



CITY OF PHILADELPHIA

STREETS DEPARTMENT
1401 John F. Kennedy Blvd
Room 730 Municipal Services Building
Philadelphia, PA 19102-1676

DONALD D. CARLTON
Commissioner

May 19, 2016

The Honorable Darrell Clarke
City Council President
City Hall Room 490
Philadelphia, PA 19107

Dear Council President Clarke:

This letter is in response to questions raised at the May 2, 2016 hearing before the Committee of the Whole on the Philadelphia Streets Department's Fiscal Year 2017 operating budget.

1. What is the payback, in terms of energy and cost savings, on LED bulbs? Is the savings strictly in overtime?


The City's street lighting costs consist of two parts; distribution charges, which are paid to PECO and are set by the State PUC; and supply charges which the City procures from a third party at bulk rates. PECO's distribution costs for street lighting make up approximately 70% of overall cost and primarily consist of tap fees (for connecting to PECO's system). The remaining portion of the City's costs is related to energy and while LED lighting retrofits save significant energy, the electricity it saves is used exclusively during off-peak times when electricity is at its lowest cost. As a result of the existing tariffs and market factors, the City's Energy Office, estimates that a full retrofit of LED streetlights would save the City just over \$2 million dollars a year (the project would also be eligible for a one-time \$2 million rebate from PECO). Based on a total installed cost of \$63- 67 million for a full citywide LED replacement project, the project would take 30-33 years to pay for itself on energy savings and energy related rebates alone. Project construction costs vary depending on the chosen method for project implementation.

It is important to note that eventual cost savings is not the only driver for the department's LED lighting conversion. The benefits of LED lighting include significantly less power consumption, making it an environmentally much better alternative, and significantly enhanced visibility in both daytime and night time conditions, important for most aspects of traffic safety as well as overall public safety.

2. Did the Department's study of automated lift trash pickup trucks assess manpower and time vs. cost of injuries to workers?

The Streets Department has evaluated the use of automated trash-lift trucks multiple times, most recently during the summer of 2013. Results have consistently shown no net change in labor costs. Automated trash-lift trucks take significantly longer to complete routes and would require an increased deployment of smaller crews and additional collections trucks. This would result in a net increase in required staffing and acquisition of additional collections equipment. Automated collections would also preclude parking on collection routes in housing high-density areas. With over 70% of lacking off-street parking, there would be a significant negative impact on residents in those areas rendering automated collection impractical throughout most of the city. In addition, automated trash-lift trucks can only service bins. Sanitation workers would therefore need to collect large-bulk items in the few neighborhoods automated devices could be deployed, thereby eliminating any meaningful injury-prevention benefit. Accordingly, it is the department's position that automated trash-lift trucks are not viable in the City of Philadelphia.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael A. Carroll". The signature is written in a cursive, flowing style.

Michael A. Carroll, P.E.
Acting Commissioner of the Streets Department
City of Philadelphia