



South Hadley Electric Light
D E P A R T M E N T

New Administrative and Operations Building

September 10, 2025

South Hadley Senior Center



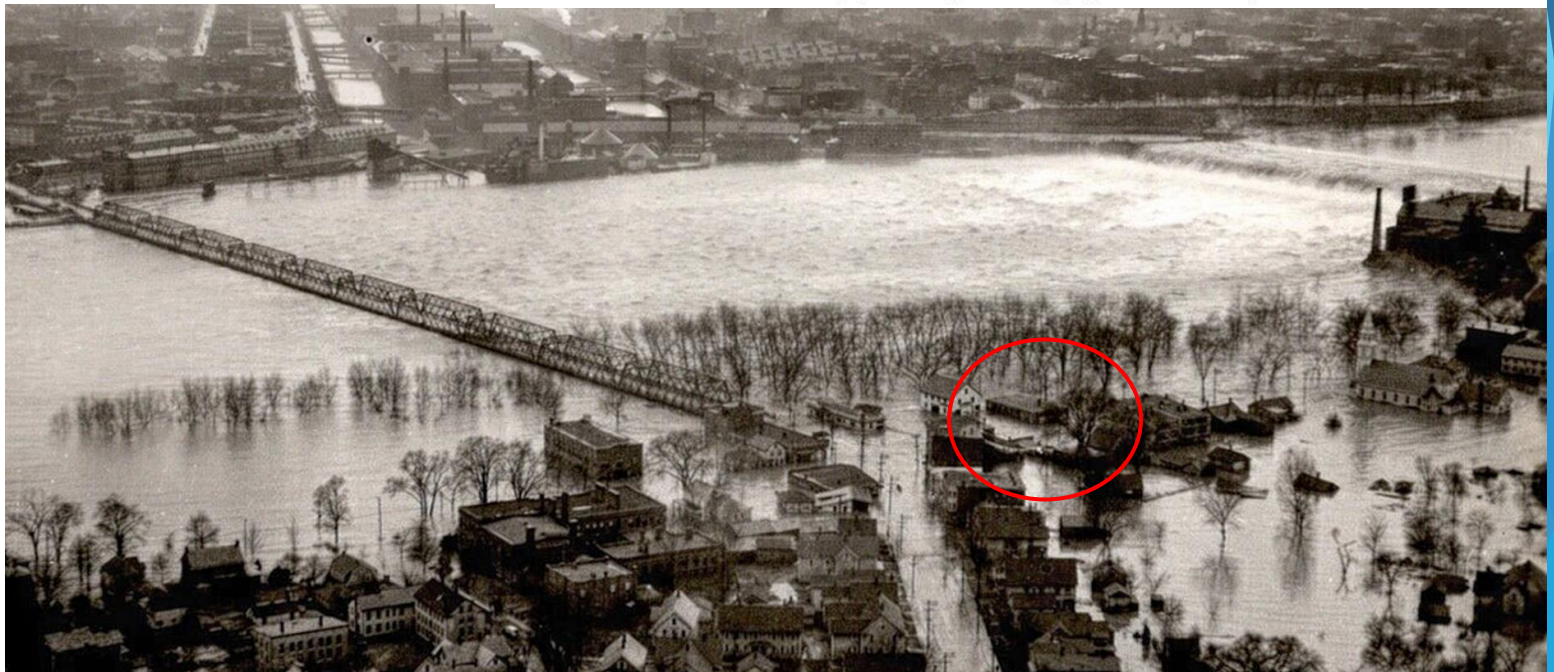
WHY?

