

P.O. BOX 190 480 North Ave.  
Wakefield, MA 01880  
Tel. (781) 246-6363 Fax (781)  
246-0419



Peter D. Dion, General Manager

Thomas Boettcher, Chair  
Jennifer Kallay,  
Secretary  
Sharon Daly  
Elton Prifti  
John J. Warchol

**WAKEFIELD MUNICIPAL GAS & LIGHT DEPARTMENT**  
**BOARD OF GAS & LIGHT COMMISSIONERS MEETING**

**November 6, 2025**

**IN ATTENDANCE:** Commrs., Chair Thomas Boettcher  
Jennifer Kallay, Secretary  
Sharon Daly  
Jack Warchol

Peter Dion, General Manager  
Mark Cousins, Finance Manager  
Dave Polson, Engineering and Operations Manager  
Joe Collins, Business Analyst  
Olivia Tully, Business Analyst  
Sylvia Vaccaro, Minute Secretary

Kyle Connors, Markum, LLP  
Andrew Remus, Markum, LLP  
Mark Roberts, Sprague Energy

**Members of the Public**  
David McConnell  
59 Cedar St.

**PLACE:** **480 North Ave., Wakefield, MA**  
**& Zoom Meeting**

**CALL TO ORDER:**

Commr. Boettcher called the Public Meeting to order at 6:30 pm. He advised the meeting was being recorded. He noted that the discussion will be about tariff sheet MDPU No.83 (Seasonal Residential Heat Pump Rate (HP-Res). David McConnell of 59 Cedar St. was in attendance to discover more information about the proposed

Seasonal Heat Pump Rate. He explained that he is aware that his electricity usage will increase as a result of installing heat pumps in his home and is happy that there is a proposed heat pump rate that will provide a discount to customers during the heating season. He hoped that the rate is approved.

Joe Collins reviewed the 2-tier proposed Seasonal Residential Heat Pump Rate as follows:

Rate A is for residential customers that elect to install heat pumps and do not use any fossil fuels (e.g., gas, oil, propane) in the home. The customer's home must undergo verification as an all-electric system with the source of fossil fuel(s) being removed. There will be a 3 cent per kWh discount on the distribution charge during the heating season (November 1<sup>st</sup>- April 30<sup>th</sup>).

Rate B is for residential customers that elect to install heat pumps but still use fossil fuels (e.g., gas, oil, propane) in the home. There will be a 1.5 cent per kWh discount on the distribution charge during the heating season (November 1<sup>st</sup>- April 30<sup>th</sup>).

Joe also noted that if you are a gas customer you will be transferred over to the appliance gas rate from the gas heating rate. He said that a rate calculator will be added to the website, so customers may make comparisons between rates. If the rate passes tonight then it would be implemented on December 1, 2025, to capture the November usage. Commr. Kallay called for some clarification on the gas heating rate. It was noted that this clarification can be included in the FAQs along with Commr. Warchol's suggestion to include the opinion statement that the primary purpose of this rate is to ease the transition from fossil fuel heating sources to electric heat pump technology.

Commr. Boettcher stated that if there are no further comments then the open hearing will be closed, and we will move into regular Board meeting.

**A motion** to close the Public Meeting was made by Commr. Kallay and seconded by Commr. Warchol.

**Vote:** The motion was approved unanimously 4-0.

**A motion** to have a vote for the Seasonal Heat Pump tariffs MDPU No. 83 as amended tonight was made by Commr. Warchol and seconded by Commr. Kallay.

**Vote:** The motion passed unanimously 4-0.

Commr. Boettcher requested a count of customers that WMGLD will reach out to about this new rate and how many have been moved to this rate by the next Board meeting. He also said that he would like to see the FAQs at that time. It was noted that it is WMGLD's responsibility to notify customers of this new rate and if necessary, bill them retroactively on this rate. Joe stated that the information will

be on our website, and he will investigate conducting an information session about it.

**A motion** to approve the optional Seasonal Heat Pump Rate A & B MDPU No. 83 as amended tonight was made by Commr. Warchol and seconded by Commr. Daly.

**Vote:** The motion was approved unanimously 4-0.

### **CHAIR REMARKS:**

Commr. Boettcher thanked the Department for hosting the Public Power Week and for the ribbon cutting of the Ken Chase Community Solar Project.

### **COMMISSIONERS REMARKS:**

Commr. Daly commented that she saw an article in The Daily Item about a large EV charging station that is going to be built in the Montrose section of Town and asked Pete and Dave if there were any concerns with this proposal. Dave explained that it is in the permitting phase. WMGLD does have the capacity to supply them. Vinnie McMahon has been working with them and noted that they have been good to work with so far. Commr. Kallay said that an idea was raised in the Environmental Sustainability Committee meeting to publish a reminder to customers about weatherization with the winter season approaching.

### **TOWN COUNCIL LIASON:**

Not present

### **Public Comments**

None.

