
ORDER ON CUSTOMER OUTREACH PLAN FROM THE FIRST REPORT OF THE CUSTOMER ASSISTANCE AND RATEMAKING WORKING GROUP
I. SUMMARY

The Department of Public Utilities ("Department") adopts and approves the customer outreach plan ("Customer Outreach Plan") proposed by the Customer Assistance and Ratemaking Working Group ("Working Group") in its Report of the Customer Assistance and Ratemaking Working Group filed with the Department on May 29, 2020 ("First Report"). The Department will address the remainder of the First Report in a subsequent Order. In recognition of customers’ need for increased information regarding electric and gas service at this time, the Department finds that it is in the public interest to address the Customer Outreach Plan apart from the remainder of the First Report.

II. INTRODUCTION

On May 11, 2020, the Department opened an inquiry into establishing policies and practices regarding customer assistance and ratemaking measures for electric and gas companies in response to the effects of the novel coronavirus ("COVID-19") pandemic. Notice of Inquiry into Establishing Policies and Practices for Electric and Gas Companies Regarding Customer Assistance and Ratemaking Measures in Connection to the State of Emergency\(^1\) Regarding the Novel Coronavirus ("COVID-19") Pandemic, D.P.U. 20-58 (May 11, 2020) (NOI). The Department established the Working Group\(^2\) to assist the Department in establishing appropriate

\(^1\) On March 10, 2020, pursuant to St. 1950, c. 639 and G.L. c. 17, § 2A, Governor Baker declared a State of Emergency in Massachusetts related to the novel coronavirus. Executive Order No. 591.

\(^2\) The Working Group is comprised of the following members: Fitchburg Gas and Electric Light Company d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company, Boston Gas Company and Colonial Gas Company, each d/b/a National Grid, and NSTAR Gas Company and NSTAR Electric Company, each d/b/a Eversource Energy, Bay State Gas Company d/b/a Columbia Gas of Massachusetts, Liberty Utilities
policies and practices. NOI at 4. As a first project and priority matter, the Department directed the Working Group to file an initial report containing consensus recommendations regarding several proposed customer assistance policies and practices on or before May 29, 2020. NOI at 5.  

As stated above, the Working Group filed the First Report on May 29, 2020. 4

Subsequently, on June 2, 2020, the Working Group submitted a correction to Table 1 on page 4 of the First Report. 5

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3 The Department also directed the Working Group to develop a consensus ratemaking proposal to support customer assistance initiatives and to maintain the financial integrity of the utilities in response to COVID-19. NOI at 10. As an initial framework for the Working Group’s consideration of ratemaking measures, the Department requested that the Distribution Companies provide the Working Group with a ratemaking proposal. NOI at 5. The Department will address the Working Group’s proposed ratemaking measures when the Working Group submits its ratemaking proposal to the Department. NOI at 10.

4 In addition to the Working Group’s recommendations, the First Report includes three informational tables: Table 1 - Gas Company Arrearage Date; Table 2 - Electric Company Arrearage Data and Table 3 - Current Distribution Company Payment Plans. The First Report also contains two appendices: Appendix A – COVID-19-Related Cost Treatment orders and Inquiries by State and Appendix B – COVID-19-Related Moratoriums by State.

5 The Department recognizes the importance of the presentation of data. The Department appreciates the efforts of the Working Group in reviewing the data in the First Report and making a timely correction. The Department will insert the Corrected Page 4 (with Table 1) into the First Report in place of the initial Page 4. As referenced herein, the First Report includes the Corrected Page 4.
III. OVERVIEW OF FIRST REPORT

The Department directed the Working Group to deliberate regarding several proposals in each of the following areas relating to customer assistance: (1) potential extended payment plans and waiver of late fees; (2) potential extended plans under the Distribution Companies’ arrearage management programs (“AMPs”);\(^6\) (3) potential outreach to customers; and (4) potential continuation of the Shut-Off Moratorium.\(^7\) NOI at 7-9. Also, the Department requested that the Working Group identify relevant activities from other states. NOI at 9.

The First Report contains information and recommendations regarding customer assistance measures in each outlined area, with several additional recommendations (First Report at 2, 21). Below, the Department addressed the specifics of the Working Group’s proposed Customer Outreach Plan. As stated above, the Department will address the remainder of the First Report in a subsequent Order.

IV. CUSTOMER OUTREACH PLAN

A. Department Proposal

The Department made the following recommendations to the Working Group regarding customer outreach: (1) establish a communication plan for customers following the State of Emergency in Massachusetts; and (2) establish a unified method for electric and gas companies

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\(^6\) The AMPs provide financial assistance to eligible low-income customers with active accounts that have outstanding bills that are past due.

