

**MASSACHUSETTS  
NATURAL GAS  
UNBUNDLING  
INITIATIVES**

**PRESENTED**

**AT**

**G.I.S.B.**

**by:**

**W. Robert Keating  
Commissioner  
Massachusetts D.T.E.**

**ANNUAL MEETING**

**San Antonio, Texas**

**Sept. 29, 1998**

# LDC

# Unbundling

What it is:

- Separately pricing and offering the discrete elements of LDC service (e.g., gas supply, balancing, storage, and transportation).
- Opening of previously monopolized elements of sales service to unregulated suppliers of those services

# LDC Unbundling cont. ...

## Why Unbundle:

- Foster the development of a competitive gas retail market
- Allow customers the right to choose their own supplier
- Facilitate reductions in gas rates for all customers

# Department's Commitment

- Provide the broadest possible choice
- Functionally separate supply from local distribution services
- Provide all customers with an opportunity to share in the benefits of competition
- Ensure full and fair competition in the gas supply market

# Time Line

- July 1996** Residential pilot program approved by the Department (Bay State Gas)
- July 1997** Gas Collaborative begins
- Nov. 1997** Department receives three Gas Collaborative Status Report  
**through**  
**March 1998**
- April 1998** Department issues N.O.I. (D.T.E. 98-32)

# Time Line cont. ...

**May 1998**

through

**June 1998**

Comments filed by:

- LDC Group
- Bay State Gas Company
- Marketer Group
- Wholesale Marketer Group
- Various Interstate Pipelines
- Customer Group
- Massachusetts Senior Action

**July 1998**

Commission letter: April 1, 1999  
Implementation Date

**Aug 1998**

Department approves Unbundled Rates for  
all remaining LDCs

**Nov 1998**

Commission Order on unresolved issues

**FERC**  
**NOPR**

**RM-98-10**

RULEMAKING  
ON  
SHORT TERM  
TRANSPORTATION SERVICES