



**Northeast
Utilities**

One NSTAR Way – SW300
Westwood, MA 02090

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JAN 05 2015

TOWN OF STERLING
TOWN CLERK

William A. Van Dam
Director, Community Relations



December 30, 2014

Ms. Dawn Michanwicz
Town Clerk
Town of Sterling
1 Park Street
Sterling, MA 01564

Dear Ms. Michanwicz:

I am writing to inform you that NSTAR Gas Company has filed a request with the Massachusetts Department of Public Utilities (“MDPU”) to increase gas distribution rates. NSTAR Gas is requesting to recover approximately \$46 million of additional revenues to cover investments being made to improve the safety and reliability of gas distribution infrastructure. If approved, the proposed revenue change would represent an increase of approximately 8.6 percent on average across all customers on a total-bill basis.

It is important to note that NSTAR Gas has not increased rates since 1991. By the time the new rates would take effect in 2016 as a result of this rate case, NSTAR Gas customers will be the beneficiaries of a 24-year period without a change in base distribution rates, representing unparalleled rate stability for natural gas customers.

The monthly bill for a typical residential heating customer is estimated to increase \$11.95 per month, and will remain below the current average residential bill for Massachusetts natural gas companies.

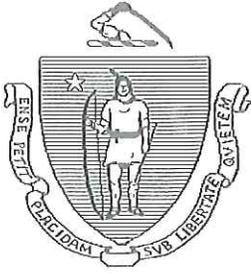
Attached is the schedule for the upcoming public hearings scheduled by the MDPU. The public hearings will be followed by a thorough review of the rate request by the MDPU, and new rates would not take effect until January 1, 2016. Please post the attached in Sterling Town Hall through March 31, 2015.

Thank you for your interest in this issue. Please call your Community Relations Specialist JoAnne O’Leary at 508-305-6898 with any questions or if you would like additional information.

Sincerely,

William A. Van Dam

Attachment



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND PUBLIC HEARING

RECEIVED
Jan 9 2015
TOWN OF STERLING
TOWN CLERK

D.P.U. 14-150

December 22, 2014

Petition of NSTAR Gas Company, pursuant to G.L. c. 164, § 94 and 220 C.M.R. § 5.00 et seq., for Approval of a General Increase in Gas Rates and a Revenue Decoupling Mechanism.

On December 17, 2014, NSTAR Gas Company (“NSTAR Gas” or “Company”) filed a petition with the Department of Public Utilities (“Department”) seeking additional revenues through an increase in rates. The Company’s last base distribution rate proceeding was in 2005. Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company, NSTAR Gas Company, D.T.E. 05-85 (2005).

The Department has docketed this matter as D.P.U. 14-150 and has suspended the effective date of the proposed rate increase until November 1, 2015, to investigate the propriety of the Company’s request. Pursuant to a settlement approved by the Department in 2012, any new rates approved in the instant proceeding will not take effect until January 1, 2016. See Northeast Utilities/NSTAR Merger, D.P.U. 10-170-B (2012).

In the instant filing, NSTAR Gas seeks to increase rates to generate \$45.9 million in additional revenues, an 8.6 percent increase over current total operating revenues. The requested rate increase is designed to recover: (1) \$33.9 million in additional revenues through base distribution rates (i.e., a 22.5 percent increase in current distribution revenues); and (2) \$12.0 million in additional revenues through reconciling rate recovery mechanisms.

The Company’s requested rate increase includes the recovery of merger-related costs and exogenous costs associated with the Department’s Order in NSTAR/Northeast Utilities Merger, D.P.U. 10-170 (2012). The requested rate increase also includes an increase in costs associated with the Company’s purchase of liquefied natural gas services from an affiliate, Hopkinton LNG Corp.

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

January 28, 2015
Worcester Technical High School
1 Skyline Drive
Worcester, Massachusetts 01605
Time: 7:00 p.m.

January 29, 2015
Dedham High School
140 Whiting Avenue
Dedham, MA 02026
Time: 7:00 p.m.

February 3, 2015
Keith Middle School
225 Hathaway Boulevard
New Bedford, Massachusetts 02740
Time: 7:00 p.m.

February 4, 2015
Plymouth South High School
490 Long Pong Road
Plymouth, Massachusetts 02360
Time: 7:00 p.m.

February 9, 2015
Department of Public Utilities
One South Station, 5th Floor
Boston, Massachusetts 02110
Time: 7:00 p.m.

A procedural conference in this matter will take place at the Department's office on **January 22, 2015 at 2:00 p.m.**

Persons interested in commenting on the Company's filing may appear at any of the public hearings or may file written comments by the close of business (5:00 p.m.) on **March 31, 2015.**

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene or to participate in the proceeding no later than the close of business (5:00 p.m.) on January 20, 2015. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 C.M.R. § 1.01(4). To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.