

**MINUTES OF GAS & ELECTRIC COMMISSION MEETING**  
**REGULAR SESSION**  
**SEPTEMBER 12, 2017**

A meeting of the Holyoke Gas and Electric Department was held on September 12, 2017 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendent Beauregard, Kirk Jonah, Brian Richards, Kate Sullivan, 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 August 18, 2017.

**REPORTS & RECOMMENDATIONS OF MANAGER:**

**Financial Report:**

Mr. Richards reviewed the draft July financial statements. There was a brief discussion on the matter.

**DIVISION REPORTS:**

**GAS DIVISION**

Mr. Lavelle reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He also presented the September natural gas rate comparisons and noted that the Department is very competitive in all classes. He then gave an update on ongoing capital and maintenance projects. There was a brief discussion on the matter.

**ELECTRIC DIVISION**

**Power Supply:**

Mr. Beauregard reviewed the September electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the September mark to market report for power supply and stated that all transactions are within policy limits. There was a brief discussion on the matter.

Mr. Beauregard gave an update on ongoing solar and storage projects and reported that negotiations on the Mt. Tom battery storage project are nearing completion and that Engie/Green Charge Networks may issue a press release on the project during the week. Mr. Beauregard also gave a brief update on demand management activities. There was a brief discussion on the matter.

**TRANSMISSION & DISTRIBUTION**

Mr. Beauregard reported that planned preventive maintenance and capital projects were generally on schedule and he gave an update on the design and planning activities for the Holyoke 17L Substation. There was a brief discussion on the matter.

## **ELECTRIC PRODUCTION**

Mr. Lavelle reported that hydro production is on slightly above plan for the month and year-to-date. He gave an update on the maintenance projects, including City #2 Hydro. A member of the public asked for an update on the Scuderi Clean Energy proposed peaking project at Water Street. Mr. Lavelle gave a brief update on that project indicating that the Department is currently waiting for additional information to determine the exact infrastructure required to serve the project should it move forward. 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:**

**INVESTMENT POLICY MODIFICATIONS:** Mr. Lavelle stated that currently, the Department follows one policy that defines how all reserve funds are to be managed. He stated that the Department's investment consultant has recommended that the Department create a separate policy for the OPEB Trust as there are different investment guidelines that govern that fund and by working to those OPEB guidelines, the funding schedule for the OPEB trust can be reduced by several years. He then reviewed the proposed OPEB Investment policy and corresponding changes to the existing Investment Policy and recommended that the Commission approve the proposed changes to the existing policy as well as the proposed OPEB Investment Policy. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the proposed OPEB Investment Policy and the proposed changes to the existing Investment Policy per the recommendation of management.

**SPONSORSHIP REQUEST – HOLYOKE YOUTH FOOTBALL LEAGUE:** Mr. Lavelle reported that the Department received a request from the Holyoke Youth Football League in the amount of \$5,000. He stated that the League has not requested any support from HG&E in over five years. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the sponsorship at \$2,500.

## **BID AUTHORIZATIONS:**

**HYDRO MAINTENANCE WORKBOAT:** Mr. Lavelle requested authorization to solicit bids for a new maintenance boat that is required for removing debris and performing regulatory inspections along the river. He stated that existing boats are not adequate for capacity and safety purposes to meet current needs. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the bid per the recommendation of management.

## **BIDS RECEIVED:**

**HOLYOKE SUBSTATION POWER TRANSFORMERS:** Mr. Lavelle recommended that the Commission award the bid for Substation Power Transformers to Virginia Transformer Corporation, 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.

**15 KV SWITCHGEAR ASSEMBLY – HOLYOKE SUBSTATION:** Mr. Lavelle recommended that the Commission award the bid for 15 kV Switchgear to Powercon Corporation, 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.

**ELECTRIC DISTRIBUTION TRANSFORMERS ANNUAL CONTRACT:** Mr. Lavelle recommended that the Commission award the Transformer Bids to the lowest responsible and eligible bidder for each item as detailed on the September 8, 2017 memorandum from Carl Peterson, Sr. Electrical Engineer. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contracts per the recommendation of management.

**DIVE SURVEYS, INSPECTIONS, MAINTENANCE & REPAIRS CONTRACT EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the Dive Surveys, Inspections, Maintenance & Repairs contract with Underwater Construction Corporation consistent with the terms of the existing contract. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the contract extension per the recommendation of management.

**HIGH ACCURACY WATTHOUR METERS CONTRACT EXTENSION:** Mr. Lavelle recommended that the Commission authorize a one year extension to the High Accuracy Watthour Meter contract with Schneider Electric USA, Inc., consistent with the terms of the existing contract. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the contract extension per the recommendation of management.

**PURCHASING APPROVAL: BOARD PORTAL SOFTWARE & TABLETS:** Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$7,440/yr to establish and maintain the capability for Board portal access to allow Commissioners and staff electronic access to Commission meeting materials and other relevant information. 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:**

- 09/08/17 – Draft Commission Meeting Minutes from 08/16/17
- 08/28/17 – JL/DD/Financial Statements, Balance Sheet July 2017
- 09/08/17 – JL/ML/Sponsorship Request – Holyoke Youth Football
- 08/28/17 – PD/SR/Authorization to Bid – Purchase of Hydro Work Boat
- 09/08/17 – BB/SD/Bid Recommendation – Substation Power Transformers
- 09/08/17 – BB/SD/Bid Recommendation – 15kV Switchgear Assembly

09/08/17 – BB/CP/Bid Recommendation – Transformer Bid

09/08/17 – JL/YD/Recommendation – Extension of Dive Surveys, Inspections, Maintenance & Repairs Annual Contract

09/08/17 – JL/YD/Recommendation – Extension of High Accuracy Watthour Meters Annual Contract

08/24/17 – COMM/KS/Purchasing Approval: Portal Software & Tablets for Commissioners

**NEXT MEETING DATE:**

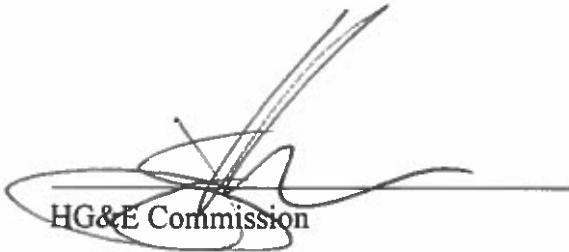
It was agreed that the next Commission meeting would take place on Tuesday, October 3, 2017 at 5:00 P.M.

Mr. Lavelle recommended that the Commission enter into Executive Session to discuss strategy with respect to contract negotiations. Chairman Hoey stated that the Commission would not return to reconvene the Regular Session.

**ADJOURNMENT:**

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 5:40 PM.

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted, on a roll call vote, to enter into Executive Session to discuss strategy with respect to contract negotiations.



HG&E Commission