



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

ONE SOUTH STATION

BOSTON, MA 02110
(617) 305-3500

MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR

BETH LINDSTROM
DIRECTOR
OFFICE OF CONSUMER AFFAIRS
AND BUSINESS REGULATION

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Report to the Office of
Consumer Affairs and
Business Regulation on the
Status of Retail Competitive
Electric Markets in
Massachusetts -
February to April 2005

July 28, 2005

We are pleased to provide the Office of Consumer Affairs and Business Regulation with this Report on the Status of Retail Competitive Markets in Massachusetts. Electric restructuring in Massachusetts is a work in progress. Retail competitive suppliers provide over 33 percent of the total electric energy bought by Massachusetts consumers – predominately large commercial and industrial (“C&I”) customers. Conversely, almost all residential and small C&I customers currently receive basic service. It is widely thought that the availability of below-market standard offer service has acted as a barrier to the development of competitive retail markets in Massachusetts. On March 1, 2005, this barrier was removed when approximately 1.4 million residential customers and 140,000 small commercial and industrial customers were transferred from standard offer service to basic service.

As the table below illustrates, significant gains in the percent of electricity consumption purchased through competitive supply have been realized since the end of standard offer service in February 2005. Between February and April 2005 (the most recent date for which electric customer migration data are available), the electricity consumption purchased by large commercial and industrial (“C&I”) customers from the competitive market has increased by 20 percent. The electricity consumption purchased by medium C&I customers from the competitive market has increased by 34 percent during this same period. The percent increases for small C&I and residential customers have been even greater.

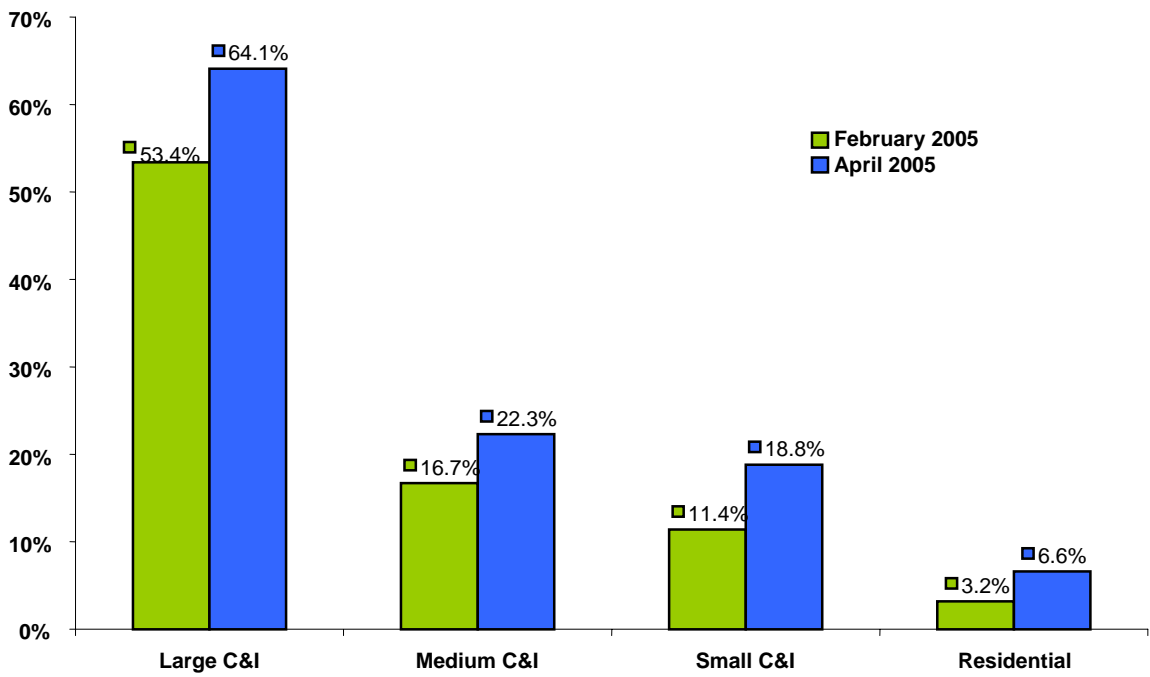
TABLE 1 Percent of Electricity Consumption Purchased Through Competitive Supply¹

All Distribution Companies			
	February 2005	April 2005	Percentage Increase
Large C&I	53.4%	64.1%	20%
Medium C&I	16.7%	22.3%	34%
Small C&I	11.4%	18.8%	65%²
Residential	3.2%	6.6%	106%

