

Commissioners: Francis J. Hoey, III Robert H. Griffin James A. Sutter Manager: James M. Lavelle

January 31, 2022

Todd McGee City Council President Holyoke City Hall 536 Dwight St, Room 10 Holyoke, MA 01040

Re: DOER Green Communities FY22 META Grant Award – Dean School Technical Study

Dear President McGee and members of the City Council,

I am writing this letter on behalf of Holyoke Gas & Electric to express our support to the City of Holyoke ("the City") to use the recent grant of \$15,000 awarded from the Department of Energy Resources to fund further study and design specifications for the installation of a heat pump system at Dean School to replace their current natural gas heating system.

HG&E has determined that there could be several economic benefits that would result from the conversion to a heat pump system at the Dean School. If found both financially and technically feasible, the resulting reduction in gas supplied to the school could potentially allow the City to shift this supply of gas to one or more commercial customers which could incentivize new businesses to choose to base their operations in Holyoke. This could assist with the City's overall economic development efforts resulting in such benefits as increasing tax revenue to the City and promoting new job opportunities. Further, the implementation of controls to reduce peak demand on HG&E's electric grid could result in substantial cost savings to HG&E and its ratepayers.

HG&E plans to assist with this project by providing in-kind technical support regarding cost saving estimates along with infrastructure upgrade design and cost estimates required for the proposed system. If there are any questions, please do not hesitate to contact me by phone at (413) 536-9352 or by email at sroy@hged.com.

Regards,

Steve Roy

Electric Division Superintendent