



COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF  
TELECOMMUNICATIONS & ENERGY**

ONE SOUTH STATION  
BOSTON, MA 02110  
(617) 305-3500

**JANE SWIFT**  
GOVERNOR

**JENNIFER DAVIS CAREY**  
DIRECTOR OF CONSUMER AFFAIRS  
AND BUSINESS REGULATION

**JAMES CONNELLY**  
CHAIRMAN  
**W. ROBERT KEATING**  
COMMISSIONER  
**EUGENE J. SULLIVAN, JR.**  
COMMISSIONER  
**PAUL B. VASINGTON**  
COMMISSIONER  
**DEIRDRE K. MANNING**  
COMMISSIONER

**Massachusetts Department of Telecommunications and  
Energy**

**2000 ANNUAL REPORT**

One South Station  
Boston, MA 02110  
(617) 305-3500

Table of Contents

Introduction-----1

2000 Accomplishments-----2

Overview of the Department of Telecommunications and Energy-----6

Electric Power Division -----6

Natural Gas Division -----10

Telecommunications Division -----15

Cable Television Division -----33

Rates and Revenue Requirements Division -----34

Consumer Division -----38

Legal Division -----43

Pipeline Engineering and Safety Division -----48

Siting Division -----49

Transportation Division -----50

Management Information Services/Computer Division -----53

## **Introduction**

The Massachusetts Department of Telecommunications & Energy (formerly the Department of Public Utilities) regulates the rates and quality of service for monopoly electric, gas, telecommunications, cable television, water, railway, trucking and bus services. The mission of the Department is developing innovative regulatory policies that will ensure the evolution and maintenance of a competitive market for electric generation, gas supply, telecommunications and cable services while recognizing the complex nature of the regulated industries, technological changes, and the interrelationship between federal and state jurisdictions.

The primary mandate of the Department is consumer protection through the development, where feasible, of efficient competitive markets, and through direct regulation where open markets cannot or have not yet developed. The Department seeks to ensure that the Commonwealth's consumers are provided with safe, reliable service at reasonable cost, and to ensure that its regulatory policies are practical, fair and responsive to the regulated industries. The Department will continue to promote the development of structural conditions necessary for efficient competitive markets. In addition, the Department will continue to set rates for monopoly services, enforce safety regulations, oversee service quality, license and certify service providers, site energy facilities, and adjudicate consumer complaints.

The Electric Restructuring Act, Chapter 164 of the Acts of 1997, charges the Department with the responsibility of monitoring the rapidly developing competitive market. Today, the unprecedented market activity created by the Electric Restructuring Act continues more than three years after its enactment. As the electric industry evolves rapidly, the Electric, Rates and Revenues, Consumer and Legal Divisions of the Department must grapple with the short and long term impacts of the Act. For consumers, the benefits of competition, created by restructuring and unbundling, have generated confusion regarding available choices. Even the most savvy consumer has difficulty tracking the profound changes in the industry resulting in corporate name changes, variations in billing format, and the proliferation of new service technologies.

The Natural Gas Division and the Electric Power Division are charged with ensuring a smooth transition to the competitive market by reviewing and approving the terms of service and methods of marketing, so that consumers may take full advantage of the opportunities presented in the new "unbundled" environment. The Natural Gas and Electric Power Divisions monitor the industry and participate in efforts to make certain that stable supplies of gas and electricity are available to meet an ever increasing demand. Together with the Siting Division and Pipeline Engineering Division, these divisions work to ensure that the infrastructure exists to deliver that supply in the most reliable, safe and efficient means possible.

The same trend toward consolidation and competition found in the gas and electric industries may also be found in the cable and telecommunications industries. The Department's Cable and Telecommunications Divisions are faced with the challenge of adapting regulatory policies to these rapidly evolving industries while upholding the protections due all cable and telecommunications subscribers. The Divisions will continue to ensure that consumers continue receiving service at a fair and reasonable cost.

In response to opportunities created by the Electric Restructuring Act, industry has constructed an unprecedented number of new power plants and is investing additional resources in infrastructure improvements. All power-related construction demands the utmost attention to safety and environmental concerns. The Siting Division, also known as the Energy Facilities Siting Board, oversees environmental

issues. Consistent enforcement of safety regulations by the Department's Pipeline Safety Division is among our more critical mandates.

### **2000 Accomplishments**

- < Convened the Default Service Working Group to develop standards, protocols and schedules for information exchange between the electric distribution companies and their customers regarding changes in default prices, the availability of different default-service pricing and how customers may choose among the various options.
- < Approved nine electric competitive supplier licenses and five electricity broker licenses.
- < Completed an investigation and issued a report to the Legislature relative to Metering, Billing and Information Services (MBIS) and the extent to which MBIS may be provided on a competitive basis without disruptions to employee staffing levels; and whether substantive cost savings to consumers would result.
- < Approved one divestiture proposal from Western Massachusetts Electric Company (D.T.E. 99-74).
- < Reviewed and approved two power contract renegotiations; two proposals are pending.
- < Filed two reports with the Legislature relative to Electric Restructuring: "The Reliability and Diversity of Electricity and Natural Gas in the Commonwealth of Massachusetts"; and "A Report Concerning Installations of Cogeneration and Self-Generation Facilities."
- < Approved gas unbundling regulations (220 CMR Section 14) and terms and conditions for gas transportation service, so that all customers, including residential customers will be able to choose their own gas supplier.
- < Issued proposed guidelines for service quality standards for gas and electric distribution companies (D.T.E. 99-84)
- < Established new methods and procedures for evaluating energy efficiency programs.
- < Completed the Section 271 investigation, allowing Verizon to file for long distance approval.

- < Adopted linesharing rules to speed development of advanced telecommunications services in Massachusetts.
- < Developed expedited dispute resolution rules for competing telecommunications carriers.
- < Developed a Performance Assurance Plan, to ensure that if Verizon enters the long distance market the wholesale service it provides competitors will not deteriorate.
- < Substantially completed the review and approval of Verizon's wholesale tariff for CLECs, thereby streamlining the process for entering the local market.
- < Adopted rules governing access to pole attachments, conduits, and rights-of-way, including rules promoting customer choice for customers in multiple dwelling unit buildings
- < Assigned the "211" access code to the Massachusetts "211" task force to streamline information delivery for Massachusetts residents.
- < Petitioned the FCC for number conservation authority for the rapidly depleting 413 area code.
- < Created four new overlay area codes to relieve the number shortage in Eastern Massachusetts.
- < Issued nine cable television rate orders affecting 209 cities and towns in the Commonwealth and nearly one million subscribers.
- < Ordered refunds to more than 200,000 cable subscribers in Massachusetts.
- < Oversaw two cable system transfers.
- < Continued an ongoing investigation to develop service quality standards and measurements by which all utilities would be judged.
- < Reviewed and approved seven mergers and acquisitions proposals for gas and electric companies.

- < Reviewed three water rate making filings.
- < Reviewed and approved five financing petitions; began review of an additional petition now pending.
- < Answered 84,686 telephone calls from consumers to the Department's toll-free line.
- < Performed 11,844 case investigations resulting from consumer complaints.
- < Negotiated the return of more than \$660,000 to consumers through the Consumer Division.
- < Identified 227 pipeline safety violations of state and federal regulations, and ordered corrective action to elevate the standards employed by operators of pipeline systems.
- < Collected \$75,634 in civil penalties for pipeline safety violations.
- < Issued 358 Violations Notices of Probable Violation against utility operators and excavators alleged to be in violation of the Dig Safe Law, resulting in the collection of \$122,650 in civil penalties.
- < Inspected 197,990 gas meters for accuracy, producing revenues of \$826,305.
- < Began reviewing one electric interconnection and two gas interconnection proposals.
- < Participated in the federal review of the Maritimes and Northeast Phase II/Hubline project, which would bring natural gas from Canada to northeastern and southeastern Massachusetts.
- < Granted one zoning exemption (for the construction of a gas compressor station) and approved construction of one transmission line.
- < Issued decisions approving the construction of power plants in Bellingham, Weymouth, Medway, Brockton, Dracut and Cambridge.
- < Issued decisions approving the construction of six state-of-the-art natural gas-fired power plants with capacity totaling 3005 MW.

- < Updated and revised MBTA oversight regulations by creating a new System Safety and Security Program Standard, a component of federally mandated inspection of Rail Fixed Guideway.
- < Reduced the time required to process applications for new school/motor bus drivers certificate because CORI or criminal record data is now available to the Division via the internet in real time.
- < Introduced new “Restricted School Bus Driver Certificate” in response to the school bus industry’s need for a specialized certificate for those who transport children in vehicles with (14) passenger seating capacity. The Commonwealth created the new type of certificate in response to changes in federal specifications

## **Overview of the Department**

The Department of Telecommunications and Energy (“DTE” or “the Department”) regulates the \$12 billion utility industry in the Commonwealth of Massachusetts. To guide that effort, the DTE is headed by five full-time Commissioners, appointed by the Governor. One commissioner is designated Chairman by the Governor; one is required to have a background and expertise in electricity and energy issues, including issues related to natural gas; one is required to have a background and expertise in telecommunications issues; one is required to have a background and expertise in consumer protection and advocacy issues; and one is required to have a background and expertise in cable television issues. The governor appoints each commissioner for a term of three years.

The Department conducts quasi-judicial, formal hearings in accordance with state law. These adjudicatory proceedings culminate in final, written orders appealable to the Supreme Judicial Court or, in some cases, to federal district court or the Federal Communications Commission. The Department’s decisions also adjudicate the rights of private parties. For example, the Department reviews and may approve the rates charged by a utility; may determine if a consumer's bill is correct; or may assess a civil penalty for violation of gas pipeline safety regulations.

The Department is divided into eleven divisions. Seven divisions oversee specific utility sectors. These divisions include the Electric Power Division, the Natural Gas Division, the Telecommunications Division, the Cable Television Division, the Pipeline and Engineering Safety Division, the Siting Division and the Transportation Division. In addition, the Consumer Division, the Rates and Revenue Requirements Division, the Management Information Systems Division and the Legal Division work cooperatively with each of the seven utility-specific divisions to fulfill the mandate of the Department.

## **The Electric Power Division**

The Electric Power Division is responsible for implementing the Electric Restructuring Act, evaluating electric company restructuring plans, overseeing the procurement and pricing of standard offer and default service supplies, reviewing and approving generating facility divestitures, energy efficiency programs, and power contract renegotiations.

Now that all electric companies in Massachusetts have completed their restructuring plan proceedings before the Department, the Division’s role has evolved into one of promoting and monitoring the development of competitive electricity markets and supervising the licensing of competitive suppliers operating in Massachusetts. The Division coordinates with state and federal agencies involved in electric restructuring and disseminates information to the public.

The Division actively promotes the development of a competitive retail electricity market as a means of lowering the cost of electricity and increasing choice for consumers. For example, the Division has ordered that all distribution companies procure default service supplies through competitive bidding.

### Standard Offer and Default Service

During the seven-year transition period from implementation of the Restructuring Act in 1998, the Act provides for “standard offer service.” Standard offer service is designed to provide sufficient time for customers to become acquainted with the competitive market. Each electric company must offer standard offer service from March 1, 1998 through February 28, 2005 to eligible customers. Eligible customers are those who were the customers of record (i.e., named on the electric bill) with that company on March 1, 1998. To remain eligible, the customer had to continue to purchase electricity and delivery service from his or her electric company without interruption. A customer ineligible for standard offer service must either purchase electricity from the competitive market or take default service.

Default service is provided to electricity customers if for any reason their supply arrangement is terminated. The Department investigated the pricing and procurement of default service in D.T.E. 99-60, based on a Notice of Inquiry issued on June 21, 1999.

### Default Service Working Group

On June 30, 2000, the Department issued an order resolving certain issues relating to the pricing and procurement of electric default service. Default Service Pricing and Procurement, D.T.E. 99-60-B. In recognition of the need to inform customers about changes in the pricing of default service, the Department convened a working group to on this matter. The Department directed the working group to develop standards, protocols and schedules for information exchange between the distribution companies and their customers regarding changes in default prices, the availability of different default-service pricing and how customers may choose among the various options.

The Default Service Working Group was composed of a diverse group of organizations representing the interests of consumers, distribution companies and marketers, including Associated Industries of Massachusetts, the Office of the Attorney General, the Division of Energy Resources, Energyguide.com, Essential.com, Fitchburg Gas and Electric Light Company, Green Mountain Energy Company, Massachusetts Electric Company, MHI, Inc., Nantucket Electric Company, NewEnergy East L.L.C., the NSTAR Companies, PG&E National Energy Group, Smartenergy.com and Western Massachusetts Electric Company.

The Default Service Working Group conducted a series of five meetings at the offices of the Department (July 27, August 3, August 10, August 17, and August 24, 2000). On August 30, the Working Group issued its final report. The Working Group made recommendations on educating customers about changes in default service prices and developing standards, protocols and schedules for information exchange between distribution companies and customers about changes in default service pricing.

### The Competitive Market and Customer Choice

A fundamental feature of electric restructuring is customer choice of a competitive supplier. The Department’s goal is to provide the broadest possible customer choice and allow all consumers to share in the benefits of increased competition. When the transition period ends in 2005, each customer must choose a competitive supplier. The pricing characteristics of the suppliers’ product will vary depending on the specifics of the supply source. With market pricing of default service, competitive suppliers will have an incentive to increase service to the retail market and that competitive supply will become an increasingly viable customer option.

The Department is making every effort to ensure that customer choice is a valid option for all by promoting the development of competitive suppliers and electricity brokers. A competitive supplier is an entity that is licensed by the Department to sell electricity and related services to customers. An electricity broker is an entity that is licensed to facilitate or arrange for the purchase and sale of electricity to customers, but cannot sell the electricity directly to customers.

Currently a total of twenty competitive suppliers and fourteen electricity brokers are licensed to sell electricity in Massachusetts. During 2000, nine competitive supplier license requests were approved and five electricity broker licenses were approved.

#### Metering, Billing and Information Services

During 2000, the Division devoted considerable staff time to proceedings, mandated by the General Court in St. 1997, c.164, § 312, relating to the unbundling of metering and billing services, often called "MBIS." Specifically, the Division investigated the extent to which electric metering, billing and information services may be provided on a competitive basis, and whether distribution companies' service territories should remain exclusive. The Department's investigation considered whether unbundling MBIS would result in substantive cost savings and other benefits to consumers and if so, whether these savings could be realized with little, or no, disruptions to employee staffing levels. The Department informed the General Court of its findings on December 29, 2000 through a 43 page report with thousands of pages in appendices. An Executive Summary of the MBIS proceeding is attached as Appendix A-1.

#### Power Supply Contract and Divestiture Review

The Electric Power Division is responsible for reviewing numerous proposals, all of which directly impact the consumer. For example, the Division reviews municipal aggregation proposals that will allow municipalities to join together as a buying group for the purchase of electricity. This year, the Department approved one such proposal: the Cape Cod Light Compact (D.T.E. 00-47). In addition, the Division makes certain that all Massachusetts electric companies provide energy efficiency programs to all customer classes as required by the Restructuring Act. Using criteria established by a Department ruling (D.T.E. 98-100), the Electric Power Division determines whether a proposed energy efficiency program is cost-effective.

Although not required by the Act, Massachusetts electric companies have chosen to divest themselves of ownership in generating facilities. The proceeds of divestiture are used to offset the stranded cost payments borne by customers. To date, the Department has approved 10 electric company divestiture proposals, representing about 7,200 megawatts of generating capacity. The generating facilities divested include oil-, gas- and nuclear-powered generating facilities. During 2000, the Department approved one divestiture proposal from Western Massachusetts Electric Company (D.T.E. 99-74).

Another method of reducing stranded costs is the renegotiation of power supply contracts. During 2000, two power contract renegotiations were approved and two proposals are currently before the Department. Customer savings may also be realized through securitization, or the reduction in electric company financing costs through the issuance of asset-backed securities. As of December 31, 2000, one securitization proposal is pending before the Department.

#### Rising Fuel Costs

The Department remains concerned about the steep and sudden increase in the cost of the fuel used to generate electricity for both standard offer and default service. The Restructuring Act was passed during an extended period of oil and gas price stability. The past year has seen severe price instability for these fuels.

Both oil and gas are the fuels of choice for generating electricity in New England and constitute a major part of the cost of electricity generation.

Increasing fuel costs are driven by national and international forces far beyond the Department's control. For example, the price of Saudi Arabian Light Crude Oil is a well known benchmark for international petroleum markets. The price is set by OPEC -- not by electric power plant owners, nor by the Department. The Department will take all steps necessary to ensure that both standard offer and default service are procured as efficiently as possible. As we enter the competitive era, it is the Department's objective to continue to encourage an efficient, competitive market capable of maximizing cost savings to all consumers.

#### Monitoring Supply Stability

The Division monitors the reliability and stability outlook for the region's power supply by gathering information from two federally-regulated entities: the Independent System Operator ("ISO-NE"), New England, Inc., operator of the power grid, and the New England Power Pool("NEPOOL").The ISO-NE is responsible for the minute-by-minute reliable operation of the New England power grid, as well as administration of the competitive power markets in New England. NEPOOL has introduced and continues to refine the rules governing complex competitive market activities in New England. Reliability monitoring is intended to identify New England short-term and long-term supply capability. Reliability monitoring is particularly important in the summer months when the region's power consumption reaches its maximum.

With respect to state agency coordination, the Department works closely with the Division of Energy Resources ("DOER") and the Department of Environmental Protection ("DEP"). The Division coordinates with the DOER on initiatives such as company-sponsored energy efficiency programs, energy audits provided to residential customers, and plans to aggregate or pool electric customers. The Division coordinates with DEP regarding air emissions policies and information about power plant emissions.

