

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
OCTOBER 5, 2021

A meeting of the Holyoke Gas and Electric Department was held on October 5, 2021 at 5:04 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Ducheney, Steve Roy and Brian Roy; Brooke McMahan, Kirk Jonah, Kate Sullivan, Lisa Rogers and Attorney John Ferriter.

CALL TO ORDER:

Chairman Hoey called the meeting to order at 5:04 P.M.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from September 8, 2021.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahan reviewed the draft August financial statements and gave an update on the proposed refinancing of outstanding bonds. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He stated that approximately 100% of summer supply has been locked in price and that 67% of winter ('21-'22) supply is locked in price. He stated that recent hurricane activity coupled with strong global demand for natural gas and tight supplies continue to put upward pressure on wholesale natural gas prices (NYMEX) and that the average NYMEX clearing price is 104% higher than the same period last year. He stated that the Purchased Gas Adjustment for winter is expected to be 22% higher than budget and will result in an approximate 20% increase in residential gas bills over last winter. He then reviewed the October natural gas rate comparisons and reported that the Department remains very competitive in all rate classes. He then gave an update on the status of leak reductions, cast iron main replacements and bare steel service replacements. He also gave an update on the Safety Management System program enhancements and the impact of the natural gas moratorium. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Steve Roy reviewed the October electric rate comparisons and reported that there have been no significant changes to the peer group since last month and that the Department remains competitive in all rate classes. He then reviewed the October Mark-to-Market report and reported that all transactions are within policy limits. He also gave an update on peak load reduction activities and an update on the Citizens and Convergent Energy Battery Storage projects. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Roy reported that seven (7) capital projects have been completed over the past month and that twenty one (21) of fifty (50) planned Transmission and Distribution commitments have been completed to date, with the remainder in process and on schedule for completion by the end of the year. He also gave a brief update on the RNS reconstitution process at FERC. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Duchenev reported that September hydro generation was ahead of plan due to above normal water flow and he noted that year-to-date generation is now slightly ahead of plan. He further reported that the fall canal outage was completed on September 25th and that all planned activities were conducted according to plan. He then noted that the first level canal was drained on Friday, October 1st, due to a leak and the fish bypass pipe. He stated that a plan is being developed to repair the pipe and that the canal would be re-filled upon completion of repairs. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on the status of sales activity and capital projects. There was a brief discussion on the matter.

MARKETING AND COMMUNICATIONS

Ms. Sullivan gave an update on the Fiber-To-The-Home (FTTH) interest survey and stated that Great Blue Research is scheduled to submit their data analysis report within two weeks. She also highlighted a recent MCAN report that ranked the States municipal utilities in several sustainability categories and the HG&E finished in third place in their rankings. She further gave an update on planned events for Public Power/Public Gas week at Veterans Park on October 6th. She stated that the event would include information on renewable energy, electric vehicles, safety and energy conservation, and economic development incentives. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

SPONSORSHIP REQUEST – INTERNATIONAL VOLLEYBALL HALL OF FAME: Mr.

Lavelle reported that the Department received a sponsorship request from the International Volleyball Hall of Fame for their annual induction ceremony and he recommended that the Corporate Partner Sponsorship be approved as requested. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the sponsorship request per the recommendation of management.

BID AUTHORIZATIONS:

SAG/SWELL SOLUTION: Mr. Lavelle requested authorization to solicit bids for a sag/swell voltage conditioning solution to address power quality concerns the Lincoln Lab data center. He stated that the project, if approved by the customer, will be fully reimbursable by the customer. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the bid per the recommendation of management.

BIDS RECEIVED:

JUNIPER SECURITY ANALYTICS – ANNUAL SUPPORT: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$108,567 for annual maintenance required for the Juniper Security Analytics Security Information and Event Management (SIEM) System. He stated that the current system support contract expires October 1st. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the expenditure per the recommendation of management.

HONEYWELL PERMASERT GAS FITTINGS: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$120,000 for the purchase of Honeywell Permasert gas fittings required for 2022 capital improvement projects. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the expenditure per the recommendation of management.

ENGINEERING SERVICES – ELECTRIC SYSTEM IMPACT STUDY: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$15,000 for engineering services required to perform a system impact study for a proposed battery storage system that would interconnect with HG&E's electric distribution system. He stated that the expenditure is fully reimbursable by the battery storage customer. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the expenditure per the recommendation of management.

VEHICLE #71 REPLACEMENT: Mr. Lavelle recommended that the Commission award the contract for the replacement of Vehicle #71 to Marcotte Ford, the low bidder meeting all requirements for the solicitation. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contract per the recommendation of management.

ENGINEERING SERVICES – GAS VAULT RE-DESIGN: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$29,431 for engineering services required for the re-design of the Holyoke-Westfield Interconnect gas vault on County Road. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the expenditure per the recommendation of management.

COMMUNICATIONS:

09/30/21 – Draft Commission Meeting Minutes from 09/08/21

09/24/21 – JL/DD/Financial Statements, Balance Sheet August 2021

09/16/21 – JL/KS/Sponsorship Request – International Volleyball Hall of Fame

09/30/21 – SR/CP/Authorization to Bid – Sag/Swell Solution for MIT/Lincoln Labs

09/24/21 – KJ/TH/Purchasing Approval: Juniper Next Day & Core Support Renewal

09/30/21 – BR/WS/Purchasing Approval: Honeywell Permasert Fittings

09/30/21 – SR/JZ/Purchasing Approval: System Impact Study – Convergent Battery System (Cabot St)

10/01/21 – KJ/TH/Purchasing Approval: Vehicle #71 Replacement

10/05/21 – JL/BR/Purchasing Approval: Interconnect Reliability Enhancement Design Services

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, November 9, 2021 at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 6:04 P.M.

HG&E Commission