The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 24-15 January 4, 2024

Notice of Inquiry by the Department of Public Utilities on its own Motion into Energy Burden with a Focus on Energy Affordability for Residential Ratepayers.

VOTE AND ORDER OPENING INQUIRY

I. INTRODUCTION

The Department of Public Utilities ("Department") opens this inquiry to examine energy burden with a focus on energy affordability for residential ratepayers. The Department has determined that this proceeding will enable the Department to consider improvements to the programs currently offered to address energy affordability, to ensure maximum participation in each of these programs, and to determine whether additional programs may further benefit residential ratepayers of the Commonwealth's electric and gas distribution companies ("EDCs" and "LDCs," respectively).[1] The Department will solicit input from stakeholders, including members of the public, advocates, and Department-regulated entities on these issues. The Department has docketed this matter as D.P.U. 24-15.

II. BACKGROUND

In 2021, the Legislature passed and former Governor Baker signed into law An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy ("2021 Climate Act"), which amended the Department's responsibilities to add affordability, equity, and reductions of greenhouse gas emissions to the list of priorities, including safety, security, and reliability of service. St. 2021, c. 8, § 15; G.L. c. 25, § 1A. The 2021 Climate Act further directed the Executive Office of Energy and Environmental Affairs to issue a Clean Energy and Climate Plan

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1 The EDCs are Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid; NSTAR Electric Company d/b/a Eversource Energy; and Fitchburg Gas and Electric Light Company d/b/a Unitil. The LDCs are Boston Gas Company d/b/a National Grid; NSTAR Gas Company and Eversource Gas Company of Massachusetts, each d/b/a Eversource Energy; Liberty Utilities (New England Gas Company) Corp. d/b/a Liberty; The Berkshire Gas Company; and Fitchburg Gas and Electric Light Company d/b/a Unitil.

for 2025 and 2030, which was released on June 30, 2022. G.L. c. 21N, § 4(a). The Clean Energy and Climate Plan for 2025 and 2030 notes that mitigation of any potential cost increases associated with the clean energy transition will be explored through consumer protection programs.[2] Future policies around clean energy, decarbonized buildings, and electrified transportation need to be affordable and accessible for low-income residents.[3] As further explained in the Clean Energy and Climate Plan, the effort to decarbonize building heat systems and transition away from fossil fuel based heat systems should protect all ratepayers from significant cost burdens, particularly those who are most vulnerable to those increases.[4]

In NSTAR Electric Company, D.P.U. 22-22, at 469, 472 (2022), the Department expressed concerns regarding the overall affordability of energy bills and recognized that energy bills have strained many family budgets. The Department stated its interest in discussing and developing policies to address low-income assistance and continuing to examine these issues as appropriate in future dockets. D.P.U. 22-22, at 469-470. Further, the Department stated that the EDCs should explore stratifying low-income discount rates to provide an equitable discount for customers, assist the most vulnerable customers, and mitigate the potential rate shock for customers that transition from low to moderate income. D.P.U. 22-22, at 472. The Department also acknowledged the need for a deeper understanding of the impact energy costs are having on all households and a more in-depth understanding of energy burdens. D.P.U. 22-22, at 472.

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2 Clean Energy and Climate Plan for 2025 and 2030, at 19 (June 30, 2022), available at https://www.mass.gov/doc/clean-energy-and-climate-plan-for-2025-and-2030/download.

3 *Id.* at 14.

4 *Id.* at 61.

In the 1994 federal reauthorization of the Low-Income Home Energy Assistance Act Program ("LIHEAP"), Congress defined energy burden as the percentage of a household's income spent on energy bills (i.e., home energy costs divided by household income). 42 U.S.C. § 8622(2); Human Services Amendments of 1994, 108 Stat. 623, Public Law 103-252 (signed May 18, 1994). In Massachusetts, the average energy burden for all households is about three percent, but the average energy burden for low-income populations is about ten percent, and in certain neighborhoods, the energy burden is as high as 31 percent.[5] Moreover, low-income households in Massachusetts spend at least 3.5 times more of their income on energy than non-low-income households.[6] Researchers have identified a household with an energy burden of six percent or more as having a high energy burden.[7]

In D.P.U. 22-22, at 472, the Department directed the EDCs to make detailed utility burden index analyses on electricity residential bills in their Annual Returns to the Department, beginning with the 2022 Annual Return submitted in Spring 2023. More specifically, we directed each EDC to establish a credible process for tracking and calculating customers' energy burdens with the intention of using this information to develop more advanced and meaningful

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5 Kimberly Clark, Metropolitan Area Planning Council, Reducing Energy Burden: Resources for Low-Income Residents (January 28, 2022, 4:03 PM), https://www.mapc.org/planning101/reducing-energy-burden-resources-for-low-income-residents.

