

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**FEBRUARY 25, 2025**

A meeting of the Holyoke Gas and Electric Department was held on February 25, 2025, at 5:15 P.M. in the Department's offices. In attendance were Commissioners Hoey, Sutter and Marrero; Manager Lavelle; Superintendents Steve Roy and Brian Roy; Kirk Jonah, Lisa Rogers, and Attorney John Ferriter.

**CALL TO ORDER:**

Chairman Hoey called the meeting to order at 5:15 P.M.

**MINUTES:**

On a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the minutes from January 15, 2025.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Mr. Lavelle then reviewed the draft December 2024 financial statements. There was a brief discussion on the matter.

**DIVISION REPORTS:**

**GAS DIVISION**

Mr. Brian Roy reported that wholesale natural gas purchases continue consistent with the hedging plan for the current 12-month procurement window and noted that 98% of winter ('24-'25) gas supply is locked in price. He then reported that February unit sales are projected to be approximately 14% above plan due to cold weather. He then reviewed the February natural gas rate comparisons, noting that the Department remains very competitive in all rate classes.

Mr. Roy gave a brief update on the LNG I&R project noting that the Department's new legal counsel for the project filed a notice of appearance and request for a status update on the project. He also reported that letters of support for the project were recently submitted to the EFSB by Rep. Patricia Duffy, Mayor Garcia, and Councilor Kevin Jourdain. He then gave an update on the non-jurisdictional work on the site noting that proposals for the vaporizer replacement work are due Friday March 7th. He then reported that distribution crews have begun planning for work in the Highlands/Bemis area that must be completed prior to the City's sewer separation project in that area. He noted that there are currently no leaks on file, and he gave an update on ongoing DPU audits, PSMS implementation, and the PHMSA grant process. There was a brief discussion on the matter.

**ELECTRIC DIVISION**

**POWER SUPPLY**

Mr. Steve Roy reviewed the February electric rate comparisons and reported that the Department remains competitive in all rate classes compared to regional peers. He then reviewed the February Mark-to-Market report and reported that all transactions are within policy limits. He also gave an update on peak load reduction activities and noted that the January peak occurred on January 21<sup>st</sup>,

hour-ending 18, and that 5.195 MW were shed via Department load reducers. There was a brief discussion on the matter.

## **TRANSMISSION & DISTRIBUTION**

Mr. Roy gave an update on maintenance and construction activities and noted that planned transformer inspections and termination cabinet inspections have been completed. He stated that the 17L5 conductor replacement project (along Sargeant Street) is expected to start by April 1<sup>st</sup>. He noted that 702 of 2,400 planned AMI meter deployments have been completed to date and that the 44P8 circuit conductors have been energized, reducing approximately one mile of old conductor inherited through the HWP purchase. He also reported that staff recently completed a grid security exercise as part of the Cyber Security Incident Response plan.

He then gave an update on the response to the recent Voltage Transformer (VT) at Holyoke Substation. He reported that all ABB VT's have been removed from Holyoke Substation and that there is a Purchase Approval, later on the agenda, seeking authorization to purchase replacement VT's and spares that have lead times of approximately 52 weeks, resulting in an estimate of returning the substation to normal configuration in the first quarter of 2026. He noted that there is no operational or reliability impact on either Holyoke Substation or North Canal Substation as a result of the work completed to establish the temporary configuration.

Mr. Roy then reported that staff worked with the City's Conservation Director to submit an application to MassCEC for funding to install up to three (3) on-street dual port level 2 EV chargers. He stated that the grant would cover the cost of the chargers and any required infrastructure upgrades. He also reported that staff continues to work with City personnel on the design of the electrical upgrades for the city-owned flood stations (Stations 1-4). There was a brief discussion on the matter.

