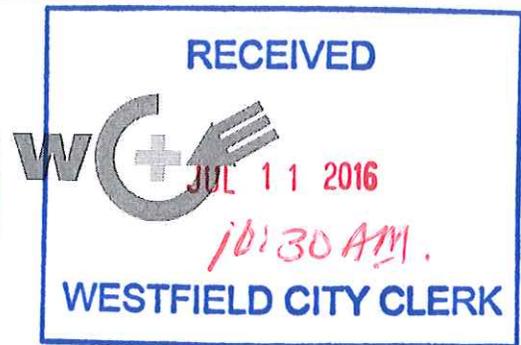


100 Elm Street Post Office Box 990 Westfield, Massachusetts 01086-0990
 Telephone: 413-572-0100 Facsimile 413-572-0104 www.wgeld.org

Westfield Gas & Electric Municipal Light Board Regular Meeting Minutes June 8, 2016



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

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

Vice Chair Jane C Wensley presided over the meeting in the absence of the Chair.

I. Call to Order

II. ROLL CALL was taken as follows:

Present:

Ward #1 Commissioner, Kevin M. Kelleher
 Ward #2 Commissioner, Ray Rivera
 Ward #3 Commissioner, Jane C. Wensley
 Ward #4 Commissioner, Francis L. Liptak
 Ward #6 Commissioner, Robert C. Sacco (Joined in Progress)
 Appointed Commissioner, A. Edward Roman

Absent: Ward #5 Commissioner, Thomas P. Flaherty

Present: 6 Absent: 1

III. PLEDGE OF ALLEGIANCE

IV. READING OF THE RECORD:

On motion by Commissioner Roman, seconded by Commissioner Rivera, it was unanimously:

VOTED: To accept the minutes of the May 4, 2016 Regular Session Meeting of the Municipal Light Board as presented.

To accept the minutes of the May 4, 2016 Executive Session Meeting of the Municipal Light Board as presented, but not release to the public at this time.

V. PUBLIC PARTICIPATION: None

VI. COMMUNICATIONS RECEIVED BY GAS AND ELECTRIC:

- a) Acknowledgement - Kiwanis Club of Westfield – A letter was received from Kevin C. O'Connor, President, Kiwanis Club of Westfield, thanking WG+E for its generosity to the Westfield Kiwanis Club's 47th Annual TV Auction, which was an overwhelming success.
- b) Acknowledgement - Noble Visiting Nurse & Hospice – A letter from Jennifer Gruszka, Development Assistant, thanking WG+E for sponsoring the 12th Annual Wine and Beer Tasting, which took place Friday, May 6, 2016. The event was a social and financial success with an estimate of 300 people in attendance.
- c) Acknowledgement - St Peter & St Casimir Parish - a thank you note was received from Chris White of St. Peter & St Casmir Parish thanking WG+E for supporting their golf tournament by the donation of a gift certificate.
- d) Acknowledgement - Stanley Park – A letter from Robert McKean, Managing Director of Stanley Park, thanking WG+E for its donation to the loop project at Stanley Park. Stanley Park is grateful for the support of WG+E. The Manager noted that the Department has also assisted the Park with installation of electric service to their new pavilion as well as lighting of the new veteran's memorial.

VII. REPORTS FROM THE GAS & ELECTRIC:

A. *Action Required Items*

- a) Monthly Lost Time Report. Manager Howard reported that during the month of May there were no new injuries resulting in lost time.
- b) Chamber of Commerce June Breakfast. The Manager indicated the Chamber of Commerce Breakfast is scheduled for Friday, June 17, 2016 at the Ranch Golf Club. The guest speaker is Anthony D Gulluni, Hampden County District Attorney. The Manager received feedback on attendance from the MLB.
- c) Internet Exception Report. The Manager and Operations Manager, Aaron Bean, reported that at approximately 1:30 a.m. on May 9, 2016, a fiber circuit was cut in the Boston area which affected some of our telecommunications customers and their internet traffic. During that time, we worked closely with those customers to move traffic over to a second provider. However, it still had an impact on some of our commercial customers' email and VPN accounts. Commissioner Kelleher inquired if it was in a specific section of the City. Mr. Bean indicated it was not. Mr. Bean discussed efforts that have been in progress, prior to this interruption, to provide better resiliency and to mitigate interruptions of this magnitude. To that end, WG+E recently built a stronger network and has been moving its customers over to this more robust network.

