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Board of Public Utilities
    
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NOTICE

REQUEST FOR COMMENTS

IN THE MATTER OF THE IMPLEMENTATION OF THE LIGHT EMITTING DIODE ("LED") STREETLIGHT PROGRAM

DOCKET NO. [QO22110710](#)

Staff of the New Jersey Board of Public Utilities ("NJBPU" or "Board") invites all interested parties and members of the public to provide written responses to the Request for Comments contained in this Notice regarding conversion of existing streetlights to LED streetlights.

BACKGROUND AND PROCEDURAL HISTORY

In 2018, Governor Phil Murphy signed Executive Order No. 28, which directed the New Jersey Board of Public Utilities ("Board" or "NJBPU") to develop an Energy Master Plan ("EMP") to serve as the State's blueprint to achieve 100% clean energy by 2050.¹ Released on January 27, 2020, the 2019 EMP generally tasks the Board with developing opportunities that help to optimize energy usage, including establishing energy efficiency opportunities for residents of all income levels.² The State can realize these opportunities through New Jersey's electricity distribution companies ("EDCs"), as the EDCs can help to optimize energy usage throughout the state by offering local energy efficiency programs and piloting "new technologies."³

To assist in achieving these and other goals, the 2019 EMP's Goal 3.1.7 directs the Board to develop a method to encourage LED streetlight replacement programs in each EDC territory in the State.⁴ In particular, Goal 3.1.7 states that the energy savings from replacing outdated streetlight heads,

¹ Exec. Order No. 28 (May 23, 2018), 50 N.J.R. 1394(b) (June 18, 2018).

² See 2019 New Jersey Energy Master Plan: Pathway to 2050, Goal 2.1.3: Routinely Model Scenarios and Pathways to Achieve 100% Clean Energy by 2050 with Consideration for Least-Cost Options, at 106, https://nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf.

³ Id., Goal 3.1.3: Establish Strategic and Targeted Energy Efficiency Programs to Increase Energy Reductions and Customer Engagement, at 142.

⁴ EMP, Goal 3.1.7: Revise Street Lighting Tariffs as Necessary to Incentivize Mass Adoption of Energy Efficient Initiatives, at 146.

including the lightbulbs, is significant.⁵ However, LED replacement under existing EDC tariffs fails to deliver the full scope of savings on operation and maintenance.⁶ The Board is seeking to identify the lighting systems to be changed, the tariff revisions required to reflect the true value and cost of the streetlight heads and lighting replacements, issues with respect to streetlight pole ownership, operations, and maintenance, and a process for transitioning existing streetlights to LED streetlights. To that end, Board Staff is seeking input from the EDCs, gas distribution companies (“GDCs”), municipalities, and other interested parties on the current tariff structure, energy use, technologies and their costs, and conversion costs associated with replacing all or part of current streetlights with LED lighting, as well as equipping these streetlights with potentially other technologies. The questions below are directed to the EDCs and GDCs, unless otherwise indicated.

Board Staff also invites stakeholders to submit any concerns, experiences, recommendations, or further questions on this topic as part of their comments.

QUESTIONS

Questions for EDCs and GDCs as applicable:

1. Do you have a complete inventory of streetlights in your service territory, including type (bulb,⁷ light fixture⁸ and pole), ownership, vintage, original cost, accumulated depreciation, and remaining service life? Please provide the most granularity possible in narrative form with a level of detail that would explain what information you have with respect to each of the listed items.
2. What is your process and schedule for validating the streetlights inventory mentioned in Question #1 above, and when was it most recently validated?
3. How many gas streetlights, if applicable, do you have in your service area? Please provide the breakdown according to the location in each applicable municipality.
4. Of the streetlights in your service area, how many are municipally-owned, and how many are utility-owned?
5. How regularly do you replace the bulbs in the current streetlight fixtures? Please describe your streetlight replacement program(s).
6. Physical Lights
 - A. LED Inventory

⁵ Id.

