



MEMBER SPOTLIGHT



MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

Holyoke Gas & Electric Named Entrepreneur of the Year

Teamwork, an entrepreneurial spirit and success at many levels led to selection of the Holyoke Gas & Electric Department (HG&E) as “Top Entrepreneur for 2009” by BusinessWest, the premiere business journal of Western Massachusetts.

“It was a spirit of entrepreneurship that made Holyoke into one of New England’s most vibrant industrial centers more than a century ago,” BusinessWest states. Today, that spirit lives on at the city’s 107-year-old municipal utility, which has become “a primary driver of economic development in the city,” the publication states.

HG&E has initiated a number of bold steps in recent years, from purchase of the Holyoke Water Power Company, a subsidiary of Northeast Utilities, to startup and rapid expansion of its fiber-optic network, to ongoing work to build its portfolio of renewable energy. Purchase of the Holyoke Water Power Company included acquisition of the federally licensed Holyoke Dam and canal system, an approximate 50-megawatt hydroelectric generating resource.

There are many examples of public power strength in the decades leading up to this purchase, but there is perpetual value in how HG&E is leveraging its resources with progressive thinking and innovation.

In mid-2009, citing Holyoke’s abundance of low-cost, renewable energy, a collaboration of major Massachusetts universities, high-tech corporations and the state announced that Holyoke will be the site for a \$100 million high-performance computing center that could bring more than 1,000 new jobs to the region. Construction is scheduled to start in 2010.



With its fiber-optic business, HG&E is focused on acquiring larger, enterprise business customers. The utility is reaching beyond Holyoke for these customers and has expanded into downtown Springfield, where it has wired three large commercial buildings.

HG&E General Manager Jim Lavelle said the utility also is committed to expanding its portfolio of renewable energy. He said this is the right, responsible thing to do, but it also makes good business sense, as evidenced by location of the computing center in Holyoke.

“The impact on our carbon footprint is minimized by the hydro power we produce,” Lavelle said. “The average electric distribution company’s carbon footprint is about 1,100 pounds of carbon dioxide per megawatt hour. Ours is about half that, and in a good water year, it will be about one-tenth.”

In 2009, a good water year, the HG&E met roughly 75 percent of its energy needs with hydropower. In a normal year, that number will be 50-to-60 percent. And it’s affordable.

“In many cases, if you want green energy, you pay a premium for it,” Lavelle said. “Here, we sell it off the shelf, and for less than what others charge for standard power,” he said.

There are bound to be a number of spin-off benefits for HG&E and the city stemming from the computing center project. One is already materializing.

Cisco Systems Inc., a partner in the center along with the University of Massachusetts, Boston University, the Massachusetts Institute of Technology and EMC Corp., recently announced that it wants to make Holyoke a model of its communication technologies to improve education, public safety and transportation.

Lavelle said such an initiative will build off the HG&E's existing fiber-optic network and enhance opportunities to bring "smart grid" technologies to the utility and its customers.

According to Lavelle, the utility's success is a byproduct of strong leadership from managers and teamwork. The HG&E team includes Brian Beauregard, superintendent of the Electric Division; Timothy Shannon, superintendent of the Gas Division; Robert Gaboury, Telecommunications Operations manager; Paul Ducheney, superintendent of Electric Production; Jim Jackowski, business liaison; and Brian Richards, comptroller.

Francis Hoey, chairman of the HG&E's Municipal Light Board, says creative thinking and innovation are key attributes of the management team.

"To sustain our position as market leaders, we really need to develop and promote an innovation-oriented culture, and that's what our team has done," Hoey said. "In this business, the status quo won't cut it."

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