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Boston Edison Company

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March 17, 2003

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

Re: Boston Edison Company
D.T.E. 98-118, 2003 RTC Charge True-Up

Dear Secretary Cottrell:

As provided for in the Financing Order issued by the Department in the above-referenced docket, enclosed please find a copy of Boston Edison Company's third annual Routine True-Up Letter dated March 15, 2003. The Routine True-Up Letter utilizes the form and methodology as specified in the Financing Order. As set forth in the Routine True-Up Letter, the RTC Charge will be revised effective April 1, 2003 to .06576¢/kWh. Such revision to the RTC Charge will not necessitate any change in the Company's currently effective tariffs.

Please do not hesitate to contact me if you have any questions. Thank you for your attention to this matter.

Very truly yours,

Enclosure

cc: Jeanne Voveris, Hearing Officer
Service List D.T.E. 98-118 (By First Class Mail)

ROUTINE TRUE-UP LETTER

March 15, 2003

ADVICE: D.T.E 98-118

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY (THE "DEPARTMENT") OF THE COMMONWEALTH OF MASSACHUSETTS

SUBJECT: Periodic RTC Charge True-Up Mechanism Advice Filing

Pursuant to D.T.E. Docket No. 98-118 (the "Financing Order"), Boston Edison Company ("Boston Edison") as Servicer of the RRBs or any successor Servicer and on behalf of the trustee as assignee of the special purpose entity (the "SPE") may apply for adjustment to the RTC Charge on each anniversary of the date of the Financing Order and at such additional intervals as may be provided for in the Financing Order. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order.

PURPOSE

This filing establishes the revised RTC Charge to be assessed and collected from all classes of retail users of Boston Edison's distribution system within the geographic service territory as in effect on July 1, 1997, whether or not energy is purchased from Boston Edison or any TPS, and whether or not such distribution system is being operated by Boston Edison or a successor distribution company. The RTC Charge is a usage-based component of the transition charge on each retail user's monthly bill and may include in the future a component of any exit fee collected pursuant to G.L. c. 164, Section 1G(g) until the Total RRB Payment Requirements are discharged in full. In the Financing Order, the Department authorized Boston Edison to file Routine True-Up Letters prior to each anniversary of the date of the Financing Order and at such additional intervals, if necessary, as provided for in the Financing Order. Boston Edison, or a successor Servicer, is authorized to file periodic RTC Charge adjustments to the extent necessary to ensure the timely recovery of revenues sufficient to provide for the payment of an amount equal to the sum of the Periodic RRB Payment Requirements (as defined in the Financing Order) for the upcoming year, which may include indemnity obligations of the SPE in the RRB transaction documents for SPE officers and directors, trustee fees, liabilities of the special purpose trust and liabilities to the underwriters related to the underwriting of the RRBs. Routine True-Up Letter filings are those where Boston Edison uses the methodology approved by the Department in the Financing Order to adjust upward or downward the existing RTC Charge.
Using the methodology approved by the Department in the Financing Order, this filing modifies the variables used in the RTC Charge calculation and provides the resulting modified RTC Charge. Table I shows the revised assumptions for each of the variables used in calculating the RTC Charge for retail users. The assumptions underlying the current RTC Charges were filed in an Issuance Advice Letter, dated July 28, 1999.

Table I below shows the current assumptions for each of the variables used in the RTC Charge calculation.

TABLE I

INPUT VALUES FOR RTC CHARGE

(a)	Most recent RRB payment date for which payment data is available ("Measure Date"):	March 15, 2003
(b)	Last RRB payment date related to this remittance period ("Target Date"):	March 15, 2004
(c)	Annual ongoing transaction expenses to be paid through Target Date:	$582,500
(d)	Unpaid ongoing transaction expenses following payments on Measure Date:	$0
(e)	Required annual overcollateralization amount:	$329,545
(f)	Overcollateralization account deficiency following payments on Measure Date:	$0
(g)	Capital account deficiency following payments on Measure Date:	$0
(h)	Expected annual RRB principal payments through Target Date:	$68,500,000
(i)	Unpaid RRB principal payments following payments on the measure date:	$0
(j)	Interest payments on outstanding principal to be paid through Target Date:	$31,801,045
(k)	Unpaid interest following payments on Measure date:	$0
(l)	Total annual revenue requirement (sum of (c) through (k) above)	**$101,213,090**
(m)	Amounts on deposit in reserve acount following payments on measure date:	$882,976
(n)	Collections expected to be realized in upcoming remittance period from prior RTC Charge:	$24,246,349
(o)	Required Debt Service and fees((l)-(m)-(n))	**$76,083,765**
(p)	kWh consumption on which upcoming RTC Charge is expected to be billed and collected in upcoming remittance period:	**11,623,928,000**
(q)	Adjusted RTC Charge for retail users (¢/kWh) (o/(p*(1-s))):	**0.6576 ¢/kWh**

TABLE II

INPUT VALUES FOR WEIGHTED AVERAGE DAYS SALES OUTSTANDING

(r)	Weighted Average Days Sales Outstanding ("WAD"):	44
(s)	Annual RTC charge-offs for most recent reconciliation period (per annum): (67% of .69% systemwide chargeoffs)	0.46%

EFFECTIVE DATE

In accordance with the Financing Order, Routine True-Up Letters for annual RTC Charge adjustments shall be filed prior to the anniversary of the Financing Order or more frequently, if necessary, with the resulting changes to be effective no sooner than 15 days after the filing of this Routine True-Up Letter. No resolution by the Department is required. Therefore, these RTC Charges shall be effective as of April 1, 2003.

NOTICE

Copies of this filing are being furnished to the parties on the attached service list. Notice to the public is hereby given by filing and keeping this filing open for public inspection at Boston Edison's corporate headquarters.

Filename: s:/shared/corpfin/files/rtc/compliance 2002/routine trueup letter 2002.doc