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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - MUNICIPAL STREETLIGHT  
INVESTMENT ACT

Introduced By: Representatives Ruggiero, Gallison, Maldonado, Trillo, and Marshall

Date Introduced: January 28, 2016

Referred To: House Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 39-30-2 and 39-30-3 of the General Laws in Chapter 39-30  
2 entitled "Municipal Streetlight Investment Act" are hereby amended to read as follows:

3 **39-30-2. Definitions.** -- When used in this chapter, the following terms shall have the  
4 following meanings:

5 (1) "Office" means the Office of Energy Resources.

6 (2) "Electric distribution company" means a company defined in subdivision 39-1-2(12),  
7 supplying standard offer service, last resort service, or any successor service to end-use [streetlight](#)  
8 customers.

9 (3) "Lighting equipment" means all equipment used to light streets ~~in the municipality,~~  
10 the operation and maintenance of which is currently charged to the ~~municipality~~ [streetlight](#)  
11 [customer](#), including lighting ballasts, fixtures, and other equipment necessary for the conversion  
12 of electric energy into street lighting service, but excluding the utility poles upon which the  
13 lighting equipment is fixed. Lighting equipment shall include, but not be limited to, decorative  
14 street and area lighting equipment and solid-state (LED) lighting technologies.

15 **39-30-3. Streetlight investment.** -- (a) Any ~~city or town~~ [streetlight customer](#) receiving  
16 street lighting service from an electric distribution company pursuant to an electric rate tariff  
17 providing for the use by such ~~municipality~~ [streetlight customer](#) of lighting equipment owned by  
18 the electric distribution company, at its option, upon sixty (60) days notice to the electric

1 company and to the department, and subject to the provisions of subsections (b) through (e), may:

2 (1) Convert its street lighting service from the subject tariff rate to an alternative tariff  
3 rate providing for delivery service by the electric distribution company of electric energy,  
4 whether or not supplied by the electric distribution company, over distribution facilities and wires  
5 owned by the electric distribution company to lighting equipment owned or leased by the  
6 ~~municipality~~ streetlight customer, and further providing for the use by such ~~municipality~~  
7 streetlight customer of the space on any pole, lamp post, or other mounting surface previously  
8 used by the electric distribution company primarily for the mounting of the lighting equipment  
9 and for any other reasonable purpose that does not impede universal access for the provision of  
10 electric and other services, at the streetlight customer's discretion. The alternative tariff rate shall  
11 provide for monthly bills for street and area lighting that shall include a schedule of energy  
12 charges based on a determination annual kilowatt-hour usage per lumen rating or nominal  
13 wattage of all types of lighting equipment, but shall not include facility, support, maintenance, or  
14 accessory charges. The new tariff shall use existing usage calculation methods and existing rates  
15 for any currently existing lighting equipment, only setting reasonable new rates for newly adopted  
16 lighting equipment. The new tariff shall be structured so as to allow options for various street  
17 lighting controls, including both conventional dusk/dawn operation using photocell or scheduling  
18 controls, as well as schedule-based dimming or on/off controls that dim or turn off street lights  
19 during periods of low activity. The electric distribution company, in consultation with the office,  
20 shall file the new tariff with the public utilities commission within sixty (60) days of the effective  
21 date of this chapter and the commission shall then issue a decision within sixty (60) days after the  
22 filing to effectuate the purposes and provisions of this chapter.

23 (2) Purchase electric energy for use in such municipal lighting equipment from the  
24 electric distribution company or any other person allowed by law to provide electric energy; and

25 (3) After due diligence, including an analysis of the cost impact to the municipality or  
26 streetlight customer, acquire all of the public street and area lighting equipment of the electric  
27 distribution company in the municipality or controlled by the streetlight customer, including all  
28 warranties and assigned access agreements pursuant to subsection (d) of this section,  
29 compensating the electric distribution company as necessary, in accordance with subsection (b).

