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August 16, 2005

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

Re: Investigation by the Department of Telecommunications and Energy on its Own Motion to Increase the Participation Rate for Discounted Electric, Gas and Telephone Service Pursuant to G.L. c. 159, § 105 and G.L. c. 164, § 76, D.T.E. 01-106

Dear Secretary Cottrell:

Please find attached proposed Residential Assistance Adjustment Clause ("RAAC") tariffs on behalf of Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company d/b/a NSTAR Electric ("NSTAR Electric" or the "Companies"). NSTAR Electric respectfully requests that the Department of Telecommunications and Energy (the "Department") approve the attached tariffs for effect September 1, 2005. The RAAC tariffs provide for the recovery of lost revenues that may accrue as the result of increased participation on the Companies' respective discount rates through the Companies' participation in the electronic customer data matching process with the Executive Office of Health and Human Services ("EOHHS") established by the Department in this proceeding. Filing fees of $300 are included herein.

The Department has authorized the establishment of lost revenue reconciliation mechanisms to recover incremental revenue shortfalls associated with an electric or gas company's participation in the EOHHS data matching program until such time as the Department approves a comprehensive lost revenue recovery mechanism in a company's next base rate proceeding relating to discount rate participation. D.T.E. 01-106-B at 9. Accordingly, NSTAR Electric is proposing to recover lost revenues associated with participation in the EOHHS data matching program coincident with the date that new customers are enrolled automatically on the Companies' discount rates as a result of a data match with the EOHHS. The Companies have attached: (1) proposed RAAC tariffs for each NSTAR Electric operating company (see Boston Edison Company,

M.D.T.E. No. 110, Cambridge Electric Light Company, M.D.T.E. No. 210, Commonwealth Electric Company, M.D.T.E. No. 310); and (2) supporting schedules calculating a Residential Assistance Adjustment Factor ("RAAF") to be recovered from all customers in the respective Distribution Charges.

The RAAF for each of the NSTAR Electric companies has been estimated in this filing based on the initial results of the most recent quarterly NSTAR Electric customer database match with EOHHS,[1] which resulted in an incremental 4,416 customers being eligible for enrollment on the Companies' discount rates.[2] These customers will be uniquely identified in the NSTAR Electric billing system and, going forward, each Company will track the difference between the actual distribution revenue for their usage under the Company's discount rate and the Company's non-discounted rates.

The RAAF shall be effective initially on the date on which the Companies commence enrolling new incremental customers on their respective Rate R-2 as a result of the EOHHS computer matching program. The RAAF will be subject to an initial adjustment on the first day of the next calendar year (e.g., January 1, 2006), with subsequent adjustments on the first day of each following calendar year pursuant to the reconciliation as described herein, unless otherwise ordered by the Department.

Thank you for your consideration of the attached tariffs. Please contact me or Kerry Britland at NSTAR Electric (781-441-8219) if you have any questions regarding this filing.

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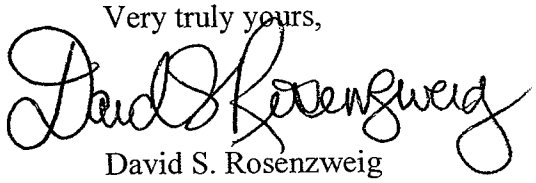
1 Since January 2005, the Companies have been actively participating in sharing their customer data with the EOHHS and the Department in a series of tests designed to maximize the efficiency and accuracy of the data sharing program. The EOHHS and the Department have developed codes to facilitate the identification of potential customers eligible for the Companies' discount rates based on the completeness of matching various company customer data fields with corresponding data fields in the EOHHS database. The Companies are aware that the Department has not made a final determination on which, or how many, match codes should be utilized by the companies to identify customers eligible for automatic discount rate enrollment. However, in order to receive Department approval of RAAC tariffs in time to allow lost revenue recovery coincident with the first enrollment of new incremental customers on the Companies' discount rates, the Companies have based their supporting schedules in this filing on the use of the most stringent match code under consideration, i.e., a match of: (1) full first name; (2) full last name; (3) street number; (4) street name; and (5) zip code (i.e., "Match 1"). Should the Department determine that additional customers should be eligible for automatic enrollment based on their identification through less stringent match codes, the Companies will file updated supporting schedules at that time that calculate RAAFs based on those additional incremental customer figures.

