Energy Efficiency Department

Setting a LED Streetlight Rate

November 20, 2017
Purpose-Initiate rate setting process to:
1. Account for the reduction in energy usage from LED streetlights
2. Take advantage of grant funding

Agenda

• Review what has been completed
• Grant funding and how it’s tied to proposed LED rate
• Proposed new LED rate
• **Requested ACTION:** Set community meeting schedule and hearing date
What’s happened since the last time we met?

• Stakeholder engagement

• Completed streetlight inventory and audit

• Finding and obtaining funding
Engaging Stakeholders

• **External**
  • Met with cities, Chelan County, and DOT throughout the project
  • Launched LED street light pilot project in 2016
    • Very few responses

• **Internal**
  • Rate and Policy Committee
  • Lighting Standards Group
Grant funding (and its tie to a new LED rate)
Grant Funding Sources

- $287,000 in funding from Commerce

- Targeting $500,000-$550,000 in funding from the Transportation Improvement Board (TIB)
  - TIB funding covers up to 100% of the cost to retrofit streetlights in cities with a population of less than 5,000
  - TIB funding is contingent on streetlight cost-reductions to the cities that are being funded.
Proposal: Reduce Monthly Rates by Energy Reduction

Components of Monthly Streetlight Rate

- **Energy**
  - $/kWh* (2.94 Cents)
  - Volume (kWh) Based on lamp wattage
- **Maintenance and A&G**
- **Depreciation**

200 watts to ~ 38 watts=162 watt reduction
How does the reduction in wattage translate into an LED rate?

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<td>7</td>
<td>Muni Owned Light w/ District Maintained</td>
<td>$10.45</td>
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<td>37.8</td>
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<td>Underground Service to PUD-Owned, Installed and Maintained by District</td>
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Proposed Schedule

• Seek board approval to set three informational meetings and a public hearing.

• Three informational meetings
  • Leavenworth-Dec. 11, 2017 at 5:30PM in the Chelan PUD Leavenworth Auditorium
  • Chelan-Dec. 12, 2017 at 5:30PM in the Chelan PUD Chelan Conference Room
  • Wenatchee- Dec. 20, 2017 at 5:30PM in the Confluence Technology Center

• Set Public Hearing
  • First Board of Commissioner meeting in January, 2018 (either the 2\textsuperscript{nd} or the 8\textsuperscript{th} depending on scheduling)
Proposed Motion for Consideration

“Board moves to set public informational meetings regarding the development of an LED Streetlight Rate in the Chelan PUD Auditorium, 222 Chumstick Highway, Leavenworth at 5:30PM on Dec. 11, 2017; in the Chelan PUD Conference Room, 1034 E. Woodin Ave., Chelan at 5:30PM on Dec. 12th, 2017; and in the Confluence Technology Center Skykomish Room, 285 Technology Center Way, Wenatchee at 5:30PM on Dec. 20th, followed by a hearing in the Chelan PUD Board of Commissioners Conference Room, 327 N. Wenatchee Ave., Wenatchee at the first Board meeting in January, 2018 which will either be January 2nd or January 8th depending on scheduling, as part of the regular commission meeting at the Chelan PUD Headquarters Building and directs staff to take all appropriate action to provide notice of the informational meetings and public hearing.”