30 (b) Any municipality or streetlight customer exercising the option to convert its lighting  
31 equipment pursuant to subsection (a) must compensate the electric distribution company for the  
32 original cost, less depreciation and less amortization, of any active or inactive existing public  
33 lighting equipment owned by the electric distribution company and installed in the municipality  
34 or controlled by the streetlight customer as of the date the ~~municipality~~-streetlight customer

1 exercises its right of acquisition pursuant to subsection (a), net of any salvage value. Upon such  
2 payment, the ~~municipality~~ streetlight customer shall have the right to use, alter, remove, or  
3 replace such acquired lighting equipment in any way the ~~municipality~~ streetlight customer deems  
4 appropriate. Any contract a ~~municipality~~ streetlight customer enters for such services must  
5 require appropriate levels of training and certification of personnel providing pole service for  
6 public and worker safety, evidence of twenty-four (24) hour call capacity and a committed timely  
7 response schedule for both emergency and routine outages. The ~~municipality~~ streetlight customer  
8 may also request that the electric company remove any part of such lighting equipment that it  
9 does not acquire from the electric distribution company in which case the ~~municipality~~ streetlight  
10 customer shall reimburse the electric distribution company the cost of removal by the electric  
11 distribution company, along with the original cost, less depreciation, of the removed part, net of  
12 any salvage value.

13 (c) When a ~~municipality~~ streetlight customer exercises its option pursuant to this  
14 subsection, the ~~municipality~~ streetlight customer will notify the electric distribution company of  
15 any alterations to street and area lighting inventory within sixty (60) days of the alteration. The  
16 electric distribution company will then adjust its monthly billing determinations to reflect the  
17 alteration within sixty (60) days.

18 (d) When a ~~municipality~~ streetlight customer exercises its option pursuant to subsection  
19 (a), anyone other than the electric distribution company controlling the right to use space on any  
20 pole, lamp post, or other mounting surface previously used by the electric distribution company in  
21 such municipality or for streetlights controlled by a streetlight customer shall allow the  
22 ~~municipality~~ streetlight customer to assume the rights and obligations of the electric distribution  
23 company with respect to such space for the unexpired term of any lease, easement, or other  
24 agreement under which the electric distribution company used such space, all of which  
25 agreements the electric distribution company shall assign and provide to the streetlight customer;  
26 provided, however, that:

27 (i) The ~~municipality~~ or streetlight customer is subject to the same terms and conditions  
28 that pole owners make to others that attach to the poles; and

29 (ii) In the assumption of the rights and obligations of the electric distribution company  
30 by such a ~~municipality~~ streetlight customer, such ~~municipality~~ streetlight customer shall in no  
31 way or form restrict, impede, or prohibit universal access for the provision of electric and other  
32 services.

33 (e) Any dispute regarding the terms of the alternative tariff, the compensation to be paid  
34 the electric distribution company, or any other matter arising in connection with the exercise of

1 the option provided in subsection (a), including, but not limited to, the terms on which space is to  
2 be provided to the municipality in accordance with subsection (c), shall be resolved by the  
3 division of public utilities and carriers within ninety (90) days of any request for such resolution  
4 by the municipality or any person involved in such dispute.

5 (f) Notwithstanding any general or special law, rule, or regulation to the contrary, any  
6 affiliate of any electric distribution company whose street lighting service is converted by any  
7 ~~municipality~~ streetlight customer in accordance with the provisions of this section may solicit and  
8 compete for the business of any such ~~municipality~~ streetlight customer for the provision of  
9 lighting equipment or any other service such as equipment maintenance in connection therewith.

