Rochester Public Utilities Board Policy Statement

Policy Subject:

Electric Utility Undergrounding Policy

Policy Objective:

The decision to underground existing or newly constructed electrical facilities within the RPU service territory can be impacted by numerous key inputs such as cost allocation, rate base, public policy, etc. This policy will provide guidance considerations and is intended to be utilized in conjunction with existing RPU Electric Service Rules and Procedures.

Advantages of undergrounding include increased reliability during high winds and storms, lower storm damage and restoration costs, fewer structures impacting sidewalks and roadways, fewer motor vehicle accidents, reduced live-wire contact, improved aesthetics, lower tree-trimming costs, and increased tree coverage. Mature boulevard street trees have a positive effect in reducing heating & cooling energy costs, promoting outdoor activity and active transportation (i.e. biking, walking), improving air quality, reducing stormwater runoff, and mitigating climate change.

The majority of the existing RPU electric distribution system is currently underground. Those electrical facilities under the 100 Kv voltage classification constitute the distribution system. The Board's policy objective is to continue and enhance the movement of the Electric Utility toward 100% underground infrastructure. This shall be done over time in a technically prudent, practical, measured, and sustainable manner that respects, considers, and mitigates impacts to retail rates, while addressing cost allocation and other public policy considerations.

Policy Statement:

1. Technical policies are routinely accepted by the RPU Board as a regular course of normal business, and they provide detailed guidance as to Electric Utility construction and interconnection.

The RPU Electric Service Rules and Procedures document details requirements related to undergrounding, and provides guidance to external parties such as contractors, developers, and other interconnecting parties. These detailed procedures include the following sections:

- a) Special Services
- b) Overhead and Secondary Services
- c) Underground Services New Residential Developments
- d) Underground Services Residential Undergrounding in Overhead Areas

- 2. RPU will coordinate with other public entities, especially where public roadways and associated rights-of-way are being realigned, repurposed, or reconstructed. These projects often provide a viable opportunity to underground existing infrastructure in the most cost-effective manner.
 - RPU recognizes that a change from overhead to underground electric service may require additional modifications to an affected customer's private service. Where a customer chooses to retain their overhead service, RPU will convert as much associated electrical infrastructure to underground while accommodating the customer's request. This may require retaining one or more existing utility poles in an area that has otherwise been converted to underground service.
- 3. RPU shall consider public policy undergrounding initiatives and requests. Under most scenarios, the requesting third party is responsible for 100% of direct and indirect undergrounding cost. When undergrounding is requested via public policy initiatives, RPU will analyze the situation to consider a fiscal contribution based upon deferred or avoided costs, or other opportunity benefits associated with the undergrounding, as compared to long-term continuation of overhead infrastructure.
- 4. RPU will routinely examine opportunities to leverage undergrounding as a catalyst to improve occupational safety, and/or improve reliability, when other options are generally ineffective or are not cost-effective in comparison. This examination will be held in concurrence with routine tree trimming evaluations. RPU will give priority to undergrounding existing infrastructure where pole replacement and associated tree trimming is not a long-term economic advantage. RPU will prioritize undergrounding for overhead lines along any street or corridor designated as "Transit Oriented" or "Primary Transit" by the City of Rochester, as defined in Chapter 62 ordinance, Transit-Oriented Development.
- 5. To the extent possible, RPU will conduct undergrounding activities in a manner that preserves existing tree cover.
- 6. RPU will proactively work with joint-pole-attachers, such as communication companies, to vacate abandoned or converted-to-underground lines, in efforts to encourage undergrounding by those attachers. RPU will eliminate utility poles upon the completion of any undergrounding activity except when contractually prohibited. RPU will not enter new agreements to allow private utilities to purchase poles in the case of utility vacation. RPU will remove the option of private utility purchase from future pole attachment agreements. RPU will not maintain tree-trimming activities in an area where it has buried its utilities. The planting of trees and tree-trimming in areas where RPU has buried utilities will be governed by City of Rochester policy (which may allow planting of full-size street trees and prohibit vegetative pruning to occur in public right of ways).

- 7. When a decision is made to underground facilities, notice to impacted residents and property owners will be made as soon as practicable.
- 8. RPU will communicate with the Rochester Community Development Department to request that approval for redevelopment in a location served by overhead distribution lines is made contingent on either the undergrounding of lines at the time of redevelopment or entering a public facilities agreement whereby the property owner is obligated to pay the proportional cost of burying the lines at a future time as designated by RPU.

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September 29, 2020

DATE OF POLICY REVISION:

September 29, 2020

POLICY APPROVAL:

Board President

Date