

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
MAY 13, 2025

A meeting of the Holyoke Gas and Electric Department was held on May 13, 2025, at 5:32 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 5:32 P.M.

MINUTES:

On a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the minutes from April 15, 2025.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon introduced Dan LaHaye from BakerTilly, HG&E's outside auditor, who joined the meeting virtually. Mr. LaHaye was the lead auditor for the 2024 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. He did note that there was one material weakness noted, regarding the fact that BakerTilly prepared the Department's footnotes for the audit report, and he explained that it is not a serious finding as BakerTilly prepares footnotes for approximately 99% of their public power clients. There was a brief discussion on the matter.

Ms. McMahon then reviewed the draft March 2025 financial statements. Commissioner Marrero suggested that normalizing unit consumption for weather might be a useful tool moving forward. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that wholesale natural gas purchases continue consistent with the hedging plan for the current 12-month procurement window and noted that 54% of summer gas supply is locked in price and 17% of planned winter gas is locked in price. He noted that the Purchased Gas Adjustment has been seasonally adjusted to \$0.045/ccf. He then reported that unit sales through May are projected to be approximately 3% ahead of plan due to colder than planned weather. He then reviewed the May natural gas rate comparisons, noting that the Department remains very competitive in all rate classes.

Mr. Roy gave a brief update on the LNG I&R project noting that the non-jurisdictional portion of the project has been kicked off and the general contractor has begun to mobilize at the site. He then reported that distribution crews continue efforts on the gas main replacement on Northampton Street between Dartmouth Street and River Terrace, and that they are also working in the Woodmar Glen area with 10 of 34 services replaced to date. He noted that there are currently no leaks on file, and he

gave an update on the PSMS implementation, and the PHMSA grant process. Finally, he noted that he is working with consultants to evaluate the potential to file a temporary solution for part of the Gasworks site that has yielded very little DNAPL through ongoing and monitoring over the past several years. 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. He then reviewed the May Mark-to-Market report and reported that all transactions are within policy limits. He also gave an update on peak load reduction activities and noted that the April peak occurred on March 8th, hour-ending 20, and that 2.995 MW were shed via Department load reducers. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Roy gave an update on maintenance and construction activities and noted that crews continue to work along Sargeant Street on the 17L5 conductor replacement project and expect to complete the project by the end of May. He noted that 1585 of 2,400 (66%) planned AMI meter deployments have been completed to date. He reported that manhole and pole inspections are underway and scheduled to be completed by September. He also reported that PTF calculations have been completed for 2026 and show a \$532K increase over last year's reimbursement. Mr. Roy then gave a brief update on the ESG Clean Energy PPA's, battery storage activity and new requirements from ISO-New England relating to required monitoring at certain substations that will apply to North Canal substation and require the purchase and installation of monitoring equipment. He further noted that staff continues to assist the city with the design of new electrical equipment for Flood Stations #1-4 while designing a work-around that would allow the pump stations to be operated safely until the station upgrades are completed. He noted that the work-around design has been completed, and that fabrication is in progress with a scheduled completion by June 1st. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy noted that hydro production for April was approximately 7% above plan and that year-to-date production is approximately 11% below plan due to low water flows at the beginning of the year. He noted that recent rain has caused water levels to rise to near flood levels. He stated that because of the water levels and warnings from the National Weather Service, it was decided to cancel the first weekend of the Shad Derby for public safety reasons. Mr. Roy noted that the Fishway has been operational, but that fish passage has been minimal due to low water temperature (53 F) and high river flows. He then reported that bids were received for the rubber dam replacement and that the apparent low bid is within budget. He then gave an update on Cobble Mountain maintenance activities and the Unit #3 rebuild status. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on recent sales and operations activity for the Telecom Division. He noted that the email conversion went well, and that cybersecurity training is ongoing. There was a brief discussion on the matter.

CUSTOMER SERVICE

Ms. Rogers gave an update on fuel assistance funding for the current heating season and reported that work continues with the NISC ERP system conversion, and that the Customer Service go-live date is still scheduled for September. There was a brief discussion on the matter.

MARKETING & COMMUNICATIONS

Ms. Sullivan gave an update on various customer outreach initiatives including the Spring Construction Update, Large Building Energy Reporting for customers with buildings greater than 20,000 square feet, and notices to customers regarding the ERP conversion scheduled for the first week in September. She also gave an update on the Spring programs for education and safety for the schools and senior centers. She then reported that the Robert E. Barrett Fishway welcomed over 800 guests in its first week open to the public since May 7th. She noted that the fishway will remain open until June 15th. Finally, she noted that, in response to several proposed programs being developed by the Massachusetts Executive Office of Energy and Environmental Affairs (EEA), the Massachusetts public power community (including MMWEC, MEAM and ENE) is encouraging all member systems to have their governing boards go on record stating their commitment to public power and achieving net-zero carbon emissions with locally developed programs and policies without mandates from the State. She noted that she would develop a draft statement to present to the Commission at an upcoming meeting. There was a discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

MMWEC DESIGNATED VOTING REPRESENTATIVE: Mr. Lavelle recommended that the Commission approve a modification to the Massachusetts Municipal Wholesale Electric Company (MMWEC) Designated Voting Representative List and authorize the Commission Secretary to sign the amended list. He stated that, according to MMWEC's enabling statute (Chapter 775 of the Massachusetts Acts of 1975) and the MMWEC bylaws, only Managers of Municipal Lighting Plants or a member of the Municipal Light Board, designated in writing, have the authority to vote at the meetings on matters that may come before MMWEC membership, including the election of the President and Directors. He noted that the only change to the list is to replace Robert H. Griffin with Marcos A. Marrero. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the amended designated voting list as presented and authorize the Commission Secretary to sign.

BID AUTHORIZATIONS: None

BIDS RECEIVED:

SPECIALTY CONSTRUCTION & FACILITIES MAINTENANCE ANNUAL CONTRACT - EXTENSION: Mr. Lavelle recommended that the Commission authorize a one-year extension to the annual contract for Specialty Construction & Facilities Maintenance (Contract No. 23-10) with Garland Construction Corp., with rates and other 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.

ENGINEERING SERVICES – NORTH CANAL SUBSTATION PHASOR MEASUREMENT UNIT: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$86,480 for engineering services and equipment required to design and implement Disturbance Monitoring

capability at North Canal Substation as required by ISO-New England. He stated that the effort includes designing a solution to replace the existing digital fault recorder (DFR) and reconfiguring system to accommodate the new equipment to ensure compliance with ISO-NE OP-22. He noted that the expenditure is fully PTF reimbursable. 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:

05/08/25 – Draft Commission Meeting Minutes from 04/15/25

05/07/25 – JL/BM/Financial Statements, Balance Sheet & Summary Report – March 2025

05/07/25 – COMM/JL/MMWEC Designated Voting Representative

05/05/25 – JL/CW/Recommendation – Extension of Specialty Construction & Facilities Maintenance Annual Contract

05/02/25 – SR/SD/Purchasing Approval: North Canal 44P Phasor Measurement Unit

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Wednesday, June 18th 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 6:40 P.M.

HG&E Commission