

**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF PUBLIC UTILITIES**

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Inquiry of the Department of Public Utilities into	)	
Establishing Policies and Practices for Electric and Gas	)	
Companies Regarding Customer Assistance and	)	D.P.U. 20-58
Ratemaking Measures in Connection to the	)	
State of Emergency Regarding the Novel	)	
Coronavirus (COVID-19).	)	
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**FIFTH UPDATED REPORT OF THE CUSTOMER ASSISTANCE WORKING GROUP**

**I. INTRODUCTION**

On May 11, 2020, the Department of Public Utilities (“Department”) issued a Notice of Inquiry (“NOI”) to establish 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. The NOI established a Customer Assistance and Ratemaking Working Group<sup>1</sup> (“Working Group”) to assist the Department in establishing appropriate policies and practices. The Department docketed this matter D.P.U. 20-58.

The Department directed the Working Group to address the Department’s priority to establish customer assistance policies and practices and file a report with consensus recommendations by May 29, 2020 (NOI at 5). The Department also sought a consensus

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<sup>1</sup> The Department included the following organizations in the Working Group: Fitchburg Gas and Electric Light Company d/b/a Unital (“Unital”), Massachusetts Electric Company and Nantucket Electric Company, Boston Gas Company and Colonial Gas Company, each d/b/a National Grid (“National Grid”), and NSTAR Gas Company and NSTAR Electric Company, each d/b/a Eversource Energy (“Eversource”), Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“CMA”), Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty (“Liberty”), The Berkshire Gas Company (“Berkshire Gas”) (collectively, “Distribution Companies”), the Office of the Attorney General (“AGO” or “Attorney General”, the Department of Energy Resources (“DOER”), the National Consumer Law Center (“NCLC”), the Low-Income Energy Affordability Network (“LEAN”) and the Associated Industries of Massachusetts (“AIM”).

ratemaking proposal that would both support the Working Group’s customer assistance initiatives and maintain the financial integrity of the utilities in light of the COVID-19 pandemic (*id.* at 10).

On May 29, 2020, the Working Group filed a consensus customer assistance report (“First Report”) with several recommendations and open items to continue discussing as a working group. On June 26, 2020, the Department issued D.P.U. 20-58-A approving the Working Group’s customer outreach component of the First Report. Further, the Order directed the Working Group to continue discussing open items and to provide the Department with “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” (D.P.U. 20-58-A at 8). The Department directed the Working Group to file its first updated report by July 30, 2020 and updated reports at two-week intervals thereafter (*id.* at 8). The distribution company members of the Working Group filed the first updated report on August 4, 2020.

On July 31, 2020, the Department issued D.P.U. 20-58-B approving the Working Group’s proposals related to the extended payment plans and waiver of late fees, extended plan under available arrearage management plans (“AMPs”), and continuation of the Shut-Off Moratorium detailed in the First Report (D.P.U. 20-58-B at 13). The Department directed the Working Group to provide updates on several items in its next updated report. The Working Group addressed those items in its Update to the Report filed on August 21, 2020 (“Second Update”) and its Update to the Report filed on October 16, 2020 (“Fourth Update”). In addition to the directives addressed in the Second Update and Fourth Update, the Distribution Companies continued to work to address the Department’s directive to update the Department on the timing of residential shut-off notices.

The Distribution Companies have complied with the Chair’s Fifth Set of Orders prohibiting residential customer service disconnections prior to November 16, 2020. Through discussions with the AGO and NCLC that began on October 28, 2020, each Distribution Company has agreed to suspend service disconnections for residential customers throughout the winter moratorium,<sup>2</sup> in light of the recent and significant increase of reported cases of COVID-19 and associated increases in hospitalizations and positive test rates.<sup>3</sup> Moreover, the Distribution Companies, AGO and NCLC agree that the last day of the winter moratorium should be extended from March 15, as mandated by statute, G.L. c. 164, § 124F, to April 1, as has been the practice of the parties – and as approved by the Department – the past several years.<sup>4</sup> The Distribution Companies, NCLC, and the AGO intend to keep encouraging residential customers to enroll in payment plans and pay what they are able toward their utility bills throughout the moratorium in order to avoid accumulating large balances that may lead to disconnections once the moratorium ends on April 1, 2021.

