

**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT  
BOARD OF COMMISSIONERS MEETING  
SELECTBOARD MEETING ROOM, TOWN HALL  
FEBRUARY 28, 2019 AT 6:00 P.M.**

Present for the Board: Gregory Dubreuil, Chair, Vern Blodgett, Vice Chair, John Hine, Kurt Schenker  
Peter McAvoy

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

The meeting was called to order at 6:01 P.M. by Chair Gregory Dubreuil who mentioned the earlier start time of 6:00 P.M. for the meeting. He said the Board wanted to be sensitive to the ratepayers and stated, that, if the new time causes problems for any of the ratepayers, the Board would address the earlier start time again.

**Minutes Approval:**

9/27/18 Executive Session

On a motion made by Mr. Blodgett and seconded by Mr. Schenker, it was unanimously  
VOTED: To approve the minutes of the Executive Session of September 27, 2018  
and not release them at this time.

1/24/2019 Open Session

On a motion made by Mr. Hine and seconded by Mr. Blodgett it was unanimously  
VOTED: To approve the minutes of January 24, 2019, Open Session.

1/24/2019 Executive Session

On a motion made by Mr. Blodgett and seconded by Mr. Schenker, it was unanimously  
VOTED: To approve the minutes of the January 24, 2019, Executive Session  
and not release them at this time.

**Public Comment:**

There were no public comments.

**Manager's Report:**

Outages 2/26/2019 YTD

Mr. Fitzgerald began by stating that it had been a very busy two months when looking at outages. In January, there was a notable outage on New Ludlow Road caused by a raised dump truck bed that snagged a line and broke two poles. SHELD had to de-energize and isolate the lines in that area. This caused a short outage for several customers and a longer outage, of roughly 10 hours for one industrial customer, while crews replaced the poles and restored the lines.

On the night of February 25th, 440 customers lost power when severe winds caused damage to some trees which also took down power lines. The majority of customers were without power for less than two hours. Customers on lower River Road were without power for five hours because the damage was more significant. Mr. Fitzgerald apologized to customers who had trouble getting through to our emergency phone service. He stated that SHELD is already taking steps to correct that situation. There is a meeting scheduled with the current vendor to address the problem. SHELD is also investigating other providers

who may have a more dynamic phone service. Management is working to improve SHELD's emergency answering service so we can handle a higher volume of emergency calls in the future. Mr. Fitzgerald thanked the SHELD crews and staff who worked diligently to restore power and keep customers informed.

Mr. Hine asked if SHELD had enough crews for the number of outages that occurred. Mr. Fitzgerald replied that there were 4 Linemen and the Operations Manager working on the outages and it was adequate coverage for the outages that occurred.

Mr. Hine also commented that he went on Facebook and saw that SHELD was updating people on the status of the outages. He thought that was very helpful because of the problem that some people had getting their calls answered. Mr. Fitzgerald stated that Facebook was another way to engage with customers and that Kelly Frazier was doing an excellent job keeping people up-to-date. Mr. Fitzgerald stated that he came in to answer phones for a while and was relieved by Greg St. Onge who also helped answer the phones. Mr. Fitzgerald said there is always good information on SHELD's Facebook page and he hopes that the ratepayers continue to follow SHELD for current information.

**MMWEC Designation of Voting Representative Vote:**

Mr. Fitzgerald outlined MMWEC's yearly Designation of Voting Representative requirements. Each year MMWEC By-laws require that the MLB vote to ensure SHELD has the appropriate designated directors authorized for voting purposes at MMWEC. Mr. Fitzgerald is listed as the primary person to vote on MMWEC business. If he is not available, then the Board members are able to vote for SHELD. On a motion made by Mr. Hine and seconded by Mr. Schenker, it was unanimously

VOTED: To designate the voting representatives and alternates as indicated in the document.

**Peak Shaving Temporary Generator:**

MMWEC, our wholesale energy services provider, is offering SHELD and all other Municipal Light Plant members an opportunity to participate in a program, this summer, to rent a mobile temporary generator that is capable of producing 2MW's of power. We would locate the generator at the Pine Shed Substation. The purpose of the temporary generator is to reduce summer capacity and transmission costs. Capacity charges are based on the SHELD load at the time of the ISO-NE system peak, one time per year. Transmission charges are based on the SHELD load at the time of the Northeast Utility (NU) Transmission System Peak, monthly. The capacity and transmission peak can occur at different days and hours.

