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October 15, 2001

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

Re: NSTAR Electric - Default Service Tariffs

Dear Secretary Cottrell:

Boston Edison Company, Commonwealth Electric Company, and Cambridge Electric Light Company (together, "NSTAR Electric") hereby submit the results of their most recent solicitation for default service supply together with proposed Default Service tariffs resulting from that solicitation. This filing is made in accordance with the provisions of G.L. c. 164, § 1B(d); 220 C.M.R. §§ 5.00 and 11.00; and Default Service Pricing and Procurement, D.T.E. 99-60. NSTAR Electric requests that the Department of Telecommunications and Energy (the "Department") approve the tariffs within five business days to become effective on January 1, 2002, subject to future reconciliation of costs by the Department. Please find enclosed the filing fee of $45 for the three tariffs.

NSTAR Electric requests approval of the following proposed tariffs, which are enclosed herewith:

Boston Edison Company – M.D.T.E. No. 957, Default Service Rate

Cambridge Electric Light Company – M.D.T.E. No. 759, Default Service Rate

Commonwealth Electric Company – M.D.T.E. No. 495, Default Service Rate.

On August 21, 2001, NSTAR Electric issued a Request for Proposals ("RFP") for Default Service supply for a delivery term commencing January 1, 2002. A copy of the RFP is enclosed herewith as Appendix A. The RFP sought fixed-price proposals, which could vary by calendar month, to serve the residential, commercial, and industrial customer groups of each distribution company. NSTAR Electric received a number of responses from bidders by the September 5, 2001 deadline. The bids were evaluated and a ranking of bids was established. After an initial evaluation of each of the bids, NSTAR Electric engaged in extensive negotiations with a short list of bidders and ultimately agreed to purchase 50 percent of the three companies' default service requirements for

the period January 1, 2002 through June 30, 2002[1] and 100 percent of its default service requirements for the July 1, 2002 through December 31, 2002 period.

In accordance with the Department's order in D.T.E. 99-60-B at 15, the RFP solicited default service proposals with separate bid prices for the residential, commercial and industrial customer groups. NSTAR Electric has contracted for Default Service supplies and hereby requests that the Department approve the implementation of the new Default Service rates effective for usage from January 1, 2002 through December 31, 2002.

A copy of the bid evaluation together with an explanation of the calculation of the Default Service prices is enclosed herewith as Appendix B. Because Appendix B contains specific contract and pricing terms that are proprietary and confidential, only one copy of Appendix B is being filed with the Secretary, under seal. The remaining copies do not include Appendix B. A Motion for Protective Treatment with respect to Appendix B, together with an Affidavit of Robert H. Martin in support thereof, are enclosed.

NSTAR Electric's RFP resulted in the following rates for each of the three distribution companies (in cents/kWh at the retail customer level):

BOSTON EDISON COMPANY

Fixed Price Option:

January 2002 - June 2002

Residential	6.393
Commercial	6.574
Industrial	6.549
Street Lighting	6.574

July 2002 - December 2002

Residential	5.638
Commercial	5.671
Industrial	5.922
Street Lighting	5.671

[1] As part of its February 2001 solicitation of default service power supply, NSTAR Electric procured 100 percent of its default service requirements for the period July 1, 2001 through December 31, 2001, and 50 percent of its default service requirements for the period January 1, 2002 through June 2002. NSTAR Electric filed the results of that solicitation with the Department on May 18, 2001.

Variable Price Option: January 2002- June 2002

	January	February	March	April	May	June
Residential	6.823	6.794	6.085	6.034	6.099	6.464
Commercial	7.044	7.105	6.311	6.172	6.220	6.536
Industrial	7.346	7.166	5.993	5.939	6.023	6.715
Street Lighting	7.044	7.105	6.311	6.172	6.220	6.536

Variable Price Option: July 2002 - December 2002

	July	August	September	October	November	December
Residential	5.638	5.638	5.638	5.638	5.638	5.638
Commercial	5.671	5.671	5.671	5.671	5.671	5.671
Industrial	7.127	7.240	5.304	4.686	5.019	5.877
Street Lighting	5.671	5.671	5.671	5.671	5.671	5.671

CAMBRIDGE ELECTRIC LIGHT COMPANY

Fixed Price Option:

January - June 2002

Residential	6.060
Commercial	6.232
Industrial	6.175
Street Lighting	6.232

July 2002 - December 2002

Residential	5.351
Commercial	5.380
Industrial	5.613
Street Lighting	5.380

Variable Price Option: January 2002 - June 2002

	January	February	March	April	May	June
Residential	6.481	6.446	5.767	5.739	5.792	6.132
Commercial	6.688	6.741	5.992	5.859	5.900	6.208
Industrial	6.948	6.772	5.665	5.611	5.691	6.351
Street Lighting	6.688	6.741	5.992	5.859	5.900	6.208

Variable Price Option: July 2002 - December 2002

	July	August	September	October	November	December
Residential	5.351	5.351	5.351	5.351	5.351	5.351
Commercial	5.380	5.380	5.380	5.380	5.380	5.380
Industrial	6.735	6.845	5.015	4.427	4.745	5.553
Street Lighting	5.380	5.380	5.380	5.380	5.380	5.380

COMMONWEALTH ELECTRIC COMPANY

Fixed Price Option:

January 2002- June 2002

Residential	6.289
Commercial	6.468
Industrial	6.410
Street Lighting	6.468

July 2002 - December 2002

Residential	5.520
Commercial	5.552
Industrial	5.792
Street Lighting	5.552

Variable Price Option: January 2002- June 2002

	January	February	March	April	May	June
Residential	6.681	6.652	5.954	5.912	5.974	6.331
Commercial	6.894	6.957	6.184	6.043	6.092	6.396
Industrial	7.129	6.958	5.825	5.760	5.838	6.522
Street Lighting	6.894	6.597	6.184	6.043	6.092	6.396

Variable Price Option: July 2002- December 2002

	July	August	September	October	November	December
Residential	5.520	5.520	5.520	5.520	5.520	5.520
Commercial	5.552	5.552	5.552	5.552	5.552	5.552
Industrial	6.928	7.033	5.159	4.550	4.878	5.709
Street Lighting	5.552	5.552	5.552	5.552	5.552	5.552

NSTAR Electric will continue to comply with the Department's order in D.T.E. 99-60-C, with respect to notifying customers of the change in Default Service rates. Accordingly, NSTAR Electric will post the new rates on its web site and make them available via a toll-free telephone number.

In summary, NSTAR Electric respectfully requests the Department permit the implementation of the new Default Service rates effective for usage from January 1, 2002 through December 31, 2002. If you have any questions with regard to this matter, please feel free to contact me at 617-424-2103 or Robert N. Werlin, Keegan, Werlin & Pabian, LLP at 617-951-1400.

Respectfully submitted,

John Cope-Flanagan

Enclosures

cc: Paul Afonso, General Counsel
Ronald LeComte, Director, Electric Power Division
Kevin Brannelly, Director, Rates and Revenue Requirements Division
Joseph Rogers, Assistant Attorney General
Robert Sydney, General Counsel, DOER
Robert Werlin, Esq.

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company - Default Service Rate Filing	))))))	D.T.E. 01-____

MOTION FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION

Now come Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company (collectively, the "Companies" or "NSTAR Electric") and hereby request that the Department of Telecommunications and Energy (the "Department") grant protection from public disclosure of certain confidential, sensitive and proprietary information submitted in this proceeding in accordance with G.L. c. 25, § 5D.

On this date, NSTAR Electric submitted the results of its solicitation for Default Service supply and supporting documentation, including information provided in Appendix B to the filing. Appendix B contains various cost and procurement information that is confidential, competitively sensitive and proprietary. NSTAR Electric requests that the information contained in Appendix B to the October 15, 2001 Default Service filing be protected from public disclosure.

Confidential information may be protected from public disclosure in accordance with G.L. c. 25, § 5D, which states in part that:

> The [D]epartment may protect from public disclosure, trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to this chapter. There shall be a presumption that the information for which such protection is sought is public information and the burden shall be on the proponent of such protection to prove the need for such protection. Where the need has been found to exist, the [D]epartment shall protect only so much of the information as is necessary to meet such need.

In interpreting the statute, the Department has held that:

> [T]he burden on the company is to establish the need for protection of the information cited by the company. In determining the existence and extent of such need, the Department must consider the presumption in favor of disclosure and the specific reasons why disclosure of the disputed information benefits the public interest.

The Berkshire Gas Company et al., D.P.U. 93-187/188/189/190, at 16 (1994) as cited in Hearing Officer's Ruling On the Motion of Boston Gas Company for Confidentiality, D.P.U. 96-50, at 4 (1996).

The cost and procurement information in Appendix B contains confidential, competitively sensitive and proprietary information including market prices for Default Service offered to NSTAR Electric, along with detailed calculations used to derive these market prices. In addition, specific contract and pricing terms are included in Appendix B. This information should be protected from public disclosure to protect the Companies' future negotiating position when seeking to procure Default Service for its customers. Furthermore, in its RFP, NSTAR Electric indicated that it would treat all bid information as confidential and in their bids, suppliers requested such confidential treatment. Disclosure of such information could be detrimental to NSTAR Electric's customers who stand to benefit from the Companies' ability to minimize the price paid

for Default Service power. Therefore, because the cost and performance information in Appendix B is competitively sensitive, NSTAR Electric requests that such information be protected from public disclosure.

WHEREFORE, for the reasons stated above, the Companies request that the Department grant their motion to protect from public disclosure confidential, competitively sensitive and proprietary information, which is contained in Appendix B.

Respectfully submitted,

BOSTON EDISON COMPANY
CAMBRIDGE ELECTRIC LIGHT COMPANY
COMMONWEALTH ELECTRIC COMPANY

By Their Attorneys,

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Dated: October 15, 2001

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company - Default Service Rate Filing	))))))	D.T.E. 01 -____

AFFIDAVIT OF ROBERT H. MARTIN

Robert H. Martin, being duly sworn, deposes and says as follows:

1. I am the Director, Electric Energy Supply, Asset Divestiture and Outsourcing for NSTAR Services Company. In this capacity, I am responsible for coordinating the divestiture of the generating assets and entitlements and the procurement of supplies for Standard Offer and Default Service for Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company (collectively, "NSTAR Electric").