As a result of mergers and acquisitions during the past few years, the following are the current retail electric companies serving Massachusetts:

- , Fitchburg Gas and Electric Light Company, owned by Unitil
- , NSTAR consisting of Boston Edison, Cambridge Electric Light, Commonwealth Electric
- , Massachusetts Electric Company, owned by National Grid USA, includes Nantucket Electric and the former Eastern Edison
- , Western Massachusetts Electric Company, owned by Northeast Utilities

During 2000, the Division staff prepared, and filed with the Legislature, the following reports:

- , on March 3, 2000 pursuant to G.L. c. 164, §69I, the Department issued its annual Report to the General Court on the Reliability and Diversity of Electricity and Natural Gas in the Commonwealth of Massachusetts;

on June 20, 2000 pursuant to G.L. c. 164, §193(1G)(g), the Department issued its annual Report to the General Court concerning installations of cogeneration and self-generation facilities.

### **Natural Gas Division**

The Natural Gas Division regulates the rates and practices of ten investor-owned natural gas utilities. In total, these companies serve about 1.25 million customers, and have combined operating revenues of approximately \$1.7 billion. The Gas Division reviews petitions addressing the need for additional gas supplies, the economics of long-term gas supply contracts, the recovery of costs associated with such supply contracts, and the economics and ratemaking treatment of investments in conservation and load management resources.

During 2000, the Gas Division reviewed:

- , Six long-term gas supply contracts.
- , 40 non-tariff contracts for the sale and transportation of natural gas (firm service, quasi-firm service).
- , 28 gas-cost-recovery filings pursuant to the Cost of Gas Adjustment Clause (“CGAC”)<sup>1</sup>
- , 20 cost recovery filings pursuant to the Local Distribution Adjustment Clause (“LDAC”).<sup>2</sup>
- , Five forecast and supply plan filings.
- , Three conservation and load management filings, as well as ten residential energy conservation service program filings.
- , Ten filings regarding the terms and conditions for gas transportation service.

In addition to the activities described above, during 2000, Division staff provided extensive support to the Rates and Revenue Requirements Division in reviewing the petition by North Attleboro Gas Company,

---

<sup>1</sup> The CGAC permits periodic billing changes to recover, on a fully reconciling basis, the Local Distribution Gas Companies’ (“LDCs”) cost of gas (gas commodity costs, as well as the cost of storing and transporting the gas from production areas to the LDCs’ service areas) from ratepayers outside of base rate proceedings

<sup>2</sup> The LDAC is a mechanism that allows a Local Distribution Gas Company (“LDC”) to recover, or credit on a reconciling basis, costs that have been determined to be distribution-related costs but not included in base rates. Such costs include demand side management costs, environmental response costs associated with manufactured gas plants, and Federal Energy Regulatory Commission Order 636 transition costs. The LDAC is applicable to all firm customers (both sales and transportation).

Providence Energy Corporation, and Southern Union Company for approval of merger, as well as a petition by Fall River Gas Company and Southern Union Company for approval of merger.

Gas Division staff also provide information and assistance on a daily basis to consumers, marketers, regulated companies, consultants, financial analysts, and government officials. Moreover, Division staff assist the Consumer Division in addressing gas-related consumer issues.

Over the next few years the primary goal of the Gas Division is overseeing the transition of the gas industry to the “unbundled environment” and ensuring continued reliability in that new environment. Prior to 1992, inclusive in the rate charged by gas companies was the cost of the commodity itself as well as the cost of transporting it to a delivery site.

“Unbundling” is the separation of costs so that a consumer may choose a gas supplier at competitive rates. The Division will work to ensure a smooth transition to the unbundled market by approving terms and conditions for service, reviewing rules and regulations for marketers and resolving any issues that arise in the new market environment.

### Natural Gas Unbundling

#### Background

In Massachusetts, the unbundling of the services offered by the Local Gas Distribution Companies (“LDCs”) was first examined by the Department as part of an industry-wide generic investigation from 1985 to 1987. Gas Transportation, D.P.U. 85-178 (1987). Our investigation was prompted by developments at the federal level with the issuance in 1985 of FERC Order 436 which enabled interstate pipeline customers to procure their own gas supplies and arrange to have them transported by the interstate pipeline to the city gate. In its Order, the Department concluded that intrastate gas transportation was in the public interest and stated that if the benefits of interstate gas transportation contemplated by FERC Order 436 were to accrue to Massachusetts customers, these customers must have the opportunity to purchase gas from sources other than the LDC. Accordingly, the Department directed all Massachusetts LDCs to file gas transportation rates for their large customers. As a result, beginning in 1988 large gas customers in Massachusetts began to purchase gas from suppliers other than the LDC.

Since the early 1990s, the Department has been active in implementing new policies so that the benefits of the competition created by FERC Orders 436 and 636 could also reach the LDC customers. For example, as a result of Orders issued by the Department, all LDCs in Massachusetts have unbundled their rates, allowing most of their commercial and industrial customers to choose their own gas supplier at competitive gas rates. Furthermore, in an effort to foster competition in the gas industry, the Department also (1) addressed the pricing of interruptible transportation and the release of interstate pipeline capacity; (2) implemented a mechanism allowing the sharing of margins associated with the provision of interruptible sales, interruptible transportation, and capacity release; (3) set out implementing rules with respect to incentive regulation and mergers and acquisitions; (4) promulgated rules regarding affiliated transactions; and (5) approved a pilot unbundling program for residential and small commercial and industrial customers proposed by Bay State Gas Company.

Moreover, the Department determined that the benefits of competition should be extended to all customers including the residential customers. The Department’s ultimate objective throughout its unbundling efforts has been to provide the opportunity for the residential and smaller commercial and industrial users of natural gas to benefit from the prospective benefits of lower commodity prices while maintaining the traditional consumer protections that have been the hallmark of Department regulation.

The separation of the sale of the gas commodity is necessary to provide customers with accurate price signals and the ability to choose and purchase gas supplies separately from distribution services.

### Chronology of Events

To promote consumer choice, the Department, on July 18, 1997, directed the ten investor-owned LDCs to commence a collaborative discussion to develop common principles and appropriate regulations to unbundle the services of all jurisdictional LDCs. The Department stated that unbundling of the LDCs' services will foster the development of a competitive gas retail market, allow customers to choose their own supplier of natural gas and lead to a reduction in gas rates for all customers in the Commonwealth.

The Department indicated that, at a minimum, the participants should address the following issues: (1) services that can be offered at a competitive basis; (2) terms and conditions of service; (3) consumer protections and social programs; (4) mitigation of gas-related and non-gas related transition costs; (5) third party supplier qualifications; and (6) curtailment principles that govern the use of natural gas under emergency conditions when gas supply is disrupted. Participants in the Gas Collaborative included all of the Commonwealth's LDCs, the Attorney General representing residential customers, the Division of Energy Resources, Associated Industries of Massachusetts, The Energy Consortium, marketers of natural gas and services, interstate pipeline companies, low-income advocates, and utility employees ("the Gas Unbundling Collaborative").

On November 21, 1997, the Department received a status report summarizing the issues that had been the subject of discussion by the Gas Unbundling Collaborative. On January 16, 1998, the Gas Unbundling Collaborative filed another status report outlining the overall process for developing unbundled rates.

On March 18, 1998, the Gas Collaborative submitted a third status report to the Department on the progress of discussions. The collaborative participants indicated that they had made substantial progress in the areas of rate unbundling and terms and conditions but had been unable to achieve a consensus on capacity disposition and cost responsibility. The Collaborative participants sought the Department's guidance on resolving various issues.

On April 3, 1998, in response to the Report of the Gas Unbundling Collaborative previously filed with the Department on March 18, 1998, the Department issued a Notice of Inquiry ("NOI") regarding the unbundling of services offered by local gas distribution companies. The NOI, docketed as D.T.E. 98-32, encompassed all issues associated with the restructuring of the natural gas industry, with a primary focus on issues pertaining to (1) capacity disposition, both upstream and downstream, and (2) associated cost responsibility. D.T.E. 98-32 was the beginning of a series of Department Orders addressing gas unbundling issues. Initial comments by collaborative participants were filed on May 1, 1998. The Department conducted several panel hearings with testimony provided by expert witnesses over a two-week period. Final comments were filed on June 8, 1998.

On February 1, 1999, the Department issued an Order (D.T.E. 98-32-B) addressing the issues presented to the Department for resolution by the Massachusetts Gas Unbundling Collaborative ("Collaborative"). The Department stated that the assignment of upstream capacity to customers on a voluntary basis would be inconsistent with the LDCs' obligation to provide reliable and least cost service and would result in improper cost shifting among customers. The Department indicated that a mandatory approach to capacity assignment would enable migrating customers to gain access to capacity, while maintaining reliability and avoiding improper transfer of cost responsibility. The Department concluded that a mandatory assignment was necessary for the initial phase of the transition to a competitive market, and established a five-year transition period with a review of market conditions at the end of the third year.

On April 2, 1999 the Department approved a Settlement Agreement resolving issues concerning the identification of customers who will be included in the mandatory capacity assignment programs.

On January 26, 2000, the Department approved the model Terms & Conditions (“T&C”) for gas transportation service (D.T.E. 98-32-D).

On October 6, 2000, the Department approved final regulations (220 CMR Section 14) that govern certain aspects of a statewide customer choice initiative, including the establishment of supplier-certification requirements. These regulations establish the practices and procedures for customer enrollment, billing, switching and termination of supplier service, security deposits and late payments, information disclosure requirements, complaint and damage claim resolution and penalties, as well as a process for supplier certification.

On October 26, 2000, the Department approved company-specific T&C filings for gas transportation service. These are a comprehensive set of business rules to govern the administration of customer-choice programs to all of the LDC’s customers. They also establish the practices and procedures for the provision of supplier sales service and LDC distribution and default service to customers.

Now, for the first time, with the approval of the unbundling regulations and terms and conditions for gas transportation service, residential customers will be able to choose their own gas supplier. This change will allow customers to comparison shop and negotiate for the best value in gas commodity from competitive suppliers. However, the price charged by these competitive suppliers for natural gas will not be regulated. Instead, competitive gas suppliers will set their own prices just like the sellers of many goods and services in the marketplace (natural gas is a commodity, like grain, oil, or coffee). The number of competitive gas suppliers may be limited initially, but in time, more gas suppliers may enter the marketplace. The local distribution company will still be regulated by the Department and will continue to deliver the gas to customers’ homes or businesses (at a Department-approved rate), read the meter, maintain the pipes in the ground, or respond to emergencies.

In response to the continually increasing demand for natural gas, the Division will participate in efforts to ensure that a reliable supply is available to Massachusetts. The Division will work with gas companies and the Siting Division to make certain that the infrastructure exists to deliver a sufficient supply of gas to the Commonwealth.

Below is a list of investor-owned local distribution gas companies in Massachusetts:

- C Bay State Gas Company
- C Boston/ Colonial/Essex Gas Company — KeySpan Energy Delivery New England
- C Berkshire Gas Company
- C Blackstone Gas Company
- C Commonwealth Gas Company/NStar Gas
- C Fall River Gas Company
- C Fitchburg Gas and Electric Light Company/ Unitil Service Corp.
- C North Attleboro Gas Company

**TELECOMMUNICATIONS DIVISION  
ANNUAL REPORT  
2000**

**I. INTRODUCTION**

This is the 2000 Annual Report of the Telecommunications Division of the Massachusetts Department of Telecommunications and Energy (DTE). This report is the third report prepared by the DTE pursuant to directives in the Electric Restructuring Act. The Department submitted reports previously for 1998 and 1999. This report consists of two sections: (1) the Telecommunications Division's activity during 2000, and (2) the current condition of the telecommunications industry within the Commonwealth. Unlike the 1998 and 1999 reports, this report does not contain a "Recommendations" section, since the Department is not making any recommendations for proposed legislation this year.

**II. TELECOMMUNICATIONS DIVISION ACTIVITY IN 2000**

A. Description of the Telecommunications Division Staff

At the start of 2000, the Telecommunications Division consisted of a Director, an Assistant Director, nine Telecommunications Analysts, an administrative assistant, and a tariff administrator. During the year, there was normal turnover, with the Assistant Director, two analysts, and the tariff administrator leaving. The Division is hiring for all positions except the tariff administrator position, which has been consolidated with the administrative secretary position. Thus, at the end of 2000, the DTE's Telecommunications Division consisted of a Director, seven Telecommunications Analysts, and an administrative secretary/tariff administrator.

B. Telecommunications Division Activity in 2000

1. Tariff Filings

As noted in last year's report, all telecommunications carriers operating in Massachusetts are required to file and maintain with the Department accurate tariffs listing all rates, charges, terms, and conditions of services. **Table 1** shows the number of tariff filings that were processed by the Telecommunications Division in 2000, separating the number of tariffs filed by Verizon from the number filed by non-dominant Carriers. Tariff filings increased in 2000 compared to 1999, when there were 504 tariffs filed by non-dominant carriers and 53 tariffs filed by Verizon.

**Table 1**

## Tariff Filings in 2000

|         |                       |
|---------|-----------------------|
| Verizon | Non-dominant Carriers |
| 27      | 648                   |

### 2. Statements of Business Operations

Telecommunications carriers which wish to do business within Massachusetts must file a "Statement of Business Operations" with the Telecommunications Division in addition to filing a tariff. The Statement of Business Operations includes contact information for customers who need to reach the company with questions or complaints; demonstrates compliance with DTE and Department of Revenue requirements; and offers general descriptions of services offered by the company. **Table 2**, below, lists the telecommunications carriers that filed Statements of Business Operations in 2000.

**Table 2**

#### **Companies that Filed Statements of Business Operations in 2000**

Total number of carriers that registered with the Department in calendar year 2000 - 97

Total number of CLECs that registered with the Department in calendar year 2000 - 29

C = Competitive Local Exchange Carrier (all others are long-distance, toll, and/or payphone providers)

|     |  |   |
|-----|--|---|
| 1.  | 01 Communications of Massachusetts         | C |
| 2.  | 1999 PDS, Inc. dba Phone Debit Systems     |   |
| 3.  | 360networks (USA), Inc.                    |   |
| 4.  | 5X5 Communications, Inc.                   | C |
| 5.  | A&M Communications (Revere, MA)            |   |
| 6.  | Access Point, Inc.                         | C |
| 7.  | ACN Communication Services, Inc.           |   |
| 8.  | ADVAMTEL, LLC dba Plan B Communications    | C |
| 9.  | Advanced TelCom Group, Inc.                |   |
| 10. | American Fiber Network, Inc.               | C |
| 11. | APCO Telecommunications dba Target Telecom | C |
| 12. | Atelecommunications, Inc. (Stratford, CT)  |   |

|      |  |   |
|------|--|---|
| 13.  | Backbone Communications                                  | C |
| 14.  | Bandwith Communications, LLC                             |   |
| 15.  | Bell Atlantic Network Data, Inc.                         | C |
| 16.  | Boston Telecommunications Services                       | C |
| 17.  | Brahma Communications                                    |   |
| 18.  | BridgeCom International, Inc.                            | C |
| 19.  | Broadband Digital Technologies, Inc.                     |   |
| 20.  | Broadband Office Communications, Inc.                    |   |
| 21.  | Capital Telecommunications                               |   |
| 22.  | Cbeyond Communications, LLC                              | C |
| 23.  | Comm South Companies, Inc.                               |   |
| 24.  | Comtech 21   |   |
| 25.  | Com-Tech Resources, Inc. (Tyler, TX)                     |   |
| 26.3 | Consolidated Edison Communications, Inc.                 | C |
| 27.  | Contel Network LLC                                       |   |
| 28.  | Cybertel Communications Corp.                            |   |
| 29.  | Denise E. Tousignant dba DET Enterprises<br>(Conway, MA) |   |
| 30.  | Ecocom USA Limited                                       |   |
| 31.  | Edge Connections, Inc.                                   | C |
| 32.  | Encompass Communications LLC                             |   |
| 33.  | Enhanced Communications Group                            |   |
| 34.  | Enron Broadband Services, Inc.                           |   |
| 35.  | Essex Communications, Inc.                               |   |
| 36.  | Evolution Networks North, Inc.                           |   |
| 37.  | eVulkan, Inc.  | C |
| 38.  | EzTel Network Services LLC                               |   |

|     |  |   |
|-----|--|---|
| 39. | FairPoint Communications Solutions Corp.                                   | C |
| 40. | Gladtidings Pentecostal Assembly (Mattapan, MA)                            |   |
| 41. | Global Broadband, Inc.   |   |
| 42. | Global Metro Networks Mass.  | C |
| 43. | Global TeleLink Services, Inc.   |   |
| 44. | Hotel Connect Management, Inc.   |   |
| 45. | IDS Telecom LLC  | C |
| 46. | International Payphone Corp. (Farmington, CT)                              |   |
| 47. | International Telephone Group  | C |
| 48. | Internet Paging Systems, Inc.  |   |
| 49. | IPVoice Communications   | C |
| 50. | Israel D. Bullard dba Cosmic Telecommunications & Network (W. Roxbury, MA) |   |
| 51. | JireCom, Inc.  |   |
| 52. | John V. Mahoney (Manomet, MA)  |   |
| 53. | KMC Telecom V, Inc.  | C |
| 54. | L.N.O. Communications dba A.S.A.P. (Dorchester, MA)                        |   |
| 55. | LightBonding.com, Inc.   |   |
| 56. | LightWave Communications, Inc.   |   |
| 57. | Looking Glass Networks   |   |
| 58. | Maxtel USA, Inc.   |   |
| 59. | MegaCLEC, Inc.   | C |
| 60. | Metropolitan Telecom of Mass., Inc.  |   |
| 61. | Nationnet Communications Corporation                                       |   |
| 62. | New England Sports Management (Carlisle, MA)                               |   |
| 63. | New England Sports Management (Carlisle, MA)                               |   |

|     |   |   |
|-----|---|---|
| 64. | Norcom, Inc.  | C |
| 65. | NorthStar Communications, Inc.                        |   |
| 66. | Northwestern Digital Company                          |   |
| 67. | Optimum Global Communications, Inc.                   | C |
| 68. | Optimum Global Communications, Inc. (Springfield, MA) |   |
| 69. | Orion Telecommunications                              |   |
| 70. | Paramount International Telecommunications, Inc.      |   |
| 71. | PNG Telecommunications                                | C |
| 72. | Primus Communications, Inc.                           | C |
| 73. | PurePacket Communications of the Northeast, Inc.      | C |
| 74. | RAN Payphones (New Bedford, MA)                       |   |
| 75. | RCN Telecom Services of MA, Inc.                      | C |
| 76. | RIIGO Telecom (No. Dartmouth, MA)                     |   |
| 77. | RSL.COM Prime Call, Inc.                              |   |
| 78. | SNET Diversified Group, Inc.                          |   |
| 79. | Sphera Optical Networks                               |   |
| 80. | TeleCents Communications, Inc.                        |   |
| 81. | Tele-Point Communications (Winchedon, MA)             |   |
| 82. | Telera Communications, Inc.                           |   |
| 83. | Telicor, Inc.   |   |
| 84. | Telmex USA  |   |
| 85. | Telseon Carrier Services, Inc.                        |   |
| 86. | TelStar   |   |
| 87. | T-NETIX Internet Services, Inc.                       |   |
| 88. | TOTALINK OF MASSACHUSETTS LLC                         | C |
| 89. | Trans National Communications International           | C |

|     |   |  |
|-----|---|--|
| 90. | U.S. TelePacific Corp. dba Telepacific Communications |  |
| 91  | United Communications Hub, Inc.                       |  |
| 92. | USA Digital Communications                            |  |
| 93. | Utility.Com, Inc.                                     |  |
| 94. | VCOM.COM  |  |
| 95. | WorkNet Communications, Inc.                          |  |
| 96. | Yipes Transmission, Inc.                              |  |
| 97. | Zone Telecom, Inc.                                    |  |

### 3. Investigations

The Telecommunications Division completed and opened a number of formal investigations in 2000. Investigations involve significant policy analysis and are conducted under strict administrative procedures. The Telecommunications Division completed 18 investigations in 2000, compared to 21 in 1999. **Table 3**, below, lists the number of investigations that were in progress on January 1, 2000, the number of investigations that were started in 2000, the number of investigations that were completed in 2000, and the number of investigations that were still in progress on December 31, 2000.

