

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
APRIL 15, 2026

A meeting of the Holyoke Gas and Electric Department was held on April 15, 2026, at 5:30 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 5:30 P.M.

MINUTES:

On a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the minutes from March 10, 2026.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon reviewed the draft February 2026 financial statements and gave an update on the 2025 year-end audit. She then reported that she has established a Pension Account in the Self-Insurance Reserve Trust. She stated that the OPEB Trust account, within the Self-Insurance Trust, is currently overfunded due to strong investment performance and the purpose of the Pension Account will be to take any allowable withdraws from the OPEB Trust to begin to fund the Department's pension liability and prevent leaving stranded assets in the OPEB Trust. She noted that the Department's current pension liability is currently \$28.9 Million, representing 24.38% of the City's total pension obligation, and that the City has reported that it is on track to fully fund that obligation by 2033. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Brian Roy reported that 44% of planned summer gas is locked in price and that 13% of forecasted winter gas is also 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 also reviewed April natural gas rate comparisons, noting that the Department remains very competitive in all rate classes.

Mr. Roy then reported that construction activities on the LNG I&R project have resumed and that the existing vaporization and boiler system have been removed and that mechanical and electrical conduits are being installed to support the new systems. He also noted that the EFSB has issued a tentative approval of HG&E's petition for a fifth storage tank, and that the petition is scheduled to be on the EFSB meeting agenda for April 21st. Mr. Roy noted that the tentative EFSB approval attempts to limit the Department's ability to utilize a new tank. Mr. Marrero asked if Holyoke's environmental justice and economic justice concerns were getting sufficient attention from the EFSB in the approval process. Mr. Roy then reported that distribution crews completed the replacement of 500 feet of coated steel

pipe behind the Kmart plaza that had deteriorated due to localized corrosion. He further reported that gas construction contractor crews have returned for the season and are working on Sargeant Street and Cabot Street as part of the PHMSA FY2022 Grant project. He also reported that there are currently zero (0) leaks on file and that a total of 26 leaks were identified and repaired through March. Mr. Roy then noted that staff have completed the annual update of the PSMS program as well as the service quality metrics, noting that the metrics indicate that the Department is meeting its PSMS goals. The metrics were shared with the Commission. There was a brief discussion on the matter.

Mr. Roy then reported that a Temporary Solution (TS), along with an Activity Use Limitation (AUL), has been filed with the MassDEP for the Old Gas Works site. He stated that the action was taken due to declining recovery and impractical means to recover remaining coal tar at the old Steam Enhanced area of the site. He noted that the filing process was complicated by the requirement to fully survey six parcels that make up the site. Commissioner Marrero asked if consents were obtained by owners of all of the impacted parcels and Mr. Roy confirmed that consents were obtained by all property owners. Mr. Roy then noted that the TS and AUL would reduce maintenance and monitoring requirements and allow limited uses of portions of the site consistent with the AUL. There was a brief discussion on the matter.

ELECTRIC DIVISION

POWER SUPPLY

Mr. Steve Roy reviewed the April 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 April 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 March peak occurred on March 3rd, hour-ending 19, and that 4.976 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 planned padmount transformer inspections have been completed and that infrared inspection of the overhead distribution and transmission system is ongoing. He reported that construction of the 1894 Transmission Pole Line Replacement is ongoing and that 12 of the 15 poles have been replaced. He also noted that Haugland Energy Group has begun 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 41% complete, with 979 AMI meters having been installed since January 1st. Mr. Roy then reported that HG&E received APPA's Certificate of Excellence in Reliability for 2025, which recognized HG&E for being in the top quartile for System Average Interruption Duration Index (SAIDI) for 2020-2024. He then noted that FERC recently issued Order 594, which is intended to resolve long outstanding complaints by market participants that Transmission Owners (TO's) have been earning an unreasonably high return on equity (ROE) for new construction projects. He stated that the order reduces the TO's ROE from 11.14% to 9.57% and requires the TO's to refund approximately \$1.6 Billion to market participants that paid those charges. He stated that HG&E's projected refund is estimated to be between \$2.5- \$4.5 Million. He noted that the TO's have appealed the decision and that the timing and amount of any refund is still uncertain. He also gave an update on other maintenance activities and battery storage projects. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Roy reported that hydro production was 12% below plan for March and is 21.6% below plan year-to-date, due to low river flows. He noted that April river flows have been more steady and that electric production is trending up 4% over plan for the month. He then gave a brief update on Cobble