The project will also allow SHELD to gain more experience in peak shaving which will be helpful in the implementation of future initiatives such as battery storage systems, demand response programs and peak pricing rate designs. It could help SHELD determine what the payback could look like for a battery storage unit, and justify the use of a battery storage unit, which could cost two million dollars.

MMWEC monitors the ISO-NE system and NU transmission load, and will operate the generator when peaks are likely, 2 to 3 times per month, trying to hit the peak each month over the summer months.

The costs are \$80,000 for the rental, \$20,700 for diesel fuel, and \$3,300 for MMWEC's Administration fee, totaling \$104,000. It could potentially save SHELD \$178,000 in capacity charges and \$60,000 in transmission charges, netting SHELD a savings of \$134,000.

Mr. McAvoy asked how long the rental period lasts. Mr. Gilmore said it's about a 3.5 months' rental period, from June through mid-September. The estimated fuel cost is based on a healthy run time per month. Mr. McAvoy also asked what a mobile generator costs to purchase. Mr. Fitzgerald said some municipalities are purchasing generators which could cost approximately one million dollars.

Mr. Fitzgerald said that SHELD is interested in battery storage but the investment is significant. This project is a good way to prove out the economics and justify investing in a battery storage project. Mr. Hine asked if the batteries would charge overnight when we are not using the energy we are getting from the nuclear plants. He also asked if they could be used during the daytime, if there was a need for more energy. Mr. Fitzgerald replied yes to both questions. SHELD is well positioned for battery storage as we do have an oversupply of excess generation in the overnight hours.

Mr. Fitzgerald stated that he did not need a vote from the Board. It's an energy entitlement and he is authorized to proceed as Manager, but he wanted the Board's views before agreeing to it. SHELD management agrees that SHELD should proceed with the project. MMWEC is offering a good program. The Board did not have any objections.

**Fibersonic:**

Mr. Fitzgerald publically introduced SHELD's new high-speed internet service website, Fibersonic.com, by logging on to the new website. He reminded everyone that the Board voted to expand fiber internet service to all residents of South Hadley in October 2018.

He then answered four common questions being asked by SHELD customers about the service:

- What is fiber? It is high-speed internet delivered over a fiber optic network for your home or business.
- When can I get it? First, SHELD needs to hear that you are interested in the service. To do that, go to the Fibersonic home page and click on Show Interest. Construction has begun in two neighborhoods, Ridge Road area and Old Lyman Road area, which are highlighted on the website map. Each area consists of approximately 250 customers. Service in those neighborhoods will be available this summer and fall.
- When will service be available in my neighborhood? SHELD will construct the remaining 30 neighborhoods over the next 4 years based on interest expressed on the website. We are constructing in the two areas now but it takes considerable construction effort to complete the Town.
- How will I know when it's available in my area? We will be providing updates to all customers on progress we make. We will be reaching out to customers in many ways e-mail, social media, the Fibersonic website and marketing materials.

Mr. Fitzgerald gave everyone a tour of the website and showed customers how they could "Show Interest" on the website. On the map, he reviewed the four steps it takes to connect each fiberhood; gathering interest, under construction, accepting applications, and connected. The two yellow polygons are the areas where we are actively constructing. By the end of summer, we will have the majority of those areas ready to be lit up for gig-a-bit speed service. The team and crews are working as fast as possible and once we have constructed in the first two areas, we will turn on the application step for those people to be able to apply. SHELD will be notifying those who have "shown interest" when it's time to fill out an application. There is also a FAQs section with additional questions and answers people may have.

Mr. Fitzgerald stated that SHELD is very excited about this project and he thanked the Board for their vision and for deciding to move forward with FTTH.

Mr. Hine asked if commercial customers could get fiber right away. Mr. Fitzgerald stated that SHELD has been connecting commercial and municipal customers for quite some time. The gig-speed internet service, which has the same upload/download speeds, is very helpful for commercial customers businesses.

