



Staff Report

File #: 17-196

Version: 1

Date: 5/8/2017

Item #: 3.3 d.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Peter Fernandez, PE, Public Works Director

SUBJECT:

Streetlight Re-lamping Incentives through the Energy Trust of Oregon

Ward(s): All

Councilor(s): All

Neighborhood(s): All

ISSUE:

Shall City Council authorize the City Manager to submit an application, which if accepted, would constitute an agreement with the Energy Trust of Oregon for funding incentives in support of the streetlight re-lamping project?

RECOMMENDATION:

Authorize the City Manager to submit an application, which if accepted, would constitute an agreement with the Energy Trust of Oregon for funding incentives in support of the streetlight re-lamping project?

SUMMARY AND BACKGROUND:

The City began upgrading the street light system with new Light Emitting Diode (LED) lights earlier this year. The upgrade is the result of extensive investigations on the cost savings, longevity, and reliability of LED streetlights compared to the existing High Pressure Sodium (HPS) fixtures. Two projects were approved in the FY 2016-17 construction budget to accomplish the LED streetlight re-lamping projects: one for the Salem Electric service area and one for the Portland General Electric (PGE) service area.

After the adoption of the FY 2016-17 construction budget, staff learned of opportunities to request incentives through the Energy Trust of Oregon for the PGE service area, and rebates from Salem Electric through the Bonneville Power Administration for their service area. The incentives and rebates apply directly to the re-lamping work.

The calculations for Energy Trust of Oregon incentives have been completed for this application and agreement. The application and agreement for the Salem Electric service area will be presented at a future Council meeting.

FACTS AND FINDINGS:

- The streetlight conversion projects are well underway and approximately 680 lights have been replaced as of April 18, 2017. All lights are expected to be replaced by the end of the year.
- The total cost to re-lamp the PGE service area is \$1.775 million.
- The streetlight incentives from the Energy Trust of Oregon for the PGE service area are estimated to be \$390,630. The estimate is based on incentives per fixture as established by the Energy Trust of Oregon. The final incentive reimbursement will be based on the actual quantity of HPS luminaires replaced with LED equivalent luminaires.
- The new LED lights are expected to result in savings of up to \$500,000 per year in operating and maintenance costs.

Brian D. Martin, PE
Assistant City Engineer

Attachment:

1. Application