



STREETLIGHTING

PRESENTATION TO TRANSPORTATION COMMITTEE

APRIL 27, 2022

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OBJECTIVES

- Are Atlanta's streetlighting operational and maintenance costs consistent with industry standards?
- Are adequate controls in place to ensure that streetlighting operability meets industry standards?



FINDINGS OVERVIEW

- Unregulated lights account for 5% of inventory but 16% of total costs
 - Unregulated lights drive costs higher
 - Agreements suggest the city added lights in a haphazard way
 - Lower-level employees signed agreements for 17.6% of unregulated lights
- The city lacks information to manage its lighting portfolio
 - Georgia Power did not provide agreements for 139 unregulated lights
 - We could not locate 36 lights in sampled areas
 - The city does not maintain an inventory of lights

FINDINGS OVERVIEW (CONT.)

- Lighting outages were more common for city-owned lights
 - 12% of city-owned lights were out during our observations
 - <4% of Georgia Power's regulated lights were out during our observations
 - Georgia Power declined to provide data on repair times
 - Monthly inspection reports for Georgia Power-maintained interstate lights showed 3.5% to 9.3% of lights not working between March 2019 and March 2021
- Georgia Power assessment of city's lights could present conflict of interest

UNREGULATED LIGHTS DRIVE HIGHER COSTS

Light Description by Billing Category	Estimated Total Monthly Charges (with Riders)	Total Count	Average	% of Cost	% of Lights	Minimum	Maximum
OLG (GPC-owned)	\$46,715.36	2,045	\$22.84	5.3%	3.6%	\$10.66	\$60.88
RLG (GPC-owned)	\$487,904.63	34,888	\$13.98	55.7%	61.6%	\$11.77	\$25.64
Unregulated (GPC-owned)	\$142,011.25	2,989	\$47.51	16.0%	5.3%	\$32.63	\$100.83
City-owned (OLG/OLNG)	\$192,859.61	16,416	\$11.75	21.8%	29.0%	\$2.12	\$35.83
Metered	\$5,645.46	273	\$20.68	0.6%	0.5%	\$7.48	\$56.87
Non-Governmental Regulated	\$292.3	9	\$32.48	0.0%	0.0%	\$19.91	\$65.95
Totals	\$875,428.37	56,620	\$15.46	100.0%	100.0%		

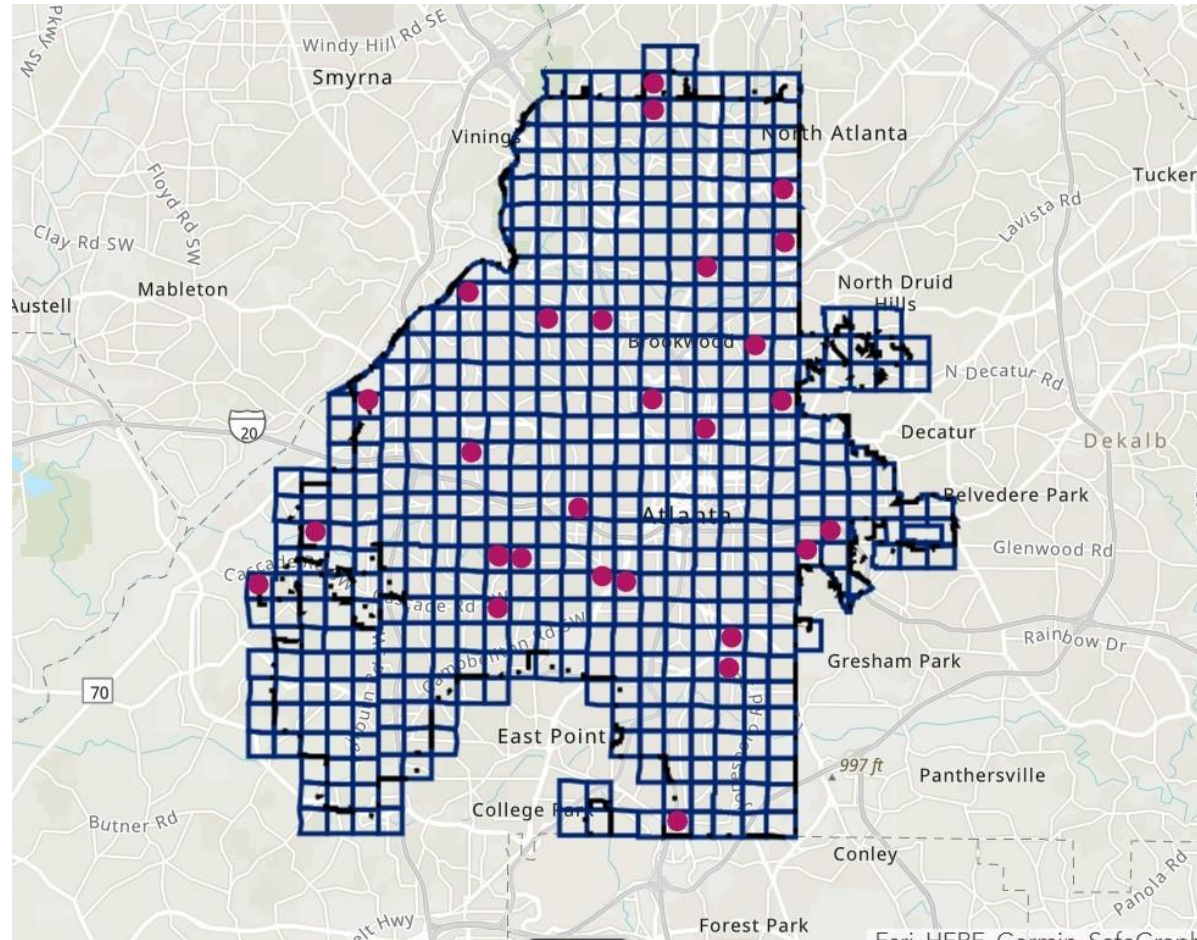
Source: Developed by auditors based on March 2021 Georgia Power billing data

