

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**FEBRUARY 25, 2020**

A meeting of the Holyoke Gas and Electric Department was held on February 25, 2020 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Ducheney; Acting Gas Superintendent Brian Roy; Brooke McMahon, Kirk Jonah, Kate Sullivan, Terry Sweeney and Attorney John Ferriter.

**CALL TO ORDER:**

Commissioner Hoey called the meeting to order at 5:00 PM.

**MINUTES:**

Mr. Lavelle noted that a typographical error was discovered on the minutes from November 13, 2019 and suggested that those minutes be added to the agenda to be approved as revised.

Minutes: On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from November 13, 2019 and February 4, 2020.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Ms. McMahon reviewed the draft December 2019 financial statements and gave a brief update on the 2019 audit status. There was a brief discussion on the matter.

**DIVISION REPORTS:**

**GAS DIVISION**

Mr. Roy reported that wholesale natural gas procurements continue generally consistent with the hedging plan for the current 12-month procurement window. Mr. Roy then reported that the Department of Public Utilities (DPU) notified him that the DPU will be conducting an audit of HG&E's distribution integrity management plan (DIMP) and that he is working with the DPU to schedule that audit. He further reported that HG&E's response to the DPU's request for a response to the Dynamic Risk report findings will be submitted by the end of the week. He then gave an update on the RFP that was issued for non-pipeline solutions to try to address the current capacity constraints. There was a brief discussion on the matter.

**ELECTRIC DIVISION**

**Power Supply:**

Mr. Beauregard reported that the most recent forward capacity auction (FCA #14) resulted in a capacity price of \$2.00/kW-month, which is the lowest settlement price that the auction has yielded in fourteen years. He also reported that the auction settled with a surplus of 1,466 MW, over the installed capacity requirement. Mr. Beauregard gave a brief update on load reduction activities and gave a status on discussions with a vendor for additional battery storage capacity. There was a brief discussion on the matter.

## **TRANSMISSION & DISTRIBUTION**

Mr. Beauregard then reported that the Municipal Light Plant proposed Clean Energy Bill (H2863) was favorably reported out of Committee by the House Joint Committee on Telecommunications Utilities and Energy. He stated that the bill would require all MLP's to reach net zero carbon emissions by 2050, would eliminate the ability to "double-count" renewable energy credits and would retain hydroelectric and nuclear assets as qualifying towards the net zero goal. He further reported that the bill would allow for a broad array of clean energy credits, throughout New England, to offset any emissions. There was a brief discussion on the matter.

Mr. Beauregard reported that the Engie received a notification of Force Majeure from BYD Batteries, the battery supplier for the Mt. Tom energy storage system. BYD operates in an area of China that is significantly impacted by the coronavirus outbreak and BYD has been forced to suspend most operations. The notice is not expected to have an immediate impact on the storage system operation, and would likely only impact operations if replacement parts from China were necessary to operate the system. There was a brief discussion on the matter.

## **ELECTRIC PRODUCTION**

Mr. Lavelle reported that hydro production is slightly ahead of plan year to date and that water flows have been favorable for the current month. He stated that the spring canal shutdown is scheduled for Tuesday March 24<sup>th</sup> through Thursday March 26<sup>th</sup>. There was a brief discussion on the matter.

## **TELECOMMUNICATIONS**

Mr. Jonah gave an update on sales and ongoing projects. There was a brief discussion on the matter.

## **MARKETING AND COMMUNICATIONS**

Ms. Sullivan reported that an employee update would be held in the first week of March to give employees an opportunity to hear about last year's operating performance, ensure that all are aware of current year objectives, and to provide an opportunity for employees to ask any questions. She then reported that two customers have signed up for the Connected Homes program and that they are eligible for electric vehicle incentives. She then gave an update on the increase in use of on-line forms by customers and stated that over 1,500 customers used the on-line forms in 2019. There was a brief discussion on the matter.

**OLD BUSINESS:** None

## **NEW BUSINESS:**

### **COMMERCIAL ENERGY ASSISTANCE REQUEST – HOLYOKE PROPERTY**

**MANAGEMENT, LLC:** Mr. Lavelle reported that the Department received a commercial energy assistance request from the owners of 476 Appleton Street, in the amount of \$20,000, for the installation of energy efficient heat pumps to replace an existing HVAC system and he recommended that it 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 assistance per the recommendation of management.

