

**KEEGAN WERLIN LLP**

ATTORNEYS AT LAW  
99 HIGH STREET, SUITE 2900  
BOSTON, MASSACHUSETTS 02110  
\_\_\_\_\_  
(617) 951-1400

TELECOPIER:  
(617) 951-1354

September 18, 2020

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

Re: Inquiry into Establishing Policies and Practices for Electric and Gas Companies – D.P.U. 20-58

Dear Hearing Officer Cottle:

On behalf of the distribution company members<sup>1</sup> of the Working Group<sup>2</sup> enclosed is the third update (“Third Update”) to the Working Group’s May 29, 2020 Customer Assistance Report.

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. 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 several of those items in its Update to the Report filed on August 21, 2020 (“Second Update”).

In the Chair’s Fourth Set of Orders, the Distribution Companies were directed to not disconnect service for commercial and industrial (“C&I”) customers until September 1, 2020. In the Chair’s Fifth Set of Orders, the Distribution Companies were directed to not disconnect service for residential customers until November 16, 2020. In anticipation of the upcoming resumption of shut-off activities, the Distribution Companies are providing Attachment A to this Third Report.

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<sup>1</sup> The AGO, DOER, and AIM do not object to the filing of this Third Update to the Report.

<sup>2</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”).

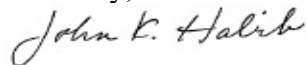
Attachment A was originally created in response to an informal request by the AGO to the Distribution Companies through the Working Group on shut-off moratoria. In response to that request, the Distribution Companies supplied the Working Group with Attachment A to this Third Report on September 11, 2020.

In addition to providing Attachment A, the Working Group has continued to discuss eligibility criteria for extended payment plans and payment plans to large C&I customers, as directed by the Department (D.P.U. 20-58-B at 17-18). The Working Group members are actively discussing these eligibility criteria and will continue to work to address the remaining directives from the Department in subsequent updates to the Customer Assistance Report.

The distribution company members of the Working Group appreciate the Department's inquiry into customer assistance matters related to COVID-19 and the opportunity to work collaboratively to produce this third updated report.

Thank you for your attention to this matter. Please contact me or any of the Working Group's counsel with any questions you may have regarding this filing.

Sincerely,



John K. Habib, Esq.

Enclosures

cc: Rachel Cottle, Esq. – Hearing Officer  
Jo Ann Bodemer, Esq. – Office of the Attorney General  
Timothy J. Reppucci, Esq. – Office of the Attorney General  
Robert Hoaglund, Esq. – Department of Energy Resources  
Charles Harak, Esq. - National Consumer Law Center  
Jerrold Oppenheim, Esq. – LEAN  
Robert Rio – Associated Industries of Massachusetts

## AGO Data Request on End of Shut-Off Moratoria

**(1) Whether you have initiated shut offs for your C&I customers and, if not, when you expect to do so**

**Eversource:** Eversource has not initiated shut off for C&I customers. The Company intends to start sending disconnect notices on September 28, 2020 with the first disconnections beginning on October 26, 2020.

**Unitil:** Unitil has not initiated shut off for C&I customers. Unitil will be sending disconnection notices to C&I customers as of 9/16 and setting payment plans with those customers who respond but who are unable to pay their bill in full. Shut offs for this group of customers will begin as of 10/9.

**Berkshire:** Berkshire scheduled its first C&I shut offs on 9/8/20.

**Liberty:** Liberty initiated shut offs as of September 2<sup>nd</sup>.

**National Grid:** National Grid has not initiated C&I shut offs. National Grid is targeting 9/28 to send its first C&I disconnect notices, with the first field terminations to commence on 10/15 for MA Electric C&I and 10/27 for MA Gas C&I.

**CMA:** CMA has not initiated shut offs for C&I customers. CMA anticipates the first shut offs will occur on or around October 26, 2020.

**(2) The expected magnitude of the shut offs for C&I customers in your service territories, specifically: (a) how many C&I customers are currently eligible for shut off; and (b) how many C&I customers do you estimate will be ultimately shut off.**

**Eversource:** For subpart a, Eversource estimates there are approximately 10,000 C&I customers are eligible to be sent a notice. For subpart b, about 70% of customers (residential & commercial combined) typically resolve their delinquent balance prior to the disconnect date. For C&I customers receiving shut off notifications this fall, the Company assumes this percentage will be higher but does not have data to corroborate this assumption.