Prior to these discussions and agreement to extend the moratorium, most of the Distribution Companies had begun the shut-off notice process for residential customers. Below, the

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<sup>2</sup> National Grid had already concluded prior to these discussions to suspend residential service disconnections throughout the winter moratorium.

<sup>3</sup> According to the November 3, 2020 Massachusetts Department of Public Health COVID-19 Dashboard of Public Health Indicators [available at: <https://www.mass.gov/doc/covid-19-dashboard-november-3-2020/download>], the 7-day average of reported COVID-19 cases exceeded 900 from October 22 through November 1, with a high of 1,155 on October 28. This recent trend is roughly a five-fold increase from the lower reported averages in July. The 7-day average number of hospitalizations has recently been over 400, while the lowest observed value during the summer was under 200. The average number of positive molecular tests has also doubled recently. Citing similar data, Governor Baker issued COVID-19 Order No. 53, tightening the restrictions already imposed on the public, in order to stem these increases in reported cases and hospitalizations. Order No. 53 is available at: <https://www.mass.gov/doc/covid-19-order-53/download>.

<sup>4</sup> The Distribution Companies support extending the winter moratorium to April 1, 2021.

Distribution Companies<sup>5</sup> report on the shut-off notices that they already have sent to residential customers and address the timing of C&I shut-off notices.

## **II. TIMING OF RESIDENTIAL SHUT-OFF NOTICES**

In the First Report to the Department, the Distribution Companies supported sending notices regarding payments due, the availability of payment plans and the potential for shut off to be sent prior to November 15, 2020, the proposed end of the residential shut-off moratorium. The filing of these notices would be consistent with the sequence for issuing such notices promulgated in 220 CMR § 25. However, all parties of the Working Group did not reach consensus on a recommendation for timing of notices leading up to termination. The Working Group committed to continuing to discuss the timing of residential shut-off notices (First Report at 10). In D.P.U. 20-58-B, the Department directed the Working Group to update the Department on the timing of shut-off notices for residential customers when the information was available (D.P.U. 20-58-B at 18).

220 CMR § 25.02(3) sets out the timing limitations for issuing notices to customers with past due balances. The company “not earlier than 27 days after the rendering of the bill (i.e. first request for payment), renders a second request for payment, stating its intention to terminate on a date not earlier than 48 days after the receipt of the bill in the case of gas and electric companies.” 220 CMR § 25.03(b). For the final notice of termination, the company cannot render a final notice of termination earlier than 45 days after receipt of the bill. Further, the final notice of termination

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<sup>5</sup> The Distribution Companies’ report on shut-off notices does not reflect any substantive input from or discussions with other Working Group members on the timing, content, or format of soft and formal requests for payments and shut-off notices described herein.

must be rendered at least 72 hours, but in no event more than 14 days, prior to termination in the case of gas and electric companies. 220 CMR § 25.03(c).

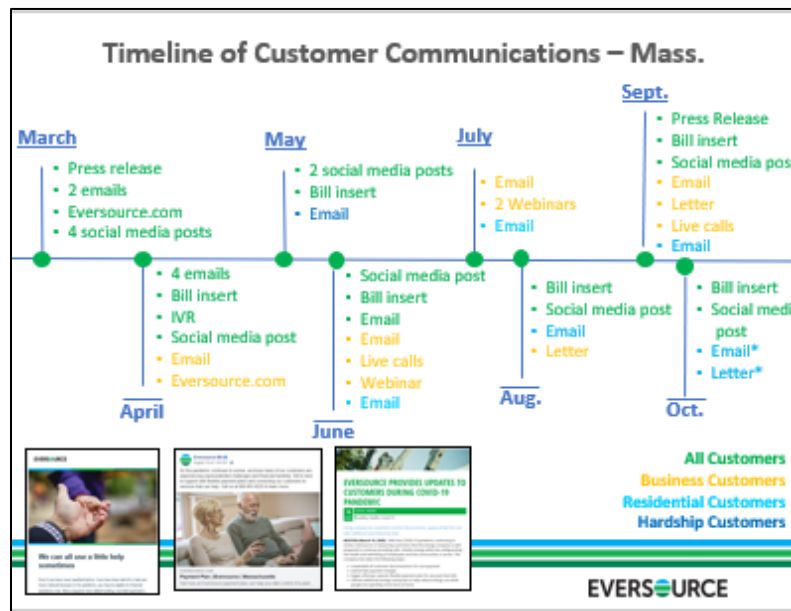
As described below, each distribution company has complied with the Department's regulations. Moreover, each company has taken the opportunity both prior to their respective second requests for payment, and along with their second requests for payment, to inform customers through "soft" letters/notices, regarding options for payment plans and other assistance to prevent service termination, once service terminations are allowed.

