

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
JUNE 28, 2018

A meeting of the Holyoke Gas and Electric Department was held on June 28, 2018 at 5:15 P.M. in the Department's offices. In attendance were Commissioners Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Duchenev; Kirk Jonah, Brooke McMahon, Kate Sullivan, Jim Jackowski, Terry Sweeney and Attorney John Ferriter.

CALL TO ORDER:

Commissioner Griffin called the meeting to order at 5:15 PM.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was voted 2-0 to approve the minutes from May 29, 2018.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon introduced Mr. Dan Leahy, from Baker Tilly, the Department's outside auditing firm, who joined the meeting via teleconference. Mr. Leahy discussed the 2017 audit report and explained that Baker Tilly issued an unmodified opinion relative to the 2017 audit which is the highest form of assurance that the auditors can provide that the financial statements are accurately presented. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Lavelle reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He also presented the June natural gas rate comparisons and noted that the Department is very competitive in all classes. He also reported that crews are on schedule with planned bare steel service and cast iron main replacements. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Lavelle reported that staff continues to work with the local delegation to modify proposed energy legislation that would have an adverse impact on HG&E ratepayers. He stated that MMWEC held a legislative briefing yesterday at the State House that was well attended by legislators representing Municipal Light Plant (MLP) territories and many legislators, including Rep. Aaron Vega, voiced support for the MLP position on the bills. Mr. Lavelle also reported that Hydro Quebec Transmission Line contracts, which give the Department both capacity and flow rights, are due to expire at the end of 2020 and that staff is working with MMWEC to analyze options for renewing the contracts. He stated that he expects to make a recommendation regarding the contract renewal in the October time frame. There was a brief discussion on the matter.

Mr. Beauregard reviewed the June electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the June mark to market report for power supply and stated that all transactions are within policy limits. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Beauregard reported that planned preventive maintenance and capital projects are on schedule. He reported that structural steel and masonry work on the Holyoke 17L Substation replacement was also progressing on schedule and that major equipment deliveries are expected to begin in July. He also gave an update on peak load reduction efforts and reported that the Mt. Tom battery storage system commissioning was expected to be completed by the end of the month. He then gave an update on the Ingleside Substation transformer leak repair plan. There was a brief discussion on the matter. On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to authorize the expenditure of up to \$172,740 to repair the transformer leaks.

ELECTRIC PRODUCTION

Mr. Duchenev reported that river flows have been seasonably low for the month and that hydroelectric generation is approximately 4% behind plan year to date. He also reported that the Robert Barrett fishway operations have concluded for the season and that staff was successful in getting a reduction in the hours of operation required under the license, which will reduce operating costs moving forward. There was a brief discussion on the matter.

TELECOMMUNICATIONS

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

OLD BUSINESS: None

NEW BUSINESS:

RESIDENTIAL ENERGY ASSISTANCE REQUEST- 192-194 SOUTH STREET: Mr. Lavelle reported that the Department received a Residential Energy Assistance Request in the amount of \$10,000 from the owners of 192 South Street for a new energy efficient gas fired heating system for the multi-family home. On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the assistance as requested.

SPONSORSHIP REQUEST- CITY OF HOLYOKE JULY 4TH FIREWORKS: Mr. Lavelle reported that the Department received a sponsorship request in the amount of up to \$19,500 from Mayor Morse for the 2018 July 4th Fireworks display and he recommended that it be approved. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the request per the recommendation of management.

SPONSORSHIP REQUEST- SSJ ANNUAL GOLF TOURNAMENT: Mr. Lavelle reported that the Department received a sponsorship request in the amount of \$2,500 from Sisters of Saint Joseph Annual Golf Tournament and he recommended that it be approved. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the request per the recommendation of management.

COMMERCIAL ENERGY ASSISTANCE REQUEST- MARCOTTE FORD: Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request, in the amount of \$200,000, from Marcotte Ford for new energy efficient HVAC and lighting systems associated with their new showroom and office building on Main Street. He stated that the assistance would be paid back over seven years. On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the assistance as requested.

BID AUTHORIZATIONS:

RUNNER DISPLAY – HADLEY VISITOR’S CENTER: Mr. Lavelle requested authorization to solicit bids for the construction of a cast-in-place concrete foundation at the Visitor’s Center to support the Kaplan turbine that was removed from Hadley Falls Unit #1. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to authorize the bid per the recommendation of management.

BIDS RECEIVED:

GAS ROTARY METERS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Gas Rotary Meters to UPSCO, Inc., the lowest responsible and eligible 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.

LANDSCAPING SERVICES ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Landscaping Services to GTC Landscaping, the lowest responsible and eligible 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.

ELECTRICAL SERVICES ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Electrical Services to Collins Electric Co., Inc., the lowest responsible and eligible 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.

SPECIALTY CONSTRUCTION & FACILITIES MAINTENANCE ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Specialty Construction and Facilities Maintenance to Garland Construction Corp., the lowest responsible and eligible 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.

ELECTRIC WIRE & CABLE ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contracts for Electric Wire and Cable to the lowest responsible and eligible bidders meeting all requirements for each item as identified on the June 13, 2018 memorandum from Mr. Carl Peterson. After a brief discussion, and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to award the contracts per the recommendation of management.

CONSTRUCTION OF HOLYOKE 17L SUBSTATION: Mr. Lavelle recommended that the Commission award the contract for Construction of the 17L Substation to The Ryan Company, Inc., the lowest responsible and eligible 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.

NETWORK EQUIPMENT: Mr. Lavelle requested authorization for the expenditure of up to \$254,153 for the purchase of network equipment required to support the MBI Emergency Operator Agreement scope of work. He stated that the expenditure would be fully reimbursable by MBI. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was unanimously voted to authorize the expenditure per the recommendation of management, subject to obtaining a binding agreement from MBI for reimbursement.

COMMUNICATIONS:

06/15/18 – Draft Commission Meeting Minutes from 05/29/18
06/01/18 – JL/JJ/Residential Assistance – 192-194 South Street
06/06/18 – JL/JJ/Sponsorship Request – City Holyoke July 4th Fireworks
05/31/18 – JL/KS/Sponsorship Request – SSJ Annual Golf Tournament
06/14/18 – JL/YD/Bid Recommendation – Gas Rotary Meters Annual Contract
06/14/18 – JL/YD/Bid Recommendation – Landscaping Services Annual Contract
06/14/18 – JL/YD/Bid Recommendation – Electrical Services Annual Contract
06/13/18 – JL/YD/Bid Recommendation – Specialty Construction & Facilities Maintenance Annual Contract
06/15/18 – BB/CP/Bid Recommendation – Wire and Cable Bid
06/15/18 – JL/YD/Bid Recommendation – Construction of Holyoke 17L Substation
06/19/18 – PD/RM/Bid Authorization – Runner Display at Visitor Building
06/26/18 – KJ/JC/Purchasing Approval: Purchase of Hardware & Software Systems – Mass Broadband Network

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, July 17, 2018 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 6:10 PM.

HG&E Commission