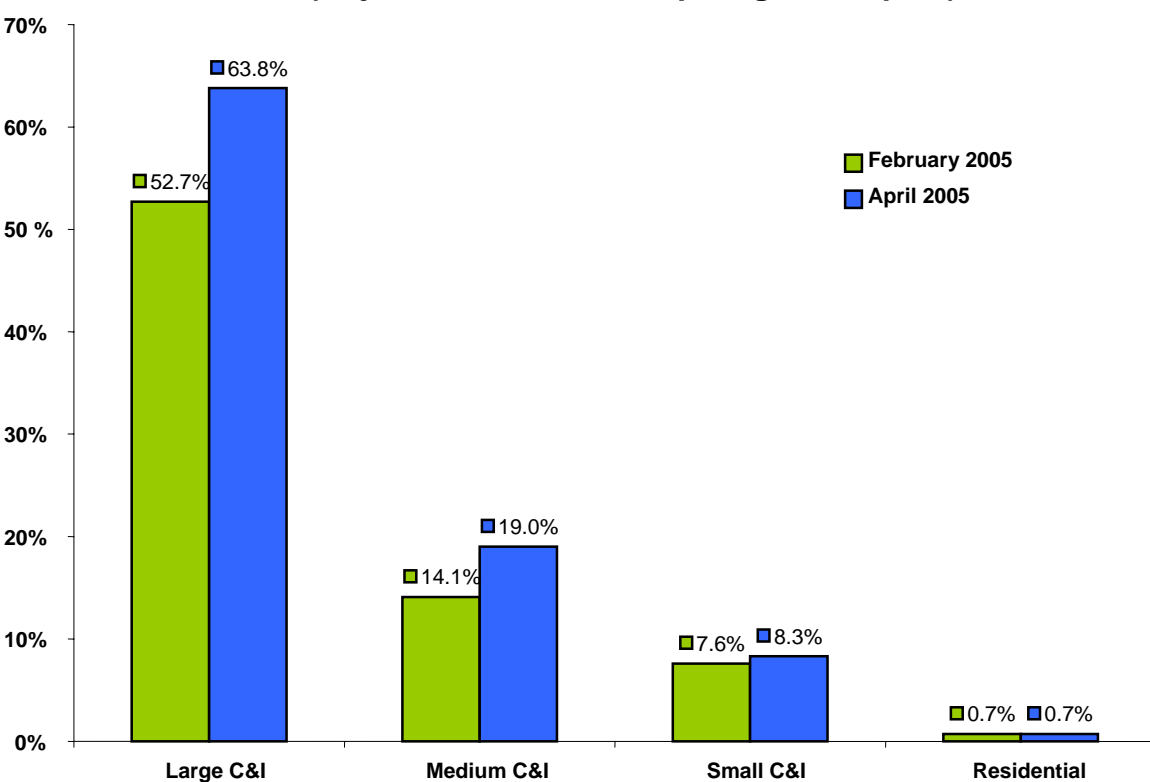
¹ Source: Commonwealth of Massachusetts Division of Energy Resources Customer Migration Data (http://www.mass.gov/portal/index.jsp?pageID=ocaterminal&L=5&L0=Home&L1=Consumer&L2=Energy%2c+Fuel+%26+Utilities&L3=Electricity&L4=The+Power+Is+Yours%3a+Electricity+Industry+Restructuring&sid=Eoca&b=terminalcontent&f=doer_pub_info_migrate&csid=Eoca).

² Certain of the gains for small C&I and residential customers are likely attributable to an expansion of the municipal aggregation program managed by the Cape Light Compact in Commonwealth Electric Company’s service territory. The Cape Light Compact has implemented a municipal aggregation plan available to all customers in 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. The Cape Light Compact’s municipal aggregation program currently has approximately 200,000 participants. Even when the impact of expanded municipal aggregation is removed, electricity consumption purchased by small C&I customers from the competitive market has increased by nine percent.

Percent of Electricity Consumption Purchased Through Competitive Supply



Percent of Electricity Consumption Purchased Through Competitive Supply (Adjusted to Remove Cape Light Compact)



The Department of Telecommunications and Energy (“DTE”) is actively involved in an ongoing effort to ensure that the benefits of the competitive market accrue to all Massachusetts ratepayers. On June 20, 2005, the DTE held an all-day forum to discuss the procurement of basic service for smaller customers. Chairman Paul G. Afonso, along with Commissioners James Connelly, W. Robert Keating, and Judith F. Judson engaged over 50 industry participants and customer representatives in discussion of how the DTE’s current basic service procurement policies could be modified and what steps the DTE could take to ensure that the benefits of the competitive market accrue to all Massachusetts ratepayers.