Commissioner Sacco joined the meeting at 7:06 p.m.

- d) **Gas Customer Energy Credit Program.** The Manager reported that the Energy Credit Program was offered to WG+E natural gas heating customers during the 2015-2016 winter period. This program is designed to encourage customers to utilize conservation measures over the winter in order to reduce natural gas use. Customers that reduced consumption during the months of January, February and March by a minimum of 10% (adjusted for weather) over the previous winter period were awarded a \$50 credit applied to their WG+E account. The participation level for this past winter decreased slightly over the previous year. During this winter season, nineteen customers or 46% of the participants, managed to reduce their heating consumption this winter compared to last winter. Commissioner Rivera asked how does a customer become involved in the program. The Manager indicated the customer just needs to call WG+E and they will be included.
- e) **Quarterly Gas and Electric Rate Comparisons.** The Manager presented a report with respect to the first quarter 2016 Electric Residential Rate Comparison. WG+E customers, on average, pay 13.08% below the State of Massachusetts average, based on 750 kWh/month. The Manager presented a report with respect to the first quarter 2016 Gas Residential Rate Comparison. WG+E gas customers on average pay 2.20% below the State of Massachusetts average for this period, based on 392 ccf. Commissioner Rivera inquired as to whether Eversource's rate reduction would impact the WG&E's standing in the rate comparisons. The Manager responded that the investor owned rate reduction was only on the supply portion of their bill. Eversource also announced that they would be increasing their energy efficiency charge that would largely minimize any overall bill reduction. Regardless, their changes would not have any significant impact on the comparison charts.
- f) **Energy Stabilization Funds Quarterly Report.** The Manager provided a report relating to the Electric Rate Stabilization Funds. During the first quarter of 2016 WG+E continued to make the \$25,000 monthly contribution to the electric fund. No withdrawals were made from the Electric Rate Stabilization Fund during the first quarter. The only other activity was the interest credit. As previously reported to the MLB, WG+E continued to make the \$50,000 monthly contribution to the gas fund. There were no withdrawals made from the Gas Rate Stabilization Fund during the first quarter.
- g) **Monthly Financial Reports.** Finance Manager Jay Kline noted that the report reflected estimated amounts. Through the first four months of 2016, the Gas Division gain exceeds the original budgetary estimate by \$223k, while the Electric Division gain is currently \$741k higher than the original forecast. Although still estimates, the positive variances reflect lower than anticipated power supply costs as well as the timing of various capital and maintenance projects. Working gas in storage remains some 800 Bcf above both last year and the five-year average, and barring a very hot summer the market will remain very well supplied. The lack of energy demand has certainly had an impact on the financials. Commissioner Kelleher asked if increase in oil would impact use of gas. Mr. Kline responded that if oil were to go higher it would have an impact on gas usage. The longer

dated rally, however, is based in part on weather forecasts showing the Pacific El Nino dissipating rapidly and the potential to move toward a cooling La Nina event. The Manager noted that changes regarding cost of service study (COSS) approved by the MLB late in 2015 went into effect May 1st and there were only three inquiries recorded regarding the change. The implementation program devised was highly effective. Commissioner Roman stated that the financial reports statements were in good standing.

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: The Manager noted that the Department recently received two awards from the Safety Council of Western New England, a subsidiary of the National Safety Council. The first was an Award of Excellence for a fourth year for commercial vehicle safety and the second was for an Award of Honor for reducing the Department's occupational safety incident rate below that of the national rate. The MLB voiced their approval and support for the workforce in achieving these awards and ask the Manager to put an acknowledgement in the next employee newsletter. The Manager concurred with their comments.

