

SB

10

SFIN

FILE

REPORTED BY
5/10/99

SENATE FINANCE COMMITTEE REPORT

DATE: 3/24/99

FURTHER:

DATE TURNED
IN TO OFFICE: 5/11/99

Finance Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 10

"An Act requiring a utility that provides services in a municipality with a population of more than 100,000 to have an ongoing program of placing existing overhead utility lines underground; and relating to rates for recovering the cost of placing existing overhead utility lines underground."

and recommends:

- be replaced with _____ CS SSSB 10 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Gene Donley</i>	✓	<i>Keep as is</i>	✓		
		<i>Supplemental</i>	✓		
		<i>Vote for</i>	✓		
		<i>Forw. S. Senate</i>	✓		
		<i>Assembly</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>AP Pub. Utilities</i>	<i>5/7/99</i>	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

I-LS0142\S
Cramer/Cook
5/3/99

*moved by Sen. Donley
w/o obj. ADOPTED*

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 10()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY

**Offered:
Referred:**

Sponsor(s): SENATOR DONLEY

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring an electric or telephone utility that provides services in a
2 municipality with a population of more than 200,000 to have an ongoing program
3 of placing existing overhead utility distribution lines underground; and relating to
4 rates for recovering the cost of placing existing overhead utility distribution lines
5 underground."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 * **Section 1.** AS 42.05.381 is amended by adding new subsections to read:

8 (h) An electric or telephone utility that has overhead utility distribution lines
9 and that provides services in a municipality with a population of more than 200,000
10 must spend at least one percent of the utility's annual gross revenue from retail
11 customers in that municipality to place existing overhead utility distribution lines in
12 that municipality underground. In determining the annual gross revenue under this
13 subsection, only revenue derived from the utility's distribution lines in the municipality

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shall be considered.

(i) An electric or telephone utility that is implementing a program to place existing overhead utility distribution lines located in a municipality underground may amend its rates for services provided to ~~retail~~ customers in the municipality to enable the utility to recover the full actual cost of placing the lines underground. Notwithstanding AS 42.05.411 - 42.05.431, an amendment to a utility's rates under this subsection is not subject to commission review or approval. A utility amending its rates under this subsection shall notify the commission of the amendment. This subsection applies to an undergrounding program to the extent that the costs do not exceed two percent of the utility's annual gross revenue. If an undergrounding program's costs exceed two percent, the commission may regulate rate increases proposed for the recovery of the amount above two percent.

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 10()**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTY-FIRST LEGISLATURE - FIRST SESSION****BY****Offered:****Referred:****Sponsor(s): SENATOR DONLEY****A BILL****FOR AN ACT ENTITLED**

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7 not subject to commission review or approval. A utility amending its rates under this
8 subsection shall notify the commission of the amendment. This subsection applies
9 only to an undergrounding program whose costs do not exceed two percent of the
10 utility's annual gross revenue.

1-LS0142M
Cramer
4/19/99

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 10()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY

**Offered:
Referred:**

Sponsor(s): SENATOR DONLEY

A BILL

FOR AN ACT ENTITLED

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3 overhead utility distribution lines underground; and relating to rates for recovering
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6 * **Section 1.** AS 42.05.381 is amended by adding new subsections to read:

7 (h) A utility that has overhead utility distribution lines and that provides
8 services in a municipality with a population of more than 200,000 must spend at least
9 one percent of the utility's annual gross revenue from customers in that municipality
10 to place existing overhead utility distribution lines in that municipality underground.
11 In determining the annual gross revenue under this subsection, only revenue derived
12 from the utility's distribution lines in the municipality shall be considered.

13 (i) A utility that is implementing a program to place existing overhead utility
14 distribution lines located in a municipality underground may amend its rates for

1 services provided to customers in the municipality to enable the utility to recover the
2 full actual cost of placing the lines underground. Notwithstanding AS 42.05.411 -
3 42.05.431, an amendment to a utility's rates under this subsection is not subject to
4 commission review or approval. A utility amending its rates under this subsection
5 shall notify the commission of the amendment. This subsection applies only to an
6 undergrounding program whose costs do not exceed five percent of the utility's annual
7 gross revenue.



