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December 3, 2003

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, Massachusetts 02110

Re: D.T.E. 00-70 — Standard Offer Service Fuel Adjustment – Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company

Dear Secretary Cottrell:

Cambridge Electric Light Company ("Cambridge") and Commonwealth Electric Company ("Commonwealth", together, the "Companies") hereby submit for approval tariffs that are designed to reduce their Standard Offer Service Fuel Adjustment ("SOSFA") to 1.222 cents per kilowatt-hour ("kWh") for Cambridge and Commonwealth, for effect on January 1, 2004.

The Companies request the Department of Telecommunications and Energy (the "Department") to approve the following tariffs:

Cambridge Electric Light Company – M.D.T.E. No. 202C, Standard Offer Service

Commonwealth Electric Company – M.D.T.E. No. 302C, Standard Offer Service.

Enclosed is a filing fee of $200.00 for the two tariffs.

On December 4, 2000, the Department approved the implementation of a SOSFA for electric companies in Massachusetts. Standard Offer Service Fuel Adjustments, D.T.E. 00-66, 00-67, 00-70 (2000) (the "SOSFA Order"). In the SOSFA Order, the Department adopted a SOSFA surcharge calculation "using the most recently available twelve months of data...". Id. at 15. In accordance with the SOSFA Order, NSTAR Electric implemented a SOSFA of 1.321 cents per kWh, effective January 1, 2001. The SOSFA was increased to 2.551 cents per kWh beginning July 1, 2001 and then reduced to 1.426 cents per kWh on January 1, 2002. The SOSFA was reduced to zero on April 1, 2002, increased to 0.902 cents per kWh on April 3, 2003 and 1.424 cents per kWh on

September 1, 2003 for Cambridge and Commonwealth. Recent changes in the price of gas and oil and the application of the SOSFA formula as of January 1, 2004 has resulted in a SOSFA calculation of 1.222 cents per kWh, based on data as of November 30, 2003.

In support of this filing are two exhibits. Exhibit 1 is the calculation of the SOSFA using data as of November 30, 2003. The format of Exhibit 1 is the same as that filed previously to support the SOSFA calculation. As shown in Exhibit 1, the Market Gas Price is $5.399194/MMBtu, the Market Oil Price is $4.349537/MMBtu. Using the new fuel trigger point for 2004, the resulting Fuel Adjustment factor is 1.239705. When this factor is multiplied by the base Standard Offer Service rate of 5.1 cents per kWh, the SOSFA is reduced to 1.222 cents per kWh.

Exhibit 2 shows the most recent projection of deferrals for Cambridge and Commonwealth. As shown in Exhibit 2, if the SOSFA is adjusted on January 1, 2004,[1] the total deferrals for the Companies are projected to exceed $119 million at year end, and there will be no over-recovery of standard offer costs.[2] The bill impacts of the changes are included in Exhibits CAM-HCL-8 and COM-HCL-8 in the reconciliation filing submitted on this date in D.T.E. 03-118.

Thank you for your attention to this matter.

Sincerely,

Robert N. Werlin

Enclosures

cc: Caroline Bulger, Hearing Officer
Jeanne Voveris, Hearing Officer
Ronald LeComte, Director, Electric Power Division
Kevin Brannelly, Director, Rates and Revenue Requirements Division
Joseph Rogers, Assistant Attorney General
David O'Connor, Commissioner

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1 For purposes of this calculation, a SOSFA of 1.222 per kWh is assumed to be in effect for the calendar year for Cambridge and Commonwealth.

2 These deferral forecasts are detailed in the reconciliation filing made on this date by the Companies in D.T.E. 03-118. NSTAR Electric has included deferrals for Standard Offer Service and Default Service, as well as Transition and Transmission charges, in portraying its deferral status because of the interrelationship among many of the accounts. For instance, the imposition of the SOSFA can help reduce the Transition Cost deferral when pre-restructuring, purchased-power contracts are used to provide Standard Offer Service.

STANDARD OFFER SERVICE

DEFINITIONS

"Competitive Supplier" shall mean any entity licensed by the M.D.T.E. to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in the Company's Interim Default Service or Default Service tariff, on file with the M.D.T.E.

"Distribution Company" or "Company" shall mean Cambridge Electric Light Company.

"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.

"Low-income Customer" shall mean a Customer who meets the low-income eligibility qualifications as set forth in 220 C.M.R. 11.04(5) approved by the M.D.T.E. for the Distribution Company.

"M.D.T.E." shall mean the Massachusetts Department of Telecommunications and Energy.