2. I am a graduate of Bentley College with a Bachelor of Science Degree in Accounting. Upon graduation in 1974, I joined Commonwealth Energy System's Service Corporation where I held several accounting positions, including Group Accounting Supervisor. In 1984, I accepted the position of Supervisor of Cost Administration. In 1987, I was promoted to Manager of Revenue Requirements and Cost Administration. In 1997, I became the Manager of Regulatory Accounting and Special Projects for Cambridge, Commonwealth, Commonwealth Gas Company and Canal Electric Company. In 1999, I became the Director of Revenue Requirements for the regulated companies of NSTAR Services Company. I assumed my present position in May 2000.

3. As Director, Electric Energy Supply, Asset Divestiture and Outsourcing, I am responsible for securing a least-cost energy supply and for mitigating the cost incurred under existing above-market power purchase agreements ("PPAs"). My responsibilities currently include coordinating the sale of NSTAR's PPAs and securing a supply for standard offer, default service and wholesale energy customers.

4. Since the implementation of electric industry restructuring in March 1998, NSTAR Electric has been responsible for supplying retail customers with Standard Offer and Default Service. On August 21, 2001, NSTAR Electric

issued a Request for Proposals for competitive bids for Default Service for a delivery term commencing January 1, 2002. Final binding bids were due on September 5, 2001.

5. Appendix B to NSTAR Electric's October 15th Default Service filing includes the results of the solicitation for Default Service supply and supporting documentation, including various cost and procurement information that is confidential, competitively sensitive and proprietary. NSTAR Electric is requesting that the information contained in Appendix B be protected from public disclosure.

6. The cost and procurement information in Appendix B contains confidential, competitively sensitive and proprietary information including market prices for Default Service offered to NSTAR Electric, along with detailed calculations used to derive these market prices. In addition, specific contract and pricing terms are included in Appendix B.

7. This information contained in Appendix B should be protected from public disclosure to protect NSTAR Electric's future negotiating position when seeking to procure Default Service for its customers. Disclosure of such information would inhibit the ability of NSTAR Electric to minimize the price paid for Default Service by its customers in the future because wholesale suppliers of electricity maintain such information as proprietary. If bidders believe that the prices and terms of their bids will become publicly available, they will be reluctant both to submit proposals and to bid the lowest price possible.

8. Furthermore, in its RFP, NSTAR Electric indicated that it would treat all bid information as confidential and in their bids, suppliers requested such confidential treatment. Suppliers require confidential treatment to provide NSTAR Electric with the lowest possible price without compromising their bids to other electric companies who are also soliciting electricity for their customers.

9. Disclosure of such information could be detrimental to NSTAR Electric's customers who stand to benefit from NSTAR Electric's ability to minimize the price paid for Default Service power. Based on my experience and on communications with power suppliers, if power suppliers know that the prices they bid will be publicly disclosed, they will either not bid at all or they will add a premium on to the prices bid because other electric companies will gain access to the negotiated lowest bid offered by the supplier in other negotiated circumstances.

Signed under the pains and penalties of perjury this 15th day of October 2001.

Robert H. Martin

TARIFFS

DEFAULT SERVICE

GENERAL

This Tariff may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in MDTE regulations and Massachusetts law. In case of conflict between this Tariff and any orders or regulations of the MDTE, said orders or regulations shall govern.

DEFINITIONS

"Company" shall mean the Boston Edison Company, a Distribution Company.

"Competitive Supplier" shall mean any entity licensed by the MDTE 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 this tariff.

"Distribution Company" shall mean a company engaging in the distribution of electricity or owning, operating, or controlling distribution facilities; provide, however, a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, steam and chilled water, or any affiliate engaged solely in the provision of such electricity, steam, and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation prior to January 1, 1986.

"Distribution Service" shall mean the delivery of electricity to the Customer by the Distribution Company over lines that operate at a voltage level typically equal to or greater than 110 volts and less than 69,000 volts.

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

DEFAULT SERVICE

DEFINITIONS (continued)

"MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.

"Retail Access Date" shall mean March 1, 1998, unless otherwise determined by the MDTE.

"Standard Offer Service" shall mean the service provided pursuant to the Company's Standard Offer Service tariff, as filed with the MDTE.

AVAILABILITY

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

APPLICABILITY:

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

CHARACTER OF SERVICE:

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

INITIATION OF DEFAULT SERVICE

Default Service may be initiated in any of the following manners:

A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

DEFAULT SERVICE

INITIATION OF DEFAULT SERVICE (continued)

B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer withthe Customer's next scheduled meter read date, provided that the notice of termination of Generation Service 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 for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;

D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.

E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.

DEFAULT SERVICE RATES

a) Two Rate Options

There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.

b) Initial Applicable Option

The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) residential Customers in rate classes R-1, R-2, R-3 and R-4.

(ii) small commercial & industrial Customers in rate classes G-1, G-2, and T-1.

DEFAULT SERVICE

b) Initial Applicable Option (continued)

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) large commercial & industrial Customers in rate classes G-3 and T-2.

(ii) Streetlighting Customers in rate classes S-1, S-2 and S-3.

c) One-Time Right to Elect Different Option

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

d) Timing of Any Switch to a Different Option

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

e) Changes in Supplemental Schedule

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

f) Calculation of Fixed and Variable Pricing Option

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

DEFAULT SERVICE

g) Billing Adjustment when Leaving Default Service

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

h) Low-Income Customers

Customers taking service under the Company's Residential Assistance Rate R-2 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

BILLING

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

TERMINATION OF DEFAULT SERVICE

Default 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 for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

DEFAULT SERVICE

SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002

Residential (Rates R1, R2, R3, and R4)

Fixed Price Option: 6.393 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.823	6.794	6.085	6.034	6.099	6.464

Small Commercial & Industrial (Rates G1, G2 and T1)

Fixed Price Option: 6.574 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
7.044	7.105	6.311	6.172	6.220	6.536

Large Commercial & Industrial (Rates G3 and T2)

Fixed Price Option: 6.549 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
7.346	7.166	5.993	5.939	6.023	6.715

Street Lighting /Area Lighting (Rates S1, S2 and S3)

Fixed Price Option: 6.574 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
7.044	7.105	6.311	6.172	6.220	6.536

DEFAULT SERVICE

FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002

Residential (Rates R1, R2, R3, and R4)

Fixed Price Option: 5.638 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.638	5.638	5.638	5.638	5.638	5.638

Small Commercial & Industrial (Rates G1, G2 and T1)

Fixed Price Option: 5.671 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.671	5.671	5.671	5.671	5.671	5.671

Large Commercial & Industrial (Rates G3 and T2)

Fixed Price Option: 5.922 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
7.127	7.240	5.304	4.686	5.019	5.877

Street Lighting /Area Lighting (Rates S1, S2 and S3)

Fixed Price Option: 5.671 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.671	5.671	5.671	5.671	5.671	5.671

DEFAULT SERVICE

DEFINITIONS

"Competitive Supplier" shall mean any entity licensed by the MDTE 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 this tariff.

"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.

"MDTE" 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 the Company's Standard Offer Service tariff, on file with the MDTE.

DEFAULT SERVICE

AVAILABILITY

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

APPLICABILITY:

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

CHARACTER OF SERVICE:

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

INITIATION OF DEFAULT SERVICE

Default Service may be initiated in any of the following manners:

A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer concurrent with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service 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

DEFAULT SERVICE

INITIATION OF DEFAULT SERVICE (continued)

Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;

D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.

E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.

DEFAULT SERVICE RATES

a) Two Rate Options

There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.

b) Initial Applicable Option

The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) residential Customers in rate classes R-1, R-2, R-3, R-4, R-5 and R-6.

(ii) small commercial & industrial Customers in rate classes G-0, G-1, G-4, G-5 and G-6.

DEFAULT SERVICE

b) Initial Applicable Option (continued)

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) large commercial & industrial Customers in rate classes G-2 and G-3.

(ii) Streetlighting Customers in rate class S-1.

c) One-Time Right to Elect Different Option

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

d) Timing of Any Switch to a Different Option

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

e) Changes in Supplemental Schedule

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

f) Calculation of Fixed and Variable Pricing Option

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

DEFAULT SERVICE

g) Billing Adjustment when Leaving Default Service

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

h) Low-Income Customers

Customers taking service under the Company's Residential Assistance Rate R-2 or Rate R-4 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

BILLING

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

TERMINATION OF DEFAULT SERVICE

Default 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 for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

DEFAULT SERVICE

SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002

Residential (Rates R1, R2, R3, R4, R5 and R6)

Fixed Price Option: 6.060 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.481	6.446	5.767	5.739	5.792	6.132

Small Commercial & Industrial (Rates G0, G1, G4, G5, and G6)

Fixed Price Option: 6.232 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.688	6.741	5.992	5.859	5.900	6.208

Large Commercial & Industrial (Rates G2 and G3)

Fixed Price Option: 6.175 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.948	6.772	5.665	5.611	5.691	6.351

Street Lighting /Area Lighting (Rate S1)

Fixed Price Option: 6.232 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.688	6.741	5.992	5.859	5.900	6.208

DEFAULT SERVICE

FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002

Residential (Rates R1, R2, R3, and R4)

Fixed Price Option: 5.351 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.351	5.351	5.351	5.351	5.351	5.351

Small Commercial & Industrial (Rates G1, G2 and T1)

Fixed Price Option: 5.380 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.380	5.380	5.380	5.380	5.380	5.380

Large Commercial & Industrial (Rates G3 and T2)

Fixed Price Option: 5.613 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
6.735	6.845	5.015	4.427	4.745	5.553

Street Lighting /Area Lighting (Rates S1, S2 and S3)

Fixed Price Option: 5.380 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.380	5.380	5.380	5.380	5.380	5.380

DEFAULT SERVICE

DEFINITIONS

"Competitive Supplier" shall mean any entity licensed by the MDTE 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 this tariff.

"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.

"MDTE" 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 the Company's Standard Offer Service tariff, on file with the MDTE.

DEFAULT SERVICE

AVAILABILITY

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

APPLICABILITY:

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

CHARACTER OF SERVICE:

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

INITIATION OF DEFAULT SERVICE

Default Service may be initiated in any of the following manners:

A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer concurrent with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service 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

DEFAULT SERVICE

INITIATION OF DEFAULT SERVICE (continued)

Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;

D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.