**A. Berkshire Gas**

Beginning in mid-July, Berkshire Gas sent soft reminder letters to non-protected residential customers in arrears. These soft reminder letters included information on suspension of service disconnections, availability of financial assistance programs, deferred payment plans and arrearage forgiveness plans. On September 21, 2020 through October 30, 2020, Berkshire Gas sent a second round of soft reminder letters. The second soft letters included the above-described information and information on the expected resumption of residential disconnects. As of October 30, 2020, at the AGO and NCLC's request, Berkshire Gas has agreed that it will not disconnect any residential customers during the winter moratorium, and further agreed to extend the winter moratorium to April 1, 2020. Therefore, the Company has suspended the direct mail campaign of soft letters to past due residential customers which communicated that service terminations would resume as of November 15, 2020, and will resume sending the soft reminder letter that communicated the suspension of service disconnections, availability of financial assistance programs, deferred payment plans and arrearage forgiveness plans. Since July, Berkshire has sent a total of 6,924 soft reminder letters. Berkshire has not disconnected any residential customers.

**B. Eversource**

Throughout the COVID-19 pandemic, Eversource has been in frequent contact with its customers in arrears with soft notices, including sending 16 emails (6 broad, 10 targeted), 3 sets of targeted letters, 6 bill inserts, information on Eversource.com and the upfront IVR, conversations with CSRs including targeted live outbound calling, 2 press releases, 11 social media posts and 6 webinars (4 webinars targeted to hardship residential customers promoting AMP, discount rate, protections in English, Spanish and Portuguese, and 2 webinars to social agencies). The above-described points of contact included information on how Eversource can assist a customer struggling to pay its bills during the pandemic through payment plans or enrollment in the Company’s AMP as appropriate.



Eversource began sending formal second requests for payment to residential electric customers in arrears on October 22, 2020, with formal disconnect notices. Neither of Eversource’s gas companies (NSTAR Gas Company and Eversource Gas<sup>6</sup>) sent or will be sending disconnect

<sup>6</sup> Eversource Gas of Massachusetts is the former Columbia Gas of Massachusetts.

notices. Moreover, as noted previously, by agreement with the AGO and NCLC, Eversource stopped sending formal disconnect notices to residential electric customers on November 4, 2020. None of the formal disconnect notices sent resulted in a disconnect of service before the agreement was reached. Further, Eversource does not intend to disconnect gas or electric service to residential customers during the winter moratorium. Eversource companies will continue to communicate monthly via “soft” reminder letters to all past due residential customers during the winter moratorium. The information offered in these reminders will be a “call to action” to contact Eversource as soon as possible to enroll in the hardship programs (like arrears management program), protections and extended payment arrangements available, as applicable to them. Additionally, Eversource will continue to work with our customers one on one to refer them to their local Community Action Agency, Good Neighbor Energy Fund, etc. so that they can apply for and receive the financial benefits as quickly as possible.

### **C. Liberty**

As of October 21, 2020, Liberty has sent 1,052 second “soft” notices, to customers in arrears and 250 final disconnect notices to eligible customers. Liberty is cognizant of COVID-19 impact on residential customers and seeks every opportunity to work with the customer prior to disconnection. On October 15, 2020, Liberty resumed formal second requests for payment to residential customers, with notices of potential service disconnection. Since November 5th of this year, Liberty has not issued any formal Second Requests for payments or disconnection notices to Massachusetts residential customers. Consistent with the Department’s COVID orders, however, Liberty has not terminated service to residential customers in arrears. Moreover, as noted previously, by agreement with the AGO and NCLC, Liberty does not intend to terminate service to residential customers during the winter moratorium.

**D. National Grid**

Consistent with the rules in 220 C.M.R. 25.00 *et seq* National Grid’s normal, business-as-usual cadence for residential late payment notifications and terminations are provided in the Table below, with differences related to COVID-19 noted in the last column.