- Current SHELD & Fiberspring facilities are too small
 - Current Building is 30% too small
 - Current Warehouse is 70% too small
 - Existing Parking & Equipment Yard not adequate
- Significant Improvements needed for existing building
 - HVAC
 - Parking Lot
 - Roof
 - ADA Compliance
 - Code Compliance
- SHELD is located within the 100-year flood zone
- SHELD is an essential service facility

The Flood of 1936



Holyoke Dam, March 19, 1936. The water level was at 17 feet when this photo was taken.
Courtesy of South Hadley Public Library/digitalcommonwealth.org

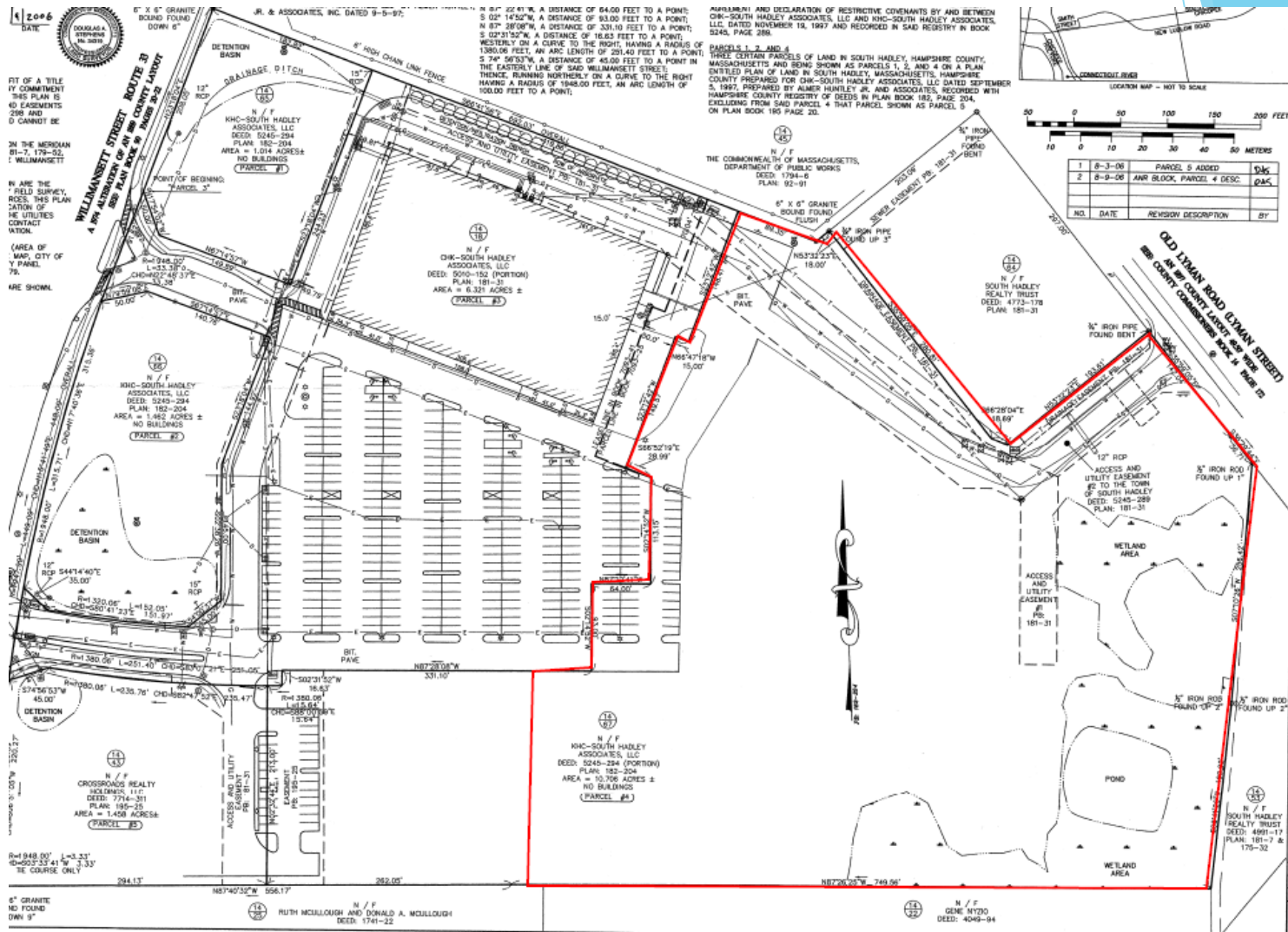




What's Been Done

- SHELD has updated our original needs assessment to include changed conditions and telecommunications requirements
- SHELD has located business zoned land located across from the Big Y Supermarket and has signed a Purchase & Sale Agreement
- SHELD has hired an Owners Project Manager (OPM) and a Design Services Architect
- Phase I Environmental Site Assessment has been completed, Wetland delineations were conducted and confirmed with the Conservation Commission, Geo-Technical soil borings were conducted to understand the drainage and compaction capabilities of the soils