At the forum, participants including representatives from the electric distribution companies, competitive electric suppliers, Attorney General, Division of Energy Resources, Associated Industries of Massachusetts, Union of Concerned Scientists, and Conservation Law Foundation discussed what steps the DTE could take to increase the competitive options for residential and small C&I customers. As a follow-up to the forum, interested persons were invited to submit written comments to the DTE.

The DTE has also been involved with the Associated Industries of Massachusetts, participating in a series of educational seminars and supplier forums throughout Massachusetts over the past several months. These forums are designed to give small, medium, and large C&I customers an opportunity to meet with licensed competitive electricity suppliers and brokers directly.

Attachment 1 shows all competitive electricity suppliers and brokers licensed in Massachusetts and the DTE has seen an increase in license applications in recent months. While not all suppliers and brokers are currently actively marketing to residential customers, there are a range of competitive choices available to C&I customers. For example, in Massachusetts Electric Company’s service territory, eleven competitive suppliers and 20 electricity brokers are actively marketing to C&I customers (http://www.nationalgridus.com/maselectric/business/energychoice/4_supplier_list.asp).

Consistent with our legislative mandate, the DTE is committed to taking all appropriate and reasonable steps to ensure the successful implementation of retail competition in Massachusetts. We will continue to report on future market developments.

ATTACHMENT 1 – LICENSED SUPPLIERS AND BROKERS IN MASSACHUSETTS

R - Company serves residential customers

C - Company serves commercial customers

I - Company serves industrial customers

ELECTRIC BROKERS LICENSE	Absolute Energy Services, LLC	C,I	Groton	MA 866-392-2210	EB-056	12/27/2004
ELECTRIC BROKERS LICENSE	Acela Energy Group, Inc.		Norwood	MA 800-441-1477	EB-049	8/24/2004
ELECTRIC BROKERS LICENSE	Aetna Corp., Inc.		Cambridge	MA	EB-002	3/19/1998
ELECTRIC BROKERS LICENSE	Affiliated Power Purchasers, Inc.	C,I	Salisbury	MD 800 520-6685	EB-004	5/12/1998
ELECTRIC BROKERS LICENSE	American PowerNet Services, L.P.	C,I	Wyomissing	PA 877 977-2636	EB-021	2/15/2001
COMPETITIVE SUPPLIERS	APS Energy Corporation	C,I	Mansfield	MA 877 773-0344	CS-016	10/27/1998
ELECTRIC BROKERS LICENSE	APS Energy f/k/a Alternate Power Source, Inc.	C,I	Mansfield	MA 877 773-0344	EB-005	6/23/1998
ELECTRIC BROKERS LICENSE	Axsess Energy Group, LLC	C,I	Northborough	MA 888 297-3778	EB-043	11/24/2003
ELECTRIC BROKERS LICENSE	Bay State Consultants, LLC	R,C,I	Haverhill	MA 866 227-2240	EB-029	5/21/2002
ELECTRIC BROKERS LICENSE	Benjamin Parker	R,C,I	Londonderry	NH 866 252-9963	EB-044	3/1/2004
ELECTRIC BROKERS LICENSE	Better Cost Control, LLC	C,I	Newton	MA 800 454-0027	EB -033	10/31/2002
COMPETITIVE SUPPLIERS	Calpine PowerAmerica-MA, LLC	R,C,I	Houston	TX 617 723-7200	CS-044	2/17/2004
ELECTRIC BROKERS LICENSE	Chamber Energy Coalition, Inc.	C,I	Longmeadow	MA 888 844-8640	EB-008	8/14/1998
ELECTRIC BROKERS LICENSE	Choice! Energy Services Retail, L.P.	C,I	Houston	TX 800-864-7470	EB-066	5/13/2005
ELECTRIC BROKERS LICENSE	Coleman / Hines, Inc.		Scottsdale	AZ 877-574-5800	EB-069	6/6/2005
ELECTRIC BROKERS LICENSE	Community Energy, Inc.	R,C	Wayne	PA 866-WIND-123	EB-038	8/7/2003
ELECTRIC BROKERS LICENSE	Compass Energy Gas Services, LLC dba Compass Energy	C,I	Richmond	VA 866 867-8328	EB-048	8/24/2004
ELECTRIC BROKERS LICENSE	Competitive Energy Services - Massachusetts, LLC	C,I	Portland	ME 866 408-4591	EB-023	8/22/2001
COMPETITIVE SUPPLIERS	ConEdison Solutions	R,C,I	White Plains	NY 888 210-8899	CS-042	1/13/2004
ELECTRIC BROKERS LICENSE	Conservation Services Group	R,C	Westborough	MA 800 689-7957	EB- 039	8/28/2003
COMPETITIVE SUPPLIERS	Constellation NewEnergy, Inc.	C,I	Boston	MA 866-237-7693	CS-015	10/27/1998
ELECTRIC BROKERS LICENSE	Cost Reduction Services, Inc.	C,I	Lebanon	OH 800 875-9708	EB-058	1/20/2005
COMPETITIVE SUPPLIERS	Direct Energy Services	C,I	Stamford	CT 800-348-9400	CS-047	2/17/2005
COMPETITIVE SUPPLIERS	Dominion Retail, Inc.	R,C,I	Richmond	VA 888 284-3558	CS-032	7/3/2001
ELECTRIC BROKERS LICENSE	DSR Energy, Inc.		North Providence	RI	EB-063	4/5/2005
ELECTRIC BROKERS LICENSE	ECM Enterprises, LLC	C,I	North Andover	MA 866 974-9974	EB-050	8/24/2004
ELECTRIC BROKERS LICENSE	Energy Management Services	C,I	New Canaan	CT	EB-067	5/13/2005
ELECTRIC BROKERS LICENSE	Energy Options Consulting Group, L.L.C.	C,I	Boston	MA 800 362-2603, 03	EB-006	8/14/1998
ELECTRIC BROKERS LICENSE	Energy Rebate, Inc.	R,C,I	Ashland	MA 800 440-4372	EB-028	4/25/2002
ELECTRIC BROKERS LICENSE	EnergyWindow, Inc.	C,I	Boulder	CO 877 444-0086	EB-045	4/6/2004
COMPETITIVE SUPPLIERS	FPL Energy Power Marketing, Inc.		Juno Beach	FL	CS-043	2/17/2004

