



January 10, 2016

Dear Fellow East Siders:

I hope you are enjoying a quiet weekend indoors. This week's Ward letter discusses energy efficient streetlights, reducing fire protection costs and the City's move away from a street car program.

Last week, the City Council gave initial approval to a program to replace the City's street lamps with new ones powered by light emitting diodes. As part of the change, the City will become owner of the lights and fixtures (but not the utility poles to which they are attached), while hiring an outside company to install and maintain them. The administration expects the new arrangement to increase the quality of service, as Narragansett Electric's record in this regard leaves significant room for improvement. Also, the new fixtures will dramatically reduce energy consumption, a valuable environmental benefit.

On that note, I would like to share with you two ways you can improve the environment through changes in your use of electricity. The first is to sign up for renewable energy by clicking on [this link](#). Through the People's Power and Light Company (which I have used for my own home for the past several years), you can choose to pay slightly more for electricity from renewable power sources, such as solar, hydro and wind. The excess is automatically added to your electric bill, and you receive a tax deduction for the additional amount. I also recently learned of National Grid's "Find your four" program you can join by [clicking here](#). This program offers energy-saving tips, such as installing "smart" power strips to reduce "phantom" power consumption. The new program also will save the City approximately \$24 million over ten years through reduced electricity consumption and lower maintenance costs. While the program clearly will benefit the City, the financial structure is less than optimal. More specifically, the program involves a borrowing of \$13 million for the new equipment, payable over 10 years. The administration packaged this to "back-load" the financing, deferring the first repayment of principal until 18 months out. Second, the electric company will provide a \$2.5 million rebate this summer, which will not be used to pay back the \$13 million, but instead will be used to reduce the City's long-term deficit. This amounts to borrowing money from one source to pay a loan from another source, which is not an efficient way to reduce debt.

Last week, the City Council passed a resolution to ratify the engagement of a consultant to review the costs and practices for fire protection in Providence. In addition to reviewing the administration's shift change proposal, the consultant will look at such issues as the location of fire stations, the incidence of fires and staffing levels, all of which may be adjusted to improve (or at least maintain appropriate) services levels while reducing costs. For example, Woonsocket recently reached an agreement with fire fighters to achieve savings through lower "minimum manning" rather than changing to a "three platoon" system. The City Council leadership asked the consultant to produce an initial report in the next one or two months, which would provide new ideas to resolve the ongoing litigation in time for the development of next year's budget. I will continue to urge the parties to reach a prompt settlement. In the alternative, we should have answers to more (though not necessarily final answers) to the legal questions now being heard by the arbitrator and the Supreme Court, which should provide the parties with a spur to control the outcome with a settlement rather than risk the uncertainty (and potential peril) of decisions made by an arbitrator and/or the Court.

Last week, the administration announced the conclusion of its efforts to build a street car line in Providence. Instead, the administration plans to seek funding for enhanced bus service. The project would have required the City to issue a \$57 million bond, which would have reduced its capacity to borrow money for core infrastructure projects, such as school construction, streets and sidewalks. With this issue out of the way, the City should have the capacity to issue at least \$50 million in bonds early next year. I will continue to work for the City to provide the voters with choices for new bond projects (including a sidewalk bond) on the November ballot.

Sincerely,