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

SYNOPSIS OF CHANGES TO:
CSSSSB 10 (L&C)

CHANGES IN CSSSSB 10 (1-LS0142\S)

1. Page 1, lines 2 & 9: 100,000 changed to 200,000
2. Page 1, line 10 after the word "for": the word "retail" is inserted
3. Page 2, line 3 after the words "provided to": the word "retail" is inserted
4. Page 1, line 8 the words "An electric or telephone" are inserted before the word "utility"
5. Page 2, line 2 the words "An electric or telephone" are inserted before the word "utility"
6. Page 2, line 10 the word "five" is deleted and replaced with "two"
7. Page 2, lines 10-12: insert "If an undergrounding program's costs exceed two percent, the commission may regulate rate increases proposed for the recovery of the amount above two percent."

Vice-Chair, Senate Finance Committee • Chair, Capital Budget Subcommittee • Co-Chair, Anchorage Caucus
MEMBER: Senate Judiciary Committee • Senate Labor & Commerce Committee • Legislative Council

January-May: STATE CAPITOL • JUNEAU, AK • 99801-1182 • (907) 465-3892 • FAX: (907) 465-6595
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SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT SPONSOR SUBSTITUTE FOR SENATE BILL 10

“An Act requiring a utility that provides services in a municipality with a population of more than 100,000 to have an ongoing program of placing existing overhead utility lines underground; and relating to rates for recovering the cost of placing existing overhead utility lines underground.”

Sponsor Substitute for Senate Bill 10 requires that utilities providing services in municipalities with populations of over 100,000 have an ongoing program of placing existing overhead utility lines underground. SSSB 10 codifies in state statute the requirement that such utilities must spend at least one percent of their annual gross income placing existing overhead utility lines underground.

Specifically, SSSB 10 addresses the issues surrounding overhead utility lines in large communities by requiring utilities to spend at least one percent of their annual gross income on a program of placing existing overhead utility lines underground. SSSB 10 is necessary because, although the only current municipality over 100,000 has a specific law on this subject, it has not been successful. Anchorage Municipal Code (AMC 21.90.020) requires that all new overhead or relocated lines be placed underground. Concurrently, AMC 21.90.050-21.90.070 requires that the municipality have a ten-year program designating target areas for the underground placement of ‘nonconforming’ overhead lines (existing overhead utility distribution lines located where AMC 21.90 requires new or relocated utility distribution lines to be placed underground). AMC 21.90.070 only requires that a utility owning or operating nonconforming utility distribution lines in Anchorage shall spend up to four percent of its gross revenues annually to place utility lines underground.

Because AMC 21.90.070 does not set a minimum expenditure, it allows the utilities to sidestep their responsibility for placing existing overhead utility lines underground. SSSB 10 remedies this problem by establishing a **minimum expenditure**, consequently ensuring continued steady progress in the placement of existing overhead utility lines underground.

Vice-Chair, Senate Finance Committee • Chair, Capital Budget Subcommittee • Co-Chair, Anchorage Caucus
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Page 2
SSSB 10 Sponsor Statement
Senator Donley

An ongoing program of placing utility lines underground is good public policy for larger Alaskan communities. The maintenance costs associated with weather induced disruption of utility services will drop dramatically. Also, the aesthetic environment would be dramatically improved by incrementally placing the existing overhead utility lines underground. This concept represents a better long-term public policy by improving utility efficiency and beautifying large urban communities. Establishing a reasonable level of mandatory effort creates a level playing field for any competing utilities and prevents any competitive disincentive to the placement of existing overhead utility lines underground.

