Utilities (Section on Private Utilities ONLY)



Public Works utility employees enjoying a day on the job

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Coordination with Private Utilities

Most private utilities are regulated at the state level by the Washington Utilities and Transportation Commission (WUTC), which ensures that customers receive safe and reliable service at reasonable rates. The Commission regulates the rates and charges, services, facilities and practices of most of Washington's investor-owned gas, electric and telecommunication utilities.

Growth in residential, commercial, or industrial development often requires expanded utility services. Because of this, City land use decisions that affect both density and the location of new development will drive new private utility needs.

In Olympia, private utilities provide these services:

- **Electricity:** Puget Sound Energy (PSE) is the only provider of electricity to Olympia and its Urban Growth Area. PSE is an investor-owned utility providing electricity to nine western and central Washington counties.
- Natural Gas: PSE is also the only natural gas provider to Olympia and its Urban Growth Area. PSE serves natural gas customers in six western and central Washington counties.
- Standard Telephone Service: The only provider of standard telephone service in Olympia and its Urban Growth Area is CenturyLink Communications International, Inc.Lumen Technologies

(CenturyLinkLumen). CenturyLink Lumen is a global communications services provider and is an investor-owned corporation offering local telecommunication services to customers in 14 states. It also provides broadband data and voice (including long-distance) communications services outside their local service area, as well as globally.

- Telecommunications and Cellular Telephone Service: Many new telecommunication providers have entered the market and offer options that have created a very competitive environment. These factors make it difficult to accurately assess how future telecommunications will be provided.
- Cable Services and Programming: Comcast is the only cable provider serving Olympia. Properties that lie within the UGA are covered under Thurston County's franchise. Currently, cable and fiber companies are not regulated by the state, but by local governments and the FCC. Comcast has a 10-year non-exclusive franchise agreement to use public right-of-way to provide cable services within the Olympia city limits. This agreement was adopted by the City Council in 2009.

Ziply Fiber provides streaming services for programming through its fiber optic network. Fiber internet uses ultra-thin strands of glass to transmit data via pulses of light. Ziply Fiber has a franchise agreement to use public right of way to provide fiber optic services within the Olympia city limits.

Goals and Policies

GU15 Cooperation and coordination exists among jurisdictions and private utility providers.

PU15.1 Coordinate utility planning activities with the private utility providers. The City will work with the private utilities to achieve consistency between their facility plans and the City's regulations and long-range plans.

PU15.2 Share information, when requested, with private utilities on current and projected figures for population, employment, development, and utility service demand.

PU15.3 Process permits and approvals for private utility facilities in a fair and timely manner, and in accordance with development regulations that foster predictability.

PU15.4 Ask for input from the private utilities when developing policies that will

affect their service and activities, such as street excavation, street obstructions, and fees.

- **PU15.5** Maintain agreements, where appropriate, with private utilities, updating them as needed to adapt to changing needs and plans.
- **PU15.6** Olympia and Thurston County will coordinate with each other and with the cities of Lacey and Tumwater to create consistent utility regulations and long-range plans that promote efficient and effective utility services.
- **PU15.7** Olympia and Thurston County will coordinate with each other and with the cities of Lacey and Tumwater when private, multijurisdictional utility additions and improvements are being planned.
- **PU15.8** Regarding private utility facilities, make decisions that are consistent and complementary to regional demand and resources and that reinforce an interconnected regional distribution network.
- **PU15.9** Olympia and Thurston County will coordinate with each other and the cities of Lacey and Tumwater on emergency management related to utility services by following the <u>Natural Hazards Mitigation Plan for the Thurston Region</u>

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GU16 Private utilities are located underground to protect public health, safety and welfare, and to create a more reliable utility system.

- **PU16.1** Place new private utility distribution lines underground wherever practicable. This should be based on sound engineering judgment, on consideration of health and safety, and in accordance with the regulations and tariffs of the Washington Utilities Transportation Commission and the City's Engineering Development and Design Standards.
- **PU16.2** Encourage placing existing private utility distribution lines underground, in accordance with the regulations and tariffs of the Washington Utilities Transportation Commission and the City's Engineering Development and Design Standards.
- **PU16.3** Coordinate the undergrounding of both new and existing private utility lines consistent with policies PU 3.1 and PU 3.2.
- **PU16.4** Apply utility undergrounding requirements to all private development projects.

