



The Commonwealth of Massachusetts



DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING, PUBLIC HEARING, PROCEDURAL CONFERENCE, AND REQUEST FOR COMMENTS

D.P.U. 13-148

September 25, 2013

Petition of NSTAR Electric Company for approval by the Department of Public Utilities of:
(1) six long-term contracts for procurement of renewable energy and renewable energy credits from six individual wind projects, pursuant to St. 2012, c. 209, § 36 and 220 C.M.R. § 21.00 et seq.; and (2) a long-term renewable contract adjustment mechanism tariff, M.D.P.U. No. 164B.

On September 20, 2013, NSTAR Electric Company ("NSTAR" or "Company") filed a petition with the Department of Public Utilities ("Department") seeking approval, pursuant to Section 83A of An Act Relative to Green Communities, St. 2008, c. 169 ("Section 83A")¹ and 220 C.M.R. § 21.00 et seq., of six long-term contracts to purchase wind power and associated renewable energy certificates ("RECs"). The proposed contracts between NSTAR and Iberdrola Renewables, LLC ("Iberdrola"), Evergreen Wind Power II, LLC ("Evergreen"), Blue Sky West, LLC ("Blue Sky"), Passamaquoddy Wind, LLC ("Passamaquoddy"), and Peskotmuhkati Wind, LLC ("Peskotmuhkati") are for the output of the following facilities: (a) Wild Meadows in Merrimack and Groton Counties, New Hampshire (Iberdrola); (b) Fletcher Mountain in Somerset City, Maine (Iberdrola); (c) Oakfield Wind in Oakfield, Maine (Evergreen); (d) Bingham Wind in Mayfield Township, Maine (Blue Sky); (e) Passamaquoddy Wind in Columbia Falls, Maine (Passamaquoddy); and (f) Peskotmuhkati Wind in Columbia Falls, Maine (Peskotmuhkati). The Company also seeks approval of a proposed tariff, M.D.P.U. No. 164B, which provides for the recovery of costs associated with long-term contracts for renewable energy procured pursuant to Section 83A.

Section 83A requires each electric distribution company to jointly solicit proposals for long-term contracts of 10 to 20 years in duration from renewable energy developers at least twice during the period from January 1, 2013 through December 31, 2016, and, if the proposals received are reasonable, to enter into cost-effective long-term contracts to facilitate the financing of renewable energy generation apportioned among the electric distribution companies. St. 2012, c. 209, § 36; 220 C.M.R. §§ 21.00 et seq. A long-term contract must be approved by the Department before it can become effective. St. 2012, c. 209, § 36; 220 C.M.R. § 21.03(3). The Department must take into consideration both the potential costs and benefits of such

¹ Section 83A was added to the Green Communities Act by An Act Relative to Competitively Priced Electricity in the Commonwealth, St. 2012, c. 209, § 36.

contracts and shall approve a contract only upon a finding that it is a cost-effective mechanism for procuring low cost renewable energy on a long-term basis taking into account the factors outlined in Section 83A. St. 2012, c. 209, § 36; 220 C.M.R. § 21.05.

In accordance with Section 83A, the electric distribution companies and the Department of Energy Resources jointly developed a request for proposals (“RFP”) for the supply of renewable electric energy and RECs. On March 29, 2013, the Department approved the method of soliciting and executing long-term contracts, as well as the timetable, contained in the jointly proposed RFP. Fitchburg Gas and Electric Light Company et al., D.P.U. 13-57 (March 29, 2013). On April 1, 2013, the electric distribution companies jointly issued the RFP. The electric distribution companies state that the six projects compare favorably on price and non-price factors to the range of renewable energy resources available in the marketplace today and are thus, low-cost, cost-effective contracts. The electric distribution companies have requested approval of the Oakfield Wind project contracts on or before December 6, 2013.

The proposed contracts anticipate the following commercial operation dates: (a) Wild Meadows: December 31, 2016; (b) Fletcher Mountain: December 31, 2016; (c) Oakfield Wind: December 31, 2015; (d) Bingham Wind: December 31, 2016; (e) Passamoquoddy Wind: November 30, 2015; and (f) Peskotmuhkati Wind: November 30, 2104. Under the proposed contracts, NSTAR will purchase 745,164,728 kilowatt-hours (“kWh”) annually. Pursuant to Section 83A and 220 C.M.R. § 21.07, the Company proposes to collect an annual remuneration equal to 2.75 percent of the annual payments under the contract to compensate the Company for accepting the financial obligation of the long-term contract.

The Company projects that the costs to customers of the contract payments and remuneration to the Company will be below the projected market value of the products purchased under the contract. According to the Company, if its petition is approved, the bill of an average Cambridge Electric Light Company customer using an average of 393 kWh per month will decrease by \$0.51 or 0.8 percent; an average Boston Edison Company customer using an average of 586 kWh per month will decrease by \$0.76 or 0.7 percent; and an average Commonwealth Electric Company customer using an average of 584 kWh per month will decrease \$0.75 or 0.7 percent, relative to current rates.

The Department will conduct a public hearing to receive comments on the Company’s filing on **Wednesday, October 23, 2013** at 3:00 p.m. at the Department’s offices, One South Station, 5th Floor, Boston, Massachusetts. Persons interested in commenting on the Company’s filing may do so at the public hearing or may file written comments by the close of business (5:00 p.m.) on **Wednesday, October 23, 2013**. A procedural conference will be held on **Wednesday, October 9, 2013** at 3:00 p.m. at the Department’s offices, One South Station, 5th Floor, Boston, Massachusetts.

Persons interested in participating in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department no later than the close of business (5:00 p.m.) on **Monday, October 7, 2013**. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 C.M.R. § 1.01(4). Receipt by the Department,

not mailing, constitutes filing and determines whether a petition has been timely filed. A petition for leave to intervene must satisfy the substantive requirements of 220 C.M.R. § 1.03. To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10. Responses to petitions to intervene must be filed with the Department no later than the close of business (5:00 p.m.) on **Tuesday, October 8, 2013**.

The original of all documents must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts, 02110. In addition, two (2) copies of all documents filed with the Department must be sent to Jessica Buno, Hearing Officer, and Selma Urman, Hearing Officer, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts 02110. One copy of all documents filed with the Department must also be sent to: (1) NSTAR's counsel, Danielle Winter, Esq. and Donald Boecke, Esq., Keegan Werlin LLP, 265 Franklin Street, Boston, Massachusetts 02110, and (2) the service list.

All documents must also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dpu.efiling@state.ma.us and the Hearing Officers, jessica.buno@state.ma.us and selma.urman@state.ma.us or (2) on a CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 13-148); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: <http://www.mass.gov/dpu>.

Copies of the filing are available for inspection during regular business hours at NSTAR Electric Company, One NSTAR Way, Westwood, Massachusetts 02090, and on the Company's website: www.nstar.com. Copies are also available for inspection during regular business hours at the Department's offices, One South Station – 5th Floor, Boston, Massachusetts 02110, and on the Department's website, <http://www.mass.gov/dpu>, by accessing the File Room link.

For further information regarding the Company's filing, please contact the Company's counsel, Danielle Winter and Donald Boecke, at (617) 951-1400. For further information regarding this notice, please contact the Department Hearing Officers assigned to this case, Jessica Buno, at (617) 305-3527, or Selma Urman, at (617) 305-3500.