## **ELECTRIC PRODUCTION**

Mr. Roy noted that hydro production continues to be well below plan due to low water flows. He stated that the lower generation coupled with higher wholesale clearing prices for electricity are having a significant negative impact on budget. He stated that February hydroelectric generation will likely be the lowest on record under HG&E ownership. He then gave an update on Cobble Mountain Unit #3 rebuild activities and the City Unit #1 engineering status. He then gave an update on Cove Island property rental rates and reported that the spring canal outage is scheduled for March 25<sup>th</sup> through March 27<sup>th</sup>. There was a brief discussion on the matter.

## **TELECOMMUNICATIONS**

Mr. Jonah gave an update on the status of sales activity and ongoing maintenance projects. He then gave an update on the Department's data storage and security philosophy. There was a brief discussion on the matter.

## **CUSTOMER SERVICE**

Ms. Rogers gave an update on 2024 statistics for fuel assistance activity, payment methods and delinquencies. She also reported that the existing drive-up payment kiosk is not compatible with the NISC ERP system and given the low volume of transactions through the drive-up kiosk, the current plan is to discontinue the drive-up kiosk once the ERP conversion to NISC is completed. She stated that communications will go out to customers notifying them of the many different payment methods other than the drive-through kiosk. There was a brief discussion on the matter.

## **MARKETING & COMMUNICATIONS**

Mr. Lavelle gave an update on recent legislative activity related to Energy and Environmental Affairs (EEA) proposals to establish a Decarbonization Clearinghouse Program and a Large Building Energy Reporting Program and require all Municipal Light Plants (MLP's) to participate in to meet California emissions standards by January 1, 2025, and the Clean Heat Standard (CHS). He then gave an update on several state and federal grant applications that have been submitted including the MBI Residential Retrofit Grant, EPA Community Change Grant, and the DOE RMUC Cybersecurity Grant. He then gave an update on upcoming community outreach and discussed current Green Team activities including the evaluation of existing incentive programs. There was a brief discussion on the matter.

**OLD BUSINESS:** None

## **NEW BUSINESS:**

**COVE ISLAND FEE ADJUSTMENT:** Mr. Lavelle recommended that the Commission approve a new fee schedule for the Cove Island campsites and watercraft slips as outlined in the January 23, 2025, memorandum from Rich Murray, Sr. Dam Safety Engineer. He noted that the current fees have not been adjusted since 2003, and the recommended adjustments are based on a recent market survey conducted by Crowley & Associates. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the sponsorship per the recommendation of management.

**SPONSORSHIP REQUEST – HOLYOKE ROTARY CLUB:** Mr. Lavelle reported that the Department received a sponsorship request from the Holyoke Rotary Club in the amount of \$3,000 to support several community events during 2025, including the Summer Concert Series at Heritage State Park, and recommended that the request be approved. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the sponsorship per the recommendation of management.

**SPONSORSHIP REQUEST – CITY OF HOLYOKE JULY 4TH FIREWORKS DISPLAY:** Mr. Lavelle reported that the Department received a sponsorship request from the Mayor in the amount of \$21,000 to support the City of Holyoke July 4th Fireworks Display scheduled for Friday June 27th and recommended that the request be approved. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the sponsorship per the recommendation of management.

**BID AUTHORIZATIONS:** None

## **BIDS RECEIVED:**

**VEHICLE #16 REPLACEMENT:** Mr. Lavelle recommended that the Commission award the contract for Vehicle #16 replacement to Marcotte Ford through the State contract #VEH110. He noted that the existing vehicle is a 2014 F-350 Pick-up truck that is at the end of its useful life and reasonable repair. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to award the bid per the recommendation of management.

**ELECTRICAL PREVENTIVE MAINTENANCE TESTING SERVICES - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one-year extension to the annual contract for Electric Preventive Maintenance Testing Services with Osmose Utility Services, Inc., subject to a 4.2% increase in contract rates. He stated that the contract includes inspections of manholes, poles and testing of padmount transformers and stray voltage testing. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the contract extension per the recommendation of management.

**ELECTRICAL SERVICES ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one-year extension to the annual contract Electrical Services with Collins Electric Co. subject to a 2.8% increase in labor rates and a \$1/hr increase in vehicle rates. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the contract extension per the recommendation of management.

