

**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS VIRTUAL MEETING
JANUARY 28, 2021 AT 6:00 P.M.**

Present for the Board: Chair Gregory Dubreuil, Vice-Chair John Hine, Anne Awad, Peter McAvoy
Absent: Kurt Schenker

Present for SHELD: General Manager Sean Fitzgerald, Financial Manager Michael Conchieri, Administrative Assistant Kim Mendoza, Sr. Engineer Mark Gilmore

Guests: SHELD Attorney Ben Coyle, Master Plan Implementation Committee members Judith Gooch and Keith Paul

The virtual meeting was called to order at 6:00 P.M. by Chair Dubreuil.

Minutes Approval:

12/3/2020 Executive Session

On a motion made by Mr. Hine and seconded by Ms. Awad, it was unanimously

VOTED: To approve the minutes of the Municipal Light Board Virtual Executive Session meeting of December 3, 2020, and to release them.

12/3/2020 Open Session

Mr. Hine moved to approve the minutes of the Board of Commissioners virtual meeting of December 3, 2020, seconded by Ms. Awad. After some technical difficulties, Mr. McAvoy asked if he could make a comment and proceeded to make a statement. SHELD's Attorney Coyle addressed Mr. McAvoy's comments stating that this is not a debate about the minutes and clarified that the agenda item, and action before Mr. McAvoy, is to determine if the minutes drafted were accurate as to what was said at the meeting or if they needed to be amended. Mr. McAvoy stated that there was a typographical error of a missing word, in a paragraph in the Fibersonic update, that needed to be corrected and requested to move on.

Mr. Hine revised his motion: To approve the minutes of the Municipal Light Board virtual open session of December 3, 2020, as amended. It was seconded by Ms. Awad. Mr. Dubreuil, Mr. Hine, and Ms. Awad voted in favor; Mr. McAvoy abstained.

Master Plan Implementation Committee:

Ms. Gooch reviewed the process for updating the Master Plan. The Planning Board is currently considering the draft, then it will be available for public comment. She explained that the Committee was going to give every board the opportunity to review the action items assigned to them. The current draft has multiple entities sharing some action items. She had sent the list of SHELD's goals to the Commissioners to review and would like them to comment on them in writing to the Planning Board. There will be a public hearing in late March. The Master Plan is

on the Town website. It was up to the Commissioners as to how they want to handle the review of the plan.

After a brief discussion it was decided that the Commissioners would hold a separate meeting to review and discuss the topics.

On a motion made by Mr. Hine, seconded by Ms. Awad, it was unanimously
VOTED: to schedule a separate meeting to review the Master Plan.

Public Comment:

Mr. John Howard had emailed the Board asking about adding incentives for electric lawn mowers to the rebate program. After a short discussion, it was decided SHEL D would work with MMWEC and other MLPs to revisit the rebate program and see where other incentives could be added to the program.

Manager's Report:

Outages:

SHEL D had three outages in the past month that impacted 169 customers. The largest outage was on January 10th on Woodbridge Street and resulted from an automobile accident. Crews had to take an emergency outage to replace a pole but were able to transfer some customers onto the Pearl Street circuit to reduce the number of customers affected.

Fibersonic Update:

The 2021 construction plans were announced this week. There are many customers who want service now, however construction is moving as fast as it can within the approved budget projections. Aerial construction is currently under way in the next fiberhoods to be connected. Other areas, that had underground construction postponed last year, will be revisited this year.

COVID-19 Update:

We continue to operate as an essential business with our in-person customer service office closed to the public. There have been no changes.

October 2020 Financials:

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the financials for the month ending October 31, 2020.

Kilowatt hour sales for 2020 were down by 1% from 2019, or 990,000 kilowatt hours. Year-to-date operating revenues were about the same as in 2019. We had budgeted for a \$460,000 revenue increase; the actual was a \$466,000 decrease.

The 2020 kilowatt hour purchases were down by 2% from 2019, or 1,737,000. 2020 cost of power sold was down by about 9% from 2019, or \$692,000. \$147,000 of the decrease was attributable to a lower kilowatt hour purchase volume, and \$545,000 due to a lower purchase price. We had budgeted for a cost decrease of \$318,000; the actual was a decrease of \$374,000.

