

# Westfield Gas & Electric Municipal Light Board Regular Meeting Minutes June 2, 2021



Location: Gas & Electric Operations Center, 40 Turnpike Industrial Rd. Conference Room, Westfield, MA

The meeting was called to order at 7:00 p.m.

## I. Call to Order

Chairman Roman stated that in accordance with Governor Baker's March 12, 2020, Order Suspending Certain Provisions of the Open Meeting law, G.L. Chapter 30A, Section 20, this meeting of the Municipal Light Board will be conducted in person and via remote participation. The notice for this meeting invited members of the public who wish to listen to the meeting to do so by calling in telephonically to any of the numbers provided in the meeting notice. This virtual meeting will be audio recorded and, per the WG+E MLB Video Policy, the recording will be available on the WG+E website within one week. The Chairman asked if anyone, other than the Municipal Light Board, was recording the meeting. Hearing none the Chairman welcomed the public that may be listening to the meeting.

## II. ROLL CALL was taken as follows:

Present:

Ward #4 Commissioner, Francis L. Liptak  
Ward #5 Commissioner, Joseph B. Mitchell  
Ward #6 Commissioner, Robert C. Sacco  
Appointed Commissioner, A. Edward Roman  
Ward #1 Commissioner, Kevin M. Kelleher  
Ward #2 Commissioner, Ray Rivera  
Ward #3 Commissioner, Dawn Renaudette

Absent:

Present: 7    Absent: 0

## III. PLEDGE OF ALLEGIANCE

#### IV. READING OF THE RECORD:

On motion by Commissioner Mitchell, seconded by Commissioner Liptak, it was unanimously;

VOTED: To accept the minutes of the May 13, 2021, Regular Session Meeting of the Municipal Light Board as presented.

On motion by Commissioner Rivera, seconded by Commissioner Renaudette, it was unanimously;

VOTED: To accept the minutes of the May 13, 2021 Executive Session Meeting of the Municipal Light Board as presented, and not release to the public at this time.

#### V. PUBLIC PARTICIPATION: - None

#### VI. COMMUNICATIONS RECEIVED BY GAS AND ELECTRIC:

- a) **Acknowledgment- MHA, Inc.** - A note from Kimberly A. Lee, VP of Resource Development and Branding thanking WG+E for supporting their 2021 golf tournament.
- b) **Acknowledgement- Stanley Park** – Letter from Robert Mckean, Managing Director thanking the WG+E for supporting and donating to their annual fundraiser event, *Carrie on the Carillon: There's Music in the Air*.

#### VII. REPORTS FROM THE GAS & ELECTRIC:

##### A. *Action Required Items*

- a) **Human Resources Quarterly Status Report.** Human Resource & Administrator Records Manager, Beth Burns reported that, as requested by the March 2017 MLB meeting, a quarterly update is provided to the MLB reflecting personnel transactions that have occurred since last reporting. The reporting period reflects there was four (4) hires: Customer Service Representative, Telecommunications Technician, Dispatcher, and Executive Administrative Assistant. There were some promotions done within the management level to reflect corresponding increases in responsibilities that included Tim Fouche to Accounting Procurement & Contracts Manager, Betsy Loiko as Customer Service Manager, and Caitrin Ferriter promoted to Director of Customer Service and Sales. The Human Resource & Administrator Records Manager explained the short-range plans of eventually bringing on an Operations Superintendent position to assist the Operations Manager. Interviews are underway for the open Key Accounts and Sales Manager position. Also in the works is a possibility of hiring another Utility Engineer. Finally, there are two new IBEW positions currently posted on our website that are not reflected on the report

provided. Interviews are in process to fill a Utility Engineering Aide Field Technician and an Electric Station and Distribution Technician.

b) **Technical Organization Chart Update** Human Resource & Administrator Records Manager, Beth Burns gave a brief explanation on the updated Technical Organization chart (TO) and the General Manager also spoke to explain further the organizational changes that were reflected in the chart to define the Executive Leadership Team and break out Customer Service into its stand-alone own Department rather than being included within Finance.

c) **Energy Stabilization Funds Quarterly Report** Jay Kline, Director of Finance & Energy Supply noted that we continue to make a \$25,000 monthly contribution to the Electric Rate Stabilization Fund. The January activity is due to the annual principal payment from the Southwest Cooperative to WG+E. After this payment the principal due WG+E is down to a balance of \$4.4 million on the promissory note which was signed approximately 10 years ago. The downside is rate of return on the trust which is currently down 60- basis points due to interest rates being extremely low. Commissioner Kelleher inquired what the rate of return was in 2020, Mr. Kline reported there was about a 1 percent difference in comparison from 2020 to 2021. Mr. Kline reported on the gas side WGE has hit a milestone in April and crossed over the ten (10) million-dollar mark which is a positive note. The current target is \$14.5 million. In April, the monthly contribution was raised from \$25,000 to \$50,000. Mr. Kline and the General Manager are looking at potential alternatives out there relative to the interest rates.