Mr. Dubreuil commented that everything has been very well planned, organized, and executed to this point. The Board spent quite a bit of time reviewing the project before deciding to move forward. This is not a small dollar investment and he is glad to see things going so well.

Mr. Fitzgerald thanked Mr. Dubreuil, the staff and Bobby Liswell for all their efforts, stating that Mr. Liswell is key to the fiber deployment.

Mr. Hine asked about the demo room that is planned at SHELD. Mr. Fitzgerald described the hi-tech room that is planned to show customers how fiber internet works. It will have equipment, streaming services, show internet speeds, and display an Alexa router that people can try. It will show customers how things work and will take the fear out of cord cutting. SHELD is not selling television but it will have the fastest internet service. The room should be functional by the end of March.

Mr. McAvoy asked if future construction was based solely on interest. Mr. Fitzgerald stated that SHELD will try to go to the locations that have the highest interest. He continued by saying that high interest will play a large part in deciding where to construct next, but they also have to look at construction challenges. If there is a huge amount of underground service in an area, that may require SHELD to evaluate how to accomplish that installation.

**New Building Site Selection:**

Mr. Dubreuil started the conversation by stating that a new facility has been under discussion for some time. Right now management is busy with the deployment of fiber. Mr. Dubreuil doesn't want to distract them from that task but the availability of a location will not improve over time. He feels we need to start looking at site selection even if construction is not in the near future. He stated that Mr. Fitzgerald has done a great job making the current facility more livable but there are greater challenges now that fiber has been introduced.

Mr. Fitzgerald agreed that the introduction of fiber has created more space challenges. SHELD can get by in its current building, but ideally more storage space for equipment, space for trucks and employees is needed. The building has been modified but there are other issues that need to be addressed, like the parking lot, ADA compliance, and being in the flood zone. It's time to start looking for a new site.

Mr. Blodgett mentioned that a new location and building dovetails with the new strategic plan. Mr. Fitzgerald stated that the strategic plan is done. He is adding pictures and the Manager's goals. He wants to present it to the Board before the next meeting and ask them for any final edits so it can be released to the public by posting on the website.

Mr. Dubreuil mentioned SHELD wants to partner with the Town and the Falls Redevelopment Authority relative to the building location search process. Mr. Fitzgerald stated that one of the Strategic Plan Values is transparency and we want to include the feedback from the public as we go through the process.

Mr. Hine is concerned that we are in the leading initiative of the rollout of fiber to the home. We are in a critical phase of the process and he does not want us to take our eyes off that task. At the same time, we can still watch for a potential site. We don't want to miss an opportunity, but we have to make fiber rollout our highest priority right now. Mr. Fitzgerald stated that he will make sure that we balance these priorities carefully.

Mr. McAvoy commented that he liked reading in the minutes that he was not inclined to pursue fiber; instead, he was inclined to preserve financial resources for renewable energy. He still stands by that statement. He stated that he originally got involved with SHELD because of the new building and that he was glad that the previous new building project failed to go through. He stated he is glad that we have

nuclear energy, meaning that we are not adding to climate change, but he will not be happy about how we provide energy until it is completely renewable with windmills, solar power and water power. He stated that is where we should focus our resources; he will not be a strong proponent of investing in a new facility until we are the cleanest municipal light facility in the nation. He feels that will attract new people to the Town and he is not in favor of spending money on a building we don't need. He's all about making what we have work for us.

**New Business:**

Mr. Dubreuil asked if there were any other public comments since the meeting started at its new time of 6:00 P.M. There were not any comments from the public.

Mr. Fitzgerald said he sent the Board an invitation to MMWEC's Conference in Gardner, MA on May 1<sup>st</sup>. If anyone is interested in attending, please let him know.

**Adjourn:**

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

The open session ended at 6:51 P.M.



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John Hine, Clerk

Approved: March 28, 2019

**EXHIBIT A**

List of Documents reviewed at the February 28, 2019 Municipal Light Board Meeting

1. Draft Executive Session Minutes of the MLB September 27, 2018 meeting
2. Draft Open Session Minutes of the MLB January 24, 2019 meeting
3. Draft Executive Session Minutes of the MLB January 24, 2019 meeting
4. Outages 2/26/2019 YTD
5. MMWEC Peak Load Shaving Program