E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.

DEFAULT SERVICE RATES

a) Two Rate Options

There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.

b) Initial Applicable Option

The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) residential Customers in rate classes R-1, R-2, R-3, R-4, R-5 and R-6.

(ii) small commercial & industrial Customers in rate classes G-1, G-4, G-5, G-6 and G-7.

DEFAULT SERVICE

b) Initial Applicable Option (continued)

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

(i) large commercial & industrial Customers in rate classes G-2 and G-3.

(ii) Streetlighting Customers in rate classes S-1 and S-2.

c) One-Time Right to Elect Different Option

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

d) Timing of Any Switch to a Different Option

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

e) Changes in Supplemental Schedule

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

f) Calculation of Fixed and Variable Pricing Option

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

DEFAULT SERVICE

g) Billing Adjustment when Leaving Default Service

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

h) Low-Income Customers

Customers taking service under the Company's Residential Assistance Rate R-2 or Rate R-4 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

BILLING

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

TERMINATION OF DEFAULT SERVICE

Default 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 for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

DEFAULT SERVICE

SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002

Residential (Rates R1, R2, R3, R4, R5 and R6)

Fixed Price Option: 6.289 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.681	6.652	5.954	5.912	5.974	6.331

Small Commercial & Industrial (Rates G1, G4, G5, G6 and G7)

Fixed Price Option: 6.468 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.894	6.957	6.184	6.043	6.092	6.396

Large Commercial & Industrial (Rates G2 and G3)

Fixed Price Option: 6.410 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
7.129	6.958	5.825	5.760	5.838	6.522

Street Lighting /Area Lighting (Rates S1 and S2)

Fixed Price Option: 6.468 cents per kilowatt-hour.

Variable Price Option:

Jan	Feb	Mar	Apr	May	Jun
6.894	6.957	6.184	6.043	6.092	6.396

DEFAULT SERVICE

FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002

Residential (Rates R1, R2, R3, and R4)

Fixed Price Option: 5.520 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.520	5.520	5.520	5.520	5.520	5.520

Small Commercial & Industrial (Rates G1, G2 and T1)

Fixed Price Option: 5.552 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.552	5.552	5.552	5.552	5.552	5.552

Large Commercial & Industrial (Rates G3 and T2)

Fixed Price Option: 5.792 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
6.928	7.033	5.159	4.550	4.878	5.709

Street Lighting /Area Lighting (Rates S1, S2 and S3)

Fixed Price Option: 5.552 cents per kilowatt-hour.

Variable Price Option:

Jul	Aug	Sep	Oct	Nov	Dec
5.552	5.552	5.552	5.552	5.552	5.552

APPENDIX A

BOSTON EDISON COMPANY, COMMONWEALTH ELECTRIC COMPANY AND CAMBRIDGE ELECTRIC LIGHT COMPANY

REQUEST FOR PROPOSALS
FOR POWER SUPPLY FOR DEFAULT SERVICE

For the Delivery Term commencing
January 1, 2002

August 21, 2001

BOSTON EDISON COMPANY,
COMMONWEALTH ELECTRIC COMPANY
AND
CAMBRIDGE ELECTRIC LIGHT COMPANY

REQUEST FOR PROPOSALS
FOR POWER SUPPLY

August 21, 2001

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Appendix A – Default Service Power Supply Agreement
Appendix B – Proposal Form

BOSTON EDISON COMPANY,
COMMONWEALTH ELECTRIC COMPANY
AND
CAMBRIDGE ELECTRIC LIGHT COMPANY

REQUEST FOR PROPOSALS FOR POWER SUPPLY FOR DEFAULT SERVICE

August 21, 2001

I. Introduction and Background

The Massachusetts Electric Industry Restructuring Act of 1997 (the "Act") provided for competition in the electric utility industry by extending competition in the wholesale power supply markets to retail customers through the provision of retail access to all customers. The Act provided access for all retail customers of Boston Edison Company ("BECo"), Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "NSTAR Electric") as of March 1, 1998. The Act requires each distribution company to provide default service to those customers that are not receiving generation service as part of the Standard Offer Service option or from a competitive supplier ("Default Service"). The Act requires Default Service to be competitively procured. In addition, the Massachusetts Department of Telecommunications and Energy ("MDTE") initiated a generic proceeding on rules and procedures for the provision of and pricing of Default Service[1]. The DTE ordered all electric companies in Massachusetts to procure Default Service through competitive solicitations by customer group (residential, commercial and industrial) and to procure such power at fixed monthly prices[2].

The NSTAR Electric companies are all wholly owned subsidiaries of NSTAR, with a principal place of business at 800 Boylston Street, Boston, MA 02199. NSTAR Electric is hereby issuing this Request for Proposals ("RFP") to solicit and evaluate competing power supply offers from qualified power suppliers ("Suppliers") to supply firm, load-following power to meet the Default Service requirements (as defined below) for each of their residential, commercial and industrial customer groups for the Delivery Term. While Suppliers need not provide bids for each customer group or for each distribution company, Suppliers must provide separate fixed monthly pricing for each of the customer groups bid upon. NSTAR Electric plans to award the Power Supply by customer group based on the bids received and the best interests of its retail customers. While it is NSTAR Electric's preference to select no more than nine winning Suppliers - one for each of NSTAR Electric's customer groups, proposals to serve less than 100% of the available load of a customer group will also be considered.

For the purposes of this solicitation, the Commercial Customer Group includes small and medium commercial and industrial customers and streetlights, and the Industrial Customer

1 Docket D.T.E. 99-60.

2 See Dockets D.T.E. 99-60-A and D.T.E. 99-60-B.

Group includes large commercial and industrial customers. The customer groups are as follows:

Customer Group	Rate Classes
Residential	BECo rates R-1, R-2, R-3 and R-4; Commonwealth rates R-1, R-2, R-3, R-4, R-5 and R-6; and Cambridge rates R-1, R-2, R-3, R-4, R-5 and R-6
Commercial (including street lighting)	BECo rates G-1, G-2, T-1 and street lights; Commonwealth rates G-1, G-4, G-5, G-6, G-7 and street lights; and Cambridge rates G-0, G-1, G-4, G-5, G-6 and street lights
Industrial	BECo rates G-3 and T-2; Commonwealth rates G-2 and G-3; and Cambridge rates G-2 and G-3

II. Power Supply Requested

NSTAR Electric is soliciting offers for Power Supply to meet the needs of NSTAR Electric's ultimate customers in the Commercial Customer Group, the Industrial Customer Group and the Residential Customer Group who are taking service pursuant to the Default Service Tariff. Default Service is provided to retail customers who are not otherwise eligible for Standard Offer Service or are not taking service from a competitive supplier. Service to customers can be initiated by: a) a customer notifying the applicable NSTAR Company that it wishes to terminate service from its competitive supplier and commence Default Service, b) a competitive supplier notifying the applicable NSTAR Company that it is terminating service to a customer, c) a competitive supplier ceasing to provide service to a customer without notifying the applicable NSTAR Company, or d) a customer moving into an NSTAR Company's service territory after March 1, 1998, who has not affirmatively chosen a competitive supplier and is not otherwise eligible for Standard Offer Service.

The Power Supply solicited is to begin for the hour ending at 0100 Eastern Prevailing Time (EPT) on January 1, 2002 and end on hour ending 2400 EPT on June 30, 2002 for 50% of the Default Service load, and to begin for the hour ending 01:00 EPT on July 1, 2002 and end on hour ending 2400 EPT on December 31, 2002 for 100% of the Default Service load. Supplier may select a 6 month, or 12 month period as the Delivery Term. In addition, Suppliers may provide separate bids for more than one of these Delivery Terms. NSTAR Electric will only consider fixed price bids that can be evaluated on a fixed ¢/kWh basis.

III. Delivery of Power Supply

The Power Supply is to be delivered to any point or points on the NEPOOL PTF system. Each Supplier will be responsible for determining (and demonstrating, if necessary) that adequate transmission capacity is available for all resources it proposes to utilize, and that appropriate transmission service arrangements are in place for the term of the Power Supply contract. NSTAR Electric will make arrangements for NEPOOL Regional Network Service, which provides for transmission over PTF, and Local Network Service from any applicable local transmission provider(s), which provides for transmission over non-PTF. NSTAR Electric will be billed by NEPOOL and the applicable local transmission provider(s) for these services. NSTAR Electric will pay these bills and collect the costs, along with its distribution costs, from its customers through its retail distribution tariffs. Any other transmission or distribution costs will be the Suppliers' responsibility.

IV. Form of Power Supply

The Supplier of Default Service for each customer group shall be responsible for meeting a fixed percentage of the service requirements for NSTAR Electric's customers in the customer group taking such service. These service requirements include the generation and delivery, to any location on the NEPOOL PTF system, of the portion of the electric capacity, energy and ancillary services required to meet the needs of NSTAR Electric's ultimate customers taking such service. As the supplier of such service, the Supplier will be responsible for all present or future requirements and associated costs for Installed Capability, Energy, Operating Reserves (including Ten-Minute Spinning, Ten-Minute Non-Spinning, and Thirty-Minute Operating), Automatic Generation Control, losses, congestion and uplift costs associated with Default Service and any other requirements, market products, expenses or charges imposed by NEPOOL or the ISO, as they may be in effect from time to time. Each Supplier will also be responsible for all transmission and distribution losses associated with delivery of the electricity from the Delivery Point to the customer's meter.

V. Expected Loads

NSTAR Electric is unable to predict the amount of load that will be required to meet the needs of each customer group, if any. NSTAR Electric's customers are free, at any time, to leave Default Service to take service from competitive suppliers and to return to Default Service.

To assist Suppliers in determining the potential load requirements, upon request, NSTAR Electric will provide the following information electronically:

- NSTAR Electric will aggregate historical hourly load Default Service estimates (including losses) by customer group, and where available, by distribution company, for the period January, 1999 to June, 2001; and
- Copies of latest available DOER-110 reports showing the number of Default Service customers enrolled and energy consumption at retail by rate schedule.