Proposed Location of New Facility

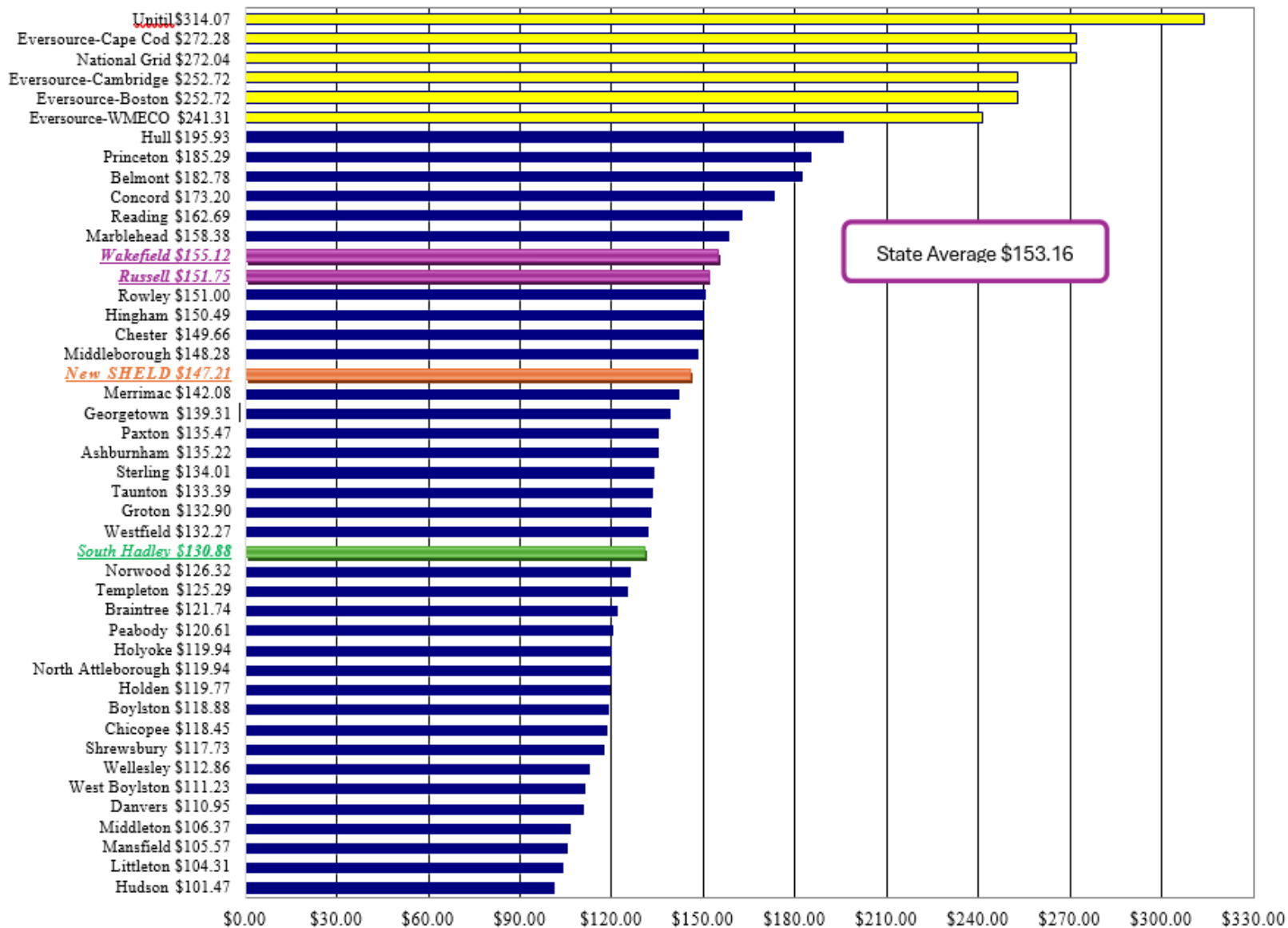




What's the Impact?