"Retail Access Date" shall mean March 1, 1998.

"Standard Offer Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Default Service, in accordance with the provisions set forth in this tariff and G.L. c. 164.

STANDARD OFFER SERVICE

AVAILABILITY:

This Rate Schedule for Standard Offer Service is available as follows:

A. Standard Offer Service shall be available to each Customer who was a Customer of Record as of the Retail Access Date and who has not received Generation Service from a Competitive Supplier since the Retail Access Date.

B. A Customer receiving Standard Offer Service shall be allowed to retain such service upon moving within the service territory of the Distribution Company.

C. A Customer who has previously received Generation Service from a Competitive Supplier is no longer eligible to receive Standard Offer Service, except that

1. A Low-income Customer may return to Standard Offer Service at any time, regardless of whether the Customer has previously received Generation Service from a Competitive Supplier;

2. A residential or small commercial and industrial Customer who has received Generation Service from a Competitive Supplier since the Retail Access Date is eligible to receive Standard Offer Service by so notifying the Distribution Company within one-hundred and twenty days (120) days of the date when the Customer first began to receive Generation Service from a Competitive Supplier, provided that such notification occurs during the first year following the Retail Access Date. There shall be no fee for returning to Standard Offer Service.

D. A Customer who moves into the Company's service territory after the Retail Access Date is not eligible to receive Standard Offer Service, except that a Low-income Customer who moves into the Company's service territory after the Retail Access Date shall be eligible for Standard Offer Service.

E. A Customer who notifies the Company of termination of Generation Service from a public aggregator within one-hundred and eighty (180) days of the date on which such service began shall be eligible to return to Standard Offer Service.

Service under this rate to any Customer is subject to the Company's printed requirements, the Company's Terms and Conditions - Distribution Service and the Company's Terms and Conditions - Competitive Suppliers, each as in effect from time to time.

STANDARD OFFER SERVICE

APPLICABILITY:

Electricity delivered under this Rate Schedule shall be used solely by the Customer on the Customer's own premises for all purposes.

RATE:

The Standard Offer Charge shall consist of the following charge per kWh:

Year	Charge
1998	$0.02800
1999	$0.03500
2000	$0.03800
2001	$0.03800
2002	$0.04200
2003	$0.04700
2004-5	$0.05100

The foregoing Rate shall be adjusted in accordance with the provisions of the Customer Rate Fuel Adjustment and the Standard Offer Revenue Reconciliation Adjustments described below:

CUSTOMER RATE FUEL ADJUSTMENT:

The Standard Offer Charge in effect for a billing month is multiplied by a Fuel Adjustment that is set equal to 1.0 unless the Market Gas Price plus Market Oil Price for the billing month exceeds the Fuel Trigger Point then in effect, where:

Market Gas Price is the average of the values of Gas Index for the most recent available twelve (12) months through and including the billing month, where:

Gas Index is the average of the daily settlement prices for the last three (3) days that the NYMEX Contract (as defined below) for the month of delivery trades as reported in the

Wall Street Journal, expressed in dollars per MMBTU. NYMEX Contract shall mean the New York Mercantile Exchange Natural Gas Futures Contract as approved by the Commodity Futures Trading Commission for the purchase and sale of natural gas at Henry Hub;

STANDARD OFFER SERVICE

CUSTOMER RATE FUEL ADJUSTMENT: (continued)

Market Oil Price is the average of the values of Oil Index for the most available twelve (12) months through and including the billing month, where:

Oil Index is the average for the month of the daily low quotations for cargo delivery of 1.0% sulfur No. 6 residual fuel oil into New York harbor, as reported in Platt's Oilgram U.S. Markets can in dollars per barrel and converted to dollars per MMBTU by dividing by 6.3;

If the indices referred to above should become obsolete or no longer suitable, the Distribution Company shall file alternate indices with the M.D.T.E.

Fuel Trigger Point is the following amounts, expressed in dollars per MMBTU, applicable for all months in the specified calendar year, with the final year extending from January 1, 2004 through February 28, 2005:

Year	Fuel Trigger Point
2000	$5.35
2001	$5.35
2002	$6.09
2003	$7.01
2004-5	$7.74

In the event that the Fuel Trigger Point is exceeded, the Fuel Adjustment value for the billing month is determined according to the following formula:

$$\text{Fuel Adjustment} = \frac{(\text{Market Gas Price} + \$0.60/\text{MMBTU}) + (\text{Market Oil Price} + \$0.04/\text{MMBTU})}{\text{Fuel Trigger Point} + \$0.60 + \$0.04/\text{MMBTU}}$$

Where Market Gas Price, Market Oil Price and Fuel Trigger Point are as defined above. The values of $0.60 and $0.04/MMBTU represent for gas and oil respectively, estimated basis differentials or market costs of transportation from the point where the index is calculated to a proxy power plant in the New England market.