10 SECTION 2. Section 39-26.4-2 of the General Laws in Chapter 39-26.4 entitled "Net  
11 Metering" is hereby amended to read as follows:

12 **39-26.4-2. Definitions.** -- Terms not defined in this section herein shall have the same  
13 meaning as contained in chapter 26 of title 39 of the general laws. When used in this chapter:

14 (1) "Eligible net metering resource" means eligible renewable energy resource as defined  
15 in § 39-26-5 including biogas created as a result of anaerobic digestion, but, specifically  
16 excluding all other listed eligible biomass fuels;

17 (2) "Eligible Net Metering System" means a facility generating electricity using an  
18 eligible net metering resource that is reasonably designed and sized to annually produce  
19 electricity in an amount that is equal to or less than the renewable self-generator's usage at the  
20 eligible net metering system site measured by the three (3) year average annual consumption of  
21 energy over the previous three (3) years at the electric distribution account(s) located at the  
22 eligible net metering system site. A projected annual consumption of energy may be used until  
23 the actual three (3) year average annual consumption of energy over the previous three (3) years  
24 at the electric distribution account(s) located at the eligible net metering system site becomes  
25 available for use in determining eligibility of the generating system. The eligible net metering  
26 system must be owned by the same entity that is the customer of record on the net metered  
27 accounts. Notwithstanding any other provisions of this chapter, any eligible net metering  
28 resource: (i) owned by a public entity or multi-municipal collaborative or (ii) owned and operated  
29 by a renewable generation developer on behalf of a public entity or multi-municipal collaborative  
30 through public entity net metering financing arrangement shall be treated as an eligible net  
31 metering system and all accounts designated by the public entity or multi-municipal collaborative  
32 for net metering shall be treated as accounts eligible for net metering within an eligible net  
33 metering system site.

34 (3) "Eligible Net Metering System Site" means the site where the eligible net metering

1 system is located or is part of the same campus or complex of sites contiguous to one another and  
2 the site where the eligible net metering system is located or a farm in which the eligible net  
3 metering system is located. Except for an eligible net metering system owned by or operated on  
4 behalf of a public entity or multi-municipal collaborative through a public entity net metering  
5 financing arrangement, the purpose of this definition is to reasonably assure that energy generated  
6 by the eligible net metering system is consumed by net metered electric service account(s) that  
7 are actually located in the same geographical location as the eligible net metering system. Except  
8 for an eligible net metering system owned by or operated on behalf of a public entity or multi-  
9 municipal collaborative through a public entity net metering financing arrangement, all of the net  
10 metered accounts at the eligible net metering system site must be the accounts of the same  
11 customer of record and customers are not permitted to enter into agreements or arrangements to  
12 change the name on accounts for the purpose of artificially expanding the eligible net metering  
13 system site to contiguous sites in an attempt to avoid this restriction. However, a property owner  
14 may change the nature of the metered service at the accounts at the site to be master metered in  
15 the owner's name, or become the customer of record for each of the accounts, provided that the  
16 owner becoming the customer of record actually owns the property at which the account is  
17 located. As long as the net metered accounts meet the requirements set forth in this definition,  
18 there is no limit on the number of accounts that may be net metered within the eligible net  
19 metering system site.

20 (4) "Excess Renewable Net Metering Credit" means a credit that applies to an eligible  
21 net metering system for that portion of the renewable self-generator's production of electricity  
22 beyond one hundred percent (100%) and no greater than one hundred twenty-five percent (125%)  
23 of the renewable self-generator's own consumption at the eligible net metering system site during  
24 the applicable billing period. Such excess renewable net metering credit shall be equal to the  
25 electric distribution company's avoided cost rate, which is hereby declared to be the electric  
26 distribution company's standard offer service kilo-watt hour (kWh) charge for the rate class and  
27 time-of-use billing period (if applicable) applicable to the distribution customer account(s) at the  
28 eligible net metering system site. Where there are accounts at the eligible net metering system site  
29 in different rate classes, the electric distribution company may calculate the excess renewable net  
30 metering credit based on the average of the standard offer service rates applicable to those on- site  
31 accounts. The electric distribution company has the option to use the energy received from such  
32 excess generation to serve the standard offer service load. The commission shall have the  
33 authority to make determinations as to the applicability of this credit to specific generation  
34 facilities to the extent there is any uncertainty or disagreement.