Day	Timing Rule	Regulations	Gas (CRIS)	Electric (CSS)	COVID-19
1		First Request	Bill	Bill	Bill
28	+27 days from 1 <sup>st</sup> Request	Second Request	Shut-Off Notice	1 <sup>st</sup> Disconnect Notice	Between March 1, -8, 2021
46	+45 days from First Request	Final Notice	Demand Notice	2nd Disconnect notice	Between April 1-8 (depending on date above)
52	+6 days from Final Notice	Earliest termination Date			While shut-offs could start from April 7, company will not start until 4/15
66	+14 days from Final Notice	Latest Termination Date			April 15

The Company has implemented the multi-phase Communications Plan approved by the Department for communicating with customers in arrears through comprehensive and regular outreach and advocacy efforts. Phase 0 (in effect from March 2020 through July 2020) included communications related to information about bill health, availability of assistance programs, energy savings advice, and information about flexible payment plans, i.e., the Awareness and Education phase. From March 2020 to date, the Company’s communications to customers in arrears have included 26 emails, two targeted letters, five webinars (offered in English, Spanish, Portuguese), three bill inserts, seven YouTube videos, seven outbound calling campaigns and 475 social media posts. National Grid has been issuing missed-payment (*i.e.*, “soft”) notices and making reminder calls regarding missed payments to residential customers since July 28, 2020 in



accordance with Phase I of the Communications Plan. National Grid will not be performing any residential terminations, regardless of financial hardship, or heat/non-heat, until Spring 2021. The only difference between the current schedule and business-as-usual, or Pre-Covid-19 practices, is that in normal winters, non-heating, non-hardship gas residential customers would be eligible for disconnection. For Winter 2020-2021, however, the Company has extended the moratorium to all residential customers. Therefore, no formal Second Requests for payments or disconnection notices have been issued to Massachusetts residential customers, and will not be issued until March 1-8, 2021.<sup>7</sup>

Starting on November 16, National Grid will issue further informal, or “soft” notices reminding residential customers that they are in arrears and that they could be subject to disconnection when terminations resume. Starting December 1, National Grid will make follow-up calls to customers deeper in arrears encouraging them to seek assistance for managing payments (through DPAs, LIHEAP, AMP, *etc*). Starting in January 2021, Initial Disconnection Awareness notices will be sent, to allow for a long notice period prior to field terminations scheduled to start on April 15, during which time outreach will continue designed to encourage customers to make arrangements to avoid shut-off.

The Initial Disconnection Awareness Notices are anticipated to be the final round of informal, or “soft” notices to be issued to residential customers prior to issuance of the formal Second Requests for payment under the regulations between March 1-8, 2021. On the gas side the Second Request for payment is referred to as the “Shut-Off Notice” and on the electric side, it is the 1<sup>st</sup> Disconnect Notice. Final Notices will be issued between April 1-8 (depending on the

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<sup>7</sup> For April 15, 2021 field terminations the window for Second Request notices is March 1 through 8, because as any notices sent earlier than March 1 will expire before April 15. As both March 1 and March 8 are Mondays, the Company will select a weekday between March 2-5.

date of the Second Requests), on the gas side referred to as the “Demand Notice” and on the electric side, referred to as the 2nd Disconnect Notice. While the Company’s window for performing terminations would be on or about April 7 (earliest) and April 15 (latest), the Company does not intend to commence field terminations prior to April 15, 2021.

To date, communications to National Grid residential customers have been primarily focused on education and outreach, followed by reminders that arrears are accumulating, designed to encourage customers to pursue options for assistance with arrears, in accordance with the timing and procedures permitted in Phases 0 and I of the Communications Plan. As National Grid has committed to no Massachusetts residential terminations, regardless of financial hardship or heating status prior to Spring, 2021, the Company has not definitively established whether modifications to the traditional, pre-Covid-19 termination procedures may be required. It is premature to address the specifics of how residential terminations will be performed in the field several months in advance of initiating the process, but the Company will continue to review its business-as-usual terminations procedures and protocols over the next several months to assess if changes may be appropriate when shutoffs resume. Note that while National Grid has engaged in more extensive outreach to customers experiencing difficulty staying current on their bills due to the Covid-19 pandemic, under business as usual the Company also conducts a range of customer outreach and advocacy efforts, including bill messaging and calls, to inform customers about available options to avoid termination of service, which the Company always views as the last resort.