STANDARD OFFER SERVICE

CUSTOMER RATE FUEL ADJUSTMENT: (continued)

Incremental revenues received by the Company from the application of the Fuel Adjustment shall be fully allocated to Standard Offer suppliers in proportion to the Standard Offer energy provided by a supplier to the Company in the applicable billing month.

Effective January 1, 2004, the Standard Offer Service Fuel Adjustment Rate shall be:

$0.01222 per kilowatt-hour.

STANDARD OFFER REVENUE RECONCILIATION ADJUSTMENTS:

The Company shall reconcile the revenues billed to Customers taking Standard Offer Service against payments to suppliers of Standard Offer Service and recover or refund any under- or over collection in accordance with the following terms:

1. Any revenues billed by the Company for Standard Offer Service in excess of payments to suppliers of that service shall be accumulated in an account and credited with interest calculated using the methodology for calculating interest on Customer deposits specified in the Company's Terms and Conditions - Distribution Service. The accumulated balance at the end of each calendar year shall be credited to all of the Company's retail Customers through a uniform cents per kilowatt-hour factor in the following year.

2. In the event that the revenues billed by the Company do not recover the Company's payments to suppliers or the Company defers such expenses, the Company shall be authorized to accumulate the deficiencies in the account together with interest calculated as above and recover those amounts by implementing a uniform cents per kilowatt-hour surcharge on the rates for Standard Offer Service, if and to the extent that the transition charges billed by the Company to its retail Customers are for any reason below the unadjusted transition charge as approved by the Department. Under-recoveries, if any, that remain after the Standard Offer Service period ends shall be recovered from all retail Customers by a uniform surcharge not exceeding $0.004 per kilowatt-hour commencing after such period.

STANDARD OFFER SERVICE

TERMINATION OF STANDARD OFFER SERVICE

Standard Offer Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions - Competitive Suppliers.

If the notice of initiation of Generation Service by the Competitive Supplier is received by the Company fewer than two (2) days before the Customer's next scheduled meter read date, Standard Offer Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Standard Offer Service.

BILLING

Each Customer receiving Standard Offer Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

TERM

Standard Offer Service shall be available until February 28, 2005, unless otherwise approved by the M.D.T.E.

NOTICE

A notice will be filed with the M.D.T.E. setting forth the amount of the applicable Standard Offer Adjustment, the amount of the increase and the effective Standard Offer charge in the Company's rates as adjusted to reflect the new Standard Offer Adjustment amount. The notice shall further specify the effective date of such adjustment, which shall not be earlier than thirty days after the filing of the notice, or such other date as t he M.D.T.E. may authorize.

STANDARD OFFER SERVICE

DEFINITIONS

"Competitive Supplier" shall mean any entity licensed by the M.D.T.E. to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in the Company's Interim Default Service or Default Service tariff, on file with the M.D.T.E.

"Distribution Company" or "Company" shall mean Commonwealth Electric Company.

"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.

"Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.

"Low-income Customer" shall mean a Customer who meets the low-income eligibility qualifications as set forth in 220 C.M.R. 11.04(5) approved by the M.D.T.E. for the Distribution Company.

"M.D.T.E." shall mean the Massachusetts Department of Telecommunications and Energy.

"Retail Access Date" shall mean March 1, 1998.

"Standard Offer Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Default Service, in accordance with the provisions set forth in this tariff and G.L. c. 164.

STANDARD OFFER SERVICE

AVAILABILITY:

This Rate Schedule for Standard Offer Service is available to:

A. Standard Offer Service shall be available to each Customer who was a Customer of Record as of the Retail Access Date and who has not received Generation Service from a Competitive Supplier since the Retail Access Date.

B. A Customer receiving Standard Offer Service shall be allowed to retain such service upon moving within the service territory of the Distribution Company.

C. A Customer who has previously received Generation Service from a Competitive Supplier is no longer eligible to receive Standard Offer Service, except that

1. A Low-income Customer may return to Standard Offer Service at any time, regardless of whether the Customer has previously received Generation Service from a Competitive Supplier;

2. A residential or small commercial and industrial Customer who has received Generation Service from a Competitive Supplier since the Retail Access Date is eligible to receive Standard Offer Service by so notifying the Distribution Company within one-hundred and twenty days (120) days of the date when the Customer first began to receive Generation Service from a Competitive Supplier, provided that such notification occurs during the first year following the Retail Access Date. There shall be no fee for returning to Standard Offer Service.

