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The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING, PUBLIC HEARING AND PROCEDURAL CONFERENCE

D.P.U. 14-64 April 8, 2014

Petition for approval of a gas service agreement between NSTAR Gas Company and Hopkinton LNG Corp., pursuant to G.L. c. 164, § 94A and § 94B.

On March 25, 2014, NSTAR Gas Company ("NSTAR Gas" or "Company") filed a petition with the Department of Public Utilities ("Department") for approval of a gas service agreement ("GSA") between the Company and Hopkinton LNG Corp. ("HOPCO"). The Department docketed this matter as D.P.U. 14-64.

NSTAR Gas is a local gas distribution company and a wholly owned subsidiary of Northeast Utilities. NSTAR Gas purchases, distributes and sells natural gas to approximately 300,000 retail customers in 51 communities in central and eastern Massachusetts. HOPCO, which also is a wholly owned subsidiary of Northeast Utilities, owns liquefied natural gas ("LNG") facilities located in the towns of Hopkinton and Acushnet, Massachusetts (together, the "HOPCO facilities"). The HOPCO facilities currently supply natural gas to NSTAR Gas for use in serving the Company's customers.

According to NSTAR Gas's filing, the proposed GSA will replace an existing agreement between the Company and HOPCO that was put in place over 30 years ago. The proposed GSA will allow the Company to continue to purchase LNG services from HOPCO, including storage, vaporization and liquefaction services from the Hopkinton facility and storage and vaporization services from the Acushnet facility. NSTAR Gas states that there is no resource that would be reasonably available or cost-effective to replace the services provided by the HOPCO facilities.

Further, NSTAR Gas states that the HOPCO facilities require substantial refurbishments and capital upgrades due to their age. The Company estimates that these upgrades will cost approximately $200 million over the next several years. According to the Company, the GSA establishes a pricing structure that is designed to allow HOPCO to recover (i) operational and maintenance costs associated with the HOPCO facilities, and (ii) costs associated with the

necessary capital upgrades to the facilities. The Company intends that all of these costs ultimately would be recoverable by NSTAR Gas from its customers.

The proposed GSA has a 30-year term that will take effect following receipt of all required approvals and in conjunction with the setting of new base rates for NSTAR Gas. The Company's proposed effective date of the GSA is January 1, 2016.

In this proceeding, NSTAR Gas requests approval of the proposed GSA and its underlying pricing structure. At this time, the Company does not seek approval of the actual rates to be charged under the GSA, nor does it seek approval of the capital investment associated with the upgrades of the HOPCO facilities. Rather, NSTAR Gas states that these issues will be determined by the Department during the Company's next base rate case proceeding. Additional information regarding NSTAR Gas's petition can be found in the Company's filing.

The Attorney General of the Commonwealth of Massachusetts ("Attorney General") has filed a notice to intervene in this matter pursuant to G.L. c. 12, § 11E(a). Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General has filed a notice of retention of experts and consultants to assist in her investigation of the Company's filing, and has she requested Department approval to spend up to $150,000 in this regard. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered in the Company's rates.

The Department will conduct a public hearing to receive comments on the Company's petition on **May 19, 2014 at 2:00 p.m.**, at the Department's offices, One South Station, 5th Floor, Boston, Massachusetts. A procedural conference will take place immediately following the public hearing. Any person who desires to comment may do so at the time and place noted above or submit written comments no later than the close of business (5:00 p.m.) on **May 19, 2014**.

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 May 12, 2014. 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.

Any person who seeks to intervene in this matter and also desires to comment on the Attorney General's notice of retention of experts and consultants must file the comments no later than the close of business (5:00 p.m.) on May 12, 2014.

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

In addition to the above filing requirement, one (1) copy of all materials filed with the Department should be sent to Marc J. Tassone, Hearing Officer, Department of Public Utilities, One South Station, 5th Floor, Boston, MA 02110; one (1) copy of these documents should be sent to the Company's counsel, Cheryl M. Kimball, Esq., Keegan Werlin LLP, 265 Franklin Street, Boston, MA 02110; and one (1) copy of these documents should be sent to Joseph W. Rogers, Assistant Attorney General, Office of Ratepayer Advocacy, One Ashburton Place, Boston, MA 02108.

Further, in addition to paper filings with the Department, all documents should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dpu.efiling@state.ma.us and the Hearing Officer, Marc.Tassone@state.ma.us; or (2) on CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 14-64); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: http://www.mass.gov/dpu.

A copy of NSTAR Gas's petition is available for inspection Monday through Friday, between the hours of 9:00 a.m. and 5:00 p.m. at the Department's offices at One South Station, 5th Floor, Boston, Massachusetts, and through the Department's website, http://www.mass.gov/dpu, by accessing the File Room link. Any person desiring further information regarding the Company's filing should contact the Company's counsel, Cheryl M. Kimball, Esq. at (617) 951-1400.

A copy of the Attorney General's notice of retention of experts and consultants is available for inspection at the location above and during regular business hours at the Attorney General's offices, One Ashburton Place, Boston, MA 02110. The Attorney General's notice of retention of experts and consultants also is available on the Department's website, http://www.mass.gov/dpu. Any person desiring further information regarding the Attorney General's notice of retention of experts and consultants should contact Joseph W. Rogers, Assistant Attorney General, at (617) 727-2200.

Any person desiring further information regarding this notice should contact Marc J. Tassone, Hearing Officer, Department of Public Utilities, at (617) 305-3500.