6 U.S. Department of Energy, Office of State and Community Energy Programs, Low-Income Energy Affordability Data Tool, https://www.energy.gov/scep/slsc/lead-tool (last visited December 1, 2023).

7 American Council for an Energy-Efficient Economy, Understanding Energy Affordability, https://www.aceee.org/sites/default/files/energy-affordability.pdf (last visited December 1, 2023).

strategies to enhance customer engagement and support. D.P.U. 22-22, at 472. In response, each company provided a detailed household economic burden index analysis evaluating residential electric utility customer bills as percentages of household income by county and provided the summary results by census block group.[8] The Department has not yet issued this directive to any of the LDCs.

On December 6, 2023, the Department issued an Order on Regulatory Principles and Framework regarding the role of gas local distribution companies as the Commonwealth achieves its target 2050 climate goals. That Order indicates a separate proceeding dedicated toward examining innovative solutions to address the energy burden and affordability. Investigation by the Department of Public Utilities on its own Motion into the Role of Gas Local Distribution Companies as the Commonwealth Achieves its Target 2050 Climate Goals, D.P.U. 20-80-B at 16 (December 6, 2023). This proceeding will allow the Department to address affordability issues in an effective manner and still enable us to achieve the necessary progress toward the Commonwealth's greenhouse gas emission reduction limits through our work in other dockets.

The Department recognizes the importance of ensuring that ratepayers in the Commonwealth can meet their basic household needs, like food, housing, and medicine, while also paying their utility bills. The Department has historically provided for assistance programs to residential ratepayers unable to pay their utility bills. These have included low-income

8 The EDCs filed these energy burden reports as supplemental data with their 2022 annual returns. See generally Department of Public Utilities, Find an electric company annual return, Energy Burden Reports, https://www.mass.gov/info-details/find-an-electric-company-annual-return (last visited December 1, 2023).

discount rates, arrearage management programs ("AMPs") to assist low-income customers, and disconnection protections. Each of these is described below.[9]

III. CURRENT METHODS TO ADDRESS ENERGY AFFORDABILITY

A. Low-Income Discount Rates

Pursuant to G.L. c. 164, § 1F, the Department requires distribution companies to provide percentage discounts to rates for eligible low-income customers comparable to the low-income discount rate received off the total bill for rates in effect prior to March 1, 1998. Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 15-155, at 463 (2016); see Expanding Low Income Customer Protections and Assistance, D.P.U. 08-4, at 36 (2008). In D.P.U. 15-155, at 469, pursuant to G.L. c. 164, § 41, the Department determined that a fully compensating adjustment should be made to the low-income discount where the scale of on-site generation would have an impact on affordability for low-income customers. The Department found that on-site generation had grown with an increase in costs from associated incentives, and that the increased costs of these incentives were included in customers' bills, including bills of low-income customers. D.P.U. 15-155, at 469-470. The Department directed that the adjusted low-income discount would remain in effect until each company's next base distribution rate case, at which time the Department would determine whether further adjustment was warranted.

[9] The Department also reviews and approves the Three-Year Energy Efficiency Plans of the electric and gas Program Administrators, including budgets. 2022-2024 Three-Year Energy Efficiency Plans, D.P.U. 21-120 through D.P.U. 21-129 (2022). Ratepayers have access to energy efficiency programs that historically have resulted in bill savings from reduced energy consumption for participating customers. In addition, the Program Administrators are required to commit a certain percentage of their budgets to energy efficiency offerings for low-income customers (i.e., at least ten percent or 20 percent, respectively, for the electric and gas Program Administrators). G.L. c 25, § 19(c).

