

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
SEPTEMBER 8, 2026

A meeting of the Holyoke Gas and Electric Department was held on September 8, 2026, at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Sutter and Beauregard; Manager Lavelle; Superintendents Steve Roy and Brian Roy; Kirk Jonah, Brooke McMahon, 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 Sutter, seconded by Commissioner Beauregard, it was unanimously voted to approve the minutes from August 19, 2026.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon reviewed the draft July 2026 financial statements. Commissioner Hoey asked if the Gas Division positive variance to budget was expected to continue to the end of the year, or if it was expected to fall back within budget. Brian Roy explained that the variance was primarily due to non-fuel expenses tracking below budget as a result of fewer unplanned maintenance activities and a shift of labor to capital-related projects. Commissioner Beauregard asked about the OPEB and Pension balances and Ms. McMahon explained that the OPEB fund is currently over-funded by approximately \$8.6 Million and that the unfunded pension balance is approximately \$29 Million. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that 60% of planned winter gas is locked in price and that wholesale natural gas purchases continue to be executed consistent with the hedging plan for the current 12-month procurement window. He then reviewed September natural gas rate comparisons, noting that the Department remains very competitive in all rate classes. Commissioner Beauregard noted that the gas rates are significantly lower than all peers and suggested that staff consider adjusting rates and establishing a stabilization fund to ensure that the rates remain competitive in the future and to help fund the energy transition goals through 2050. Mr. Lavelle stated that staff are currently working on the 2027 strategic plan and would incorporate the suggestion into that plan. There was a brief discussion on the matter.

He then noted that construction is ongoing at the LNG I&R Project and that contractors are on schedule for mechanical completion by the end of September for the non-jurisdictional portion of work, and that commissioning of the new boiler system is scheduled for this week.

Mr. Roy then gave an update on DPU audit and notification activity, noting that the DIMP audit should be closed out soon. He then reported that gas construction contractor crews continue working on Cabot Street, between Sycamore and Locust Streets. He then reported that work on the PHMSA FY2022 Grant project is ongoing with crews currently working at the intersection of Nick Cosmos and Cabot Street. He also reported that there are currently four (4) leaks on file and that the leak survey contractor is scheduled to complete the walking survey of the system over the next two weeks. There was a brief discussion on the matter.

ELECTRIC DIVISION

POWER SUPPLY

Mr. Steve Roy reviewed the September electric rate comparisons and reported that the Department remains competitive in all rate classes compared to regional peers and is currently the lowest in all categories. He then reviewed the September 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 August peak occurred on the 7th, hour-ending 18, and that 11.683 MW were shed via 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 pole and conductor replacements on Southampton Road and Westfield Road are expected to be completed by the end of the week, weather permitting. He also gave a brief update on the water main leak that HG&E's contractor caused due to a poor marking of the water main. He also reported that planned AMI meter installations are 84% complete, with 2,600 AMI meters having been installed since January 1st. He also reported that an arborist assessment is being conducted in the Highlands area to assess dead, or decaying, trees from Lincoln Street, north and along Route 5. He also gave an update on battery storage installation activity.

Mr. Roy also gave an update on FERC Order 881 (transmission line ambient rating requirements) compliance noting that successful data transmission to ISO-NE was confirmed as part of the test setup. Finally, he noted that the most recent long-term power supply forecast indicates the HG&E will meet the state's carbon-free requirements through 2042 without any significant changes required. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy reported that hydro production is approximately 2% above plan year-to-date. He noted that remaining rubber bladder sections are expected to be installed by the end of the month. He also reported that City Unit #4 has been taken out of service due to a failed generator winding and stated that staff are in communication with various turbine manufacturers to determine next steps. He then gave a brief update on Cobble Mountain Unit #3 rebuild and also gave an update on other ongoing projects. He then gave an update on the oil leak investigation near the Valley Hydro tailrace and several DOE funded projects. He then reminded the Commission that the fall outage is scheduled for September 19th - September 26th. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Lavelle 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 for the coming winter season. There was a brief discussion on the matter.