D. A Customer who moves into the Company's service territory after the Retail Access Date is not eligible to receive Standard Offer Service, except that a Low-income Customer who moves into the Company's service territory after the Retail Access Date shall be eligible for Standard Offer Service.

E. A Customer who notifies the Company of termination of Generation Service from a public aggregator within one-hundred and eighty (180) days of the date on which such service began shall be eligible to return to Standard Offer Service.

Service under this rate to any Customer is subject to both the Company's printed requirements, the Company's Terms and Conditions - Distribution Service and the Company's Terms and Conditions - Competitive Suppliers, each as in effect from time to time.

STANDARD OFFER SERVICE

APPLICABILITY:

Electricity delivered under this Rate Schedule shall be used solely by the Customer on the Customer's own premises for all purposes.

RATE:

The Standard Offer Charge shall consist of the following charge per kWh:

Year	Charge
1998	$0.02800
1999	$0.03500
2000	$0.03800
2001	$0.03800
2002	$0.04200
2003	$0.04700
2004-5	$0.05100

The foregoing Rate shall be adjusted in accordance with the provisions of the Customer Rate Fuel Adjustment and the Standard Offer Revenue Reconciliation Adjustments described below:

CUSTOMER RATE FUEL ADJUSTMENT:

The Standard Offer Charge in effect for a billing month is multiplied by a Fuel Adjustment that is set equal to 1.0 unless the Market Gas Price plus Market Oil Price for the billing month exceeds the Fuel Trigger Point then in effect, where:

Market Gas Price is the average of the values of Gas Index for the most recent available twelve (12) months through and including the billing month, where:

Gas Index is the average of the daily settlement prices for the last three days that the NYMEX Contract (as defined below) for the month of delivery trades as reported in the Wall Street Journal, expressed in dollars per MMBTU. NYMEX Contract shall mean the

STANDARD OFFER SERVICE

CUSTOMER RATE FUEL ADJUSTMENT: (continued)

New York Mercantile Exchange Natural Gas Futures Contract as approved by the Commodity Futures Trading Commission for the purchase and sale of natural gas at Henry Hub;

Market Oil Price is the average of the values of Oil Index for the most available twelve (12) months through and including the billing month, where:

Oil Index is the average for the month of the daily low quotations for cargo delivery of 1.0% sulfur No. 6 residual fuel oil into New York harbor, as reported in Platt's Oilgram U.S. Marketscan in dollars per barrel and converted to dollars per MMBTU by dividing by 6.3;

If the indices referred to above should become obsolete or no longer suitable, the Distribution Company shall file alternate indices with the M.D.T.E.

Fuel Trigger Point is the following amounts, expressed in dollars per MMBTU, applicable for all months in the specified calendar year, with the final year extending from January 1, 2004 through February 28, 2005:

Year	Fuel Trigger Point
2000	$5.35
2001	$5.35
2002	$6.09
2003	$7.01
2004-5	$7.74

In the event that the Fuel Trigger Point is exceeded, the Fuel Adjustment value for the billing month is determined according to the following formula:

$$\text{Fuel Adjustment} = \frac{(\text{Market Gas Price} + \$0.60/\text{MMBTU}) + (\text{Market Oil Price} + \$0.04/\text{MMBTU})}{\text{Fuel Trigger Point} + \$0.60 + \$0.04/\text{MMBTU}}$$

Where Market Gas Price, Market Oil Price and Fuel Trigger Point are as defined above. The values of $0.60 and $0.04/MMBTU represent for gas and oil respectively, estimated basis differentials or market costs of transportation from the point where the index is calculated to a proxy power plant in the New England market.

STANDARD OFFER SERVICE

CUSTOMER RATE FUEL ADJUSTMENT: (continued)

Incremental revenues received by the Company from the application of the Fuel Adjustment shall be fully allocated to Standard Offer Suppliers in proportion to the Standard Offer energy provided by a Supplier to the Company in the applicable billing month.

Effective January 1, 2004, the Standard Offer Service Fuel Adjustment Rate shall be:

$0.01222 per kilowatt-hour.

