

# Westfield Gas & Electric Municipal Light Board Regular Meeting Minutes April 12, 2022



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

II. Chairman Roman stated that this meeting of the Municipal Light Board is being electronically recorded in both video and audio by the Municipal Light Board. As stated in the WG+E MLB Video Policy the recording will be available on the WG+E website within one week. Is anyone, other than the Municipal Light Board, recording the meeting and if so state whether it is an audio or video recording and whether the recording is being live streamed. Peter Currier of the Westfield News, who was in attendance remotely, indicated he was not recording.

## III. ROLL CALL was taken as follows:

Present:                   Ward #5 Commissioner, Joseph B. Mitchell  
                                  Ward #6 Commissioner, Robert C. Sacco (absent)  
                                  Appointed Commissioner, A. Edward Roman  
                                  Ward #1 Commissioner, Kevin M. Kelleher  
                                  Ward #2 Commissioner, Ray Rivera (arrived late -7:30pm)  
                                  Ward #3 Commissioner, Dawn Renaudette  
                                  Ward #4 Commissioner, Francis L. Liptak

Present: 5      Absent: 2

## IV. PLEDGE OF ALLEGIANCE

## V. READING OF THE RECORD OF:

On motion by Commissioner Mitchell and seconded by Commissioner Renaudette, made a motion to accept, it was voted on a 5-0:

VOTED: To accept the minutes of the March 2, 2022, Regular Session Meeting of the Municipal Light Board as presented.

To accept the minutes of the March 2, 2022, Executive Session Meeting of the Municipal Light Board as presented, but not release to the public at this time.

## VI. PUBLIC PARTICIPATION: None

## VII. COMMUNICATIONS RECEIVED BY GAS AND ELECTRIC:

- a) **Acknowledgement- Westfield Middle School-Patrick Dufraine-** Patrick Dufraine, teacher at the Westfield Middle School thanking the Westfield Gas + Electric for the gift of the 3-D printer for the Middle School engineer students.
- b) **Acknowledgment- Joanne and Bernie Couch-** Joanne and Bernie Couch expressed their gratitude on WG+E Westfield Warm program.
- c) **Acknowledgement- Artworks of Westfield, Inc.-** Artworks of Westfield, Inc., Cheryl Crowe sent a thank you card for WG+E generous sponsorship for Artworks of Westfield's "Agriculture" event to take place on May 6<sup>th</sup> and May 7<sup>th</sup>.
- d) **Acknowledgement-Greater Westfield Chapter of Special Olympics-** Diane Pirro, sent a thank you card on behalf the golf team, coaches, and families of the Greater Westfield Chapter of Special Olympics for the generous donation of shirts for the golf team and coaches.
- e) **Customer Compliment- 64 George Street-** Patricia Marrero of 64 George Street expressed the kindness of Arlene Paton, Customer Accounts/Collections Manager and the Customer Service Representatives as well as being able to utilize WG+E Westfield Warm Program.
- f) **Customer Compliment- Social Media-** A note of thank you was posted on the Westfield Gas + Electric/Whip City Fiber Facebook page for quick and professional service, when a customer came home to no heat, reached out to dispatch within thirty minutes heat was restored, adding Westfield is lucky to have a municipal utility organization.

- g) **Customer Compliment-Town of Blandford**- Peter Langmore, Town of Blandford, Municipal Light Board Manager expressed is gratitude of working with professional and dedicated people at WG+E/ Whip City Fiber.