**GAS WELDING SERVICES ANNUAL CONTRACT - EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one-year extension to the annual contract for Gas Welding Services with Jay's Mobile Welding subject to a 2% increase in contract rates. He stated that the contract includes welding of gas mains, gas services and gas meter piping. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the contract extension per the recommendation of management.

**2025-2026 PROPERTY INSURANCE RENEWAL:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$510,604 for the renewal of the Department's property insurance coverage through Aon. He noted that Aon coordinated the renewal process negotiating coverage divided among four carriers, all with a minimum 'A' rating from Fitch. He stated that the negotiated premium is 2% lower than the prior year despite insured values increasing by 3%. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the expenditure per the recommendation of management.

**VOLTAGE TRANSFORMERS – HOLYOKE SUBSTATION:** Mr. Lavelle recommended that the Commission approve the expenditure of up to \$139,600 for the purchase of eight (8) 115kV voltage transformers (VT's) from Trench Limited to replace six VT's at Holyoke Substation and provide a set of three spares. He noted that a recent failure of an ABB VT at Holyoke Substation highlighted a risk of failure with the remaining ABB VT's causing staff to recommend replacement of those units with the Trench units, similar to what was recently done at North Canal Substation. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the expenditure per the recommendation of management.

**2025 UPSTREAM FISH & EEL PASSAGE ACTIVITIES:** Mr. Lavelle requested authorization for the expenditure of up to \$158,290 for professional services required to comply with FERC Project 2004 Fish and Eel passage requirements. He stated that the required services include data collection services; third-party biological oversight; shortnose sturgeon (SNS) radio tagging and study; and public outreach activities. He stated that the cost and vendors for each activity are detailed in the February 19, 2025, memorandum from Senior Engineer, Sarah LaRose. He stated that the proposed cost is approximately 32% lower than 2024 costs, primarily due to the SNS radio tagging study efforts nearing completion. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the expenditure per the recommendation of management.

**PROFESSIONAL SERVICES – LIDAR SURVEY FOR TRANSMISSION SYSTEM:** Mr.

Lavelle recommended that the Commission authorize the expenditure of up to \$61,000 for engineering services required to provide a Lidar survey of the Department’s 9.25 mile transmission system to serve as a basis for the re-design of the 1657 and 1292 transmission lines and to prepare a vegetation management plan to reduce the risk of vegetation related outages on the transmission system. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the expenditure per the recommendation of management.

**COMMUNICATIONS:**

- 02/13/25 – Draft Commission Meeting Minutes from 01/15/25
- 02/11/25 – JL/DD/Financial Statements, Balance Sheet & Summary Report – December 2024
- 01/23/25 – SR/RM/Cove Island Fee Recommendation
- 01/15/25 – KC/MC/Sponsorship Request – Holyoke Rotary Club
- 02/05/25 – JL/KC/Sponsorship Request – City of Holyoke Fireworks
- 02/19/25 – BR/JB/Purchase of Replacement Vehicle #16
- 02/18/25 – JL/CW/Recommendation – Extension of Electrical Preventive Maintenance Testing Services
- 02/20/25 – JL/CW/Recommendation – Extension of Electrical Services Annual Contract
- 02/18/25 – JL/CW/Recommendation – Extension of Gas Welding Services Annual Contract
- 02/13/25 – JL/BM/Purchasing Approval: 2025-2026 Property Insurance Renewal
- 02/06/25 – SR/SD/Purchasing Approval: Holyoke Substation Transformer Replacements
- 02/19/25 – SR/SL/2025 Upstream Fish & Eel Passage Activities
- 02/13/25 – JL/SD/Purchasing Approval: Engineering Services – LiDAR Survey for Transmission System

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Tuesday, March 18th at 5:00 P.M.

**ADJOURNMENT:**

On a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to adjourn the Meeting at 6:15 P.M.

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HG&E Commission