

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**NOVEMBER 19, 2019**

A meeting of the Holyoke Gas and Electric Department was held on November 19, 2019 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Duchenev; Acting Gas Superintendent Brian Roy; Brooke McMahon, Terry Sweeney 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 3, 2019.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Ms. McMahon reviewed the draft September financial statements. There was a brief discussion on the matter.

Ms. McMahon then presented the 2020 Operating and Capital budgets for approval. She stated that the budgets are consistent with those presented at the October 23<sup>rd</sup> staff budget meeting. After a discussion on the matter, and a motion by Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the 2020 Operating and Capital budgets as presented by management.

**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. He reviewed the November natural gas rate comparisons and reported that the Department is competitive in all rate classes. Mr. Roy then reported on the status of bare steel and cast iron replacements. He then gave an update on planned gas distribution maintenance and capital projects for the current year.

Mr. Roy then reported that the Massachusetts Department of Public Utilities (DPU) recently conducted an audit of HG&E liquid natural gas (LNG) plant at Mueller Road. He stated that three DPU auditors reviewed maintenance, operations and training records over several days and that they will follow-up with any findings once the audit and audit report are completed. He commented that the review was much more thorough than any audit that has been conducted to date at the facility. 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 was very competitive in all rate classes. He then reviewed the November mark-to-market report and stated

that all contracts are within policy limits and that there are no red flags with current counter-parties. He then gave a brief update on load reduction activities through October and stated that staff continues the process of negotiating terms and conditions for an additional battery storage project. Mr. Beauregard then reviewed the revised energy efficiency and rebate incentives for 2020. He also reported that staff has launched an outage map on the Department website and gave a demonstration of the capability. There was a brief discussion on the matter.

### **TRANSMISSION & DISTRIBUTION**

Mr. Beauregard gave an update on various ongoing capital and maintenance projects and reported that maintenance on the 115 kV transformer at North Canal substation has been completed as planned. There was a brief discussion on the matter.

### **ELECTRIC PRODUCTION**

Mr. Ducheny gave a brief report on hydro production activities. He stated that year-to-date production is generally on plan, and that scheduled maintenance activities are also on plan. There was a brief discussion on the matter.

### **TELECOMMUNICATIONS**

Mr. Lavelle reported that the recent ballot question passed and that staff continues to evaluate the feasibility of a gradual build-out of a high-speed network for the residential sector. He noted that staff intends to respond to the ballot initiative, even though the question was non-binding. There was a discussion on the matter. Chairman Hoey cautioned that the 65 percent support for the ballot initiative does not necessarily translate into a 65 percent take-rate for the service. Commissioner Griffin noted that approximately 36% of voters were opposed to the initiative without any mention of cost and that once voters are made aware of project costs and risks, the opposition is likely to increase. He further stated that the Department should focus on gauging city-wide interest in the service as a next step.

**OLD BUSINESS:** None

### **NEW BUSINESS:**

**SPONSORSHIP REQUEST –INTERNATIONAL VOLLEYBALL HALL OF FAME:** Mr. Lavelle recommended that the Department renew its Corporate Partnership sponsorship with the International Volleyball Hall of Fame at the same level as 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 request per the recommendation of management.

**RESIDENTIAL ENERGY ASSISTANCE REQUEST- 75-77 LAWLER STREET:** Mr. Lavelle reported that the Department received a residential energy assistance request, in the amount of \$6,300, from the owners of 75-77 Lawler Street for the installation of an energy efficient gas-fired heating system and he recommended that it be approved. 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 authorize an additional 10% discount to be applied to the December 2019 billing cycle. The offer would apply to only residential and commercial customers that are not currently on any other economic development

discount plan with the Department. On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the assistance as requested.

## **BID AUTHORIZATIONS:**

**VEHICLE REPLACEMENT #20:** Mr. Lavelle requested authorization to solicit bids for the replacement of Vehicle #20. He stated that the vehicle is a 2012 passenger vehicle with over 115,000 miles and is on the current year rotation list for replacement. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the bid.