## VIII. REPORTS FROM THE GAS & ELECTRIC

### A. Action Required Items

- a) **Collections Update Presentation-Customer Accounts & Credit Manager, Arlene Paton and Customer Service Manager, Betsy Loiko**- Customer Accounts & Credit Manager Arlene Paton and Customer Service Manager, Betsy Loiko each gave a brief PowerPoint presentation on both WG+E and Whip City Fiber Collections Updates to the Board which included:
- i. 2022 Notification Activity, 2021/ 2022 Fuel/Broadband Assistance and Comparison and Accounts Receivable Comparison for March of 2021/2022.
  - ii. Updates and success stories on Assistance Program options and opportunities for families and households requiring financial assistance.
- b) **Quarterly Power Line Publication**- The General Manager summarized the spring 2022 Quarterly Power Line publication mentioning April is National Safe Digging Month, the Call 811 press release, updates on construction underway in the Meadow Street Area, Hanover to Sycamore Street, White Street area, Main to East Bartlett Street, Russell Road area, Tekoa Country Club, and the Hampton Ponds Area.
- c) **Recorded MLB Meeting Quarterly Report** -The General Manager gave a brief overview to the Board on the recorded MLB meeting report showing minimal number of viewers this quarter.
- d) **Proposed 2022 Capial Project and Reconstruction Budget**- Director of Finance & Energy Supply, Jay Kline reported to the Board the Key Capital Projects for 2022.
- e) **Whip City Fiber- Westfield Expansion Update**- Utility Supervisor, Christopher LaVertu gave recap and update to the Board on the release dates of Fiber Service Areas in Westfield for the 2022-2023 season(s). The information designated to each ward with the projected start date and projected end date for customer activation of Whip City Fiber.
- FSA 42: North Rd. Area, Root Rd. to Southampton Rd- Start date 5/16/22  
FSA 94: Granville Road Area, Kyle Ln, to Granville line-Start date-6/6/2022  
FSA 41: Montgomery Rd. Area, Cabot Rd. and lower Russellville Rd-Start date- 6/27/2022  
FSA 79: Barnes Airport, Apremont Way (COMMERCIAL/INDUSTRIAL ZONE)- 7/18/2022  
FSA 5: Arch Rd. Area, Twiss St. to North Elm St. Start date-8/8/2022  
FSA 46: Lockhouse Rd. Area, Root Rd.- Start date-8/29/2022

FSA 951: Partial-West Rd. Area, West P.24 to Montgomery Rd.- Start date-9/19/2022  
FSA 13: Southampton Rd. Area, Emerald Ave to Hopkins Rd- Start date-5/16/2022  
FSA 78: Elm Street Area, Arnold St to Franklin St. (1 MDU)- Start date-6/6/2022  
FSA611: Hedges and St Dennis (Partial Removed from FSA 59)- Start date-  
6/27/2022 FSA 59 Broad St Area (1 MDU)- Start date- 8/2/2022  
FSA 68: Elm St. Area, Chapel St. to Meadow St.- Start date-8/23/2022  
FSA 69: Elm St Area, Main St. to Thomas St.- Start date-9/13/2022  
FSA 92:Westfield Shops Area: Start date-5/15/2022

- f) Building Roof & Leak Evaluation Update-** Director of Operations, Lee informed the Board the existing PVC roof system at the Operations Center at 40 Turnpike Industrial Road is approaching 21 years old and has reached its useful life expectancy. Additionally, the existing roofing assembly no longer meets energy code requirements. Construction costs for this project, which include a new PVC roofing system with tapered insulation, new skylights, as well as replacement of several areas of deteriorated metal deck, are anticipated to reach an estimated cost of \$4-\$5 million dollars. Lee noted, WG+E has not been out to bid for the roof replacement to date.
- g) FSA Expansion Area Marketing Statistics-** The General Manager gave a summary of Marketing Statistics provided by the Marketing department reflecting total locations, total applications as of March 1, 2022, applications before spring of 2021, applications added after spring of 2021, number of scheduled, installed, or activated, the percentage total applications /total locations to date for the following FSA Expansion Areas below:  
FSA 96, Upper Montgomery Rd. Area, Wyben- 57%  
FSA 80, Franklin St. Area, Provin Terrace to Kellogg Street- 41%  
FSA 75 Orange St. Area, Elm St. to Ford Ave- 31%  
FSA 87. Meadow St. Area, Hanover St to Sycamore St. -31%  
FSA 74, Franklin St. Area, Shepard St. to Franklin Ave.- 35%  
The General Manager added, we continue to market in the areas mentioned.
- h) Gas Service Reliability Benchmarking Report-** Director of Operations, Mike Lee gave a brief update on the Gas Service Reliability Benchmarking Report. This report shows response time for emergency and non-emergency calls. The average response for emergency calls in 2021 was 18 minutes, while other calls averaged a response time of 26 minutes. 2021 represented 12% more calls than the previous year. Lee added, priority calls equvalate to no heat, no hot water, etc. Commissioner Mitchell commended the response time and all Commissioner's agreed to the impressive service response to Westfield Gas+ Electric customers.
- i) Cast Iron Abandonment Program Report-** Greg Freeman, Utility Supervisor gave a brief overview to the Board. The Westfield Gas + Electric is responsible for providing natural gas service in a safe and reliable manner. The City's proposed construction projects for 2022 include reconstruction work on the Southwick Rd. Bridge. Freeman reported the project is currently on hold due to a lead time delay with MASS DOT. Commissioner Liptak inquired if all the piping is plastic, Freeman reported 90% is plastic piping. Freeman added as part of the WG+E Cast Iron Abandonment Program, a replacement of 17,575' of cast-iron main and 217 low-pressure services (54% of which are bare

