

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
SEPTEMBER 9, 2020

A meeting of the Holyoke Gas and Electric Department was held on September 9, 2020 at 5:20 P.M. in the Department's offices. In attendance were Commissioners Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Ducheney; Acting Gas Superintendent Brian Roy; Brooke McMahon, Kirk Jonah, Kate Sullivan, Lisa Rogers and Attorney John Ferriter.

CALL TO ORDER:

Chairman Griffin called the meeting to order at 5:20 P.M.

Chairman Griffin 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 August 19, 2020 for approval. On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the minutes from August 19, 2020.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon reviewed the draft July financial statements and gave an update on outstanding receivables and cash flow status. 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 also gave an update on the closeout of the recent LNG plant audit findings and stated that 90% of the action items have been completed, with the remaining items on schedule for completion by the end of the year. He then reviewed the September 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 reviewed a plan to provide tertiary overpressure protection at regulator stations that currently have only secondary overpressure protection. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Beauregard reviewed the September electric rate comparisons and reported that the Department remains competitive in all rate classes. He then reviewed the September Mark-to-Market report and reported that all transactions are within policy limits and that there are no red flags with any counterparties. He also gave an update on peak load reduction activities and an update on the Citizens Energy Battery Storage project. 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. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Ducheny reported that water flows continue to be very low and that hydro production was behind plan for the month, and slightly behind plan year to date. He also reported that staff was preparing for the fall canal outage which is scheduled for September 19 through September 26. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on help desk activity as well as sales and ongoing projects. There was a brief discussion on the matter.

MARKETING AND COMMUNICATIONS

Ms. Sullivan gave an update on website and newsletter updates and energy conservation activities of the HG&E Green Team. She also gave an update on year-to-date energy efficiency statistics. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

COMMERCIAL ENERGY ASSISTANCE REQUEST – NCA PROPERTIES, LLC: Mr. Lavelle recommended that the Commission approve a commercial energy assistance request, in the amount of \$20,000, for the owners of 291 Elm Street for the installation of two new gas-fired boilers at the property. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the assistance per the recommendation of management.

RESIDENTIAL ENERGY CONSERVATION PROGRAM (RECP) ADJUSTMENT TO ASSISTANCE LEVELS: Mr. Lavelle recommended that the Commission authorize the increase current RECP assistance levels up to \$10,000 for a single family dwelling, \$15,000 for a two-family dwelling, and \$20,000 for three or four-family dwellings. He stated that assistance would be limited to \$5,000 per unit up the recommended cap for the type of house, and that the homes must be owner-occupied to qualify. He stated that the current assistance level is capped at \$5,000 for single family homes and \$10,000 for multi-family (up to four) units. He also stated that the current levels have been in place for thirty years and that they do not cover current costs for most of the most conservation projects, which are heating system replacements and central air conditioning systems. He stated that the proposed levels will likely increase program participation saving more customers on their energy bills and better assisting the Department in meeting its energy conservation goals. After a discussion on the matter and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the proposed amendments to the RECP as recommended by management.

BID AUTHORIZATIONS: None

BIDS RECEIVED:

15 KV FIVE-WAY MINERAL OIL FILLED SWITCHGEAR – CONTRACT EXTENSION:

Mr. Lavelle recommended that the Commission authorize a contract extension through January 14, 2022 on the 15 kV Five-way Switchgear Contract with Trayer Engineering Corporation. He stated that pricing would stay the same through September 30, 2020 and would then increase by 6.5% through the extension term. All other terms and conditions of the contract remain the same. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to authorize the extension to the contract per the recommendation of management.

SECURITY & INFORMATION EVENT MANAGEMENT (SIEM) SYSTEM SUPPORT & MAINTENANCE:

Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$109,111 for twelve months of support and maintenance from Juniper Security Analytics for the Department's Security and Information Event Management (SIEM) System. He stated that the system is a key component to the Department's cyber security management system providing real time analytics and alerting of security information generated by network hardware, devices and applications. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to authorize the expenditure per the recommendation of management.

2020 DEPARTMENT VEHICLE REPLACEMENTS: Mr. Lavelle recommended that the Commission award the contract for the 2020 Vehicle Replacements to Marcotte Ford of Holyoke, the lowest bidder meeting all requirements of the solicitation. He stated that Marcotte was the only supplier that submitted a formal bid, but their prices were proven to be lower than other vendor prices on the State bid list. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to award the contract per the recommendation of management.

ENGINEERING SERVICES - COBBLE MOUNTAIN HYDROELECTRIC STATION: Mr. Lavelle requested authorization for the expenditure of up to \$100,000 for Engineering Services, from HDR Engineering, Inc., required for several projects at Cobble Mountain Hydroelectric Station over the next twelve months. He stated that the projects are deemed critical by Springfield Water and Sewer Commission (SWSC) and are fully reimbursable by SWSC. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to authorize the expenditure per the recommendation of management.

COBBLE MOUNTAIN UNIT 2 DISSIPATOR: Mr. Lavelle recommended that the Commission award the contract for the Cobble Mountain Unit #2 Dissipater to Voith Hydro as a sole source procurement. He stated that Superintendent Ducheny has researched vendors with experience in this subject area and found that Voith Hydro is the only known vendor to successfully engineer and install a non-power dissipater solution. He stated that Voith has a unique and proprietary design that they have successfully installed at a hydroelectric plant in New Zealand and will use the same approach for Unit #2. He further stated that the proposed solution is the lowest cost and lowest risk non-power solution available for the station. Attorney Ferriter stated that he worked with Mr. Ducheny to review the merits of a sole source procurement and he stated that the proposed solution is unique and proprietary and that the recommendation is in compliance with applicable procurement laws. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to award the contract per the recommendation of management.

ELECTRIC UNDERGROUND CABLE: Mr. Lavelle recommended that the Commission award the contract for Electric Underground Cable (350 MCM EPR Cu Conductor) Prysmian Cable, the lowest

bidder meeting all requirements of the solicitation. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to award the contract per the recommendation of management.

COMMUNICATIONS:

- 09/04/20 – Draft Commission Meeting Minutes from 08/19/20
- 08/27/20 – JL/DD/Financial Statements, Balance Sheet July 2020
- 09/02/20 – JL/MC/Commercial Energy Assistance Request – NCA Properties, LLC
- 09/04/20 – BB/ST/Residential Energy Conservation Program (RECP) – Increase Request
- 08/31/20 – JL/CW/Recommendation – 15kV Five Way Mineral Oil Filled Switchgear – Contract Extension
- 08/31/20 – KJ/WM/Purchasing Approval: Juniper Support Maintenance Renewal
- 09/02/20 – PD/SR/Purchasing Approval: 2020 Department Vehicle Replacements
- 09/03/20 – PD/KT/Purchasing Approval: HDR On-Call Services for Cobble Mountain
- 09/03/20 – CW/PD/Recommendation – Cobble Mountain Unit 2 Dissipator
- 09/04/20 – BB/JP/Bid Recommendation – Electric Underground Cable 350 MCM EPR Cu Conductor

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Wednesday, October 7, 2020 at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was unanimously voted to adjourn the Meeting at 6:09 PM.

HG&E Commission