MARKETING & COMMUNICATIONS

Ms. Sullivan gave an update on the energy conservation incentives and the new Z-Loan program to promote air source heat pump adoption. She also reminded the Commission that Public Power and Public Natural Gas week is scheduled for the week of October 7th and that activities will be held at the Merry-go-Round facility. She then reported that it has been one year since the ERP conversion to NISC was completed and noted a number of activities to acknowledge that milestone. There was a discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

2027 CONTRACT LIGHT SCHEDULE: Mr. Lavelle recommended that the Commission approve the 2027 Contract Light Schedule proposed by Superintendent Steve Roy in the September 1, 2026, memorandum from Assistant Superintendent Jeffrey Brouillard. Commission Beauregard suggested that staff review all rates more frequently in order to avoid significant rate adjustments to keep pace with costs. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was unanimously voted to approve the rate adjustments per the recommendation of management.

COMMERCIAL ENERGY ASSISTANCE REQUEST – 92-114 RACE STREET: Mr. Lavelle reported that the Department received a Commercial Energy Assistance Request in the amount of \$191,160 from the owners of 92-114 Race Street for the installation of new energy efficient windows. He noted that the Green Team has reviewed the request and is recommending that the project be completed in two phases and that the Department consider approving half of the requested amount. He recommended that the commission approve \$95,580 for the first phase of the project. After a discussion and on a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was unanimously voted to approve the assistance request per the recommendation of management.

DOWNTOWN HOLYOKE BUSINESS IMPROVEMENT DISTRICT (BID): Mr. Lavelle reported that several downtown businesses owners have developed a petition to establish a downtown business improvement district that would be funded through an assessment of all property owners within the district. He stated that the department's annual assessment would be approximately \$5,000 per year under the proposed funding arrangement. He noted that there has been an increase in loitering, littering and vandalism at the main office and that the BID steering committee is proposing to use much of the BID funds for security and trash pick-up within the BID district. Chairman Hoey noted that MassDevelopment is involved with assisting with the BID development and is a client of his employer. He abstained from discussions on the matter. After a brief discussion, Mr. Lavelle noted that he would keep the commission informed of the project development.

BID AUTHORIZATIONS: None

BIDS RECEIVED:

RAILROAD FLAGGER SERVICES: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$187,000 for railroad flagging services from Pioneer Valley Railroad (PVRR). He noted that the services are required to perform improvements within the 1292 and 1657 transmission right-of-way. Commissioner Beauregard asked if the rates were negotiable and Steve Roy explained that the rates reflect the department's best efforts at negotiating lower rates. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was unanimously voted to approve the expenditure per recommendation of management.

NATURAL GAS SYSTEMS WELDING SERVICES: Mr. Lavelle recommended that the Commission award the contract for Natural Gas Systems Welding Services to R. H. White Construction Co., the lowest responsible and eligible bidder meeting all requirements of the solicitation. Commissioner Hoey disclosed that the recommended vendor is a client of his employer and he abstained from deliberations and voting. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was voted 2-0 to award the contract per the recommendation of management. Commissioner Hoey abstained from voting.

DIVE SURVEYS, INSPECTIONS, MAINTENANCE & REPAIRS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission authorize a one-year extension to the annual contract (#24-20) for Dive Surveys, Inspections, Maintenance and Repairs with Underwater Construction Corporation, subject to a 3.1% increase in labor rates with all other terms and conditions consistent with the existing contract. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was unanimously voted to authorize the contract extension per the recommendation of management.

COMMUNICATIONS:

09/02/26 – Draft Commission Meeting Minutes from 08/19/26
08/28/26 – JL/BM/Financial Statements, Balance Sheet & Summary Report – July 2026
09/01/26 – SR/JB/2027 Contract Light Schedule
09/02/26 – KS/MC/CEAP – Lighthouse Personalized Educations for Teens, Inc.
07/31/26 – JL/KC/Downtown Holyoke (BID)
09/02/26 – SR/SL/Purchasing Approval: Railroad Flagger Services
09/01/26 – JL/CW/Bid Recommendation – Natural Gas Systems Welding Services Annual Contract Rebid
09/01/26 – JL/CW/Recommendation – Extension of Dive Surveys, Inspections, Maintenance & Repairs Annual Contract

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, October 14th at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Sutter, seconded by Commissioner Beauregard, it was unanimously voted to adjourn the Meeting at 6:18 P.M.

HG&E Commission

Minutes 09/08/26