steel) in 2022 on Western Avenue, Highland Avenue, Vadnais Street, Wilson Avenue, and St. James Avenue, Putnam Drive and Carol Drive, and Russell Road. This work represents an estimated 3.3 miles of main and 2.8 miles of service abandonment in 2022. The General Manager also noted that Engineering and Marketing are working together looking for grant opportunities, one of which is called the Build Back Better Program which is monies dedicated to public gas utilities in the United States, the goal would be accelerate this grant program to these projects.

**j) NGA Four-Year Effectiveness Study**- Director of Operations gave a brief overview of the Northeast Gas Association (NGA) Four- Year Effectiveness Study to the Board.

**k) Winter Energy Supply Recap**- Keziah Bednarsky, Senior Quantitative Risk Analyst gave a Winter Energy Supply Recap to the Board.

**l) Quarterly Gas and Electric Rate Comparison**- Director of Finance & Energy Supply, Jay Kline provided the MLB with a review of the Departments Electric and Gas rate comparisons for the fourth quarter and full year 2021. Residential electric cost for a customer utilizing \$750 kWh/month totaled \$307 in quarter four, some 17.7% below the state average. For the full year 2021, the same customer saw a cost of \$1,262, a level 14.8% below the state average. Similarly, commercial accounts paid more than 4% less than the state average in quarter four. For the full year 2021, commercial accounts experienced costs ranging from 5.45% to 8.99% below the state average depending on rate class. Residential Gas customers utilizing 155 Ccf paid \$289 or 2.3% below the state average in the fourth quarter and the same customer utilizing 785 Ccf in 2021 paid \$1,276 or 10.2% below the state average for the full year.

**m) Annual ILOT Report**- The General Manager presented the FY2023 in lieu of tax report.

On the motion by Commissioner Mitchell, seconded by Commissioner Renaudette, it was unanimously:

VOTED: that based upon the in-lieu-of-tax contribution formula vote taken at the June 9, 2004 and amended at the May 16, 2007 and October 2, 2013, and May 3, 2017 Municipal Light Board meetings, the following ILOT calculations and recommendation for FY 2023 is as follows:

1. That the Municipal Light Board determines the FY 2023 ILOT payment to the City of Westfield in the amount of \$650,869.
2. The ILOT is based upon 70% of the book value of the general plant as contained in the DPU Annual Report for the most recent fiscal year for gas and electric accounts 389 to 399, multiplied by the current commercial tax rate, (\$36.31 per \$1,000).
3. The actual ILOT cash payment to the City is then calculated by reducing the ILOT, as calculated above, to reflect the amount for non-statutory goods and services voluntarily provided by WG&E to

the City, including traffic light maintenance at an agreed upon annual amount of \$60,000.

that the ILOT cash payment of \$590,869 for the City's fiscal year 2023 be made by monthly payments of \$49,239 commencing on or after July 1, 2022; and

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.

**n) Annual Insurance Report** -Director of Finance and Energy Supply Jay Kline presented the Annual Insurance Report. Total insurance premiums for 2022 are projected to be comparable with the prior year. The increase added value of telecom revenue and equipment are the principal cause of increase. The Board voted the allocation of a Premium credit to PUMIC membership of \$136,000.00 in December 2021, Westfield Gas + Electric received \$28,857 in Premium credit as a result of our position as a founding member and superior loss experience. Although we continue to remain focused on safety and related issues the number of long-term workers compensation claims increased as compared to the prior year.

**o) Monthly Financial Reports**- Director of Finance & Energy Supply Jay Kline reported to the Board that monthly and year-to-date financials reflect actual power expenses, and that each division was tracking above budget. Through February 2022, Gas Division net income exceeds the budgetary projection by \$136k, Electric Division Net Income is tracking \$391k above the initial forecast and the telecom Division exceeds the forecast by \$70k. Mr. Kline reported that the Department had managed through the volatile winter period relatively unscathed and was well positioned to meet revenue and income targets through year end. Kline informed the Board that natural gas prices remain extremely elevated, and that the Energy Supply team was keenly focused on identifying potential hedging opportunities for the upcoming winter of 2022-2023 and beyond.