STANDARD OFFER REVENUE RECONCILIATION ADJUSTMENTS:

The Company shall reconcile the revenues billed to Customers taking Standard Offer Service against payments to Suppliers of Standard Offer Service and recover or refund any under- or over collection in accordance with the following terms:

1. **Any revenues billed by the Company for Standard Offer Service in excess of payments to Suppliers of that service shall be accumulated in an account and credited with interest calculated using the methodology for calculating interest on Customer deposits specified in the Company's Terms and Conditions - Distribution Service. The accumulated balance at the end of each calendar year shall be credited to all of the Company's retail Customers through a uniform cents per kilowatt-hour factor in the following year.**

2. **In the event that the revenues billed by the Company do not recover the Company's payments to Suppliers or the Company defers such expenses, the Company shall be authorized to accumulate the deficiencies in the account together with interest calculated as above and recover those amounts by implementing a uniform cents per kilowatt-hour surcharge on the rates for Standard Offer Service, if and to the extent that the transition charges billed by the Company to its retail Customers are for any reason below the unadjusted transition charge as approved by the Department. Under-recoveries, if any, that remain after the standard offer service period ends shall be recovered from all retail Customers by a uniform surcharge not exceeding $0.004 per kilowatt-hour commencing after such period.**

STANDARD OFFER SERVICE

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Standard Offer Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions - Competitive Suppliers.

If the notice of initiation of Generation Service by the Competitive Supplier is received by the Company fewer than two (2) days before the Customer's next scheduled meter read date, Standard Offer Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Standard Offer Service.

BILLING

Each Customer receiving Standard Offer Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

TERM

Standard Offer Service shall be available until February 28, 2005, unless otherwise approved by the M.D.T.E.

NOTICE

A notice will be filed with the M.D.T.E. setting forth the amount of the applicable Standard Offer Adjustment, the amount of the increase and the effective Standard Offer charge in the Company's rates as adjusted to reflect the new Standard Offer Adjustment amount. The notice shall further specify the effective date of such adjustment, which shall not be earlier than thirty days after the filing of the notice, or such other date as t he M.D.T.E. may authorize.

NSTAR Services Company

Line#	Col#1	Col#49	Col#50	Col#51	Col#52	Col#53	Col#54	Col#55	Col#56	Col#57	Col#58	Col#59	Col#60
	Section 1: Adjustment to Distribution Rates												
		Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03
	Process to determine "Fuel Adjustment"												
1	**Step 1**: Compute sum of Market Gas Price plus Market Oil Price												
2	Market Gas Price (per Section 2)	3.250389	3.437472	3.7305	4.30558333	4.4462778	4.615444	4.835361	5.018361	5.165167	5.294611	5.367889	5.399194
3	Market Oil Price (per Section 3)	3.539181	3.743704	4.010726	4.17300042	4.1958336	4.21117	4.244054	4.31011	4.341179	4.326125	4.318901	4.349537
4	Sum	6.78957	7.181176	7.741226	8.47858376	8.6421114	8.826614	9.079415	9.328471	9.506346	9.620736	9.68679	9.748731
5													
6	**Step 2**: Compute difference between "Fuel Trigger Point" and sum (from Step 1)												
7	Fuel Trigger Point	6.09	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.74
8	Sum from Step 1	6.78957	7.181176	7.741226	8.47858376	8.6421114	8.826614	9.079415	9.328471	9.506346	9.620736	9.68679	9.748731
9	Difference	-0.69957	-0.171176	-0.731226	-1.46858376	-1.632111	-1.816614	-2.069415	-2.318471	-2.496346	-2.610736	-2.67679	-2.008731
10													
11	**Step 3**: Compare Difference to 0												
12	If Difference >= 0 then Step 4, however if Difference < 0 then Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5	Step 5
13													
14	**Step 4**: "Fuel Adjustment"	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5	per Step 5
15													
16	**Step 5**: Compute "Fuel Adjustment" using Formula												
17													
18	Numerator Components												
19	Sum (per Step 1)	6.78957	7.181176	7.741226	8.47858376	8.6421114	8.826614	9.079415	9.328471	9.506346	9.620736	9.68679	9.748731
20	adders	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64
21	Total Numerator	7.42957	7.821176	8.381226	9.11858376	9.2821114	9.466614	9.719415	9.968471	10.14635	10.26074	10.32679	10.38873
22													
23	Denominator Components												
24	Fuel Trigger Point	6.09	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.74
25	adders	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64
26	Total denominator	6.73	7.65	7.65	7.65	7.65	7.65	7.65	7.65	7.65	7.65	7.65	8.38
27													
28	"Fuel Adjustment" = Numerator/Denominator	1.103948	1.022376	1.095585	1.19197173	1.2133479	1.237466	1.270512	1.303068	1.32632	1.341273	1.349907	1.239705
29													
30	incremental adj given 2.8 c/kwh (3/98 to 12/31/98)												
31	incremental adj given 3.5 c/kwh (1/1/99 to 12/31/99)												
32	incremental adj given 3.8 c/kwh (1/1/00 to 12/31/01												
33	incremental adj given 4.2 c/kwh (1/1/02 to 12/31/0	0.437											
34	incremental adj given 4.7 c/kwh (1/1/03 to 12/31/03)		0.105	0.449	0.902	1.003	1.116	1.271	1.424	1.534	1.604	1.645	
35	incremental adj given 5.1 c/kwh (1/1/04 to 12/31/04)												1.222
36													