COMPETITIVE SUPPLIERS	Gexa Energy, LLC	C	Houston	TX	866-322-4392	CS-046	12/27/2004
ELECTRIC BROKERS LICENSE	Global Companies, LLC	C,I	Waltham	MA	800 421-5875	EB-042	10/2/2003
ELECTRIC BROKERS LICENSE	Good Energy, L.P.	C,I	Brooklyn	NY	866-955-2677 X103	EB-068	5/13/2005
COMPETITIVE SUPPLIERS	Hampshire Council of Governments	C,I	Northampton	MA	877 700-6165	CS-040	7/25/2003
COMPETITIVE SUPPLIERS	Harvard Dedicated Energy Limited		Cambridge	MA	617 495-0687	CS-039	10/3/2002
ELECTRIC BROKERS LICENSE	Hospital Energy Services, LLC	C,I	Killingworth	CT	860-284-5206	EB-052	10/4/2004
ELECTRIC BROKERS LICENSE	James Devaney Fuel Company, Inc.	R,C,I	West Roxbury	MA	800 338-2639	EB-035	2/27/2003
ELECTRIC BROKERS LICENSE	Kilojolts Consulting Group, Inc.	C,I	Lexington	MA	866-440-JOLT	EB-061	2/17/2005
ELECTRIC BROKERS LICENSE	LightSmart Energy Consulting Services	C,I	Hollis	NH	877-420-8511	EB-062	2/17/2005
ELECTRIC BROKERS LICENSE	LowCost Energy LLC	C,I	Brockton	MA	877-250-7351	EB-047	8/20/2004
ELECTRIC BROKERS LICENSE	Market Direct, LLC	C,I	Stamford	CT	888 844-1953	EB-027	2/25/2002
ELECTRIC BROKERS LICENSE	Massachusetts Energy Consumers Alliance	R,C	Boston	MA	800 827-3950	EB-037	8/7/2003
ELECTRIC BROKERS LICENSE	Metromedia Power, Inc.	C	Westborough	MA	888-289-4324 x260	EB-060	2/17/2005
COMPETITIVE SUPPLIERS	Mirant Americas Retail Energy Marketing, LP	R,C,I	Atlanta	GA	800 364-2153	CS-035	4/5/2002
COMPETITIVE SUPPLIERS	MXENERGY, Inc.	R,C	Stamford	CT	800 785-4373 X100	CS-045	3/26/2004
ELECTRIC BROKERS LICENSE	New York Energy, Inc.	C,I	N. Syracuse	NY	866-815-2343	EB-065	4/22/2005
ELECTRIC BROKERS LICENSE	Northeast Energy Partners, LLC	C,I	Bloomfield	CT	866 328-7220	EB-026	2/25/2002
ELECTRIC BROKERS LICENSE	Patriot Energy	R,C,I	Woburn	MA	866 464-1254	EB-031	9/12/2002
COMPETITIVE SUPPLIERS	Patriot Energy Group	R,C,I	Woburn	MA	866-464-1254	CS-048	6/23/2005
ELECTRIC BROKERS LICENSE	Pay Less Utilities, Inc.	C,I	Boston	MA	800-694-4144	EB-051	9/27/2004
ELECTRIC BROKERS LICENSE	Power Brokers, LLC		Dallas	TX	800 747-7314	EB-054	11/2/2004
ELECTRIC BROKERS LICENSE	Power Management Co. New England, LLC	C,I	Pembroke	MA	800 330-8077 X11	EB-041	9/12/2003
COMPETITIVE SUPPLIERS	PPL EnergyPlus, LLC	C,I	Allentown	PA	877 375-8726	CS-025	5/12/2000
ELECTRIC BROKERS LICENSE	Premier Energy Group, LLC	C,I	Middlesex	NJ	866-469-1095	EB-055	12/13/2004
ELECTRIC BROKERS LICENSE	Prenova, Inc.	C,I	Marietta	GA	800 408-8129	EB-053	10/25/2004
ELECTRIC BROKERS LICENSE	Quantum Gas & Power Services, Ltd.	C,I	Houston	TX	866-642-4368	EB-064	4/22/2005
ELECTRIC BROKERS LICENSE	Risk Services Group	R,C,I	Shrewsbury	MA	866-498-7475	EB-057	12/27/2004
COMPETITIVE SUPPLIERS	Select Energy, Inc.	R,C,I	Berlin	CT	888 810-5678	CS-011	6/25/1998
COMPETITIVE SUPPLIERS	Sempra Energy Solutions	C,I	San Diego	CA	877 273- 6772	CS-038	7/25/2002
ELECTRIC BROKERS LICENSE	SilentSherpa ECPS	C,I	Cranston	RI		EB-059	1/20/2005
ELECTRIC BROKERS LICENSE	SourceOne, LLC	C,I	Boston	MA	800 510-4485	EB-016	2/29/2000
ELECTRIC BROKERS LICENSE	Sovereign Energy, LLC	R,C,I	West Hartford	CT	877 203-2220	EB-046	5/19/2004
COMPETITIVE SUPPLIERS	Sprague Energy Corp.	C,I	Portsmouth	NH	800 514-9256	CS-034	2/8/2002
ELECTRIC BROKERS LICENSE	Sterling Planet, Inc.	R,C	Alpharetta	GA	800 473-1335	EB- 040	8/28/2003
COMPETITIVE SUPPLIERS	Strategic Energy L.L.C.	C,I	Pittsburgh	PA	888 925-9115	CS-021	12/2/1999
COMPETITIVE SUPPLIERS	StratErgy, Inc.	C,I	Wellesley	MA	888 328-2838	EB-020	1/23/2001
COMPETITIVE SUPPLIERS	SUEZ Energy Resources NA, Inc. f/k/a Tractebel Energy	C,I	Houston	TX	888 644-1014	CS-037	5/15/2002

