



COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF  
ENERGY AND ENVIRONMENTAL AFFAIRS  
**DEPARTMENT OF ENERGY RESOURCES**  
100 CAMBRIDGE ST., SUITE 1020  
BOSTON, MA 02114  
Telephone: 617-626-7300  
Facsimile: 617-727-0030

**Charles D. Baker**  
Governor

**Kathleen A. Theoharides**  
Secretary

**Karyn E. Polito**  
Lt. Governor

**Patrick C. Woodcock**  
Commissioner

Joseph Truschelli  
Acting Director, Consumer Division  
Department of Public Utilities  
One South Station, 5th Floor  
Boston, MA 02110  
[Joseph.M.Truschelli@mass.gov](mailto:Joseph.M.Truschelli@mass.gov)

**Re: Request for Comments Regarding Best Practices During the Resumption of Shutoff Activities**

Dear Mr. Truschelli:

On March 10, 2020, Governor Baker declared a State of Emergency in response to the global COVID-19 pandemic, giving the Administration more flexibility to develop an appropriate response to the health emergency.<sup>1</sup> Under that declaration and subsequently, the Baker-Polito Administration issued several recommendations, directives, and orders, restricting the regular operation of businesses within the Commonwealth that impact both residents and commercial utility customers. On March 24, 2020, the Chairman of the Department of Public Utilities (the “Department”) issued an order prohibiting investor-owned gas, electric, and water distribution companies (collectively, the “Distribution Companies”) until the State of Emergency

---

<sup>1</sup> No. 591: Declaration of a State of Emergency to Respond to COVID-19

in Massachusetts is lifted or until further communication is provided by the Department, whichever comes first, from shutting off a customer's service for failure to pay a bill or any portion of a bill and prohibiting any communications threatening the shutoff of service as a result of a customer's failure to pay. On March 31, 2020, the Department issued a request for comments to various stakeholders asking for input regarding best practices to implement when shutoff activities resume. In response to this request, the Department of Energy Resources ("DOER") hereby submits the following comments.

The global COVID-19 pandemic requires a quick response to newly emerging challenges that the Commonwealth's ratepayers have in meeting their utility bill obligations to minimize effects that the pandemic will have on the Commonwealth's economy and the health and safety of its residents. While there is uncertainty on how long the State of Emergency will last, or the exact extent and nature of the economic and financial impacts residential and business customers have suffered, the economic effects are unprecedented. DOER believes that allowing business and residential customers flexibility in the payment of utility services consumed during the State of Emergency will not only support the economic recovery of the Commonwealth's businesses currently under extraordinary financial stress, but will also ensure the continued health and safety of all residents. In order to support residential and commercial ratepayers, DOER encourages the Department to move quickly through the utility companies to establish expanded payment plan options for those customers that cannot meet their billing obligations during this State of Emergency. DOER recommends that the payment plans be consistent across the Commonwealth, implementable and clear, and should include a forgiveness component to incentivize customers to pay a portion of their bills if able, with the overall goal of minimizing bad debt paid for by all other customers in the long-term.

Understanding that COVID-19 impacts are widespread, a payment plan process should consider all customer classes while limiting the administrative burden on customers to apply and show harm, especially residential and small commercial customers. The plans should be established quickly and communication to all utility customers should occur soon thereafter to clarify what the specific customer obligations will be for future payments. It may be an extended time before many customers regain their former financial position, so any payment plan process should consider extended repayment plans that will incentivize these customers to make payments during the State of Emergency. This may help customers avoid larger debt obligations once the State of Emergency is lifted and reduce the financial burden on the utility customers who would pay for any unpaid bad debts through rates.

Clearly, the situation may result in an increase in bad debt exposure materially affecting the financial conditions of the utilities and their ability to perform utility services. Thus, this issue should be addressed separately and in a parallel track with the establishment of a consistent arrearage management program.

Once the structure of a payment plan is established by the Department, DOER supports the creation of a Working Group consisting of the Distribution Companies, the Attorney General, Low Income Stakeholders, C&I stakeholders, and DOER, to develop communications, repayment strategies, and arrearage management plans (AMPs) for those customers that will struggle to meet even an extended, multi-month payment plan. The Low-Income Stakeholders, including the local Community Actions Agencies (CAAs), have a unique relationship with low income customers and the local communities. Any AMPs should include the direct involvement of the CAAs who can assist in communicating other low-income energy programs that may also support energy cost savings such as the Low Income Home Energy Assistance Program

(LIHEAP) and as Program Administrators of the low income energy efficiency program. The implementation of the payment plan process may prove challenging, and the Working Group may require access to data from the Distribution Companies to develop strategies for the financial integrity of both customers and Distribution Companies, and to ensure the continued supply of utility services for the safety and security of all ratepayers.

DOER appreciates the opportunity to provide comments to the Department on these issues and looks forward to participating in continuing discussions between stakeholders regarding best practices for the resumption of shutoff activities.

Respectfully submitted by,

MASSACHUSETTS DEPARTMENT OF  
ENERGY RESOURCES

*s/Robert H. Hoaglund II*

Robert H. Hoaglund II, Esq.  
General Counsel  
100 Cambridge Street Suite 1020  
Boston, MA 02114  
Robert.Hoaglund@mass.gov

cc: Shane Early, Esq.