\(^7\) Pursuant to G.L. c. 25, § 4B, the Chairman of the Department issued Orders prohibiting investor-owned gas, electric, and water distribution companies from shutting off utility service, or threatening to shut off utility service, to any customers for non-payment of bills until the State of Emergency in the Commonwealth related to COVID-19 is lifted or further communication is provided by the Department, whichever comes first (“Shut-Off Moratorium”).
and stakeholders to communicate with customers regarding outstanding balances, payment plans, low-income rate programs, existing customer protections, and community resources. The Department noted that messaging should include direction to motivate payment from customers who can pay. NOI at 8.

B. Working Group Recommendations

The Working Group suggests a four-phase general plan for customer outreach, which it will reassess as the public health response to the pandemic progresses.

- Phase 0, “Awareness & Education,” currently underway. A period of customer education on energy savings tips and flexible payment solutions. In this phase, Distribution Companies suspend late payment fees, collection efforts, service discontinuation notices, service disconnections, third-party collections, and replevin.\(^8\)

- Phase 1, “Assistance & Reminders.” This “soft” collections phase commences prior to the end of residential and C&I Shut Off Moratoriums. Distribution Companies will continue Phase 0 activities and will gradually begin sending out missed payment notifications, proactively encourage customers to participate in a payment plan and advise them of potential consequences of failing to do so once the Shut-Off Moratorium ends. Distribution Companies will continue to suspend service disconnections, disconnection notices, late charges, replevin, and third-party collection activity.

- Phase 2, “Resume Collections.” Collection activities will restart. Phase 0 and Phase 1 activities will continue, but the Distribution Companies will field collections and dunning calls from customers. Distribution Companies will reinstate late charges and exception-based reprieves will be offered. Phase 2 will allow for rule-based service disconnection notices, service disconnections, and replevins.

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\(^8\) Replevin is a civil action that grants a court authority to decide which party has a superior right to possession of personal property that is alleged to be wrongfully or unlawfully held. G.L. c. 247, § 7. Utilities initiate replevin actions against customers in order to remove an electric or gas meter from the property of a customer whom the utility alleges is in serious debt to the utility.
• Phase 3, “Business as Usual.” Distribution Companies will resume usual collection activities and service disconnection practices.

(First Report at 18-19.)

The Distribution Companies do not have firm deadlines for each phase to begin or end (First Report at 19). The Working Group commits to further discussion of customer communication and will report to the Department progress on refining the details of the plan (First Report at 18). The Distribution Companies are flexible on the timing of the phases while utilizing key triggers to determine when to move to the next phase (First Report at 19). The Distribution Companies identify these triggers as including regulatory feasibility, severity of pandemic conditions, customer sentiment, organizational preparedness, and customer financial needs (First Report at 18, 19).

C. Analysis and Findings

The Department recognizes the hard work, commitment of resources, and collaborative efforts by the Working Group in reviewing and discussing the Department’s proposal to the ultimate preparation of the First Report. As stated above, with this Order, the Department is taking immediate action for the implementation of Customer Outreach Plans by the Distribution Companies.

The Department recognized the unprecedented economic consequences of the COVID-19 pandemic and the resulting financial challenges that customers and utilities face. NOI at 1-3. We reiterate our obligation to balance customers’ need for financial assistance against the need to ensure that utilities possess the financial resources to maintain essential services. See NOI at 2-3 & nn.4, 5. Accordingly, we review the proposed Customer Outreach Plan in consideration of our purposes to develop immediate-term policies and procedures that mitigate the financial
hardships faced by customers, to promote positive implications for the Distribution Companies’ operational health, and to regulate in the public interest.9


Consistent messaging to customers among Distribution Companies is essential in moving from the current State of Emergency to normal operational activities. In particular, we support the Working Group’s objective to encourage customers to enroll in a payment plan prior to the expiration of the Shut-Off Moratorium, which we consider to be an appropriate step to mitigate

the accumulating burden of customer debt levels and corresponding negative impacts on company operations (First Report at 17). For this reason, the Department agrees that the Customer Outreach Plan’s proposed phased approach to resumption of missed payment obligations, service disconnections, replevin, and collections both ensures that customers are aware of their options and rights related to arrearages and permits Distribution Companies to facilitate a return to regular operations. Also, the phased approach that informs customers of outstanding balances, payment plans, AMPs, existing customer protections, and community resources provides customers with needed information in advance of the Distribution Companies’ resumption of normal operations. We find that the Customer Outreach Plan provides an appropriate transition from the customer protections instituted by the Department at the outset of the State of Emergency to expected resumption of normal utility operations. Therefore, the Department approves the Customer Outreach Plan and directs the Distribution Companies to implement that plan. Further, the Distribution Companies may take other actions outlined in the First Report that are necessary to accomplish the above-stated directives. For example, the Distribution Companies may partner with Working Group stakeholders to inform residential, commercial, or industrial customers who have missed utility payments regarding COVID-19 payment programs and AMPs.