NSTAR Electric cautions Suppliers that the information provided reflects NSTAR Electric's past performance and is not the only measure of future performance. It is understood and agreed that NSTAR Electric shall have no liability or responsibility to any entity resulting from the use of any such information. Suppliers are responsible for forecasting their obligations on an hourly,

daily, and monthly basis. However, NSTAR Electric will provide the selected Suppliers with certain information to facilitate the projection of load requirements. Such data includes the history of energy and peak Default Service load, and subsequent updates to such information.

Suppliers may not limit the amount of Power Supply that may be purchased, only the percentage. Proposals which contain limits on the amount of Power Supply to be provided will be rejected.[3]

The amount of Power Supply for each customer group to be supplied by the winning Supplier(s) will be determined in accordance with the procedure contained in ARTICLE 6 of the proposed Power Supply Agreement, a copy of which is provided in Appendix A.

VI. Proposals

Each Supplier shall submit a proposal, signed by an authorized official of the Supplier, containing the information contained in Appendix B. Appendix B will be provided electronically, upon request by Suppliers. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary. Each proposal must specify the price at which the Supplier will provide Default Service for each customer group. Purchases will be made on an "as-delivered" energy basis with prices stated on a fixed ¢/KWH basis. Prices may vary by calendar month, but must be uniform for the entire calendar month and cover the entire Delivery Term selected by the Supplier. In addition, prices should not contain demand components or vary by time-of-use within a calendar month. Bids which contain minimum purchase requirements will be rejected. Suppliers shall specify a price for each customer group on which it bids. The price for each customer group may be different.[4]

Within one (1) business day of being notified that it has been selected as a winning potential Supplier, a Supplier must provide the following supplementary information:

1. Corporate history and most recent annual report;

2. Initial (if founded within the last ten years) and current capitalization;

3. Certified financial statements, including balance sheets and statements of income and cash flow with respect to the two previous fiscal years and the most recent interim period; and

[3] For example, a Supplier offering to supply the residential customer group must agree to supply a fixed percentage of the needs of that group. The Supplier may not offer to serve a fixed percentage of the residential customer group provided that the amount of service purchased does not exceed [specified value] MW in any hour.

[4] For example, a Supplier may bid to serve the residential customer group at 3¢/kWh, the commercial customer group at 2.5¢/kWh and the industrial customer group at 2¢/kWh for the month of July 2001. For the month of August 2001, a Supplier may bid to serve the residential customer group at 1.5¢/kWh, the commercial customer group at 2¢/kWh and the industrial customer group at 2.5¢/kWh.

4. Forms 10-K and 10-Q, submitted to the United States Securities and Exchange Commission for the two previous fiscal years, if applicable.

VII. Terms and Conditions

A winning Supplier(s) will be selected to provide Default Service to each of the customer groups during the term covered by this RFP. Default Service will be provided by each winning Supplier to NSTAR Electric in accordance with the terms and conditions of the Power Supply Agreement. A copy of the proposed Power Supply Agreement, assuming one Supplier serves all customer groups, is provided in Appendix A. The winning Supplier(s) will be required to execute the applicable Power Supply Agreement(s) within five (5) business days of being notified that it has been selected as the winning Supplier. Should a Supplier request NSTAR Electric to consider any changes to the Power Supply Agreement, such request should be presented to NSTAR Electric by Friday, August 31, 2001.

Each Supplier must currently be a member of NEPOOL or become a member prior to November 1, 2001. Suppliers must also have a settlement account established with the NEPOOL billing system throughout the term of the period covered by this RFP.

Each Supplier must obtain all necessary regulatory approvals required to enable it to provide the applicable service prior to January 1, 2002.

Each Supplier responding to this RFP must meet certain conditions, including but not limited to:

A. Demonstrate ability to comply with NEPOOL and ISO requirements;

B. Demonstrate the ability to access resources sufficient to supply the amount committed (not be to be construed as requiring a potential supplier to hold title to power required at the time of the proposal);

C. Demonstrate that it has the financial resources to perform its obligations. Further, Supplier may be required to provide a financial guarantee satisfactory to cover NSTAR Electric's replacement power costs in the event of Supplier default.

D. Demonstrate its own experience and qualifications (not that of its affiliates or special purpose entities) to provide the amount and type of power offered;

E Commit to assisting and cooperating with NSTAR Electric in any regulatory or judicial process relating to the proposed purchase, at the Supplier's expense; and

F. Demonstrate the ability to meet the labeling and disclosure requirements of the Massachusetts legislation for all resources bid.

VIII. Retail Customer Relationships

All customers taking Default Services covered by this RFP will remain retail customers of NSTAR Electric. As the retail provider, NSTAR Electric will bill customers for the service provided and will provide customer service to all customers taking Default Service.
NSTAR Electric will use its best efforts to provide notification to the Supplier(s) of Default Service of significant customer enrollments and terminations within a customer group.

IX. Right to Reject/Select Supplier

Although it is NSTAR Electric's firm intent to select Suppliers as a result of this RFP, NSTAR Electric shall have the exclusive right to select or reject any and/or all of the proposals submitted at any time, for any reason and to disregard any submission not prepared according to the requirements contained in this RFP. Further, NSTAR Electric expressly reserve the right, in their sole and absolute discretion, to seek clarifications of any submissions, to negotiate to seek modifications to any submissions, to unilaterally change the schedule described herein or modify any of the rules and procedures set forth herein or any other procedures, to terminate the process described herein, and to invite any (or none) of the Suppliers to participate further in the process, all without prior notice to other potential parties.

A person's or an entity's preparation for this process, submission of information in response to this RFP, or participation in this process shall not operate to vest any rights in that person or entity or to create any duties or obligations for NSTAR Electric.

All submissions shall constitute an offer to sell Default Service to each customer group and such offer shall be deemed to be held open until the earlier of September 26, 2001 or the date on which it is either accepted or rejected. Pricing contained in such offer may not be changed or withdrawn during this period.

X. Process and Schedule

A. Schedule

NSTAR Electric intends to adhere to the following schedule, although it reserves the right to modify the schedule at any time at its sole discretion.

Issue RFP	August 21, 2001
Notice of Intent to Participate	August 30, 2001
Proposals due	September 05, 2001 at 4 p.m. EPT
Award Group Selected	September 12, 2001
Contracts finalized	September 26, 2001
Power Supply begins	January 1, 2002

B. Communications

All communications regarding this RFP must be in writing and may be made by hand delivery, fax or E-mail, addressed to:

NSTAR Services Co.
Electrical Energy Supply, P1603
800 Boylston Street
Boston, MA 02199
Attn: Thomas Murrell
or
Attn: Thomas C. Fantasia

Fax: 617-424-2701
E-mail: energy_supply@nstaronline.com

Proposals which have been e-mailed or faxed by September 5, must also be delivered by mail or by hand by September 6.

C. Confidentiality

NSTAR Electric agrees that it will treat the information it receives from Suppliers in a confidential manner and will not, except as required by law or regulatory authority, disclose such information to any third party or use such information for any purpose other than in connection with this RFP.

D. Evaluation

Proposals will be evaluated on the following bases:

1. Lowest evaluated bid price by customer group;

2. Responsiveness to non-price requirements; and

3. Risk relative to price and ability to serve the load.

In evaluating bid prices, NSTAR Electric will weigh monthly bids based on a forecast of the monthly Default Service load. In addition, while preference will be given to conforming bids, NSTAR may, at its discretion, review and select non-conforming bids.

Appendix A
DEFAULT SERVICE POWER SUPPLY AGREEMENT

DEFAULT SERVICE POWER SUPPLY AGREEMENT

This **DEFAULT SERVICE POWER SUPPLY AGREEMENT** ("Agreement") is dated as of **[date]** and is by and between Boston Edison Company ("BECo"), Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "NSTAR Electric") all wholly owned subsidiaries of NSTAR, with a principal place of business at 800 Boylston Street, Boston, MA 02199, and [TBD] ("Seller") with a principal place of business at _____. This Agreement provides for the sale by Seller of Default Service, as defined herein, to NSTAR Electric.

ARTICLE 1. BASIC UNDERSTANDINGS

Seller, in response to a Request for Proposal dated August 21, 2001 issued by NSTAR Electric, has been selected to be the supplier of firm, load-following power to meet NSTAR Electric's requirements for Default Service for its Commercial Customer Group, Industrial Customer Group and its Residential Customer Group. This Agreement sets forth the terms under which Seller will supply Default Service to NSTAR Electric, for [insert one of the following: a six-month, or twelve-month period] beginning on January 1, 2002.

ARTICLE 2. DEFINITIONS

The following words and terms shall be understood to have the following meanings when used in this Agreement, or in any associated documents entered into in conjunction with this Agreement. In addition, except as otherwise expressly provided, where terms used in this Agreement are defined in the NEPOOL Agreement, such definitions are expressly incorporated into this Agreement by reference.

Commission - Federal Energy Regulatory Commission.

Commercial Contract Rate - [tbd]

Commercial Customer Group -BECo's small and medium sized commercial and industrial customers in the following retail rate classes: G-1, G-2, T-1, and street lights, or such other rate classes as may be added from time to time. Cambridge's small and medium sized commercial and industrial customers in the following retail rate classes: G-0, G-1, G-4, G-5, G-6, and street lights, or such other rate classes as may be added from time to time. Commonwealth's small and medium sized commercial and industrial customers in the following retail rate classes: G-1, G-4, G-5, G-6, G-7, and street lights, or such other rate classes as may be added from time to time.

Default Service - The sale of electricity by Seller to NSTAR Electric to meet the needs of NSTAR Electric's ultimate customers in the [tbd] Customer Group which are taking service

pursuant to the Default Service Tariff. It shall include generation and/or market procurement and delivery, to the Delivery Point, of the portion of the electric capacity, energy and ancillary services required to meet the needs of ultimate customers. Seller, as the supplier of Default Service, will be responsible for all present or future requirements and associated costs for Installed Capability, Energy, Operating Reserves (including Ten-Minute Spinning, Ten-Minute Non-Spinning and 30 Minute Operating), Automatic Generation Control, losses, congestion, and uplift costs associated with Default Service and any other requirements, market products, expenses or charges imposed by NEPOOL or the ISO, as they may be in effect from time to time. Seller will also be responsible for all transmission and distribution losses associated with delivery of the electricity from the Delivery Point to the customer's meter.

