COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Petition of Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company and NSTAR Gas Company for Approval of a Rate Settlement Effective January 1, 2006	)	D.T.E. 05-85

PETITION TO INTERVENE OF
CONSTELLATION ENERGY COMMODITIES GROUP, INC.

Pursuant to 220 CMR 1.03, Constellation Energy Commodities Group, Inc. ("Constellation") hereby petitions the Department of Telecommunications and Energy ("Department") for leave to intervene in the above-captioned proceeding.

In support of this Petition, Constellation states as follows:

1. Constellation focuses on serving the full requirements power needs of distribution utilities, co-ops and municipalities that competitively source their load requirements. Constellation also sells natural gas and other commodities at wholesale, both in the U.S. and abroad, and holds interests in exploration and production companies as well. Constellation does not own any physical assets for the generation, transmission, or distribution of electric power and has no retail electric customers or service territories. Constellation's business address is 111 Market Place, Suite 500, Baltimore, Maryland 21202.

2. On December 6, 2005, pursuant to G.L. c. 164, § 94 and 220 CMR 5.00 et seq., Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company (together "NSTAR Electric") and NSTAR Gas Company ("NSTAR Gas" and

collectively with NSTAR Electric, "the Companies") filed a Petition with the Department seeking approval of a rate settlement ("Settlement") executed with the Attorney General, the Low-Income Energy Affordability Network and Associated Industries of Massachusetts.

3. As set forth in the Department's Notice of Filing and Public Hearing in this proceeding, the Settlement provides for (1) NSTAR Electric rate changes on January 1, 2006 and May 1, 2006, (2) a performance-based rate mechanism for NSTAR Electric beginning January 1, 2007 and extending through December 31, 2012, (3) NSTAR Gas rate changes on January 1, 2006, (4) an expansion of NSTAR Electric's storm fund, (5) the implementation of new procurement programs for NSTAR Electric basic service customers, (6) the implementation of a fixed-price option for NSTAR Gas residential and small commercial default service customers, (7) the implementation of service quality, safety and reliability programs, (8) the implementation of a low-income arrearage management program, and (9) the preparation of an annual capital projects scheduling list.

4. Constellation will be substantially and specifically affected by this proceeding. The Department's decision with respect to the Settlement at issue in this proceeding, and, in particular, certain of the Customer Service Quality, Safety and Reliability Programs set forth in the Settlement will have profound effects on the wholesale market in New England.

5. In this regard, Constellation would be substantially and specifically affected by changes in the wholesale market associated with the Department's adoption of Sections 2.32 through 2.36 of the Settlement. These provisions set up incentive programs and cost sharing mechanisms for NSTAR Electric's continued litigation and advocacy with respect to the structuring and operations of wholesale markets. These provisions offer incentives and cost recovery certainty to NSTAR Electric to employ litigation as it sees fit to fulfill the broad

objectives laid out in Sections 2.32 through 2.36 of the Settlement. If these particular provisions of the Settlement are adopted by the Department, NSTAR's litigation, advocacy and other activities could have significant long-term and unintended impacts on the wholesale market with respect to price, structure and necessary investment. Any such changes which result from NSTAR's activities would have profound effects on Constellation. There is simply no place in a Settlement regarding distribution rates and transition charges for such broad provisions impacting the wholesale market, particularly where the wholesale issues for which NSTAR Electric seeks to collect an incentive fall outside of the Department's jurisdiction.

6. If this Petition to Intervene is granted, Constellation expects to present evidence with respect to Sections 2.32 through 2.36 of the Settlement.

7. Constellation's intervention will not impair the orderly conduct of this proceeding. Indeed, Constellation's experience as a supplier will assist the Department in its review of the issues raised herein.

8. Constellation seeks to participate as a full intervenor in this case, and where appropriate, to file comments, attend and participate in technical conferences, present witnesses, file discovery, cross-examine witnesses, and submit briefs.

WHEREFORE, Constellation Energy Commodities Group, Inc. respectfully requests that the Department grant its Petition to Intervene.

Respectfully submitted,

CONSTELLATION ENERGY
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