

MUNICIPALITY OF ANCHORAGE

PLANNING DIVISION

MEMORANDUM

DATE: May 8, 2017

TO: *HH* Hal H. Hart, AICP, Director

FROM: *sf* Sharon Ferguson, Senior Planner

SUBJECT: **Case 2017-0067; ML&P Five Year Undergrounding Plan for 2017-2021**

APPLICANT: Municipal Light & Power

RECOMMENDATION Accepted

SUMMARY:

Municipal Light & Power is requesting an administrative review of their five year undergrounding plan for 2017-2021. This review is requested per the requirements of AMC 21.07.050F. and 21.07.050G. for Utility Distribution Facilities. The review encompasses the following methodology: review of the applicable Municipal code requirements of AMC 21.07.050F. and 21.07.050G., and Division comments.

Municipal Code Requirements:

21.07.050A. Underground Placement Required for New or Relocated Lines

1. Except as provided in subsection B. below, all newly installed or relocated utility distribution lines (as defined in section 21.14.040) shall be placed underground.
2. Utility distribution lines owned or operated by utilities that are parties to a joint trench agreement shall be placed underground in a joint trench.
3. Nothing in this section restricts the maintenance, repair, or reinforcement of existing overhead utility distribution lines.

21.07.050F. Designation of target areas

1. An electric utility that owns poles that support nonconforming utility distribution lines shall prepare or otherwise include as part of its annual capital improvement plan, a five-year undergrounding program consistent with subsection G. below. This five-year program shall be updated on an annual basis. Priorities shall be based on undergrounding in conjunction with the

electric utility's essential system improvements and then by target area as set forth below in no particular order. The director of the planning department shall provide review and comment for consideration by the electric utilities on these five-year programs. When reviewing and commenting on these programs the director shall consider the following factors in no particular order:

- a. Whether undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric distribution or other attached utility facilities.

Partially complies. The submittal includes photographs of the overhead lines to aid in evaluating whether the proposed undergrounding "will avoid or eliminate an unusually heavy concentration of overhead electric distribution or other attached utility facilities." In some instances, there is an unusually heavy concentration of overhead lines; yet, in other instances, the overhead lines do not appear to be unusually heavy and are typical overhead lines.

- b. Whether the street or general area is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic.

Complies, to the extent possible. According to ML&P approximately 95% of the overhead lines within their service area are located in residential areas. Thus, many of the projects are located in residential neighborhoods or the alleys of commercial areas. These projects do not carry either a heavy volume of pedestrian or vehicular traffic. However, there are as of yet unspecified projects planned in the Central Business District. The Eureka Street/Fireweed Lane project will underground lines on Fireweed Lane for three blocks. Likewise, the Arctic Blvd & 27th Avenue project undergounds approximately two blocks of overhead line. These two streets are respectively minor and major arterials but the two projects are limited in the extent of undergrounding that will occur.

The Traffic Department can be contacted regarding pedestrian and vehicular traffic counts.

- c. Whether the appearance of grounds and structures adjacent to the roadway is such that the removal of the overhead facilities will substantially improve the general appearance of the area.

Partially Complies. As noted above, few of the projects are located along roads with a heavy volume of pedestrian or vehicular traffic. The exception are the Eureka Street/Fireweed Lane and the Arctic Blvd projects which will improve the grounds and structures adjacent to the roadways. The projects in residential areas such as those in the backyards of homes are not adjacent to roadways and are not applicable.

Some of these residential neighborhoods will have lines undergrounded along the street but these are not streets with a heavy volume of traffic.

- d. Whether the street or area affects a public recreation area or an area of scenic interest.

Complies. The park environment for Arctic/Benson Park and Mountain View Lions Park will be improved with the undergrounding of the poles and lines. The Arctic Benson project will result in a more visually appealing park with the undergrounding of the lines that currently bisect the park. Residents visiting Elderberry Park and Nulbay Park will benefit from the improved scenic quality with the completion of the Bootleggers Cove project. The view from the Delaney Park Strip will be enhanced with the W. 9th Avenue & P Street project.

- e. Whether there is a significant opportunity to achieve economies due to the anticipated relocation or replacement of overhead lines or the widening or realignment of streets within a given area.