NSTAR Services Company

Section 2: Market Gas Price Detail

NYMEX Contract for Natural Gas Futures at Henry Hub - last three trading days

Line#	Col#1	Col#49	Col#50	Col#51	Col#52	Col#53	Col#54	Col#55	Col#56	Col#57	Col#58	Col#59	Col#60
		Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03
1	1	4.26	5.146	5.396	9.137	5.077	5.474	6.119	5.697	4.706	5.083	4.588	4.512
2	2	4.261	4.962	5.444	9.577	5.097	5.477	5.9	5.757	4.7	5.038	4.542	4.486
3	3	4.14	4.988	5.66	9.133	5.146	5.123	5.945	5.291	4.693	4.927	4.43	4.459
4	Monthly average	4.220333	5.032	5.5	9.28233333	5.1066667	5.358	5.988	5.581667	4.699667	5.016	4.52	4.485667
5	12 month rolling average	3.250389	3.437472	3.7305	4.30558333	4.4462778	4.615444	4.835361	5.018361	5.165167	5.294611	5.367889	5.399194

NSTAR Services Company

Section 3: Market Oil Price Detail

Platt's Oilgram US Marketscan, 1% sulfur No. 6 residual cargo, daily low prices ($/bbl)

Line#	Col#1	Col#49	Col#50	Col#51	Col#52	Col#53	Col#54	Col#55	Col#56	Col#57	Col#58	Col#59	Col#60
	Date	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03
6	1					23.85	23.65		27.8	26.6		24.2	
7	2	24.4	28.55			23	23.65	24.2	28.25		27.5	24.5	
8	3	24.4	29	33.85	40.75	23		24.5	28.5		27	25.45	25.3
9	4	24.2		33	41	23		24.2		26.75	26.35		25.3
10	5	24.4		32.9	41.25		24.4	24.5		27	25.25		26.25
11	6	24.35	28.9	32.6	43.5		24.4	24.15		27.35		25.5	26.2
12	7		28.3	33.15	42.7	22.75	24.4		28.1	27.85		25.5	26.45
13	8		27.95			23	24.65		27.9	28.1	25.25	25.5	
14	9	24.35	28.75			23.25	24.75	24.75	28.1		25.2	26	
15	10	24.5	29.25	33.15	40.75	22.9		25.15	28.35		25.25	27	26.65
16	11	24.65		33.5	38.75	23.25		25.15	28.9	28	24.85		26.9
17	12	25.65		33.25	36		24.75	23.6		27.75	24.75		26.7
18	13	25.95	30	33	33.75		25.2	23		27.1			26.6
19	14		30.75	33	30.75	23.25	25.6		28.5	27.1		27.35	26.7
20	15		31.75			24	25.35		28.5	27.75	24.2	27.2	
21	16	27.25	32.25			24.5	25.35	23.75	27.5		23.9	26.85	
22	17	27.25	32.15		29.75	25		24.1	27.25		23.9	25.75	26.15
23	18	27.6		33.25	26			24.25	27.35	27.4	23.9		26.5
24	19	28.2		34.5	25		25	24.4		27.35	23.6		26.1
25	20	28.1		34.5	24.75		24.85	25.75		27.25		25.5	25.45
26	21		32.15	34.75	23.5	25.35	24.15		27.35	27.8		25.5	25.65
27	22		32.25			25.1	23.4		26.2	27.9	23.65	25.5	
28	23	28.8	32.1			24.6	23.5	25.75	26.2		23.85	25.7	
29	24	28.95	32.75	35.75	24	24.5		25.85	25.9		24.35	25.65	24.85
30	25			37.5	23	24.1		26.75	25.9	27.9	24.2		25.1
31	26	28.95		38.25	23.15			26.85		28.1	23.9		
32	27	28.85	33	41.25	24.5		24	27.15		28		25.65	
33	28		33.35	41.25	24.5	23.9	23.1		26.25	28		25.6	25.25
34	29		34.5			23.5	23.45		26.35	28	23.9	25.25	
35	30	28.1	35.75			23.5	23.9	27.8	26.6		24.2	24.7	
36	31	28.05	35.5		25				26.6			25.3	
	Proxy Futures												
37	Monthly average	26.5214	31.3786	34.8632	31.5405	23.7762	24.3571	25.0286	27.3795	27.5738	24.7119	25.6886	26.0056
38	12 month rolling average	22.30	23.59	25.27	26.29	26.43	26.53	26.74	27.15	27.35	27.25	27.21	27.40
39	$/mmbtu given 6.3 mmbtu/bbl	3.539181	3.743704	4.010726	4.17300042	4.1958336	4.21117	4.244054	4.31011	4.341179	4.326125	4.318901	4.349537

