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November 9, 2015

Mark D. Marini, Secretary
Department of Public Utilities
One South Station – 5th Floor
Boston, Massachusetts 02110

Subject: NSTAR Electric Company d/b/a Eversource Energy, Basic Service Rates,
D.P.U. 15-BSF-C4

Dear Secretary Marini:

NSTAR Electric Company d/b/a Eversource Energy (the “Company”) hereby submits the results of its most recent solicitation for Basic Service supply together with proposed Basic Service rates resulting from that solicitation. This filing is made in accordance with the provisions of G.L. c. 164, §§ 1B(d) and 94; 220 C.M.R. §§ 5.00 and 11.00 *et seq.*; Default Service Pricing and Procurement, D.T.E. 99-60-B (2000); Default Service Pricing and Procurement, 99-60-C (2000); Default Service, D.T.E. 02-40-C (2003); and NSTAR Electric, D.T.E. 06 40 (2006). The Company requests that the Department of Public Utilities (the “Department”) approve the results of this solicitation within five business days, subject to future reconciliation of costs by the Department. Also enclosed is a check for the filing fee in the amount of \$300.

The Company requests approval of the following proposed summary tariffs, which are enclosed herewith as Appendix C:

NSTAR Electric Company, d/b/a Eversource Energy (Greater Boston Territory):
M.D.P.U. No. 190, Rate Table

NSTAR Electric Company, d/b/a Eversource Energy (Cambridge Territory): M.D.P.U.
No. 290, Rate Table

NSTAR Electric Company, d/b/a Eversource Energy (South Shore, Cape Cod and Martha’s Vineyard Territory): M.D.P.U. No. 390, Rate Table

I. Procurement

On October 9, 2015, the Company issued a Request for Proposals (“RFP”) for Basic Service supply for a delivery term commencing January 1, 2016. A copy of the RFP is enclosed herewith as Appendix A. Pursuant to directives of the Department, the RFP sought bids, which

could vary by calendar month, to fulfill the Company's Basic Service Load requirements effective January 1, 2016, as follows:

- Residential Customers
 - ⇒ 50 percent of Basic Service requirements for the twelve-month period January 1, 2016 to December 31, 2016.
- Small Commercial and Industrial ("C&I") Customers
 - ⇒ 50 percent of Basic Service requirements for the twelve-month period January 1, 2016 to December 31, 2016.
- Large C&I Customers
 - ⇒ 100 percent of Basic Service requirements for the three-month period January 1, 2016 to March 31, 2016.

The Company received a number of responses from bidders by the November 3, 2015 RFP deadline. The bids for all customer groups were evaluated and winning bids were chosen based on the lowest prices bid. See Appendix B, Schedule 4 **CONFIDENTIAL**.

Consistent with Department precedent, the Company implemented the following protocols in procuring its Basic Service supply for the period commencing January 1, 2016:

- the RFP solicited Default/Basic Service proposals with separate bid prices on a load-zone-specific basis (see D.T.E. 02-40-A at 13); and
- the RFP solicited Default/Basic Service proposals for large C&I customers for a three-month period only (see D.T.E. 02-40-C at 22).

In addition, the Company's RFP contained a bid option for wholesale suppliers for residential and small C&I customers. The Company has divided its delivery term for the January 1, 2016 through December 31, 2016 period into two distinct six-month delivery terms. Bidders were able to choose to bid on the 1st half of 2016 or the 2nd half of 2016 or both periods. Each distinct six-month period was evaluated separately and the best bids were selected for each period independent of the other period. See Section VI of the Appendix A for a description of this option.

II. Proposed Rates

The Company has contracted for Basic Service supplies and hereby requests that the Department approve the implementation of the new Basic Service rates effective January 1, 2016. An explanation of the calculation of the Basic Service prices may be found in Appendix B. Because certain attachments and schedules in Appendix B contain specific contract and

pricing terms that are proprietary and confidential, copies of Appendix B, Schedules A **CONFIDENTIAL**, Schedules 1A, 1B and 1C **CONFIDENTIAL**, Schedule 2 **CONFIDENTIAL**, and Schedule 4 **CONFIDENTIAL** are being filed only with the Secretary and Department staff, under separate cover. A Motion for Protective Treatment with respect to these attachments and schedules and an Affidavit of Jeffery S. Waltman in support thereof are enclosed herewith.

