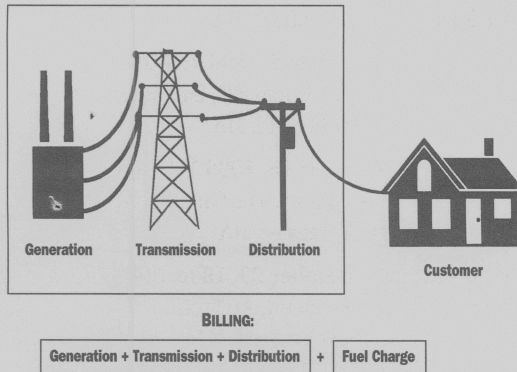
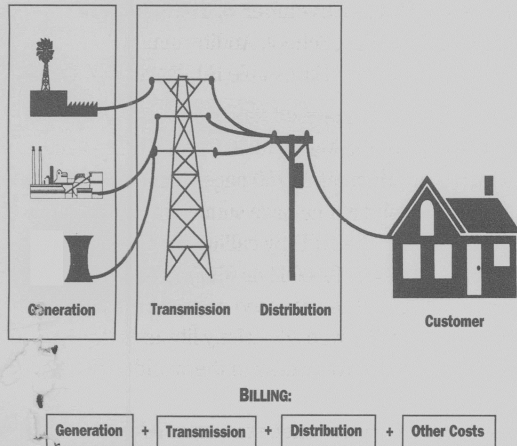


The Electric Industry is Changing

Existing Structure



Proposed Structure



There is a movement underway across the country to change or “restructure” the electric industry. The Department of Public Utilities (DPU) opened an investigation on March 15, 1996, in order to ensure that any restructuring serves and protects the interests of consumers in Massachusetts.

The DPU is holding a series of public meetings in October and November 1996 to identify the best way to bring about this change. Public meetings on restructuring have already been held in Boston, Fitchburg, Plymouth, Pittsfield and Salem in July. Partly as a result of the response we received from the public in these meetings, the DPU has scheduled 6 more public meetings and extended the date for issuance of the final rules from September 1996 to the end of the calendar year 1996.

We invite you to attend these meetings to share your views with us. A list of the meeting locations is included in this pamphlet. The following information, which was also included in electric utility mailings to customers in June 1996, may help you to understand the proposed changes.

Why is the electric industry changing?

Recent changes in technology have made a competitive market structure possible. The goal of restructuring is to reduce costs to all consumers over time by giving consumers the option to choose among competing generators of electricity.

How will the industry change?

Right now, you receive your electricity as a packaged or “bundled” service. That is, the generation, transmission and distribution (wires), and billing are all provided by your local electric company. Restructuring will allow different companies to compete to offer some of these services.

How will these changes affect me?

Basically, your local electric company will continue to distribute electricity to your neighborhood but you may choose the company which generates that electricity. Think of it as if you were selecting a long distance phone company. Your neighbors may choose AT&T or Sprint, while you choose MCI, but both of you continue to receive basic wire service from a local exchange carrier like NYNEX.

Will electricity still be safe and reliable?

Yes. The DPU will work to ensure that the new structure will be as safe and reliable as the current structure.

Under the revised schedule, when will these changes take place?

In order to allow for additional public participation in this investigation, we have revised the target date for rules for restructuring from September 1996 until the end of the calendar year 1996. Under our current proposal, in 1997, your electric bill will show separate charges for generation transmission, distribution, and other costs, but you will still be receiving electricity as a bundled service. The DPU proposal would allow customers to choose among competing generators or suppliers of electricity on or after January 1, 1998.

How can I participate in the restructuring process?

The DPU will present information on the proposed changes to the electric industry in evening public meetings at the locations listed in this pamphlet. We hope you will attend one of these meetings to ask questions, and to let us know how you feel about restructuring. If you cannot attend of these meetings, please feel free to write to the DPU with your comments at any time.

The Dates and Times of the Public Meetings are:

Greenfield – October 2, 1996 7:00 PM

Franklin County Court House,
Grand Jury Room, 2nd Fl
425 Main Street, Greenfield, MA

Springfield – October 8, 1996 7:00 PM

Springfield City Hall, Room 220, 2nd Floor
36 Court Street, Springfield, MA

Worcester – October 15, 1996 7:00 PM

Worcester Public Library, The Saxe Room, 2nd Floor
3 Salem Square, Worcester, MA

New Bedford – October 29, 1996 7:00 PM

Sergeant Carney Academy, Auditorium
247 Elm Street, New Bedford, MA

Lowell – October 30, 1996 7:00 PM

Mayor's Reception Room, Lowell City Hall, 2nd Floor
75 Merrimac Street, Lowell, MA

Marston Mills - November 6, 1996 7:00PM

Marston Mills East School, Auditorium
760 Osterville-West Barnstable Rd, Marston Mills, MA

Can I obtain a copy of the proposed rules?