NSTAR Electric will make arrangements for NEPOOL Regional Network Service, which provides for transmission over PTF, and Local Network Service from any applicable local transmission provider(s), which provides for transmission over non-PTF. NSTAR Electric will be billed by NEPOOL and the applicable local transmission provider(s) for these services. NSTAR Electric will pay these bills and collect the costs, along with NSTAR Electric's distribution costs, from its customers through its retail distribution tariffs. Any other transmission or distribution costs will be the Seller's responsibility.

The loads associated with this service will be assigned Load Asset designations within the NEPOOL Market System.

Default Service Tariff – BECo's Tariff for Default Service, M.D.T.E. No. 913, Commonwealth's Tariff for Default Service, M.D.T.E. No.406, and Cambridge's Tariff for Default Service, M.D.T.E. No. 659, as they may be amended from time to time and approved by the Department.

Delivered Energy - The quantity of energy, expressed in kilowatt-hours, provided by Seller pursuant to this Agreement. This quantity shall be the quantity of energy reported to the ISO by NSTAR Electric and/or its agent for each Load Asset with such quantity being determined in accordance with ARTICLE 6, SECTION 6.3, herein.

Delivery Points - Any point or points on the NEPOOL PTF system.

Delivery Term - The period beginning at the hour 0001 Eastern Prevailing Time (EPT) on January 1, 2002 and continuing through and including the hour ending 2400 EPT on [insert either June 30, 2002, or December 31, 2002].

Department - Massachusetts Department of Telecommunications and Energy.

Industrial Contract Rate - [tbd]

Industrial Customer Group – BECo's large commercial and industrial customers in the following retail rate classes: G-3 and T-2, or such other rate classes are may be added from time to time. Cambridge's large commercial and industrial customers in the following retail rate classes: G-2 and G-3, or such other rate classes are may be added from time to time. Commonwealth's large commercial and industrial customers in the following retail rate classes: G-2 and G-3, or such other rate classes are may be added from time to time

ISO - The Independent System Operator established in accordance with the NEPOOL Agreement and the Interim Independent System Operator Agreement as amended, superseded or restated from time to time.

kWh - Kilowatt- hour.

NEPOOL - The New England Power Pool.

NEPOOL Agreement - The New England Power Pool Agreement dated as of September 1, 1971, as amended and as may be amended or restated from time to time.

Price - The total amount payable each calendar month by NSTAR Electric as set forth in ARTICLE 5 SECTION 5.1, herein.

Prime Rate - The prime (or comparable) rate announced from time to time as its prime rate by the FleetBank or its successor, which rate may differ from the rate offered to its more substantial and creditworthy customers.

PTF - Facilities categorized as Pool Transmission Facilities under the NEPOOL Agreement.

Residential Customer Contract Rate - [tbd]

Residential Customer Group – BECo's residential customers in the following retail rate classes: R-1, R-2, R-3 and R-4, or such other rate classes as may be added from time to time. Cambridge's residential customers in the following retail rate classes: R-1, R-2, R-3, R-4, R-5 and R-6, or such other rate classes as may be added from time to time. Commonwealth's residential customers in the following retail rate classes: R-1, R-2, R-3, R-4, R-5 and R-6, or such other rate classes as may be added from time to time.

ARTICLE 3. TERM AND SERVICE PROVISIONS

Section 3.1 Term

The term of this Agreement shall begin as of the date hereof and extend through and including the date on which final payment is made hereunder, unless this Agreement is sooner terminated in accordance with the provisions hereof. The applicable provisions of this Agreement shall continue in effect to the extent necessary to provide for final accounting, final

billing, billing adjustments, resolution of any billing disputes, final payments, payments pertaining to liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect, or other such provisions that by their terms or operation, survive the termination of this Agreement.

Section 3.2 Data Reporting

By 1:00 p.m. of the second following business day, NSTAR Electric and other appropriate reporting entities will report to the ISO-NE, all of NSTAR Electric's load assets. Seller will provide NSTAR Electric with any and all ISO-NE-generated reports and/or other data received by Seller showing hourly load-assets and hourly losses. Such information is to be provided electronically and at substantially the same frequency as received from the ISO-NE. NSTAR Electric shall also use best efforts to provide Seller with an aggregate estimate of changes in Default Service customer load as soon as practical.

Section 3.3 Uniform Disclosure Requirements

Seller shall provide NSTAR Electric information pertaining to power plant emissions, fuel types, labor information and any other information required by NSTAR Electric to comply with the uniform disclosure requirements contained in 220 CMR 11.00 and any other such disclosure regulations which may be imposed upon NSTAR Electric during the term of this Agreement, as such disclosure requirements apply to Default Service provided by Seller pursuant to this Agreement.

ARTICLE 4. SALE AND PURCHASE

Seller shall sell and deliver to the Delivery Points and the Company shall purchase ___ percent (__%) of the Default Service required for the [tbd] Customer Group. Seller understands that the Default Service load requirements may change from time to time. Seller represents and warrants that it is capable of meeting the hourly, daily and seasonal electricity load fluctuations associated with customer demand changes and Seller will be responsible for forecasting its Default Service load obligations on an hourly, daily, and monthly basis. Seller is responsible for Default Service regardless of changes in customer demand for any reason, including, but not limited to, daily load fluctuations, increased or decreased usage, demand-side management activities, extreme weather and similar events. Seller's obligation hereunder to sell and provide the Default Service shall not be conditioned upon the availability of any particular electric generating facilities, whether owned by the Seller or third parties.

The quantity of Default Service supplied by Seller for the [tbd] Customer Group shall be the total quantity reported to the ISO by NSTAR Electric and/or its agent.

ARTICLE 5. PRICE AND BILLING

Section 5.1 Price

The Price payable by NSTAR Electric to Seller shall be the sum of (i) the product of (a) the total Delivered Energy to the [tbd] Customer Group in the month and (b) [tbd] Customer Contract Rate.

Section 5.2 Billing and Payment

(a) On or before the tenth (10th) day of each month during the term of this Agreement, Seller shall calculate the amount due and payable to Seller pursuant to this ARTICLE 5 with respect to the preceding month. The calculation shall be provided to NSTAR Electric and shall show, in sufficient detail for NSTAR Electric to verify the calculation, the total amount due and payable for the previous month pursuant to this ARTICLE 5. Because quantities determined under ARTICLE 6, SECTION 6.3 are estimated, and subject to a reconciliation process described in ARTICLE 6, SECTION 6.3(c), quantities used in calculations under this paragraph (a) shall be subject to adjustment, whether positive or negative, in subsequent months' calculations, to reflect that reconciliation process, and any adjusted quantities shall be applied to the applicable Contract Rate.

(c) NSTAR Electric shall pay Seller any amounts due and payable on or before the twentieth (20th) day after the calculation is provided to NSTAR Electric. If all or any part of any amount due and payable pursuant to paragraph (a) shall remain unpaid thereafter, interest shall thereafter accrue and be payable to Seller on such unpaid amount at a rate per annum equal to the Prime Rate in effect on the date of such bill; provided, however, no interest shall accrue in favor of Seller or NSTAR Electric on amounts that are added to or credited against a calculation due to the adjustment of estimated quantities in accordance with paragraph (a) and ARTICLE 6, SECTION 6.3.

(d) With respect to any error in a calculation (whether the amount is paid or not), any overpayment, underpayment, or reconciliation adjustment will be refunded or paid up, as appropriate. Interest shall accrue from the date of the error on the unpaid or overpaid amount finally determined to be due and shall be calculated pursuant to Section 35.19a of the Commission regulations.

Section 5.3 Taxes, Fees and Levies

Seller shall be obligated to pay all present and future taxes, fees and levies which may be assessed by any entity upon the purchase or sale of electricity to NSTAR Electric in connection with this Agreement.

ARTICLE 6. DELIVERY, LOSSES, AND DETERMINATION AND REPORTING OF HOURLY LOADS

Section 6.1 Delivery

All electricity shall be delivered to NSTAR Electric in the form of three-phase sixty-hertz alternating current at the Delivery Points. Seller shall be responsible for all transmission and distribution costs associated with the use of transmission systems outside of NEPOOL PTF and any local point-to-point charges and distribution charges needed to deliver the power to the Delivery Points.

Section 6.2 Losses

Seller shall be responsible for all transmission and distribution losses associated with the delivery of electricity supplied under this Agreement to the meters of NSTAR Electric's ultimate customers taking service pursuant to the Default Service Tariffs. Seller shall provide NSTAR Electric at the Delivery Points with additional quantities of electricity and ancillary services to cover such losses from the Delivery Points to the meters of retail customers. The quantities required for this purpose in each hour of a billing period shall be determined in accordance with NEPOOL's and NSTAR Electric's procedures for loss determination.

Section 6.3 Determination and Reporting of Hourly Loads

(a) NSTAR Electric or its agent will estimate the total hourly load responsibility for the Default Service provided by Seller pursuant to this Agreement for the Commercial Customer Group, Industrial Customer Group, and Residential Customer Group based upon average load profiles developed for each of NSTAR Electric's customer classes and each of NSTAR Electric's actual total hourly load. Exhibit A, Supplier Load Estimation and Reconciliation Methodologies, attached and incorporated herein by reference, provides a general description of the estimation process that NSTAR Electric or its agent will initially employ (the "Estimation Process"). NSTAR Electric reserves the right to modify the Estimation Process in the future, provided that any such modification be designed to improve the Estimation Process.

(b) NSTAR Electric or its agent will report to the ISO and to Seller, Seller's hourly load responsibility for the [tbd] Customer Group. NSTAR Electric or its agent will normally report to the ISO and to Seller, Seller's hourly adjusted Default Service loads by 1:00 P.M. of the second following business day.

(c) To refine the estimates of Seller's monthly load developed by the Estimation Process, a monthly calculation will be performed to reconcile the original estimate of Seller's loads to actual customer usage based on meter reads. NSTAR Electric or its agent will normally notify Seller and the ISO of any resulting billing adjustment (debit or credit) to Seller's account no later than the last day of the third month following the billing month. Exhibit A, attached and incorporated herein by reference, also provides a general description of this reconciliation process.

Section 6.4 NEPOOL Market System Implementation

Seller represents and warrants that it is a NEPOOL member and agrees to remain a NEPOOL member throughout the term of this Agreement. As soon as possible prior to the start of the Delivery Term, NSTAR Electric shall enter into the NEPOOL Market System Load Asset Contracts for Electrical Load and Installed Capability for Load Assets. The Load Asset Contracts will be effective throughout the Delivery Term and will have the applicable NSTAR Company as seller and Seller as buyer.