ELECTRIC BROKERS LICENSE	Supreme Energy LLC	R,C,I	Weymouth	MA	800 787-7363	EB-032	10/31/2002
ELECTRIC BROKERS LICENSE	The Energy Authority-New England, Inc.	C,I	Rocky Hill	CT	860 436-4375 X 13	EB-036	7/22/2003
COMPETITIVE SUPPLIERS	TransCanada Power Marketing Ltd. ("TCMP")	C,I	Westborough	MA	877 634-2928	CS-017	1/14/1999
ELECTRIC BROKERS LICENSE	UMG, Inc.	C,I	East Greenwich	RI	800 772-0609	EB-015	1/24/2000
ELECTRIC BROKERS LICENSE	Usource, L.L.C.	C,I	Hampton	NH	800 566-5463	EB-019	9/20/2000
COMPETITIVE SUPPLIERS	Vermont Energy Ventures, L.L.C.		Waterbury Center	VT	802 244-7678	CS-029	11/22/2000
ELECTRIC BROKERS LICENSE	World Energy Solutions	C,I	Worcester	MA	800 578-0718	EB-034	12/11/2002
COMPETITIVE SUPPLIERS	WPS Energy Services, Inc.	R,C,I	Green Bay	WI	888 367-4403	CS-041	11/24/2003