In addition to these investigations, much of the Telecommunications Division's efforts in 2000 were devoted to D.T.E. 99-271, the Department's investigation of Verizon's compliance with the requirements of Section 271 of the Telecommunications Act of 1996 ("the 1996 Act"). Section 271 of the 1996 Act allows regional Bell Operation Companies, like Verizon, to apply for approval to begin providing in-region long distance service, if, among other things, they have satisfied a 14-point competitive checklist. In September 2000, the Department completed the evidentiary phase of its investigation of Verizon's compliance with the competitive checklist. On September 22, 2000, Verizon filed an application with the Federal Communications Commission ("FCC") for Section 271 approval to provide long-distance service to Massachusetts customers. The Department submitted a formal evaluation to the FCC in support of Verizon's application on October 16, 2000, and reply comments on November 3, 2000. A copy of that evaluation and the DTE's reply comments are attached as Appendix A. In December 2000, Verizon withdrew its application, and subsequently refiled the application with additional information on several checklist items in January, 2001.

**Table 3**  
**2000 Investigations**

|   |
|---|
| <b>Number of Telecommunications Division Investigations</b> |
|---|

|   |           |
|---|-----------|
| <b>In Progress on January 1, 2000</b>   | <b>21</b> |
| <b>Started in Calendar Year 2000</b>    | <b>8</b>  |
| <b>Completed in Calendar Year 2000*</b> | <b>18</b> |
| <b>In Progress on December 31, 2000</b> | <b>11</b> |

\*"Completed" means the issuance of a final order, no outstanding motions or other procedural matters, and review of compliance filings.

The following section provides a brief description of each of the Telecommunications Division's investigations, indicating the status of the investigation as of December 31, 2000 (*i.e.*, open or closed). Copies of each final decision issued by the DTE in Telecommunications Division investigations are attached to this report as Appendix B.

#### **2000 TELECOMMUNICATIONS INVESTIGATIONS**

| <b>CASE #</b>                      | <b>PARTIES</b>   | <b>CASE DESCRIPTION</b>  | <b>STATUS</b> |
|------------------------------------|--|--|---------------|
| DTE 94-185                         | Verizon, AT&T  | Dept. investigation to establish price floors for Verizon non-premium services   | Open          |
| DTE 97-88/97-18 (Phase II, Part 2) | Verizon, New England Public Communications Council (NEPCC) | Dept. investigation into Verizon's PAL and PASL tariffs  | Open          |
| DTE 97-116                         | MCI, MFS Intelenet, Verizon, various carriers              | Dept. investigation into complaint by MFS that Verizon is violating its interconnection agreement by threatening to withhold reciprocal compensation for ISP traffic | Closed        |
| DTE 98-36                          | Verizon, various CLECs, cable companies, other utilities   | Dept. Rulemaking, pursuant to '96 Telecom Act, to establish rules for CLECs to obtain access to ROWs   | Open          |

|              |   |  |        |
|--------------|---|--|--------|
| DTE 98-38    | Verizon, Attorney General, various CLECs and wireless providers | Dept. investigation into rate center consolidation as a possible number conservation measure in Eastern Massachusetts                                  | Open   |
| DTE 98-57    | Verizon, AT&T, CTC, Telecommunications Resellers Assoc. (TRA)   | Review of Verizon's proposed interconnection tariff No. 17.  | Open   |
| DTE 98-116   | Global NAPS, Verizon, AT&T                                      | Dept. review of complaint by Global NAPS that Verizon is violating the '96 Telecom Act by not leasing dark fiber to Global Naps across LATA boundaries | Closed |
| DTE 99-11    | Various carriers, Attorney General                              | Dept. investigation into area code relief for Eastern Massachusetts  | Closed |
| DTE 99-39    | Global NAPS, Verizon  | Dept. investigation of complaint by Global NAPS against Verizon regarding reciprocal compensation  | Closed |
| DTE 99-42/43 | MediaOne, Greater Media, Verizon                                | Dept. arbitration of interconnection agreements between MediaOne and Verizon, and Greater Media and Verizon  | Open   |
| DTE 99-52    | Greater Media, Verizon  | Dept. arbitration of interconnection agreement between Greater Media and Verizon   | Closed |
| DTE 99-71    | Massachusetts "211" Task Force, Verizon                         | Dept. investigation of petition of Massachusetts "211" Task Force to be assigned the "211" access code   | Closed |

|            |   |   |        |
|------------|---|---|--------|
| DTE 99-77  | Town of Athol and nearby communities, Verizon | Dept. investigation of complaint by Athol concerning Verizon's service to North Quabbin communities | Open   |
| DTE 99-87  | New England Voice and Data (NEVD), Verizon    | Dept. investigation of complaint by NEVD concerning Verizon's ROW practices                         | Closed |
| DTE 99-92  | Town of Royalston, Verizon                    | Dept. review of petition of Royalston to expand its primary calling area                            | Closed |
| DTE 99-99  | Various carriers, Attorney General            | Dept. investigation into number pooling as a number conservation measure for Eastern Massachusetts  | Closed |
| DTE 99-102 | Verizon                                       | Dept. investigation into Verizon's 5 <sup>th</sup> Annual Price Cap filing                          | Closed |
| DTE 99-105 | Verizon                                       | Dept. investigation of Verizon's Local Service Provider Freeze tariff                               | Closed |
| DTE 99-109 | 30 Verizon customers residing in Somerville   | Dept. review of petition of Somerville customers to expand their primary calling area               | Closed |
| DTE 99-271 | Verizon, Attorney General, various CLECs      | Dept. review of Verizon's Section 271 compliance filing   | Open   |
| DTE 00-35  | Richmond Telephone Company                    | Petition of Richmond Telephone Company for an advisory ruling                                       | Closed |
| DTE 00-39  | Verizon, Attorney General, various carriers   | Dept. rulemaking to establish expedited dispute resolution process                                  | Closed |

|                           |  |   |        |
|---------------------------|--|---|--------|
| DTE 00-46                 | Covad, Verizon   | Covad petition for arbitration award against Verizon concerning line sharing        | Closed |
| DTE 00-54                 | Sprint, Verizon  | Dept. arbitration of interconnection agreement between Sprint and Verizon           | Open   |
| DTE 00-58                 | Statewide Emergency Telecommunications Board (SETB), Verizon | Petition of SETB for Dept. approval of excess expenditures                          | Closed |
| DTE 00-64                 | Various carriers, Attorney General                           | Dept. investigation into area code relief for Western Massachusetts                 | Open   |
| DTE 00-78                 | XO, Verizon  | Petition of XO for enforcement of interconnection agreement between XO and Verizon  | Closed |
| DTE 00-101                | Verizon  | Dept. investigation of Verizon's 6 <sup>th</sup> annual Price Cap compliance filing | Open   |
| Consolidated Arbitrations | Verizon, various CLECs                                       | Dept. arbitration of rates and terms for interconnection agreements                 | Closed |

#### 4. Other Activities

In addition to the activities described above, the Telecommunications Division devoted considerable time to many other tasks. Telecommunications Division staff reviewed 49 negotiated interconnection and resale agreements between Verizon and CLECs. Division staff also continued to respond daily to numerous questions about DTE policy from consumers, legislators, regulated companies, consultants, and financial analysts. As in 1999, Division staff resolved several disputes between carriers. Finally, Division staff continued to devote considerable time to staying current on changes in federal telecommunications policies and judicial case law affecting Massachusetts.

In 2000, the DTE advocated on behalf of Massachusetts consumers before the FCC on several important issues, including area code exhaust. For example, in August, the Department filed a petition with the FCC for authority to adopt statewide number conservation efforts, including thousands-block number pooling, in order to conserve telephone numbers in the 413 area code and the new overlay area codes due to be implemented later this year.

The authority requested in this petition is similar to that granted to the Department in 1999 for the 617, 508, 978, and 781 area codes. A copy of the petition is attached to this report as Appendix C.

### III. CONDITION OF THE MASSACHUSETTS TELECOMMUNICATIONS INDUSTRY

The following statistics summarize the current condition of the Massachusetts telecommunications industry,<sup>3</sup> using the most recent data available from the DTE's records, the FCC, and the common carriers. Where appropriate, the DTE compares the current data to data included in the calendar year 1999 report.

#### ! **Intrastate Revenues of Massachusetts Common Carriers**

\$3,341,050,321.36

(Based on FY1999 revenues).

#### ! **Number of Telephone Lines in Massachusetts by Customer Class**

| Calendar Year    | Business  | Residence | Total Access Lines |
|------------------|-----------|-----------|--------------------|
| 1999             | 2,513,029 | 2,923,602 | 5,436,631          |
| 1998             | 2,198,380 | 2,895,028 | 5,093,408          |
| % Growth from 98 | 14%       | .98%      | 6.7%               |

Source: FCC ARMIS Report No. 43-08 (Verizon lines only).

---

<sup>3</sup> As noted in last year's report, the telecommunications industry in the Commonwealth includes a significant number of companies and services that are not under the supervision or control of the DTE, including equipment manufacturers, software developers, Internet service providers, private networks, and others. The importance of these enterprises to the Commonwealth's economy is immense, but this report is limited to the common carrier portion of the industry over which the DTE has broad oversight and control.

**! Number of Carriers Authorized to Provide Local Telecommunications Services in Massachusetts\***

\*As of November 2000

Incumbent Local Exchange Carriers: 5 (no change since FY '98)

Bell Atlantic  
Granby Telephone Company  
Sentinel Tree Telephone Company  
Richmond Telephone Company  
Taconic Telephone Company

Competitive Local Exchange Carriers: 2000: 161 1999: 132 FY 1998: 88

|   |                                    |
|---|------------------------------------|
| 01 Communications                         | Atlas Communications, Ltd.         |
| 5X5 Communications                        | Avatar Telecom, Inc.               |
| 1-800-RECONEX, Inc                        | Backbone Communications            |
| 360 Degrees Long Distance, Inc.           | Barnstable Telephone, Inc.         |
| ACC National Telecom Corp.                | Bell Atlantic Network Data         |
| Access Network Services, Inc.             | BellSouth BSE, Inc.                |
| Access Point                              | Boston Telecom, Inc.               |
| ACS Systems, Inc.                         | Boston Telecommunications Services |
| Advantel                                  | BridgeCom International            |
| Advanced Communications Systems           | Broadview Network, Inc.            |
| Allegiance Telecom of Massachusetts, Inc. | Cbeyond Communications, LLC        |
| Allied Riser of Massachusetts, Inc.       | Columbia Telecommunications        |
| American Fiber Network                    | C2C Fiber of Massachusetts, Inc.   |
| Amer-I-Net Services, Corp.                | ChoiceOne Communications Systems   |
| APCO telecommunications                   | Comav Telco Inc.                   |
| ARBROS Communications                     | Comm South Companies, Inc.         |
| AT&T Communications of NE, Inc.           | CommcoTec Corp.                    |
| Atlantic Connections, Inc.                | Complete Business Systems, Inc.    |

Concert Communications  
Consolidated Edison Communications  
CoreComm Massachusetts, Inc.  
CO Space Services, LLC  
CRG International, Inc.  
Covad Communications Company  
CTC Communications  
Diamond Communications International  
Digital Broadband Communications  
Digital Signal Communications, Inc.  
Eagle Communications, Inc.  
Easy Cellular, Inc.  
Edge Connections  
Essential.com, inc.  
Essex Communications, Inc.  
eVulcan, Inc.  
Excel Telecommunications, Inc.  
EZ Talk Communications, LLC  
FairPoint Communications Corp.  
First World Communications, Inc.  
Focal Communications Corporation of MA  
Freedom Ring Communications  
Frontier Local Services, Inc.  
Frontier Telemanagement, Inc.  
GE Capital Communications Services Corp.  
Gerson Group  
Global Metro Networks  
Global NAPs, Inc.  
Greater Media Telephone, Inc.  
Hyperion Communications of Massachusetts  
ICG Telecom Group, Inc.

IDS Telecom, LLC  
Intermedia Communications, Inc.  
International Telecom, Ltd.  
International Telephone Group  
IPVoice Communications  
iTELSA (USA), Inc.  
Jato Operating Two Corp.  
KMC Telecom V, Inc.  
LBC Telephony, Inc.  
LCI International Telecom Corp.  
LDM Systems, Inc.  
LEC-Link  
Level 3 Communications, LLC  
Lighthouse Competitive Telephone Corp.  
Lightship Telecom LLC  
LineOne  
Log On America, Inc.  
Long Distance America, Inc.  
Massachusetts Local Telephone Company  
MCImetro Access Transmission Services  
MediaOne Telecommunications  
MegaCLEC, Inc.  
Metracom Corporation  
MFS Intelenet of MA, Inc.  
MGC Communications, Inc.  
MJD TeleChoice Corp.  
NECLEC, LLC  
Net2000Group, Inc.  
Network Plus, Inc.  
New England Digital Distribution, Inc.  
New England Voice and Data, LLC  
New Line Telephone and Communications

New Millennium Communications Corp.  
New York Teleconnect  
NEXTLINK Massachusetts, Inc.  
Norcom, Inc.  
Norfolk County Internet, Inc.  
North Point Communications, Inc.  
NOS Communications, Inc.  
Optimum Global Communications, Inc.  
PNG Telecommunications  
Preferred Carrier Services, Inc.  
Primus Communications  
Prism Massachusetts Operations, LLC  
Pro Design Corp.  
PurePacket Communications  
QuantumLink Communications  
Quintelco, Inc.  
RCN-BecoCom, LLC  
RCN Telecom Services  
Richmond Connections, Inc.  
RNK, Inc.  
SBC National, Inc.  
2<sup>nd</sup> Century Telecommunications, Inc.  
Smith, Thomas A. Jr.  
SML Payphones  
Southnet Telcomm Services, Inc.  
Special Accounts Billing Group, Inc.  
Sterling International Funding, Inc.  
Talk Time Communications, Ltd.  
TelCom Plus  
Telergy Network Services  
Tel-Link, LLC  
Tel-Save, Inc.

Telecarrier Services, Inc.  
Telecommunications Cooperative  
TelEnergy  
Teleport Communications-Boston  
Teligent, Inc.  
TerraNet, Inc.  
Totalink of Massachusettes, LLC  
Transend Communications, LLC  
  
TransNational Communications  
Travelers Cable TV, Inc.  
TRS Wireless LLC  
United States Telecommunications, Inc.  
Universal Access, Inc.  
US Fibre  
US LEC  
USONE Communications, Corp.  
USN Communications Northeast, Inc.  
Vitts Networks, Inc.  
Wholesale Telecom & Electric  
Williams Local Network  
Wiltel Network Services  
WinStar Wireless of Massachusetts, Inc.  
WorldCom Technologies, Inc.  
Worldwide Fiber Networks, Inc.  
XDSL Networks, Inc.