As soon as practicable following NSTAR Electric's entry of the Load Asset Contracts and at least 72 hours prior to the start of the Delivery Term, Seller shall submit Load Asset Acknowledgment Forms to the ISO and to NSTAR Electric for each of the Load Asset contracts submitted by NSTAR Electric.

ARTICLE 7. SECURITY [AT DISRECTION OF NSTAR ELECTRIC]

(a) In order to secure performance by Seller in accordance with this Agreement, Seller shall provide NSTAR Electric on or before _____, a written performance guarantee, in the form attached hereto as Exhibit B, from a Guarantor, and such Guarantor shall at all times maintain, as determined as of the end of each fiscal quarter during the term of this Agreement, either (i) an Investment Grade Rating, or better, on senior debt securities of the Guarantor, or (ii) a Net Worth of at least ($___) _____ million dollars. For purposes hereof, an "Investment Grade Rating" shall mean a rating by Standard and Poor's Corporation, Moody's Investors Service, Inc., Fitch IBCA, or another nationally recognized rating service reasonably acceptable to NSTAR Electric (with BBB- (Standard and Poor's), Baa3 (Moody's) or BBB- (Fitch) or its equivalent for any other rating service constituting "Investment Grade"). If Seller is not a wholly-owned direct or indirect subsidiary of the Guarantor, then Seller must provide either (i) an opinion of legal counsel to the Guarantor to the effect that such Guaranty is the legal and valid obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms (subject to usual bankruptcy and equitable remedies exceptions); or (ii) evidence reasonably satisfactory to NSTAR Electric that the Guaranty is an enforceable obligation of the Guarantor.

(b) Seller shall not require any financial assurance from NSTAR Electric in conjunction with this Agreement.

ARTICLE 8. DEFAULT AND TERMINATION

(a) (i) If NSTAR Electric fails in any material respect to comply with, observe or perform any covenant, warranty or obligation under this Agreement (except due to causes or attributable to Seller's wrongful act or wrongful failure to act); and

(ii) After receipt of written notice from Seller such failure continues for a period of five (5) business days, or, if such failure cannot be reasonably cured within such five (5) day period, such further period as shall reasonably be required to effect such cure, provided that NSTAR Electric commences within such five (5) day period to effect such cure and at all times thereafter proceeds diligently to complete such cure as quickly as possible; then

(iii) Seller shall have the right to terminate this Agreement.

(b) (i) If Seller fails in any material respect to comply with, observe, or perform any covenant, warranty or obligation under this Agreement (except due to causes or attributable to NSTAR Electric's wrongful act or wrongful failure to act); and

(ii) After receipt of written notice from NSTAR Electric such failure continues for a period of five (5) business days, or, if such failure cannot be reasonably cured within such five (5) day period, such further period as shall reasonably be required to effect such cure, provided that Seller commences within such five (5) day period to effect such cure and at all times thereafter proceeds diligently to complete such cure as quickly as possible; then

(iii) NSTAR Electric shall have the right to terminate this Agreement.

(c) Nothing in this ARTICLE 8 shall be construed to limit the right of any party to seek any remedies for damages, as limited by ARTICLE 10 of this Agreement, or other legal remedy (including specific performance) even if a cure of an alleged breach is made within the periods of time specified for curing any such breach stated above. The provisions of this ARTICLE 8 are intended only to provide the exclusive process through which one party may exercise and effectuate its right to terminate this Agreement as a result of a material breach of this Agreement.

ARTICLE 9. NOTICES, REPRESENTATIVES OF THE PARTIES

1. Notices

Any notice, demand, or request required or authorized by this Agreement to be given by one party to another party shall be in writing. It shall either be sent by facsimile (confirmed by telephone), courier, personally delivered or mailed, postage prepaid, to the representative of the other party designated in this ARTICLE 9. Any such notice, demand, or request shall be deemed to be given (i) when sent by facsimile confirmed by telephone, (ii) when actually received if delivered by courier or personal delivery or (iii) three (3) days after deposit in the United States mail, if sent by first class mail.

Notices and other communications by Seller to NSTAR Electric shall be addressed to:

Ms. Rose Ann Pelletier
Director, Power and Transmission Contracts
NSTAR Services Co.
800 Boylston Street
Boston, MA 02199
(617) 424-3585
(617) 424-3472 (fax)

With a copy to:

NSTAR Services Co.
800 Boylston Street
Boston, MA 02199
Attention: Timothy Cronin
(617) 424-2733 (fax)

Notices and other communications by NSTAR Electric to Seller shall be addressed to:

[Name]
[Company]
[Address]
[City, State & Zip]
[Phone]
[FAX]

Any party may change its representative by written notice to the others.

2. Authority of Representative

The parties' representatives designated in SECTION 9.1 shall have full authority to act for their respective principals in all technical matters relating to the performance of this Agreement. They shall not, however, have the authority to amend, modify, or waive any

provision of this Agreement unless they are authorized officers of their respective entities and such amendment, modification or waiver is made pursuant to ARTICLE 17.

ARTICLE 10. LIABILITY, INDEMNIFICATION, AND RELATIONSHIP OF PARTIES

Section 10.1 Limitation on Consequential, Incidental and Indirect Damages

To the fullest extent permissible by law, neither NSTAR Electric nor Seller, nor their respective officers, directors, agents, employees, parent or affiliates, successor or assigns, or their respective officers, directors, agents, or employees, successors, or assigns, shall be liable to the other party or its parent, subsidiaries, affiliates, officers, directors, agents, employees, successors or assigns, for claims, suits, actions or causes of action for incidental, indirect, special, punitive, multiple or consequential damages (including attorney's fees or litigation costs) connected with or resulting from performance or non-performance of this Agreement, or any actions undertaken in connection with or related to this Agreement, including without limitation any such damages which are based upon causes of action for breach of contract, tort (including negligence and misrepresentation), breach of warranty, strict liability, statute, operation of law, or any other theory of recovery. The provisions of this SECTION 10.1 shall apply regardless of fault and shall survive termination, cancellation, suspension, completion or expiration of this Agreement.

Section 10.2 Indemnification

(a) Seller agrees to defend, indemnify and save NSTAR Electric, its officers, directors, employees, agents, successors, assigns, and affiliates and their officers, directors, employees, and agents harmless from and against any and all claims, suits, actions or causes of action for damage by reason of bodily injury, death, or damage to property caused by Seller, its officers, directors, employees, agents or affiliates or caused by or sustained on its facilities, arising from or in connection with this Agreement, except to the extent caused by an act of negligence or willful misconduct by an officer, director, agent, employee or affiliate of NSTAR Electric or its successors or assigns.

(b) NSTAR Electric agrees to defend, indemnify and save Seller, its officers, directors, employees, agents, successors, assigns, and affiliates and their officers, directors, employees, and agents harmless from and against any and all claims, suits, actions or causes of action for damage by reason of bodily injury, death, or damage to property caused by NSTAR Electric, its officers, directors, employees, agents or affiliates or caused by or sustained on its facilities, arising from or in connection with this Agreement, except to the extent caused by an act of negligence or willful misconduct by an officer, director, agent, employee or affiliate of Seller or their successors or assigns.

(c) If any party intends to seek indemnification under this ARTICLE 10, SECTION 10.2 from the other party with respect to any action or claim, the party seeking indemnification shall give the other party notice of such claim or action within fifteen (15)

days of the commencement of, or actual knowledge of, such claim or action. Such party seeking indemnification shall have the right, at its sole cost and expense, to participate in the defense of any such claim or action. The party seeking indemnification shall not compromise or settle any such claim or action without the prior consent of the other party, which consent shall not be unreasonably withheld.

(d) Notwithstanding any provision to the contrary herein, the parties agree that Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company shall not be jointly and severally liable for the obligations hereunder.

Section 10.3 Independent Contractor Status

Nothing in this Agreement shall be construed as creating any relationship between NSTAR Electric and Seller other than that of independent contractors for the sale of electricity provided as Default Service. Neither party shall be deemed to be the agent of the other party for any purpose by reason of this Agreement, and no partnership or joint venture or fiduciary relationship between the parties is intended to be created hereby.

ARTICLE 11. ASSIGNMENT

Section 11.1 General Prohibition Against Assignments

Except as provided in SECTION 11.2 below, neither party shall assign, pledge or otherwise transfer this Agreement or any right or obligation under this Agreement without first obtaining the other party's written consent, which consent shall not be unreasonably withheld.

Section 11.2 Exceptions to Prohibition Against Assignments

(a) Seller may, without NSTAR Electric's prior written consent, collaterally assign this Agreement in connection with financing arrangements. Seller must, however, provide NSTAR Electric with at least (5) days advance written notice of such collateral assignment.

(b) Either party may, without the other party's prior written consent, (i) assign all or a portion of its rights and obligations under this Agreement to any affiliate of NSTAR Electric or Seller, as the case may be, or (ii) assign its rights and obligations hereunder, or transfer such rights and obligations by operation of law, to any corporation or other entity with which or into which such party shall merge or consolidate or to which such party shall transfer all or substantially all of its assets, provided that such affiliate or other entity agrees to be bound by the terms thereof and provided, further, that such affiliate's or other entity's creditworthiness is comparable to or higher than that of such party and such party is not relieved of any obligation or liability hereunder as a result of such assignment.

ARTICLE 12. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective permitted successors and assigns.

ARTICLE 13. WAIVERS

The failure of either party to insist in any one or more instance upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights under this Agreement shall not be construed as a general waiver of any such provision or the relinquishment of any such right, except to the extent such waiver is in writing and signed by an authorized representative of such party.

ARTICLE 14. REGULATION

Section 14.1 Laws and Regulations

This Agreement and all rights, obligations, and performances of the parties hereunder, are subject to all applicable Federal and state laws, and to all duly promulgated orders and other duly authorized action of governmental authority having jurisdiction.