2 Incremental customers for each NSTAR Electric company total: (1) 3,592 for Boston Edison Company; (2) 190 for Cambridge Electric Light Company; and (3) 634 for Commonwealth Electric Company.

Very truly yours,



David S. Rosenzweig

cc: Andrew Kaplan, General Counsel
Jeanne Voveris, Hearing Officer
Elizabeth Cellucci, Hearing Officer
Ron LeComte, Director, Electric Power Division
George Yiankos, Director, Gas Division
Kevin Brannelly, Director, Rates Division
Joseph Rogers, Chief, Utilities Division, Office of the Attorney General
Service List, D.T.E. 01-106

Enclosures

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.01 Purpose

The purpose of the Residential Assistance Adjustment Clause ("RAAC") is to provide Boston Edison Company ("Boston Edison" or the "Company") a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Telecommunications and Energy (the "Department"), based on the incremental increase of Residential Assistance customers enrolled in the Company's discounted rate (Rate R-2) as a result of a computer data matching program with the Massachusetts Executive Office of Health and Human Services ("EOHHS"), as described in the Department's D.T.E. 01-106 order. The RAAC would be subject to annual reconciliation/true-up based on actual sales and revenue.

1.02 Applicability

The RAAC shall be applicable to all Customers. For billing purposes, the RAAC shall be included in the Distribution Charge.

1.03 Effective Date of Annual Adjustment Factor

The Residential Assistance Adjustment Factor ("RAAF") shall be effective initially on the date on which the Company commences enrolling new incremental customers on its Rate R-2 as a result of the EOHHS computer matching program. The RAAF will be subject to an initial adjustment on the first day of the next calendar year, with subsequent adjustments on the first day of each following calendar year pursuant to the reconciliation as described herein, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

(1) "Distribution Company" or "Company" is Boston Edison Company d/b/a NSTAR Electric Company.

(2) "Prior Year" is the twelve-month period immediately prior to the effective date of a proposed RAAF.

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.05 Residential Assistance Adjustment Factor Formula

$$RAAF_x = [(RA_x) + Cust(DCust\$_x) + Cust(AvgkWh)(DkWh\$)]/FkWh_x$$

RAAF = The annual Residential Assistance Adjustment Factor.

RA_x = The Reconciliation Adjustment for $Year_x$ shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on revenue calculations for the actual customers participating in the Company's discounted rates as a direct result of the EOHHS computer matching program and those customers' actual monthly usage as recorded in the Company's billing data base. Interest shall be calculated on the average monthly reconciling balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to the reconciling balance.

$Cust_x$ = The estimated increase in number of participating customers as a result of the Company's participation in the EOHHS computer matching program

AvgkWh = The estimated average kWh usage per customer for the forecast period determined from the most recent historical kWh usage under the Company's Residential Assistance Rate.

DCust$ = The difference between the non-discounted and discounted customer charge for the applicable rates.

DkWh$= The difference between the non-discounted and discounted kWh charges for the applicable rates.

$FkWh_x$ = The estimated kWh in the forecast period.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least thirty (30) days before the date on which a new RAAF is to be effective. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.01 Purpose

The purpose of the Residential Assistance Adjustment Clause ("RAAC") is to provide Cambridge Electric Light Company ("Cambridge" or the "Company") a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Telecommunications and Energy (the "Department"), based on the incremental increase of Residential Assistance customers enrolled in the Company's discounted rates (Rate R-2 and Rate R-4) as a result of a computer data matching program with the Massachusetts Executive Office of Health and Human Services ("EOHHS"), as described in the Department's D.T.E. 01-106 order. The RAAC would be subject to annual reconciliation/true-up based on actual sales and revenue.