Mountain Unit #3 rebuild status noting that the turbine/generator rehab RFP is on plan to be issued in early June. He also reported that the annual spring canal outage was completed as scheduled on March 26th with no significant issues to report. He also gave an update on other ongoing projects, noting that Northern Construction, the rubber bladder contractor, is scheduled to begin mobilizing in June to replace the bladder and that canal headgate operator replacements would also begin in June. Finally, he noted that the Robert E. Barrett Fishway is operational and that a small number of fish have already been lifted over the dam. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave an update on sales and operations activity. He also gave an update on cybersecurity training efforts. There was a brief discussion on the matter.

CUSTOMER SERVICE

Ms. Rogers reported that the utility shut-off moratorium would be lifted on April 1st and that standard shut-off procedures would be implemented at that time. There was a brief discussion on the matter.

MARKETING & COMMUNICATIONS

Ms. Sullivan Craven gave an update on a recent Ordinance Committee meeting and a proposed data center moratorium. 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 safety, education, shad derby and fishway tours. There was a discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

SPONSORSHIP REQUEST – HOLYOKE ROTARY CLUB: Mr. Lavelle reported that the Department received a sponsorship request from the Holyoke Rotary Club in the amount of \$3,000 to support several community events during 2026, including the Summer Concert Series at Heritage State Park, and recommended that the request be approved. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the sponsorship per the recommendation of management.

SPONSORSHIP REQUEST – CITY OF HOLYOKE JULY 4TH FIREWORKS: Mr. Lavelle reported that the Department received a sponsorship request in the amount of \$21,000 from the Mayor to serve as the major sponsor of the July 4th Fireworks display and recommended that it be approved as it is consistent with the sponsorship level for the past several years. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to approve the sponsorship per the recommendation of management.

BID AUTHORIZATIONS: None

BIDS RECEIVED:

REPLACEMENT OF VEHICLE #14 (TRANSIT VAN): Mr. Lavelle recommended that the Commission award the contract for the replacement of Vehicle #14 to Marcotte Ford, the low bidder off of the state bid list meeting all requirements, at a cost not to exceed \$56,625 (net of trade and insurance pay-out). He stated that the vehicle would be purchased off of the State bid contract #VEH111 and will replace existing Vehicle #14 which was totaled in a recent accident in which the other party was deemed at-fault. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to award the contract per the recommendation of management.

REPLACEMENT OF VEHICLE #9 (BACKHOE): Mr. Lavelle recommended that the Commission award the contract for the replacement of Vehicle #9 to United Construction and Forestry, the low bidder off of the state bid list meeting all requirements, at a cost not to exceed \$140,000 (net of trade and add-ons). He stated that the vehicle would be purchased off of the State bid contract #VEH111. After a brief discussion and on a motion from Commissioner Sutter, seconded by Commissioner Marrero, it was unanimously voted to award the contract per the recommendation of management.

FINANCIAL AUDIT SERVICES: Mr. Lavelle recommended that the Commission authorize the expenditure of up to \$112,700 for professional financial auditing services required to conduct full financial audit services for the Department, Holyoke Solar Cooperative, Massachusetts Clean Energy Cooperative, and the OPEB Trust. 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
- 04/09/26 – JL/BM/Financial Statements, Balance Sheet & Summary Reports – January & February 2026
- 04/07/26 – COMM/BM/Pension Fund – LPL Self Insurance Trust
- 03/27/26 – KC/MC/Sponsorship Request – 2026 Sponsorship Opportunities, Holyoke Rotary Club
- 04/01/26 – JL/KC/Sponsorship Request – City of Holyoke Fireworks
- 04/06/26 – SR/JB/2026 Electric Division Vehicle Replacement
- 04/08/26 – BR/JB/Purchase of Replacement Vehicles – Backhoe #9
- 04/01/26 – JL/BM/Purchasing Approval: 2025 Financial Statement Audit

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, May 12th 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 6:45 P.M.

HG&E Commission