

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
FEBRUARY 5, 2019

A meeting of the Holyoke Gas & Electric Department was held on February 5, 2019 at 5:10 P.M. in the Department's offices. In attendance were Commissioners Hoey and Griffin; Manager Lavelle; Superintendent Beauregard; Acting Gas Superintendent Brian Roy, Kirk Jonah, Brooke McMahon, Kate Sullivan, Terry Sweeney and Attorney John Ferriter.

CALL TO ORDER:

Commissioner Hoey called the meeting to order at 5:10 PM.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to approve the minutes from January 8, 2019.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon reviewed the draft December financial statements. 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 February natural gas rate comparisons and noted that HG&E natural gas rates remain competitive in all classes. He also gave an update on planned maintenance and capital projects for the current year. There was a brief discussion on the matter.

Mr. Roy then gave a brief update on the proposed interconnection with Columbia Gas of Massachusetts (CMA), which would help alleviate current capacity constraints, and he stated that CMA was still working to obtain approvals for improvements to their distribution system. There was a brief discussion on the matter.

Mr. Roy also gave an update on the meeting with Dynamic Risk Assessment Systems, Inc., the consultant hired by the Commonwealth of Massachusetts to review the safety of the natural gas systems in the Commonwealth. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Beauregard reviewed the February electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the February mark to market report for

power supply and stated that all transactions are within policy limits. He then reviewed the 2018 year-end solar production and load reduction reports, and gave an update on Forward Capacity Auction (FCA) #13. 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 by mid-March and the new 20 MVA connection to the MGHPC scheduled to be completed by that date as well. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Lavelle reported that river flows have been favorable for hydro production, but that ice has been a problem due to the recent cold temperatures. He stated that staff has been busy clearing ice from intake racks, where possible, to allow for units to operate. He further reported that staff conducted a preliminary design meeting with Voith Hydro for the replacement of the Hadley Falls Unit #2 runner. 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.

Marketing and Communications:

Ms. Sullivan reported that, due to required transmission line maintenance at Ashley Reservoir that would block portions of the walking path for approximately four weeks, communications were posted at the reservoir entrances to notify the general public of the activity. She stated that notice was also put on the City's public access channel. She also reported that staff is working to develop materials for the website and newsletter to notify residents of the current natural gas capacity situation and the "hold" on new applications for service. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

RESIDENTIAL ENERGY CONSERVATION REQUEST – 122 BROWN AVENUE: Mr. Lavelle reported that the Department received a residential energy conservation request from the owners of 122 Brown Avenue, in the amount of \$8,000, for the installation of a new energy efficient gas-fired heating system. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to approve the request per the recommendation of management.

SPONSORSHIP REQUEST – SAINT PATRICK'S COMMITTEE OF HOLYOKE: Mr. Lavelle reported that the Department received a sponsorship request in the amount of \$9,475 from the Saint Patrick's Committee of Holyoke which includes sponsorship of the Parade Program Book, Ambassador Breakfast and Colleen Float, as well as an HG&E vehicle in the parade. He stated that the request is at the same level that the Department has supported the event for the past few years. After a brief

discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to approve the sponsorship.

BID AUTHORIZATIONS:

1ST LEVEL CANAL WALL REPAIR – CABOT STREET: Mr. Lavelle requested authorization to solicit bids for the repair of a section of the first level canal wall near Cabot Street. He stated that there is an approximately 100-foot section of wall that has deteriorated over the past 150 years and requires repairs. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to authorize the bid.

BIDS RECEIVED:

PURCHASE APPROVAL – ELECTRIC DISTRIBUTION – SYSTEM AERIAL INSPECTION: Mr. Lavelle requested authorization for the expenditure of up to \$68,400 for an unmanned aerial inspection of a section of the electric distribution system that includes over 800 poles and 20 miles of conductors. He stated that the information would be used to prioritize any maintenance requirements identified during the exercise. He stated that the work is similar to the task performed last year for the transmission system by the same contractor. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to authorize the expenditure per the recommendation of management.