d) **Rates and Energy Supply Planning Presentation- Keziah Bednarsky**

i. **Quarterly Gas and Electric Rate Comparison-** The General Manager introduced Keziah Bednarsky, Sr. Quantitative Energy Supply Analyst, on behalf of the Energy and Supply team to provide a PowerPoint presentation on the various aspects of how their team addresses rates management, supply planning and future energy portfolios. With regard to rates management, they must first project annual load and expenses as well as determine annual net income requirements. Rates are then adjusted as necessary to meet the targeted net income. Conducting a cost-of-service study is beneficial to ensure that each customer class is being charged appropriately without subsidizing another. Ms. Bednarsky then moved on to discussion of the energy supply planning process with the goal of continued low and stable rates with limited risk and guaranteed price certainty through proper hedging and peaking contracts. The earlier referenced stabilization funds are the fallback if any anomalies occur, such as the unprecedented February deep freeze that crippled Texas with generating plants unable to produce power leaving millions in the dark and cold and spot energy prices through the roof. Commissioner Mitchell questioned if there is any fear of having no supply available to which Sr. Energy Supply Analyst Sue Blumenthal replied that any hedging is negotiated for firm delivery to guarantee supply. Commissioner Sacco questioned if the targets set for the stabilization funds are adequate and there had been earlier discussions about revisiting. Traditionally, funds were targeted to provide four months of operating expenses Mr. Kline

reminded the group that we will essentially be tripling our load with the upcoming net zero legislation making it difficult to estimate what the target point should be.

- ii. **Gas Customer Energy Credit Program** - Keziah Bednarsky, Sr. Quantitative Energy and Supply Analyst explained to the MLB the Gas Energy Savings Credit Program was offered again to WG+E natural gas heating customers during the 2020-2021 winter period. The program intends to encourage customers to utilize conservation measures over the winter months to reduce their use of natural gas. Customers who reduce consumption during the winter months by a minimum of 10 percent (adjusted to degree days) over the previous winter period are awarded a \$50 credit applied to their WG+E account. There were 46 participants this year, which was an increase from last year, although fewer customers were able to successfully decrease their gas consumption to win the credit. With work from home and remote learning due to the Covid-19 pandemic many households did not have the opportunity to turn down the heat before leaving for work or school. This led to an average of 16% more consumption per participant (weather adjusted) than last winter. This year resulted in three winners or 6.5% who received the \$50 credit applied to their WG+E account.
- e) **Update on Termination Activity.** The General Manager reported that there is an average of 50-97 terminations a day with terminations being only being done on Tuesday, Wednesday, and Thursdays. Customer Service staff averaged over 300 calls a day in the week leading up to Memorial Day and three customer service staff members were on standby over the holiday weekend to answer calls, take payments and make pay arrangements. Customers are being repeatedly informed of the various charitable organizations they can reach out to for assistance and the non-profit organization of Wayfinders has been quite active with assistance lately, having paid almost \$50,000 to accounts that were in arrears. Commissioner Rivera questioned if the Elm Street Office was still closed to the public. Customer Service Manager Loiko explained that appointments need to be made with two customers allowed in the office at a time with masks worn by all. Whip City Fiber will have 300-400 terminations that will occur the week of June 6<sup>th</sup>. The Customer Service Manager noted to the MLB the difference between the fiber and the WG+E side is there is little assistance of funding provided for the fiber side. Caitrin Ferriter, Director of Customer Service and Sales mentioned the FCC's Emergency Broadband Benefit program which enables customers who qualify to receive a \$50.00 credit each month until six months after the pandemic is declared over or the funding of the program runs out. There is a total of 53 customers that signed up for this program locally and in surrounding areas. Commissioner Mitchell asked when the first cycle of terminations end relative to the volume of calls that the customer service team is receiving. Customer Service Manager noted the first cycle is always the busiest and a little more challenging this year because there were no terminations last year due to the pandemic. Commissioner Sacco asked if there is a cap time-period for customers to pay their balances that are in arrears. The Customer Service Manager explained ideally those customers balances will be paid off prior to next winter, some customers will have their balances paid off by that time frame and others will continue a payment plan permanently.

- f) **Quarterly Release of Executive Session Minutes** The Manager reported that the Open Meeting Law requires that the public body, or its chair or designee, shall, at reasonable intervals, review the minutes of executive sessions to determine if the provisions of this subsection warrant continued non-disclosure. Since that time, discussion occurred with regard to releasing the minutes of Executive Session meetings in redacted form to ensure the confidentiality of sensitive issues. The last release of Executive session minutes occurred at the MLB meeting held in March. As decided previously, these reviews will occur quarterly. The MLB was presented with the minutes that the General Manager recommended be released at this time, which included the General Manager's contract which has been completed.