The increase in revenue was more than the decrease in cost of power; therefore, the net revenue was up from 2019 by about \$883,000. The actual to budget decrease in revenue was more than the actual to budget decrease in cost of power; therefore, the actual net revenue was down from the budgeted amount by \$190,000.

All other 2020 operating expenses on a combined basis, were up from 2019 by about \$657,000 and up from the budgeted amount by \$190,000.

The period ended with a net YTD loss of about \$219,000, which was not as good as the 2019 net YTD profit of about \$125,000 and not as good as the net YTD budgeted profit of about \$284,000. Mr. Conchieri answered a few questions from the Board members.

AMI RFP Recommendations:

Mr. Fitzgerald presented PowerPoint slides reviewing the AMI pilot program, which started in December 2019, and the lessons SHELd learned from the pilot program. AMI gives us information that allows us to understand what is happening on our distribution system and how we can manage it better. The next step was to issue a RFP with a September 24, 2020 bid opening. Seven proposals were reviewed, and four selected vendors gave presentations.

Mr. Fitzgerald gave the reasons management was recommending Landis & Gyr and requested that the Board approve and allow SHELd to enter contractual negotiations with L&G. There was a short discussion where Mr. Fitzgerald and Mr. Gilmore answered questions from the Commissioners on different aspects of the AMI program. Mr. Gilmore explained that the AMI meters will alert SHELd when a power outage occurs even before a customer calls in to report an outage.

On a motion made by Mr. Hine and seconded by Ms. Awad, it was unanimously

VOTED:

- 1) The Board hereby approves expenditures for the purposes of purchasing advanced meter infrastructure or “smart meters” (AMI); and
- (2) The Board authorizes the expenditure to fill the following needs of the Department: advanced meter reading, demand side management and peak shaving, economic development, and customer requests for AMI services; and
- (3) The Manager is hereby authorized and directed to take any action and sign all documents deemed necessary or advisable to carry out the purposes of this vote; and
- (4) Any actions previously taken by the Manager or the Department consistent with the purposes of this vote are hereby ratified and confirmed.

Distributed Generation Policy and Limit Discussion:

Mr. Fitzgerald presented PowerPoint slides that explained Distributed Generation and gave the background on SHELd’s distributed generation and interconnection policies. He also explained the reasoning behind the 10kW residential size limit, established in 2011, and the impacts that increasing the limits would have on the distribution system.

Commissioner McAvoy said he did not understand what the essential issue was regarding the 10kW limit after speaking with Mr. Fitzgerald and Gilmore, until he spoke with a SHEL D lineman. Mr. McAvoy told Mr. Fitzgerald that a simple answer about melting lines would have sufficed as an explanation. Mr. McAvoy suggested that we have a corroded infrastructure which needs investment. He also stated that the goal of the Master Plan is to implement green energy, of the variety that we citizens consider green energy, and that does not include nuclear energy. Chairman Dubreil stated that renewable and nuclear energy is not relevant to the discussion of the DG policy limit and that we are not here to debate the previous discussion between Mr. McAvoy and Management, as referenced by Mr. McAvoy. Mr. McAvoy suggested that the level of voltage could be greater than what standards allow and referencing the previous discussion on the 10kW limit not in open session but between Mr. McAvoy in his basement and Mr. Fitzgerald in his office, he stated that there was no threat there that he would imagine.

Commissioner Awad stated that she was puzzled and felt very uncomfortable, that her heart rate was racing, and that she did not understand where a lot of anger was coming from regarding DG. Ms. Awad then reminded board members to be respectful, not be bullying people, and that there was no need to be expressing a lot of anger. Ms. Awad also reminded everyone that it does not present well to the public. Mr. McAvoy apologized and said anger is the child of fear and fear is the parent of anger and that global warming is an issue that needs to be addressed by every town and every board.

