

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**MARCH 17, 2021**

A meeting of the Holyoke Gas and Electric Department was held on March 17, 2021 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard, Ducheny and Roy; Kirk Jonah, Lisa Rogers, Kate Sullivan and Attorney John Ferriter.

**CALL TO ORDER:**

Chairman Hoey called the meeting to order at 5:00 P.M.

Chairman Hoey noted that remote participation in the Commission meeting by Commissioners was authorized by an Executive Order issued by Governor Baker on March 12, 2020 and is required due to the COVID-19 pandemic.

**MINUTES:**

Mr. Lavelle presented the minutes from February 16, 2021 for approval. On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Mr. Lavelle reviewed the draft January financial statements and reported that the 2020 audit is ongoing and expected to be completed by the end of March. There was a brief discussion on the matter.

Mr. Lavelle further reported that staff would begin the collections process for overdue beginning on or about April 1st. He stated that overdue accounts receivable are significantly higher than normal levels due to the pandemic and that many residential customers have not made payments since November 2019. He stated that staff would continue to work with customers to establish payment plans and educate customers regarding eligibility for fuel assistance, and that termination of service would be done only as a last resort. There was a brief discussion on the matter.

Mr. Lavelle further reported that the three year Guild contract extension was executed consistent with the terms approved by the Commission. There was a brief discussion on the matter.

**DIVISION REPORTS:**

**GAS DIVISION**

Mr. Roy reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He stated that approximately 99% of winter supply has been locked in price and that 44% of summer supply is locked in. He then reviewed the March 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 reported that the Safety Management System enhancements continue with training certain staff members on the FEMA Incident Management System protocols. He further gave

an update regarding audits in progress or planned by the DPU. There was a brief discussion on the matter.

## **ELECTRIC DIVISION**

### **Power Supply:**

Mr. Beauregard reviewed the March electric rate comparisons and reported that the Department remains competitive in all rate classes. He then reviewed the March Mark-to-Market report and reported that all transactions are within policy limits. He also presented the year-end solar production report and gave an update on peak load reduction activities and an update on the Citizens and Convergent Energy Battery Storage projects. He further gave an update on the NEPOOL RNS load reconstitution issue. There was a brief discussion on the matter.

### **TRANSMISSION & DISTRIBUTION**

Mr. Beauregard reported that all non-emergency field work that requires access to a customer premise continues to be suspended until further notice due to the COVID-19 outbreak. He then gave an update on ABB Voltage Transformer (VT) concerns. He reminded the Commission that one ABB VT unit failed at the end of 2020 and that another unit failed on March 2nd. He stated that the second unit that failed recently passed a DGA assessment within the last three months. He stated that staff recently installed three Trench VT's to replace the ABB units at North Canal Substation and that the remaining 12 Trench units will be installed when they are received in late April, according to the latest delivery schedule. Mr. Beauregard further reported that he is working with Attorney Ferriter on a legal strategy with respect to the faulty equipment and related damage. There was a brief discussion on the matter.

Mr. Beauregard then reported that staff has completed three of 50 planned commitments for 2021, including: Tree clearing along the transmission right-of-way along the railroad tracks off of Bobala road; inspection of 175 padmount transformers; and inspection of 16 distribution cabinets. There was a brief discussion on the matter.

### **ELECTRIC PRODUCTION**

Mr. Ducheny reported that February generation was 11% below budget and that March hydro generation was slightly below plan through March 15th, due to low water flows. He then gave an update on the Chemical Station re-habilitation work and reported that Unit #1 is expected to be returned to service by the end of April when guide bearing repairs are completed. He further reported that the Spring canal outage has been scheduled for March 23rd through March 25th. There was a brief discussion on the matter.

### **TELECOMMUNICATIONS**

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

### **CUSTOMER SERVICE**

Ms. Rogers gave an update on receivable collection efforts and online service sign-ups. There was a brief discussion on the matter.

### **MARKETING AND COMMUNICATIONS**

Ms. Sullivan reported that staff continues to provide updates to employees regarding operational changes and required precautions to minimize risks related to the COVID-19 outbreak. She then gave an update on auto-pay registrations, MCAN information request response, and Fiber-to-the-Home communication strategy. There was a brief discussion on the matter.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**ELECTRIC RATE ADJUSTMENTS:** Mr. Lavelle recommended that the Commission approve adjustments to the General Service (EC), Residential (ER) and Small Industrial (SI) electric rates consistent with the recommendation in the March 10, 2021 memorandum from Sr. Energy Resources Coordinator, Jeanette Sypek. He stated that the EC rate adjustments are intended to bring the rate in line with the cost of service and to align the rate with the Agricultural Rate for Cultivation customers. He stated that the recommended adjustments would amount to an average rate increase of 1.9% for customer on that rate, adjustments ranging from 0.6% to 3.1% for 538 customers on that rate, while another 1,746 customers on that rate would see no impact from the change. He then stated that the ER adjustments were also intended to bring that rate more in line with the cost of service and that the average customer would see a 2.19% increase. He further stated that the SI rate adjustment would amount to an average increase of 1.99% for the ten customers on that rate. He also stated that the adjustments are consistent with the 2021 budget approved by the Commission. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the rate adjustments per the recommendation of management.

