



CITY COUNCIL AGENDA REPORT

Meeting Date: March 5, 2020

From: Director of Public Works/City Engineer

Subject: Central Brisbane Underground Utility District

Purpose

To approve the formation of an underground utility district so that our community can be reclassified as “active” in the California Public Utilities Commission (CPUC) Electric Tariff Rule 20, and preserve for our future use the Rule 20A “work credits” issued by Pacific Gas & Electric (PG&E).

Recommendation

Open the Public Hearing and take comment from interested parties on the matter before the Council.

Approve Resolution 2020-18, “Designating the Central Brisbane Underground Utility District”.

Background

Investor-owned utilities (e.g., PG&E) are responsible for managing the electric utility distribution infrastructure within their service area, with oversight and regulation provided by the CPUC. To allow local control of “undergrounding” of overhead utilities and associated infrastructure, the CPUC adopted an Overhead Conversion Program known as Electric Tariff Rule 20, which has a subparagraph A that required the utilities to allocate “work credits” (i.e., dollar amounts for future undergrounding work) to communities based on ratios of overhead meters and underground meters.

For small communities like Brisbane, these work credits accrue at such a modest rate that we have never been able to commence even a small undergrounding project, so the city never elected to establish an underground district. In fact, with the accumulation rate known to be so slow, in 2013/2014, the City loaned 540,000 work credits to the City of San Carlos, with a 10-year payback schedule including 5% interest in work credits.

The Rule 20A program is one of the many items that CPUC regularly reviews with the utilities for performance. With the recent discovery that thirty of the communities in PG&E’s territory have not completed projects or actively participated in Rule 20A, the CPUC has chosen to reallocate some of our work credits on or after March 12, 2020 unless the city becomes “active” in the Rule 20A program.

Discussion

Although the work credits initially proposed to be transferred are small, there is reason to be concerned that the credits with interest to be returned to us by 2024 could also be at risk unless we establish an underground district.

The proposed boundaries for the Central Brisbane District are based on the criteria established by the rules of the CPUC; that the street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic, or that the street or road or right-of-way adjoins or passes through a public recreation area or an area of unusual scenic interest to the general public, or that the street or road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines. San Bruno Avenue meets the first and third of these criteria; the streets surrounding the Community Park, meet the second of these criteria.

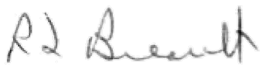
The attached resolution has been reviewed in detail with PG&E, and notice of intent to create the underground utility district has been served to the telecommunication companies presently on joint utility poles in the city.

Fiscal Impact

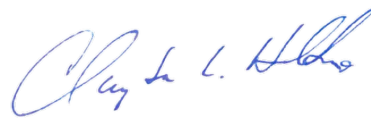
None. Approving this resolution does not order the commencement of any work. A future Council, presumably the one seated circa 2024, will be tasked with decisions regarding whether to complete the undergrounding work in the identified district in phases or at one time. Note that the attached resolution includes language envisioning that the conversion to underground electric service panels, including up to one hundred feet of trenching for individual services, will be paid for with work credits, not by individual property owners.

Attachments

1. Resolution No. 2020-18



Randy Breault, Public Works Director



Clay Holstine, City Manager

RESOLUTION NO. 2020-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE
DESIGNATING THE CENTRAL BRISBANE UNDERGROUND UTILITY DISTRICT

WHEREAS, the California Public Utilities Commission (CPUC) has authorized electric and telecommunication utilities to convert overhead utility lines and facilities to underground pursuant to Electric Rule 20 and Telecommunication Rule 32; and

WHEREAS, pursuant to certain criteria, CPUC rules allow participating cities and counties to establish legislation authorizing the creation of underground utility districts within which existing overhead electric distribution and telecommunication distribution and service facilities will be converted to underground; and

WHEREAS, the City of Brisbane, has previously adopted Ordinance 318 authorizing the City Council to designate areas within which all existing overhead poles, overhead wires and overhead equipment associated with the distribution of electric power, telecommunication services and cable television should be removed and replaced with underground wires and facilities; and

WHEREAS, the Director of Public Works for the City of Brisbane has consulted with the affected public utilities and such utilities have agreed that the proposed underground conversion district, designated the Central Brisbane Underground Utility District and more particularly described in Exhibit 1 attached hereto and incorporated herein by reference, meets the criteria established by the rules of the CPUC, to wit, that the street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic, and that the street or road or right-of-way adjoins or passes through a public recreation area or an area of unusual scenic interest to the general public, and that the street or road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines; and