**! Number of Carriers Offering Long Distance and Payphone Service in Massachusetts**

2000\*: 895

1999: 972

FY 1998: 851

\*As of December 2000

**! Percentage of Households Subscribing to Telephone Service\* (Mass. And U.S.)**

| Subscribership Rates for Telephone Service* | Mass. | U.S.  |
|---|-------|-------|
| 2000  | 95.7% | 94.6% |
| 1999  | 94.5% | 94.1% |

\*Based on Sept. 1999, 2000 FCC Reports

**! Massachusetts LifeLine and Link-Up America Data**

As noted in last year's report, LifeLine and Link-up America are federal universal service programs that provide discounts on basic telephone service to eligible low income residential customers. In Massachusetts, LifeLine customers receive a \$13.85 discount on Verizon's monthly basic exchange rate. [Verizon's monthly basic exchange rate is \$14.26.] Link-up America customers receive a one-time discount of 50% off Verizon's service connection charge of \$13.50. Eligibility for these programs is determined by participation in established social service subsidy programs (*i.e.*, Massachusetts' Department of Transitional Assistance, Office of Fuel Assistance, Commission for the Blind, and Division of Medical Assistance).

| Estimated Number of <i>Eligible</i> Participants in LifeLine and Link-Up Programs | 1999     | 2000     |
|---|----------|----------|
|   | 306,800* | 298,3451 |
| Actual Number of LifeLine Recipients  | 159,799> | 161,3651 |

|                                      |        |        |
|--------------------------------------|--------|--------|
| Number of Link-Up America Recipients | 8,872> | 6,0691 |
|--------------------------------------|--------|--------|

Note: Data is only for Bell Atlantic customers. The actual number of Lifeline and Link-Up America recipients may be higher if data from CLECs is included.

1 as of 9/30/00

\* as of 9/30/99

> as of 10/30/99

Source 1999 data: Verizon Reports Nos. 31, 33.

Source 2000 data: Divisions of Transitional Assistance and Medical Assistance; Verizon.

**! Number of Approved Interconnection and Resale Agreements\***

|             | <u>1999</u> | <u>2000</u> | <u>Cumulative</u> |
|-------------|-------------|-------------|-------------------|
| Negotiated: | 103         | 49          | 152               |
| Arbitrated: | 6           | 0           | 6                 |
| Total:      | 109         | 49          | 158               |

\*As of November 1999, December 2000

**! Number of Local and Long-Distance (IntraLATA and InterLATA) Calls**

|                                   | 1998       | 1999       | % Change |
|-----------------------------------|------------|------------|----------|
| Local calls                       | 12,176,907 | 11,676,857 | (4.1)    |
| IntraLATA Toll Calls Completed    | 756,471    | 643,230    | (15)     |
| InterLATA Toll Calls Completed*   | 542,333    | 713,248    | 32       |
| Total Intra/Inter LATA Toll Calls | 1,298,804  | 1,356,478  | 4.4      |
| InterLATA Billed Access Min*      | 2,537,604  | 4,983,741  | 96       |

\*Intrastate only

Source: FCC ARMIS Report 43-08

**! Service Quality Indicators (Service Quality Index)**

In last year's report, the DTE discussed Bell Atlantic's price cap regulation and the service quality index component, which measures the level of service that Bell Atlantic provides to retail customers. As noted, the SQI is an aggregate index of 12 specific service quality measures. Bell Atlantic's performance on each of the twelve measures is "scored" according to whether the company has met specified standards for the individual service quality measures. Bell Atlantic must achieve an SQI score of at least 33 in order to avoid being penalized in the price cap index. The SQI is a rough measure of Bell Atlantic's aggregate service performance and is not intended to be a comprehensive report of customer complaints. In December of 2000, Verizon's SQI performance was measured at 45, identical to its SQI performance in November, 1999.

Verizon's SQI 12-month, rolling average performance for individual measures, as of December 2000, is as follows:

| Maintenance Service Items: |   | Actual | Standard |
|----------------------------|---|--------|----------|
| C                          | Network Trouble Reports Per Hundred Lines<br>(e.g., no dial tone; can't call out; transmission/noise)                                 | 1.42   | #2.25    |
| C                          | Percent of Troubles Cleared Within 24 Hours-<br>Residence (percentage of residence customer trouble reports resolved within 24 hours) | 72.81  | \$60.0   |
| C                          | Percent of Troubles Cleared Within 24 Hours-<br>Business (percentage of business customer trouble reports resolved within 24 hours)   | 88.18  | \$75.0   |

| Installation Service Items: |   |      |       |
|-----------------------------|---|------|-------|
| C                           | Percent of Appointments Missed - Company Reasons - Total Customers ( <u>i.e.</u> , residential and business local exchange installation service requests)                                   | 1.63 | #2.50 |
| C                           | Percent of Appointments Missed - Company Reasons - Residential Customers ( <u>i.e.</u> , installation of new residential service and miscellaneous changes to existing residential service) | 1.33 | #2.50 |
| C                           | Percent of Appointments Missed - Company Facilities (appointments not met due to the unavailability or lack of outside plant after a specific appointment has been made with a customer)    | 0.66 | #1.25 |
| C                           | Installation Troubles Per 100 Inward Moves (trouble reports received within 30 days of completed service order activity)  | 3.76 | #6.0  |
| Service Response Items:     |   |      |       |
| C                           | Directory Assistance - Average Speed of Answer (average number of seconds a customer had to wait before reaching a DA operator)   | 3.5  | #4.0  |
| C                           | Customer Service - Average Speed of Answer (average number of seconds elapsed before an incoming customer call is handled)  | 19   | #20   |
| C                           | Operator Assistance - Average Speed of Answer (average number of seconds a customer had to wait before reaching a "0" operator)   | 3.6  | #4.0  |
| C                           | Residence Service Level (percentage of calls handled by customer contact person within 20 seconds)  | 77.1 | \$60  |
| C                           | Business Service Level (percentage of calls handled by customer contact person within 20 seconds)   | 69.2 | \$60  |

### **Cable Television Division**

The Cable Television Division establishes basic service tier programming and equipment rates, enforces consumer protection laws and regulations, and oversees the municipal licensing process. In its latter role, the Division advises municipalities on changes in technology, as they exercise their rights and duties in the licensing process.

During 2000, the Cable Division reviewed basic service tier programming and equipment rates for the majority of Massachusetts communities. The Division's efforts culminated in the issuance of nine rate orders affecting 209 cities and towns in the Commonwealth and nearly one million subscribers. As a result of the rate orders, refunds were made to more than 200,000 subscribers in Massachusetts.

While rate setting remains the core of the Division's responsibilities, the most current issues facing the Division are consolidation and competition within the cable industry. The number of cable operators serving Massachusetts subscribers is continually changing as a result of system consolidation and increased competition.

As evidence of the trend toward consolidation this year, the Division has overseen two system transfers. First, AT&T Broadband assumed all of the MediaOne franchises in Massachusetts, including those franchises that MediaOne recently had acquired from Time Warner and Cox Communications. Second, AT&T Broadband acquired all of the franchises formerly held by Cablevision. AT&T Broadband now has 78 percent of the market share in Massachusetts. Five years ago, MediaOne, then the largest cable operator in terms of subscribers, had a 37.9 percent market share.

Meanwhile, the number of communities that licensed a second cable provider increased from eleven to twenty-two. At least 30 other communities have begun the process of soliciting a competitive provider. The Cable Division will continue to prepare for and encourage competition in cable services by granting procedural waivers to communities in order to expedite the licensing of a second service provider and, in addition, by assisting municipalities with the initial licensing process.

The next challenge for this Division is to adapt its regulatory policies to the changing environment while ensuring that all subscribers are afforded consumer protections. The Division's work during 2001 will be geared more toward providing education and information necessitated by the changes caused by the system consolidation and increased competition during the past years. Consumers must be provided comprehensive information in order to make informed choices. Statute empowers each municipality to review and approve local cable licenses. The Division foresees the role of the municipality will grow more complex as a result of an increasingly competitive market where cable operators vie to provide service. Therefore, the Division is prepared to provide significantly more assistance to local decision-makers in 2001.

Finally, the system transfers approved during 2000 will cause an influx of rate restructuring proposals in 2001, as companies apply to the Division for approval of new rates. Currently, each cable provider has its own rate structure, approved by the Division. As cable operators consolidate operations and establish uniform channel lineups for all franchises, the Division expects operators to move to more uniform pricing of services.

Pursuant to the Electric Restructuring Act, the Cable Division is preparing to merge its activities with the Department by the end of 2001. Through ongoing planning with the Commission, the Department will ensure that this transition occurs in a timely and efficient manner.

## **Rates and Revenue Requirements Division**

The Rates and Revenue Requirements Division determines the appropriate levels of revenues and specific rates for seven investor-owned electric companies, ten investor-owned gas companies and twenty-six investor-owned water companies.

The Rates and Revenue Requirements Division provides the Department with technical support in the regulation of the natural gas, electric, and water industries. The technical support requires expertise in economics, finance, accounting, and public policy. Rates Division staff assist the Department's Legal Division and its hearing officers in developing a complete evidentiary record on which to base the Department's adjudicatory orders in rate cases and other regulatory proceedings, and provide the Commission with advice on these matters. Like all Department orders, these decisions are directly appealable to the Supreme Judicial Court under G.L. c. 25, §5; and so a quality record and a defensible decision are essential.

As part of the continued implementation of the provisions of the Electric Restructuring Act, the Rates Division annually conducts a reconciliation, or "true-up," for each electric company. Under the Act each distribution company may collect non-mitigatable stranded or transition costs. The Rates Division reconciles the stranded cost revenues collected with the actual stranded costs of each company. The Rates Division's analysis results in a Final Order which may result in adjustments to the calculation of a company's transition charge in the following year. These adjustments are based on the Department's determination that a company has either over- or under-collected on its transition charge revenues.

### **Performance Based Ratemaking**

A long-term goal of the Rates Division, as well as the entire Department, is establishing the distribution rates of every gas and electric company using performance-based ratemaking (PBR). Currently, most gas and electric rates are determined based on the company's costs from a historic test year adjusting for known and measurable changes, known as the cost plus method (or cost of service method). This method allows companies to collect the cost of service plus a reasonable rate of return. Under PBR, the price is regulated rather than the costs.

A performance-based rate is calculated using service quality standards set for the industry and provides an incentive to companies to continually improve customer service and operational efficiency. PBR also provides for a penalty, in the form of a rate adjustment, for failure to meet certain service quality standards. PBR harnesses market forces to spur competition. The Rates Division is presently involved in an investigation to develop service quality standards and measurements by which all utilities would be judged. The Department received public comments through November 6, 2000 and held a technical conference on November 17, 2000.

### **Securitization**

The Electric Restructuring Act grants authority to electric utilities, subject to the approval of the Department, to securitize their reimbursable transition cost amounts through the issuance of rate restructuring bonds. The Act sets specific conditions that the company must meet in order to gain Department approval to issue these bonds. Consistent with the Department's obligations, the Rates Division reviews each securitization application to ensure that the company has (1) fully mitigated its transition costs through a combination of available methods; (2) demonstrated that the securitization

will result in savings to ratepayers; (3) obtained written commitments from purchasers of divested assets regarding certain commitments involving employees affected by the divestitures; (4) filed a restructuring plan or settlement that has been approved by the Department; and (5) established an order of preference for the bond proceeds to maximize the reduction of transition costs to the ratepayers. The Rates Division reviews each securitization filing to determine if the securitization will result in long term savings to the consumer.

### Mergers and Acquisitions

During 2000, the Rates and Revenue Requirements Division reviewed the following mergers and acquisitions:

Eastern Edison Company merged with Massachusetts Electric Company on 5/1/2000, pursuant to D.T.E. 99-47 dated 3/14/2000

Fall River Gas Company merged with Southern Union Company, a Delaware-based gas utility headquartered in Texas and with operations in six states, on 9/28/2000, pursuant to D.T.E. 00-25 dated 9/6/2000

North Attleboro Gas Company merged with Southern Union Company, a Delaware-based gas utility headquartered in Texas and with operations in six states on 9/28/2000, pursuant to DT.E. 00-26 dated 9/6/2000. Both Fall River and North Attleboro will continue to do business in Massachusetts under previous "doing business as" names.

National Grid, a United-Kingdom based holding company, acquired New England Electric system in March 2000. As a result, Massachusetts Electric, Nantucket Electric, and New England Power are wholly-owned subsidiaries of National Grid USA, National Grid's US-based operations

Keyspan, a New York-based holding company acquired Eastern Enterprises, the holding company for Boston Gas, Colonial Gas, and Essex Gas in August 2000. While Keyspan's Massachusetts subsidiaries remain separate companies, Keyspan has adopted the name "Keyspan Energy Delivery" for its Massachusetts operations.

NSTAR, the holding company for Boston Edison, Cambridge Electric Light, Commonwealth Electric, and Commonwealth Gas has adopted a d/b/a arrangement for Boston Edison, Cambridge Electric Light, and Commonwealth Electric of "NSTAR Electric." Commonwealth Gas will do business as "NSTAR Gas."

Eastern Edison Company, 99-67 transfer of interest in subsidiary Montaup Electric Company to parent company Eastern Utilities Associates in preparation for proposed merger of Eastern Utilities Associates and New England Electric System approved 1/4/2000

### Electric Rate Making

D.T.E. 99-118, Fitchburg Gas and Electric Light Company, the Attorney General filed a petition under G.L. c. 164, § 93 requesting a decrease in the electric rates for Fitchburg Gas and Electric Light Company. The Attorney General claims that Fitchburg Gas and Electric Light Company has been over-earning. The DTE held a public hearing on December 14, 2000 and a procedural conference on December 19, 2000. Further proceedings will be scheduled.

D.T.E. 99-84, Generic Proceeding Regarding Service Quality Index, the Department is working to establish service quality standards for all electric and gas utilities. Comments were received through November 6, 2000. A technical session was held on November 17, 2000. Status: pending

D.T.E. 00-41, Generic Proceeding Regarding Metering Billing and Information Systems, the Department is working to determine if it is appropriate to make the metering billing and information systems of the electric companies competitive. A report to the General Court was issued on December 29, 2000

D.T.E. 99-60-B, Default Service Pricing, a working group was established to determine the appropriate method and procedures for the procurement and pricing of default service. The working group met on July 27<sup>th</sup>, August 3<sup>rd</sup>, 10<sup>th</sup>, 17<sup>th</sup>, and 24<sup>th</sup> of 2000. The Department approved market default service rates proposed by all electric companies for effect December 1, 2000

D.T.E. 00-66, 00-67, 00-70, Implementation of Standard Offer Fuel Adjustment Mechanisms, electric companies filed seeking Department approval to adjust their standard offer service rate because they had exceeded the fuel trigger contained in their standard offer service fuel adjustment provisions of their standard offer service tariffs. Interested parties filed initial comments on October 10, 2000 and reply comments on October 16, 2000. A public hearing was held on November 16, 2000. A letter order was issued on December 4, 2000 which approved the proposed methods for calculating the fuel adjustment factor. An additional letter order was issued December 11, 2000 which approved the compliance filings of Fitchburg Gas and Electric Light Company and NSTAR and rejected the compliance filing of Massachusetts Electric Company. The Department stamp-approved the revised compliance filing of Massachusetts Electric Company on December 14, 2000. These adjusted rates took effect January 1, 2001.

#### Water Rate Making

D.T.E. 00-105, Massachusetts-American Water Company, filed for an increase of \$1,787,605 (16.04%) on 11/16/2000. Status: pending

D.T.E. 00-76, Sheffield Water Company, filed for an increase of \$76,009 (78.54%) on 9/29/2000. Status: pending

D.T.E. 00-84, Westport Harbor Aqueduct Company, filed for an increase of \$4,557 (27.9%) on 11/1/2000. Status: pending

#### Financings

Boston Edison Company, DTE 00-62 \$500,000,000 in long-term debt approved 10/26/2000

MMWEC, DTE 99-91 \$1,590,056,600 out of requested \$1,662,331,000 in long-term debt approved 3/24/2000

New England Power Company, DTE 00-53 \$38,500,000 in long-term debt approved 9/27/2000

Sheffield Water Company, DTE 00-75 \$150,000 in long-term debt approved 1/5/2001

Massachusetts Electric Company, DTE 99-47, maximum issuance of \$78,108,558 in common stock, \$30,000,000 in preferred stock, and \$40,000,000 in long-term debt associated with acquisition of Eastern Edison approved 3/14/2000

Southern Union, DTE 00-25 2,206,034 shares of common stock associated with acquisition of Fall River Gas approved 9/6/2000

### **Consumer Division**

Consumer protection is at the core of the Department's mission. The Consumer Division's main responsibilities are responding to consumer calls, negotiating on behalf of the consumer, conducting informal hearings, resolving disputes through formal adjudication, educating consumers and enforcing department regulations. During 2000, the Consumer Division answered 131,715 telephone calls from consumers to the Division's toll-free number.

Often, the Consumer Division is the consumer's first contact with the Department. Division staff respond to inquiries regarding services of gas, electricity, telecommunications, cable and water companies. The Division has noted an annual increase in the number of telephone inquiries. The Division attributes this steady increase to restructuring and unbundling of utilities and the resulting confusion among consumers. Over half the calls received regarding telecommunications are related to questions about market competition. Consumers are trying to understand the complex changes the

utility industries are undergoing. In addition, the Consumer Division investigates complaints from residential consumers and conducts informal hearings if complaints cannot be resolved through its negotiation efforts.

Pursuant to G.L.c. 164 § 1E (d), the Consumer Division is required to issue a report to the Legislature regarding the alternative dispute resolution process for the handling of damage claims by customers in an amount less than \$100. During 2000, the Division had no consumer complaints less than \$100. Those complaints made by consumers for more than \$100 were directed to the company's claims department.

The majority of the complaints investigated by the Division reveal that the regulated company has followed the regulations correctly and billed accurately. In those cases, the role of staff is educating the consumer. In cases where the company has not complied with Department regulations and policies, the division adjusts billing accordingly and orders the incorrectly billed amount credited or refunded to the consumer. During 2000, the Consumer Division was responsible for returning more than \$660,000 to consumers. For 1999 as a whole, the Division returned \$566,036.20 to consumers.

