

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
JANUARY 13, 2022

A meeting of the Holyoke Gas and Electric Department was held on January 13, 2022 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey (remote), Griffin and Sutter; Manager Lavelle; Superintendents Steve Roy and Brian Roy; Kate Sullivan, Lisa Rogers and Attorney John Ferriter.

CALL TO ORDER:

Chairman Hoey called the meeting to order at 5:00 P.M.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from December 8, 2021.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Mr. Lavelle reviewed the draft November financial statements. He then gave a brief update on current COVID impacts to personnel and operations. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He stated that approximately 97% of winter ('21-'22) supply is locked in price and that 28% of the summer (2022) supply is locked in price. He stated that 2021 send out was approximately 3% below plan, with 80% of that variance attributable to lower than planned LNG output. He stated that actual 2021 heating degree days were 0.5% below plan. He then reviewed the January natural gas rate comparisons and reported that the Department remains very competitive in all rate classes.

He then gave an update on the status of leak reductions stating that the Department began the year with 11 leaks on file and ended the year with 0 leaks. He also gave a report on cast iron main replacements and bare steel service replacements and stated that 2021 goals were met with the replacement/abandonment of 1.96 miles of cast iron mains (versus a target of 1.5 miles) and replaced 213 bare steel services (versus a target of 200). We are at 719 bare steel services remaining in the system with a goal to eliminate by 2025.

Mr. Roy then gave an update on tertiary support upgrades at regulating stations and stated that the Willimansett station was completed in December, for a total of five stations completed during the year. He stated that three more stations are planned for similar upgrades during 2022. He also gave an update on the County Road interconnect upgrades, and PSMS implementation and described the results of the recent PSMS system survey from HG&E employees. Chairman Hoey asked if there were any demographic questions in the survey to better understand the origin of some of the responses. Mr. Roy

stated that there were not sufficient demographics to give further information on the origin of responses.

Mr. Roy continued with an update on the recent DPU audit of the Emergency Response Plan and stated that the DPU noted five findings on their exit report. Mr. Roy stated that all findings have been addressed and a response has been submitted to the DPU regarding the corrective actions. He then gave an update on the impact of the natural gas moratorium and the actions that the Department is taking to try to lift the moratorium. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Steve Roy reviewed the January electric rate comparisons and reported that the Department remains competitive in all rate classes. He then reviewed the January Mark-to-Market report and reported that all transactions are within policy limits. He also gave an update on peak load reduction activities and an update on in-progress and proposed Battery Storage projects. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Roy reported that nineteen (19) T&D commitments have been completed since last month and that all fifty (50) T&D commitments planned for 2021 were completed on schedule. He also reported that staff is currently in the design phase for 2021 projects and he gave a brief update on COVID mitigation efforts in the Electric Division. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy reported that December hydro generation was 20% ahead of plan and stated that 2021 generation finished at 13% ahead of plan (265,460 MWh vs 235,000 MWh). He further reported that January production has been ahead of plan to date, but that icing has recently negatively impacted generation. He then reported that Voith Hydro has completed the Hadley Falls Unit #2 wicket gate design and will begin fabrication, which is expected to take 12 months to complete. He also gave a brief update on Cobble Mountain operations. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Lavelle gave an update on the status of sales activity and capital projects. He further reported that the IT team completed the implementation of multi-factor authentication by the end of December for all HG&E employees that have network access. He also stated that the Department would continue cyber security training throughout the year for all employees as well as employ a third party to assist with assessing the Department's cyber security posture. There was a brief discussion on the matter.

MARKETING AND COMMUNICATIONS

Ms. Sullivan presented an update on the analysis of electric vehicle total cost of ownership and reported that additional work is required before vehicle purchase recommendations are made. She also gave an update on the plan to install 4 electric vehicle chargers at various points in the City during the Spring. She then gave an update on customer interest in the Whole Home Air Source Heat Pump Program and stated that twelve applications have been submitted by customers to date, but none have decided to move forward at this point due to the costs quoted by contractors. She also reported that the website re-design is substantially complete with a focus on improving accessibility and navigation, while providing a new Clean Energy Dashboard and Safety information. She gave a brief demonstration of the new website. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

COMMERCIAL ENERGY CONSERVATION ASSISTANCE REQUEST – CAPRI PIZZA:

Mr. Lavelle recommended that the Commission approve a Commercial Energy Assistance request from the owners of 18 Cabot Street in the amount of \$26,800, for the installation of a new energy efficient HVAC system. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the assistance per the recommendation of management.