**Unitil:** For subpart (a), the number of customers who will be eligible for disconnection of service changes daily when new bills are generated and a customer's balance ages into an arrears bucket. However, Unitil estimates approximately 600 C&I customers will be eligible for disconnection, once all bill cycles have completed for the first month. Unitil normally finds great success when partnering with customers by offering payment plans, so the overwhelming majority of customers do not end up getting disconnected. Since Unitil is now offering an extended payment plan to our C&I customers, we estimate that this action will further prevent disconnections. Unitil would estimate shutting off less than 60 C&I customers in our first month of disconnecting service.

**Berkshire:** For subpart (a), Berkshire identified 300+ past due C&I customers in that were sent two advanced collection communication letters. These communications resulted in resolution of 60% of these customer's arrearages. For the remaining past due C&I customers, Berkshire sent 119 disconnect notices since 9/1/20 and will place outbound calls to each customer prior to

scheduling disconnect. If the customer reached Berkshire will discuss the recently approved commercial AFP and refund the customer's security deposit (if any). For subpart (b), Berkshire estimates 50 +/- C&I customers may ultimately be shut off. Berkshire will restore service with payment of 50% of arrears in conjunction with an AFP on the remaining balance.

**Liberty:** For subpart (a), as of 9/3 there were 211 commercial customers eligible for shut off. For subpart (b), the volume is currently very low. Liberty shut off 13 customers during the first week service termination was allowed. Liberty believes this will be the trend on a weekly basis. Once Liberty resumed sending shut off notices to customers, there has been a high success rate of payment.

**National Grid:** For subpart (a), as of August 2020; MA Electric – 4,571 eligible accounts; MA Gas – 3,183 eligible accounts. For subpart (b), MA Electric – forecasted terminations; 77 for October, 2020, and 154 per month for November 2020 through March 2021; MA Gas - forecasted terminations: 47 in October 2020, and 188 per month for November 2020 through March 2021.

**CMA:** For subpart (a), CMA estimates 860 C&I customers are eligible for shut off. It is difficult to estimate how many C&I customers would ultimately be shut off. However, for subpart (b), CMA estimates less than 200 C&I customers will ultimately be shut off.

**(3) Any estimates as to how many residential customers may be shut off if the moratorium for residential customers were to end on November 15.**

**Eversource:** Eversource estimates about 100,000 residential customers are eligible for a disconnect notice. The majority of these customers will not be disconnected because they will rectify their balance by either paying any delinquencies, entering into a payment arrangement, or enrolling on Eversource's arrearage forgiveness program before the 28 day disconnect notice period expires. On average during the winter period Eversource disconnects approximately 1,300 customers a month, with most of those disconnect occurring during the shoulder months of November and March.

**Unitil:** It is extremely hard to estimate how many residential customers would be eligible for disconnection as of 11/15 since it is still more than 2 months away and customer's account statuses could change as the Unitil reaches out to them to offer payment plans. However, based on current information, Unitil estimates approximately 5,800 customers who would be eligible to receive a disconnection notice, once all the bill cycles have completed for the first month. Unitil realizes great success in partnering with these customers after notices are sent and only ultimately disconnects a small percent of customers eligible for service termination. Unitil estimates shutting off less than 300 residential customers in the first month of disconnecting service.

**Berkshire:** As of 9/4/20, Berkshire has 404 residential heating, and 240 residential non-heating customers (total of 644) that are eligible to receive a shut off notice (excluded all that are on payment plans, have protection from shut off, and past due balance is less than \$200 in arrears criteria to issue a notice). Note: given the COVID pandemic – Berkshire is making every effort to limit employee / customer contact through entering customer homes. For this reason, Berkshire

will likely only shut off service to customers with outside meter locations. As of 9/4/20, of the 644 residential customers eligible for a shut off notice, 290 residential heating customers and 150 residential non-heating customers have outside meters for a total of 404 that would likely be disconnected for nonpayment. These numbers will likely change by November 15th based on increased usage when customers turn on heating systems and/or be reduced in response to on-going advance communication direct mail letters offering available payment options.

**Liberty:** Liberty estimates there are approximately 5,000 residential customers eligible for termination at this time, but due to the uncertainty inherent in projecting the future payment activity of those customers (and others) of the next two months, it cannot estimate how many customers will be eligible for service termination on November 15th with any degree of certainty.

**National Grid:** National Grid does not terminate any Massachusetts electric residential customers during the winter moratorium period, regardless of hardship status. Therefore, the estimate is zero.

While Massachusetts non-hardship, non-heating gas residential customers would normally be subject to termination for non-payment during the winter moratorium, the Company has decided not to terminate any gas residential customers (whether heating or cooking-only) during the 2020-2021 winter moratorium period. Therefore, the estimate is zero.

**CMA:** It is very difficult to provide estimates for how many customers will be eligible for shut off over two months in advance. However, CMA estimates it will likely have no more than 400 residential shut offs for 2020 after November 15.