After review of the minutes to be released by the MLB, on motion by Commissioner Rivera, seconded by Commissioner Liptak, it was unanimously:

VOTED: that the Westfield Gas & Electric Municipal Light Board determines that the following portions of the Executive Session minutes may be released to the public:

January 6, 2021 - Item b) GM Contract  
February 18, 2021- Item a) GM Contract

That the General Manager is hereby authorized and directed to take any actions he deems necessary or advisable to carry out the purposes of this vote in compliance with M.G.L.c. 30A §22.

- g) **Monthly Financial Reports-** The Director of Finance and Energy Supply Jay Kline reported the financials continues to look positive. The Gas Division gain exceeds the original estimate by \$1.2M and Electric Division is currently \$3K above the original forecast. Our forecast on the electric side is relatively conservative for the summer months looking to trend a bit higher at \$500-\$600K above budget (weather permitting). On the Telecom side, the slight loss exhibited trails the forecast by \$750K and is reflective of the on-going timing difference between hilltown construction expenses and associated billing to the towns. As construction is finished, and all billing completed, we will see revenues exceeding forecasts.

**B. Informational Items:**

- a) **Utility Issues** was presented and accepted by the MLB  
b) **Utility News** was presented.  
c) **Utility Courses Update** was presented.

**VIII. OLD BUSINESS:** - None

**IX. NEW BUSINESS:**

- a) The General Manager noted that he reviewing revision to the current reconnection charge for customers to capture actual costs. Currently, any customer seeking a reconnect for non-payment pays a \$20 fee, and after 3PM \$50. Customers currently receive three requests for payment before a final notice is sent via FedEx. The reconnect fees currently in place do not cover these internal administrative expenses.
- b) Manager Flaherty also stated that he wished to explore a self-insurance trust fund which would be another vehicle to give WG+E some flexibility with addressing unforeseen events that fall outside our current policies.
- c) Chairman Roman reported to the MLB, that Commissioner Renaudette Chairman of the HR Committee would like to revisit the General Manager's evaluation and would like this to appear on the July 7<sup>th</sup>, 2021, agenda. He further mentioned that he had been in contact with an agency that performed compensation surveys and questioned if he should pursue. Upon discussion, it was decided that the Chair would obtain a quote and bring the information back to the July meeting.

**X. EXECUTIVE SESSION:**

On the motion of Commissioner Mitchell, seconded by Commissioner Renaudette, and on the basis of a roll call it was:

VOTED: To adjourn the regular meeting of the Municipal Light Board meeting and enter executive session for the purpose of discussing trade secrets or confidential, competitive-sensitive or other proprietary information as noted on the agenda, and not to reconvene the Regular Session after adjournment from Executive Session.

Liptak	"aye"
Mitchell	"aye"
Sacco	"aye"
Roman	"aye"
Kelleher	"aye"
Rivera	"aye"
Renaudette	"aye"

Motion passed 7-0. 0 absent

Chairman Roman stated that the Municipal Light Board would be entering into executive session for the purpose of discussing trade secrets or confidential, competitive-sensitive, or other proprietary information, as noted on the agenda, and would not reconvene the Regular Session after adjournment from Executive Session.

**XI. ADJOURNMENT**

Chairman Roman declared the regular session portion of the meeting adjourned at 8:43 p.m.

A TRUE RECORD.

Attest:

  
\_\_\_\_\_  
A. Edward Roman, Chairman

**Documents Presented at  
 REGULAR SESSION June 3, 2021**

Municipal Light Board Regular Session Meeting Minutes – May 13, 2021			
Municipal Light Board Executive Session Meeting Minutes – May 13, 2021			
Human Resources Quarterly Status Report – 2 <sup>nd</sup> Quarter 2021	Beth Burns, HR Resource & Administrative Records Manager	June 2, 2021	Administrative/Organization Employee Workforce AO-3.6
Technical Organizational Chart Update	Robin Krok, HR Associate		
Electric Rate Stabilization Fund – First Quarter 2021	J. Naughton, Financial Reporting Manager	June 2, 2021	Financial Electric Rate Stabilization Fund Management F-6.1
Gas Rate Stabilization Fund – First Quarter 2021	J. Naughton, Financial Reporting Manager	June 2, 2021	Financial Gas Rate Stabilization Fund Management F-7.1
Energy Supply – Rates Management and Supply Planning	Keziah Bednarsky Sr. Quantitative Energy Supply Analyst	June 2, 2021	
Quarterly Gas and Electric Rate Comparison	S. Blumenthal, Senior Energy Supply Analyst	June 2, 2021	
Gas Energy Savings Credit Program Results	K. Bednarsky, Senior Quantitative Energy Supply Analyst	June 2, 2021	Marketing Gas Energy Savings Credit Program M-3.1
Release of Executive Meeting Minutes	Thomas P. Flaherty General Manager	June 2, 2021	Regulatory and Government Affairs MLB Meeting Management – RGA-1.2
Monthly Financial Reports	T. Fouche, Accounting, Procurement and Contracts Manager	June 2, 2021	Financial Annual & Quarterly Reports
Utility Issues	John W. Welch	June 2, 2021	Regulatory & Governmental Affairs Gas/Electric Regulatory Issues, RGA-1.4; RGA1.5
Utility News/Pulse Line	Robin Krok, HR Associate	June 2, 2021	Communications/Customer Service/ Community Affairs Media Relations – CCA-1.6
Utility Course Update 2021 Seminars/Workshops	Robin Krok, HR Associate	June 2, 2021	Administration and Organization WG+E Training & Development, AO-3.6