DD/hn

Chapter 19.60

UNDERGROUND PLACEMENT OF OVERHEAD UTILITY DISTRIBUTION LINES*

19.60.010	Definitions.
19.60.020	Designation of dates.
19.60.030	Determination of costs to be assessed.
19.60.040	Allocation of conversion costs.
19.60.050	Responsibility for cost of converting service connections.
19.60.060	Notice of disconnection of overhead service connections.
19.60.070	Failure to remove overhead facilities.

*Cross references—Electric service, ch. 26.30; telecommunications service, ch. 26.60; damage to underground utility facilities, ch. 26.90; Anchorage Telephone Utility, tit. 30.

19.60.010 Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Central office means a utility facility where messages, impressions, pictures or signals are generated, received or controlled.

Convert. To convert an overhead utility distribution line or service connection means to remove the overhead utility distribution line or service connection and provide the same service with an underground utility distribution line or service connection installed at the same or at a different location.

Distribution substation means a utility facility where electric voltage is transformed for distribution through a substation transformer.

Service connection means conductors transmitting utility service from a utility distribution line to a customer's riser or service entrance.

Substation transformer means a utility facility that transforms electric voltage to the level supplied to the distribution system.

Utility means a public utility as defined in AS 42.05.701 furnishing electrical service or telecommunications service as defined in AS 42.05.701.

Utility distribution line means all or any part of a conductor and supports owned or operated by a utility and used:

1. To transmit no more than 69 kilovolts of electric energy; or
2. To transmit messages, impressions, pictures or signals by means of electricity or electromagnetic waves;

between a distribution substation or central office and the lot line of a customer's premises, excluding auxiliary equipment such as aboveground transformers, switching devices, pad-mounted distribution facilities and CATV power supplies.

(CAC 3.08.380; AO No. 84-62)

Cross reference—Definitions and rules of construction generally, § 1.05.020.

19.60.020 Designation of dates.

The ordinance to proceed with a special assessment district to convert overhead utility distribution lines shall designate:

- A. The date when service by underground utility distribution lines shall commence;
- B. The date when service by overhead utility distribution lines shall cease; and
- C. The date when all converted overhead utility distribution lines and related service connections shall be removed.

(CAC 3.08.390; AO No. 84-62)

19.60.030 Determination of costs to be assessed.

A. The costs to be assessed for converting an overhead utility distribution line shall be determined in accordance with the applicable tariff or rules or regulations of operation of the utility owning or operating the utility distribution line, or, if the applicable tariff or rules or regulations of operation do not determine the cost, in accordance with chapter 19.30.

B. The cost of converting a service connection to be assessed under section 19.60.040.B shall be determined in accordance with the tariff or rules or regulations of operation of the utility whose service is provided through the service connection, or, if the applicable tariff or rules or regulations of operation do not determine the cost, in accordance with chapter 19.30.

(CAC 3.08.400; AO No. 84-62)

19.60.040 Allocation of conversion costs.

A. The cost of converting an overhead utility distribution line shall be assessed to each property adjacent to the easement or right-of-way containing the overhead distribution line in proportion to the property's linear frontage along that part of the easement or right-of-way where the overhead utility distribution line is converted.

B. The cost of converting a service connection to be assessed under section 19.60.050.B shall be assessed to the property served by the service connection.

(CAC 3.08.400; AO No. 84-62)

19.60.050 Responsibility for cost of converting service connections.

A. Except as provided in the applicable tariff or rules or regulations of operation of the utility providing the service, or in subsection J of this section, the owner of the property shall be responsible for converting any service connection to his property from a utility distribution line that is converted under this chapter, and the owner shall bear the expense of the service connection conversion.