1.02 Applicability

The RAAC shall be applicable to all Customers. For billing purposes, the RAAC shall be included in the Distribution Charge.

1.03 Effective Date of Annual Adjustment Factor

The Residential Assistance Adjustment Factor ("RAAF") shall be effective initially on the date on which the Company commences enrolling new incremental customers on its Rate R-2 and Rate R-4 as a result of the EOHHS computer matching program. The RAAF will be subject to an initial adjustment on the first day of the next calendar year, with subsequent adjustments on the first day of each following calendar year pursuant to the reconciliation as described herein, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

(1) "Distribution Company" or "Company" is Cambridge Electric Light Company d/b/a NSTAR Electric Company.

(2) "Prior Year" is the twelve-month period immediately prior to the effective date of a proposed RAAF.

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.05 Residential Assistance Adjustment Factor Formula

$$RAAF_x = [(RA_x) + Cust(DCust\$_x) + Cust(AvgkWh)(DkWh\$)]/FkWh_x$$

RAAF = The annual Residential Assistance Adjustment Factor.

RA_x = The Reconciliation Adjustment for $Year_x$ shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on revenue calculations for the actual customers participating in the Company's discounted rates as a direct result of the EOHHS computer matching program and those customers' actual monthly usage as recorded in the Company's billing data base. Interest shall be calculated on the average monthly reconciling balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to the reconciling balance.

$Cust_x$ = The estimated increase in number of participating customers as a result of the Company's participation in the EOHHS computer matching program

AvgkWh = The estimated average kWh usage per customer for the forecast period determined from the most recent historical kWh usage under the Company's Residential Assistance Rates.

DCust$ = The difference between the non-discounted and discounted customer charge for the applicable rates.

DkWh$= The difference between the non-discounted and discounted kWh charges for the applicable rates.

$FkWh_x$ = The estimated kWh in the forecast period.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least thirty (30) days before the date on which a new RAAF is to be effective. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.01 Purpose

The purpose of the Residential Assistance Adjustment Clause ("RAAC") is to provide Commonwealth Electric Company ("Commonwealth" or the "Company") a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Telecommunications and Energy (the "Department"), based on the incremental increase of Residential Assistance customers enrolled in the Company's discounted rates (Rate R-2 and Rate R-4) as a result of a computer data matching program with the Massachusetts Executive Office of Health and Human Services ("EOHHS"), as described in the Department's D.T.E. 01-106 order. The RAAC would be subject to annual reconciliation/true-up based on actual sales and revenue.

1.02 Applicability

The RAAC shall be applicable to all Customers. For billing purposes, the RAAC shall be included in the Distribution Charge.

1.03 Effective Date of Annual Adjustment Factor

The Residential Assistance Adjustment Factor ("RAAF") shall be effective initially on the date on which the Company commences enrolling new incremental customers on its Rate R-2 and Rate R-4 as a result of the EOHHS computer matching program. The RAAF will be subject to an initial adjustment on the first day of the next calendar year, with subsequent adjustments on the first day of each following calendar year pursuant to the reconciliation as described herein, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

(1) "Distribution Company" or "Company" is Commonwealth Electric Company d/b/a NSTAR Electric Company.

(2) "Prior Year" is the twelve-month period immediately prior to the effective date of a proposed RAAF.

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.05 Residential Assistance Adjustment Factor Formula

$$RAAF_x = [(RA_x) + Cust(DCust\$_x) + Cust(AvgkWh)(DkWh\$)]/FkWh_x$$

RAAF = The annual Residential Assistance Adjustment Factor.

RA_x = The Reconciliation Adjustment for $Year_x$ shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on revenue calculations for the actual customers participating in the Company's discounted rates as a direct result of the EOHHS computer matching program and those customers' actual monthly usage as recorded in the Company's billing data base. Interest shall be calculated on the average monthly reconciling balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to the reconciling balance.