**B. Informational Items**

- a) **Utility Issues**- as presented.
- b) **Utility News**- as presented.
- c) **Utility Courses Update**- as presented.

**IX. OLD BUSINESS:**

**X. NEW BUSINESS:**

- a) Proposed new Municipal Light Board meeting time of 6:30pm- The Board agreed to carryover the proposed new Municipal Light Board time to the May 4, 2022 meeting.

**XI. EXECUTIVE SESSION:**

On a motion made by Commissioner Mitchell, seconded by Commissioner Liptak and on the basis of 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 trade secrets and competitively sensitive information and not to reconvene the Regular Session after adjournment from Executive Session

Mitchell	"aye"
Sacco	absent
Roman	"aye"
Kelleher	"aye"
Rivera	"aye"
Renaudette	"aye"
Liptak	"aye"
Motion passed 6-0	1-absent

Chairman Roman stated that the Municipal Light Board would be entering into executive session for the purpose of discussing trade secrets and competitively sensitive information or other proprietary information and would not reconvene the Regular Session after adjournment from Executive Session.

**XII. ADJOURNMENT**

On the motion of made by Commissioner Mitchell, seconded by Commissioner Liptak it was unanimously:

VOTED: To adjourn the regular meeting of the Municipal Light Board meeting. Chairman Roman declared the regular session portion of the meeting adjourned at 8:50 p.m.

A TRUE RECORD.

Attest:

  
A. Edward Roman, Chairman

	<b>Documents Presented at REGULAR SESSION April 12, 2022 Meeting</b>		
Municipal Light Board Regular Session Meeting Minutes —April 12, 2022			
Municipal Light Board Executive Session Meeting Minutes — April 12, 2022			
Acknowledgement- Westfield Middle School			
Acknowledgement- Joanne and Bernie Coach			
Acknowledgment- Artworks of Westfield- Cheryl Crowe			
Acknowledgement-Greater Westfield Chapter of Special Olympics			
Customer Compliment- 34 George Street			
Customer Compliment- Social Media		4/12/2022	
Customer Compliment-Town of Blandford		4/12/2022	
Quarterly Powerline Line Publication	Lisa Stowe, Marketing, Communications, Comm. Outreach + Grants Manager	4/12/2022	
Recorded MLB Meeting Quarterly Report	Laura A. Dorman, Marketing Specialist	4/12/2022	Internal and External Department Communication M-1.9
Proposed 2022 Capital Project and Reconstruction Budget	Jamie Naughton, Financial Reporting Manager	4/12/2022	2022 Key Capital Projects
Building and Leak Evaluation Update	Michael S. Lee, Director of Operations	4/12/2022	Facilities, Information Brief AO-6.1
Gas Service Reliability Benchmarking Report	Pat Levesque, Utility Supervisor	4/12/2022	Communications/Customer Service/Community Affairs CCA2.6
Cast Iron Abandonment Program Report	Greg Freeman, Utility Supervisor	4/12/2022	Gas Utility Business Gas Distribution Reconstruction- GUB3.2
NGA Four-Year Effectiveness Study	Michael Lee, Director of Operations	4/12/2022	
Quarterly Gas and Electric Rate Comparison	Sue Blumenthal, Energy Supply Analyst	4/12/2022	
Annual ILOT Report	Thomas P. Flaherty, General Manager	4/12/2022	Communications/Customer Service/Community Affairs City Key Account Program, CCA-2.10
Annual Insurance Report	T. Fouche, Accounting Manager	4/12/2022	Financial Insurance Program & Risk Management F-5.1
Monthly Financial Reports	T. Fouche, Accounting Manager	4/12/2022	Financial Notes Monthly Financial Statements F-2.5
Utility Issues	John W. Welch	4/12/2022	Regulatory & Governmental Affairs Gas/Electric Regulatory Issues, RGA-1.4; RGA1.5
Utility News/Pulse Line	Leanne Cloutier, Executive Administrative Assistant	4/12/2022	Communications/Customer Service/Community Affairs Media Relations - CCA-1.6
Utility Course Update 2021 Seminars/Workshops	Robin Krok, HR Coordinator/Records Manager	4/12/2022	Administration and Organization WG+E Training & Development, AO-3.6