B. Except as the utility's applicable tariff or rules or regulations of operation provide otherwise, a property owner may request that the utility convert the service connection to his property for that utility's service when the utility distribution line providing that service is converted under this chapter, and add the cost of converting the service connection to the assessment on that property under this chapter. The request, including an authorization to enter upon the property to perform the conversion work, shall be presented in writing at the place and within the time specified in the ordinance to proceed with the special assessment district.
(AO No. 84-62)

19.60.060 Notice of disconnection of overhead service connections.

For an assessment district to convert overhead utility distribution lines, the notice required by section 19.20.090 shall give notice of the provisions of section 19.60.050, and state that, after the date specified for that purpose in the ordinance to proceed with the assessment district, all overhead service connections shall be disconnected from the utility distribution lines converted under the assessment district.
(AO No. 84-62)

19.60.070 Failure to remove overhead facilities.

A. The owner of an overhead utility distribution line or service connection that is converted under this chapter shall remove the utility distribution line or service connection no later than the date specified for its removal in the ordinance to proceed under section 19.60.020.

B. Any overhead utility distribution line or service connection maintained in violation of subsection A of this section is a public nuisance and may be abated as such. A violation of subsection A of this section also is subject to the penalties and remedies in chapter 21.25.
(CAC 3.08.450)

Chapter 21.90

UTILITY DISTRIBUTION FACILITIES*

- 21.90.010 Definitions.
- 21.90.020 Underground placement required for new or relocated lines; exceptions.
- 21.90.030 Variances.
- 21.90.040 Enforcement of chapter.
- 21.90.050 Nonconforming overhead lines—Generally.
- 21.90.060 Nonconforming overhead lines—Designation of target areas.
- 21.90.070 Nonconforming overhead lines—Conformance with ten-year plan.
- 21.90.080 Nonconforming overhead lines—Lines in municipal right-of-way.
- 21.90.090 Nonconforming overhead lines—Conversion of service connections.

*Cross reference—Fines, § 14.60.030.

21.90.010 Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

CATV means a utility that operates nonbroadcast facilities that distribute to subscribers the signals of one or more television broadcast stations.

Central office means a utility facility where messages, impressions, pictures or signals are generated, received or controlled.

Distribution substation means a utility facility where the electric voltage is transformed for distribution through a substation transformer.

Joint trench means a trench excavated for the underground placement of utility distribution lines owned or operated by two or more utilities.

Municipal street improvements means street construction projects within the right-of-way used by motor vehicles and funded by the municipality.

Reinforcement means repair, replacement or addition of a crossarm, guy, pole, stub or conductor for a utility distribution facility.

Relocation means a change in alignment of more than six spans.

Service connection means conductors transmitting utility service from a utility distribution line to a customer's riser or service entrance.

State highway project means a highway project which has received design authorization from the Federal Highway Administration or legislative approval from the state legislature.

Substation transformer means a utility facility that transforms electric voltage to the level supplied to the distribution system.

Target area means an area designated under section 21.90.060 as a location in which overhead distribution lines are to be placed underground as provided in this chapter.

Utility means a public utility as defined in AS 42.05.701 furnishing electric service or telecommunications service as defined in AS 42.05.701.

Utility distribution line means all or any part of a conductor and supports owned or operated by a utility and used:

1. To transmit no more than 69 kilovolts of energy; or
2. To transmit messages, impressions, pictures or signals by means of electricity or electromagnetic waves;

between a distribution substation or central office and the lot line of a customer's premises, excluding auxiliary equipment such as aboveground transformers, switching devices, pad-mounted distribution facilities and CATV power supplies. (AO No. 155-76; AO No. 156-76; AO No. 84-62; AO No. 86-17)

Cross reference—Definitions and rules of construction generally, § 1.05.020.

21.90.020 Underground placement required for new or relocated lines; exceptions.

A. Except as provided in subsections B, C, D and E of this section, all newly installed or relocated utility distribution lines shall be placed underground.

B. Except where an assessment district has been formed to convert overhead utility distribution lines as provided in chapter 19.60:

1. Utility distribution lines need not be placed underground in the rural area defined in section 21.85.020, or in the I-2 and I-3 zoning districts.
2. CATV utility distribution lines need not be placed underground where there are other overhead utility distribution lines; provided that, when all of the other overhead distribution lines are placed underground, the CATV utility distribution line shall be placed underground in a joint trench with the other utility distribution lines.
3. Notwithstanding subsection B.1 of this section, the following area shall be subject to the provisions of subsection A of this section requiring that newly installed or relocated utility distribution lines shall be placed underground: Lower Hillside, between and

including Abbott Road, Rabbit Creek Road, Hillside Drive and the New Seward Highway.

