



Amy G. Rabinowitz
Counsel

May 22, 2003

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: **Report of Qualifying Facility and On-Site Generation Facility Activity during 2002, pursuant to 220 CMR 8.07**

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2003 MAY 23 A 9:43
MASS. DEPT. OF
TELECOMMUNICATIONS
AND ENERGY

Dear Secretary Cottrell:

Pursuant to 220 CMR 8.07, Massachusetts Electric Company and Nantucket Electric Company (collectively "Company") are submitting this letter to report Qualifying Facility ("QF") and On-Site Generation Facility ("OSGF") activity in 2002.

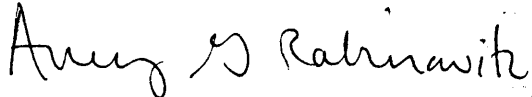
Schedule A attached hereto sets forth new QF and OSGF activity during 2002. Please note that the Company has not required a QF certificate from the Federal Energy Regulatory Commission for any interconnection, and therefore cannot substantiate whether the referenced projects actually have a QF status. The Company did not deny interconnection to any customer.

The Company estimates that its sales to ultimate customers were reduced by approximately 10,000,000 kilowatthours during 2002 as a result of the installation and operation of the facilities listed on Schedule A. The reduced kWh deliveries resulted in an estimated reduction in transition charge recoveries from these customers of approximately \$80,400. In addition, the estimated reduction in the Company's gross annual distribution revenue is approximately \$127,000.

Schedule B sets forth customers who have given notice to the Company of their intent to reduce electricity purchases due to operations of, or purchases from, a facility described in 220 CMR 8.07(2)(a).

Thank you very much for your time and attention to this matter.

Very truly yours,


Amy G. Rabinowitz

cc: Joseph Rogers, Office of the Attorney General

Schedule A

New QFs and OSGFs between January 1, 2002, and December 31, 2002

1) Owner:

Tewksbury, MA 01876

Location: same

Type: solar photovoltaic system

Primary energy source: solar

Installation and in-service date: 5/16/02

Metering: Net metered

Design capacity: 1,000 watts

Approximate generation: 600 kWhrs per year

2) Owner:

Location: Southbridge, MA

Types: five 1358 kW internal combustion engines

Primary energy source: natural gas

Installation and in-service date: 5/02

Metering: Bi-directional

Design capacity: 6.5 MW

Approximate generation: 15,000,000 kWhrs per year

Utility Ownership: No

3) Owner:

1

Type: Steam Turbine

Primary energy source: natural gas/oil

Installation and in-service date: 11/02

Metering: Bi-directional

Capacity: 5.0 MW

Approximate generation: 10,000,000 kWhrs per year

Utility Ownership: No

Schedule B

Notices of Intent to Interconnect:

1

Tewksbury, MA 01876
5/16/02
1,000 watts

2

Williamstown, MA 01267
6/26/02
3 MW steam turbine

3

Williamstown, MA 01267
8/15/02
19.2 kW solar photovoltaic system

4

Granby, MA

1.2 MW landfill gas fired internal combustion engines

5

Andover, MA
11/02
5 MW gas turbine