The Company's RFP resulted in the following rates (in cents/kWh at the retail customer level):¹

NSTAR ELECTRIC COMPANY

Fixed Price Option: January 1, 2016 – June 30, 2016

Residential	10.804
Small C&I	10.570
Large C&I (NEMA) (through March 2016)	10.801
Large C&I (SEMA) (through March 2016)	10.318
Street Lighting	10.570

Variable Price Option: January 1, 2016 – June 30, 2016

	January	February	March	April	May	June
Residential	14.274	14.136	10.343	8.266	7.341	8.490
Small C&I	14.106	14.053	10.089	8.329	7.289	8.462
Large C&I (NEMA)	11.350	11.530	9.429	N/A	N/A	N/A
Large C&I (SEMA)	11.307	10.593	8.997	N/A	N/A	N/A
Street Lighting	14.106	14.053	10.089	8.329	7.289	8.462

In terms of pricing, the Company believes that the result for these categories is competitive and reflective of current market conditions. The expected retail rates for Basic Service customers are based on the wholesale bids that were submitted in response to the RFP. NYMEX electric futures provide an estimate of the power component of the Basic Service winning bid prices and are available daily as monthly on-peak and off-peak prices for a fixed block of power delivered at the ISO New England ("ISO-NE") Mass Hub.

¹ The retail prices for the Company include Default/Basic Service Adders and Renewable Portfolio Standard and Alternative Energy Portfolio Standard Adders, respectively, as described further in the Appendix B narrative.

The Company will also be providing under separate cover pursuant to the Motion for Protective Treatment the confidential monthly pricing as it relates to NYMEX electric futures, based on a request by the Department for such detail.

A bill impact analysis is attached to this filing letter as Appendix D. Eversource 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 Basic Service rates. Accordingly, the Company will post the new rates on its website and make them available via a toll-free telephone number.

III. ISO-NE Charges

The Company's proposed Basic Service rates include all reasonably anticipated costs that will be imposed by ISO-NE on load-serving entities during the six-month period commencing January 1, 2016, as they are based on bids that include all ISO-NE market products necessary to serve the Company's Basic Service load.

IV. Conclusion

The Company respectfully requests that the Department approve the implementation of the attached Basic Service rates effective for usage commencing on January 1, 2016. If you have any questions regarding this matter, please feel free to contact me at (617) 951-1400.

Very truly yours,



Daniel P. Venora

Enclosures

cc: Sarah Herbert, Hearing Officer
Ghebre Daniel, Assistant Director, Electric Power Division
Kevin Brannelly, Director, Rates and Revenue Requirements Division
Rebecca Tepper, Assistant Attorney General
General Counsel, DOER
Robert Rio, AIM

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES**

NSTAR Electric Company d/b/a Eversource Energy Basic Service Rate Filing)))))	D.P.U. 15-BSF-C4
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**MOTION FOR PROTECTIVE TREATMENT
OF CONFIDENTIAL INFORMATION**

Now comes NSTAR Electric Company d/b/a Eversource Energy (the “Company”) and hereby requests that the Department of Public Utilities (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, the Company submitted the results of its solicitation for Basic Service supply and supporting documentation, including information provided in Appendix B to the filing.¹ Appendix B **CONFIDENTIAL** contains various cost and procurement information that is confidential, competitively sensitive and proprietary. The Company requests that certain information contained in Appendix B **CONFIDENTIAL** to the November 9, 2015 Basic Service filing (the “Basic Service Filing”) be protected from public disclosure.

¹ In addition to the executed Confirmation Agreements entered into by the Company pursuant to this solicitation, the following documents in Appendix B **CONFIDENTIAL** contain competitively sensitive data and should be protected from public disclosure: Schedule A; Schedules 1A, 1B and 1C; Schedule 2; and Schedule 4.

I. STANDARD OF REVIEW

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).

In practice, the Department has often exercised its authority to protect sensitive market information. For example, the Department has determined specifically that competitively sensitive information, such as price terms, are subject to protective status:

The Department will continue to accord protective status when the proponent carries its burden of proof by indicating the manner in which the price term is competitively sensitive. Proponents generally will face a more difficult task of overcoming the statutory presumption against the disclosure of other terms, such as the identity of the customer.

Standard of Review for Electric Contracts, D.P.U. 96-39, at 2, Letter Order (August 30, 1996); see also Colonial Gas Company, D.P.U. 96-18, at 4 (1996) (the Department determined that price terms were protected in gas supply contracts and

allowed Colonial Gas Company's request to protect pricing information including all "reservation fees or charges, demand charges, commodity charges and other pricing information").

Moreover, the Department has recognized that competitively sensitive terms in a competitive market should be protected and that such protection is desirable as a matter of public policy:

The Department recognizes that the replacement gas purchases . . . are being made in a substantially competitive market with a wide field of potential suppliers. This competitive market should allow LDC's to obtain lower gas prices for the benefit of their ratepayers. Clearly the Department should ensure that its review process does not undermine the LDC's efforts to negotiate low cost flexible supply contracts for their systems. The Department also recognizes that a policy of affording contract confidentiality may add value to contracts and provide benefits to ultimate consumers of gas, the LDC's ratepayers, and therefore may be desirable for policy reasons.

