

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
MAY 12, 2026

A meeting of the Holyoke Gas and Electric Department was held on May 12, 2026, at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Sutter and Marrero; Manager Lavelle; Superintendents Steve Roy and Brian Roy; Brooke McMahon, Kirk Jonah, Kate Sullivan Craven, 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 Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the minutes from April 15, 2026.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon introduced Dan LaHaye from BakerTilly, HG&E's external auditor, who joined the meeting virtually. Mr. LaHaye was the lead auditor for the 2025 audit and gave the Commission an overview of the audit process and findings. He stated that HG&E staff were well prepared and very cooperative throughout the audit and that no material adjustments were made during the audit process. He also reported that BakerTilly issued an unmodified opinion on HG&E's audit which is the highest form of assurance that can be derived from the audit process. There was a brief discussion on the matter.

Ms. McMahon then reviewed the draft March 2026 financial statements. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that 59% of planned summer gas is locked in price, 13% of forecasted winter gas is also locked in price, and that wholesale natural gas purchases continue to be executed consistently with the hedging plan for the current 12-month procurement window. He reported that the Purchased Gas Adjustment (PGA) was lowered to \$0.02/CCF as of the May billing cycle. He noted that rate is set 33% below last summer's PGA and represents a 22% reduction from the average April residential rate. He then reviewed May natural gas rate comparisons, noting that the Department remains very competitive in all rate classes. Finally, he noted that two contracts have been executed for estimated LNG delivery needs for the winter season. He stated that total estimated costs are on par with last year's contract costs with higher demand costs being offset by slightly lower commodity and transportation costs. There was a brief discussion on the matter.

Mr. Roy then reported that the EFSB issued a final approval of HG&E's petition for a fifth storage tank on April 21st and that the final conditions of approval are less onerous than the conditions that

were included in the EFSB's tentative decision. He then noted that construction on the non-jurisdictional portion of the LNG Infrastructure Project is ongoing and that impoundment for the new tank is being poured. Commissioner Marrero asked if any schedule improvements were made by separating the non-jurisdictional construction activities from the tank installation. Mr. Roy responded that schedule gains have not necessarily been realized, but the separation of work has allowed the implementation of reliability improvements to proceed without waiting for the EFSB approval. Mr. Roy then described the conditions of the EFSB approval. Commissioner Marrero asked how many heat pumps have been deployed in HG&E territory. Mr. Roy stated that an average of 40 heat pumps are installed by customers each year. Commissioner Hoey asked if heat pump customers were keeping their natural gas backup system and Mr. Roy responded that most customers do keep the backup heating systems.

Mr. Roy then reported that gas construction contractor crews continue to replace the cast iron main on Sargeant Street, between Northampton Street and Saint Jerome Avenue, and on Cabot Street as part of the PHMSA FY2022 Grant project. He also reported that there are currently zero (0) leaks on file and that the surveyor would be back in town next month to continue leak surveys. Finally, Mr. Roy reported that the Department was notified that it received the American Public Gas Association (APGA) System Operational Achievement Recognition (SOAR) Gold designation for its performance in system integrity, system improvement, workforce development, and safety. There was a brief discussion on the matter.