Following are the Consumer Division statistics by industry for the period from January 1, 2000 through December 31, 2000 :

| Company                          | CASES | INQUIRIES | ADJUSTMENTS  |
|----------------------------------|-------|-----------|--------------|
| <b><i>CABLE COMPANIES</i></b>    |       |           |              |
| Adelphia                         | 88    | 174       | \$363.37     |
| Avalon                           |       | 11        |              |
| Cablevision                      | 80    | 378       | \$816.83     |
| Charlemont                       | 4     |           |              |
| Charter                          | 78    | 3822      | \$657.53     |
| Cox                              | 1     | 12        | \$3.70       |
| CVI                              |       | 7         |              |
| Frontier                         |       | 1         |              |
| Greater Media                    |       | 17        |              |
| Media One                        | 778   | 7759      | \$9,559.43   |
| RCNC                             | 25    | 10        | \$553.74     |
| Shrewsbury                       |       | 8         |              |
| Tufts                            |       | 1         |              |
| Cable Total                      | 1064  | 12220     | \$11,954.60  |
| <b><i>ELECTRIC COMPANIES</i></b> |       |           |              |
| Boston Edison                    | 582   | 1460      | \$73,093.04  |
| Cambridge Electric               | 5     | 7         |              |
| Commonwealth Electric            | 246   | 380       | \$33.66      |
| Eastern Electric                 | 67    | 241       | \$3,801.69   |
| Massachusetts Electric           | 752   | 4131      | \$27,772.18  |
| Nantucket Electric               | 1     | 1         |              |
| Western Mass Electric            | 232   | 1059      | \$3,139.11   |
| Municipal Electric               | 77    | 438       | \$68.63      |
| Electric Total                   | 1962  | 7717      | \$107,908.31 |
| <b><i>GAS COMPANIES</i></b>      |       |           |              |
| Baystate Gas                     | 565   | 1047      | \$55,697.68  |

|                            |      |      |              |
|----------------------------|------|------|--------------|
| Berkshire Gas              | 45   | 130  | \$1,167.77   |
| Blackstone Gas             | 2    | 11   |              |
| Boston Gas                 | 382  | 1064 | \$11,315.77  |
| Colonial Gas-Cape          | 79   | 66   | \$4,878.88   |
| Colonial Gas -Lowell       | 31   | 36   | \$5,122.35   |
| Commonwealth Gas           | 167  | 371  | \$983.60     |
| Essex gas                  | 31   | 42   | \$37,523.77  |
| Fall River Gas             | 73   | 83   | \$1,883.57   |
| Fitchburg Gas and Electric | 63   | 53   | \$974.11     |
| Municipal Gas              | 8    | 15   | \$55.00      |
| North Attleboro Gas        | 1    | 5    |              |
| Gas Total                  | 1454 | 2943 | \$119,602.50 |
| <b>WATER COMPANIES</b>     |      |      |              |
| Acoaxet                    |      | 31   |              |
| Aqua                       |      | 2    |              |
| Ashmere                    |      | 1    |              |
| Barnstable                 |      | 11   |              |
| Beechwood                  | 5    |      |              |
| Cool Sandy Beach           | 1    |      |              |
| Dover                      | 1    |      |              |
| Housatonic                 |      | 1    |              |
| Mass. American             | 9    | 37   | \$1,510.90   |
| Milford                    | 1    | 6    |              |
| Other                      | 2    | 53   |              |
| Plymouth                   | 1    | 2    |              |
| Salisbury                  | 2    | 8    | \$70.00      |
| Whitensville               | 1    | 1    |              |
| Water Total                | 23   | 153  | \$1,580.90   |
| <b>OTHER</b>               |      |      |              |
| Other Total                | 43   | 6287 |              |
| <b>SUPPLIERS</b>           |      |      |              |
| AllEnergy                  | 6    | 2    | \$210.00     |
| ComEnergy Mktg             |      | 1    |              |
| Enron                      |      | 1    |              |
| Essential.com              | 12   | 23   |              |
| Reliant Energy             | 4    | 2    |              |
| Select Energy              | 1    | 5    |              |
| Servi-Sense                | 23   | 28   | \$551.70     |
| Unitil Resources           | 1    | 5    |              |
| Utility.com                | 1    |      | \$25.00      |
| Supp. Total                | 48   | 67   | \$786.70     |
| <b>TELECOMMUNICATIONS</b>  |      |      |              |
| Advanced                   | 1    | 1    |              |
| Adelphia Telecom           | 1    |      |              |
| Advantage                  | 1    | 1    | \$57.06      |

|                    |      |       |              |
|--------------------|------|-------|--------------|
| Affinity           |      | 1     |              |
| Allegiance         | 47   | 17    | \$3,385.06   |
| American Telnet    | 6    | 3     | \$127.71     |
| America's TeleNetw | 8    | 3     | \$748.10     |
| Amer-I-Net         | 1    |       |              |
| ATT                | 2659 | 16967 | \$196,015.72 |
| Bell Atlantic      | 2024 | 32811 | \$56,961.40  |
| BroadView Netw.    | 7    | 1     | \$877.00     |
| Bus. Disc. Plan    | 12   | 1     | \$2,891.83   |
| Business Options   | 10   |       | \$179.46     |
| COCOT              | 3    | 238   |              |
| CoreComm-USN       | 57   | 96    | \$12,529.50  |
| CTC                | 3    | 2     | \$317.17     |
| CTS                | 1    |       | \$181.27     |
| Discount Netw      |      | 2     |              |
| Essential.com      | 86   | 26    | \$2,862.80   |
| eLEC - Essex       | 62   | 25    | \$1,773.78   |
| EXCEL              | 26   | 58    | \$854.46     |
| EZ Talk            | 5    | 5     | \$94.50      |
| FCC                | 208  | 893   |              |
| Fed Trans Tel      | 10   | 1     | \$225.88     |
| First Phone        |      | 1     |              |
| GTE                | 1    | 2     |              |
| Global Crossing    | 9    | 6     | \$201.21     |
| Granby             | 4    | 2     | \$27.65      |
| Hold Billing       | 16   | 8     | \$722.66     |
| IDT                | 2    | 2     | \$156.80     |
| ILD Teles          | 22   | 4     | \$342.74     |
| IMR                | 1    | 2     |              |
| Inmark-P           | 17   |       | \$763.40     |
| Integretel         | 11   | 26    | \$377.16     |
| LCI                |      | 3     |              |
| LDWC               | 3    |       | \$40.69      |
| LDS-CEO            | 1    | 1     | \$8.25       |
| Lightyear          | 18   | 7     | \$1,243.18   |
| Local Long Dist    |      | 1     |              |
| Long Dist CO       |      | 1     |              |
| Mass Local         | 6    | 20    |              |
| Matrix             | 4    | 5     | \$5.40       |
| MCI-World          | 481  | 620   | \$49,085.06  |
| MediaOne Tel       | 60   | 46    | \$1,855.94   |
| MetraCom           |      | 2     |              |
| Minimum Rate       | 1    |       | \$87.29      |
| Network Access     | 5    | 8     | \$644.14     |
| Network +          | 102  | 73    | \$17,747.52  |
| NORTEL             | 15   | 1     | \$2,440.81   |

|                          |               |               |                     |
|--------------------------|---------------|---------------|---------------------|
| NOS Com                  | 44            | 6             | \$7,282.92          |
| OAN                      | 23            | 14            | \$408.86            |
| OLS                      | 64            | 26            | \$2,657.44          |
| OneStar                  | 1             |               |                     |
| OTT                      | 188           | 916           | \$8,939.08          |
| Pilgrim                  | 1             |               |                     |
| Plan B                   | 21            | 7             | \$680.48            |
| Primus                   | 1             | 1             | \$35.50             |
| QUEST                    | 17            | 13            | \$201.65            |
| QWEST                    | 62            | 49            | \$2,356.46          |
| RCN                      | 317           | 1958          | \$12,978.30         |
| Richmond                 | 1             | 6             | \$18.75             |
| RNK                      | 3             | 6             |                     |
| RSL COM USA              | 1             |               | \$49.22             |
| SPRINT                   | 139           | 137           | \$11,534.50         |
| Talk.com/AOL             | 92            | 21            | \$7,325.57          |
| TalkTime                 | 1             |               |                     |
| Telecom USA              | 4             | 25            |                     |
| Telegent                 |               | 1             |                     |
| UniTel                   | 2             | 2             |                     |
| USBI                     | 56            | 13            | \$4,949.85          |
| USP&C                    | 8             | 6             | \$206.00            |
| US Republic              | 2             | 2             |                     |
| US Telecom               | 4             |               | \$199.59            |
| VARTEC                   | 19            | 5             | \$26.52             |
| WinStar                  |               | 1             |                     |
| WorldCom Netw            | 3             | 2             | \$836.08            |
| WorldCom Tech            | 2             |               |                     |
| ZERO+                    | 34            | 28            | \$367.32            |
| Z-TEL                    | 123           | 61            | \$7,841.14          |
| Telecommunications Total | 7,250         | 55,299        | \$424,727.83        |
|                          |               |               |                     |
| <b>TOTAL</b>             | <b>11,844</b> | <b>84,686</b> | <b>\$666,560.84</b> |

## **Legal Division**

The Legal Division staff serves as the chief legal and policy advisor to the Commission, as well as the primary legal support to all divisions of the Department. Pursuant to M.G.L. c. 25, § 4, the Chairman of the Commission may delegate authority to an attorney from the Legal Division to preside over a Department proceeding. To fulfill this important obligation, the Department retains attorneys with the professional expertise and scope of knowledge necessary to provide legal advice in all areas under the Department's jurisdiction. During 2000, the Legal Division issued 148 Orders. A list of the Orders issued is attached as Appendix D.

The Legal Division serves as the primary liaison with the General Court, including the Committees on Government Regulations, Energy, and Ways and Means. Legal staff work closely with the Committees' staff to keep legislative leadership well informed regarding decisions issued by the Department. Legal staff research and respond to inquiries from legislative staff, often made on behalf of constituents.

The Legal Division's primary duties are adjudications, rulemakings, notices of inquiry and enforcement actions. Adjudications are the formal determination of parties' rights through an administrative process, including: rate making (e.g., utility companies file for new rates); certifications of common carriers to do business with the Commonwealth (e.g., telecommunications companies, truck companies, bus companies); approval of proposed mergers between utility companies doing business in the Commonwealth; approvals needed to construct energy facilities (e.g., transmission lines, eminent domain authority, exemptions from local zoning ordinances); billing disputes between residential consumers and utility companies; and approvals needed for financial transactions (e.g., stock and bond issuances)--- to name a few.

The Massachusetts Administrative Procedures Act (G.L. c. 30A), the DTE's procedural regulations (220 C.M.R. §1.00), and DTE past practice govern procedures for adjudicatory cases. All parties (both the party filing the action and interveners) are entitled to due process safeguards, meaning that the parties are entitled to adequate notice and the opportunity to be heard. Parties to the action have the right to present evidence, cross-examine witnesses, and receive a written decision by the Commission.

### **Rate making**

Typically, a rate making case is the most complex type of adjudicatory proceeding and best illustrates the workings of the Legal Division.

#### *Initial Filing*

A rate making proceeding begins when the utility company files a petition with supporting documentation to justify a rate change. The documentation may include cost studies, revenue calculations, depreciation studies, and rate of return analyses. The initial filing sets the parameters of the case for adjudication.

Also, the company submits written testimony of company witnesses who are subject to questions from the DTE and from any parties who may intervene in the case. A filing from a major utility company may easily fill several volumes totaling hundreds of pages.

The DTE must conclude its entire investigation and issue a final order (sometimes in excess of 400 pages in length) within six months. Compared with the several years it often takes to complete complex litigation in a civil court, the six-month statutory deadline is extremely short for a case potentially involving many parties, expert witnesses, and millions of dollars.

The sheer volume of cases (the record of a rate case often contains thousands of pages) makes it virtually impossible for the Commissioners to preside over each proceeding. Therefore, pursuant to G.L. 25, § 4, the Commission may delegate authority to an attorney from the Legal Division to preside over a proceeding. Immediately after a case is filed and docketed, the Commission assigns legal and technical staff with the requisite expertise to the case.

Assigned staff is composed of a team of at least one attorney (known as the "Hearing Officer"), and depending upon the company and the issues for resolution, an economist, accountant, rate analyst, consumer specialist, and, if necessary, engineer. Staff immediately initiate a series of activities: Notice, Discovery and Prehearing Memorandum to the Commission.

#### *Notice*

The Department requires the utility company to publish a public notice of the proceeding that gives ratepayers an ample opportunity to participate in the proceeding. In the case of a rate making proceeding, the utility company would be required to provide such notice through newspaper advertisements and through bill inserts to consumers. The notice informs ratepayer of the filing, the date and place of any public hearing and the procedure for submitting written testimony to the Department without attending the public hearing.

#### *Discovery*

The DTE and parties to the proceeding begin to develop the record through the discovery process. The Department routinely poses questions and requests for additional information to the company. A written request for more detailed information is a primary means to further define the issues in the case and to "discover" additional evidence. This discovery process usually occurs within the first eight weeks after the submission of the initial filing and usually is completed before the beginning of evidentiary hearings.

#### *Prehearing Memorandum*

Shortly after their initial review of the company's filing, staff prepare a prehearing memorandum for the Commission in which the staff describes the case, summarizes the issues raised by the parties, and suggests additional issues that the Department should pursue. The prehearing memorandum serves two purposes. The Commissioners use it to direct limited staff resources to issues of primary importance. In addition, the prehearing memorandum may represent the first draft of the final written order.

#### *Public and Evidentiary Hearings*

The Department holds two types of hearings: 1) public hearings in the service territory and 2) evidentiary hearings conducted in the DTE's offices in Boston.

Public hearings are scheduled and publicized throughout the utility's service territory. These hearings, transcribed by a stenographer, are conducted during the evening, usually in an easily accessible public building, such as the Town Hall, and are usually presided over by a Commissioner. The public hearings afford local consumers the opportunity to learn more about the rate request, offer their input about the pending case, and comment on the practices of the utility. Residential and business customers are a valuable source of information to the DTE in developing a case record.

Evidentiary hearings are conducted in a courtroom setting in the DTE's Boston offices. These proceedings are also transcribed by a stenographer. The hearings are presided over by the Hearing Officer, with the active participation of DTE's expert technical staff. The technical staff participate by questioning witnesses to ensure that the record is accurate and complete.

While the administrative process does not require observance of all formal rules of evidence, the DTE's evidentiary hearing process follows many rules of civil procedure, and parties are almost always represented by counsel from a specialized utility bar. Evidentiary hearings afford interveners the opportunity to question company witnesses. In most cases, the Attorney General of the Commonwealth is an intervener. Other interveners may include public interest organizations, the Commonwealth's Division of Energy Resources, and local consumer, business or neighborhood groups. Sometimes interveners put on a direct case with witnesses of their own.

#### *Briefing Period*

After the close of the evidentiary hearing, the following 6-8 weeks constitute the briefing period. The Hearing Officer usually establishes a briefing schedule that requires each party to submit legal briefs, usually between two and three weeks after the close of hearings. The briefs may be followed quickly by reply briefs from each party.

The briefing period is an essential component of the process because the briefs are the only means by which parties may communicate with the Commissioners, who are otherwise prohibited by ex parte rules from communicating with the parties. The briefs (each of which may be 100-200 pages in length) state the positions of the parties and direct the Commissioners' attention to the most important record evidence. As the investigation progresses, staff must recognize and inform the Commission of new issues as they develop.

#### *Posthearing Memorandum*

Staff prepare and present a posthearing memorandum to the Commissioners about a month before the deadline for issuing a final order. The posthearing memorandum summarizes each of the issues that must be addressed in the final order. The posthearing memorandum describes each issue; outlines the positions of the parties; analyzes each issue in the context of statutory requirements, DTE precedent, and the record evidence; and usually recommends a decision to the Commission. In a rate making proceeding, the staff would recommend the design of the rates for each type of customer and the amount of revenues the company should collect through a rate change. Commissioners meet together in private and with the staff to

discuss the posthearing memorandum, to make final decisions on each of the issues, and to give guidance on how the final order should be drafted.

### *Preparation and Issuance of Final Order*

The final order must address all the issues raised by the parties, analyze the positions taken by the parties, and decide each issue based on substantial record evidence. State law requires a full explanation of the reasons for the decision on each issue with appropriate citation to DTE precedent, case law, and the supporting evidence presented on the record of the case.

The statutory deadline for issuance of a final order is six months from the initial filing. The absolute deadline usually falls less than one month after the final brief is filed. Thus, the Commission makes its decision within narrow time constraints.

Legal staff prepare a series of drafts for review by the responsible Division Director, the General Counsel and the Commissioners. Reviewers ensure that each order is substantively correct, consistent with existing precedent, legally sufficient, and based on substantial record evidence.

Staff prepare a final order with three audiences in mind. First, the order must withstand the scrutiny of the Supreme Judicial Court (“SJC”). Under G.L.c.25, §5, the Department’s final orders are appealable directly to the Massachusetts Supreme Judicial Court. Thus, the order must withstand the highest Court’s judicial scrutiny by explaining complex policy, regulatory, economic, accounting, engineering, and rate design issues in a logical and legally sound manner. To withstand SJC review, the order must carefully articulate precedent, apply precedent to the facts presented in the record, and justify any departures from existing precedent.

In addition to the SJC, staff prepare a final order for scrutiny of by the parties to the proceeding and the general public. The final order should articulate clear standards so that the company or companies have adequate guidance presently and in the future. The Department’s decisions set precedent, meaning that the order sets standards not only for the parties to the proceeding , but the entire industry. Satisfying this audience often requires an extensive discussion of technical issues, thus requiring a detailed knowledge of the substantive issues and how they fit into the regulatory policies and legal framework.

Department decisions have a direct and significant impact on the public. The decisions in major rate cases often result in large rate changes that are often heavily scrutinized by the public and receive substantial press attention. Writing an order for review by the general public poses a challenge quite different from meeting the requirements of the judiciary and the parties. Every attempt is made to write final orders in plain English.

### Other Adjudications

While adjudicating rate makings per year, the Department also decides hundreds of other adjudicatory cases with varying degrees of complexity. These other cases may involve such matters as whether to authorize a company to use eminent domain powers to take land to build a utility facility; whether a company may issue securities; whether a company is qualified

for certification to operate as a common carrier; or whether a disputed utility bill is the responsibility of a consumer. These other adjudications are decided through a similar process and may present equally important policy decisions although on a smaller scale. Final orders in these adjudications require the same level of review and attention to detail.

