



Christopher Tuomala
Senior Counsel I

By Electronic Filing

February 24, 2025

Mark D. Marini, Secretary
Department of Public Utilities
One South Station, 5th Floor
Boston, MA 02110

**Re: D.P.U. 24-PGAF-GRID:
Boston Gas Company d/b/a National Grid
THIRD REVISED 2024-2025 Annual Local Distribution Adjustment Factors
Effective March 1, 2025**

Dear Secretary Marini:

Boston Gas Company d/b/a National Grid (“National Grid” or the “Company”) hereby requests approval of its third revised 2024-2025 Local Distribution Adjustment Factors (“LDAFs”) in accordance with its Local Distribution Adjustment Clause, M.D.P.U. No. 60.9 (“LDAF Tariff”), in the above-captioned docket. This filing is provided as an update to the Company’s October 23, 2024 second revised submission. With approval from the Department of Public Utilities (the “Department”), these factors will become effective for the period March 1, 2025 through April 30, 2025. The Company submits this third revision pursuant to the Department’s directive in its February 20, 2025 letter to all investor-owned gas local distribution companies (“Letter”). In the Letter, the Department directed the gas local distribution companies to file revised reconciling factors that will result in no less than a five percent reduction in residential and residential low-income average bills for the remainder of the peak season (i.e., March and April 2025).

Foremost, the Company recognizes and appreciates the significant burden borne by customers brought upon by higher gas bills this winter which prompted the Department’s directive. We are deeply committed to the communities we serve and consider affordability a core component of our mission to provide safe, reliable energy to our customers. Consistent with the Department’s Letter, the Company submits for Department approval a one-time proposed reduction of \$0.3729 per therm to the Company’s LDAFs across all residential and residential low-income customer classes effective March 1, 2025 through April 30, 2025. This reduction results in a decrease of at least 10 percent in average bills for all residential and residential low-income customer classes for the remainder of the peak season, as presented in Attachment F. This proposed reduction is approximately double the Department’s requested decrease.

Pursuant to the Department’s directive, furthermore, the Company will recover the deferred costs resulting from the one-time reduction through its LDAFs in the off-peak season (i.e., May through October 2025). Therefore, the Company proposes a surcharge of \$0.4553 per therm, effective May 1, 2025 through October 31, 2025, as presented in Attachment E, Line 7, subject to full reconciliation.

The Company further notes that, despite an allowable carrying charge of prime rate currently set at 7.5 percent, per the LDAF Tariff, the Company has applied the lower carrying charge of the customer deposit rate, set at 4.37 percent, as it is an appropriate effort to effectuate unique additional bill relief for customers at this time, and to reflect the unique short-term nature of this deferral.

National Grid continues to support customers facing high winter bills through its comprehensive winter bill assistance efforts. Beginning last fall and throughout the 2024–2025 winter heating season, we have proactively addressed winter rates and provided customers with ways to manage their bill and access assistance. We have provided customers with resources to manage the impact of their energy bills by generating awareness for programs like the Budget Billing Plan; sharing winter preparation, gas safety, and energy saving tips through a monthly email cadence; having a robust schedule of in-person Customer Assistance events; and connecting customers to assistance programs such as Low Income Home Energy Assistance Program, Community Action Programs and others, through ongoing outreach and education. We will continue to utilize a wide range of communication methods, including emails, web content, social media, digital marketing, bill inserts, in-person events, billboards, and radio and television advertisements to reach our customers.

In addition, the Company will accelerate awareness of bill assistance programs through a variety of new strategic actions, including the following:

- Hosting customer assistance webinars in multiple languages regarding bill assistance information;
- Boosting social media to increase visibility for available assistance options and programs;
- Equipping our employees with information that outlines available customer programs;
- Increasing in-person customer assistance events, ensuring that content is available in multiple languages to reach a broader audience; and
- Expanding our winter bill paid marketing efforts through April 2025.

The Department directed the gas local distribution companies “to take all appropriate and reasonable actions to mitigate the financial effects of winter energy bills, to include reviewing programmatic spending driving high delivery charges.” The Company believes in the value of energy efficiency programs provided through Mass Save. These programs provide tools for customers to consume less energy, such as weatherization, and contribute to efficiently reducing emissions. The Company agrees with the Department’s direction to continue efforts to promote energy efficiency programs.

We remain committed to supporting energy efficiency initiatives and the Commonwealth’s shared clean energy goals, and at the same time recognize the financial impact for our customers. Energy efficiency program costs represent a significant factor in increased energy bills for National Grid residential and low-income gas customers this winter. This deserves a collaborative conversation to consider options to mitigate the longer-term impact on customers’ bills. We

recognize that this will require input from all Mass Save Program Administrators, the Energy Efficiency Advisory Council, and other interested stakeholders. This collaborative approach will be beneficial to balancing the advancement of energy efficiency goals with affordability concerns.

The Company appreciates the opportunity to work with the Department to provide rate relief for the remaining winter months and looks forward to working with the Department and other stakeholders on longer term measures that may be available to help address customer affordability, including thoughtful evaluation of energy programs and rates.

Thank you for your attention to this matter. Also included are a live excel spreadsheet and a certificate of service.¹ Please contact me at (351) 666-7799 if you have any questions.

Very truly yours,



Christopher R. Tuomala

Enclosures

cc: Mathieu Cunha, Hearing Officer, Department of Public Utilities
Cara Mottola, Director, Gas Division, Department of Public Utilities
Amanda McLeod, Assistant Director, Gas Division, Department of Public Utilities
Service List, D.P.U. 24-PGAF-GRID

¹ In accordance with the June 15, 2021 Letter on Continuation of Modified Filing Requirements issued by the Department of Public Utilities (“Department”), this filing is being submitted in electronic form only and National Grid will file a paper version when directed by the Department.