



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' VIRTUAL MEETING
DECEMBER 11, 2025, AT 4:00 P.M.**

Present for the Board: Chair John Hine, Vice Chair Paul Dobosh, Ron Coutu, Darren Hamilton, Tom Terry

Present for SHELD: General Manager Sean Fitzgerald, Director of Operations Adam St. Martin, Administrative Services Specialist Kim Mendoza, Finance Manager Michael Conchieri

Guests for Executive Session: Keith Martin and Tom Doolittle from Skanska USA Building, Ted Cutler from Tecton Architects, Paul Fleming, Aimee Bell, and Tim Clinton from Fuss & O'Neill, Scott Sullivan from Consulting Engineering

The virtual meeting was called to order at 4:00 PM by Chair John Hine who stated the Board would move to Executive Session for purposes pursuant to M.G.L.c.164, § 47D to consider the purchase, exchange, lease, or value of real property AND to discuss strategy with respect to collective bargaining with IBEW 455 AND for the purpose of discussing trade secrets, confidential, competitively sensitive, or other propriety information pertaining to fiber projects, and return to open session at approximately 6:00PM.

On a motion by Mr. Terry, seconded by Mr. Hamilton, it was
VOTED: To move to executive session for the reasons stated by the Chair and return to open session at approximately 6:00 PM, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hine-aye.

The Board returned to open session at 6:02 PM.

Minutes Approval:

10/23/2025 Open Session:

On a motion by Mr. Dobosh, seconded by Mr. Terry it was
VOTED: To approve the open session minutes of October 23, 2025, by roll call vote: Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hamilton-aye, Mr. Terry-aye, Mr. Hine-aye.

10/23/2025 Executive Session:

On a motion by Mr. Dobosh, seconded by Mr. Hamilton, it was
VOTED: To approve but not release the executive session meeting minutes of October 23, 2025, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hine-aye.

Public Comment:

There were none.

Manager's Report:

Outages: There was a two-hour outage on Halloween around midnight on Hadley St due to high

winds impacting 28 customers. On 12/7 there was a four-hour outage on Ludlow Rd impacting 9 customers due to a car accident pole break.

Fiberspring Update: An important fiber equipment upgrade was completed moving us from a single 10gig uplink to multiple 20gig link aggregation upgrades in our fiber central offices. This combined uplink capacity upgrade provides significantly more headroom of up to 40gig and supports our bandwidth needs for the foreseeable future. Upgrades to our network equipment allow us to expand with usage growth. The fiber plant has the capacity to ensure decades of quality internet and telephone service for all our customers' bandwidth growth.

We will be presenting the Longmeadow fiber design and financial projections to the Longmeadow Selectboard on January 5th.

September 2025 Financials:

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the financials for the month ending September 30, 2025.

Kilowatt hour sales of 86,575,000 for 2025 were up by 2.2% from 2024 or 1,885,000 kilowatt hours. Year-to-date operating revenues of \$14,060,000 were up from 2024 by 8.39% or about \$1,089,000, consisting of an increase of \$289,000 in volume and an increase of \$800,000 in selling price.

The 2025-kilowatt hour purchases of 86,629,000 were up by .69% from 2024, or 598,000. The 2025 cost of power sold of \$9,153,000 was up by about 13.89% from 2024, or \$1,116,000, consisting of an increase of \$56,000 in kilowatt hour purchase volume, and an increase of \$1,060,000 in purchase price.

The increase in revenue was more than the cost of power sold; therefore, the net revenue of \$7,998,000 was up from 2024 by \$70,000. The actual net revenue was down from the budgeted amount by \$253,000.

All other 2025 operating expenses of \$7,332,000 on a combined basis, were down from 2024 by about \$291,000 and up from the budgeted amount by \$213,000. September 2025 ended with a net YTD gain of about \$1,204,000, compared to the 2024 gain of \$940,000 and was less than the budgeted amount of a \$1,673,000 gain.

2026 Budget:

Operating revenues were calculated using current rates applied to 97% of projected kWh purchases. 2026 budget average price per kWh is .1599, 2025 projected price was .16813, and the 2024 actual price was .15721. We anticipate a 2.7% increase in volume.

The cost of purchased power and transmission expense are based on projected 2025 purchases and derived from MMWEC's bulk power purchase forecast dated November 2025. 2026 budget average cost per kWh price is .0889, the 2025 projected average cost per kWh is .1044, and the 2024 actual average cost was .0931. We anticipate a 2.7% increase in volume.

Salaries and wages were calculated using current staffing and pay rates in the union CBA. Nonunion payrates were based on current pay rates. Distribution wages were increased to include an overtime estimate of 10% of gross wages and decreased to exclude a capitalization estimate of 40% of gross wages.

Cost of power, distribution, customer accounts, and supplies and expenses were determined based on historical / expected costs. Pension and benefit costs were determined based on the best available estimates as of the date of the budget.

SHELD is forecasting a \$1,961,000 profit for 2025. Net Increase in electric plant equity is equal to the DPU allowable limit of 8% on net plant cost.

Capital expenses for the year are estimated to be \$4,038,000 which include operations facility, battery storage, transformer and system voltage upgrades, expansion of fiber optic network to facilitate telecommunications, and vehicle modernization and vehicle replacement plans (digger derrick).

On a motion by Mr. Terry and seconded by Mr. Dobosh, it was unanimously VOTED: To approve the 2026 budget as presented, by roll call vote: Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hamilton-aye, Mr. Terry-aye, Mr. Hine-aye.