### **SECRETARY'S REPORT**

Approval of October 1, 2025, was minutes before the Board for approval.

**A motion** to approve the October 1, 2025, minutes as amended was made by Commr. Kallay and seconded by Commr. Warchol.

**Vote:** The motion was approved unanimously 4-0.

### **Presentation of FY 2025 Audit – Kyle Connors and Andrew Remus - Marcum LLP**

Kyle Connors thanked Mark and Joe for their responsiveness and smooth audit process. Andrew Remus presented the 6/30/25 year-end financial audit. He discussed the following:

### **Audit Scope**

- Express an opinion as to whether the financial statements are fairly presented in accordance with U.S. GAAP
- Reasonable but not absolute assurance – use of judgment

### **Audit Opinion - Unmodified, a “clean opinion”**

- Pending the final pension and OPEB reports
- Final quality review process

### **Report**

- Pending the final pension and OPEB reports provided by the Town’s actuary in the first quarter of 2026.

### **Changes in accounting policies**

- Adoption of GASB Statement 101, Compensated Absences
- The audit has no management letter

### **Current ratio**

- Measures liquidity (Current Assets/ Current Liabilities)
- 1.43 in 2025 and 1.81 in 2024

### **Cash ratio**

- (Current assets less inventory / monthly operating expenses)
- 1.9x monthly operating expenses in FY 25
- 3.1x monthly operating expenses in FY 24

### **Unrestricted cash**

- 0.55x monthly operating expenses in FY25
- 1.4x monthly operating expenses in FY24

### **Unrestricted Net Position**

- \$1.73 million in FY 25
- \$3.18 million in FY 24

**Electric sales** – Decreased by 2.5%

**Gas sales** – Increased by 1.5%

**Cost of electricity** – increased by 12.4%

**Cost of gas** – decreased by 1.5%

- Decreases primarily due to supply and price volatility within global energy markets

### **Capital Grants**

- Federal Grant from the Office of Pipeline Safety for the replacement of gas mains

Andrew noted that there was a new accounting standard that was adopted in 2025 that covered compensated absences, which includes sick and vacation accruals resulting in a slightly higher liability on the department's financial statements but not a significant amount. He also highlighted that there was a slight decrease in the current ratio due to the department utilizing cash on hand for the Energy Park project which will be financed before the end of the calendar year. Unrestricted cash also decreased due to the same reason as the current ratio. Capital Grants is a new item on the income statement. Since it is a federal award, it is subject to compliance testing. No issues were noted. Commr. Daly inquired if a separate audit and report need to be filed with the Federal agency. Kyle noted that ultimately it falls under the Town's federal identification number, so it was not written directly to the department and will appear as a major program that was tested for compliance in the Town's single audit report.

**A motion** to approve the audit as presented was made by Commr. Daly and seconded by Commr Kallay.

**Vote:** The motion was approved unanimously 4-0.

### **Natural Gas Winter Supply Update – Mark Roberts – Sprague Energy**

Mark Roberts reviewed the 2024-2025 Budget Performance. He stated that last year we had a hedge position of \$8.13 per dekatherm (dth). For budget purposes, it was adjusted for day-to-day market volatility, so the budget was set at \$9.38, but we were able to come in at a price of \$9.37/dth. He said that this past winter was a bit colder than normal but close to the average. December to early February were colder. We had hedged for 533,320 dth and came in at 549,301 dth. For FY 25-26 we are hedged at \$7.91 with an adjusted budget of \$9.16. We are looking at a \$4.8 - \$4.9 million budget. He mentioned that the LNG market has softened because of the Ukraine and the European market. The new contracts many utilities have signed, including National Grid, which they took over for the Everett LNG facility have now been incorporated into their portfolios. Part of that peak is a cost assigned to the assets that Sprague manages and when they reset their asset portfolio after their contract with Constellation the cost went up for the WMGLD by about \$150,000. An adjustment was made this past winter to incorporate part of that cost. The market has not moved materially enough one way or the other to really change our ability to lock in at a greater discount like we could in prior years. He explained that because the New England area does not have enough natural gas pipeline capacity to meet the region's requirements, particularly Eastern New England during the winter we have to rely on LNG. That is why LNG is a big driver and why we look at Europe as a key driver in terms of LNG prices and its impact on the price of natural gas in the U.S. in terms of how much we can produce and how much are we exporting.

### **Old Business**

#### **Project Updates**

## **Energy Park**

Pete stated that the National Grid group had a tour of the Energy Park and another group, the Northeast Renewable Coalition, is interested in a tour and having WMGLD participate in their energy week next year. The MMWEC Board had a meeting to vote on the financing for the park. Mark stated that he and Joe have submitted all documents that have been requested. The loan is scheduled to close this December. It is locked in at 4.62% on a 15-year note for \$8.7 million. This financing is to fix the cash position which was previously discussed. Pete said crews are working on the switchgear getting it set up for the microgrid. Dave said the generator will be up and running on December 1st.