Complies. The 2017 submittal included a response from ML&P to the 2016 staff review of the five year undergrounding plan (2016-2020). The response indicated that ML&P is “aware of two projects in the five year plan where PM&E and ML&P have projects in the same area: Arctic & 27th Avenue and Mt. View Lions Park.” The response also states that “ML&P encourages MOA Street Maintenance to participate with ML&P projects to upgrade street lighting.”

- f. Whether the five-year program sufficiently addresses the objectives of subsection G. below – Nonconforming Overhead Lines.

Partially Complies. See review below of G. Nonconforming Overhead Lines.

- g. Whether the area under consideration is within a zone where new and relocated distribution lines are required to be placed underground.

Complies. The proposed undergrounding involves existing lines that are not required to be relocated and are not new lines which are required to be undergrounded.

- h. Whether the installation of underground distribution lines is economically, technically and environmentally feasible, including the effect on an attached utility.

Complies. The response from ML&P notes that “ML&P believes the projects are economically and technically feasible. The environmental

effects are unknown until a design is actually underway; however ML&P presumes the projects will also be environmentally feasible.”

Further, ML&P states regarding “the effect of attached utilities, a lack of participation on a particular project is usually blamed as economically unfeasible by the attaching utility. ML&P has hosted multiple meetings with the attached utilities and has encouraged input to shape the Title 21 five year plan so all utilities can have a successful feasible project. No input from attached utilities for future projects have been received from date.”

Environmental effects that can be evaluated prior to undergrounding the electric lines could include an assessment of the number and size of trees that may have to be removed, any wetland impacts or impacts to other water bodies, ground disturbance and planned mitigation of the disturbed area.

- i. Whether undergrounding will avoid or eliminate overhead electric distribution or other attached utility facilities in a residential area with significant risk exposure to wildfire, high winds, or other natural disaster.

Complies. The plan indicates that the Glacier Street and 22nd Avenue project is located inside the highest wind speed in ML&P territory. The ML&P response notes “that the new project added, Logan Street: E. 17th to E. 20th Ave., contains some of the oldest poles in ML&P territory. These poles are susceptible to failure with high winds. The decision was to either replace the poles or underground the area. The latter was chosen.”

2. **The director shall confirm annually that the electric utilities have developed project undergrounding implementation plans. The director shall consult with the utilities and public agencies affected by any implementation plan. In reviewing implementation plans, the director shall consider the factors stated in subsection F.1. above.**

Complies. Annual plans have been submitted by ML&P since the adoption of the ordinance amendment requirements of March 1, 2005 (AO 2005-02).

4. The following shall be the target areas:

- a. Central Business District: between and including Third Avenue and Tenth Avenue and L Street and Ingra Street.
- b. Midtown area: between and including New Seward Highway and Minnesota Drive and International Airport Road and Fireweed Lane.

- c. All municipal and state street improvement projects except for those which do not require relocation of utility distribution facilities.
- d. The following major traffic corridors:
 - i. Old Seward Highway.
 - ii. Ingra and Gambell Streets between and including Ninth Avenue and Fireweed Lane.
 - iii. Northern Lights Boulevard and Benson Boulevard between and including Glenwood Street and Arlington Drive.
 - iv. Muldoon Road between and including New Glenn Highway and Patterson Street.
 - v. Tudor Road between and including Patterson Street and Arctic Boulevard.
 - vi. Boniface Parkway between and including 30th Avenue and New Glenn Highway.
 - vii. Spenard Road between and including Hillcrest Drive and International Airport Road.
 - viii. Arctic Boulevard between 17th Avenue and Tudor Road.
 - ix. Lake Otis Parkway between Tudor Road and Abbott Loop
- e. All park, recreational use and scenic interest areas.
- f. Eagle River Central Business District between and including the New Glenn Highway, North Eagle River Access Road, Aurora Street as extended to the Old Glenn Highway, and the Old Glenn Highway.
- g. Any area where utility distribution facilities are provided by more than one utility as a result of mergers and boundary changes approved by the state public utilities commission.
- h. School and university areas.
- i. Any residential area with significant risk exposure to wildlife, high winds, or other natural disaster.