D.P.U. 15-155, at 471. The Department expected that, in their respective next base rate proceedings, all EDCs would file revised rate design proposals for low-income customers that comply with the standard set forth in G.L. c. 164, § 141. D.P.U. 15-155, at 471. All the EDCs have since complied with this directive.

Currently, all Massachusetts LDCs offer 25 percent discounts to eligible low-income customers. See, e.g., Boston Gas Company, M.D.P.U. No. 64.2, at 2; Eversource Gas Company of Massachusetts ("EGMA"), M.D.P.U. No. 7D at 2. Massachusetts EDCs offer discounts ranging from 32 percent (Massachusetts Electric Company, M.D.P.U. No. 1487, at 2) to 42 percent (NSTAR Electric Company, M.D.P.U. No. 10E at 2).[10] Eligibility for low-income discount rates is determined upon verification of a receipt of any means-tested public benefit providing cash, housing, food, or medical care,[11] or upon verification of eligibility for LIHEAP or its successor program, or other criteria determined by the Department. G.L. c. 164, § 1F(4). Pursuant to G.L. c. 164, § 1F(4), the low-income discount eligibility rate is capped when

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10 New Hampshire offers low-income electric customers a tiered discount rate ranging from 5 percent to 86 percent, based on household income and size, for the first 750 kWh on monthly electric bills. NH Department of Energy, Electric Assistance Program Brochure, effective July 2023, https://www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/electric-assistance-program-brochure.pdf (last visited December 1, 2023).

11 These programs include the following: LIHEAP; Commonwealth Care Plan; Emergency Aid to Elders, Disabled, and Children; Fuel Assistance/Home Energy Assistance Program; Food stamps; Health Safety Net Plan; Head Start; MassHealth; Public Housing;; Supplemental Security Income; Transitional Aid to Families with Dependent Children; Veterans' Service Benefits; Veterans DIC Surviving Parent or Spouse; Veterans Non-Service Disability Pension; Women, Infants and Children.

household income exceeds 200 percent of the federal poverty level ("FPL").[12] Some companies have set the eligibility cap when a household's gross income exceeds 60 percent of Massachusetts' estimated state median income ("SMI"), which results in a higher threshold.[13] See, e.g., EGMA, M.D.P.U. No. 7D at 1; NSTAR Gas Company, M.D.P.U. No. 423N at 2; Fitchburg Gas and Electric Light Company, M.D.P.U. No. 385, at 1 (electric), and M.D.P.U. No. 253, at 1 (gas).

In D.P.U. 22-22, at 472, as noted above, the Department directed the EDCs to explore stratifying low-income discount rates. In its November 16, 2023 filing for approval of a general increase in base distribution rates, Massachusetts Electric Company and Nantucket Electric Company ("National Grid") proposes the following five-tiered low-income discount rate, which offers higher discounts for customers with lower income levels:

- 55 percent discount for households with incomes between 0 and 75 percent of FPL;
- 49 percent discount for households with incomes between 75 and 100 percent of FPL;
- 44 percent discount for households with incomes between 100 and 150 percent of FPL;
- 36 percent discount for households with incomes between 150 and 200 percent of FPL; and
- 32 percent discount for households with incomes between 200 percent of FPL and 60 percent of SMI.

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12 In 2023, the FPL for a family of four is $30,000. U.S. Department of Health and Human Services, HealthCare.gov Glossary, Federal poverty level (FPL), https://www.healthcare.gov/glossary/federal-poverty-level-fpl/ (last visited December 1, 2023).

13 Sixty percent of the SMI for a household of four is $87,294, whereas 200 percent of the FPL for the same household is $60,000. Massachusetts Executive Office of Housing and Livable Communities (formerly Department of Housing and Community Development), Fiscal Year 2024 LIHEAP Income Eligibility and Benefit Levels (November 8, 2023), https://www.mass.gov/doc/fy-2024-liheap-income-eligibility-and-benefit-chart-november-8-2023/download.

Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 23-150, prefiled testimony of Howard/Davis/Barde/Mancinelli, NG-CP-1, at 26-28. In its August 17, 2023 filing for approval of a general increase in base distribution rates, Fitchburg Gas and Electric Light Company ("Unitil") proposes increasing its current low-income discount rate for electric customers from 34.5 percent to 40 percent, stating that a change to the discount structure should be considered and implemented on a statewide basis. Fitchburg Gas and Electric Light Company, D.P.U. 23-80, prefiled testimony of Robert B. Hevert, Unitil-RBH-1, at 40. These proposals from National Grid and Unitil are under review in dockets D.P.U. 23-150 and D.P.U. 23-80, respectively, and any comments on these proposals should be filed in those respective dockets.

