

HP0885, LO 1251, item 1, 126th Maine State Legislature

Lowering Costs to Municipalities & Reducing Energy Consumption through Competition in the Municipal Street Light Market

An Act To Reduce Energy Costs, Increase Energy Efficiency, Promote Electric Reliability and Protect the Environment

Part E: Lowering Costs through Competition in the Municipal Street Light Market

Sec. 1. 35-A MRSA §2523 is enacted to read:

.2523 Street lights; use of poles. The following programs govern street lights that are attached to utility poles in the public way.

I. Ownership and maintenance options. On or after October 1, 2014, a transmission and distribution utility shall provide the following options for street and area lighting provided by luminaires attached to poles owned by the transmission and distribution utility or on shared use poles in the electrical space under the contractual management of the transmission and distribution utility located in the public way:

A. The transmission and distribution utility provides all of the components of the lighting system, including installation on the utility poles and maintenance, and provides electricity delivery to the lighting system from a power vendor selected by the municipality. The transmission and distribution utility shall apply a monthly charge for these services as approved by the commission that reflects the total cost to provide street lighting equipment for each light and a separate charge for power delivery consistent with subsection 3.

B. The transmission and distribution utility installs all of the components of the street lighting hardware as selected, purchased and owned by the municipality on the utility poles owned by the transmission and distribution utility or in the electrical space under contractual management of the transmission and distribution utility on shared use poles, and connects the light to the power source on the pole. The transmission and distribution utility may apply a one-time charge per luminaire for installation as established by the commission.

Any subsequent repairs made by the transmission and distribution utility to the mounting hardware or the power supply wire connection must be billed at a rate established by the commission. Maintenance of all components of the light fixture is the responsibility of the municipality or its contractor and anyone performing maintenance work on behalf of the municipality pursuant to this provision must be qualified per applicable Federal or State standards or any specific standards established by the Commission for such work and shall have liability insurance in an amount and with terms determined by the Commission. Light locations, the lighting hardware installed, and delivery charges are governed by subsections 2 and 3-; and

C. The transmission and distribution utility connects to the power lines a fixture either owned by or owned and installed by the municipality or its contractor on a pole owned by the transmission and distribution utility or on shared use poles in the electrical space under the contractual management of the transmission and distribution utility. Light locations, the lighting hardware installed, and delivery charges are governed by subsections 2 and 3. Maintenance of the light fixture and mounting hardware is the responsibility of the municipality or its contractor. Anyone installing or working on municipally owned street lighting equipment pursuant to this provision on behalf of the municipality must be qualified per applicable federal and state standards or any specific standards established by the Commission for such work and shall have liability insurance in an amount and with terms determined by the Commission. The transmission and distribution utility may apply a one-time power connection charge per luminaire as established by the commission.

2. Lighting location and installation. For municipally owned street lighting hardware located on poles owned by the transmission and distribution utility or in the electrical space on shared use poles in the public way, the location on the pole and the lighting hardware installed, as well as any associated charges, shall be governed by the following provisions.

A. The criteria for determining possible locations on the utility pole for the lighting hardware, determining any changes that may be needed such as, but not limited to, relocating equipment already on the pole, installing a taller pole, or bracing an existing pole as well as any one-time fees the transmission and delivery utility may charge the municipality for both the foregoing analysis, as well as any work necessitated by such determination, shall be established by the Commission based on standard utility industry practice. The criteria shall also specify the conditions under which a request from a municipality to locate a light on a pole may reasonably be denied by the utility.

B. The commission shall establish basic criteria, consistent with the utility's practice, for municipally owned lighting hardware installed on utility poles that address any reasonable safety and compatibility issues with other equipment on or uses of the pole. The criteria shall provide a basis for determining when no additional assessment work, and related fees pursuant to paragraph A of this subsection would be warranted for a replacement fixture because the new fixture places comparable or lower demands on the utility pole and related utility equipment.

3. Delivery rates and associated charges. The charges for the transmission and distribution utility to deliver electricity to the municipal street lighting systems as provided in subsection 1 shall be established in accordance with standard Commission proceedings. For municipal street lighting systems as detailed in subsection 1, paragraphs B and C, the Commission shall determine what, if any, ongoing fees beyond the power only delivery charge may be assessed, including a pole attachment fee. In making this determination the Commission shall weigh, among other factors, the municipal interest to serve the general public and the location of the poles in municipal rights of way

4. Transfer of ownership. A transmission and distribution utility shall allow a municipality to transition utility-owned street and area lighting for which the municipality is billed to either form of municipal ownership in subsection 1, paragraphs B and C in a time frame and under terms established by the Commission. The Commission shall also determine a fair and equitable cost for all aspects of the transition, as well as establish guidelines to best enable the contiguous ownership of lighting facilities fixtures.

#### SUMMARY

This bill requires electricity transmission and distribution utilities to provide 3 options for municipal street lighting programs: the utility-provided services option; the utility installed and municipally owned and maintained option; and the municipally owned, installed and maintained option. Under these options, the bill provides for how a municipality may be charged for the utility infrastructure services provided, how the location of street and area lighting will be provided on the utility poles, at what rates or by what methods the electricity delivery charges may be assessed and how existing lighting may be transitioned to municipal ownership.