- The Cost of the new building based on a preliminary design
 - \$25 Million in construction (approx.)
 - \$12 Million in soft costs (site preparation, furnishings)
- Impact on Rate Payers
 - Increase of 2.3 cents per kilowatt hour (kWh) or an average of \$16.27 per month for a 700 kWh customer bill
 - This will decline after the 1st ten years to 1.8 cents per kilowatt hour (kWh) or an average of \$13.14 per month for a 700 kWh customer bill and will decline again after the 2nd ten years to 1.42 cents per kilowatt hour (kWh) or an average of \$9.92 per month
- Continued success of our Fiberspring business holds the potential to lessen the impact on rate payers as costs are allocated between the electric and telecommunications lines of business

Residential Rate Comparisons 750 kWh June 2025





Cost of Not Building

- The cost of NOT building a new building
 - Repairs, Renovations, and Code Compliances:
\$6.5 to 8.5 Million
 - Continued Cost of Leased Space for Fiber Operations:
\$72K per year
- The Purchase or Construction of a Remote Facility to provide critical reliability electric services in the event of a flood \$???
- Leased, purchased, or construction of additional space for Fiberspring Operations is unknown \$????



Summary

The SHELD Board is committed to providing reliable electrical service to the residents of South Hadley at the lowest possible cost, now and into the future.

- Awarded the 2023 & 2024 American Public Power Associations (APPA) “Certificate of Excellence and Reliability”
- Continue to have electric rates in the lowest quartile state, which are 50% less than the IOUs and below the state average for all utilities, including MLPs
- To meet that commitment we must address both the limitations of the current facility and the threat of another catastrophic flood

Delaying investment will further increase cost to build. A very similar new building proposal in 2014 had an estimated cost of \$12 million.



South Hadley Electric Light
DEPARTMENT

Questions?

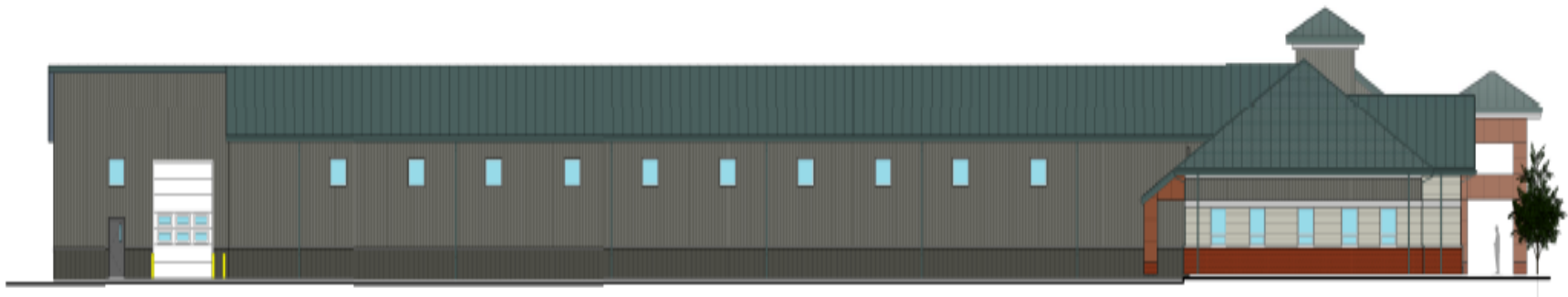


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DEPARTMENT

SHELD Conceptual Building Design



01 WEST ELEVATION
1/8" = 1'-0"



02 NORTH ELEVATION
1/8" = 1'-0"



(F) EAST ELEVATION
1/8" = 1'-0"



(H) SOUTH ELEVATION
1/8" = 1'-0"