MEMORANDUM
CITY OF CHINO
PUBLIC WORKS DEPARTMENT

COUNCIL MEETING DATE: JUNE 18, 2019

TO: MATTHEW C. BALLANTYNE, CITY MANAGER
FROM: AMER JAKHER, PUBLIC WORKS DIRECTOR
SUBJECT: APPROVAL OF AGREEMENT (LS-1 OPTION E) WITH SOUTHERN CALIFORNIA EDISON TO UPGRADE SCE-OWNED STREETLIGHTS TO LIGHT EMITTING DIODE (LED) TECHNOLOGY.

RECOMMENDATION
1) Approve Southern California Edison’s LS-1 Option E agreement with the City to upgrade existing SCE owned streetlights to LED technology; and 2) authorize the City Manager to execute all necessary documents on behalf of the City.

FISCAL IMPACT
There is no direct fiscal impact to the City. The savings from the reduced electricity usage will offset the tariff charges.
BACKGROUND

In an effort to reduce energy costs and upgrade the City’s streetlights, staff has been working with Southern California Edison (SCE) regarding our SCE-owned streetlights. There are approximately 8,500 streetlights throughout the City with approximately 2,700 owned and maintained by SCE. The City pays SCE a monthly facilities fee for each pole for the cost of maintenance in addition to the electricity cost. The SCE owned streetlights are referred to as LS-1 streetlights and the City owned streetlights are referred to as LS-2 streetlights.

The City’s current streetlights (SCE and City owned) are High-Pressure Sodium Vapor (HPSV). The proposed upgrade to Light Emitting Diode (LED) technology for the SCE owned streetlights would provide not only energy usage cost savings, but a longer service life. The average service life for HPSV lights is approximately 24,000 operating hours. The average service life for LED lights is approximately 50,000 to 100,000 operating hours. The LED lights provide a more white and crisp type of light which can improve not only safety and visibility, but general aesthetics during night-time hours. While the HPSV lights tend to produce a more shadowy, yellow type of light.

SCE’s LS-1 Option E agreement allows conversion to LED streetlight fixtures for SCE owned streetlights. There is no up-front cost for the conversion, and in most cases, savings result due to reduced energy usage (Exhibit 1). Under this program, SCE absorbs the conversion costs using an incentive program offered by the California Public Utilities Commission (CPUC). This program incorporates an energy efficiency premium through which SCE’s investment capital for new LED fixtures is recovered over a 20-year term. Adopting the LS-1 Option E tariff requires the City to enter into an agreement with SCE to initiate the conversion process.

Since this program is dependent on availability of funding from the CPUC, there is no guarantee that this funding will continue in the coming years. Therefore, SCE has advised that the City start the application process as soon as possible in order to be placed in a growing queue of cities interested in converting to LED. We will not know which queue the City will be assigned to until after submitting the agreement to SCE.

ISSUES/ANALYSIS

Staff recommends that the City Council approve the LS-1 Option E agreement with Southern California Edison to upgrade the City’s SCE owned streetlights to LED. There is no net fiscal impact to the City. The savings from the reduced electricity usage will offset the tariff charges.

If the agreement is approved, it is staff’s goal to get into next year’s first or second quarter queue for the start of the work.

Attachments:  Exhibit 1 - SCE Upgrade Cost Comparison
COUNCIL MEETING DATE: JUNE 18, 2019
SUBJECT: APPROVAL OF AGREEMENT (LS-1 OPTION E) WITH SOUTHERN CALIFORNIA EDISON TO UPGRADE SCE-OWNED STREETLIGHTS TO LIGHT EMITTING DIODE (LED) TECHNOLOGY
PAGE 3

Exhibit 2 - SCE LS-1 Option E Agreement