We value the commitment of the Working Group to further their discussions of the Customer Outreach Plan, especially regarding the timing of the phases and application of the criteria informing the transition from phase to phase. To inform the Department in its exercise of
its supervisory authority over the Distribution Companies, we encourage the Working Group to engage in those discussions in a timely manner.\(^{10}\)

To maintain progress toward finalized plans and approaches outlined in the First Report, the Department directs the Working Group to submit periodic reports that identify such information as additional details, specific timelines, revisions, and any new approaches, including plans to progress to a new phase of the four-phase general plan at least ten business days prior to each progression. Accordingly, the Working Group shall file an update report by July 30, 2020 and make following reports at two-week intervals. Additionally, the Department supports the recommendation of the Working Group to the Department that we should display a public list of resources available to customers affected by COVID-19 in a prominent place on the Department’s website (First Report at 10-11). Accordingly, the Department directs the Working Group to furnish the Department with a list of key resources in the first update report or earlier if practicable.

Additionally, the Working Group notes that the Department has directed the Distribution Companies to share arrearage tracking spreadsheets with the Working Group to facilitate discussion and recommendations. In accordance with the recommendation of the Attorney General, the Department directs the Distribution Companies to hereafter file arrearage tracking spreadsheets on a monthly basis under docket D.P.U. 20-58.

\(^{10}\) Although this Order is directed at the Customer Outreach Plan, we also encourage the Working Group to continue their discussions on the other proposals in the First Report where further details are needed.
Finally, the Department is mindful that the impacts of the COVID-19 pandemic are common to numerous states, which are addressing similar customer assistance and ratemaking concerns since the declaration of public health emergencies across the country. We encourage the Working Group to continue to monitor states’ activities as the Working Group deliberates regarding best practices for ratemaking measures.

V. DOCUMENT SUBMISSION AND AVAILABILITY

All documents must be submitted to the Department in pdf format by email attachment to Peter.Ray@mass.gov and Rachel.Cottle@mass.gov. The text of the email must specify the following: (1) the docket number of the proceeding (D.P.U. 20-58); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. All documents submitted in electronic format will be posted on the Department’s website as soon as practicable at http://www.mass.gov/dpu. The submitting party must also retain a paper copy of the documents and file the paper copy when the Department requests its submission. To the extent a person or entity wishes to submit comments in accordance with this Notice, electronic submission, as detailed above, is sufficient. To request materials in accessible formats (Braille, large print, electronic files, audio format) for people with disabilities, contact the Department’s ADA coordinator at DPUADACoordinator@state.ma.us.

All documents and/or filings submitted to the Department and/or issued by the Department will be available on the Department’s website as soon as is practicable at https://eeaonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber (insert “20-58”). A paper copy of such documents will not be available for public viewing at the Department due to the
state of emergency. For further information regarding this notice, please contact Rachel Cottle, Hearing Officer, Department of Public Utilities, at Rachel.Cottle@mass.gov.

VI. ORDER

Accordingly, after due consideration, it is

ORDERED: That the customer outreach plan set forth in the Report of the Customer Assistance and Ratemaking Working Group filed with the Department on May 29, 2020 is hereby APPROVED; and it is

FURTHER ORDERED: That each gas and electric company subject to the jurisdiction of the Department under G.L. c. 164, as listed on Appendix B, shall implement the customer outreach plan; and it is

FURTHER ORDERED: That the Customer Assistance and Ratemaking Working Group shall file reports consistent with the directives contained in this Order; and it is

FURTHER ORDERED: That each gas and electric company subject to the jurisdiction of the Department under G.L. c. 164 shall comply with the directives contained in this Order; and it is

FURTHER ORDERED: That the Secretary of the Department shall send a copy of this Order to the representatives of the Customer Assistance and Ratemaking Working Group listed in Appendix A, Aquarion Water Company of Massachusetts, and Clean Water Action Massachusetts.
By Order of the Department,

/s/
Matthew H. Nelson, Chair

/s/
Robert E. Hayden, Commissioner

/s/
Cecile M. Fraser, Commissioner
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APPENDIX B

ELECTRIC AND GAS COMPANIES SUBJECT TO
THE DEPARTMENT’S JURISDICTION

Electric Companies

Fitchburg Gas and Electric Light Company d/b/a Unitil
Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid
NSTAR Electric Company d/b/a Eversource Energy

Gas Companies

Bay State Gas Company d/b/a Columbia Gas of Massachusetts
The Berkshire Gas Company
Blackstone Gas Company
Boston Gas Company d/b/a National Grid
Fitchburg Gas and Electric Light Company d/b/a Unitil
Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty Utilities
NSTAR Gas Company