**COMMERCIAL ENERGY CONSERVATION PROGRAM (CECP) MODIFICATIONS:** Mr. Lavelle requested that the Commission approve modifications to the CECP to include four new energy efficiency measures in the program. The new measures to be added to the program include: energy audits, electric vehicle charging infrastructure, air sealing & blower door tests and duct sealing. He stated that the modifications are intended to align the CECP with electrification objectives and current policy directives at the State and Federal levels.

**NON-GUILD MERIT ADJUSTMENTS:** Mr. Lavelle recommended that the Commission approve a budget for non-guild merit adjustments per the following: 3.0% pool for merit adjustments; 1% for performance recognition and 1% for equity adjustments and promotions. He stated that this recommendation is consistent with the 2021 budget approved by the Commission and consistent with the recommendations of the Department's wage consultant. There was a brief discussion on the request. On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the request per the recommendation of management.

**BID AUTHORIZATIONS:**

**ENGINEERING SERVICES -2021 DEFORMATION MONITORING:** Mr. Lavelle requested authorization to solicit bids for Engineering Services required to complete a Deformation Monitoring study per the FERC requirements for Project 2004. He stated that the scope of the study includes the Main Dam and appurtenant structures, the South Hadley Canal Gatehouse, four Canal Overflow Structures and Boatlock Station. He stated that the study is required every five years as a condition of the federal license. Chairman Hoey asked if a similar request was recently submitted to the Commission in the form of a Purchase Approval, and Mr. Lavelle stated that he did not think a similar approval request was recently sent, but that he would check. 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.

**REAL ESTATE – APPLETON STREET:** Mr. Lavelle requested authorization to solicit bids for the sale of land for the 0.52 acre parcel located on Appleton Street, between 5 Appleton Street and 6 Appleton Street. He stated that the parcel was acquired with the HWP asset acquisition in 2001 and is not required for utility purpose. 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.

**91 WALNUT ST UPPER ROOF REPLACEMENT:** Mr. Lavelle requested authorization to solicit bids to replace the upper roof at 91 Walnut Street. He stated that the roof has been patched several times and is beyond repair. 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:**

**PURCHASE OF PLASTIC NATURAL GAS PIPE:** Mr. Lavelle recommended that the Commission award the contract for Plastic Pipe to Performance Pipe, the lowest qualified bidder meeting 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.

**ELECTRIC PREVENTIVE MAINTENANCE TESTING SERVICES:** Mr. Lavelle recommended that the Commission award the contracts for the Electric Preventive Maintenance Testing Services, including Pole Inspections, Stray Voltage Testing, and Manhole Inspections, to Osmose Utility Services, Inc. the low bidder meeting all requirements, and to award a secondary contract for Padmount Transformer inspection, Transformer Testing, and Manhole inspections to USNE, the next lowest bidder meeting all requirements for those items. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contracts per the recommendation of management.

**2021 UPSTREAM FISH & EEL PASSAGE ACTIVITIES:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$172,728 for activities required to comply with the FERC Project 2004 license requirements related to Upstream Fish & Eel passage monitoring and reporting. He stated that the activities include data collection services (HCC, \$22,200), Biological Oversight and reporting (Normandeau Associates, \$135,528), Shortnose Sturgeon tagging and monitoring (Kleinschmidt Associates, \$10,000), and Public Outreach (Resource Connection, \$5,000). 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.

**COMBUSTIBLE GAS DETECTION EQUIPMENT – MUELLER ROAD LNG PLANT:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$32,257 to replace existing combustible gas detection equipment, which is at the end of its useful life, at the LNG station at Mueller Road. He stated that the expenditure is the second of two phases of the project to upgrade the gas detection equipment in order to be in full compliance with state and federal regulations. 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:**

- 03/12/21 – Draft Commission Meeting Minutes from 02/16/21
- 03/05/21 – JL/DD/Financial Statements, Balance Sheet January 2021
- 03/10/21 – BB/JS/Rate Recommendation – Electric Rate Increase for ER, EC and SI
- 03/11/21 – BB/ST/Commercial Energy Conservation Program (CECP) Equipment Modifications
- 03/05/21 – COMM/JL/2021 Non-Guild Merit
- 03/04/21 – PD/SL/Authorization to Bid – 2021 Deformation Monitoring
- 03/02/21 – KS/MC/Authorization to Bid – Appleton Street Parcel
- 03/01/21 – BR/TS/Authorization to Bid – 91 Walnut St Upper Roof Replacement
- 03/10/21 – JL/CW/Bid Recommendation – Purchase of Plastic Natural Gas Pipe
- 03/11/21 – BB/CP/Proposal Recommendation – Electrical Preventative Maintenance Testing Services
- 03/11/21 – CW/SL/2021 Upstream Fish & Eel Passage Activities
- 03/11/21 – BR/RB/Purchasing Approval: Mueller Rd LNG Plant Gas Detection System Replacement

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Tuesday, April 13, 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 6:14 PM.

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HG&E Commission