Section 14.2 NEPOOL Requirements

This Agreement must comply with all NEPOOL Market Rules and Procedures ("Rules"). If, during the term of this Agreement, the NEPOOL Agreement is terminated or amended in a manner that would eliminate or materially alter a Rule affecting a right or obligation of a party hereunder, or if such a Rule is eliminated or materially altered by NEPOOL, the parties agree to negotiate in good faith in an attempt to amend this Agreement to incorporate a replacement Rule ("Replacement Rule"). The intent of the parties is that any such Replacement Rule reflect, as closely as possible, the intent and substance of the Rule being replaced as such Rule was in effect prior to such termination or amendment of the NEPOOL Agreement or elimination or alteration of the Rule.

ARTICLE 15. INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the Commonwealth of Massachusetts.

ARTICLE 16. SEVERABILITY

If any provision or provisions of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

ARTICLE 17. MODIFICATIONS

No modification to this Agreement will be binding on any party unless it is in writing and signed by all parties.

ARTICLE 18. SUPERSESSION

This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and its execution supersedes any other agreements, written or oral, between the parties concerning such subject matter.

ARTICLE 19. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

ARTICLE 20. HEADINGS

Article and Section headings used throughout this Agreement are for the convenience of the parties only and are not to be construed as part of this Agreement.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Agreement on their behalf as of the date first above written.

BOSTON EDISON COMPANY
CAMBRIDGE ELECTRIC LIGHT COMPANY
COMMONWEALTH ELECTRIC COMPANY

BY:

Its

[SELLER]

BY:

Its_____

EXHIBIT A

NSTAR ELECTRIC

SUPPLIER LOAD ESTIMATION AND RECONCILIATION METHODOLOGIES

Currently there are two Load Estimation and Reconciliation systems employed by NSTAR Electric. One system is used for the Boston Edison service territory and the other for the Commonwealth Electric and Cambridge Electric (collectively, "CES") service territories. The following are descriptions of the two systems.

COMMONWEALTH ELECTRIC AND CAMBRIDGE ELECTRIC

Load Estimation at CES is billing account based. For each active account for the day to be estimated, a daily billing load is developed. This is accomplished in one of two ways. First, if the account has been billed, the latest bill information (account, number of billing days, total kWh, supplier ID) is used to compute a daily average use (total kWh/number of billing days). Second, if the account is active but has not been billed (new account), a daily rate average is used. The daily rate average is based on the past 24 months billing for all customers by rate.

The billing file used in this process is a SAS dataset created each day upon the completion of nightly cycle billing through the Customer Information System ("CIS"). This SAS dataset combines three of the four Companies' billing systems, computer billed accounts, time-of-use billed accounts, and special ledger accounts, into one file. A fourth billing system, municipal lighting, is incorporated by the load estimation process.

Once daily billing loads are developed using the CIS data, line losses are added to each account. The losses are by rate code and are based on CES studies from 1995. Adding the line losses to the daily billing load for each account creates the daily load for estimation per account.

Load shapes are applied to the daily load for estimation per account. The load shapes are based on four years of load research data (1992-1995) and are broken into weekday load shape and weekend load shape. The application of the load shape distributes the daily load for estimation for each account over 24 hours.

Telemetered accounts (when available) are eliminated at this point. Telemetered accounts are added back later in the process.

Account loads for estimation are then aggregated by supplier ID. When telemetered load is available, it will be scaled for line losses and added back in at this point. Hourly ratios are now developed for each supplier based on the suppliers estimated total load to the total load for the system.

The hourly ratio is sent to the local server for incorporation into the daily estimation worksheet. The daily estimation worksheet is logically broken into 3 sections. The first

section incorporates the SCADA readings (bulk generation and ties). The Town of Belmont load (wholesale load) is subtracted from the total connected load for purposes of estimation. The second section applies the hourly supplier ratios developed from CIS data to the net SCADA readings. The third section breaks out each supplier's contribution to load. Belmont load is added back into the CES total. SENE load is 37.6% of the CES SOS.

Final estimated supplier values are then posted to CES' ISO Reporting Application ("IRA") System for transmission to ISO-NE.

BOSTON EDISON

1. **General Description**

Each business day Boston Edison calculates its territory load for every hour of the previous day(s) using actual hourly generation and interchange metered values. The territory load is defined as the total customer load plus transmission and distribution losses within Boston Edison's service territory.

Historical proxy days will be selected that closely match the territory load profile shape and amplitude of the previous day(s). Wholesale and retail customer load profiles from the proxy days will be used for the allocation of hourly loads to load serving entities. Suppliers', Standard Offer, Default Service and wholesale hourly loads will be adjusted in each hour such that their sum will exactly equal the territory load for the hour. The core engine used for load estimation will be LODESTAR software licensed by LODESTAR Corporation of Peabody, MA.

2. **Load Profiles**

The following load profiles will be used for load estimation:

- The customers' actual load profiles will be used for time of use (TOU) customers whose meters are remotely read on a daily basis.
- The proxy day historical load profiles from the previous year will be used for the remainder of TOU customers.
- The rate class average and strata load profiles derived from 1992 load research data will be used for all non-TOU customers.

3. **Assignment Of Non-TOU Customers To Load Profiles And Calculation Of Customer Adjustment Factors ("CAF's")**

Each non-TOU customer will be assigned to a rate class average or a rate class strata load profile based on the customer's historical usage. A Customer Adjustment Factor will be calculated for each customer to reflect the difference between the customer's historical usage and the usage under the load profile assigned to that customer. The criteria for the

assignment to load profiles and the calculation of CAF's is described in detail in Attachment 1. The 1992 rate class average and strata load profiles are in EXCEL spreadsheets posted on Boston Edison's internet web site, "www.bedison.com".

4. Proxy Days Selection

A proxy day in the preceding year and another in 1992 will be selected using proprietary software developed by LODESTAR Corporation. The proxy day selection algorithm finds the day, in the historical period being searched, that had a territory load profile that most closely matches the previous day territory load profile in both shape and amplitude. The user specifies the calendar period that can be searched, the day(s) of the week that can be considered and how close in hours the peak hour in the previous day must be to the peak hour of the proxy day.

5. **Selection Of Load Profiles From The Load Profile Data Bases**

TOU customers' historical load profiles from the previous year's proxy day will be retrieved from the TOU customer historical database.

The rate class average and strata load profiles for the proxy day will be retrieved from the 1992 load research database.

Rate class total load profiles for the proxy day will be retrieved from the 1992 load research database. The rate class total load profiles will be calibrated to reflect 1997 sales.

6. Updating Of The Customer Data Base

Whenever a customer switches to a different supplier or switches from Boston Edison generation service to a competitive supplier (i.e. Standard Offer to a competitive supplier), the customer's record in the customer database will be updated to reflect this change.

Whenever there is an actual meter reading for a non-TOU customer, the customer's load profile assignment will be reconsidered and the customer's CAF will be recalculated. Both of these will be done according to the criteria in Attachment 1.

7. Daily Query Of The Customer Data Base

Each day the customer database will be queried for the following data which will be passed to the load estimation system:

- Supplier ID for all TOU customers on non Standard Offer

- For all non-TOU customers on non Standard Offer, cumulative CAF by supplier for each class average and strata load profile. This is the sum of all a supplier's individual customers' CAF's assigned to each rate class average and strata load profiles.

8. **Estimation Of Supplier Loads**

Suppliers' and Default Service total load profiles will be calculated for each rate class. A supplier's TOU customers whose meters are read daily will have the previous day actual load profile summed into the appropriate supplier rate class profile. For a supplier's TOU customers whose meters are read monthly, their previous year proxy day load profiles will be summed into the appropriate supplier rate class load profile. For non-TOU customers, each supplier's cumulative CAF for each rate class average and strata load profile will be multiplied by that profile and the results will be summed into rate class total load profiles for the supplier.

Default Service rate class load profiles will be calculated in the same manner as suppliers' rate class load profiles. All suppliers' and Default Service load profiles for each rate class will be subtracted from the rate class total load profile and the remainder will be the Standard Offer load profile for that rate class.

Hourly no-load and load losses will be allocated to each supplier's, Default Service and Standard Offer Service rate class load profiles. Residuals will be allocated to all load profiles such that in each hour, the sum of all suppliers', Default Service, Standard Offer and wholesale loads exactly equals the metered territory load. Rate class loads will be summed into total loads for each Supplier, Default Service and Standard Offer Service.

9. Reporting Of Suppliers' Loads To The ISO

The total hourly load estimates for each supplier will be reported to the ISO-NE, in accordance with the ISO standards, for use in the ISO wholesale settlement process.

10. Monthly Reconciliation

The ISO has always performed a month end meter reading reconciliation with participants to account for any differences between hourly meter readings reported to the ISO and the actual change in meter registration during the month. The ISO sums the hourly energy values reported for each interchange point into calendar monthly totals. At the end of each month the participants report the total energy metered at these interchange points by subtracting the meter reading at the beginning of the month from the month-end meter reading. The ISO compares the total metered energy value with the sum of the hourly values reported for the month and credits or debits the participants for any differences at an average energy rate. A credit would result from over-reporting an inflow or under-reporting an outflow. Conversely, a debit results from over-reporting an outflow or under-reporting an inflow. Before the restructured NEPOOL markets are implemented, the average monthly rate is the average cost of all energy sold to the ISO during that month. After implementation of the restructured markets, the average monthly energy rate will be the average NEPOOL hourly energy clearing price for the month. This month-end meter reading reconciliation will still occur after retail access is implemented.

When retail access occurs, it will be necessary to reconcile suppliers' monthly estimated loads to their customers' metered usage. During each month, the ISO will sum each supplier's hourly load estimates reported by each distribution company into a monthly total supplier load estimate by distribution company. Sometime after the end of each month,

each distribution company will use customers' actual meter readings, to the extent that they are available, to estimate each supplier's actual monthly load and report it to the ISO. The ISO will compare the monthly sum of the reported supplier estimated hourly loads to the supplier monthly actual load and credit or debit the supplier for the difference at the monthly average energy rate.

In order to estimate a supplier's actual monthly load, the meter reading cycle(s) usage for each of the supplier's customers will have to be prorated to estimate each customer's calendar monthly usage using the following methodology:

If a customer's meter is read on April 15, May 15 and June 15; the customer's May usage for reconciliation is 15/30's of the April 15 to May 15 usage plus 16/31's of the May 15 to June 15 usage. If the customer has the same supplier for the entire month of May, the total May usage is assigned to that supplier. If the customer is enrolled by one supplier from April 15 to May 15 and a different supplier from May 16 to June 15, the first 15 day's of May usage is assigned to one supplier and the last 16 days of May usage is assigned to the other supplier.

