towns to work collectively to manage the maintenance of streetlights, saving even more money, and respond more quickly to service calls.

"Any light outage would be repaired in three to five days and any emergency response would be within four hours," he said. "You don't get that now."

Under the newly enacted reform, municipalities can purchase their streetlights from National Grid at a depreciated value, since the system has been in use for decades. The towns and cities can then contract with PRISM (the Partnership for R.I. Streetlights Management), which the regional planning council formed, and install new LED lights using PRISM's collective buying power.

In 2012, North Kingstown spent

\$384,055 on the cost of lighting the town's 2,426 streetlights, according to Broadhead. That expenditure does not include the cost of electricity consumed. If the town purchased the lights at an estimated cost of \$143,350 the estimated operational costs would be about \$226,377 — a savings of \$157,678, which would cover the purchase price in the first year.

PRISM will be overseen by the towns involved and will use local contractors selected in a public process. According to Broadhead, "The economy of scale will help all Rhode Island's small towns with the buying power of our cities."

Dan Beardsley, executive director of the Rhode Island League of Cities and Towns, emphasized, "It's all about local control. There is no need for a private company to own the lights on an town's Main Street. The Washington County Regional Planning Council is right; these should be owned and operated by local government."

For more information on the initiative, visit werpc.org and click on the "Streetlights Reform Project" link under the "Projects" tab.

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