## **E. Unitil**

Beginning in June and continuing monthly, Unitil mailed soft reminder letters to Residential customers. These letters advised customers of assistance that was available to meet their unique needs for past due arrears, offered a variety of flexible payment plans, and reminded customers that disconnections and late fees were suspended.

On October 20, 2020, Unitil transitioned to the standard disconnections process by sending formal second requests (Reminder Notices) for payments to residential customers in arrears. Unitil has mailed 1,217 Reminder Notices to residential customers. It is our goal to engage with as many customers as soon as possible so that we can refer those who are in financial need, to their local Community Action Agency to secure whatever assistance they may be qualified for. As soon as customers qualify for a program that may provide them with the discounted rate, the sooner the amount of their future bills will be reduced. Unitil has found that it is easier for a customer to clear up a past due balance before that balance becomes overwhelming.

As of November 1, 2020, Unitil will not mail any additional reminder and disconnect notices during the winter moratorium. No residential customers have been disconnected, following the notices that were mailed starting on October 20, 2020. In addition, as noted previously, by agreement with the AGO and NCLC, Unitil does not intend to terminate service to residential customers during the winter moratorium. Unitil will continue to mail “soft” reminder letters to all past due customers each month during the winter moratorium. The message in these letters advises customers that we will not disconnect any residential customer during winter moratorium. The letters will drive customers to contact Unitil as soon as possible if they need assistance with their bill. Unitil will continue to encourage all customers to reach out to us to make a payment if possible, enroll in one of the flexible payment plans if needed and be referred to their

local CAP agency, so that they can receive the financial benefits that they qualify for, as quickly as possible.

### **III. UPDATE ON C&I SHUT-OFFS**

In the Chair's Fourth Set of Orders, the Distribution Companies were directed to not disconnect service for C&I customers until September 1, 2020. On September 3, 2020, the Department approved the Working Group's proposed *pro forma* Small Commercial Arrearage Forgiveness Plan ("AFP") (D.P.U. 20-58-C at 7-8).<sup>8</sup> The Distribution Companies offer the following update on the resumption of C&I disconnection of service.

#### **A. Berkshire Gas**

Beginning in mid-July, Berkshire Gas sent target soft notices to C&I customers in arrears. The soft notice included information on the suspension of service disconnections and late payment charges and deferred payment plans. In August, Berkshire Gas sent a second round of targeted soft notices to C&I customers in arrears. The second round of soft notices included the information indicated above and information on the expected resumption of service disconnections. On September 9, 2020, Berkshire Gas resumed sending "hard" notices to past due C&I customers. The first disconnection was scheduled for September 14, 2020.

Berkshire Gas is calling all eligible customers to offer deferred payment plans and, to those eligible, the new AFP. Further, as always, Berkshire Gas is attempting to resolve payment issues prior to scheduling disconnection of service. Similar to the residential customer disconnection process, Berkshire Gas is only disconnecting meters located outside to minimize need to enter a business and reduce possible COVID-19 exposure for customers and employees.

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<sup>8</sup> On October 15, 2020, the Department stamp granted the Distribution Companies' company-specific Small Commercial AFP compliance filing.

## **B. Eversource**

In addition to the communication referenced under the Residential section above, Eversource conducted 6 commercial focused webinars (3 webinars to C&I customers promoting extended payment arrangements, 3 webinars targeted to Small Commercial promoting Small Commercial AFP program) and one targeting Eversource Gas small commercial customers to promote the small commercial AFP is in progress.

On September 29, 2020, Eversource began sending formal second requests for payment notices to C&I customers. Notices sent to C&I customers in arrears include information on contacting customer service and how Eversource can assist the customer in managing its arrears via enrolling in the extended payment arrangements or small commercial AFP. Eversource began sending final request for payment or the 72-hour disconnect notices to C&I customers in arrears on October 21, 2020 with the first service disconnections occurring on or after October 27, 2020 for NSTAR Electric & Gas customers only.

As always, disconnect of electric and gas service is Eversource's last resort but it is even more critical during the COVID-19 pandemic. Eversource has expanded on customer contact when proceeding with service disconnection in the field as one additional step to encourage customers to enroll in an extended payment arrangement or enroll in small commercial AFP program to avoid service disconnection. In line with the residential disconnection process, the field employee attempts to make face to face contact with the customer. If face to face contact is possible, the field employee will leave service on and instruct the customer to contact customer service to make a payment or enroll in a payment arrangement. The field employee will mention failure to do so will result in a return trip later that day or the next day at which point they will disconnect the customer's service for non-payment. The field employee will also leave information with customer

on how to contact Eversource customer service and financial assistance for businesses. This information is provided in English and Spanish.