Commissioner Hine asked a question regarding DG cap increases and Mr. Fitzgerald answered that they were increased. Mr. McAvoy then inquired as to how the town bylaw creation occurred. Mr. Gilmore explained the genesis of the bylaw on solar caps. Mr. McAvoy then referenced his proposal from Valley Solar, which shows a roof size that permits a 14kW limit and expressed his dismay that he is not allowed to have one that size. Mr. McAvoy then stated that there are steps this board can take for the best interest of the rate payers in their pursuit of life, liberty, and happiness.

Mr. Fitzgerald clarified that SHEL D's distribution system is not corroded, is well managed and is in good condition. Mr. Fitzgerald explained that it was not designed as a bi-directional system. Mr. Gilmore stated that if the lines were melting, then he would not be doing his job. He finished by stating that SHEL D's distribution system is newer and rarely has outages caused by old equipment. Mr. Gilmore stated that he has worked on systems for many years, while working as an electrical engineer with Eversource in this region, and SHEL D's system is by far in better condition than he has experienced.

Mr. Dubreuil asked if the Board wanted to make any motions on this topic. There were no motions.

Old Business:

There was none.

New Business:

Mr. McAvoy asked permission to ask the Board members if they believe that fossil fuels are the cause of global warming and poor air quality and to ask their hopes/expectations to override the designed obsolescence for the power contracts we have in nuclear facilities we own.

Mr. Dubreuil reminded Mr. McAvoy that he could only ask to have the topic put on a future agenda. The main function of the Board is to conduct SHELLED business and to act on items that require actions by the Board.

Mr. Hine moved: To include an agenda item to allow members to express their views regarding energy at the next SHELLED meeting in February.

The motion was seconded by Ms. Awad. Mr. McAvoy, Mr. Hine, and Ms. Awad voted in favor. Mr. Dubreuil voted against.

Adjourn:

On a motion by Mr. Hine and seconded by Mr. McAvoy it was unanimously
VOTED: To adjourn

The open session ended at 7:43 P.M.


Anne Awad, Clerk

Approved: February 25, 2021

EXHIBIT A

List of Documents reviewed at the January 28, 2021 Municipal Light Board Meeting

1. Draft Executive Session Minutes of the MLB December 03, 2020 meeting
2. Draft Open Session Minutes of the MLB December 3, 2020 meeting
3. Master Plan Goals for SHELD
4. October 2020 Financial Statement
5. AMI Pilot Program and Update Slides
6. Distributed Generation Slides

From: [McAvoy, Peter](#)
To: [Kim Mendoza](#)
Cc: [Board](#); [Sean Fitzgerald](#)
Subject: Re: MLB Meeting Thursday February 25, 6:00 PM
Date: Monday, February 22, 2021 9:31:56 AM
Attachments: [image001.png](#)

Chairman Durbieul, Managing Director Fitzgerald, Board Secretary Awad and Board of Commissioners Secretary Designate whom I believe to be Kim Mendoza:

I object to the minutes as delivered. I demand that this statement accompany submission and recording of said minutes. The amount of irregularities between the written record attached to the email to which I am replying, and the meeting as recorded on SH CATV (publicly available for all to witness and act upon) are too many for an unpaid elected official to coordinate and correct at this juncture. Fortunately, for the concerned citizen ratepayers of this town, the meetings are recorded and those that so choose can infer what they will and judge whether the administration of SHELd as currently configured is serving the rate payers' best interests, or someone else's best interests.

The only correction I insist upon is the false statement near the end which delineates my questions that will be asked and answered by the SHELd Board of Commissioners and relevant Senior Staff of SHELd to include not just whether the answering party believes fossil fuels (that is, mined petroleum products) cause global overheating and negatively impact air quality, BUT ALSO, does the answering party believe that extending the nuclear power positions SHELd has with two nuclear reactor plants beyond those plants designed obsolescence dates is a goal SHELd should seeking to gain at this juncture.

In closing, not only does the written narrative exclude voiced opinions contrary to the secretarial parties dislike, but it seems to me to imagine dialogue that did not occur. What's next on your manipulate truth agenda, revising the recordings of SH CATV Board of Commissioner meetings to coincide with redacted written public meeting minutes?

Peter McAvoy
Legal Counsel

20 Jewett Lane
South Hadley, MA 01075

Phone 4135304019

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