ELECTRIC DIVISION

POWER SUPPLY

Mr. Steve Roy reviewed the May electric rate comparisons and reported that the Department remains competitive in all rate classes compared to regional peers and is currently the lowest, or second lowest, in all categories. He then reviewed the May Mark-to-Market report and reported that all transactions and counter-party default risks are within policy limits. He also gave an update on peak load reduction activities and noted that the April peak occurred on April 2nd, hour-ending 20, and that 6.533 MW were shed via Department load reducers. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Roy gave an update on electric distribution maintenance and construction activities, noting that the planned infrared inspection of the overhead distribution and transmission system was completed and that the 1894 transmission pole replacement project was also completed. He also noted that Haugland Energy Group is approximately 60% complete with construction on the 52W9 reconductoring project on Main Street, from Stebbins Street to Jones Ferry Road. He then reported that planned AMI meter installations are 44% complete, with 1,062 AMI meters having been installed since January 1st. He also gave an update on Pool Transmission Facility (PTF) calculations and noted that the estimated PTF revenue for the year is \$6.45 Million, an increase of approximately \$950,000 over last year. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy reported that hydro production is tracking approximately 14% above plan for May and that year-to-date production is tracking approximately 8% below plan due to low river flows. He noted that fish-lift operations are ongoing and that approximately 167,000 shad have been lifted so far this season. He then gave a brief update on Cobble Mountain Unit #3 rebuild and also gave an update on other ongoing projects. He reported that all sections of the new rubber bladder have passed acceptance testing and are due to arrive on-site in mid-June. He stated that the three sections on the Holyoke side of the river would be replaced first, and that Northern Construction would mobilize as river flows

allow. He also noted that the Annual FERC inspection of Project 2004 is scheduled for June 2nd and June 3rd. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on sales and operations activity. There was a brief discussion on the matter.

CUSTOMER SERVICE

Ms. Rogers gave a brief update on fuel assistance and collections activity. There was a brief discussion on the matter.

MARKETING & COMMUNICATIONS

Ms. Sullivan Craven reported that the 2025 Annual Report will be sent to the printer for publication by the end of the week. She also provided a brief update on the Large Building Energy Reporting (LBER) requirement issued by the Department of Energy Resources (DOER) and noted that HG&E customers have been calling with questions about the program requirements. She also gave an update on upcoming community outreach activities relating to school safety programs, shad derby and fishway tours. There was a discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

BID AUTHORIZATIONS: None

BIDS RECEIVED:

2026 DEFORMATION MONITORING SURVEY: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$159,600 for engineering services from Clough Harbor & Associated, LLP. He stated that the services include a dam deformation study, which is required every five years, to comply with the FERC Project 2004 License.

Chairman Hoey commented that the current deformation measurement tolerance requirements (1mm-3mm) imposed by the Army Corps of Engineers (ACOE) seem a bit unreasonable and result in a very costly process. He noted that there are competing technologies on the market, that although not as accurate as the required approach, could be performed more frequently and would still cost a fraction of the required approach. Steve Roy explained that the tolerance requirements apply to all FERC jurisdictional dams. 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 – WORKTASK ANALYSIS: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$51,800 for professional services required to conduct a work task analysis for each job title at HG&E and develop an ergonomic job description for each position. He noted that the Department is currently updating all job descriptions and has been advised by counsel to engage the services of a professional that can perform the recommended scope of work to document essential tasks, physical and cognitive demands, work conditions, and essential and non-

essential functions of each position. He stated that the write-ups will serve as the basis for addressing employee accommodation requests, return to work decisions and other personnel matters and will help to reduce legal and compliance risk. Commissioner Marrero noted that there were other services quoted in the vendor proposal and asked if more funds are needed than what is being requested. Ms. McMahon explained that the optional services that were quoted are not required at this time but might be services that would be considered in the future. 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.

CIENA ROUTERS, LICENSES AND SUPPORT: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$65,240 for the purchase of three (3) Ciena 5130 and twelve (12) Ciena 3924 switches with security license bundle and support to satisfy a new customer installation requirement. He noted that the expenditure would be repaid by the customer over the 60-month term of the contract. 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:

04/10/26 – Draft Commission Meeting Minutes from 03/10/26

04/29/26 – JL/BM/Financial Statements, Balance Sheet & Summary Reports – March 2026

05/04/26 – SR/DF/Recommendation – 2026 Deformation Monitoring Survey

04/22/26 – JL/BM/Purchasing Approval: Professional Services – WorkTask Analysis

04/24/26 – KJ/MN/Purchasing Approval: Ciena Equipment for Westfield Bank

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, June 16th 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 6:10 P.M.

HG&E Commission