



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING, PUBLIC HEARINGS AND PROCEDURAL CONFERENCE

D.P.U. 19-120

November 26, 2019

Petition of NSTAR Gas Company doing business as Eversource Energy, pursuant to G.L. c. 164, § 94 and 220 CMR 5.00, for Approval of General Increases in Base Distribution Rates for Gas Service.

On November 8, 2019, NSTAR Gas Company doing business as Eversource Energy ("NSTAR Gas" or "Company") filed a petition with the Department of Public Utilities ("Department") for a general increase in gas base distribution rates. The Department has docketed this matter as D.P.U. 19-120, and it has suspended the effective date of the proposed rate increase until October 1, 2020, to investigate the propriety of the Company's request.

NSTAR Gas seeks approval for an increase in base distribution rate revenues of \$38.03 million, which represents an increase of 19.0 percent in total base distribution rate revenues if approved without change. NSTAR Gas has requested to delay implementation of changes in rates to November 1, 2020, based on rate increases effective October 1, 2020. The Company was last granted an increase in base distribution rates in 2016. NSTAR Gas Company, D.P.U. 14-150 (2015).

The Company proposes to transfer costs that are currently recovered from customers through the gas system enhancement plan ("GSEP") to distribution rates for rates effective November 1, 2020. Because there is a delay in recovery through the GSEP, however, the Company proposes to not fully recover the remaining balance in the GSEP until May 1, 2021.

Additionally, the Company proposes to implement a performance-based ratemaking ("PBR") mechanism that would allow NSTAR Gas to adjust its distribution rates on an annual basis through the application of a revenue-cap formula and to put in place a set of metrics to evaluate the Company's performance. The PBR plan includes two demonstration projects: (1) a gas demand response project and (2) a geothermal network project. The Company proposes to implement the PBR plan for five years with the possibility for extension. Additional information regarding these and all other proposals can be found in the Company's filing.

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The Company states that if its petition is approved as requested, the proposed revenue increase will have the following effects from November 1, 2020, through April 30, 2021:

- a typical residential heating customer using an average 126 therms per month will experience an average bill increase of \$22.56 per month, or 12.6 percent;
- a typical residential low income heating customer using an average 123 therms per month will experience an average bill increase of \$16.48 per month, or 12.6 percent;
- a typical residential non-heating customer using an average of 14 therms per month will experience an average bill increase of \$3.53 per month, or 12.4 percent.

The Company states that the estimated recovery of the remaining balance in the GSEP on May 1, 2021, would reduce the bill increases customers experience after the Company's proposed rates go into effect on November 1, 2020, depending upon their rate classification and usage. In addition, bill impacts for commercial and industrial customers will vary depending upon their rate classification and level of usage. For specific impacts, please contact the Company as indicated below.

The Attorney General of the Commonwealth of Massachusetts ("Attorney General") has filed a notice to intervene in this matter pursuant to G.L. c. 12, § 11E. Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General has filed a notice of retention of experts and consultants to assist in her investigation of the Company's filing, and has requested Department approval to spend up to \$550,000 in this regard. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered in the Company's rates.

The Department has scheduled the following public hearings to receive comment on NSTAR Gas's filing:

**February 24, 2020**  
**Department of Public Utilities**  
**One South Station, 5<sup>th</sup> Floor**  
**Boston, Massachusetts 02110**  
**Time: 7:00 p.m.**

**February 25, 2020**  
**Worcester North High School**  
**140 Harrington Way**  
**Worcester, Massachusetts 01604**  
**Time: 7:00 p.m.**

**February 27, 2020**  
**Keith Middle School**  
**225 Hathaway Boulevard**  
**New Bedford, Massachusetts 02740**  
**Time: 7:00 p.m.**

**March 3, 2020**  
**Dedham Middle School**  
**70 Whiting Avenue**  
**Dedham, Massachusetts 02026**  
**Time: 7:00 p.m.**

**March 5, 2020**  
**Plymouth North High School**  
**41 Obery Street**  
**Plymouth, Massachusetts 02360**  
**Time: 7:00 p.m.**

A procedural conference in this matter will be held at the Department's office on Tuesday, January 7, 2020 at 2:00 p.m.

Persons interested in commenting on NSTAR Gas's filing may appear at any of the public hearings or may file written comments by the close of business (5:00 p.m.) on March 6, 2020.

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene or to participate in the proceeding no later than the close of business (5:00 p.m.) on Friday, December 27, 2019. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 CMR 1.01(4). To be allowed, a petition under 220 CMR 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

Any person who seeks to intervene in this matter and also desires to comment on the Attorney General's notice of retention of experts and consultants must file the comments no later than the close of business (5:00 p.m.) on Friday, December 27, 2019.

Written comments, petitions for leave to intervene or to participate, and comments on the Attorney General's notice of retention of experts and consultants should be addressed to: Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, MA 02110. Receipt by the Department, not mailing, constitutes filing.

Further, in addition to paper filings with the Department, all documents also should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dpu.efiling@mass.gov](mailto:dpu.efiling@mass.gov) and the Hearing Officer, [kevin.crane@mass.gov](mailto:kevin.crane@mass.gov); or (2) on CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the

proceeding (D.P.U. 19-120); (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: website at <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter "19-120").

A copy of the Company's filing is available for inspection during regular business hours at the following locations: (1) the Company's offices, 247 Station Drive, Westwood, Massachusetts 02090; (2) the Cambridge Public Library, 449 Broadway, Cambridge, Massachusetts 02138; (3) the Dedham Public Library, 43 Church Street, Dedham, Massachusetts 02026; (4) the New Bedford Free Public Library, 613 Pleasant Street, New Bedford, Massachusetts 02740; (5) the Plymouth Public Library, 132 South Street, Plymouth, Massachusetts 02360; (6) the Worcester Public Library, 3 Salem Street, Worcester, Massachusetts 01608; and (7) the Department's offices, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110.

NSTAR Gas's filing also is available on the Department's website. To request materials in accessible formats (braille, large print, electronic files, audio format), contact the Department's ADA coordinator at [DPUADACoordinator@mass.gov](mailto:DPUADACoordinator@mass.gov) or (617) 305-3642. Any person desiring further information regarding the Company's petition should contact the Company's counsel, Danielle C. Winter, Esq. or Matthew C. Campbell, Esq. at Keegan Werlin, 99 High Street, Suite 2900, Boston, MA, 02110, telephone (617) 951-1400.

The Attorney General's notice of retention of experts and consultants is available on the Department's website. A copy of the Attorney General's notice of retention of experts and consultants is also available for inspection during regular business hours at the Attorney General's offices, One Ashburton Place, Boston, MA, 02110, and at the Department's offices, One South Station, 5<sup>th</sup> Floor, Boston, MA, 02110. Any person desiring further information regarding the Attorney General's notice of retention of experts and consultants should contact Joseph W. Rogers, Assistant Attorney General, at (617) 727-2200.

Reasonable accommodations at public or evidentiary hearings for people with disabilities are available upon request by contacting the Department's ADA coordinator at [DPUADACoordinator@mass.gov](mailto:DPUADACoordinator@mass.gov) or (617) 305-3642. Please include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Provide as much advance notice as possible. Last-minute requests will be accepted but may not be accommodated. Any person desiring further information regarding this notice should contact Kevin Crane, Hearing Officer, Department of Public Utilities, at (617) 305-3500.