## **BIDS RECEIVED:**

**HIGH ACCURACY WATTHOUR METERS ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the annual contract for High Accuracy Watt-hour Meters, consistent with the existing terms, conditions, and pricing in the existing contract, and consistent with the provision in the existing contract providing for the extension. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension to the contract per the recommendation of management.

**INSULATION, ASBESTOS & LEAD ABATEMENT ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the annual contract for Insulation, Asbestos & Lead Abatement, consistent with the existing terms and conditions, and consistent with the provision in the existing contract providing for the extension. He stated that the proposed labor rate increase is 3.25% and that the materials markup was reduced from 20% to 12.5%. He further stated that with the proposed pricing changes, the estimated annual cost is less than one percent higher than the second lowest bid from 2018, and 17% lower than the third lowest bid. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension to the contract per the recommendation of management.

**OVERHEAD CRANES & HOISTS INSPECTIONS ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the annual contract for Overhead Cranes & Hoists Inspections, consistent with the existing terms, conditions, and pricing in the existing contract, and consistent with the provision in the existing contract providing for the extension. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension to the contract per the recommendation of management.

**GAS ROTARY METERS ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the annual contract for Gas rotary Meters, consistent with the existing terms, conditions, and pricing in the existing contract, and consistent with the provision in the existing contract providing for the extension. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the extension to the contract per the recommendation of management.

**RIVERSIDE OFFICE ROOF REPLACEMENT:** Mr. Lavelle recommended that the Commission award the contract for the Riverside Office Roof Replacement to D.P. Carney Construction, Inc., 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.

**WICKET GATE ASSEMBLIES:** Mr. Lavelle recommended that the Commission award the contract for Chemical Unit #2 Wicket Gate Assemblies to Norcan Hydraulic Turbine, 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.

**REPLACEMENT MATERIAL HANDLER:** Mr. Lavelle requested that the Commission authorize the expenditure of up to \$260,081 for the purchase of an Electric Line Material Handling truck to be purchased off of the Greater Boston Police Council Cooperative (GBPC) procurement contract which is compliant with the Massachusetts public procurement requirements. He stated that the vehicle would replace existing Vehicle #5 which is twenty two (22) years old and beyond reasonable 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:**

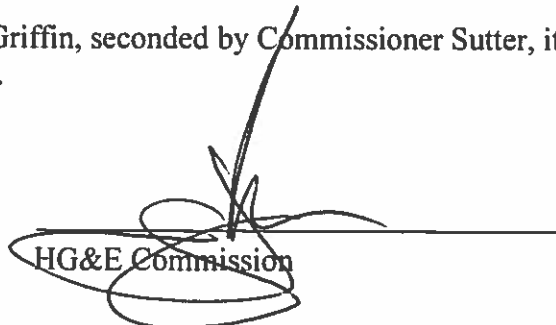
- 11/16/19 – Draft Commission Meeting Minutes from 10/03/19
- 10/24/19 – JL/DD/Financial Statements, Balance Sheet September 2019
- 11/14/19 – COMM/JL/2020 Budget
- 10/24/19 – JL/JJ/Sponsorship Request – International Volleyball Hall of Fame
- 10/23/19 – JL/JJ/Residential Energy Assistance Request – 75-77 Lawler Street
- 11/06/19 – JL/LR/Holiday Discount
- 11/14/19 – JL/BR/Authorization to Bid – Vehicle #20
- 11/14/19 – JL/YD/Recommendation – Extension of High Accuracy Watthour Meters Annual Contract
- 11/13/19 – JL/YD/Recommendation – Extension of Insulation, Asbestos & Lead Abatement Annual Contract
- 11/13/19 – JJ/YD/Recommendation – Extension of Overhead & Hoists Inspections Annual Contract
- 11/13/19 – JL/YD/Recommendation – Gas Rotary Meters Annual Contract
- 11/13/19 – JL/YD/Bid Recommendation – Riverside Office Roof Replacement
- 11/13/19 – JL/YD/Bid Recommendation – Purchase of Wicket Gate Assemblies
- 11/14/19 – BB/JB/Purchasing Approval: Replacement Material Handler

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Tuesday, December 10, 2019 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 6:19 PM.

  
HG&E Commission