Update DG (Formerly PV) Metering and Interconnection Policies:

Mr. St. Martin displayed the current and proposed changes to the Interconnection and Metering policies to expand the policies to include emerging technologies in distributed generation. Changes to the Interconnection Policy are the residential cumulative cap increased from 2% (570 kWh) to 3% of 2025 Peak (855kW), expanded to include residential batteries, bidirectional EV and charging installations and other applicable technology (i.e. DG Systems), expanded 10kW size limitation to DG Systems, expanded to indicate that customer will be responsible for system upgrade costs. Changes to the Metering Policy are expanded to include metering and requirements for DG systems and expanded to include specific requirements for DG systems. There are additional guidelines. If the customer wants reimbursement they must be enrolled in the peak savings program, such as Connected Homes.

There are DG clusters in Town which could require an upgrade to our system and that would exceed the established caps for more distributed generation. Caps are for managing impact to the system. Questions from the Board were answered on the costs a homeowner may encounter if they live in an area getting close to what the current system can handle.

On a motion by Mr. Dobosh and seconded by Mr. Hamilton, it was unanimously VOTED: To approve the changes to the Interconnection and Metering policies as presented, by roll call vote: Mr. Terry-aye, Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hamilton-aye, Mr. Hine-aye.

New Building Non-Binding Resolution:

Mr. Coutu indicated that he is interested in having a non-binding resolution question on the spring Town ballot to gather ratepayer feedback on a new SHELD building. He said the process is simple and either he, or his wife, will be gathering the 10 needed signatures and applying to the Town to put a non-binding question on the spring ballot. It will give the Board more information on how people feel about a new building. He feels the Board's primary responsibility is to the ratepayers who elected them and he feels the building is too expensive. The Board doesn't need to vote on whether he can do this and the Board can choose to ignore the information they get but he is moving ahead with putting a question on the ballot.

Mr. Hine disagreed. Mass General law states deciding on a new building is the Board's decision, not the ratepayers. We have had 2 forums where people could express their feelings and only a few people raised concerns. The Board is elected to make these decisions. Many ratepayers are not informed enough about why SHELD needs a new building to have an accurate opinion. Putting this on a referendum will cause confusion. Mr. Hine stated SHELD is incurring more costs every day and can't wait until April to decide whether to stop or move forward with the project. The Board has supported all the steps to this point. There are many people working on this project, and we need to keep the process moving forward. We can't stop now and wait until April, waiting will create problems with acquiring the property and going before the planning board.

Mr. Terry stated that it's not the Board's call if Mr. Coutu proceeds with the non-binding question, and the Board doesn't need to take a position. We will need to put information out to the public so people will be more informed to answer the question. Mr. Dobosh agreed that Mr. Coutu can do this, but the Board doesn't need to make a statement. The Board can still make their decision after reviewing all the information they have gathered over the last year that supports the need for a new building. The Board has a responsibility to SHELD, not just the ratepayers.

Mr. Fitzgerald stated that the Board has discussed constructing a new building 13 times in the last 14 months, all in open to the public meetings, including two open meeting new building public forums. Mr. Fitzgerald referenced the legal opinion provided in the board packet, which provides 100 years of case law, that says this decision is for the Municipal Light Board to decide and that the Supreme Judicial Court states that Municipal Light Boards must think strategically on long term power supply and reliability, and that SJC thought it would be unwise for voters and selectboards to be responsible for reliability and power supply decisions.

Mr. Coutu is not against a new building but wants to look for ways to trim the building to be much smaller by not including space for fiber, which he says is non-essential. Mr. Fitzgerald stated that the Board previously voted for a 30-year fiber commitment worth millions of dollars and doesn't think the fiber division should be left out of the new building.

Mr. Hine said the Board needs to take a formal vote on the project soon. It costs SHELD more money every day we delay. We need to decide whether to accept one of the three proposals in front of them or to start over from scratch. He asked Mr. Coutu to write up a proposal for the

next meeting of what he envisions for the building. The Board will need to vote on how to proceed at the next meeting.

Spatial Needs Assessment Vote:

This discussion was postponed until the next meeting.

General Manager's Performance Review:

Mr. Hine reviewed the performance review process for the General Manager, whose goals in reliability, customer engagement, community stewardship, finance and workforce, were evaluated with scores of 1-5. Each board member completed their review then the reviews were compiled. The composite score is supportive of a positive review. He met or exceeded all his goals. A subcommittee of two people will negotiate compensation with Sean and report back to the full Board. Mr. Dobosh and Mr. Terry have expressed interest in being on the committee. Mr. Hine reviewed the next steps.

On a motion by Mr. Coutu and seconded by Mr. Hamilton, it was unanimously VOTED: To appoint Mr. Dobosh and Mr. Terry as the subcommittee, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hine-aye.

Old Business:

Mr. Fitzgerald forgot to mention that fiber is at a 53.5% take rate for South Hadley, approaching 3000 South Hadley customers in his fiber report.

New Business:

The next scheduled Light Board meeting is Thursday January 22, 2026.

Adjourn:

On a motion by Mr. Dobosh seconded by Mr. Hamilton, it was unanimously VOTED: To adjourn the meeting, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hine-aye.

The open session ended at 7:15 P.M.

Signed by:

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Darren Hamilton, Light Board Clerk

Approved: January 22, 2026

EXHIBIT A

List of Documents reviewed on December 11, 2025, at the Municipal Light Board Meeting

1. Draft Open Session Minutes of October 23, 2025
2. Draft Executive Session Minutes of October 23, 2025
3. Financial Statements September 30, 2025, and 2024
4. Operating and Capital Budget ending December 31, 2026
5. SHELDDistributed Generation Policies – 12/2025