$Cust_x$ = The estimated increase in number of participating customers as a result of the Company's participation in the EOHHS computer matching program

AvgkWh = The estimated average kWh usage per customer for the forecast period determined from the most recent historical kWh usage under the Company's Residential Assistance Rates.

DCust$ = The difference between the non-discounted and discounted customer charge for the applicable rates.

DkWh$= The difference between the non-discounted and discounted kWh charges for the applicable rates.

$FkWh_x$ = The estimated kWh in the forecast period.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least thirty (30) days before the date on which a new RAAF is to be effective. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

Boston Edison Company

Low Income Adjustment (RAAF)

Line #	Rate R-2 Non-Heating	Incremental Customers (a)	Winter Incremental kWh/Cust	Summer Incremental kWh/Cust	
1	Monthly Billing Quantities	3,437	440	440	Reflects average year 2004 usage
2					
3		$/Cust	$/kWh	$/kWh	
4	Rate R-1	6.43	0.03912	0.03912	Reflects July 1, 2005 distribution rates
5	Rate R-2	3.91	0.00945	0.00945	Reflects July 1, 2005 distribution rates
6	Difference	2.52	0.02967	0.02967	
7					
8	Monthly Revenue Diff.	$ 8,661	$ 44,869	$ 44,869	Line 1 x Line 6
9	Months	12	8	4	
10	Annual Revenue Difference	$ 103,935	$ 358,955	$ 179,477	Line 8 x Line 9
11					
12			Winter	Summer	
13		Incremental	Incremental	Incremental	
14	Rate R-2 Heating	Customers (a)	kWh/Cust	kWh/Cust	
15	Monthly Billing Quantities	155	920	920	Reflects average year 2004 usage
16					
17		$/Cust	$/kWh	$/kWh	
18	Rate R-3	6.43	0.03151	0.0391	Reflects July 1, 2005 distribution rates
19	Rate R-2	3.91	0.00553	0.00717	Reflects July 1, 2005 distribution rates
20	Difference	2.52	0.02598	0.03193	
21					
22	Revenue Difference	$ 391	$ 3,705	$ 4,553	Line 15 x Line 20
23	Months	12	8	4	
24	Annual Revenue Difference	$ 4,687	$ 29,638	$ 18,213	Line 22 x Line 23
25					
26	Total Revenue Difference	$ 694,905			Line 10 + Line 24 (all columns)
27	Prior Year Adjustment	$ -			RA
28	Total Revenue for Recovery	$ 694,905			Line 26 + Line 27
29	Total kWh	15,135,773,480			Reflects projected year total usage
30	RAAF Adjustment	**$ 0.00005** /kWh			Line 28 / Line 29

Notes:

(a) Results of EOHHS customer matching process using 2Q 2005 customer data.

Cambridge Electric Light Company

Low Income Adjustment (RAAF)

Line #	Rate R-2	Incremental Customers	(a)	Winter Incremental kWh/Cust	Summer Incremental kWh/Cust	
1	Monthly Billing Quantities	189		360	360	Reflects average year 2004 usage
2						
3		$/Cust		$/kWh	$/kWh	
4	Rate R-1	6.87		0.02539	0.02539	Reflects July 1, 2005 distribution rates
5	Rate R-2	4.51		0.00380	0.00380	Reflects July 1, 2005 distribution rates
6	Difference	2.36		0.02159	0.02159	
7						
8	Monthly Revenue Diff.	$ 446		$ 1,469	$ 1,469	Line 1 x Line 6
9	Months	12		8	4	
10	Annual Revenue Difference	$ 5,352		$ 11,752	$ 5,876	Line 8 x Line 9
11						
12				Winter	Summer	
13		Incremental		Incremental	Incremental	
14	**Rate R-4**	Customers	(a)	kWh/Cust	kWh/Cust	
15	Monthly Billing Quantities	1		697	697	Reflects average year 2004 usage
16						
17		$/Cust		$/kWh	$/kWh	
18	Rate R-3	7.77		0.03031	0.03031	Reflects July 1, 2005 distribution rates
19	Rate R-4	5.09		0.00619	0.00619	Reflects July 1, 2005 distribution rates
20	Difference	2.68		0.02412	0.02412	
21						
22	Revenue Difference	$ 3		$ 17	$ 17	Line 15 x Line 20
23	Months	12		8	4	
24	Annual Revenue Difference	$ 32		$ 134	$ 67	Line 22 x Line 23
25						
26	Total Revenue Difference	$ 23,214				Line 10 + Line 24 (all columns)
27	Prior Year Adjustment	$ -				RA
28	Total Revenue for Recovery	$ 23,214				Line 26 + Line 27
29	Total kWh	1,647,827,088				Reflects projected year total usage
30	RAAF Adjustment	**$ 0.00001**	/kWh			Line 28 / Line 29