Complies. As mentioned previously most of the proposed undergrounding projects do not occur along major traffic corridors. A few projects will occur in or near parks and schools. The Eureka Street/Fireweed Lane project will underground lines along the east side of North Star Elementary School as well as several blocks of overhead line on Fireweed Lane. Projects are as yet unspecified to underground lines in the Central Business District. Two projects are proposed in Midtown - Arctic Blvd. & 27th and Arctic Benson Park. Both locations (CBD and Midtown) are within Target Areas.

21.07.050G. Nonconforming overhead lines

1. *An electric utility that owns poles that support nonconforming utility distribution lines shall remove the poles and place those lines underground. Any other utility that attaches to such poles shall place its lines underground at the same time that the pole owner places lines underground.*

The memorandum from ML&P states that a project completed in 2016 at 4th & 5th Alley: A Street to Gambell Street, ML&P cut the tops of the poles off and transferred ownership to the attached utilities. In the ML&P response to the 2016 Planning Department administrative review, it is stated that: "ML&P does not have the enforcement powers to require an attached utility to comply; however ML&P has gone far and beyond its normal obligations to encourage the participation of the attached utilities. It is recommended that the Planning Department take a more active approach to make this ordinance successful." The department agrees that ML&P does not have the enforcement powers to require an attached utility to comply. The department agrees that ML&P has usually informed the department about situations where attached utilities are not undergrounding their utilities.

- a. *The electric utility that owns poles shall, in each fiscal year, expend at least two percent of a three-year average of its annual gross retail revenues derived from utility service connections within the municipality, excluding toll revenues, revenues from sales of natural gas to third parties, and revenues from sales of electric power for resale for purposes of undergrounding nonconforming lines. An electric utility's expenditures, pursuant to AS 42.05.381(h), within the Municipality of Anchorage, shall be counted toward satisfaction of the two percent expenditure required by this subsection.*

Complies. ML&P's report states that the 2% expenditure has been occurring each year as required.

- b. *A utility with lines attached to a pole that is to be removed under this subsection shall place its lines underground at the same time that the pole owner places its lines underground. To underground nonconforming utility lines, an attached utility shall not be required to expend more than two percent of its annual gross retail revenues derived connections within the municipality, excluding toll revenues. For the purpose of satisfying 21.90.070, the utility's expenditures pursuant to AS 42.05.381(h) within the Municipality of Anchorage are counted toward this two percent expenditure limit.*

As noted above, the memorandum dated March 16, 2017 notes that attached utilities were not placed underground last year for the 4th & 5th Alley: A Street to Gambell Street project. See the response to 21.07.050G.1. above.

- c. *The electric utility that owns poles may choose which existing lines to underground in order to fulfill the two percent expenditure requirement, in consultation with appropriate public agencies and any other utilities.*

Complies. As stated in the undergrounding plan, ML&P determines which lines to underground, based on a set of factors. The plan notes that an evaluation review sheet is used to assess potential projects and facilities for priority decisions made by a committee. Some of the factors considered in project evaluations are included in the plan.

- d. *An electric utility that owns poles that does not expend the amount required in subsection A. of this section, or that expends more than that amount, may carry over the under expenditure or over expenditure as an adjustment to the following year's obligation.*

Complies. The 3-year requirement indicates an over expenditure of \$1.02 million. ML&P will carry-over this over expenditure into 2017. They are projected to spend \$4.02 million in 2017.

Review Agency Comments

No agency comments were received.

Department Comments

The Division finds that the five year (2017 – 2021) Distribution Facilities Undergrounding Plan from ML&P generally complies in most instances with the requirements and intent of AMC 21.07.050F and 21.07.050G. or the projects are located in areas that are not applicable to the target areas. In other instances, insufficient information was provided to assess compliance as noted above. In the future, the Planning Department requests that information be provided to assess compliance.

1. In subsequent submittals please address the following:
 - a. Whether undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric distribution or other attached utility facilities. The photographs included in this report are helpful to ascertaining compliance.
 - b. Whether the installation of underground distribution lines is economically, technically and environmentally feasible, including the effect on an attached utility.
2. For future plan submittals, please submit eleven copies for distribution to review agencies.