



Rockville Mayor and Council
HB 1034 - County and Municipal Streetlight Investment Act
Support

Good afternoon, Chairman Davis and members of the House Economic Matters Committee. I'm Councilmember Monique Ashton and I'm honored to be here in representation of the Rockville Mayor and Council, who support HB 1034 – County and Municipal Streetlight Investment Act. We thank Delegate Carr for his leadership.

This enabling legislation would provide municipalities and counties interested in purchasing existing streetlights with a fair acquisition process and would enable them to assume the responsibility for owning and maintaining the equipment. At present, municipalities and counties do not have control over the maintenance and operations of utility owned streetlights. As a result, there is interest among some local jurisdictions in purchasing these streetlights and assuming this responsibility.

Streetlighting services provided by Rockville and other jurisdictions enhance public safety in residential and commercial areas and enable the secure and efficient operation of local transportation networks. Current law lacks a defined formula for the purchase of utility owned streetlights, which makes it difficult for local governments and utilities to agree on a fair purchase price. HB 1034 creates a “fair market value” calculated by the original cost of the streetlight, minus depreciation and amortization.

Currently, there is no incentive for Pepco and other utility providers to use energy efficient street lighting such as LED fixtures and bulbs. Furthermore, existing tariffs are not structured for government owned streetlights and lack rates for LED and other energy efficient technologies. With approval from the Public Works Commission, HB 1034 would authorize local governments to convert street lighting service to an alternate tariff that would support improved services and lower costs.

Although the current environment is not economically favorable for Rockville to purchase Pepco-owned streetlights in the City, we believe if HB 1034 were enacted, it would lay a solid foundation in support of such an effort. Rockville supports the defined purchase price and authority for alternative tariffs included in HB 1034. Should the economics change in the future and the City be in a position to purchase Pepco-owned streetlights, this legislation would make it more favorable to do so.

For all of these reasons, Rockville supports HB 1034. We urge the Committee to provide the bill with a favorable report and forward it to the House floor.