

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES



Joint Petition of Eversource Energy,
NiSource Inc., Eversource Gas Company of
Massachusetts, and Bay State Gas Company
d/b/a Columbia Gas of Massachusetts for
approval by the Department of Public
Utilities of (1) the sale of Bay State Gas
Company to Eversource Energy; and (2) a
settlement agreement resolving the proposed
sale and two pending Department
investigations into the Merrimack Valley
Incident: Bay State Gas Company, D.P.U.
19-140 and Bay State Gas Company,
D.P.U. 19-141.

D.P.U. 20-59
D.P.U. 19-140
D.P.U. 19-141

Petition by NSTAR Electric Company d/b/a
Eversource Energy for Approval by the
Department of Public Utilities of the
Company's Resiliency Tree Work Program
Annual Compliance Filing.

D.P.U. 18-102-A/19-114-A
D.P.U. 20-97
D.P.U. 21-108
D.P.U. 22-123
D.P.U. 23-96
D.P.U. 24-136

Petition by NSTAR Electric Company d/b/a
Eversource Energy and NSTAR Gas
Company d/b/a Pension Adjustment Factor
Filing.

D.P.U. 11-91
D.P.U. 12-113
D.P.U. 13-84
D.P.U. 14-145
D.P.U. 15-147
D.P.U. 16-182
D.P.U. 17-159
D.P.U. 18-121

**JOINT MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT**

JOINT MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT

NSTAR Electric Company and Eversource Gas Company of Massachusetts each d/b/a Eversource Energy (individually, “NSTAR Electric” and “EGMA”) (together, “Eversource”) and the Office of the Attorney General (“AGO”) (collectively, “Settling Parties”) hereby jointly move, pursuant to G.L. c. 164, § 94 and 220 C.M.R. § 1.04(5)(a), for approval by the Department of Public Utilities (“Department”) of the Consolidated Settlement Agreement filed herewith.

I. Overview of Settlement Agreement

The Consolidated Settlement Agreement resolves issues in three separate areas. First, the Consolidated Settlement Agreement resolves the recovery of transaction and integration costs arising from the sale of substantially all of the assets of Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“Columbia Gas”) to Eversource Energy in 2020, pursuant to the Department’s approval of a settlement agreement in D.P.U. 20-59 (“Transaction”).¹ The D.P.U. 20-59 Settlement provided that, subject to future review and approval by the Department, transaction and integration costs incurred to complete the Transaction would be eligible for recovery through EGMA’s distribution rates, in the event that certain prerequisites were met by EGMA, amortized over a 10-year period. In the Consolidated Settlement Agreement, the Settling Parties agree that: (1) the required prerequisites are met for recovery of transaction and integration costs, as contemplated by the D.P.U. 20-59 Settlement Agreement; and (2) EGMA will be allowed to include \$8,234,593 in the revenue requirement of its next base distribution rate, to be in effect for ten years.

¹ On October 7, 2020, in D.P.U. 20-59, the Department issued a final decision approving a settlement agreement, dated July 2, 2020, by Eversource Energy, NiSource Inc., Columbia Gas, AGO, the Massachusetts Department of Energy Resources, and the Low-Income Weatherization and Fuel Assistance Program Network (“D.P.U. 20-59 Settlement”).

Second, the Consolidated Settlement Agreement resolves outstanding issues relating to program expenses for NSTAR Electric’s Resiliency Tree Work (“RTW”) program. Specifically, the Settling Parties have raised competing and disputed claims pertaining to NSTAR Electric’s RTW program costs that remain subject to final orders of the Department for the period 2017-2024 and in the following dockets: D.P.U. 18-102; D.P.U. 19-114; D.P.U. 20-97; D.P.U. 21-108; D.P.U. 22-123; D.P.U. 23-96; and D.P.U. 24-136 (together “Unresolved RTW Proceedings”). The Settling Parties agree that, to resolve outstanding issues pertaining to the Unresolved RTW Proceedings, NSTAR Electric will credit \$2.5 million to NSTAR Electric’s customers, and the seven dockets associated with the Unresolved RTW Proceedings will be closed.

Third, the Consolidated Settlement Agreement resolves outstanding issues related to the allocation of NSTAR Electric’s pension and post-retirement benefits other than pension (“PBOP”) expenses through the Pension Adjustment Mechanism and associated Pension Adjustment Factor (“PAF”). Specifically, the Settling Parties have raised competing and disputed claims with respect to the appropriate transmission allocation factor to be used in NSTAR Electric’s allocation of the portion of pension and PBOP expense embedded in base distribution rates in the years 2010 through 2017 and in the following dockets: D.P.U. 11-91, D.P.U. 12-113, D.P.U. 13-84, D.P.U. 14-145, D.P.U. 15-147, D.P.U. 16-182, D.P.U. 17-159, and D.P.U. 18-121 (together “Unresolved PAF Proceedings”).² The Settling Parties agree that, to resolve all outstanding issues pertaining to the Unresolved PAF Proceedings, NSTAR Electric shall credit \$17.5 million to NSTAR Electric’s Pension Adjustment Factor and the eight dockets associated with the Unresolved PAF Proceedings shall be closed.

² The PAF filings made in 2011 through 2013, and docketed as D.P.U. 11-91, D.P.U. 12-113, and D.P.U. 13-84, were consolidated by the Department into a single docket in a March 6, 2023 procedural memorandum.

The Consolidated Settlement Agreement submitted herewith is intended to resolve all the matters described above, on mutually agreeable terms, and without establishing any new precedent or principle applicable to any other proceedings.

II. Request for Approval of Consolidated Settlement Agreement

The Consolidated Settlement Agreement is conditioned on approval in its entirety by the Department no later than December 1, 2025, for customer rate credits effective January 1, 2026. If the Department does not approve the Settlement Agreement in its entirety on the date designated by the Settling Parties, the Settlement Agreement shall be deemed withdrawn.

WHEREFORE, the Settling Parties request that the Department grant this Joint Motion for Approval of Settlement Agreement and make the following findings:

- a. Determine that the Consolidated Settlement Agreement, and the terms thereof, are reasonable and consistent with the public interest; and
- b. Determine that approval of the Consolidated Settlement Agreement will result in just and reasonable rates, pursuant to G.L. c. 164, § 94.

The signatories listed below represent that they are authorized on behalf of their principals to enter into this Consolidated Settlement Agreement.

**ANDREA JOY CAMPBELL,
COMMONWEALTH OF MASSACHUSETTS
ATTORNEY GENERAL**

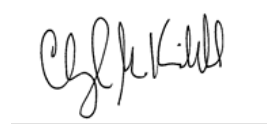
/s/ Matthew E. Saunders

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As Joint Petitioners

**EVERSOURCE GAS COMPANY OF MASSACHUSETTS D/B/A EVERSOURCE
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NSTAR ELECTRIC COMPANY D/B/A EVEROSURCE ENERGY**

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Dated: November 3, 2025