LOWER-LEVEL EMPLOYEES SIGNED AGREEMENTS FOR 17.6% OF UNREGULATED LIGHTS

Position	Number of Lights Authorized in the 74 Agreements	% of Lights
Commissioner/Deputy Commissioner	2,288	80.3%
Lower-Level Staff	502	17.6%
City Council member	60	2.1%
Total	2,850	

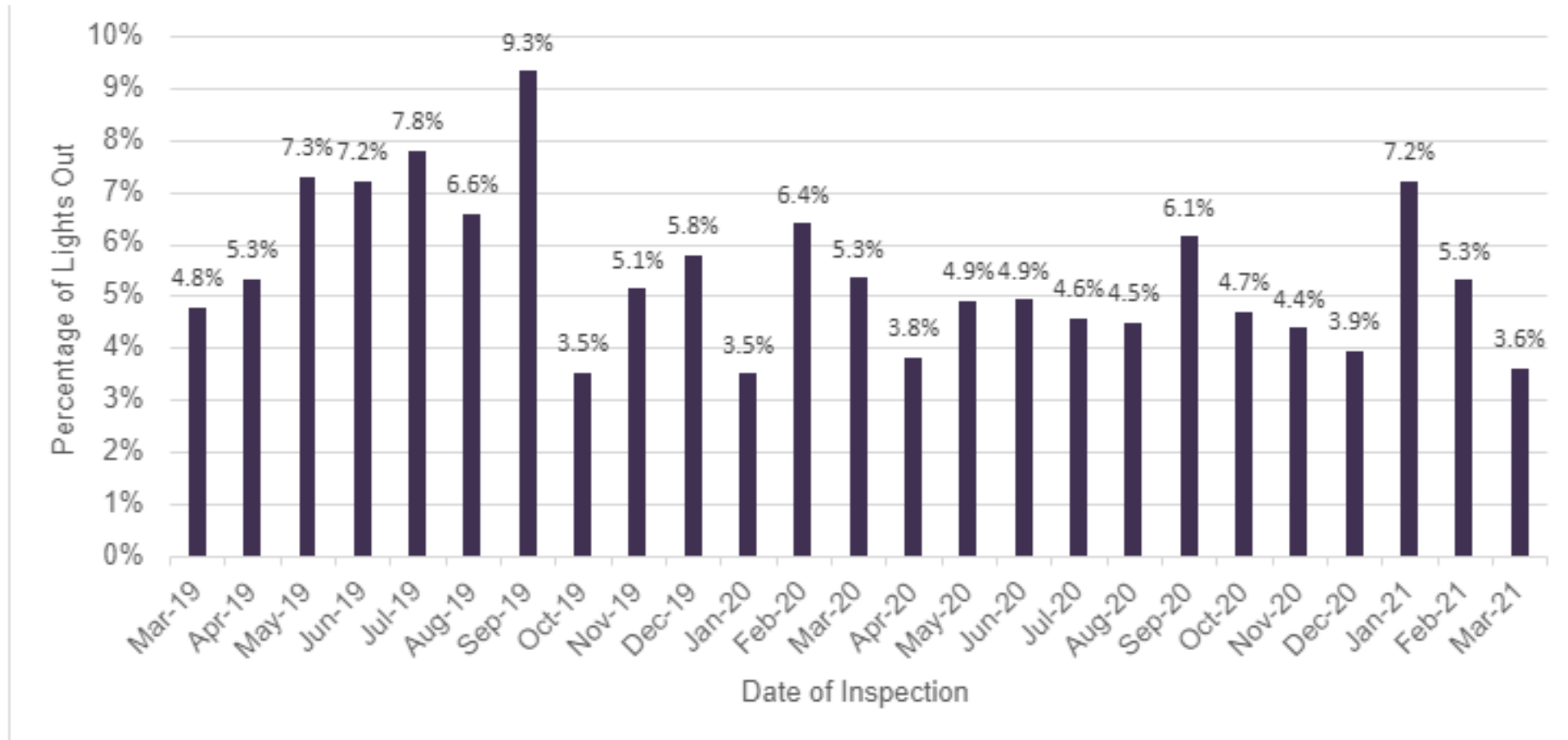
Source: Developed by auditors based on Georgia Power lighting service agreements