### Rulemakings

The Department conducts rulemakings pursuant to G.L. c. 30A, §§ 4-10 and 220 CMR § 2.00, resulting in the promulgation of regulations affecting certain practices of one or more of DTE regulated industries. The Department first proposes regulations, publishes adequate notice, and holds hearings to solicit public comment. After consideration of the public comment, the Department may issue final regulations.

A rulemaking proceeding may involve simple procedural regulations or may address complex regulatory issues. Accordingly, rulemaking proceedings are not subject to the same tight statutory time constraints as adjudicatory cases.

### Notice of Inquiry

In a limited number of special situations, when there is no open proceeding, yet the Department desires public input on a particular issue, the Department may issue a Notice of Inquiry or "NOI." NOIs are Department-initiated investigations that are neither formal adjudications nor rulemakings. The goal of the NOI is developing public policy.

Participants file comments and provide sworn testimony, similar to the adjudication. However, participants are not cross examined and do not have appeal rights. The order issued at the close of the investigation is usually a general policy statement with guidelines for future actions (by utility companies or by the Department.) The policy established through the NOI may be further developed in the future through company-specific adjudications.

### Enforcement Actions

If DTE personnel have reason to believe that a party is violating a statute or regulation under DTE Pipeline Division jurisdiction, the DTE issues a Notice of Probable Violation to commence a formal enforcement action. The party responds by filing a written response or attending an informal hearing on the matter. The DTE has adopted procedures to enable enforcement actions to be efficient and effective, while affording all affected parties all due process rights provided by the Constitution and state law.

Similar to other proceedings, a staff attorney, known as a Hearing Officer, is assigned to the case. If the party contests the allegations, a written decision will be issued by the designated Hearing Officer. If the party is dissatisfied with the decision, a formal adjudicatory hearing may be requested. This de novo proceeding is conducted by the Hearing Officer designated by the DTE and the final decision is made by the Commission in a written order. A party is entitled to contest any allegations of wrongdoing. In addition, a party may enter into Consent Orders to resolve issues without admission of guilt.

## **Pipeline Engineering and Safety Division**

The Pipeline Engineering and Safety Division ("Pipeline Division") is the Department's enforcement arm to assure that operators of natural gas distribution companies, municipal gas departments and other intrastate operators are in compliance with state and federal regulations governing pipeline safety. The Division oversees operators and excavators to preserve public utility service through enforcement of G.L. c. 82, § 40 ("Dig Safe Law").

The Pipeline Division cooperates with natural gas operators to provide for enhanced safety in the transmission of natural gas, the training and qualification of personnel in the intrastate pipeline network, and the restoration of public streets by utility excavators. The Division also investigates incidents resulting in explosions involving failed gas lines.

During 2000, Pipeline Division inspectors identified 227 pipeline safety violations of state and federal regulations, resulting in the collection of \$75,634 in civil penalties. In all of these instances, corrective action by utilities was mandated by the Department to elevate the standards employed by operators of their pipeline systems.

The Pipeline Division issued 358 Notices of Probable Violation against utility operators and excavators, alleged to be in violation of the Dig Safe Law, resulting in the collection of \$122,650 in civil penalties. The Dig Safe Law requires excavators to tender notification to utility operators prior to excavating. The utility operators must properly locate underground utilities, after which excavators must exercise precaution when excavating in those areas overlying utility installations. The goal of the Dig Safe program is to protect the citizenry and its property by preventing accidents involving underground utilities. Protecting the public from the consequences of underground utility damage is vital and can be accomplished only by highly skilled personnel. In addition to enforcement the Division reaches out to excavators to educate and train those entities in safe excavation practices.

Presently the Department supports legislation to increase civil penalties for pipeline safety violations and amend the Dig Safe statute to link building permits and excavations in the public way to Dig Safe notification.

With the recent rulemaking by the federal Department of Transportation to qualify natural gas operator personnel in all aspects of operation, maintenance and emergency response, the DTE is working with the New England Gas Association to establish uniform training in these areas. In October, the Division hosted a pipeline safety training program with the Department of Transportation and the five other New England states to train operators in this area and other pipeline safety topics.

The Pipeline Division inspected 197,990 gas meters for accuracy from January to September 2000. This effort produced revenues of \$826,305. Accuracy in metering is an essential feature of basic consumer protection in billing for gas service.

### **Siting Division**

The Siting Division, as staff to the Energy Facilities Siting Board, is responsible for evaluating proposals to construct major energy facilities in Massachusetts. In addition, the Siting Division reviews petitions to the Department for zoning exemptions, authority to exercise eminent domain, and other siting-related matters.

The Energy Facilities Siting Board is a nine-member board which reviews proposals to construct power plants, electric transmission lines, natural gas pipelines, and natural gas storage facilities in Massachusetts, to ensure that they contribute to a "reliable energy supply for the Commonwealth with a minimum impact on the environment at the lowest possible cost." G.L. c. 164, § 69H. The Siting Board is staffed by members of the DTE's Siting Division; the DTE Chairman serves as Chairman of the Siting Board.

The Siting Board's primary mission in 2000 was reviewing in a timely and thorough fashion the unprecedented number of proposals to construct new power plants filed in response to the restructuring of the electric industry. This year, the Siting Board issued decisions approving the construction of power plants in Bellingham, Weymouth, Medway, Brockton, Dracut and Cambridge. Construction and operation of these new natural gas-fired plants will significantly enhance the capacity available to meet electric demand and reduce the Commonwealth's dependence on older, oil- and coal-burning power plants. In addition, the Siting Board held hearings on a proposal to expand generating facilities at Canal Station in Sandwich, and anticipates issuing a decision on this proposal early in 2001. As the review of the initial round of power plant proposals draws to completion, the Siting Board anticipates an increasing number of petitions to construct natural gas pipelines and electric transmission lines to support the new plants and the regional transmission grid. The Siting Board currently is reviewing one electric interconnection and two gas interconnection proposals, and is participating in the federal review of the Maritimes and Northeast Phase II/Hubline project, which would bring natural gas from Canada to northeastern and southeastern Massachusetts.

The Siting Division also reviews certain Department matters, delegated to it by the Department Chairman, including requests for exemptions from local zoning ordinances, requests for eminent domain, and requests for permission to construct transmission lines which do not fall under Siting Board jurisdiction. In 2000, the Department granted one zoning exemption (for the construction of a gas compressor station) and approved construction of one transmission line.

## Transportation Division

The Transportation Division regulates the rates and practices of common carriers used to transport merchandise and people, including, trucks, railways, buses, household moving companies, towing companies and hazardous waste. In addition, the Division licenses all Massachusetts-based motor bus companies. The Division investigates and may hold fitness hearings after a consumer complaint, a driving violation, or an accident involving a common carrier. Undoubtedly the most critical function of the Division is public safety. The other major responsibility of the Division is consumer protection.

Although no assessments are levied against regulated common carriers, these companies are subject to fees for services such as licensure, inspection, and examination. These revenues are not retained by the Department, but are deposited directly into the Commonwealth's General Fund. The Transportation Division is funded solely by appropriations from the General Fund.

### Critical Public Safety Functions

The Division licenses all school bus drivers in Massachusetts after (1) reviewing a physician's exam, (2) evaluating driving records, (3) performing a criminal record check, and (4) administering a three-part driving test. The Division works with the Registry of Motor Vehicles and the industry to set standards for school bus driver and other commercial driver training and qualifications. The Division issues both School Bus Driver Certificates and Motor Bus Driver Certificates. Over 1,850 new driver certificates were issued during 2000. Ensuring a cadre of reliable school bus drivers is essential to children's safety.

### On-site School Bus Compliance Reviews

In cooperation with the State Police, Transportation Division staff perform periodic, random compliance reviews of school buses. The reviews are conducted on-site, at schools and are arranged so as not to interfere with the school day. Division staff review the driver's license and certification while a state police officer conducts a safety examination of the bus.

During calendar year 2000, two blocks of compliance reviews were performed:

|         | Companies | Drivers | Violations Identified | Equipment Violations |
|---------|-----------|---------|-----------------------|----------------------|
| June    | 26        | 183     | 7                     | 15                   |
| October | 37        | 295     | 22                    | 37                   |
| Total   | 63        | 478     | 29                    | 52                   |

State statute specifies the Department as the oversight agency responsible for the safety of equipment and operations of all transit authorities in Massachusetts. The Division has performed more than 3,300 bus safety inspections during 2000. The inspections include transit bus inspections, motor coach inspections and sightseeing vehicle inspections.

Under authority delegated by the Federal Railroad Administration and as required by M.G.L. c. 160, the Transportation Division performs highway/railroad grade crossing signal system inspections. This year the Division performed 865 inspections to ensure compliance with FRA regulations and resultant public safety.

The Federal Transit Administration (“FTA”) requires that states oversee the safety and security of Rail Fixed Guideway Systems. The MBTA is the only Massachusetts transit authority which operates a rail fixed guideway system. As required by M.G.L. c. 161A, § 3(i), the Division oversees the safety and security program plans of the MBTA, the sixth largest transit authority in the United States, and monitors compliance with the Department’s safety and security program standard. While other states with smaller transit authorities states may dedicate an entire regulatory division to overseeing the transit authority, MBTA oversight is but one responsibility of the Transportation Division. A random inspection of MBTA subway cars is a component of this oversight program. During 2000, the Division completed 350 MBTA subway car inspections and 120 transit audits.

Licensing

The Division conducted the following number of hearings to issue operating authority:

|                  |     |
|------------------|-----|
| Bus Companies    | 45  |
| Tow Companies    | 81  |
| Household Movers | 42  |
| Hazardous Waste  | 1   |
| -----            |     |
| Total            | 169 |

School Bus Driver Certificates and Motor Bus Driver Certificates

In accordance with the provisions of M. G.L. c. 90, § 8A and M.G.L. c. 159A, § 9 the Transportation Division issues both School Bus Driver Certificates and Motor Bus Driver Certificates. The totals for 2000 are as follows:

New School Bus Driver Certificates: 1310

New Motor Bus Driver Certificates: 1275

---

|        |      |
|--------|------|
| Total: | 2585 |
|--------|------|

Consumer Complaint Investigations

Tow Companies: 54

Number of complaints resulting in a refund: 31

Total dollars refunded: \$2,942.25

Average refund ( $\$2,942.25 \div 31$ ) = \$94.91

Moving Companies: 62  
Number of complaints resulting in a refund: 47  
Total dollars refunded: \$11,649.53  
Average refund ( $\$11,649.53 \div 47$ ) = \$247.86

Disciplinary Hearings  
Bus Companies: 31  
Tow companies/moving companies: 92

---

Total: 123

The Transportation Division works cooperatively with the following Massachusetts Trade Groups:

State Trade Groups

STA - Statewide Towing Association (petitions DTE for rate relief regarding police ordered tow rates). The maximum rate is established by DTE.

AIB - Automobile Insurance Bureau (sometimes intervenes in tow rate cases on behalf of auto insurance industry).

STAM - School Transportation Association of Massachusetts (represents school bus industry in Massachusetts). The Transportation Division licenses all school bus drivers in Massachusetts. We work with STAM regarding training programs for drivers and school bus company personnel.

NEBTA - New England Bus Transportation Association (represents motor bus industry in Massachusetts). All Massachusetts-based motor bus companies must be licensed by DTE. Sometimes intervenes on behalf of a member at license hearings.

Federal Agencies

DOT- Dept. of Transportation, Office of Motor Carriers (cooperates on safety audits of Massachusetts-based motor bus companies). Provides guidance regarding federal safety regulations and commercial driver qualifications.

FTA - Federal Transit Administration (published rules which mandate a state oversight program of a subway system, MBTA). DTE is the oversight agency for the MBTA subway operations and the state oversight agency for all 15 transit agencies in Massachusetts.

FRA - Federal Railroad Administration (DTE is mandated by statute to ensure all highway/railroad grade crossing protection systems operate in accordance with FRA regulations.)

### **Management Information Systems/ The Computer Services Division**

The Management Information Systems Division worked with the other Divisions to develop a more consumer-friendly web page. The Department's website address is: [www.state.ma.us/dpu](http://www.state.ma.us/dpu) . The Division entered into several partnerships within the Executive Office of Consumer Affairs and Business Regulation, as well as other state agencies, to improve consumer offerings.

The Department's website has standardized its visual appeal by placing a standard banner on each and every web page on the site. A search engine was added with keyword searching so that consumers may find information by topic. The "Enhanced Fileroom" allows for easier navigation of the information via actual databases.

Consumers may now browse, search, and download files pertaining to: dockets, orders, filings, public hearings, electric and telecommunications companies licensed to do business within Massachusetts, and Massachusetts area codes by city or town. Additional changes for the benefit of consumers include: a more comprehensive list of municipal annual returns; a more detailed consumer services web page for registering utility industry complaints; and the expanded "helpful links" section. Each division is now represented on the web site. In the coming year, the MIS Division hopes to expand the Department's e-commerce options by including bus and truck complaint information.

***APPENDIX D***  
***Orders Issued 2000***

| <i>Docket</i> | <i>Title</i>  | <i>UTILITY</i> |
|---------------|---|----------------|
| 00-10         | Appeal to the Department by the Town of Stoneham, pursuant to G.L. C. 166A, § 2 of the Cable Television's MediaOne of Massachusetts, Inc., et al, Y-99 INC. Agawam et al., Supplemental Rate Order, issued on December 30, 1999. ****   | TELECOMM       |
| 00-101        | Investigation by the Department of Telecommunications and Energy of Verizon-Massachusetts Sixth Annual Price Cap Compliance Filing, filed with the Department on October 2, 2000 tariff revisions to M.D.T.E. No. 10 to become effective  | TELECOMM       |
| 00-109        | Petition of Massachusetts Electric Company for approval of a rate reconciliation and adjustment filing.   | ELECTRIC       |
| 00-12         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 1 through 34, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Bay State Gas Company  | GAS            |
| 00-13         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 273 and 274, filed with the Department on February 28, 2000 to become effective April 1, 2000 by The Berkshire Gas Company.  | GAS            |
| 00-14         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariff: M.D.T.E. No. 65, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Blackstone Gas Company.  | RATES          |
| 00-15         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 1137 through 1155, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Boston Gas Company.   | GAS            |
| 00-16         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 280, 281, 282, 285, 286, 287 and 288, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Colonial Gas Company.  | GAS            |
| 00-17         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 279 and 280, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Commonwealth Gas Company.   | GAS            |
| 00-18         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 315 through 329, filed with the Department on February 28, 2000 to become effective April 1, 2000 by Essex Gas   | GAS            |
| 00-19         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 253 through 271, filed with the Department on March 7, 2000 to become effective April 1, 2000 by Fall River Gas  | GAS            |
| 00-20         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 86 through 96, filed with the Department on February 25, 2000 to become effective April 1, 2000 by Fitchburg Gas and Electric Light Company.   | GAS            |
| 00-21         | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 154 and 155, filed with the Department on February 28, 2000 to become effective April 1, 2000 by North Attleboro Gas Company.  | GAS            |
| 00-22         | Adjudicatory proceeding regarding the complaint of Sherrin Gallagher relative to the services provided by AT&T Communications of New England, Inc.  | CONS ADJ       |
| 00-22-2       | Adjudicatory proceeding in the matter of complaint of Ru-Hong Terajewicz relative to the services provided by MCI WorldCom.   | CONS ADJ       |
| 00-22-3       | Adjudicatory proceeding in the matter of complaint of Marcia MacMillan relative to the services provided by Sprint Communications Company.  | CONS ADJ       |
| 00-23         | Assessments applied to selected utility companies owning or having entitlements to electric power from certain nuclear generating facilities inside and outside of Massachusetts for the purpose of reimbursing the Commonwealth for expenditures incurred by the Massachusetts Energy Management Agency related to such facilities pursuant to Section 2 of Chapter 127 of the Acts of 1999. | ELECTRIC       |