B. AMPs

Massachusetts distribution companies offer AMPs that provide arrearage forgiveness for customers who meet certain criteria. If payments are made on-time, credits will be provided for a portion of arrears. Details regarding each company's current AMP are provided below.

- The Berkshire Gas Company, D.P.U. 23-AMP-Berkshire: Eligible customers must have outstanding bills in arrears (60 days) of at least $300 for residential heating customers and $100 for residential non-heating customers. Qualified low-income residential heating and non-heating customers are able to earn 100 percent forgiveness of their full arrearage balances. Low-income customers (currently defined as customers served pursuant to rate codes R-2 and R-4 or identified as a "protected" customer) are automatically enrolled in the AMP.

- Liberty Utilities (New England Natural Gas Company) Corp., D.P.U. 23-AMP-Liberty: Eligible customers must have outstanding bills in arrears (60 days) of at least $300. Qualified customers must be the customer of record, be eligible for the discount rate, not be shutoff for nonpayment, not be a landlord account, and agree to participate in the discount rate. The AMP offers 100 percent arrearage forgiveness to eligible discount rate customers. All eligible customers are automatically enrolled in the AMP.

- National Grid, D.P.U. 23-AMP-05 National Grid: Eligible customers must have outstanding bills of at least $300 in arrears for at least 60 days. Applicants must be the customer of record, must qualify for any means-tested public benefit or be eligible for LIHEAP, and must have an active, individually metered residential gas or electric heating or non-heating account. Participants are eligible for forgiveness of 100 percent of their pre-plan arrears balance up to an annual maximum of $12,000.

- Unitil, D.P.U. 23-AMP-Unitil: Eligible customers must have an arrearage of at least $300 that is 60 days or more in arrears. Eligible customers must also be the active residential customer of record, must reside at the location, and must have a combined gross annual household income within 60 percent of the state median income guidelines and be certified for the discount rate. The maximum annual arrearage forgiveness is $4,800 for electric or gas service; for customers with both electric and gas service, the maximum annual arrearage forgiveness is $9,600. For customers with an arrearage that exceeds the annual forgiveness allowed, the AMP continues each year until the customer’s account is paid in full.

- NSTAR Gas Company and NSTAR Electric Company, D.P.U. 23-AMP-NSTAR: Eligible customers must have an arrearage of at least $300 that is 60 days or more in arrears. Participant must have an active residential gas or electric, non-landlord account in their name, have verified income within 60 percent of state median income guidelines, and participate in the residential assistance rate. The annual amount forgiven is not to exceed $12,000 (applicable to Eastern Massachusetts and Western Massachusetts eligible customers).

- Eversource Gas Company of Massachusetts, D.P.U. 23-AMP-EGMA: Eligible customers must have at least a $300 balance that is a minimum of 60 days past due; the total balance due at the time of enrollment may be forgiven, up to a maximum of $3,600 per year per customer. If the total balance due at the time of enrollment is greater than $3,600, a multiple-year arrangement may be necessary to address the entire balance.

C. Disconnection Protection

Pursuant to the Department’s billing and termination regulations, 220 CMR 25.00, a company may not terminate service to a residential customer for any reason other than failure to pay a bill unless the Department certifies its approval after giving both parties an opportunity to be heard. 220 CMR 25.02(1), (3). Moreover, there are specific guidelines that a company must follow prior to terminating service, such as providing a second request for payment and a specific termination notice to the customer. 220 CMR 25.02(3).

A company may not shut off service (or refuse to restore service) where the customer has provided certification that there is a financial hardship and that one of the following four conditions exists: (1) someone living in the house is seriously ill as certified by a registered physician or local board of health; (2) a child under the age of twelve months lives in the household and was in the household prior to the termination; (3) the period is between November 15 and March 15 and the service is necessary to heat the house; or (4) all adults in the home are 65 years of age or older and a minor also resides in the home. 220 CMR 25.03. In addition, where all residents in a household are 65 years of age or older, the company may not terminate service without written approval from the Department. 220 CMR 25.05(3). There is no disconnection protection for people with disabilities or during summer months.

