

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
JUNE 8, 2022

A meeting of the Holyoke Gas and Electric Department was held on June 8, 2022 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, Lisa Rogers and Attorney John Ferriter.

CALL TO ORDER:

Chairman Hoey called the meeting to order at 5:30 P.M.

MINUTES:

On a motion from Commissioner Sutter, seconded by Commissioner Hoey, it was unanimously voted to approve the minutes from May 10, 2022.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon then reviewed the draft April 2022 statements. 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 the July-December futures prices are currently 164% higher than budget and that 60% of summer supply is locked in price and that 18% of winter ('22-'23) is locked in price. He then reviewed the June natural gas rate comparisons and reported that the Department remains very competitive in all rate classes.

Mr. Roy gave a brief update on the County Road inter-connect upgrade project and the LNG reliability project. He also reported that asset replacements at Lincoln Street and Valley Heights have been completed and that over 3,400 feet of cast iron pipe has been abandoned year to date. Mr. Roy then reported that there are currently no natural gas leaks on record, and he gave an update on cast iron main and bare steel service replacements. He also gave an update on PSMS implementation and the PHMSA funding opportunity for leak prone asset replacements. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

M Mr. Steve Roy reviewed the June electric rate comparisons and reported that the Department remains competitive in all rate classes. He then reviewed the June 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 efforts continue on the H-2 circuit conversion with current activity focused on the Highlands area. He then reported that installation of the four (4) electric vehicle (EV) chargers is in progress and is expected to be completed by the end of June.

Mr. Roy reported that two (2) portable generators (leased through MMWEC) have been installed to assist with summer peak load reduction activities. He stated that each generator is rated for 2 MW and that the units are installed near the battery storage facility on Water Street. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy reported that May hydro generation was 4% below plan and that year-to-date generation is currently 1.3% behind plan. He then reported that the buoys were installed in the river over the past few weeks and that preparations for installing the new log boom are underway. He then provided a brief update on the Hadley Falls Unit #2 upgrade and reported that staff submitted a grant application to MassCEC to offset the project costs. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on the status of sales activity and capital projects. He also gave an update on cyber security training and monitoring activities. There was a brief discussion on the matter.

MARKETING AND COMMUNICATIONS

Ms. Sullivan reported that the 2021 annual financial report has been printed and is posted on the Department website. She then reported that the 2022 customer satisfaction survey instrument has been created and the survey would be conducted during June and July. She also gave an update on the Shad Derby results and Fishway tour activity. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS: None

BID AUTHORIZATIONS: None

BIDS RECEIVED:

SPECIALTY CONSTRUCTION & FACILITIES MAINTENANCE ANNUAL CONTRACT:

Mr. Lavelle recommended that the Commission authorize a one-year extension to the Specialty Construction & Facilities Maintenance Annual Contract with Garland Construction Corp., consistent with the contract extension provisions within the contract and with all rates, terms and conditions remaining consistent with the existing contract. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to authorize the contract extension per the recommendation of management.

CIENA ETHERNET SWITCHES: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$99,735 for the purchase of eight (8) Ciena 5164 Ethernet switches required for a customer equipment upgrade. 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.

CORERO TECHNICAL SUPPORT & SERVICES: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$86,564 for the purchase of 36 months of Corero Technical Support, Software Maintenance, Updates, SecureWatch and Advance Hardware Replacement for the Smartwall Network Defense System appliances. He stated that the subject appliances are critical elements of the network security system and that the current support contract expired at the end of May. 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.

ENGINEERING SERVICES – STAGE 2 PCB INVESTIGATION CABOT STREET: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$68,400 for engineering services required to conduct a Stage 2 PCB investigation for the Cabot Street Electric Station property. He stated that the work is required under the Massachusetts Contingency Plan (MCP) for the site. Commissioner Hoey stated that his employer was solicited to submit a bid on the project, and he abstained from deliberations on the matter. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was voted 2-0 to authorize the expenditure per the recommendation of management. Commissioner Hoey abstained from voting.

EXCAVATIONS & RESTORATIONS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission reject all bids and authorize a re-bid for the contract. He stated that following the receipt of bids, certain bidders raised questions regarding similar line items described differently on the bid form that could lead to varying bid rates for similar equipment and potentially cause confusion on what the correct bill rate is for certain equipment. Upon the advice of Counsel, the bids should be rejected and then re-bid with a corrected bid form. After a brief discussion and on a motion from Commissioner Marrero, seconded by Commissioner Sutter, it was unanimously voted to reject all bids, authorize a re-bid, and extend the current contract on a month-to-month basis until the new contract is awarded.

COMMUNICATIONS:

06/03/22 – Draft Commission Meeting Minutes from 05/10/22

05/26/22 – JL/DD/Financial Statements, Balance Sheet & Summary Report – April 2022

05/13/22 – JL/CW/Recommendation - Specialty Construction & Facilities Maintenance Annual Contract –Extension

05/19/22 – TH/JB/Purchasing Approval: Ciena Ethernet Switches

06/01/22 – TH/WM/Purchasing Approval: 3 Year Corero Support Renewal

06/03/22 – SR/CP/Purchasing Approval: Engineering Services - Stage 2 PCB Investigation Cabot Street

06/03/22 – SR/JB/Bid Recommendation - Excavations & Restorations Annual Contract

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, July 12th at 5:00 PM.

ADJOURNMENT:

On a motion from Commissioner Marrero, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 6:29 PM.

HG&E Commission

Minutes 06/08/22