SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Seattle City Light	Jeff Wolff	Greg Shiring

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to underground utility districts; authorizing the City Light Department to evaluate the risks presented by overhead facilities on streets and alleys in the First Hill district and to determine, based upon the Department's engineering standards, whether electric facilities should be undergrounded and whether to dispose of remaining utility poles; and amending Sections 21.68.070, 21.68.090, and 21.68.100 of the Seattle Municipal Code.

Summary and Background of the Legislation: Ordinance 96796 was enacted in 1968 to require undergrounding of all electric distribution, telephone, telegraph, CATV, and other wires and facilities in the First Hill district and to provide for termination of overhead service to the district's customers. The Department's practice has been to replace the overhead cables in this district with an underground system when safety and new construction standards are triggered. To date, approximately 20 percent of the overhead cables have been replaced with an underground system. The Department has determined that certain overhead facilities in the First Hill district, not yet relocated under Ordinance 96796, can be maintained and operated safely without the requirement that they be undergrounded. Mandating the undergrounding of overhead facilities throughout the district is an overly broad approach. The Department's constructionrelated costs are passed on to the ratepayer. Residents and businesses must, at their own expense, move the service connection point on their buildings and trench and install conduit to the new connection point in the right of way. Construction in the streets results in prolonged street closures, loss of parking and impacts local businesses. The more cost-effective, less burdensome approach is to allow the Department to exercise discretion. This amendment seeks to provide City Light with authority to identify when poles within an overhead system must be undergrounded to meet regulatory or safety standards. This amendment is especially critical now as City Light has multiple 4kV conversion projects in the First Hill district which impacts approximately four blocks, between East Harrison Street and East John Street, and 40 separate service addresses with approximately 650 customer accounts. Removing the mandate and giving the Department discretion will allow the Department to exercise its safety and reliability responsibilities with a fiscally prudent lens. Additionally, this amendment may eliminate unnecessary development costs and may facilitate the building of additional affordable housing.

2. CAPITAL IMPROVEMENT PROGRAM Does this legislation create, fund, or amend a CIP Project? ____Yes _X_ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

^{*} Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

Does this legislation amend the Adopted Budget?

___ Yes <u>X</u> No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? Under the Department's amendment, the Department would avoid the cost associated with undergrounding those facilities that would not otherwise need to be undergrounded. This is a more efficient use of city funds and less burdensome to ratepayers, residents and businesses.

Are there financial costs or other impacts of *not* implementing the legislation?

Yes. This amendment directs City Light to coordinate with the telecommunication companies to efficiently underground all affected facilities. Through this coordination, telecommunication companies will be required to remove their lines from poles enabling the Department to remove them from the right of way once all impacted facilities are undergrounded. There would be increased costs to building owners as electrical services will only be available from such underground facilities, requiring the modification of service connection points and construction of underground facilities at the customer and/or property owners' expense.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department? No.
- **b.** Is a public hearing required for this legislation? No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
 No.
- **d.** Does this legislation affect a piece of property? No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public? An overly broad mandate to underground all overhead facilities in the First Hill district places an additional burden on building owners, including affordable housing providers and small businesses as electrical services will only be available from such underground facilities, requiring the modification of service connection points and construction of underground facilities at the customer and/or property owners' expense. The undergrounding of electric utilities also poses a burden to the neighborhood, resulting from prolonged street closures and reduced availability of parking, impacting residents and small businesses in the community. The Department provides a multilingual notice to all residents of imminent construction projects occurring in a neighborhood. Depending on individual project scope

and impact, the Department may do more robust community outreach and engagement including public meetings, with appropriate translation and interpretation services provided.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

 No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?

 No.