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 COVID-19 pandemic ("State of Emergency"). Governor's Declaration of Emergency. Subsequently, on March 24, 2020, Governor Baker granted the Chairman of the Department authority pursuant to G.L. c. 25, § 4B to take necessary action to assure public safety and welfare through the priority restoration or continuing availability of gas, electric, and water utility services. The same day, the Chairman issued an Order 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 was lifted or further communication was provided by the Department ("Shut-Off Moratorium"). Chairman's First Set of Orders under G.L. c. 25,

§ 4B (March 24, 2020). The Shut-Off Moratorium remained in place until June 30, 2021. 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 Regarding the Novel Coronavirus ("COVID-19") Pandemic, D.P.U. 20-58-E, at 4 (2021).

D. PIPPS

In addition to using the measures in place in Massachusetts, several states also offer percentage-of-income payment plans ("PIPPs"), which cap energy costs as a percentage of household income.[14] Like discount rates, PIPPs can reduce the cost of energy for low-income customers and directly reduce energy burden. Unlike discount rates, however, PIPPs tie the level of financial assistance to a customer's income, which results in more targeted relief. One drawback is that PIPPs can remove customers' incentive to save energy, although this can be mitigated through requiring enrollment in energy efficiency programs, conservation incentives, or usage caps over which the discount would be lessened or removed.

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14 Virginia has a PIPP that sets the energy burden target level at six percent of household income for those with non-electric heating, and ten percent of household income for those with electric heating; the eligibility threshold is 150 percent of the FPL. Virginia Electric Utility Regulation Act, Va. Code Ann. §§ 56-585.6, 56-576 (2023), https://law.lis.virginia.gov/vacode/title56/chapter23/section56-585.6/, https://law.lis.virginia.gov/vacode/title56/chapter23/section56-576/. Other states with PIPPs include Ohio, Colorado, Illinois, Nevada, Pennsylvania, Connecticut, California, New Jersey, and Maine. Sagarika Subramanian and Mark Kresowik, American Council for an Energy-Efficient Economy, Innovative Electricity Rates Can Advance Equity and Electrification (September 14, 2023), https://www.aceee.org/blog-post/2023/09/innovative-electricity-rates-can-advance-equity-and-electrification.

IV. REQUEST FOR COMMENTS

A. Introduction

The Department invites all interested persons to participate in this proceeding to provide input on how the Department can reduce the energy burden and address affordability issues. The Department seeks written comments on any or all of the questions below by **5:00 P.M. on Friday, March 1, 2024**. The Department anticipates significant interest in this proceeding and would like comment from a broad range of stakeholders and customers. Therefore, we encourage interested persons to present consensus positions and submit comments jointly, when possible.

All comments should be submitted to the Department in electronic format by e-mail attachment to dpu.efiling@mass.gov and laurie.e.weisman@mass.gov. The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 24-15); (2) the name of the person or entity submitting the filing; and (3) indicate that the document is a written comment. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website by looking up the docket by its number in the docket database at https://eeaonline.eea.state.ma.us/DPU/Fileroom/. The Department will determine the appropriate next steps for this proceeding after completing our review of the initial comments.

Any person interested in participating in this inquiry without filing comments should indicate such interest by informing Department Secretary Mark D. Marini, via email (mark.marini@mass.gov) and Hearing Officer Laurie Ellen Weisman, via email (laurie.e.weisman@mass.gov), no later than **5:00 p.m. on Friday, March 1, 2024**. To be included on the distribution list, the request to the Department must include the following information: (1) name and organization represented, if any; (2) address; (3) telephone number; and (4) email address.

B. Design of Residential Energy Affordability Programs

1. As between a PIPP and tiered discount rates (collectively referred to as "energy affordability programs"), discuss the relative advantages and disadvantages of each.

2. Discuss how the Department should address the "cliff" experienced by customers who have an increase in income that is sufficient to remove their eligibility for assistance programs but insufficient to ease the energy burden to the comparable level prior to the income increase.

3. Discuss how eligibility for an energy affordability program should be determined. Is the eligibility threshold different depending upon whether it is related to a PIPP or tiered discount rates? Should eligibility be based on the FPL or SMI? Are there other options?