For time of use (TOU) customers, the actual interval data for the calendar month will ultimately be used for reconciliation but a monthly proration of TOU customers' usage may be required as an interim solution. If a TOU customer has two suppliers during a month, the customer's monthly usage will be allocated to the suppliers based on the meter read date.

Using the methodology described above, Boston Edison Information Technology personnel will aggregate customers' monthly usage by rate class by supplier and supply these values to Boston Edison's Load Estimation personnel where they will be adjusted for losses based on voltage class and summed into suppliers' actual monthly loads. The suppliers' actual monthly loads will be summed into a monthly total load for all suppliers. This total load for all suppliers will be compared with the Boston Edison metered territory load for the month and the suppliers' actual monthly loads will be adjusted on a prorata basis to force the total of all suppliers loads to exactly equal the Boston Edison metered territory load.

Each supplier's actual monthly load will be reported to the ISO and will be compared to the monthly sum of that supplier's estimated hourly loads. Any difference between the two will result in a debit or credit from the ISO to the supplier at the average energy rate for the month.

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Criteria For Assigning Non-TOU Customers to Load Profiles And Calculation Of Customer Adjustment Factors (CAF's)

I. Strata Assignment

According to the strata definitions in the following table, customers are assigned a strata / class profile based on:

- Their average daily KWH usage from twelve months of billing history
- Their existing rate revenue code in the Company's billing system

II. Calculation of Customer Adjustment Factors (CAF's)

A. Use Strata 1 (rate class average) for rate classes with no other strata.

B. For customers with no billing history:

1. Assign to Strata 2 and use 1.00000 as the CAF.

C. For customers with less than 4 months billing history:

1. Calculate the average kWh per day.
2. Assign to Strata 2.
3. Divide the average kWh/day by the Strata 2 kWh/day to calculate the CAF.

D. For customers with more than four months billing history:

1. Use as much billing history as is available (up to 12 months)
2. Calculate the kWh/day.
3. Assign to Strata based upon kWh/day.
4. Divide the customer kWh/day by the Strata average kWh/day to calculate the CAF.

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Rate	Rate Codes	Profile Description	Strata	Annual Use	Strata Avg. KWh/day	Strata Range KWh/day low	high
R1	021	Residential - water heating	0	10,813	29.54354		
R1	021	Residential - water heating	1	7,096	19.38931	-	26.12175
R1	021	Residential - water heating	2	12,025	32.85419	26.12176	42.50313
R1	021	Residential - water heating	3	19,088	52.15208	42.50314	274.35847
R1	021	Residential - water heating	4	181,743	496.56485	274.35848	
R3	022,023,111	Residential - space heating	0	14,044	38.37127		
R3	022,023,111	Residential - space heating	1	7,244	19.79230	-	27.73065
R3	022,023,111	Residential - space heating	2	13,055	35.66900	27.73066	46.75424
R3	022,023,111	Residential - space heating	3	21,169	57.83949	46.75425	84.16635
R3	022,023,111	Residential - space heating	4	40,441	110.49321	84.16636	1,310.01665
R3	022,023,111	Residential - space heating	5	918,492	2,509.54008	1,310.01666	
G1	011,013,016,018,078,191,193	General Service - small	0	9,457	25.83856		
G1	011,013,016,018,078,191,193	General Service - small	1	3,785	10.34217	-	19.37174
G1	011,013,016,018,078,191,193	General Service - small	2	10,395	28.40131	19.37175	38.75697
G1	011,013,016,018,078,191,193	General Service - small	3	17,975	49.11264	38.75698	51.53448
G1	011,013,016,018,078,191,193	General Service - small	4	19,748	53.95633	51.53449	
G2	019,091,093,112,130,214,215, 234,264,267,268,314,430	General Service - medium commercial	0	110,724	302.52507		
G2	019,091,093,112,130,214,215, 234,264,267,268,314,430	General Service - medium commercial	1	33,953	92.76759	-	173.92680
G2	019,091,093,112,130,214,215, 234,264,267,268,314,430	General Service - medium commercial	2	93,361	255.08601	173.92681	440.90440
G2	019,091,093,112,130,214,215, 234,264,267,268,314,430	General Service - medium commercial	3	229,381	626.72279	440.90441	1,083.10470
G2	019,091,093,112,130,214,215, 234,264,267,268,314,430	General Service - medium commercial	4	563,452	1,539.48662	1,083.10471	

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Rate	Rate Codes	Profile Description	Strata	Annual Use	Strata Avg. kWh/day	Strata Range kWh/day low	high
G2	079,274,374	General Service - medium industrial	0	186,849	510.51678		
G2	079,274,374	General Service - medium industrial	1	50,603	138.25966	-	242.62577
G2	079,274,374	General Service - medium industrial	2	126,999	346.99187	242.62578	555.51048
G2	079,274,374	General Service - medium industrial	3	279,635	764.02908	555.51049	1,145.95262
G2	079,274,374	General Service - medium industrial	4	559,203	1,527.87615	1,145.95263	
G3	407,417,477	General Service - primary metered TOU	1	6,599,211	18,030.63093		
S1	051,053,058	Street Lighting	1	84,960,545	232,132.63748		
S2	055,056	Street Lighting -Energy Rate	1	48,095,261	131,407.81818		
S3	060,061	Outdoor Street Lighting	1	16,941,849	46,289.20606		
R1	020,110	Residential - general use	0	5,249	14.34221		
R1	020,110	Residential - general use	1	3,006	8.21335	-	11.12485
R1	020,110	Residential - general use	2	5,137	14.03635	11.12486	16.85342
R1	020,110	Residential - general use	3	7,199	19.67050	16.85343	25.84706
R1	020,110	Residential - general use	4	11,721	32.02362	25.84707	54.51862
R1	020,110	Residential - general use	5	28,187	77.01362	54.51863	793.63312
R1	020,110	Residential - general use	6	552,752	1,510.25263	793.63313	
R2	030,031,032,033	Residential - life line	0	3,447	9.41695		
R2	030,031,032,033	Residential - life line	1	2,626	7.17382	-	8.82224
R2	030,031,032,033	Residential - life line	2	3,832	10.47066	8.82225	14.09159
R2	030,031,032,033	Residential - life line	3	6,483	17.71252	14.09160	34.02593
R2	030,031,032,033	Residential - life line	4	18,424	50.33935	34.02594	

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Rate	Rate Codes	Profile Description	Strata	Annual Use	Strata Avg. kWh/day	Strata Range kWh/day low	high
R4	224,225,226	Residential - time-of-use	0	9,088	24.83028		
R4	224,225,226	esidential - time-of-use	1	7,005	19.13880	-	24.19121
R4	224,225,226	Residential - time-of-use	2	10,703	29.24361	24.19122	37.42686
R4	224,225,226	Residential - time-of-use	3	16,693	45.61012	37.42687	
T2	217,617,627,677,707,717,777, 907,917,977	General Service - medium TOU	1	1,847,362	5,047.43739		

APPENDIX B

PROPOSAL FORM

1. General Information

Name of Supplier	
Principal contact person ➢ Name ➢ Title ➢ Company ➢ Mailing address ➢ Telephone number ➢ Fax number ➢ E-mail address	
Secondary contact person (if any) ➢ Name ➢ Title ➢ Company ➢ Mailing address ➢ Telephone number ➢ Fax number ➢ E-mail address	
Legal status of Supplier (e.g., sole proprietorship, partnership, limited partnership, joint venture, or corporation)	
State and date of incorporation, residency or organization	
The names of all general and limited partners (if Supplier is a partnership)	

Description of Supplier and all relevant affiliated entities and joint ventures, including any details regarding financial limitations between partners or affiliates	
Name of financial guarantor	
Statement of relevant experience	

3. Financial Information

Current long term and short term debt rating for Supplier (include ratings and names of rating agencies).	
Date Supplier's last fiscal year ended.	
Total revenue for Supplier for the most recent fiscal year.	
Total net income for Supplier for the most recent fiscal year.	
Total assets for Supplier as of the close of the previous fiscal year.	

4. Defaults and Adverse Situations

Describe, in detail, any situation in which Supplier (either alone or as part of a joint venture), or an affiliate of Supplier, defaulted or was deemed to be in noncompliance of its contractual obligations to deliver energy and/or capacity at wholesale within the past five years. Explain the situation, its outcome and all other relevant facts associated with the event described. Please also identify the name, title and telephone number of the principal manager of the customer/client who asserted the event of default or noncompliance.	

Describe any facts presently known to Supplier that might reasonably be expected to adversely affect its ability to provide the service(s) bid herein as provided for in the Request for Proposal.	

5. NEPOOL AND POWER SUPPLY EXPERIENCE

Is Supplier a member of NEPOOL?	
Does Supplier have a NEPOOL settlement account?	
Describe Supplier's experience and record of performance in the areas of power marketing, brokering, sales, and/or contracting, for the last five years within NEPOOL and/or the New England region.	

Provide three references (name, title and contact information) who have contracted with the Supplier for similar load following services within the last 2 years.	
Has Supplier, or any affiliate of Supplier, in the last five years, been determined in writing by a court or arbitration panel to have breached or defaulted under any agreement relating to the sale of electricity or natural gas, including any financing agreements? If so, what was the resolution of such breach or default?	

6. SCOPE OF BID AND TERMS OF SALE

Will Supplier execute a contract substantially similar to the proposed Power Supply Agreement contained in Appendix A? Explain any proposed modifications.	
List all regulatory approvals required before service can commence.	

7. Proposed Pricing

Specify the monthly contract rates (¢/kWh) to supply Default Service to: a)_BECo's Residential Customer Group, b) Commonwealth's Residential Customer Group, and c) Cambridge's Residential Customer Group.	

SUPPLIER:_____

Specify the monthly contract rates (¢/kWh) to supply Default Service to: a) BECo's Commercial Customer Group, b) Commonwealth's Commercial Customer Group and c) Cambridge's Commercial Customer Group.	
Specify the monthly contract rates (¢/kWh) to supply Default Service to: a) BECo's Industrial Customer Group, b) Commonwealth's Industrial Customer Group, and c)Cambridge's Industrial Customer Group.	