PURCHASE APPROVAL – CHECKPOINT DATA LOSS PREVENTION (DLP): Mr. Lavelle requested authorization for the expenditure of up to \$40,120 for the purchase of Checkpoint Data Loss Prevention licensing, support and installation services. He stated that the proposed add-on was part of the original plan when the Checkpoint appliance was purchased in 2017, and that staff is now prepared to add the recommended capability. He stated that the proposed purchase will enhance the Department's security posture by providing more thorough inspection of any data leaving the Department's network. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to authorize the expenditure per the recommendation of management.

PURCHASE APPROVAL – 2019 ANNUAL ASSOCIATION MEMBERSHIPS: Mr. Lavelle requested authorization for the annual association memberships as identified on the January 17, 2019 memorandum from Jonathan Zwirko. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to authorize the expenditure per the recommendation of management.

ELECTRIC DISTRIBUTION TRANSFORMERS: Mr. Lavelle recommended that the Commission award the contract for four Electric Distribution Transformers with Vacuum Interrupters to Eaton Corporation d/b/a Cooper Power Systems, LLC, the lowest, and only, responsible bidder meeting requirements for the solicitation. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to award the bid per the recommendation of management.

2000A DIGITAL STATIC TRANSFER SWITCH: Mr. Lavelle recommended that the Commission award the contract for a 2000A Digital Static Transfer Switch to ABB Power Protection, LLC, on a sole source basis, as ABB is the only vendor that can meet the technical requirements of the customer. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to award the bid per the recommendation of management.

PURCHASE APPROVAL – ENGINEERING SERVICES-NEW MANHOLE DESIGN: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$11,200 for engineering services required for the design of cast-in-place manhole to replace an existing manhole on Dwight Street. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to authorize the expenditure per the recommendation of management.

HYDRAULIC TURBINE MECHANICAL MAINTENANCE & REPAIRS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Hydraulic Turbine Mechanical Maintenance & Repairs to O'Connor Corporation the lowest, and only, responsible bidder meeting requirements for the solicitation. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to award the bid per the recommendation of management.

ELECTRIC UNDERGROUND CABLE: Mr. Lavelle recommended that the Commission reject the two bids received for the subject bid and authorize a re-bid. He stated that neither bidder is able to meet the Department's required delivery date. He further requested authorization to move forward with the re-bid and purchase order, subject to ratification at the next Commission meeting. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was voted 2-0 to reject the two bids, authorize a re-bid for the cable, and authorize the issue of a purchase order subject to ratification of the contract award at the next Commission meeting.

COMMUNICATIONS:

01/31/19 – Draft Commission Meeting Minutes from 01/08/19

01/29/19 – JL/DD/Financial Statements, Balance Sheet December 2018

01/09/19 – JL/JJ/Residential Energy Assistance Request – 122 Brown Avenue

01/16/19 – JL/KC/Sponsorship Request – Saint Patrick's Committee of Holyoke

01/25/19 – PD/RM/Authorization to Bid – 2019 1st Level Wall Repair at Cabot St.

01/07/19 – BB/CP/Purchasing Approval: Aerial Inspections of Electric Distribution Poles

01/10/19 – JL/AJ/Purchasing Approval: Check Point Data Loss Prevention & Support Services

01/17/19 – BB/JZ/2019 Annual Association Membership Requests

01/28/19 – BB/CP/Bid Recommendation – Electric Distribution Transformers w/Vacuum Interrupters

01/31/19 – BB/JZ/Bid Recommendation – 2000A Digital Static Transfer Switch

01/30/19 – BB/CP/Purchasing Approval: Engineering Services for New Manhole

01/31/19 – JL/YD/Bid Recommendation – Hydraulic Turbine Mechanical Maintenance & Repairs Annual Contract

02/01/19 – BB/CP/Bid Recommendation – Electric Underground Cable

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, February 26, 2019 at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Griffin, seconded by Commissioner Hoey, it was unanimously voted to adjourn the Meeting at 6:25 P.M.



HG&E Commission

Minutes 02/05/19