1 (5) "Farm" shall be defined in accordance with § 44-27-2, except that all buildings  
2 associated with the farm shall be eligible for net metering credits as long as: (i) The buildings are  
3 owned by the same entity operating the farm or persons associated with operating the farm; and  
4 (ii) The buildings are on the same farmland as the project on either a tract of land contiguous with  
5 or reasonably proximate to such farmland or across a public way from such farmland.

6 (6) "Multi-municipal collaborative" means a group of towns and/or cities that enter into  
7 an agreement for the purpose of co-owning a renewable generation facility or entering into a  
8 financing arrangement pursuant to subdivision (7).

9 (7) "Public entity net metering financing arrangement" means arrangements entered into  
10 by a public entity or multi-municipal collaborative with a private entity to facilitate the financing  
11 and operation of a net metering resource, in which the private entity owns and operates an eligible  
12 net metering resource on behalf of a public entity or multi-municipal collaborative, where: (i) The  
13 eligible net metering resource is located on property owned or controlled by the public entity or  
14 one of the municipalities, as applicable, and (ii) The production from the eligible net metering  
15 resource and primary compensation paid by the public entity or multi-municipal collaborative to  
16 the private entity for such production is directly tied to the consumption of electricity occurring at  
17 the designated net metered accounts.

18 (8) "Net metering" means using electricity generated by an eligible net metering system  
19 for the purpose of self-supplying power at the eligible net metering system site and thereby  
20 offsetting consumption at the eligible net metering system site through the netting process  
21 established in this chapter.

22 (9) "Net metering customer" means a customer of the electric distribution company  
23 receiving and being billed for distribution service whose distribution account(s) are being net  
24 metered.

25 (10) "Person" means an individual, firm, corporation, association, partnership, farm,  
26 town or city of the State of Rhode Island, multi-municipal collaborative, or the State of Rhode  
27 Island or any department of the state government, governmental agency or public instrumentality  
28 of the state.

29 (11) "Project" means a distinct installation of an eligible net metering system. An  
30 installation will be considered distinct if it is installed in a different location, or at a different  
31 time, or involves a different type of renewable energy.

32 (12) "Public entity" means the state of Rhode Island, municipalities, wastewater  
33 treatment facilities, public transit agencies or any water distributing plant or system employed for  
34 the distribution of water to the consuming public within this state including the water supply

1 board of the city of Providence.

2 (13) "Renewable Net Metering Credit" means a credit that applies to an Eligible Net  
3 Metering System up to one hundred percent (100%) of the renewable self-generator's usage at the  
4 Eligible Net Metering System Site over the applicable billing period.

5 (i) This credit shall be equal to the total kilowatt hours of electricity generated and  
6 consumed on-site during the billing period multiplied by the sum of the distribution company's:

7 ~~(A)~~ Standard offer service kilowatt hour charge for the rate class applicable to the net  
8 metering customer;

9 ~~(B)~~ Distribution kilowatt hour charge;

10 ~~(C)~~ Transmission kilowatt hour charge; and

11 ~~(D)~~ Transition kilowatt hour charge.

12 (ii) This credit as applied against usage at unmetered streetlights shall be based on the  
13 total kilowatt hours of consumption as billed by the electric distribution company.

14 (14) "Renewable self-generator" means an electric distribution service customer who  
15 installs or arranges for an installation of renewable generation that is primarily designed to  
16 produce electricity for consumption by that same customer at its distribution service account(s).

17 (15) "Municipality" means any Rhode Island town or city, including any agency or  
18 instrumentality thereof, with the powers set forth in title 45 of the general laws.

19 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - MUNICIPAL STREETLIGHT  
INVESTMENT ACT

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1           This act would allow streetlight customers that currently pay for street lighting services to  
2 make streetlight investments and allow such public entities to use purchased streetlight equipment  
3 without restriction except as necessary to protect other distribution service. It would also require  
4 the electric distribution company to assign and provide any access agreements to streetlight  
5 infrastructure to the acquiring public entity and would allow unmetered streetlights to be net  
6 metered based on total billed consumption.

7           This act would take effect upon passage.

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