|       |  |             |
|-------|--|-------------|
| 00-24 | Petition of Boston Gas Company, pursuant to G.L. C. 40A, §§ 3, for exemption from the zoning by-laws of the Town of Danvers for the purpose of constructing and operating a meter/regulation station for public use.   | SITING/DTE  |
| 00-25 | Joint Petition of Fall River Gas Company for approval of Merger, pursuant to G.L. C. 164, § 96.  | GAS         |
| 00-26 | Joint Petition of North Attleboro Gas Company, Providence Energy Corporation and Southern Union Company, for approval of Merger, pursuant to G.L. C. 164, § 96.  | GAS         |
| 00-34 | Petition of Maritimes & Northeast Pipeline, L.L.C., for approval by the Department of Telecommunications and Energy to grant it the authority to enter upon land owned by various persons, entities or corporations in the Towns of Methuen, Boxford, North Andover, Middleton and Danvers, and the Cities of Haverhill, Peabody and Salem in Essex County, as well as in Town of North Reading in Middlesex County, Massachusetts, for the purpose of making a survey preliminary to an application to the Federal Energy Regulatory Commission for the construction of a natural gas pipeline and appurtenant facilities, pursuant to Massachusetts General Laws, Chapter 164, §§ 72A and 75D. | SITING/DTE  |
| 00-35 | Petition of Richmond Telephone Company for an Advisory Ruling that approval of the Department of Telecommunications and Energy is not required for Richmond Telephone Company to Execute a Guarantee of Bank Loans.  | TELECOMM    |
| 00-36 | Petition of The Berkshire Gas Company pursuant to G.L. Chapter 164, Section 14, for approval and authorization to issue and sell a promissory note or notes on a negotiated basis in the aggregate principal amount of up to \$5,600,000, to be sold at par and for such other action or relief as may be deemed necessary or appropriate in connection with the   | GAS         |
| 00-37 | Petition of Massachusetts Electric Company, pursuant to Massachusetts G.L. C. 164, § 34A (d) for approval by the Department of Telecommunications and Energy to resolve a legal dispute relating to the conversion of streetlight equipment by the City of Haverhill.  | ELECTRIC    |
| 00-38 | Investigation by the Department of Telecommunications and Energy on its own motion to amend 220 C.M.R. § 151.00 et seq., Rail Fixed Guideway System of the Massachusetts Bay Transportation Authority.   | TRANSPORTAT |
| 00-39 | Rulemaking by the Department of Telecommunications and Energy, pursuant to 220 CMR §§ 2.00 et seq. To promulgate rules and regulations governing and expedited dispute resolution process for complaints involving competing telecommunications carriers as 220 C.M.R. §§ 15.00 et seq.  | TELECOMM    |
| 00-43 | Joint petition of Massachusetts-American Water Company and the Salisbury Water Supply Company for approval to enter into a financial services agreement with American Water Works Financing Corporation.   | WATER       |
| 00-45 | Petition of Massachusetts Electric Company and Nantucket Electric Company for modifications to their Rate for Default Service.   | ELECTRIC    |
| 00-47 | Petition of Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury and Yarmouth and Counties of Barnstable and Dukes, acting together as the Cape Light Compact, for review and approval of their Aggregation Plan and electric supply agreement, pursuant to G.L. C. 164, § 134.  | ELECTRIC    |
| 00-48 | Petition of Fitchburg Gas and Electric Light Company for approval of its Gas Energy Efficiency Program Plan for the Period 2000 to 2003.   | ELECTRIC    |
| 00-49 | Petition for appeal of the City of Cambridge v. MediaOne of Massachusetts, Inc., MediaOne Group, Inc. And AT&T Corp., pursuant to G.L. C. 164A, § 2, for approval to modify the Cable Television's order on Motion for Summary Decision/Consolidation in CTV Docket 99-4, issued May 1, 2000.  | TELECOMM    |
| 00-50 | Joint petition for Appeal of MediaOne of Ohio, Inc., MediaOne Group, Inc. And AT&T Corp. V. Mayor of the City of Somerville, pursuant to G.L. C. 166A, § 2 for approval to modify the Cable Television's order on Motions for Summary Decision/Consolidation in CTV Docket 99-5, issued on May 1, 2000.  | TELECOMM    |
| 00-51 | Joint petition for Appeal of MediaOne of Massachusetts, Inc., MediaOne Group, Inc. And AT&T Corp., v. City Manager of the City of Cambridge, pursuant to G.L. C. 166A, § 2, as amended, for approval to Modify the Cable Television's Order on Motions for Summary Decision/Consolidation in CTV Docket 99-4, issued on May 1, 2000. PARTIES REACHED SETTLEMENT DECISION.  | TELECOMM    |

|       |   |          |
|-------|---|----------|
| 00-53 | Application of New England Power Company for authorization and approval of (1) extensions of the authority to issue not exceeding \$300 million of new long term debt, which may be in the form of bonds, notes, or debentures, (2) long term debt, pursuant to one or more loan agreements or supplemental loan agreements in connection with the refunding of pollution control revenue bonds, and (3) an exemption from the provisions of Section 15 of Chapter 164 of the General Laws. | ELECTRIC |
| 00-54 | Petition of Sprint Communications Company L.P., for an arbitration award of interconnection rates, terms and conditions, pursuant to 47 U.S.C. § 252(b) and related arrangement with Bell Atlantic-Massachusetts, Inc.  | TELECOMM |
| 00-58 | Petition of the Statewide Emergency Telecommunications Board requesting approval from the Department of Telecommunications and Energy for expenditures in excess of \$500,000 for calendar year 2000. Per the Stature, any changes regarding the provision of Enhanced 9-1-1 service "that would result in aggregate expenditures of five hundred thousand dollars or more in a calendar year by a telephone company shall require approval of the department of public utilities."         | TELECOMM |
| 00-59 | Investigation by the Department into the offer of settlement regarding the provision of optional Enhanced Metering, Interval Data, and Billing and Rate Data Services by Massachusetts Electric Company and Nantucket Electric Company.   | ELECTRIC |
| 00-62 | Application of Boston Edison Company for approval of the issuance from time to time of long-term debt securities in an amount not to exceed \$500,000,000.  | RATES    |
| 00-64 | Petition of NeuStar, Inc., in its role as the North American Numbering Plan Administrator ("NANPA") and acting on behalf of the Massachusetts telecommunications industry, for approval by the Department of Telecommunications and Energy for an all-services  | TELECOMM |
| 00-66 | Petition of Fitchburg Gas and Electric Light Company to apply the fuel adjustment under M.D.T.E. No. 44.  | ELECTRIC |
| 00-67 | Petition of Massachusetts Electric Company and Nantucket Electric Company for approval to increase the Standard Offer Service Rate.   | ELECTRIC |
| 00-68 | Joint Petition of Western Massachusetts Electric Company, New England Power Company and Fitchburg Gas and Electric Light Company for approval of Asset  | ELECTRIC |
| 00-7  | Petition of Nantucket Electric Company for approval by the Department of Telecommunications and Energy of a Cable Surcharge to become effective on January 1, 2001.   | ELECTRIC |
| 00-70 | Petition of Boston Edison Company, Cambridge electric Light Company and Commonwealth Electric Company for an approval to implement a Standard Offer Fuel Index Adjustment.  | ELECTRIC |
| 00-82 | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 932 through 946, filed with the Department on November 2, 2000 to become effective January 1, 2001 by Boston Edison Company.   | ELECTRIC |
| 00-83 | Petition of Cambridge Electric Light Company and Commonwealth Electric Company requesting approval of their Transition Charge Reconciliation filing, together with proposed Transition Charges for Cambridge and Commonwealth, pursuant to G.L. c. 164, § 1A(a) and 220 C.M.R. 11.03(4)(e), filed with the Department on November 13, 2000 for effect January 1, 2001.  | ELECTRIC |
| 00-85 | Application of Bay State Gas Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed operating budget and applicable monthly surcharge for the Residential Energy Conservation Service Program for calendar year 2001 (January 1, 2001 through December 31, 2001).   | GAS      |
| 00-86 | Application of Berkshire Gas Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed operating budget and applicable monthly surcharge for the Residential Energy Conservation Service Program for calendar year 2001 (January 1, 2001 through December 31, 2001).   | GAS      |
| 00-87 | Application of Blackstone Gas Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10, and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed operating budget and monthly surcharge for the Residential Energy Conservation Service Program for the period of January 1, 2001 through December 31, 2001.   | GAS      |
| 00-88 | Application of Boston Gas Company, Essex Gas Company and Colonial Gas Company,  | GAS      |

pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ et seq., for approval by the Department of Telecommunications and Energy of the Companies' proposed surcharge for the Residential Energy Conservation Service Programs for the calendar year 2001 (January 1, 2001 through December 31, 2001).

|                 |  |          |
|-----------------|--|----------|
| 00-90           | Application of Fall River Gas Company, pursuant to G.L. C.164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed surcharge for the Residential Energy Conservation Service Program for Calendar year 2001 (January 1, 2001 through December 31, 2001)   | GAS      |
| 00-91           | Application of Fitchburg Gas and Electric Light Company, pursuant to G.L. C. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy for the Residential Energy conservation Service Program for calendar year 2001 (January 1, 2001 through December 31, 2001).   | ELECTRIC |
| 00-92           | Application of Massachusetts Electric Company and Nantucket Electric Company, pursuant to G.L. c. 164 App., 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Companies' proposed surcharge for the Residential Energy Conservation Service Program for the Calendar year 2001 (January 1, 2001 through December 31, 2001).  | ELECTRIC |
| 00-93           | Application of Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company (Nstar Electric Companies), pursuant to G.L. C. 164 App., 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Companies' proposed operating budget and applicable monthly surcharge for the Residential Energy Conservation service Program for calendar year 2001 (January 1, 2001 through December 31, 2001).   | ELECTRIC |
| 00-94           | Application of Commonwealth Gas Company (NStar Gas Company) pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed operating budget and applicable monthly surcharge for the Residential Energy Conservation Service Program for calendar year 2001 (January 1, 2001 through December 31, 2001).  | GAS      |
| 00-95           | Application of North Attleboro Gas Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed surcharge for the Residential Energy Conservation Service Program for the calendar year 2001 (January 1, 2001 through December 31, 2001).  | GAS      |
| 00-96           | Application of Western Massachusetts Electric Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed surcharge for the Residential energy Conservation service Program for the Calender year 2001 (January 1, 2001 through December 31, 2001).  | ELECTRIC |
| 00-AD-2         | Adjudicatory hearing in the matter of complaint of Santino Ferrante relative to the rates and charges for electricity sold by Cambridge Electric Light Company.  | CONS ADJ |
| 94-185-E        | Investigation by the Department on its own motion IntraLATA and Local Exchange Competition in Massachusetts.   | TELECOMM |
| 95-2C-1         | Application of Cambridge Electric Light Company: (1) under the provisions of G.L. c. 164, § 94G and the Company's tariff, M.D.P.U. No. 542B, for approval by the Department of Public Utilities of a change in the quarterly fuel charge to be billed to the Company's customers pursuant to meter readings in the billing months of October, November and December, 1995; and (2) for approval by the Department of rates to be paid to Qualifying Facilities for purchase of power pursuant to 220 C.M.R. § 8.00 et seq. (3) under the provisions of G.L. c. 164, § 94G for approval by the Department of the actual unit by unit and system performance of the Company with respect to each target set forth in the Company's approval performance program. | ELECTRIC |
| 95-2C-1/95-3C-1 |  | ELECTRIC |
| 95-3C-1         | Application of Commonwealth Electric Company: (1) under the provisions of G.L. c. 164, § 94G and the Company's tariff, M.D.P.U. No. 275, for approval by the Department of Public Utilities of a change in the quarterly fuel charge to be billed to the Company's customers pursuant to meter readings in the billing months of October, November and December 1995; and (2) for approval by the Department of rates to be paid to Qualifying Facilities for purchase of power pursuant to 220 C.M.R. §§ 8.00 et seq. and (3) under the provisions of G.L. c. 164, § 94G for approval by the Department of the actual unit by unit and system performance of the Company with respect to each target set forth in the   | ELECTRIC |

|                 |  |          |
|-----------------|--|----------|
|                 | Company's approved performance program.  |          |
| 96-117          | Petition of Commonwealth Gas Company, pursuant to G.L. c. 164, §§ 69(i) et seq., of its Load Forecast and Resource Plan for the five-year period November 1, 1996 through October 31, 2001; also submitted on behalf of the Hopkinton LNG Corp. is its Load Forecast and Resource Plan.  | GAS      |
| 96-1A-1         | Application of Boston Edison Company, under the provisions of G.L. c 164, § 94G, for review by the Department of the performance of the Company's generating units for the period of November 1, 1994 through October 31, 1995.  | ELECTRIC |
| 96-2C-1         | Application also is made under the provision of G.L. c. 164 § 94G, as amended for approval by the Department of the actual unit by unit and system performance of Cambridge Electric Light Company with respect to each target set forth in Cambridge Electric Light Company's approved performance program for the performance year   | ELECTRIC |
| 96-2C-1/96-3C-1 |  | ELECTRIC |
| 96-3C-1         | Application also is made under the provisions of G.L. c. 164, § 94G, as amended, for approval by the Department of the actual unit by unit and system performance of Commonwealth Electric Company with respect to each target set forth in Commonwealth Electric Company's approved performance program for the performance year 1995-1996.   | ELECTRIC |
| 96-73           | Petition of Teleport Communications-Boston for arbitration, pursuant to § 252(b) of the Telecommunications Act of 1996 to establish an interconnection agreement with New England Telephone Company.   | TELECOMM |
| 96-73 ET AL     |  | TELECOMM |
| 96-73 OSS/NRC   | FINAL ORDER 12/19/2000   | TELECOMM |
| 96-8C-1         | Application of Western Massachusetts Electric Company under the provisions of G.L. c. 164, § 94G for approval by the Department of Public Utilities of the actual unit by unit and system performance of the Company with respect to each target set forth in the Company's approved performance programs for the performance periods between June 1, 1993 and May 31, 1996.   | ELECTRIC |
| 96-AD-11        | Adjudicatory hearing in the matter of the complaint of Carol Lee Corbett, relative to the rates and charges for gas sold by Boston Gas Company.  | CONS ADJ |
| 96-AD-2         | Adjudicatory hearing in the matter of complaint of Thomas P. Andrews relative to the rates and charges for electricity sold by Commonwealth Electric Company.  | CONS ADJ |
| 96-AD-9         | Adjudicatory hearing request by NYNEX in the matter of complaint of Cynthia Cobham protesting the rates and charges for telephone service sold by said Company.  | CONS ADJ |
| 97-116          | Complaint of MFS Intelenet of Massachusetts, Inc. against New England Telephone and Telegraph Company d/b/a NYNEX for breach of interconnection terms, and request for immediate relief.   | TELECOMM |
| 97-116-E        | Complaint of MCI WorldCom, Inc., against New England Telephone and Telegraph Company d/b/a/ Bell Atlantic-Masachusetts for breach of interconnection terms entered into under Section 251 and 252 of the Telecommunications Act of 1996.   | TELECOMM |
| 97-120          | Petition of Western Massachusetts Electric Company, pursuant to General Laws, Chapter 164 and 220 C.M.R. §§ 1.00 et seq. for review of its electric industry restructuring plan.   | ELECTRIC |
| 97-120 PHASE II |  | ELECTRIC |
| 97-2C-1         | Application of Cambridge Electric Light Company, under the provisions of G.L. c. 164, § 94G, as amended by St. 1981, c. 375 and the Company's tariff, M.D.P.U. No. 549, for approval by the Department of Public Utilities of a change in the Fuel Charge to be billed to the Company's customers pursuant to meter readings in the billing months of October, November and December, 1997.  | ELECTRIC |
|                 | Application is also made by Cambridge Electric Light Company for approval by the Department of rates to be paid to Qualifying Facilities for purchases of power, pursuant to 220 C.M.R. 8.00 and M.D.P.U. No. 404. The rules established in 220 C.M.R. 8.00 set forth the filings to be made by utilities with the Department, and implement the intent of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. |          |
| 97-2C-1/97-3C-1 |  | ELECTRIC |
| 97-3C-1         | Application is also made by Commonwealth Electric Company for approval by the Department of rates to be paid to Qualifying Facilities for purchase of power, pursuant to 220 C.M.R. 8.00 and M.D.P.U. No. 251. The rules established in 220 C.M.R. 8.00 set forth the filings to be made by utilities with the Department, and implement the intent of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978.     | ELECTRIC |
| 97-81           | Petition of Boston Gas Company and Massachusetts LNG, Inc., pursuant to the  | GAS      |

|                |   |             |
|----------------|---|-------------|
|                | requirements set forth in § 69I of Chapter 164 of the Massachusetts General Laws for approval of their 1997 Long-Range Resource and Requirements Plan for the five-year period beginning November, 1997 through October, 2002.  |             |
| 97-88/97-18-B  | Public Access Smart Lines. Cost of service study.   | TELECOMM    |
| 97-8C-1        | Application of Western Massachusetts Electric Company, under the provisions of G.L. c. 164, § 94G for approval by the Department of Public Utilities of the actual unit by unit and system performance of the Company with respect to each target set forth in the Company's approved performance programs for the performance periods between June 1, 1996 and May 31, 1997. | ELECTRIC    |
| 97-91          | Petition of Eastern Edison Company for approval of a five-year Energy Efficiency Plan covering the period 1998-2002.  | ELECTRIC    |
| 97-97-B        | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.P.U. Nos. 436 through 464, filed with the Department on October 10, 1997 to become effective November 1, 1997 by Bay State Gas Company.  | GAS         |
| 97-TD-1        | Appeal of transfer of Certificate Number 16396 from Park Drive Garage a/k/a Buddy's, Inc. to Park Drive Towing, Inc.  | TRANSPORTAT |
| 98-100         | Investigation by the Department of Telecommunications and Energy on its own motion to establish methods and procedures to ensure that energy efficiency and Demand Side Management activities are delivered by electric distribution companies and natural gas local distribution companies in a cost-effective manner.   | ELECTRIC    |
| 98-111         | Petition of Boston Edison Company's 1998 Transition Charge True-up, filed with the Department of Telecommunications and Energy, pursuant to Section V.E. of the Restructuring Settlement Agreement, filed with and approved by the Department in DPU/DTE 96-23.   | ELECTRIC    |
| 98-116         | Complaint of Global NAPs, Inc., against New England Telephone and Telegraph Company d/b/a Bell Atlantic Massachusetts regarding provisioning of Dark Fiber.   | TELECOMM    |
| 98-1A-1        | Application of Boston Edison Company under provisions of G.L. c. 164, § 94G, for review by the Department of Telecommunications and Energy of the Performance of the Company's generating units for the period of November 1, 1995 through October 31, 1996.  | ELECTRIC    |
| 98-28          | Application of Western Massachusetts Electric Company, under the provisions of G.L. c. 164, § 94G for approval by the Department of Telecommunications and Energy of the Company's annual performance program relating to fuel procurement and use for the period June 1998 - May 1999. Stamp Approval Letter 5/14/98.  | ELECTRIC    |
| 98-2C/3C-1     | Petition of Cambridge Electric Light Company and Commonwealth Electric Company for approval of the Companies' Generating Unit Performance Program results for the period July 1, 1997 through February 28, 1998.  | ELECTRIC    |
| 98-32-D        | Investigation by the Department of Telecommunications and Energy into the Model Terms and Conditions concerning capacity assignment, peaking service and default service submitted on November 3, 1999 by the ten investor-owned natural gas local distribution companies.  | GAS         |
| 98-32-E        | Rulemaking, pursuant to G.L. C. 164, and c. 25, to establish rules governing the unbundling of services related to the provision of natural gas.  | GAS         |
| 98-36          | Order instituting rulemaking to establish complaint and enforcement procedures to ensure that telecommunications carriers and cable system operators have non-discriminatory access to utility poles, ducts, conduits, and rights-of-way.   | TELECOMM    |
| 98-48/49       |   | ELECTRIC    |
| 98-48/49 PHASE | Petition of Fitchburg Gas and Electric Light Company for approval by the Department of Telecommunications and Energy, pursuant to 220 C.M.R. § 1.06 (5), of its Low Income Gas Conservation/Education Program.  | ELECTRIC    |
| 98-57          | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 14 and 17, filed with the Department on April 2, 1999, to become effective May 2, 1999, by New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts.  | TELECOMM    |
| 98-57 PHASE II | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 14 and 17, filed with the Department on August 27, 1999, to become effective September 27, 1999, by New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts.   | TELECOMM    |
| 98-86          | Application of Bay State Gas Company for review and approval by the Department of Telecommunications and Energy of the Company's Long Range Forecast and Supply Plan,   | GAS         |

