



## **Performance Audit:**

### **Why We Did This Audit**

We undertook this audit because streetlighting may improve safety and reduce criminal activity. This audit addresses whether streetlighting operational and maintenance costs are consistent with industry standards and whether adequate controls are in place to ensure that streetlight operability meets industry standards.

### **What We Recommended**

To improve streetlighting, the Transportation commissioner should:

- develop a plan for managing streetlighting costs and agreements, including establishing criteria for adding unregulated lights and who is authorized to approve them
- work with Georgia Power to develop a tracking nomenclature to identify the billing charges for each light
- order a physical audit of a sample of lights quarterly to ensure that billing data is accurate
- work with Georgia Power to collect billing credits for lights for which the city has been charged a flat rate but that cannot be located
- assign staff to streetlight recordkeeping to serve as a central repository for agreements and streetlight-related GIS data
- work with Law during contract renegotiations to include provisions for billing credits for outages over a certain threshold

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### **Streetlighting**

#### **What We Found**

The city may be paying more for streetlighting because it has installed more costly unregulated lights, which account for 5% of its portfolio but 16% of the costs. Regulated lights, with an average cost of \$14, are cheaper and associated tariffs are approved by the Georgia Public Service Commission, while the costs of unregulated lights, with an average cost of \$48, are governed by individual agreements. City staff, including lower-level employees, executed contracts for as few as one unregulated light because the city lacks an approval process and criteria for adding lights.

The city does not have an inventory of streetlights or the necessary information to manage them because it has not retained current agreements, in accordance with the city's retention schedule, and it has not assigned staff to maintain a database of agreements and location data.

Georgia Power was also unable to provide agreements with service locations for all streetlights, which increases the risk that the city may be paying for decommissioned lights. We were unable to locate 36 Georgia Power-owned lights listed in the utility's location data in our random sample of 27 city land lots. Without accurate location information, the city is unable to verify billing.

Of the lights that we observed in our random sample, 12% of city-owned lights and 4% of Georgia Power-owned lights were inoperable. The city's higher inoperability rate may be related to insufficient staffing and a longer turnaround time to complete repairs than other cities we reviewed. The city's proposed sale of city-owned lights to Georgia Power will likely increase cost but improve performance.

We were unable to confirm that Georgia Power was completing repairs timely because it declined to provide its service request data. Georgia Power should issue billing credits to the city for untimely repairs. City-owned lights on interstates maintained by Georgia Power had inoperability rates as high as 9.3%, but maintenance contracts have yet to establish an inoperability rate that would trigger billing credits.

## Management Responses to Audit Recommendations

Summary of Management Responses		
<p><b>Recommendation #1:</b> We recommend that the Transportation commissioner add regulated lights where possible to reduce costs.</p>		
<p><b>Response:</b> Agree</p>	<p><b>Status:</b> Not Started</p>	<p><b>Estimated Completion Date (M/Y):</b> 12/2022</p>
<p><b>Recommendation #2:</b> We recommend that the Transportation commissioner establish criteria for where and why unregulated lights are added to reduce the overall expense of lighting.</p>		
<p><b>Response:</b> Agree</p>	<p><b>Status:</b> Not Started</p>	<p><b>Estimated Completion Date (M/Y):</b> 07/2022</p>
<p><b>Recommendation #3:</b> We recommend that the Transportation commissioner develop a plan for managing streetlighting costs and agreements.</p>		
<p><b>Response:</b> Agree</p>	<p><b>Status:</b> Started</p>	<p><b>Estimated Completion Date (M/Y):</b> 12/2022</p>
<p><b>Recommendation #4:</b> We recommend that the Transportation commissioner implement an approval process for adding new lights to the city's streetlighting portfolio, including who is authorized to sign agreements for unregulated lights.</p>		
<p><b>Response:</b> Agree</p>	<p><b>Status:</b> Implemented</p>	<p><b>Estimated Completion Date (M/Y):</b> 03/2022</p>
<p><b>Recommendation #5:</b> We recommend that the Transportation commissioner 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</p>		
<p><b>Response:</b> Agree</p>	<p><b>Status:</b> Not Started</p>	<p><b>Estimated Completion Date (M/Y):</b> 12/2022</p>

<b>Recommendation #6:</b> We recommend that the Transportation commissioner work with Georgia Power to develop a tracking nomenclature to identify the billing charges for each light.		
<b>Response:</b> Agree	<b>Status:</b> Started	<b>Estimated Completion Date (M/Y):</b> 12/2025
<b>Recommendation #7:</b> We recommend that the Transportation commissioner order a physical audit of a sample of lights quarterly to ensure that billing data is accurate.		
<b>Response:</b> Agree	<b>Status:</b> Not Started	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #8:</b> We recommend that the Transportation commissioner 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.		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #9:</b> We recommend that the Transportation commissioner assign staff to streetlight recordkeeping to serve as a central repository for agreements and streetlight-related GIS data.		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #10:</b> We recommend that the Transportation commissioner 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		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #11:</b> We recommend that the Transportation commissioner work with Georgia Power to ensure the service request data is available to the city upon request.		

<b>Response:</b> Agree	<b>Status:</b> Not Started	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #12:</b> We recommend that the Transportation commissioner work with Law during contract renegotiations to include provisions in the contract to provide billing credits for outages over a certain threshold.		
<b>Response:</b> Agree	<b>Status:</b> Not Started	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #13:</b> We recommend that the Transportation commissioner update SLAs and consider increasing the number of city maintenance crews or outsourcing repairs of city-owned lights.		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #14:</b> We recommend that the Transportation commissioner update SLAs and consider increasing the number of city maintenance crews or outsourcing repairs of city-owned lights.		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 12/2023
<b>Recommendation #15:</b> We recommend that the Transportation commissioner 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.		
<b>Response:</b> Agree	<b>Status:</b> Implemented	<b>Estimated Completion Date (M/Y):</b> 03/2022