Yes. A copy of the May 1, 1996 Order, DPU 96-100, which is approximately 100 pages including the proposed rules and a nine-page summary, can be obtained from the DPU by calling the Consumer Division at 1-800-392-6066 or (617) 727-3531 or TTY 1-800-323-3298. The proposed rules are also available through the DPU web site. Many libraries throughout Massachusetts have access to the world wide web. The address is:

► <http://www.magnet.state.ma.us/dpu/>
You may also come in and read the document in

Room 1210 at the DPU offices between the hours of 9:00 a.m. and 5:00 p.m. at 100 Cambridge St., 12th floor, in Boston.

What are other key questions to be asked about restructuring?

In the proposed rules, the DPU asked for public opinion on many issues. Consumers have asked many questions at the public meetings. Some of those key questions are:

- How will I be billed? By whom?
- Will my bill go down? Could it go up?
- Will the generating companies or suppliers be regulated?
- What happens if I decide not to choose?
- Will my meter be read regularly? By whom?
- Will the protections, including shut-off protections, still apply?
- Will low-income rates be available?
- How will environmental concerns be addressed?
- Is restructuring the end of regulation?
- Is the DPU considering other restructuring plans?

How else can I let the DPU know what I think?

You can send comments in writing to the DPU.

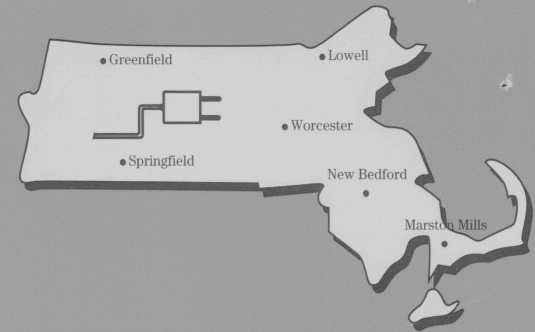
Address your comments to:

Mary Cottrell, Secretary
RE: DPU 96-100
Department of Public Utilities
100 Cambridge Street
Boston, MA 02202

The DPU intends to issue final restructuring rules by the end of 1996. **We are committed to restructuring the electric industry in a way that benefits all consumers.** We look forward to hearing from you.

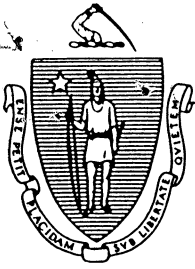
THE ELECTRIC INDUSTRY IS CHANGING

LET'S TALK...



**MASSACHUSETTS DEPARTMENT
OF PUBLIC UTILITIES
INVITES YOU TO ATTEND
A PUBLIC MEETING**

Chairman John B. Howe
Commissioner Mary Clark Webster
Commissioner Janet Gail Besser



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The Commonwealth of Massachusetts
Department of Public Utilities
Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston 02202

MEMORANDUM

City and Town Officials

John B. Howe, Chairman

Public Hearings in Electric Industry Restructuring, D.P.U. 96-100

September 12, 1996

As you are aware, the Department of Public Utilities is involved in an initiative to change the way in which electric utility companies do business in Massachusetts in its investigation in Electric Industry Restructuring, D.P.U. 96-100. Restructuring will bring new opportunity choices for every electric customer in communities served by investor owned utilities.

During the month of July, the Department held five public hearings to solicit your comments and those of your constituents in the cities/towns of Boston, Pittsfield, Fitchburg, Plymouth, and Salem. While we were pleased with the participation at each of these hearings, we recognize that a disparity in the level of understanding of restructuring issues exists between utilities and consumers. Originally, we intended to issue final rules by September 20. However, in order to provide more opportunity for public interaction with the Department, as well as evaluate the issues and comments received concerning electric industry restructuring, the Department now plans to issue final regulations by the end of calendar year 1996.

To solicit further public comment, the Department will hold six additional public hearings. We would appreciate your assistance in informing your constituents of these

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hearings and encouraging them to attend and participate. The public hearings will be held as follows:

Greenfield	Wed., October 2,	7:00 pm	Franklin County Courthouse Grand Jury Room, 2nd Fl 425 Main Street, Greenfield
Springfield	Tue., October 8,	7:00 pm	Springfield City Hall Room 220, 2nd Fl 36 Court Street, Springfield
Worcester	Tue., October 15,	7:00 pm	Worcester Public Library The Saxe Room, 2nd Fl 3 Salem Square, Worcester
New Bedford	Tue., October 29,	7:00 pm	Sergeant Carney Academy Auditorium 247 Elm St., New Bedford
Lowell	Wed., October 30,	7:00 pm	Mayor's Reception Room Lowell City Hall, 2nd Fl 75 Merrimac Street, Lowell
Marston Mills	Wed., November 6,	7:00 pm	Marston Mills East School Auditorium 760 Osterville-West Barnstable Road Marston Mills

Should you have any questions regarding the hearing schedule or the restructuring proceedings, please contact Alicia Matthews, restructuring hearing officer, (617) 727-3516; Tom Bessette, restructuring hearing officer, (617) 727-3504; or Claudine Langlois, Director, Consumer Division, (617) 727-3531.

Consent Communication #3

S-461

Communication was received from
Department of Public Utilities regarding
their decision to submit final rules in
Electric Industry Restructuring by the
end of 1996.

In City Council September 30, 1996

Referred to the City Manager