



ATTORNEYS AT LAW
271 WAVERLEY OAKS ROAD, SUITE 203
WALTHAM, MASSACHUSETTS 02452
617.244.9500

The firm has attorneys also admitted
to practice in District of Columbia,
Idaho, New York and Vermont

E-MAIL: ~~802.419.8283~~
FACSIMILE: 802.419.8283
MAIL: bckboston@b
WEBSITE: www.bck.com

May 30, 2017

**VIA ELECTRONIC MAIL
ORIGINAL BY HAND DELIVERY**

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

**Re: NSTAR Electric Company and Western Massachusetts Electric Company,
each d/b/a Eversource Energy, D.P.U. 17-05**

Dear Secretary Marini:

The towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, and Yarmouth, as well as Barnstable and Dukes counties, acting together as the Cape Light Compact (the “Compact”) object to a filing by NSTAR Electric Company and Western Massachusetts Electric Company (together, “Eversource”) revising its rate design proposal in this proceeding. As described in its May 19, 2017, rebuttal testimony and May 25, 2017, letter (“Letter”) to the Department of Public Utilities (the “Department” or “DPU”), Eversource intends to file a “refined” rate design and a new full bill impact analysis. Exh. ES-RDP-Rebuttal-1 at 20; Letter at 1-3. The revised rate design apparently will, among other things, significantly alter Eversource’s original proposal by shifting revenues between its eastern and western territories, changing the manner in which transmission costs are allocated and automatic adjustment mechanisms are calculated, and revising rate class definitions.

The Compact fully supports the *Motion to Protect Intervenors’ Due Process Rights* filed on May 26, 2017 (the “Motion”), by the Office of the Attorney General (the “AGO”) for the reasons discussed below. In its Motion, among other things, the AGO contends that:

- (1) Eversource may not unilaterally change the rate design proposed in its rate case petition in this proceeding without leave by the Department.

VERMONT OFFICE:
P.O. Box 205
Woodstock, Vermont 05091
Telephone: 802.457.9050
Facsimile: 802.419.8283
E-Mail: bckvt@bck.com

MOUNTAIN STATES OFFICE:
P.O. Box 1527
Ketchum, Idaho 83340
Telephone: 617.584.8338
Facsimile: 802.419.8283
E-Mail: bckidaho@bck.com

- (2) in the event the Department grants Eversource leave, the public must be notified and provided sufficient and reasonable opportunity to comment, prepare and present evidence and argument about the revised proposal.
- (3) it is impossible to maintain the current procedural schedule while also adhering to due process rights of all parties, requiring renewal of the AGO's February 8, 2017 request to phase this proceeding to address rate design, consolidation and alignment issues in a separate, subsequent phase of the case ("Phasing Motion").
- (4) if the Department maintains the original schedule, some process mitigation should be provided at a minimum, including moving rate design witnesses to June 20 and 21, 2017, and intervenors' rate design witnesses to June 29 and 30, 2017.

The AGO also requested additional periods for discovery and testimony on the new proposal, and an additional week to file initial briefs. Motion at 7. The Compact supports these contentions.

The Compact emphatically objects to this major last-minute change in Eversource's filing, and strongly supports the AGO's Motion as being consistent with the public interest and parties' due process rights. The Compact has several requests set forth below in addition to those requested by the AGO in its Motion. The Compact does not believe that, even were the AGO's mitigation requests on page 7 of the Motion to be granted, due process requirements would be met and therefore does not waive any objection to Eversource's revised filing and expressly reserves all right to appeal on this ground.

Several factors contribute to the burden placed on the parties by Eversource's last minute revised rate design:

- (1) this is the first full rate case filed by Eversource in many years, which makes it more complicated and all the more important that parties have sufficient time to consider Eversource's filings;
- (2) hearings are due to start only two business days following Eversource's filing, such that there is no reasonable opportunity for parties to be able to have adequately reviewed the new filing and properly prepared for hearings (let alone issue new testimony and discovery and receive information responses from Eversource on the revised rate design);
- (3) Eversource objected to the Phasing Motion of the AGO in February 2017, but at this very late date in the proceeding now requests a substantial rate design change (rendering renewed requests for the phasing all the more necessary); and
- (4) this case involves voluminous discovery and testimony (*see* Motion at 5), significant amounts of which would potentially require updating in light of

Eversource's impending revised filing. Outdated discovery and testimony would create much confusion during the hearing and briefing stages of the proceeding.

