

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**MAY 29, 2018**

A meeting of the Holyoke Gas and Electric Department was held on May 29, 2018 at 5:20 P.M. in the Department's offices. In attendance were Commissioners Griffin and Sutter; Manager Lavelle; Superintendents Beauregard, Shannon, and Ducheny; Kirk Jonah, Kate Sullivan, Jim Jackowski, Terry Sweeney and Attorney John Ferriter.

**CALL TO ORDER:**

Commissioner Griffin called the meeting to order at 5:20 PM.

**MINUTES:**

On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to approve the minutes from May 7, 2018.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Mr. Lavelle presented the draft April financial statements. There was a brief discussion on the matter.

**DIVISION REPORTS:**

**GAS DIVISION**

Mr. Shannon reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He also presented the May natural gas rate comparisons and noted that the Department is very competitive in all classes. He also gave an update on bare steel service replacements. There was a brief discussion on the matter.

**ELECTRIC DIVISION**

**Power Supply:**

Mr. Beauregard reviewed the May electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the May 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 and he gave an update on the Holyoke 17L Substation replacement. There was a brief discussion on the matter.

**ELECTRIC PRODUCTION**

Mr. Ducheny gave a brief report regarding hydroelectric generation and fishway operations for the month. He reported that FERC completed a scheduled safety inspection of the dam last week with no material findings. 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:**

**HOLYOKE SOLAR COOPERATIVE:** Mr. Lavelle reported that the Holyoke Solar Cooperative has been working with PeoplesBank to modify the original Holyoke Solar Cooperative (HSC) loans from October 2011 that are set to re-price in 2021. He presented a recommendation from Brooke McMahon to approve a modification to the existing HSC loans. He stated that the proposed loan modification would take advantage of current interest rates, rather than waiting until the scheduled re-pricing when rates will likely be higher. He further explained that even though the loans are with HSC, the bank is looking for a certificate of vote from HG&E due to the security provided by HG&E. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted:

- (1) that HG&E continues to authorize a pledge of HG&E revenues to PeoplesBank as collateral for the modified notes dated October 25, 2011 from the Holyoke Solar Cooperative (HSC) to PeoplesBank under substantially the terms presented to the meeting by the Manager and as outlined in the term sheet of PeoplesBank dated May 18, 2018 and presented to this meeting; and
- (2) that the Manager is hereby authorized and directed to take any action and sign all documents deemed necessary or advisable to carry out the purposes of the modification and this vote; and
- (3) that any actions previously taken by the Manager or HG&E which are consistent with the purposes of this vote are hereby ratified and confirmed.

**2017 AUDITED FINANCIAL STATEMENTS:** Mr. Lavelle presented that audited financial statements for 2017 and stated that there were no significant findings and that the auditors have provided an unqualified opinion on the financial statements. There was a brief discussion on the matter.

**2017 DPU REPORT:** Mr. Lavelle presented that 2017 DPU report and requested signatures from each of the Commissioners. There was a brief discussion on the matter.

**COMMERCIAL ENERGY ASSISTANCE REQUEST – SPS INVESTMENTS, LLC:** Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request from SPS Investments, LLC (Gateway City Arts) in the amount of \$119,650 for new energy efficient windows for the facility and he recommended that the request be approved at \$85,000 given other assistance currently outstanding with the customer. 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 – DELANEY HOUSE:** Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request from The Log Cabin Banquet and Meeting House, Inc., in the amount of \$15,651.72 for new energy efficient lighting for the Delaney House property and he recommended that the request 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 – CLEARY FITZGERALD CONDOMINIUM:** Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request from the owners of 1139 Dwight Street in the amount of \$13,500 for the installation of a new energy efficient gas fired heating system and he recommended that the request 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.

**RESIDENTIAL ENERGY ASSISTANCE REQUEST – 10 GLEN STREET:** Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request from the owners of 10 Glen Street in the amount of \$10,000 for the installation of a new energy efficient gas fired heating system for their multi-family home and he recommended that the request 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.

**BID AUTHORIZATIONS:**

**COBBLE MOUNTAIN RESERVOIR GOVERNOR REPLACEMENTS:** Mr. Lavelle requested authorization to solicit bids for the replacement of three hydroelectric governors and hydraulic power units at the Cobble Mountain Reservoir Power Station. He stated that the existing units are over 80 years old and are beyond repair. He further noted that all costs associated with the project are fully reimbursable from Springfield Water and Sewer Commission. 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:**

**BOATLOCK UNITS #2 AND #3 INTAKE RACK AND FEED GATES #3 AND #4 SUPPORT STRUCTURE:** Mr. Lavelle recommended that the Commission award the bid for the Boatlock Units #2 and #3 Intake Rack and Feed Gates #3 and #4 Support Structure replacements to Gardner Construction & Industrial Services, 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.

**NO. 2 OVERFLOW GATE REPLACEMENT:** Mr. Lavelle recommended that the Commission award the bid for the Overflow #2 Drain Gate Replacement to Gardner Construction & Industrial Services, 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.

**COMMUNICATIONS:**

05/24/18 – Draft Commission Meeting Minutes from 05/07/18  
05/24/18 – JL/DD/Financial Statements, Balance Sheet April 2018  
05/23/18 – JL/BM/HSC Loan Modification Recommendation  
05/24/18 – Audited 2017 Financial Statements  
05/24/18 – JL/BM/DPU Report – 2017  
05/16/18 – JL/JJ/Commercial Assistance – SPS Investments, LLC  
05/16/18 – JL/JJ/Commercial Assistance – Delaney House  
05/24/18 – JL/JJ/Commercial Assistance – Cleary Fitzgerald Condominium  
05/23/18 – JL/JJ/Residential Assistance – 10 Glen Street  
05/23/18 – PD/KT/Authorization to Bid – Cobble Mountain Governor Replacement  
05/21/18 – JL/YD/Bid Recommendation – Intake Rack & Feed Gates Support Structure  
05/22/18 – JL/YD/Bid Recommendation – No. 2 Overflow Gate Replacement

**NEXT MEETING DATE:**

It was agreed that the next Commission meeting would take place on Wednesday, June 20, 2018 at 5:00 P.M.

**ADJOURNMENT:**

On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was voted 2-0 to adjourn the Meeting at 5:55 PM.

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HG&E Commission