4. Discuss whether customers in arrears should be eligible for participation in energy affordability programs. If so, discuss how that debt should be treated.

5. Discuss whether energy affordability programs should only apply to a maximum amount of consumption each month.

6. Discuss whether energy affordability programs should reflect a seasonal fluctuation or an annual determination regarding energy usage limits.

7. Discuss the use of demographics (e.g., age, households with children, owners/renters) in designing energy affordability programs.

8. Discuss whether energy affordability programs should be designed to provide particular relief to environmental justice ("EJ") populations. If so, how can programs be designed to provide such relief?

9. Should the maximum cap as a percentage of household income paid under a PIPP be set below six percent for customers who experience a disproportionate burden of energy infrastructure in their neighborhood?

10. With respect to a PIPP, discuss how the percentage cap on energy costs should be determined.

11. With respect to a PIPP, discuss how the Department can limit the total energy burden of electric and gas bills for customers served by two different distribution companies, one for gas and one for electric.

12. Discuss how the revenue shortfall associated with energy affordability programs should be recovered from other customers. Should it be allocated only among residential customers of the utility or across all customer classes? Should it be a statewide recovery factor (i.e., spread across all gas or electric utilities)? Are there other options?

13. Discuss whether energy affordability programs should focus on heating versus non-heating customers.

14. With respect to tiered discount rates, discuss how the varying levels of discount should be determined. Should the discount rates and income levels be revised from time to time? If so, how often?

15. Discuss the role of energy efficiency programs, consumption reduction, investment in residential loan programs for photovoltaic and battery installations, and targeted educational programs in addressing energy affordability.

C. Other Energy Affordability Measures

1. With respect to potential changes to the AMPs, discuss:

   a. The level of debt forgiveness that should be offered, and how quickly customers should be required to pay off their debts;

   b. Whether income eligibility thresholds should be the same as for energy affordability programs or, if not, how they should be set;

   c. How the costs associated with AMPs should be recovered from other customers;

   d. What happens if the customer misses a payment; and

   e. Whether the program should be offered to customers who have been disconnected.

2. With respect to current disconnection protections and potential changes, discuss:

   a. The effectiveness of disconnection as a tool to reduce arrearages;

b. The minimum notification and arrearage requirements prior to disconnection and recommended changes;

c. Current policy and level regarding disconnection/reconnection fees, and whether utilities should be allowed to charge disconnection/reconnection fees to customers eligible for energy affordability programs;

d. Whether the Department should consider disconnection protections for people with disabilities.

e. How the costs associated with disconnection protections are currently recovered and how should they be recovered from other customers; and

f. Whether the Department should consider shutoff moratoriums for nonpayment during the summer and, if so, the appropriate time period.

D. Program Administration

1. Discuss the challenges and best practices for income verification for energy affordability programs, including the use of automatic enrollment or self-certification. In particular, discuss how to verify incomes above 200 percent of the FPL or 60 percent of the SMI.

2. Discuss the best practices to increase enrollment across energy affordability programs, such as the expanded use of utility advanced metering infrastructure data, marketing and outreach, and increased eligibility requirements.

E. Small Commercial and Industrial Energy Affordability Programs

1. Is there a reasonable method to address energy burden for small commercial and industrial ("C&I") customers including, in particular, those that are non-profit entities? If so, what is that method?

2. How should the Department define small C&I customers for the purpose of an energy affordability program?

F. General Questions

1. For individuals in particular, discuss what the energy burden looks like for you and what decisions you make about how to pay your energy bills and alter your energy consumption in an attempt to lower your bills.

2. Provide any additional comments or suggestions regarding the methods and measures that the Department could employ to address energy affordability.