As noted by the AGO's Motion, this revised rate design will impact "every single" Eversource residential customer and result in subsidization of some of Eversource's customers by others, which is of great concern to the Compact. *See* Motion at 5-6. The changes raised by Eversource's revised rate design are significant for the Compact, and would require the Compact's witnesses to undertake an entirely fresh review of the rate case filing in order to re-analyze a number of issues relating to rate design, bill impacts, and cost allocation and to adequately protect its customers. That review would consume significant additional time and resources by the witnesses and the Compact. Since Eversource would be leaving parties with but a single business day between filing its "revised rate design" and the start of the hearings, the Compact would have insufficient time to evaluate the proposal before the evidentiary hearings begin. It is also important to note that Eversource will make its filing one day after the public comment has closed. Eversource received substantial public comment from customers on Cape Cod and Martha's Vineyard; those customers should have additional opportunity to submit new comment on the revised filing.

Given all of these points, the Compact believes that Eversource's revised rate design should be rejected and that the parties should be instructed to disregard the filing. In the alternative, if the Department allows Eversource's revised filing, the Department should require that the proceeding be phased in accordance with the AGO's Phasing Motion to that effect. *At an absolute minimum* (again, without waiving any objection and preserving all rights as provided above), the Compact requests that:

- (1) the Department grant the AGO's requests on page 7 of the Motion;
- (2) the Compact's rate design and bill impacts witnesses, Jonathan Wallach and Kevin Galligan, be moved (similar to the AGO's rate design witness) to a date both after the rate design panel and at the very end of the hearing period (i.e., June 29 or 30);
- (3) the public comment period be reopened for the Department to accept additional comments on the new proposals; and
- (4) the Department ensure that all discovery issued from the beginning of this proceeding shall be updated by Eversource by a date certain, but, *at a minimum*, no later than two weeks prior to any appearances at hearings by rate design witnesses. The burden should not be on the intervenors to figure out which discovery requires updating and to request such updates from Eversource given the resources already expended by the parties in this case.

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For all of the reasons set forth above and in the AGO's Motion, the Compact fully supports that AGO Motion and respectfully requests that the Department grant the Motion as well as the additional requests enumerated herein.

Sincerely,



Rebecca F. Zachas

Kathryn M. Terrell

Jeffrey M. Bernstein

Rebecca F. Zachas

Kathryn M. Terrell

JMB:RFZ:KMT/drb

Enclosure

cc: Marc J. Tassone, Hearing Officer (via email only)
Cheryl M. Kimball, Esq. (via email and first class mail)
Joseph W. Rogers, Esq. (via email and first class mail)
D.P.U. 17-05 Service List (via email only)
Margaret T. Downey, Cape Light Compact Administrator (via email and first class mail)

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

_____)	
Petition of NSTAR Electric Company and)	
Western Massachusetts Electric Company, each)	
d/b/a Eversource Energy for Approval of)	D.P.U. 17-05
an Increase in Base Distribution Rates for Electric)	
Service Pursuant to G.L. c. 164, §94 and)	
220 C.M.R. §5.00)	
_____)	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document(s) upon Secretary Mark D. Marini via electronic mail and hand delivery, upon Hearing Officer Marc J. Tassone via electronic mail only, upon Cheryl M. Kimball, Esq. and Joseph W. Rogers, Esq. via electronic mail and first class mail delivery and upon the remaining Service List via electronic mail only in this matter.

Dated this 30th day of May, 2017.

Rebecca F. Zachas

Rebecca F. Zachas, Esq. (rzachas@bck.com)
BCK Law, P.C.
271 Waverley Oaks Road, Suite 203
Waltham, Massachusetts 02452
Telephone: (617) 244-9500
Facsimile: (802) 419-8283