

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**NOVEMBER 13, 2018**

A meeting of the Holyoke Gas and Electric Department was held on November 13, 2018 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Duchenev; Kirk Jonah, Brooke McMahon, Kate Sullivan, Jim Jackowski, Brian Roy and Attorney John Ferriter.

**CALL TO ORDER:**

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

**MINUTES:**

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from October 10, 2018.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Ms. McMahon reviewed the draft September financial statements and she reported that the Department's auditors visited last week to begin field work for the 2019 financial audit report. 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 reviewed the November rate comparisons and noted that HG&E natural gas rates remain competitive in all classes. He reported that planned bare steel service and cast iron main replacements are ongoing according to plan. There was a brief discussion on the matter.

**ELECTRIC DIVISION**

**Power Supply:**

Mr. Beauregard reviewed the November electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the November mark to market report for power supply and stated that all transactions are within policy limits. Mr. Lavelle reported that State Representatives Aaron Vega and Tom Golden from Lowell, MA, toured the battery storage and hydro facilities last Thursday. Mr. Lavelle stated that Rep. Golden chairs the Joint Committee on Telecommunications, Energy, and Utilities and has been supportive of MLP efforts relating to clean energy and rate management. There was a brief discussion on the matter.

**TRANSMISSION & DISTRIBUTION**

Mr. Beauregard gave an update on the Holyoke 17L Substation construction and noted that the project is on schedule with the first transformer planned to go on line in January. He also noted that all

planned maintenance and capital projects are proceeding on schedule. There was a brief discussion on the matter.

### **ELECTRIC PRODUCTION**

Mr. Duchenev reported that Hadley Unit #1 has been operating nominally since the recent warranty repairs were completed. He also reported hydro production was slightly below plan for the year due to lower than planned water flows. He further reported on the status of units that are currently out of service for repairs or upgrades. There was a brief discussion on the matter.

### **TELECOMMUNICATIONS**

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

### **Marketing and Communications:**

Ms. Sullivan gave an update on various marketing and communications activities. There was a brief discussion on the matter.

**OLD BUSINESS:** None

### **NEW BUSINESS:**

#### **RESIDENTIAL ENERGY CONSERVATION ASSISTANCE REQUEST – 75-77 WEST GLEN STREET:**

Mr. Lavelle reported that the Department received a multi-family residential energy assistance request from the owners of 75-77 West Glen Street in the amount of \$7,267 for the installation of a new energy efficient gas fired heating system and he recommended that it be approved. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the assistance as requested.

#### **RESIDENTIAL ENERGY CONSERVATION ASSISTANCE REQUEST – 113-115**

**NONOTUCK STREET:** Mr. Lavelle reported that the Department received a multi-family residential energy assistance request from the owners of 113-115 Nonotuck Street in the amount of \$8,350 for the conversion to a new energy efficient gas fired heating system and he recommended that it be approved. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the assistance as requested.

#### **COMMERCIAL ENERGY ASSISTANCE REQUEST- UNITED TRACTOR TRAILER**

**SCHOOL, INC.:** Mr. Lavelle reported that the Department received a commercial energy assistance request from the United Tractor Trailer School in the amount of \$9,094 for the installation of a new electric service and he recommended that it be approved with a two year payback. Commissioner Griffin disclosed that his employer does business with the customer and abstained from deliberations on the matter. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Hoey, it was voted 2-0 to approve the assistance per the recommendation of management. Commissioner Griffin abstained.

#### **ECONOMIC DEVELOPMENT DISCOUNT REQUEST – PALLADIUM HOLDINGS, LLC:**

Mr. Lavelle reported that the Department received an economic development assistance request from Palladium Holdings of 61-69 Suffolk Street (Holyoke House). He stated that the owners have requested the assistance up-front, in lieu of the three years of an extra ten percent discount, and the

estimated value of three years of additional discounts is estimated to be \$12,721. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the assistance as requested.

**HOLIDAY DISCOUNT:** Mr. Lavelle recommended that the Commission approve an additional ten percent Holiday Discount for the December billing as they have done for the past several years. He stated that the discount would be available to customers who are not on a contract rate or other incentive rate (economic development discount, first time homeowner discount, etc.). After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the discount as recommended by management.

**BID AUTHORIZATIONS:** None

**BIDS RECEIVED:**

**PURCHASE OF EXTENDED CAB PICKUP TRUCK:** Mr. Lavelle recommended that the Commission award the bid for the replacement of Vehicle 93 to Marcotte Ford, the lowest responsible and eligible bidder meeting all requirements of 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.