X. EXECUTIVE SESSION:

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

VOTED: To adjourn the regular meeting of the Municipal Light Board meeting and enter into executive session for the purpose of discussing strategy with respect to collective bargaining, strategy as to potential litigation and trade secrets and competitively sensitive information the disclosure of which will adversely affect its ability to conduct business in relation to other entities making, selling or distributing electric power and energy and not to reconvene the Regular Session after adjournment from Executive Session.

Kelleher	"aye"
Rivera	"aye"
Wensley	"aye"
Liptak	"aye"
Flaherty	"absent"
Sacco	"aye"
Roman	"aye"

Motion passed 6-0. 1 absent

Vice Chair Wensley stated that the Municipal Light Board would be entering into executive session for the purpose of discussing strategy with respect to collective bargaining, strategy as to potential litigation and trade secrets and competitively sensitive information the disclosure of which will adversely affect its ability to conduct business in relation to other entities making, selling or distributing electric power and energy and would not reconvene the Regular Session after adjournment from Executive Session.

XI. ADJOURNMENT

Vice Chair Wensley declared the regular session portion of the meeting adjourned at 7:26 p.m.

A TRUE RECORD.

Attest:


Jane C Wensley, Vice Chair

Documents Presented at
REGULAR SESSION June 8, 2016

Name of Document	Author		Strategic Plan
Draft Regular Session Minutes of the Municipal Light Board - May 4, 2016			
Draft Executive Session Minutes of the Municipal Light Board - May 4, 2016			
Monthly Lost Time Report	Beth Burns, HR Coordinator/Records Manager	June 8, 2016	Communications/Customer Service/Community Affairs. Information Brief
Acknowledgement- Kiwanis Club of Westfield	Kevin C. O'Connor, President	April 1, 2016	
Acknowledgement- Noble Visiting Nurse & Hospice	Jennifer Gruszka, Development Assistant	April 18, 2016	
Acknowledgement- St. Peter & St. Casimir Golf Tournament	Chris White, Coordinator		
Acknowledgement- Stanley Park	Robert McKean, Managing Director	May 4, 2016	
Annual June Breakfast	The Ranch Golf Club	June 17, 2016	Strategic Initiative Control of Delinquent Accounts - F-8.0
Internet Exception Report	Aaron A. Bean, Operations Manager	June 8, 2016	Telecommunications Information Brief
Gas Energy Savings Credit Program Results	S. Blumenthal	June 8, 2016	Marketing Gas Energy Savings Credit Program M-3.1
Residential Electric Rate Comparison 750 kWh/Month			1st Quarter Total as of March 2016
Residential Gas Rate Comparison 392 Ccf/Month			1st Quarter Total as of March 2016
Electric Rate Stabilization Fund - 1st Quarter 2016	Aaron A. Bean, Operations Manager	June 8, 2016	Financial Electric Rate Stabilization Fund Management F-6.1
Gas Rate Stabilization Fund Management F-7.1	Aaron A. Bean, Operations Manager	June 8, 2016	Financial Gas Rate Stabilization Fund Management F-7.1
April 2016 Financial Report	T. Fouche, Accounting Manager	May 18, 2016	Financial Annual & Quarterly Reports F-4.5
Utility Issues	John W. Weich	June 8, 2016	Regulatory & Governmental Affairs Gas/ Electric Regulatory Issues, RGA-1.4; RGA 1.5
Utility News/Pulse Line	Beth Burns, HR Coordinator/Records Manager	June 8, 2016	Communications/Customer Service/Community Affairs Media Relations- CCA-1.6
Utility Courses Update- 2016 Seminars/ Workshops		June 8, 2016	Administration and Organization WG&E Training & Development, AO-3.6
Award of Excellence for a fourth year for commercial vehicle safety	Safety Council of Western New England.		
Award of Honor for reducing the Department's occupational safety incident rate below that of the national rate.	Safety Council of Western New England		