WHEREAS, each year the City of Brisbane is notified by PG&E regarding the allocation of work credits for conversion of overhead electric distribution lines and facilities to underground, known as Rule 20A allocations; and

WHEREAS, the City Council of the City of Brisbane has now received the report from the Director of Public Works recommending that the area identified in Exhibit 1 should be designated as an underground utility district within which all existing overhead poles, overhead wires and overhead equipment associated with the distribution of electric power, telecommunication services and cable television should be removed and replaced with underground wires and facilities; and

WHEREAS, upon the recommendation of the Director of Public Works, the City Council of the City of Brisbane has determined that the proposed Central Brisbane Underground Utility District is categorically exempt from environmental review pursuant to the California Environmental Quality Act; and

WHEREAS, the City of Brisbane has notified all affected property owners within the proposed Central Brisbane Underground Utility District and inviting same to attend a public hearing to discuss formation of the proposed district; and

WHEREAS, the City Council of the City of Brisbane held a public hearing at which time the Council did receive and consider the recommendation of the Director of Public Works and did hear any and all objections or protests that were raised by the owners of property within the above described district pertaining to designating this area an underground utility district;

NOW, THEREFORE, the City Council of the City Brisbane resolves as follows:

Section 1. The public interest requires the removal of all existing utility poles [excepting those poles supporting streetlights, traffic signals or trolley lines], overhead wires and associated overhead structures and installation of underground wires and facilities for supplying electric power, communication, or similar associated services within the areas as shown in Exhibit 1, attached hereto, with such area being designated as the Central Brisbane Underground Utility District, and

Section 2. That the utility companies, cable television services and other affected services shall commence work on installation of underground facility installation in Central Brisbane Underground Utility District and that as each phase of the project is complete and ready for conversion from overhead to underground utility facilities, all fronting property owners shall be notified of the schedule for conversion of all utility service lines, and

Section 3. The electric utility shall use the underground conversion allocation computed pursuant to decisions of the California Public Utilities Commission for the purpose of providing to each premises requiring it in Central Brisbane Underground Utility District a maximum of one hundred feet of individual electric service trenching and conductor (as well as backfill, paving and conduit, if required) and each other serving utility shall provide service trenching and conductor in accordance with its rules and tariffs on file with the California Public Utilities Commission or as required by its Franchise Agreement with the City of Brisbane, and

Section 4. The electric utility shall use said underground conversion allowance allocation, up to a maximum amount of \$1500 per service entrance excluding permit fees, for the conversion of electric service panels to accept underground service in the Central Brisbane Underground Utility District, and

Section 5. That upon notification as specified in Section 2, each property served from such electric overhead facilities shall permit installation in accordance with PG&E's rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of PG&E as soon as it is available; and should any property owner fail to permit satisfactory underground electrical entrance facilities by the date specified in the notice, the electric utility shall notify the Director of Public Works who shall, within thirty (30) days direct the electric utility in writing to discontinue electrical service to the property, without recourse, pursuant to Rule 11 until electrical entrance facilities are ready to accept underground electrical conductors and have passed the necessary inspection requirements, and

Section 6. City of Brisbane intends to accept an option made available by PG&E as per form 79-1113 (Rev 1/10) Agreement to Perform Tariff Scheduled Related Work - Rule 20A Electric Panel Service Conversions, and

Section 7. That once all services have been converted from overhead to underground, the utility companies, cable television services and other affected services shall remove all poles (except as specified above) and associated overhead facilities in Central Brisbane Underground Utility District, by a date to be specified by the Director of Public Works.

Section 7. PG&E is authorized to discontinue its overhead electric service upon completion of the district underground distribution system.

Section 8. This Resolution shall be effective immediately upon its adoption.

Terry O'Connell, Mayor
City of Brisbane

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I, the undersigned, hereby certify that the foregoing Resolution No. 2020-18 was adopted by the City Council of the City of Brisbane at a regular meeting held on _____, 2020 by the following vote:

AYES;
NOES:
ABSENT:
ABSTAIN:

Ingrid Padilla, City Clerk
City of Brisbane

EXHIBIT 1

See following boundary map of “Central Brisbane Underground Utility District”