# Westfield Gas & Electric Municipal Light Board Executive Session Meeting Minutes June 2, 2021



Location: Gas & Electric Operations Center, 40 Turnpike Industrial Rd. Conference Room, Westfield MA

## MINUTES

After a brief recess, Executive Session of the Westfield Gas and Electric Light Department Commission convened at 8:54 p.m. following a roll call vote taken at the Commission Meeting for the purpose of discussing trade secrets, and competitively sensitive information or other proprietary information, as noted on the agenda, and not to reconvene the Regular Session after adjournment from Executive Session.

Roll call was taken as follows:

**Present:**

Ward #1 Commissioner, Kevin M. Kelleher  
Ward #2 Commissioner, Ray Rivera  
Ward #3 Commissioner, Dawn Renaudette  
Ward #4 Commissioner, Francis L. Liptak  
Ward #5 Commissioner, Joseph Mitchell  
Ward #6 Commissioner, Robert C. Sacco  
Appointed Commissioner, A. Edward Roman

**Absent:** None

Present: 7 Absent: 0

**Others:**

Tom Flaherty, General Manager  
Beth Burns, HR and Administrative Records Manager  
Leanne Cloutier, Executive Administrative Assistant  
Caitrin Ferriter, Director of Customer Service and Sales  
Jay Kline, Director of Business and Energy Supply  
John Leary, Director of Information Technology  
Jack Welch, Esquire (participated remotely)

- a) **Competitive Business Update (Whip City Fiber)** – The General Manager informed the Board that WG+E had a very positive follow up visit with the Town of West Springfield on June 2<sup>nd</sup> regarding the proposed 10-year contract with Whip City Fiber (WCF) as the Internet Service Provider/Network Operator (ISPNO). The total build out would cost the Town of West Springfield between \$20-25M. The first phase would be the build out of four FSA pilot areas.

The Town of West Springfield informed General Manager Flaherty the proposal will move forward and be on the agenda for the next City Council meeting scheduled for Monday, June 21<sup>st</sup> at 7:00 p.m. General Manager Flaherty encouraged the Board to attend the meeting in support of the proposal as this will be the first vote required of the City Council. If the vote moves forward on June

21<sup>st</sup> the West Springfield City Council would have to vote to form a Municipal Light Plant (MLP) and this vote would move forward to a public vote on the ballot in November 2021. The City Council would also need to vote to create an enterprise fund that would allocate monies to start building the pilot area(s). The proposed plan could have the pilots completed and customers connected by Summer 2022 and the second required vote to establish an MLP would appear on the November 2022 ballot. General Manager Flaherty indicated that if the first vote in November 2021 did not pass, the entire process would stop, and West Springfield would forfeit approximately \$200,000 that they would have been expended in beginning the pole application process for the make-ready work.

General Manager Flaherty informed the Board that the Town of Agawam would not move forward with our proposed statement of work at this time. It is believed that the funding available through the American Recovery Act for municipal broadband may be appealing to other communities and General Manager Flaherty added that the new Key Accounts and Sales Manager will be engaging with other surrounding towns introducing and proposing Whip City Fiber as an option to be their Internet Service Provider/Network Operator (ISPNO). Furthermore, this funding could be an option to assist the Department in completing expansion in Westfield.

**Adjourn**

On motion by Commissioner Sacco seconded by Commissioner Mitchell, and on the basis of the following roll call it was:

VOTED: To adjourn the Executive Session portion of the meeting and not to reconvene in Regular Session.

Liptak	"aye"
Mitchell	"aye"
Sacco	"aye"
Roman	"aye"
Kelleher	"aye"
Rivera	"aye"
Renaudette	"aye"

Motion passed 7-0. 0 absent

Chairman Roman declared the Executive Session of the Commission meeting adjourned at 9:25 p.m.

A TRUE RECORD.

Attest:

  
\_\_\_\_\_  
A. Edward Roman, Chairman

Documents Presented - None