The Berkshire Gas Company et al., D.P.U 93-187/188/189/190, at 20 (1994).

II. THE CONTRACT AND PRICING TERMS IN APPENDIX B SHOULD BE PROTECTED FROM PUBLIC DISCLOSURE BECAUSE THEY CONTAIN COMPETITIVELY SENSITIVE BASIC SERVICE BID TERMS.

Appendix B CONFIDENTIAL contains confidential, competitively sensitive and proprietary information including wholesale market prices for Basic Service offered to the Company. In addition, specific contract and pricing terms are included in Appendix B CONFIDENTIAL. Both the wholesale market price terms and bids received by the Company for Basic Service supply should be protected from public disclosure because they are competitively sensitive market data.

The wholesale market bids in Appendix B CONFIDENTIAL should be protected from public disclosure because, if disclosed to the public, the Company's ability to

procure Basic Service supply on the most favorable terms for its customers may be jeopardized. Disclosure of the bid terms has the potential to cause substantial harm to the Company's customers because the Company's future ability to negotiate similar agreements with other wholesale market participants in the Massachusetts electricity market may be adversely affected if the winning bidders bid terms are disclosed. Specifically, disclosure of the bid terms may create a circumstance where the Company would be compelled to negotiate against the bids set forth in Appendix B CONFIDENTIAL in virtually every subsequent Basic Service solicitation. Such an outcome would be contrary to the interests of the Company's customers in that disclosure of the bid terms would potentially impede the Company's ability to obtain similar or better bids from other suppliers in the future.

In short, price terms must remain confidential to preserve the Company's future negotiating leverage and its ability to function effectively in the wholesale electricity supply marketplace. In addition, disclosure of bid terms may dissuade wholesale suppliers, who must protect their competitive position in the national market, from marketing supplies in Massachusetts. Further, a lack of confidentiality may discourage suppliers from making concessions or agreeing to specific provisions more favorable to the buyer because public knowledge of such precedents would decrease the suppliers' bargaining leverage in other negotiations.

The Department has protected bid terms from public disclosure historically, because the public release of bid terms discloses the very types of information that the Department has previously and consistently held to be confidential. The Department has recognized that release of bid information would seriously undermine the Company's

negotiating position in the wholesale competitive market, and thus, jeopardize the ability of the Company to ensure that customers are being served by the lowest cost supply option. See, e.g., Western Massachusetts Electric Company, D.T.E. 99-101, at 3 (2002), citing Boston Edison Company, D.T.E. 99-16 (1999); Western Massachusetts Electric Company, D.T.E. 99-56 (1999); see also Canal Electric Company/Cambridge Electric Light Company/Commonwealth Electric Company, D.T.E. 02-34 (Tr. A at 19 (June 12, 2002)); Cambridge Electric Light Company, D.T.E. 01-94 (May 9, 2002 Approval by the Department of Amended Motion of Cambridge Electric Light Company for a Protective Order).

The Department has consistently recognized the importance of distribution companies maximizing value for customers in contexts other than Basic Service solicitations through the use of vibrant, open and competitive auctions in which the widest variety of bidders participate in the bid process. Commonwealth Electric Company, D.T.E. 03-69, at 7 (2004); Boston Edison Company, D.T.E. 03-112, at 8-9 (2004); Cambridge Electric Light Company, D.T.E. 02-76, at 8-9 (2003). This principle is critical in the context of Basic Service supply solicitations, in order to ensure that the Company can determine its lowest cost supply option based on a robust and competitive set of bids.

In addition, wholesale competitive suppliers provided bids to the Company in the context of the Basic Service Filing (and each previous Basic Service filing) pursuant to an understanding with the Company that their bids would be treated in a confidential manner. The Department's precedent on protecting competitively sensitive price terms recognizes such agreements between distribution companies and wholesale suppliers and

allows such terms to be protected from public disclosure for a reasonable period of time. The Berkshire Gas Company et al., D.P.U 93-187/188/189/190, at 20 (1994). Disclosure of such competitively sensitive information could be detrimental to the Company's customers who stand to benefit from the Company's ability to minimize the price paid for Basic Service power. Therefore, because the contract terms, cost and pricing information in Appendix B CONFIDENTIAL is competitively sensitive, the Company requests that such information be protected from public disclosure. Consistent with Department precedent, the Company seeks protection for bid and pricing data, bid analyses and contract terms for a period of one year. Hearing Officer Ruling on Motions for Confidential/Protective Treatment, D.P.U. 12-BSF-A, -B, -C, -D; D.P.U. 14-BSF-A, -B, -C, -D; and D.P.U. 14-BSF-A, -B, -C, -D.