PU16.5 Develop and maintain a management plan, consistent with the <u>Olympia Municipal Code</u> and the Engineering Development and Design Standards, for underground and overhead utilities as part of the City's franchise agreements. The management plan also must address undergrounding of the City's aerial facilities, as well as other franchise utilities. (See OMC telecommunications <u>Chapter 11</u> regarding permitting and leasing)

GU17 Private utility facilities will be located in the same area.

- **PU17.1** Promote the co-location of new utility distribution and communication facilities when doing so is consistent with utility industry practices and national electrical and other codes. (See policy PU3.6 that recommends a guidance drawing showing utility locations.)
- **PU17.2** Give private utilities timely notice when road construction is planned, to coordinate utility trenching work.

GU18 Adverse impacts of above-ground utility facilities such as sub stations and cellular towers on surrounding land uses are minimized.

- **PU18.1** Locate private utility facilities near compatible adjacent land uses. City regulations will specify that approval of new private utility facilities shall be reasonably compatible with the development of the surrounding properties.
- **PU18.2** Ensure that the City's zoning code includes standards that ensure that new private utility facilities are coordinated and integrated with surrounding land uses so they are reasonably compatible with the natural and built environment. These regulatory standards should also support facility design which minimizes the visual intrusion of facilities in all areas.
- **PU18.3** Encourage telecommunication utilities to use existing structures, such as existing towers and buildings, where a new installation will not conflict with height restrictions.

GU19 Every resident and business in Olympia has access to affordable cable television and Internet services.

- **PU19.1** Encourage cable services to incorporate their latest features and improvements for their Olympia-area customers as they become technologically and economically feasible.
- **PU19.2** Seek to ensure that any cable franchisee serving the Olympia area provides a high quality of customer service, signal transmission, and

programming variety.

GU20 Communications between public buildings reflect advances in cable technology.

PU20.1 Ensure cable service to major public buildings allows programs to originate there, as well as to be received there.

GU21 Public educational institutions and governments can air programming on designated channels on the cable system.

PU21.1 Ensure that cable service includes no fewer than four local access channels, which are responsibly and fairly administered in the public interest.

GU22 The City should make provisions in its policies, regulations and Engineering Development and Design Standards for a fiber optic conduit system as part of its municipal infrastructure.

Appendix A: Utilities Inventory and Future Needs

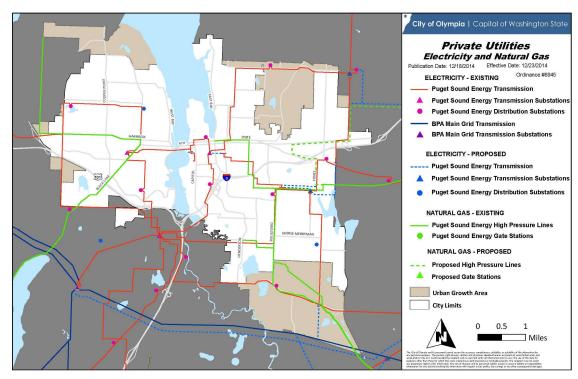
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Description & Inventory of Private Utilities Serving Olympia

Electricity and Natural Gas

Unlike some other private utilities, providers of electricity such as Puget Sound Energy (PSE) must provide electricity upon demand and in accordance with "tariffs" on file with the Washington Utilities and Trade Commission (WUTC). To fulfill its public service obligations, PSE must plan to extend or add to its facilities when needed.

However, this obligation does not apply to the delivery of natural gas, as it is considered a convenience, rather than a necessity, as electricity is. PSE natural gas service is a demand-driven utility and, as such, is prohibited from passing on the cost of new construction to existing customers. Instead, it installs natural gas service for new construction and when customers convert from electricity or oil to natural gas. PSE owns and operates all electrical transmission and distribution stations, as well as the transmission and distribution lines within the City of Olympia. The map below shows existing and proposed major PSE electric and natural gas facilities, but does not show distribution lines.