If face to face contact is not possible, then the field employee will determine if the location is occupied or vacant. If the business is vacant, then the field employee will disconnect the service. If the business is still occupied, then the field employee will leave the above-described information document with the customer.

CMA<sup>9</sup> sent notices to C&I customers in late September and early October. However, Eversource Gas' formal collection program has been temporarily suspended to align processes with Eversource generally. Eversource Gas and NSTAR Gas do not expect to align timing of processes during this COVID winter moratorium but, will work to align them in the future. Eversource Gas expects to take a new approach to the handling of C&I notifications and shut offs. Eversource Gas is planning to proceed slowly and methodically, learning as the process of disconnection of commercial customers unfolds in the former CMA territory. Eversource Gas wishes to ensure that commercial customers are aware of and have exhausted all available financial assistance programs. Plans are being made to promote payment assistance through email, printed correspondence and a webinar.

### **C. Liberty**

Liberty began sending soft and hard notices to C&I customers on August 4, 2020. The second notices sent in August and September included information on contacting Liberty Customer Service and how Liberty can assist customers struggling to pay utility bills. Additionally, Liberty circulated a separate mailer providing customers information on the Small Commercial AFP. As of October 21, 2020, Liberty has sent 753 second notices and 405 final notices to C&I

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<sup>9</sup> As a result of the asset purchase by Eversource, former CMA is now called Eversource Gas of Massachusetts.

customers. As always, service disconnection is the last resort; Liberty makes every effort to assist the customer in managing its arrears.

Liberty's current disconnection of service process is similar to its business as usual process. Liberty's collectors attempt to contact the eligible customer via telephone or at the customer's premises. The collector will encourage a payment and advise the customer to call customer service for a payment arrangement. If no payment or agreement is made, the collector will shut the premises off.

#### **D. National Grid**

Due to COVID-19, National Grid has significantly increased outreach to C&I customers from business-as-usual, including increased outreach, through emails and calls. Further, additional live agent calls have almost doubled. National Grid will continue its outreach efforts, including more frequent calls and notices prior to final field terminations. National Grid's field practices for terminating C&I customers will remain as close to business-as-usual as possible. National Grid began sending notices to electric C&I customers on September 28, 2020, alerting customers that disconnection is scheduled for October 27. National Grid's C&I gas customers will receive two tiers of notices; shut-off notices issued on October 14, 2020 and Demand notices will issue on November 4, with first field terminations starting November 17th.

#### **E. Unitil**

Starting in June and continuing throughout the summer, Unitil sent soft reminder letters and phone calls to Commercial customers. This proactive communication advised our customers of where to seek assistance to meet their unique needs, offered flexible payment plans, and reminded customers that disconnections and late fees were suspended. Unitil transitioned to the standard disconnection process and began sending formal second requests (Reminder Notices) as

of September 16, 2020. Since that date, Unitil has sent 409 Reminder notices to C&I customers in arrears. Of those customers who received a Reminder Notice, 255 customers did not respond so as of September 29, 2020, Unitil has sent 255 Final Notices. Both Reminder and Final Notices provide contact information for Unitil's Customer Service department and information on how Unitil can help the customer manage its arrears, prior to the disconnection date. As always, service disconnection is the last resort.

Given the ongoing pandemic, Unitil has revised its service disconnection process. Unitil's field technicians knock at each eligible customer's property and leave a letter that advises the customer of the scheduled disconnection and encourages them to call Customer Service to make a payment or start a payment plan. If the customer does not respond, Unitil may return later in the shut-off window and disconnects the service.

Unitil is cognizant that many customers are facing financial challenges due to COVID-19 and, therefore, has revised its disconnect process to include the additional upfront tech visit before the property is disconnected. Unitil seeks to ensure that any customer who is struggling due to the pandemic, is aware that there are options available to assist them.

#### **IV. CONCLUSION**

The Distribution Companies appreciate the Department's inquiry into customer assistance matters related to COVID-19 and the opportunity to produce this fifth updated report.

Dated: November 6, 2020