WHEREFORE, for the reasons stated above, the Company requests that the Department grant its motion to protect from public disclosure confidential, competitively sensitive and proprietary information contained in Appendix B CONFIDENTIAL of its Basic Service Filing.

Respectfully submitted,

**NSTAR ELECTRIC COMPANY d/b/a
EVERSOURCE ENERGY**

By its attorney,



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Dated: November 9, 2015

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

NSTAR Electric Company)
d/b/a Eversource Energy)
Basic Service Rate Filing)
_____)

D.P.U. 15-BSF-C4

AFFIDAVIT OF JEFFERY S. WALTMAN

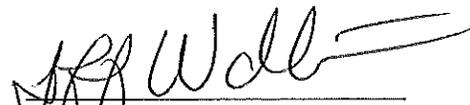
Jeffery S. Waltman, being duly sworn, deposes and says as follows:

1. I am a Manager of Planning and Power Supply for Eversource Energy Service Company, which provides electric supply services to Eversource Energy's four electric operating companies, including Western Massachusetts Electric Company and NSTAR Electric Company ("NSTAR Electric" or the "Company"). In this capacity, I am responsible for coordinating the procurement of power supplies for Basic Service for the Company.
2. I graduated from Arizona State University with a Bachelor's Degree in Finance. Prior to joining NSTAR Electric in 2008, I was the Lead Electric Supply analyst at Baltimore Gas & Electric ("BG&E") in Baltimore, Maryland for two years. During my time at BG&E, I managed the Basic Service Auctions for over 1.2 million customers. While at BG&E, I also managed a residential, commercial and industrial demand response program. Before joining BG&E I worked as the Power Supply Manager for the Colorado River Commission of Nevada responsible for managing the power and gas portfolio for the Southern Nevada Water Authority. I assumed my present position when I joined NSTAR Electric on February 25, 2008.
3. As a Manager of Planning and Power Supply, I am responsible for securing a least-cost energy supply and for mitigating the costs incurred under existing above-market power purchase agreements ("PPAs"). My responsibilities currently include managing the renewable portfolio standard requirements and securing a supply for Basic Service customers.
4. Since the implementation of electric industry restructuring in March 1998, the Company has been responsible for supplying retail customers with Standard Offer and Basic Service. On October 9, 2015, the Company issued a Request for Proposals ("RFP") for competitive bids for Basic Service for a delivery

term commencing January 1, 2016. Final binding bids were due on November 3, 2015.

5. Appendix B to the Company's November 9, 2015 Basic Service filing includes the results of the solicitation for Basic Service supply and supporting documentation, including various supplier bids, cost and procurement information that is confidential, competitively sensitive and proprietary. The Company 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 Basic Service offered to the Company, 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 the Company's future negotiating position when seeking to procure Basic Service for its customers. Disclosure of such information would inhibit the ability of the Company to minimize the price paid for Basic 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, the Company 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 the Company with the lowest possible price without compromising their bids to other electric companies that are also soliciting electricity for their customers.
9. Disclosure of such information could be detrimental to the Company's customers who stand to benefit from the Company's ability to minimize the price paid for Basic 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 others will have access to the negotiated lowest bid offered by the supplier in other circumstances.

Signed under the pains and penalties of perjury as of this 9th day of November, 2015.


Jeffery S. Waltman

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November 9, 2015

Sarah Herbert, Esq., Hearing Officer
Department of Public Utilities
One South Station – 5th Floor
Boston, Massachusetts 02110

Subject: NSTAR Electric Company d/b/a Eversource Energy, Basic Service Rates,
D.P.U. 15-BSF-C4

CONFIDENTIAL MATERIAL ATTACHED

Dear Hearing Officer Herbert:

Please find attached the following confidential documents filed in Appendix B of the Basic Service tariff filing of NSTAR Electric Company d/b/a Eversource Energy (the “Company”), submitted on this date:

Schedule A **CONFIDENTIAL**
Schedules 1A, 1B and 1C **CONFIDENTIAL**
Schedule 2 **CONFIDENTIAL**
Schedule 4 **CONFIDENTIAL**
Confirmation Agreements **CONFIDENTIAL**

Because these documents contain specific contract, pricing and bid terms that are proprietary and confidential, copies of the document are being provided only to you and the Attorney General, under seal. The Company requests that the attached materials be protected from public disclosure pursuant to its Motion for Protective Treatment filed on this date.

Very truly yours,



Daniel P. Venora

Enclosures

Letter to S. Herbert
November 9, 2015
Page 2

cc: Mark D. Marini, Secretary (transmittal letter only)
Ghebre Daniel, Assistant Director, Electric Power Division (transmittal letter only)
Kevin Brannelly, Director, Rates and Revenue Requirements Division (transmittal letter only)
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