C. A new utility distribution line may be placed overhead when necessary immediately to restore service interrupted by accident or damage by flood, fire, earthquake or weather; provided that the utility distribution line shall be replaced by a utility distribution line conforming to this chapter within 12 months of its placement.

D. A utility distribution line or service connection may be placed on the surface of frozen ground, provided that it is placed underground within 12 months thereafter.

E. New facilities may be added to existing overhead utility distribution facilities located outside target areas.

F. Utility distribution lines owned or operated by utilities that are parties to a joint trench agreement shall be placed underground in a joint trench.

G. Nothing in this section restricts the maintenance, repair or reinforcement of existing overhead utility distribution lines.

H. A temporary utility distribution line may be placed overhead in connection with new construction if the utility's tariff approved by the state public utilities commission expressly provides for removal of that line by a date certain, not to exceed 12 months thereafter.

(AO No. 156-76; AO No. 84-62; AO No. 86-17; AO No. 92-10)

Cross reference—Damage to underground utility facilities, ch. 26.90.

21.90.030 Variances.

A. The planning and zoning commission may grant a variance from section 21.90.020.A when the commission finds any of the following:

1. Placing a utility distribution line underground would cause an excessive adverse environmental impact;
2. Placing a utility distribution line underground would threaten public health and

safety, because the placement cannot be shown to meet acceptable technical standards for safety; or

3. Placing a utility distribution line underground in an environmentally sound and safe manner would cost more than three times the cost of placing the line overhead, where the applicant demonstrates the relative cost to the satisfaction of the commission.

B. The director of the department of community planning and development may grant a variance from section 21.90.020.A when he finds that the utility distribution line is being placed overhead temporarily for one of the reasons listed in this subsection:

1. The line is being placed to provide service when weather conditions do not allow excavation for underground placement;
2. A permanent location for underground placement is not available because of construction in progress; or
3. The line is being placed to provide service to a temporary use or structure.

A variance issued under this subsection shall expire within two years of its issuance.

C. The planning and zoning commission may adopt regulations in accordance with chapter 3.40, delegating authority to grant variances under subsection A of this section to the director of community planning and development.

(AO No. 156-76; AO No. 84-62; AO No. 86-17)

21.90.040 Enforcement of chapter.

A. Violations of this chapter are subject to all of the penalties and remedies for violations of this title set forth in chapter 21.25.

B. In addition to the penalties and remedies provided for violations of this chapter in subsection A of this section, no permit may be issued to install a utility distribution line on municipal property or in a municipal easement or right-of-way in violation of this chapter.

(AO No. 156-76; AO No. 84-62)

**21.90.050 Nonconforming overhead lines—
Generally.**

Existing overhead utility distribution lines located where this title requires new or relocated utility distribution lines to be placed underground are nonconforming utility distribution lines and are subject to sections 21.90.070 through 21.90.090. No utility distribution line is a nonconforming structure or a nonconforming use of land or a structure under chapter 21.55 because it is a nonconforming utility distribution line under this section.

(AO No. 84-62)

**21.90.060 Nonconforming overhead lines—
Designation of target areas.**

A. The director of the department of community planning and development shall submit to the assembly a ten-year program designating target areas for the underground placement of nonconforming utility distribution lines. The ten-year program shall be resubmitted for assembly review every five years. The community planning director shall consult with the utilities and public agencies affected by the program. The ten-year program and its revisions shall become effective when adopted by the assembly as part of this chapter. In reviewing the ten-year program and its revisions, the assembly shall consider the following factors:

1. Whether undergrounding will avoid or eliminate an unusually heavy concentration of overhead distribution facilities.
2. Whether the street or general area is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic.
3. 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.
4. Whether the street or area affects a public recreation area or an area of scenic interest.
5. 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.

