



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

MEMORANDUM

TO: All Massachusetts Electric, Gas, and Water Companies, and Municipal Light Plants (Electric and Gas)

FROM: Mark D. Marini, Department Secretary

RE: Annual Returns

DATE: February 14, 2014

CC: Rebecca L. Tepper, General Counsel
Kevin Brannelly, Director, Rates and Revenue Requirements Division
George Yiankos, Director, Gas Division

Each electric, gas, and water company, as well as municipal light plant, engaged in the manufacture and sale or distribution and sale of electricity, gas, or water in Massachusetts is required to submit an Annual Return to the Department of Public Utilities ("Department") on or before March 31 of each year. G.L. c. 164, §§ 63, 83; G.L. c. 165, § 2; 220 C.M.R. §§ 79.01 (gas companies), 79.02 (municipal light companies); 79.03 (water companies); 79.04 (electric companies). The Department has determined that some companies are failing to file the Annual Returns in a timely manner while other companies are filing Annual Returns that are inconsistent with Massachusetts law and Department regulations. Therefore, effective with the Annual Returns that are due on or before March 31, 2014, for the year ending 2013, the Department will be issuing to each Massachusetts electric, gas, and water company, as well as municipal light plant, that fails to comply with statutory and regulatory requirements either (1) a Notice of Failure to File Annual Return ("Notice of Failure to File"), except in those instances where a company has filed a motion for extension to file,¹ or (2) a Notice of Deficiency in Annual Return ("Notice of Deficiency") (blank copies attached).

Please note that each of the items listed on the Notice of Deficiency are requirements for electric and gas companies, but may not be requirements for water companies or municipal light plants.

¹ Any motion for extension of the time to file must set forth the additional time requested and the reasons for the request. This motion shall be submitted to Mark D. Marini, Department Secretary, with a copy to Kevin Brannelly, Director, Rates and Revenue Requirements Division.

For example, Items 6 and 9 do not apply to water companies or municipal light plants; Items 1, 3, and 7 do not apply to municipal light plants. Also, the notarization requirement under Item 3 applies only where the Annual Return is signed by a duly authorized officer located outside of the Commonwealth.

To remind companies of the statutory and Department requirements, we have attached the following directives related to Annual Returns that were previously issued by the Department. First, on April 3, 2003, the Commission issued a directive outlining the Statement of Return on Equity that electric and gas companies must provide with the Annual Return. Second, on August 18, 2011, the Department Secretary issued a directive to electric and gas companies outlining the process for submitting the Annual Return and the Statement of Operating Revenues that must accompany the Annual Return. At the time of issuance, these directives were intended for electric and gas companies. We take this opportunity to alert both water companies and municipal light plants that the directive of August 18, 2011, outlining the process for submitting the Annual Return will now apply to them as well. In addition, we alert water companies that the directive of August 18, 2011, regarding the Statement of Operating Revenues, also applies to them.

Finally, if this memorandum and the Deficiency Notices should be directed to another company representative, please contact Mark D. Marini, Department Secretary, at 617-305-3500 or mark.marini@state.ma.us with the alternative contact information.