

Legislation Text

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Receive briefing regarding Oncor Electric Delivery Company's new LED Streetlight Maintenance and Replacement program.

On April 1, 2018, a new tariff for light-emitting diode (LED) street lighting options becomes effective, and Oncor is offering cities within its service area the option to replace existing, non-working streetlight fixtures with LED fixtures through a blanket authorization agreement. The primary benefit of LED lamps is lower energy usage as compared to the high-pressure sodium (HPS) lamps currently in place. Only non-working fixtures with a failed component would be eligible for LED replacement under this program - a burned-out lamp or failed photoelectric device does not constitute a "non-working" streetlight fixture.

Currently, there are 5,202 streetlights in Mesquite that are owned and maintained by Oncor, roughly half (2,175) of which are residential streetlights, and the City is billed each month for their operation. There are two main components to streetlight electric billing: (1) the rate that Oncor charges, which includes installation costs for poles and fixtures, operating and maintenance costs, distribution system load related costs, franchise fee and administrative costs; and (2) the rate charged by the City's retail provider, Gexa Energy, for energy usage, currently at a rate of 4.7 cents per kilowatt hour (kWh). Last fiscal year, the City's total electric cost for street lighting was \$1,015,782.

During the Pre-Meeting, Terri Shatter, Oncor Area Manager, will give a presentation on the LED street lighting replacement options. The replacement of non-working fixtures with LED fixtures under the program would slightly reduce the monthly costs for Cobra Head fixtures, which represent 84 percent of all the fixtures in Mesquite (4,367). However, the replacement on non-working Historical and Rectangular fixtures would lead to cost increases because the tariff for these fixtures is higher.

Since the new LED tariff goes into effect April 1, Oncor needs a decision on whether the City wants to participate in the blanket replacement of LED fixtures by March 16, 2018.

Recommended/Desired Action

Staff recommends approving blanket authorization to replace Cobra Head fixtures only at this time, until the replacement costs for Rectangular and Historical fixtures comes down. Staff will also seek direction on the replacement of fully functional fixtures and new fixtures, as the City Council deems appropriate.

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