CITY LACKS INFORMATION TO MANAGE ITS STREETLIGHTING PORTFOLIO



Source: Auditor's screenshot from <https://gis.atlantaga.gov/lotboundary/>

LIGHTING OUTAGES ARE MORE COMMON FOR CITY-OWNED STREETLIGHTS



Source: Developed by auditors based on monthly inspection reports that Georgia Power provided

TWELVE PERCENT OF CITY-OWNED LIGHTS WERE OUT

City	Days to Complete Minor Repairs	Difference from Atlanta (In Days)
Atlanta	30	0
Chicago	2-7 (median 4.5)	-25.5
Newark (CA)	12	-18
Raleigh	3-5 (median 4)	-26
St. Louis	3	-27
San Diego	12	-18
San Francisco	2	-28
San Jose	7-14 (median 10.5)	-19.5
Santa Monica	2	-28
Washington, D.C.	2-5 (median 3.5)	-26.5

Source: Developed by auditors based on online sources of information

GEORGIA POWER ASSESSMENT OF CITY-OWNED LIGHTS COULD PRESENT CONFLICT OF INTEREST

- The city's proposed sale of its streetlights to Georgia Power will likely increase overall cost but improve performance
 - Estimated increase \$114,000 per month
- Resolution 21-R-3661 authorized the city to contract with Georgia Power to assess city-owned lights
- Because Georgia Power could benefit from acquiring city-owned light, this presents a conflict of interest

RECOMMENDATIONS

1. add regulated lights where possible to reduce costs
2. establish criteria for where and why unregulated lights are added to reduce the overall expense of lighting
3. develop a plan for managing streetlighting costs and agreements
4. implement an approval process for adding new lights to the city's streetlighting portfolio, including who is authorized to sign agreements for unregulated lights
5. work with Law to renegotiate unregulated lights under one agreement and/or at least renegotiate agreements for lights for which Georgia Power cannot provide the agreements

RECOMMENDATIONS (CONT'D)

6. work with Georgia Power to develop a tracking nomenclature to identify the billing charges for each light
7. order a physical audit of a sample of lights quarterly to ensure that billing data is accurate
8. work with Georgia Power to collect billing credits for lights for which the city has been charged a flat rate but that cannot be physically located
9. assign staff to streetlight recordkeeping to serve as a central repository for agreements and streetlight-related GIS data
10. work with Georgia Power to establish a reasonable operability rate for regulated lights and require nighttime repair work if the rate exceeds the established threshold

RECOMMENDATIONS (CONT'D)

11. work with Georgia Power to ensure the service request data is available to the city upon request
12. work with Law during contract renegotiations to include provisions in the contract to provide billing credits for outages over a certain threshold
13. develop written procedures for processing streetlight service requests if the city decides to maintain city-owned lights in its portfolio
14. update SLAs and consider increasing the number of city repair crews or outsourcing repairs of city-owned light if the city decides to maintain city-owned lights in its portfolio
15. analyze proposed Georgia Power rates for purchasing city-owned lights to mitigate the risk created by the city contracting with the utility to assess the lights prior to purchasing them

QUESTIONS?

Full report:
[Streetlighting - April 2022 \(atlaudit.org\)](https://atlaudit.org)