**INSULATION, ASBESTOS & LEAD ABATEMENT ANNUAL CONTRACT:** Mr. Lavelle recommended that the Commission award the bid for Insulation, Asbestos & Lead Abatement Annual Contract to Atlantic Contracting and Specialties, LLC, the lowest responsible and eligible bidder meeting all requirements of 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.

**GAS CONSTRUCTION CONTRACTOR ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission approve a one year extension to the Gas Construction Contractor Annual Contract with Kudlic Brothers, Inc., consistent with the terms of the existing contract with a 2% increase in rates, with all other terms of the contract remaining the same. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize a one year extension of the contract per the recommendation of management.

**HIGH ACCURACY WATTHOUR METERS ANNUAL CONTRACT:** Mr. Lavelle recommended that the Commission award the bid for High Accuracy Watthour Meters to Schneider Electric, USA, the lowest responsible and eligible bidder meeting all requirements of 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.

**PURCHASE OF PROTECTIVE RELAY TEST SET:** Mr. Lavelle recommended that the Commission award the bid for Protective Relay Test Set to Doble Engineering Co., the lowest responsible and eligible bidder meeting all requirements of 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.

**PURCHASE APPROVAL - CABOT STREET MCP SITE OMMIR:** Mr. Lavelle recommended that the Commission authorize the expenditure of \$12,600 for additional efforts associated with Operation Monitoring Maintenance Inspection and Reporting (OMMIR) activities at the Cabot Street remediation, beyond what was already approved by the Commission. He further requested that the Commission authorize the expenditure of \$189,000 for costs anticipated to be incurred during the 2019 calendar year to bring the site work closer to closeout. 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.

**PURCHASE APPROVAL – OLD GAS WORKS OMMIR:** Mr. Lavelle recommended that the Commission authorize the expenditure of \$33,800 for additional efforts associated with Operation Monitoring Maintenance Inspection and Reporting (OMMIR) activities at the Gasworks remediation, beyond what was already approved by the Commission. He further requested that the Commission authorize the expenditure of \$94,000 for costs anticipated to be incurred during the 2019 calendar year for anticipated expenses to comply with site remediation requirements. Mr. Lavelle stated that he and Mr. Roy have been discussing options for a third party review of strategy with respect to closing out the site. 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 subject to a strong recommendation by Chairman Hoey to seek third-party engineering guidance relative to alternative strategies to close-out the project in a more cost-effective and expedited manner.

**PURCHASE APPROVAL – ENGINEERING SERVICES - REVIEW OF SWSC COBBLE MOUNTAIN HYDROELECTRIC FACILITIES:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$35,000 for engineering services related to a review of SWSC's capital plan for the Cobble Mountain Hydro Electric Facilities. 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:**

11/09/18 – Draft Commission Meeting Minutes from 10/10/18  
10/31/18 – JL/DD/Financial Statements, Balance Sheet September 2018  
10/16/18 – JL/JJ/Multi-REAP – 75-77 West Glen Street  
11/06/18 – JL/JJ/Multi-REAP – 113-115 Nonotuck Street  
11/08/18 – JL/JJ/CEAP – United Tractor Trailer School, Inc.  
11/06/18 – JL/JJ/EDD – Palladium Holdings, Inc.  
10/29/18 – JL/LR/Holiday Discount  
11/07/18 – JL/YD/Bid Recommendation – Purchase of Extended Cab Pickup Truck  
11/07/18 – JL/YD/Bid Recommendation – Insulation, Asbestos & Lead Abatement Annual Contract  
11/07/18 – JL/YD/Recommendation – Extension of Gas Construction Contractor Annual Contractor  
11/07/18 – BB/RL/Bid Recommendation – High Accuracy Watthour Meters Annual Contract  
11/06/18 – BB/LS/Bid Recommendation – Protective Relay Test Set  
11/07/18 – BR/CP/Purchasing Approval: OMMI Services – Cabot Street MCP Site  
11/07/18 – BR/CP/Purchasing Approval: OMMIR Services – Old Gas Works Site  
11/13/18 – JL/PD/Purchasing Approval: Engineering Services – Cobble Mt Capital Improvements

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Tuesday, December 11, 2018 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 5:56 PM.



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HG&E Commission