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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS - MUNICIPAL STREETLIGHT INVESTMENT ACT

Introduced By: Representatives Ruggiero, Handy, McKiernan, Marshall, and O'Grady

Date Introduced: February 25, 2015

Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Section 39-30-3 of the General Laws in Chapter 39-30 entitled "Municipal Streetlight Investment Act" is hereby amended to read as follows:

<u>39-30-3. Streetlight investment. --</u> (a) Any city or town <u>or other public entity</u> receiving <u>and managing public</u> street lighting service from an electric distribution company pursuant to an electric rate tariff providing for the use by such municipality of lighting equipment owned by the electric distribution company, at its option, upon sixty (60) days notice to the electric company and to the department, and subject to the provisions of subsections (b) through (e), may:

(1) Convert its street lighting service from the subject tariff rate to an alternative tariff rate providing for delivery service by the electric distribution company of electric energy, whether or not supplied by the electric distribution company, over distribution facilities and wires owned by the electric distribution company to lighting equipment owned or leased by the municipality, and further providing for the use by such municipality of the space on any pole, lamp post, or other mounting surface previously used by the electric distribution company primarily for the mounting of the lighting equipment and for any other reasonable purpose at the municipality's discretion. The alternative tariff rate shall provide for monthly bills for street and area lighting that shall include a schedule of energy charges based on metering, if the municipality chooses to install municipally owned controls that include metering chips, or a determination annual kilowatt-hour usage per lumen rating or nominal wattage of all types of

lighting equipment, but shall not include facility, support, maintenance, or accessory charges. The new tariff shall use metering, if the municipality chooses to install municipally owned controls that include metering chips, or existing usage calculation methods and existing rates for any currently existing lighting equipment, only setting reasonable new rates for newly adopted lighting equipment. The new tariff shall be structured so as to allow options for various street lighting controls, including metering, if the municipality chooses to install municipally owned controls that include metering chips, or both conventional dusk/dawn operation using photocell or scheduling controls, as well as schedule-based dimming or on/off controls that dim or turn off street lights during periods of low activity. The electric distribution company, in consultation with the office, shall file the new tariff with the public utilities commission within sixty (60) days of the effective date of this chapter and the commission shall then issue a decision within sixty (60) days after the filing to effectuate the purposes and provisions of this chapter.

- (2) Purchase electric energy for use in such municipal lighting equipment from the electric distribution company or any other person allowed by law to provide electric energy; and
- (3) After due diligence, including an analysis of the cost impact to the municipality, acquire all of the public street and area lighting equipment of the electric distribution company in the municipality, including all warranties and assigned access agreements pursuant to subsection (d) of this section, compensating the electric distribution company as necessary, in accordance with subsection (b).
- (b) Any municipality exercising the option to convert its lighting equipment pursuant to subsection (a) must compensate the electric distribution company for the original cost, less depreciation and less amortization, of any active or inactive existing public lighting equipment owned by the electric distribution company and installed in the municipality as of the date the municipality exercises its right of acquisition pursuant to subsection (a), net of any salvage value. The electric distribution company shall produce an accurate lighting inventory and purchase price calculation within thirty (30) days of the municipality's notice of intent to acquire and the inventory and price shall be subject to negotiated agreement between the parties or subject to dispute resolution pursuant to subsection (e) of this section. Upon such payment, the municipality shall have the right to use, alter, remove, or replace such acquired lighting equipment in any way the municipality deems appropriate without any further agreements, restrictions, oversight, indemnification obligations or charges by the electric distribution company excepting only as specifically proposed to and approved by the public utilities commission as specifically necessary to prevent interference with the electric distribution company's provision of electric distribution services. The municipality shall have sixty (60) days after the purchase to verify the inventory

and if it finds discrepancies, the purchase price shall be adjusted pro rata. Any contract a municipality enters for such services must require appropriate levels of training and certification of personnel providing pole service for public and worker safety, evidence of twenty-four (24) hour call capacity and a committed timely response schedule for both emergency and routine outages. The municipality may also request that the electric company remove any part of such lighting equipment that it does not acquire from the electric distribution company in which case the municipality shall reimburse the electric distribution company the cost of removal by the electric distribution company, along with the original cost, less depreciation, of the removed part, net of any salvage value.

- (c) When a municipality exercises its option pursuant to this subsection, the municipality will notify the electric distribution company of any alterations to street and area lighting inventory within sixty (60) days of the alteration. The electric distribution company will then adjust its monthly billing determinations to reflect the alteration within sixty (60) days.
- (d) When a municipality exercises its option pursuant to subsection (a), anyone other than the electric distribution company controlling the right to use space on any pole, lamp post, or other mounting surface previously used by the electric distribution company in such municipality shall allow the municipality to assume the all rights and obligations of the electric distribution company with respect to such space for the unexpired term of any lease, easement, or other agreement under which the electric distribution company used such space all of which agreements the electric distribution company shall assign and provide to the municipality; provided, however, that:
- (i) The municipality is subject to the same terms and conditions that pole owners make to others that attach to the poles; and
- (ii) In in the assumption of the rights and obligations of the electric distribution company by such a municipality, such municipality shall in no way or form restrict, impede, or prohibit universal access for the provision of electric and other services.
- (e) Any dispute regarding the terms of the alternative tariff, the compensation to be paid the electric distribution company, or any other matter arising in connection with the exercise of the option provided in subsection (a), including, but not limited to, the terms on which space is to be provided to the municipality in accordance with subsection (c), shall be resolved by the division of public utilities and carriers commission within ninety (90) days of any request for such resolution by the municipality or any person involved in such dispute.
- (f) Notwithstanding any general or special law, rule, or regulation to the contrary, any affiliate of any electric distribution company whose street lighting service is converted by any

- 1 municipality in accordance with the provisions of this section may solicit and compete for the
- 2 business of any such municipality for the provision of lighting equipment or any other service
- 3 such as equipment maintenance in connection therewith.
- 4 SECTION 2. This act shall take effect upon passage.

LC001609

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO PUBLIC UTILITIES AND CARRIERS - MUNICIPAL STREETLIGHT INVESTMENT ACT

1	This act would amend the provisions of the general laws related to conversion charges for
2	municipality service, from a subject tariff rate to an alternative tariff rate, for delivery service of
3	electric energy.
4	This act would take effect upon passage.
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