Puget Sound Energy Electric and Natural Gas Facilities

Telecommunications and Cellular Telephone Service

The volatility and competitiveness of the telecommunications market makes it difficult to accurately assess the way future telecommunications will be provided. The Federal Communications Commission (FCC) regulates cellular providers in each cellular geographic service area, and in Olympia and its Urban Growth Area, there are several FCC-licensed providers. In April 2006, the City adopted the Olympia Wireless Telecommunications Master Plan , which includes information about future expansion needs and probable facility locations. The Olympia Municipal Code provides guidance on telecommunications permitting and leasing (see Titles 11 and 18).

At the state level, cellular telecommunications companies are regulated by the WUTC. Although the technology is increasingly used as a reliable backup communication system during times of emergency, the WUTC defines cellular technology as a utility of convenience, not necessity. Therefore, cellular phone providers are not required to provide service upon demand.

There are several dozen antennas for cellular phone service located in Olympia, including on City-owned property such as Drinking Water sites. The cellular phone system depends on a series of these low-powered antennas in a honeycomb pattern of "cells" that invisibly blanket the service area. Each cell site has a signal radius ranging from a few blocks to a few miles, depending on terrain and capacity.

Standard Telephone Service

As regulated by the WUTC, standard telephone service is considered a necessity. Therefore, CenturyLink Communications International, Inc.Lumen Technologies (Lumen, formerly CenturyLink, formerly Quest and AT&T) must provide phone facilities on demand. As communities grow, its facilities are upgraded to ensure adequate service levels and to offer new services.

Standard telephone service has four primary components: central switching offices (two are located in Olympia), main cable routes, branch feeder routes, and local loops. All these components work together to provide a dial tone to every subscriber.

<u>CenturyLink Lumen</u> also maintains a broadband telecommunications network over a mix of optical fiber, coaxial cable and copper wire. <u>CenturyLink Lumen</u> has said that it plans to continue serving the Olympia area.

Cable and Fiber Optic Services

Comcast, Inc. is Olympia's sole cable service provider, and its receiver site also serves surrounding communities. The two key components of the cable system are a receiver site – a tower that picks up air and satellite signals - and a fiberto-the-node cable system. The cable television system is fed directly by coaxial and fiber-optic cable from the receiver site to Comcast's Olympia subscribers.

Cities and counties may grant franchises to cable companies that allow them to locate their lines in the public rights-of-way. In exchange, local governments may require cable companies to provide certain services. Olympia's franchise agreement requires Comcast to:

- Provide service throughout the City, and install the cable underground for all new construction.
- Meet minimum standards for the number of channels provided, variety of programming, quality of customer service, and technical quality of signal transmission.
- Provide a public access studio and facilities that allow programming to originate from a number of public facilities identified by the City.
- Provide free cable service to City buildings.
- Provide financial support for local access television equipment.

Federal law allows local government to charge a franchise fee for use of the Right-of-Way, currently no more than 5% of gross revenue.

In the Olympia area, the "public access studio and facilities" requirement in the franchise is administered by Thurston Community Television (TCTV), a non-profit

organization -- on behalf of Olympia, Lacey, Tumwater, and Thurston County. The City has an annual contract with TCTV for specific government, education, and public television access purposes. Comcast leases the TCTV studio to the City for \$1 per year and makes an additional cash contribution for local access capital purposes. The City of Olympia offers viewing of its council meetings and podcast (Actually Olympia) through OlyTV3. It can be accessed via Comcast Cable channel 3 or viewed on demand at OLYTV3.com.

Each year, Comcast engineers assess whether it needs to expand its Olympia system so it can continue to provide cable hook-ups to customers as demand rises. At this time, the City is adequately served and expects that will continue for at least the next 20 years.

Ziply Fiber is a local internet service provider (ISP) dedicated to bringing ultrafast, reliable fiber internet to Washington, Oregon, Idaho and Montana. Ziply Fiber provides fiber optic in parts of Olympia. Its services include wifi, television streaming, and telephone for residents and businesses.