Notes:

(a) Results of EOHHS customer matching process using 2Q 2005 customer data.

Commonwealth Electric Company

Low Income Adjustment (RAAF)

Line #	Rate R-2 Annual	Incremental Customers	(a)	Winter Incremental kWh/Cust	Summer Incremental kWh/Cust	
1	Monthly Billing Quantities	602		467	467	Reflects average year 2004 usage
2						
3		$/Cust		$/kWh	$/kWh	
4	Rate R-1	3.73		0.04614	0.04614	Reflects July 1, 2005 distribution rates
5	Rate R-2	2.21		0.02054	0.02054	Reflects July 1, 2005 distribution rates
6	Difference	1.52		0.02560	0.02560	
7						
8	Monthly Revenue Diff.	$ 915		$ 7,197	$ 7,197	Line 1 x Line 6
9	Months	12		8	4	
10	Annual Revenue Difference	$ 10,980		$ 57,576	$ 28,788	Line 8 x Line 9
11						
12				Winter	Summer	
13		Incremental		Incremental	Incremental	
14	**Rate R-2 Seasonal**	Customers	(a)	kWh/Cust	kWh/Cust	
15	Monthly Billing Quantities	-		423	423	Reflects average year 2004 usage
16						
17		$/Cust		$/kWh	$/kWh	
18	Rate R-1 (s)	3.73		0.08036	0.08036	Reflects July 1, 2005 distribution rates
19	Rate R-2 (s)	2.21		0.03986	0.03986	Reflects July 1, 2005 distribution rates
20	Difference	1.52		0.04050	0.04050	
21						
22	Monthly Revenue Diff.	$ -		$ -	$ -	Line 13 x Line 18
23	Months	12		8	4	
24	Annual Revenue Difference	$ -		$ -	$ -	Line 20 x Line 21
25						
26				Winter	Summer	
27		Incremental		Incremental	Incremental	
28	**Rate R-4 Heating**	Customers	(a)	kWh/Cust	kWh/Cust	
29	Monthly Billing Quantities	32		1,053	1,053	Reflects average year 2004 usage
30						
31		$/Cust		$/kWh	$/kWh	
32	Rate R-3	10.03		0.02718	0.02718	Reflects July 1, 2005 distribution rates
33	Rate R-4	5.87		0.00968	0.00968	Reflects July 1, 2005 distribution rates
34	Difference	4.16		0.01750	0.01750	
35						
36	Revenue Difference	$ 133		$ 590	$ 590	Line 25 x Line 30
37	Months	12		8	4	
38	Annual Revenue Difference	$ 1,597		$ 4,717	$ 2,359	Line 32 x Line 33
39						
40	Total Revenue Difference	$ 106,018				L10 + L22 + L34 (all columns)
41	Prior Year Adjustment	$ -				RA
42	Total Revenue for Recovery	$ 106,018				Line 36 + Line 37
43	Total kWh	4,230,814,861				Reflects projected year total usage
44	RAAF Adjustment	**$ 0.00003**	/kWh			Line 38 / Line 39

Notes:

(a) Results of EOHHS customer matching process using 2Q 2005 customer data.