6. Whether the targeted areas are of sufficient size to allow the utility companies significant discretion in choosing those facilities that will be converted under section 21.90.070.
7. Whether the area under consideration is within a zone where new and relocated distribution lines are required to be placed underground.
8. Whether the installation of underground distribution lines is economically, technically and environmentally feasible.

B. The director of the department of community planning and development shall prepare a two-year implementation plan which designates overhead utility distribution facilities within the target areas to be placed underground that two-year period. The director shall consult with the utilities and public agencies affected by any implementation plan. Each two-year implementation plan shall be effective when approved by the assembly. In reviewing a two-year implementation plan and its revisions, the assembly shall consider the factors stated in subsection A of this section.

C. The following shall be the target areas through the year 1995:

1. Central Business District: between and including Third Avenue and Tenth Avenue and L Street and Ingra Street.
2. Mid-town area: between and including New Seward Highway and Minnesota Drive and International Airport Road and Fireweed Lane.
3. All municipal and state street improvement projects except for those which do not require relocation of utility distribution facilities.
4. The following major traffic corridors:
 - a. Old Seward Highway.
 - b. Ingra and Gambell Streets between and including Ninth Avenue and Fireweed Lane.

- c. Northern Lights Boulevard and Benson Boulevard between and including Glenwood Street and Arlington Drive.
 - d. Muldoon Road between and including New Glenn Highway and Patterson Street.
 - e. Tudor Road between and including Patterson Street and Arctic Boulevard.
 - f. Boniface Parkway between and including 30th Avenue and New Glenn Highway.
 - g. Spenard Road between and including Hillcrest Drive and International Airport Road.
5. All those park, recreational use and scenic interest areas designated in the two-year implementation plan.
 6. 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.
 7. 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.

(AO No. 155-76; AO No. 156-76; AO No. 82-49; AO No. 84-62; AO No. 86-17)

**21.90.070 Nonconforming overhead lines—
Conformance with ten-year plan.**

A. A utility owning or operating nonconforming utility distribution lines shall place those lines underground in accordance with the ten-year plan approved under section 21.90.060; provided that a utility need not expend, except by special agreement, during any fiscal year of the utility, more than four percent of its gross revenues derived from service connections within the municipality, excluding toll revenues and revenues from sales of electric power for resale, during its preceding fiscal year to comply with this subsection.

B. New service connections shall be placed underground in target areas designated under

section 21.90.060; provided that service connections may be installed overhead from October through May, if placed underground within one year of installation.

(AO No. 155-76; AO No. 84-62)

**21.90.080 Nonconforming overhead lines—
Lines in municipal right-of-way.**

A. The department of public works shall furnish to a utility owning or operating utility distribution lines all planning documents for municipal road construction which will require the relocation of those utility distribution lines.

B. Upon adoption of the ordinance from which this chapter is derived, a utility installing a utility distribution line underground in material compliance with a right-of-way permit issued by the department of public works, and in accordance with this chapter, the municipality shall reimburse the cost of any subsequent relocation of the utility distribution line required by municipal road construction.

C. If municipal road construction requires the relocation of a nonconforming utility distribution line, the municipality, as part of the road construction project cost, shall reimburse the cost of the relocation. Reimbursable costs under this subsection include engineering and design, inspection, construction and general overhead costs, but exclude utility plant betterment costs. Plant betterment costs are the costs of providing utility distribution line capacity or quality beyond what current industry standards require for the capacity or level of service existing before the relocation.

(AO No. 155-76; AO No. 84-62)

**21.90.090 Nonconforming overhead lines—
Conversion of service connections.**

A utility that places a nonconforming utility distribution line underground as required by section 21.90.070 shall bear the cost of placing underground any related service connections or other utility facilities on a customer's premises, in accordance with the utility's applicable tariff or rules or regulations of operation.

(AO No. 155-76; AO No. 84-62)