**SPONSORSHIP REQUEST- GREATER HOLYOKE YMCA:** Mr. Lavelle reported that the Department received a sponsorship request from the Greater Holyoke YMCA for their annual Sneaker Peek event and he recommended that the Commission approve the sponsorship in the amount of

\$1,500, the same level that the Department has supported for the past several years. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the sponsorship per the recommendation of management.

### **BID AUTHORIZATIONS:**

**ELECTRIC STATION REPAVING:** Mr. Lavelle requested authorization to solicit bids for the repaving of the electric station parking lot and driveway along the second level canal. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the bids per the recommendation of management.

### **BIDS RECEIVED:**

**ELECTRICAL PREVENTATIVE MAINTENANCE TESTING SERVICES ANNUAL CONTRACT- EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension of the annual contracts for Electrical Preventive Maintenance Testing Services with USNE, Inc., CE Power Engineered Services, LLC, and Brownhouse Enterprises, LLC. He stated that Brownhouse and CE Power Engineered Services have agreed to no adjustment to rates, while USNE, Inc., has requested a 2.37% increase in rates, which is deemed fair. All other existing terms and conditions of the contracts will remain. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension of the contracts per the recommendation of management.

**FENCE MAINTENANCE, REPAIRS & INSTALLATIONS CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension of the annual contract for Fence Maintenance, Repairs and Installations with Brodeur-Campbell Fence Co., Inc., consistent with the existing rates, terms and conditions of the contract. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension per the recommendation of management.

**ENGINEERING SERVICES – 2020 UPDATE DAM BREACH INUNDATION MAPPING:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$61,010 for the development of updated Dam Breach Inundation mapping that is required by the Federal Energy Regulatory Commission (FERC) for FERC Project 2004. 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.

**UTILITY WOOD POLE REPLACEMENTS - COBBLE MOUNTAIN:** Mr. Lavelle requested that the Commission authorize the expenditure of up to \$10,966 for the purchase of three (3) utility poles required for scheduled transmission pole replacements at the Cobble Mountain Reservoir facility. He stated that the expenditure is fully reimbursable from Springfield Water and Sewer Commission. 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.

**PROFESSIONAL SERVICES – CATHODIC PROTECTION INSPECTIONS:** Mr. Lavelle requested that the Commission authorize the expenditure of up to \$72,749 for professional services required to conduct inspections on the gas distribution system cathodic protection systems as required by state and federal codes. 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 SYSTEM:** Mr. Lavelle requested that the Commission authorize the expenditure of up to \$27,897 for the purchase of a combustible gas detector system that will replace the existing system at the Mueller Road LNG facility. He stated that the existing system is over thirty years old and is at the end of its useful life. 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.

**DUMP TRUCK BODY REPLACEMENT- VEHICLE #28:** Mr. Lavelle requested that the Commission authorize the expenditure of up to \$17,078 for the replacement of the Dump Body on Vehicle #28 He stated that the existing dump body is corroded and damaged beyond repair. 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:**

02/21/20 – Draft Commission Meeting Minutes from 02/04/20  
02/04/20 – JL/DD/Financial Statements, Balance Sheet December 2019  
02/19/20 – JL/JJ/Commercial Energy Assistance Request – Holyoke Property Management, LLC  
02/10/20 – JL/JJ/Sponsorship Request – Holyoke YMCA  
02/04/20 – BB/SD/Authorization to Bid – Election Station Repaving  
02/19/20 – JL/YD/Extension of Electrical Preventative Maintenance Testing Services Annual Contract  
02/18/20 – JL/YD/Extension of Fence Maintenance, Repairs & Installations Annual Contract  
02/12/20 – YD/RM/2020 Update Dam Breach Inundation Mapping  
02/20/20 – BB/CP/Purchasing Approval: Purchase of Wood Poles  
02/21/20 – BR/RB/Purchasing Approval: Professional Services – Cathodic Protection  
02/14/20 – BR/RB/Purchasing Approval: Gas Detection Systems Replacement – LNG Plant  
02/13/20 – BR/WS/Purchasing Approval: Dump Body Replacement – Vehicle #28

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Tuesday, March 24, 2020 at 5:00 P.M.

Mr. Lavelle recommended that the Commission enter into Executive session to discuss strategy with respect to legal matters. Chairman Hoey stated that the Commission would not reconvene the Regular Session following the Executive Session and that no votes would be taken in Executive Session.

**ADJOURNMENT:**

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 5:35 PM.

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted, on a roll call vote, to enter into Executive Session.

  
HG&E Commission