

CAMBRIDGE ELECTRIC LIGHT COMPANY  
D.T.E. 02-76

FIRST SET OF INFORMATION REQUESTS OF THE  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO  
CAMBRIDGE ELECTRIC LIGHT COMPANY

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Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to Cambridge Electric Light Company (“Cambridge” or “Company”) the following Information Requests.

**Instructions**

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term “provide complete and detailed documentation” means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department and on all parties; also submit two (2) copies of the responses to Jesse S. Reyes, Hearing Officer and one (1) copy each of the other Department staff members and persons listed on the latest distribution list in this proceeding.
8. In addition to filing, all non-proprietary responses are to be submitted by e-mail to [dte.efiling@state.ma.us](mailto:dte.efiling@state.ma.us) and to the e-mail address of any party required to be served.
9. Responses must be filed with the Department no later than 5:00 p.m. on **Monday, January 6, 2003**.

#### INFORMATION REQUESTS

- DTE 1-1 Refer to Exh. GOL-1, at 10, lines 3-4. Please produce the studies on the value of Blackstone Station and the Blackstone site. In addition, provide a comparison and explanation of the assumptions made in deriving the estimates in each study.
- DTE 1-2 Refer to Exhibit GOL-1, at 10, lines 13-15. Please explain in detail why the purchase price for Blackstone maximizes the value of the assets, where that amount “falls comfortably within the various valuations of Blackstone performed over the last few years.” In your answer, include all assumptions supporting the valuation under the Purchase and Sale Agreement (“PSA”).
- DTE 1-3 Refer to Exh. GOL-1, at 13, line 8 and Schedule 1 of the PSA. Please describe all “easements and other appurtenant rights of the Company.”
- DTE 1-4 Refer to Exh. GOL-1, at 4 (“[T]he Company’s arms-length negotiation with Harvard has resulted in a price for Blackstone that is equivalent to the highest price per kilowatt (‘KW’) of capacity for any generation sold in New England since the advent of retail access in Massachusetts”). Please summarize all comparable sales of generation assets, including the name of the seller, name of

the purchaser, closing date, name and location of the asset, and price per kilowatt for the asset.

- DTE 1-5 Refer to Exh. GOL-1, at 9 (“[T]he Company chose to negotiate with Harvard to divest Blackstone while keeping in abeyance a contingency plan for a separate auction of Blackstone”). Please detail this auction contingency plan. Include in this description what actions would cause the Company to implement this contingency plan, and why such implementation of this plan was not viewed as practical or appropriate during the negotiation process.
- DTE 1-6 Refer to Exh. GOL-1, at 10 (“[T]he value of generation assets generally has depressed significantly since 1998”). Please substantiate in detail the Company’s assertion that generation asset prices have depressed significantly since 1998.
- DTE 1-7 Refer to Exh. GOL-2, at ¶ 2 (“Harvard’s Right of First Offer”). Please detail the process by which the Company and Harvard obtained the “fair-market value” of Blackstone.
- DTE 1-8 Refer to D.T.E. 99-90-C at 10 (“It is time to wind up Cambridge’s restructuring case”). Please explain the reasons for the protracted negotiations between the Company and Harvard.
- DTE 1-9 Refer to Exh. GOL-1, at 7, lines 18-21. Please state all facts relied upon for the conclusion that Harvard “would likely pay more than other potential buyers.” Have any other parties inquired about buying Blackstone? If so, please describe all such inquiries.
- DTE 1-10 Refer to the Petition at 3 n.1 and Exh. GOL-1, at 9, lines 8-10. Please provide a detailed description of the electricity generation unit, including the costs necessary to return the unit to active service and a statement of the extent that the unit may be available for potential generation other than for peaking.