BID AUTHORIZATIONS:

2022 ONE TIME PURCHASES & ANNUAL CONTRACTS: Mr. Lavelle requested that the Commission authorize the solicitation of bids for the 2022 list of anticipated one-time purchases and annual contracts consistent with the January 6, 2022 memorandum from Purchasing Coordinator, Chi Wong. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the solicitation of bids per the recommendation of management.

BIDS RECEIVED:

ELECTRIC METERS ANNUAL CONTRACT- EXTENSION: Mr. Lavelle recommended that the Commission authorize a one year extension to the annual contract for Electric Meters with AvCom, Inc., with unit price adjustments consistent with those shown on the January 5, 2022 memorandum from Purchasing Coordinator, Chi Wong. 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.

HYDRAULIC STRUCTURES MAINTENANCE & REPAIRS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Hydraulic Structures Maintenance & Repairs to Gardner Construction and Industrial Services, Inc., the low and only bidder meeting all requirements for 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.

OVERHEAD CRANES & HOISTS INSPECTIONS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Overhead Cranes & Hoists Inspections to Mass Crane & Hoists Services, Inc., the low and only bidder meeting all requirements for 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.

100G DLS ERTS – PURCHASE APPROVAL: Mr. Lavelle requested authorization for the expenditure of up to \$13,408 for the purchase of two hundred fifteen (215) 100G DLS ERTs from AvCom to be attached to new gas meters to allow for remote read capabilities on those new meters.

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.

TRANSMISSION LINE ACCESS GATE – PURCHASE APPROVAL: Mr. Lavelle requested authorization for the expenditure of up to \$20,977 for the purchase and installation of a 20-foot long access gate to allow Department staff access to transmission assets between Ashley Reservoir and the adjacent railroad tracks. 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.

CISCO CONNECTED GRID ROUTERS – PURCHASE APPROVAL: Mr. Lavelle requested authorization for the expenditure of up to \$29,250 for the purchase of three (3) Cisco Connected Grid Routers that are required due to the deployment of additional AMI meters in order to ensure accurate and timely data acquisition from all meters. 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.

LINE LOCATOR – PURCHASE APPROVAL: Mr. Lavelle requested authorization for the expenditure of up to \$8,147 for the purchase of a radio detection RD8200 line locator kit for use in locating underground gas and electric facilities. He stated that one of the two existing units is approximately 30 years old and at the end of its useful life. 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.

ELECTRIC VEHICLE EDUCATION & AWARENESS PROGRAM – PURCHASE APPROVAL: Mr. Lavelle requested authorization for the expenditure of up to \$10,800 to extend HG&E's participation in Energy New England's (ENE) Electric Vehicle (EV) Education and Awareness program. She stated that ENE maintains a unique HG&E website for HG&E customers as well as an "800" number with a dedicated EV specialist to answer any customer questions. He further stated that ENE provides training and education to local dealerships regarding EV's and HG&E and other incentives. 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:

01/07/22 – Draft Commission Meeting Minutes from 12/08/21

01/04/22 – JL/DD/Financial Statements, Balance Sheet & Summary Report November 2021

12/14/21 – KC/MC/Commercial Assistance Request – Capri Pizza

01/06/22 – JL/CW/2022 One Time Purchases & Annual Contracts

01/05/22 – JL/CW/Recommendation – Extension of Electric Meters Annual Contract (Revised)

01/05/22 – JL/CW/Bid Recommendation – Hydraulic Structures Maintenance & Repairs Annual Contract

01/05/22 – JL/CW/Bid Recommendation – Overhead Cranes & Hoists Inspections Annual Contract

01/06/22 – BR/RL/Purchasing Approval: 100G DLS ERTs

01/05/22 – SR/JB/Purchasing Approval: Transmission Line Access Gate

01/06/22 – SR/RL/Purchasing Approval: Cisco Connected Grid Routers

01/07/22 – BR/MK/Purchasing Approval: Line Locator

01/11/22 – JL/KS/Purchasing Approval: Energy New England Electric Vehicle Program

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Wednesday, February 9, 2022 at 5:00 P.M.

Mr. Lavelle requested that the Commission enter into Executive Session to address outstanding minutes and to discuss trade secrets. Chairman Hoey stated that no votes would be taken in Executive Session and that the Commission would not return to Regular Session.

ADJOURNMENT:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 5:55 P.M.

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

HG&E Commission