G. Detailed Questions for Distribution Companies

1. [**National Grid (gas and electric) and Eversource electric only**] Regarding income thresholds for eligibility of the following low-income discount rate tariffs, please discuss any concerns the companies would have with respect to low-income program participation and offerings if ordered to change their low-income threshold from 200 percent of the federal poverty level to 60 percent of statewide median income:

   a. Regarding Availability Clauses of Boston Gas Company:

      - R-2 Residential Assistance Non-Heating Rate, M.D.P.U. No. 64.2
      - R-4B Residential Assistance Heating Rate, Boston division, M.D.P.U. No. 67.3
      - R-4C Residential Assistance Heating Rate, Boston division, M.D.P.U. No. 68.2

   b. Regarding Availability Clauses of National Grid electric:

      - Nantucket Electric Co R-2 Residential Low Income, M.D.P.U. No. 653
      - Massachusetts Electric Co R-2 Residential Low Income, M.D.P.U. No. 1487

   c. Regarding Special Provisions of NSTAR Electric Company:

      - Residential Assistance Rate R-2, M.D.P.U. No. 8E
      - Residential Space Heating Assistance, M.D.P.U. No. 10E

2. [**Gas companies only**] For each company, as well as for all gas companies combined, please provide energy burden data, by census block group, in searchable Microsoft Excel format with all formulas and links intact (PDF materials must be submitted in searchable format), in a similar fashion to that provided by the EDCs as ordered in D.P.U. 22-22, at 472-473:

> Provide a detailed household economic burden index analysis evaluating residential energy electric utility customer bills as percentages of household income by county and … provide the summary results of a detailed household burden index analysis by, at least census, block group…. Additionally, … show the analysis by household income for the statewide median household income and 50 percent, 100 percent, and 200 percent of the Federal Poverty Guidelines. This level of granularity in the data is intended to provide a clearer picture of specific areas of the Company's service territory with higher-than-average energy burden.

Within the same worksheet, also include the following, ensuring that average bills are calculated consistently among all companies:

- a count of residential households by rate class within each census block group;
- average annual use for each residential rate class within each census block group;
- in addition to providing "the analysis by household income for the statewide median household income and 50 percent, 100 percent, and 200 percent of the Federal Poverty Guidelines," provide the analysis for households earning the following ranges of statewide median income:
    - 0-60 percent
    - 61-80 percent
    - 81-100 percent
    - 101-120 percent; and
- the data underlying the 2020 Environmental Justice ("EJ") Populations map, offered by MassGIS, available at https://www.mass.gov/info-details/massgis-data-2020-environmental-justice-populations.

The data should include a unique row for each census block group and a unique column for each parameter (utility, median income, number of R-1 customers, EJ population criteria, etc), in a format conducive to executing quantitative analysis in Microsoft Excel (such as producing pivot tables).

3. [**Electric companies only**] Please provide, for each company as well as for all electric companies combined, the energy burden data as filed with the companies' 2022 Annual Returns to the Department, by census block group (not tract), in searchable Microsoft Excel format with all formulas and links intact (PDF materials must be submitted in searchable format).

Within the same worksheet, also include the following, ensuring that average bills are calculated consistently among all companies:

- a count of residential households by rate class within each census block group;
- average annual use for each residential rate class within each census block group;
- in addition to providing "the analysis by household income for the statewide median household income and 50 percent, 100 percent, and 200 percent of the Federal Poverty Guidelines," provide the analysis for households earning the following ranges of statewide median income:
  - 0-60 percent
  - 61-80 percent
  - 81-100 percent
  - 101-120 percent; and
- the data underlying the 2020 EJ Populations map, offered by MassGIS, available at https://www.mass.gov/info-details/massgis-data-2020-environmental-justice-populations

The data should include a unique row for each census block group and a unique column for each parameter (utility, median income, number of R-1 customers, EJ population criteria, etc.), in a format conducive to executing quantitative analysis in Microsoft Excel (such as producing pivot tables).

4. Please provide a statewide dataset that combines the energy burden data as requested in numbers 2 and 3 above.

V. ORDER

Accordingly, the Department

VOTES: To open an inquiry into energy burden with a focus on energy affordability for residential ratepayers; and it is

ORDERED: That the Secretary of the Department shall send a copy of this Order to each electric and gas distribution company subject to the jurisdiction of the Department under G.L. c. 164; cities and towns in the Commonwealth; the Joint Committee on

Telecommunications, Utilities and Energy; and the Attorney General of the Commonwealth; and it is

FURTHER ORDERED: That the Secretary of the Department shall serve a copy of this Order upon all persons on the Department's distribution list.

By Order of the Department,

James M. Van Nostrand, Chair

Cecile M. Fraser, Commissioner

Staci Rubin, Commissioner