⁶ Id.

⁷ “Bulb” means a light source or source of illumination.

⁸ “Light Fixture” or “Luminaire” is the streetlight head or other form of bulb-holding structure around the light source. It consists of several components such as mounting, lamp holder, reflector, shade, or glass cover.

- i. What is your current LEDs inventory in terms of: (a) how many you have, (b) vintage year, (c) fixture types, (d) color temperature (Kelvin), (e) brightness levels (lumen output) and (f) costs for each bulb type?
- ii. What type of LED fixtures and bulb types (brightness level and color) could a municipality in your service territory order? Can municipalities order LED fixture and bulb types of their choice from you?
- iii. Do you provide bulk discounts on LED purchases and, if so, what are they?
- iv. Do you have a standard contract under which a municipality must procure its streetlights?

B. Non-LED Inventory

- i. What is your current non-LED inventory? Please describe the models and numbers of each.
- ii. What are the costs of bulbs for each streetlight fixture type?

7. Poles

- A. How does your ownership model for the poles work? Please explain.
- B. Do you ever give municipalities an opportunity to purchase the poles from you?
- C. If municipalities do own the poles, what maintenance, replacement, or other pole-related services do you as an EDC provide to those municipalities?
- D. What challenges exist now to installing new technologies on poles such as motion activation, smart streetlight technologies, gunshot detection, traffic cameras, Wi-Fi hotspots, electric vehicle charging equipment, etc.? Please describe.

8. Lighting Standards

- A. What standards (list all, including Bright Sky standards) do you use to inform which types of lights can be installed along various roadways, as well as in parking areas and around parks, schools, hospitals, universities, other campuses?
- B. How does compliance with each of these standards influence the range of fixtures you can offer to municipalities for their usage?

9. Under an accelerated LED replacement program, please describe how the stranded cost issues with respect to the following could be resolved: (a) current inventory regarding spare streetlight bulbs and (b) currently operational bulbs that have been placed in light fixtures but have not yet reached the end of their useful life.

Questions for EDCs, GDCs, and other stakeholders as applicable:

10. Tariffs

- A. What is the current utility tariff and corresponding rate structure under such tariff for electric and gas streetlights, respectively?
- B. What tariff and what rate structure are you using when municipalities seek to pursue an LED streetlight conversion?
- C. What issues have you encountered with your current tariff structure with municipalities interested in conducting an LED streetlight conversion?
- D. Some utilities have designed tariffs to allow municipalities that convert streetlights to LEDs to pay the associated purchase, conversion, and/or stranded costs over time at a rate no greater than the electric energy cost savings, thereby avoiding any cost increase for the municipalities or ratepayers in general.
 - i. Do you have such a tariff to prevent cost impacts for municipalities?
 - ii. If not, do you intend to develop one to support LED streetlight conversions?
 - iii. What would be the impact of such a tariff on ratepayers in general?
 - iv. What do you see as the overall benefits and drawbacks of such a proposal?
- E. Would there be a benefit for municipalities to own the streetlights that are converted? In other words, if renting now, they would have the option to purchase and own the streetlights and be responsible for the replacement.
- F. What are the benefits of the utilities retaining ownership and maintenance of the streetlights that are converted?

11. Please describe any additional services that utilities may provide that are integrated into the conversion of LED fixtures.

The deadline for comments on this matter is 5:00 p.m. Eastern Time on ~~March 15, 2023~~. *March 29, 2023.

Please submit comments directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#) tool. Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s [Public Document Search](#) tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Acting Secretary of the Board. Please include “Confidential Information” in the subject

line of any email. Instructions for confidential e-filing are found on the Board's webpage at <https://www.nj.gov/bpu/agenda/efiling>.

E-mailed and/or written comments may also be submitted to:

Carmen D. Diaz

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Carmen D. Diaz
Carmen D. Diaz
Acting Secretary

Dated: March 13, 2023