EXHIBIT 2

Cambridge Electric Deferrals for 2004

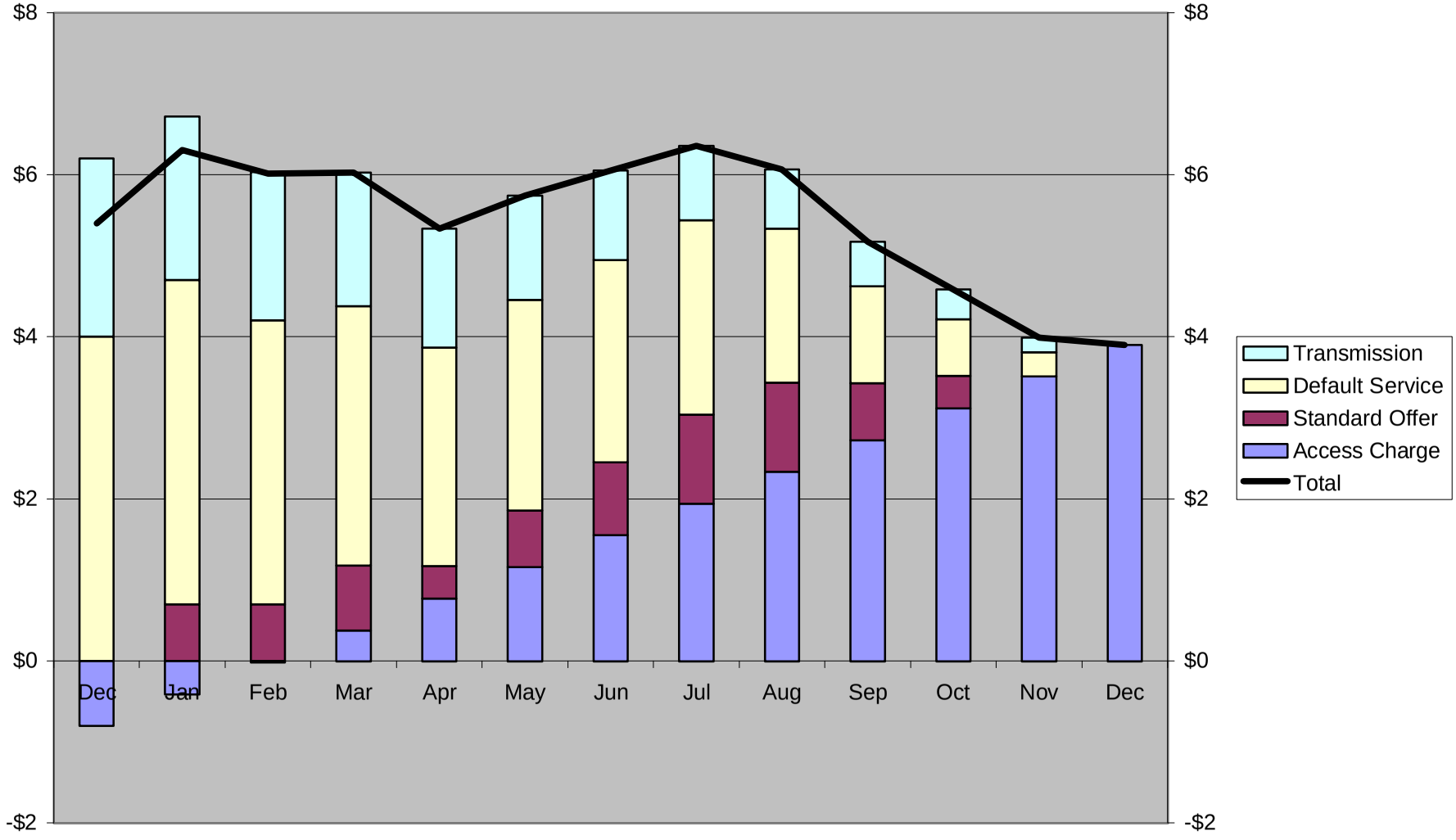
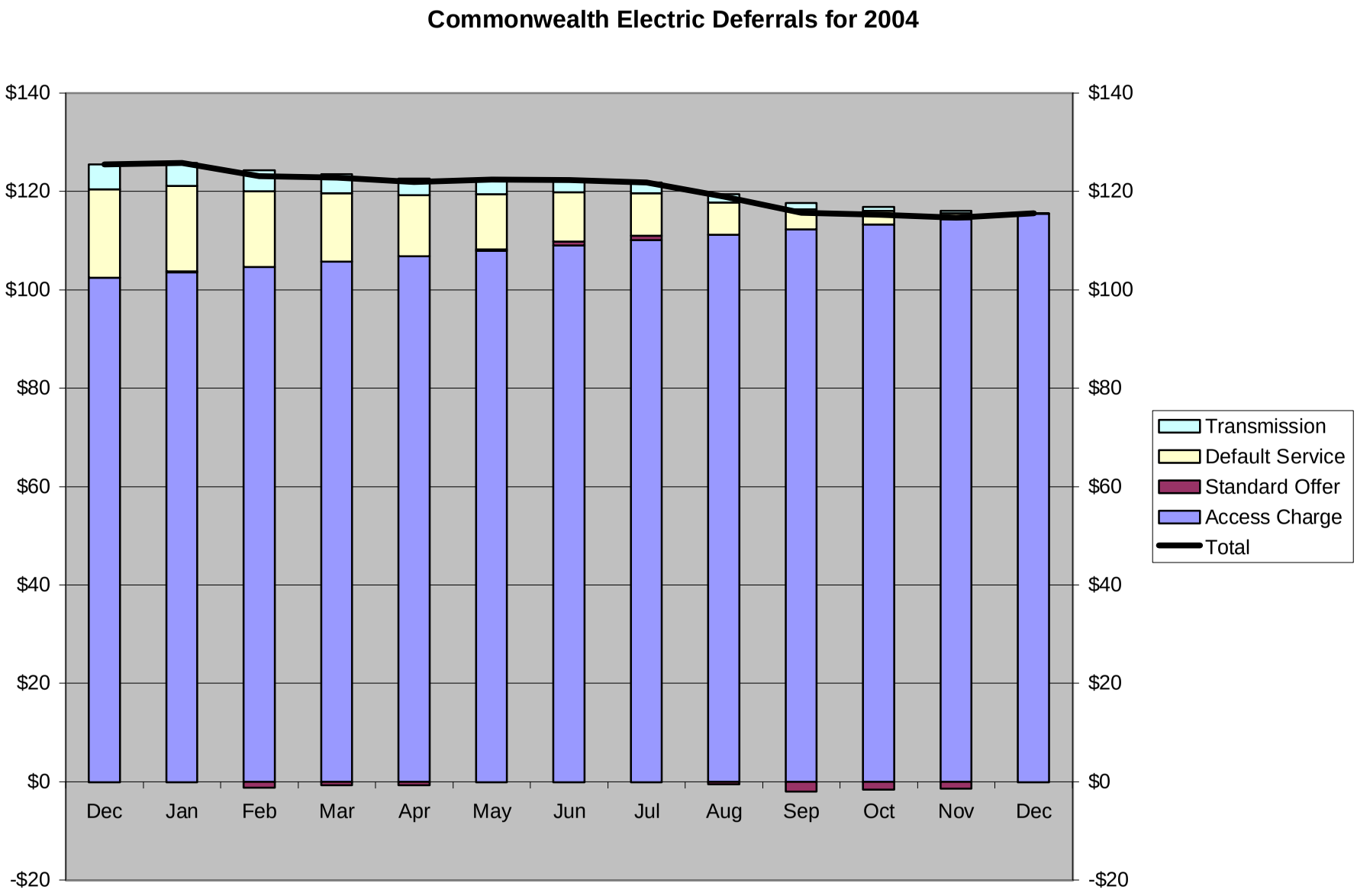


EXHIBIT 2


Commonwealth Electric Deferrals for 2004
$140
$120
$100
$80
$60
$40
$20
$0
-$20
Dec
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Transmission
Default Service
Standard Offer
Access Charge
Total