Commr. Boettcher thanked staff for hosting National Grid and said he received positive feedback from the visit. Commr. Daly said that National Grid appreciated being able to talk to Lightshift Energy about the battery storage component of the project. Pete stated that there is a backup plan if the SNC switch gear is delayed. Dave explained that the focus now is on interconnecting everything in terms of communications. The internet is being brought on site. All the communications between all the assets were installed today. We will be able to communicate with everything and then we can start programming the controller and once the programmer is programed we can start some simulations. This is designed to be automatic and operated without manual intervention.

## **Public Power Week Open House/ Ken Chase Solar Dedication**

WMGLD held an Open House during Public Power Week on Thursday, October 9th. We had 50 customers attend and used the opportunity to reveal the dedication of the Ken Chase Solar Project plaque. Ken and his family were able to attend. The replica plaque and a framed picture are being prepared to give to Ken at a future date.

## **Burns Substation Park**

Commr. Kallay inquired if Burns Park was complete. Pete said the planting is complete. Dave commented that the sidewalk was completed yesterday with mulching being done tomorrow and the fencing being removed.

## **New Business**

### **CY 2026 Capital Budget**

Mark reviewed the Gas Capital Budget with the Board. The top project was Pleasant Street, which encompasses some of our goals, moving about 25

meters outside and we are going to be replacing 31 steel services. This is considered a high value target. Pete explained that in terms of the Capital Plan, we use two drivers. We use our Distribution Integrity Management Plan, (DIMP), which drives risk areas so we can evaluate types of pipes. We also use leak history to identify streets that we need to address and coordinate that with the Town's goals for street paving. Mark noted that there are four additional streets Mansfield, Sesame, Hancock, and Avon Court. The work on Morrison Ave, Park Ave, Bellevue Rd, Converse St, Strathmore Rd, and Outlook Rd was covered under grant funding so the \$1.4 million was backed out. The total for those streets is \$721,000 and the remainder of the gas capital budget is emergent mains, new services and moving meters outside. Pete explained that we are in the paperwork process for the 2024 grant, which we are planning to spend in 2026. Mark explained the IT budget included additional security, cameras, door access, and network upgrades. The Facilities budget included two hybrid bucket trucks and one EV van. The cost of the solar systems on the high school and the tech school is around \$1.7 million and will be funded by the pool loan. The remaining \$4.2 million is awaiting the loan that will be closed in December 2025.

Dave mentioned that there is a grant we have pursued that would focus on infrastructure upgrades outside the Energy Park. Pete said that details of the grant can not be discussed yet. We are only sharing it right now for budget purposes, if it happens. Dave mentioned that if the Federal government decides that they are not moving forward with this for whatever reason, then this work will come off the plate. He continued to update the Board on all the ongoing projects. Olivia stated the Energy Conservation program came in at \$716,855 which was under what we budgeted \$751,000. Pete recommends keeping the conservation charge at 0.075 which will generate a budget of \$797,000. Solar rebates will be reduced by \$15,000 and we will enhance the heat pump rebates and the bundling of other rebates. Commr. Boettcher requested the department evaluate the data on dishwashers to determine if there is true differentiation and decide if this rebate is still relevant.

## **FY 2026 Expense Budget**

Mark stated that the 2025 electric revenues were in line with the commodity cost with the expense and one moved 12.7% and the other at 11%. He also mentioned that in the in lieu of taxes number is good through 2027 but will have to be negotiated for 2028. A reminder this is presented exclusive of the OPEB number we carry the same estimate from last year until we receive the final number.

Mark reviewed the gas revenue budget. The \$13.7 million gas sales and purchase gas of \$7.44 million was derived from Sprague's presentation. The cost of gas will be relatively stable according to Mark Roberts for the coming year.

**A motion** to approve the Capital and Expense budget as presented was made by Commr. Daly and seconded by Commr. Kallay.

**Vote:** The motion was approved unanimously 4-0.

**A motion** to authorize going into Executive session for the purpose of addressing two HR issues was made by Commr. Kallay and seconded by Commr. Warchol at 9:11 pm.

**Roll Call Vote:** Commr. Kallay Aye      Commr. Daly Aye  
Commr. Warchol Aye      Commr. Boettcher Aye

**A motion** to discuss these issues and then to exit back into open meeting to adjourn was made by Commr. Kallay and seconded by Commr. Warchol.

**Roll Call Vote:** Commr. Kallay Aye      Commr. Daly Aye  
Commr. Warchol Aye      Commr. Boettcher Aye

**A motion** to exit Executive session and return to open meeting was made by Commr. Warchol and seconded by Commr. Kallay.

**Vote:** The motion was approved unanimously 4-0.

**Any other matter not reasonably anticipated by the Chair.**

**A motion** to adjourn was made by Commr. Daly at 10:10 pm and seconded by Commr. Kallay

**Vote:** The motion was approved unanimously 4-0.