|          |   |          |
|----------|---|----------|
| 98-8C-1  | pursuant to the provisions of G.L. c. 164, § 69I and regulations promulgated thereunder.<br>Petition of Western Massachusetts Electric Company for approval of its annual performance program results for the twelve-month period ending May 31, 1998.  | ELECTRIC |
| 98-90    | Petition of Colonial Gas Company for approval of its Long-Range Forecast and Resource Plan for the five-year period November 1, 1998 through October 31, 2003.  | GAS      |
| 98-95    | Petition of Colonial Gas Company requesting approval from the Department of the recovery of lost margins resulting from Demand Side Management Programs for the period May, 1997 through April, 1998.   | GAS      |
| 98-AD-9  | Adjudicatory hearing in the matter of complaint of Christel Richard, relative to the rates and charges for telephone services sold by Bell Atlantic-Massachusetts (formerly   | CONS ADJ |
| 99-101   | Petition of Western Massachusetts Electric Company for approval by the Department of Telecommunications and Energy of their Termination Agreement with MASSPOWER.   | ELECTRIC |
| 99-102   | Investigation by the Department of Telecommunications and Energy of Bell Atlantic-Massachusetts Fifth Annual Price Cap Compliance filing, filed with the Department on November 17, 1999 tariff revisions to M.D.T.E. No 10 to become   | TELECOMM |
| 99-105   | Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariff: M.D.T.E. No. 10, part A, section 5, original of Page 1.1, filed with the Department on November 1, 1999 to become effective December 1, 1999 by New England Telephone and Telegraph Company d/b/a Bell  | TELECOMM |
| 99-106   | Petition of Eastern Edison Company for approval by the Department of Telecommunications and Energy of their compliance filing designed to meet the 15 percent rate reduction required under the Restructuring Act for rates in effect January 1, 2000.  | ELECTRIC |
| 99-107   | Petition of Boston Edison Company's 1999 Transition Charge True-Up, filed with the Department of Telecommunications and Energy, pursuant to Section V.E. of the Restructuring Settlement Agreement, filed with and approved by the Department in D.P.U./D.T.E. 96-23.   | ELECTRIC |
| 99-109   | Complaint of 32 customers of Bell Atlantic, pursuant to Section 24 of G.L. c. 159, to expand the primary calling area of Somerville, Massachusetts.   | TELECOMM |
| 99-11    | Petition of Lockheed Martin IMS, the North American Numbering Plan Administrator, for area code relief for the 508, 617, 781, and 978 area codes in Eastern Massachusetts.  | TELECOMM |
| 99-110   | Petition of Fitchburg Gas & Electric Light Company for approval by the Department of Telecommunications and Energy of their Electric Reconciliation Mechanism and Inflation Adjustment filing.  | ELECTRIC |
| 99-111   | Petition of Massachusetts Electric Company and Nantucket Electric Company for approval by the Department of Telecommunications and Energy of their Rate Adjustments to become effective for usage on and after January 1, 2000. The price adjustments affect their prices for standard service, transmission service, demand side management, renewables, the transition charge and Massachusetts Electric's temporary distribution | ELECTRIC |
| 99-112   | Petition of Commonwealth Gas Company for approval by the Department of Telecommunications and Energy of their Gas Resource Portfolio Changes.STAMPED APPROVED LETTER 6/2/2000.  | GAS      |
| 99-116   | Petition of The Berkshire Gas Company for authorization by the Department of Telecommunications and Energy to carry on its business in the Town of Sunderland, Massachusetts, pursuant to G.L. C. 164, Sec. 30.   | GAS      |
| 99-15    | Submission by Cambridge Electric Light Company and Commonwealth Electric Company, for approval by the Department of Telecommunications and Energy of an amended and restated Power Sales Contract between Southern Energy Canal, L.L.C. and Cambridge Electric Light Company and Commonwealth Electric Company, pursuant to G.L. c. 164, § 94A.   | ELECTRIC |
| 99-26    | Petition of the Fall River Gas Company for approval of forecast and Supply Plan, pursuant to G.L. c. 164, § 69I.  | GAS      |
| 99-271   | Inquiry by the Department of Telecommunications and Energy, pursuant to Section 271 of the Telecommunications Act of 1996 into the Compliance filing of New England Telephone and Telegraph Company d/b/a Bell Atlantic-Masachusetts as part of its application to the Federal Communications Commission for entry into the in-region, interLATA (long distance) telephone market.  | TELECOMM |
| 99-42/43 | Petitions of MediaOne Telecommunications of Massachusetts, Inc. and New England Telephone and Telegraph d/b/a Bell Atlantic-Massachusetts for arbitration, pursuant to Section 252 (b) of the Telecommunications Act of 1996 to establish an interconnection agreement.   | TELECOMM |

|          |   |             |
|----------|---|-------------|
| 99-47    | Joint Petition of Massachusetts Electric Company and New England Power Company, subsidiaries of New England Electric System and Eastern Edison Company, subsidiaries of Eastern Utilities Associates for approval by the Department of Telecommunications and Energy of Eastern Edison Company's merger into Massachusetts Electric Company and other related approvals, pursuant to G.L. c. 164, §§ 9A, 14, 15, 15A, 16, 17A, 18, 21, 94, 96 and 99. | ELECTRIC    |
| 99-50    | Petition of Tennessee Gas Pipeline Company, pursuant to M.G.L. c. 40A, § 3, for exemption in particular respects from the Zoning By-Laws for the Town of Mendon, Massachusetts for the Eastern Express Project 2000.  | SITING/EFSB |
| 99-54    | Application of Western Massachusetts Electric Company, under the provisions of G.L. c. 164, § 94G(a), for approval by the Department of Telecommunications and Energy of the Company's annual performance program relating to fuel procurement and use.   | ELECTRIC    |
| 99-60    | Investigation by the Department of Telecommunications and Energy on its own Motion into the Pricing and Procurement of Default Service pursuant to G.L. c. 164, § 1B(d).  | ELECTRIC    |
| 99-61-20 | Adjudicatory proceeding in the matter of complaint of Robert Lima relative to the services provided by Qwest Communications, Inc.   | CONS ADJ    |
| 99-67    | Petition of Eastern Edison Company, pursuant to Massachusetts G.L. c. 164, § 9A, for approval by the Department of Telecommunications and Energy to transfer all outstanding securities of Montaup Electric Company to its parent, Eastern Utilities Associates, and for EUA to acquire the same from Eastern, thereby causing Montaup to become a wholly-owned, first-tier subsidiary of EUA.  | RATES AND   |
| 99-70    | Petition of New England Power Company and Massachusetts Electric Company for a determination by the Department under G.L. c. 164 § 72 that a proposed electric transmission line in the Town of Methuen is necessary and will serve the public convenience and be consistent with the public interest.  | SITING/EFSB |
| 99-71    | Petition of the Massachusetts Association of Information and Referral Services, Inc., and the Council of Massachusetts United Ways, acting in partnership for the public interest as the Mass 211 Task Force, requesting approval by the Department for assignment to the Task Force the telephone dialing code "211".  | TELECOMM    |
| 99-72    | Petition of Bay State Gas Company for approval by the Department of Telecommunications and Energy, to modify the Service Quality Index that was approved as part of Bay state's two-year rate plan Settlement and continued by the Department's Order approving Bay state' merger with NIPSCO Industries, Inc.  | GAS         |
| 99-74    | Petition of Western Massachusetts Electric Company for approval of Generation Asset Divestiture.  | ELECTRIC    |
| 99-78    | Petition of Boston Edison Company, pursuant to G.L. c. 164, § 94A, for approval by the Department of Telecommunications and Energy, for an Amended and Restated Power Sales Contract between Southern Energy Canal, L.L.C., and Boston Edison Company.  | ELECTRIC    |
| 99-82    | Petition of Colonial Gas Company requesting approval from the Department of Telecommunications and Energy for the recovery of certain lost margins associated with its Demand-side Management Programs for the period May, 1998 through April, 1999.  | GAS         |
| 99-87    | Complaint of NEVD of Massachusetts, LLC against New England Telephone and Telegraph Company, d/b/a Bell Atlantic-Massachusetts, pursuant to G.L. c. 166, § 25A and 220 CMR 45.00 et seq.  | TELECOMM    |
| 99-88    | Petition of Fall River Gas Company for approval of a Gas Sales Agreement between Distrigas of Massachusetts Corporation and Fall River Gas Company, pursuant to G.L. c. 164, § 94A.   | GAS         |
| 99-89    | Petition of Cambridge Electric Light Company and Commonwealth Electric Company for approval of Buydown of Power Contract with Canal Electric Company for Seabrook Unit No. 1 Power.   | ELECTRIC    |
| 99-8C-1  | Petition of Western Massachusetts Electric Company for approval of its annual performance program results for the twelve-month period ending May 31, 1999.  | ELECTRIC    |
| 99-90    | Petition of Cambridge Electric Light Company and Commonwealth Electric Company requesting approval of their Transition Charge Reconciliation Filing, together with proposed Transition Charges for Cambridge and Commonwealth, pursuant to G.L. c. 164, § 1A (a) and 220 C.M.R. 11.03 (4) (e).  | ELECTRIC    |
| 99-91    | Petition of the Massachusetts Municipal Wholesale Electric Company for authority, pursuant to c. 775 of the Acts of 1975, to issue refunding bonds in an amount not to exceed \$1,662,331,000.  | RATES       |

|            |   |             |
|------------|---|-------------|
| 99-92      | Petition of more than 20 residents of the Town of Royalston, MA, pursuant to G.L. c. 159, § 24 to extend their local calling area to include Fitzwilliam and Richmond, New  | TELECOMM    |
| 99-94-I    | Application of North Attleboro Gas Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Telecommunications and Energy of the Company's proposed surcharge for the Residential Energy Conservation Service Program for the calendar year 2000 (January 1, 2000 through December 31, 2000). North Attleboro Gas Company is a member utility of Mass-Save, Inc., which provides service on its behalf.                       | GAS         |
| 99-99      | Proceeding by the Department of Telecommunications and Energy to conduct mandatory thousands-block number pooling trials pursuant to the authority delegated by the Federal Communications Commission In the Matter of Massachusetts Department of Telecommunications and Energy's Petition for Waiver of Section 52.19 to Implement Various Area Code Conservation Methods in the 508, 617, 781, and 978 Area Codes, CC Docket No. 96-98, FCC 99-246, NDS File No. L-99-19 (September 15, 1999). | TELECOMM    |
| 99-AD-3    | Adjudicatory hearing in the matter of complaint of George Fichera, relative to the rates and charges for gas sold by Colonial Gas Company.  | CONS ADJ    |
| ADE Y-99   | FCC Forms 1205, 1210 and 1240 for the communities of Abington, Adams, Amesbury, Aquinnah, Bourne, Chesire, Clarksburg, Duxbury, Edgartown, Essex, Falmouth, Gloucester, Great Barrington, Halifax, Kingston, Lee, Lenox, Manchester, Marshfield, Merrimac, North Adams, Oak Bluffs, Pembroke, Plymouth, Plympton, Rockland, Rockport, Salisbury, Sandwich, Sheffield, Stockbridge INC EQU   | CABLE       |
| CAB Y-00   | FCC Forms 1240 & 1205 for the following communities Acton, Ashburnham, Ayer, Bedford, Belmont, Boston, Boxborough, Braintree, Brookline, Carlisle, Concord, Danvers, Fitchburg, Framingham, Gardner, Georgetown, Groveland, Haverhill, Hudson, Leominster, Lexington, Lincoln, Littleton, Lunenburg, Lynnfield, Maynard, Norwood, Peabody, Stow, Sudbury, Templeton, Townsend, Tyngsborough, Westford, Westminster, Westwood INC, EQU   | CABLE       |
| CAB Y-99   | FCC Form 1205, 1240 and 1235 for the communities of Acton, Ashburnham, Ayer, Bedford, Belmont, Boston, Boxborough, Braintree, Brookline, Carlisle, Concord, Danvers, Fitchburg, Framingham, Gardner, Georgetown, Groveland, Haverhill, Hudson, Leominster, Lexington, Lincoln, Littleton, Lunenburg, Lynnfield, Maynard, Norwood, Peabody, Stow, Sudbury, Templeton, Townsend, Tyngsborough, Westford, Westminster, Westwood. INC, EQU  | CABLE       |
| CHA Y-00   | FCC Form 1240 for the communities of Auburn, Boylston, Chicopee, Dudley, East Longmeadow, Easthampton, Grafton, Hampden, Holden, Leicester, Ludlow, Millbury, Northborough, Northbridge, Oxford, Paxton, Southampton, Southbridge, Southborough, Spencer, Sturbridge, West Boylston, West Brookfield, Westborough, Wilbraham and Worcester. INC   | CABLE       |
| COX Y99/00 | FCC Form 1210 for Holland Y-99 INC, EQU and Y-00 INC, EQU.  | CABLE       |
| CTV 00-1   | FCC Forms 1240 for the following communities Andover, Dracut, Middleton, North Reading, Waltham, Barnstable, Chatham, Dennis, Harwich, Nantucket and Yarmouth. For a 7/1/00 rate increase   | CABLE       |
| CTV 99-2   | MediaOne Group, Inc. MediaOne of Massachusetts, Inc., and AT&T Corp.'s Appeal from the Town of North Andover's conditional Approval of License Transfer.  | CABLE       |
| CTV 99-3   | MediaOne Group, Inc. MediaOne of Massachusetts, Inc., and AT&T Corp.'s Appeal from the City of Quincy's Conditional Approval of License Transfer.   | CABLE       |
| CTV 99-4   | MediaOne Group, Inc. MediaOne of Massachusetts, Inc., and AT&T Corp.'s Appeal from the City of Cambridge's Denial of License Transfer.  | Cable       |
| CTV 99-5   | MediaOne Group, Inc. MediaOne of Massachusetts, Inc., and AT&T Corp.'s Appeal from the City of Somerville's Denial of License Transfer.   | CABLE       |
| CTV 99-6   | MediaOne Group, Inc. MediaOne of Massachusetts, Inc., and AT&T Corp.'s Appeal from the City of Newton's Denial of License Transfer.   | CABLE       |
| EFSB97-5   | Petition of IDC Bellingham Project for approval to construct a Bulk Generating Facility and Ancillary Facilities, pursuant to G.L. c. 164, § 69 J.  | SITING/EFSB |
| EFSB99-1   | Petition of Brockton Power, LLC for approval to construct a 270 MW Bulk Generating Facility.  | SITING/EFSB |
| MO Y-99B   | FCC Form 1210, 1205 & 1240 for the following communities Acushnet, Agawam, Amherst, Andover, Ashland, Attleboro, Avon, Barnstable, Bellingham, Berkley, Bernardston, Beverly, Billerica, Blackstone, Boxford, Bridgewater, Brockton, Buckland, Burlington, Cambridge, Canton, Chatham, Chelmsford, Chelsea, Chester, Clinton,   | CABLE       |

Cohasset, Conway, Dartmouth, Dedham, Deerfield, Dennis, Dighton, Dover, Dracut, East  
Bridgewater, Eastham, Easton, Erving, Everett, Fairhaven, Fall River, Foxborough,  
Franklin, Freetown, Gill, Granby, Granville, Greenfield, Hamilton, Hanover, Hanson,  
Hardwick, Harwich, Hatfield, Hingham, Holbrook, Holliston, Holyoke, Hopedale,  
Hopkinton, Hull, Huntington, Ipswich, Lakeville, Lancaster, Lawrence, Longmeadow,  
Lowell, Lynn, Malden, Mansfield, Marblehead, Marion, Marlborough, Mattapoissett,  
Medfield, Medford, Medway, Melrose, Mendon, Methuen, Middleborough, Middleton,  
Milford, Millis, Milton, Monson, Montague, Nahant, Nantucket, Natick, Needham, New  
Bedford, Newbury, Norfolk, North, Andover, North Attleborough, North Reading,  
Northampton, Northfield, Norton, Norwell, Orleans, Palmer, Pelham, Phillipston, Plainville,  
Provincetown, Quincy, Randolph, Raynham, Reading, Rehoboth, Revere, Rochester,  
Rowley, Salem, Saugus, Scituate, Seekonk, Sharon, Shelburne, Sherborn, Somerset, South  
Hadley, Southwick, Springfield, Stoneham1(MO), Stoneham2(TW), Stoughton, Sunderland,  
Swampscott, Taunton, Tewksbury, Topsfield, Truro, Wakefield, Walpole, Waltham, Ware,  
Wareham, Warren, Watertown, , Wayland, Wellesley, Wellfleet, Wenham, West  
Bridgewater, West Newbury, West Springfield, Westfield, Westhampton, Weston,  
Weymouth, Whitman, Williamsburg, Wilmington, Winchendon, Winchester, Winthrop,  
Wrentham, Yarmouth INC EQU