

THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

MAURA T. HEALEY
GOVERNOR

KIMBERLEY DRISCOLL
LIEUTENANT GOVERNOR

REBECCA L. TEPPER
SECRETARY OF ENERGY
AND ENVIRONMENTAL AFFAIRS

ONE SOUTH STATION
BOSTON, MA 02110
(617) 305-3500

JAMES VAN NOSTRAND
CHAIR

CECILE M. FRASER
COMMISSIONER

STACI RUBIN
COMMISSIONER

February 20, 2025

Via Email

All Investor-Owned Gas Local Distribution Companies
Regulated by the Department of Public Utilities (Exhibit A)

RE: Immediate Winter Rate Relief

Dear Local Distribution Companies:

The combination of increased supply costs, the recovery of unusually high programmatic costs through delivery charges, and a cold winter has driven customer bills to unsustainable levels. These circumstances warrant immediate measures to provide relief to consumers.

Customer affordability lies at the core of the Department of Public Utilities' ("Department") priorities, G.L. c. 25, § 1A, and we must use all available tools at our disposal. Accordingly, we direct the gas local distribution companies ("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). The Companies shall file these proposals in their cost of gas adjustment factor and local distribution adjustment factor dockets¹ no later than 5:00 p.m. on Monday, February 24, 2025, for effect on March 1, 2025.

Any deferred costs will be collected through the local distribution adjustment factor during the off-peak season (*i.e.*, May through October 2025). Going forward, the Department intends to investigate whether to shift certain delivery costs from the peak period to the shoulder and summer seasons on a permanent basis.

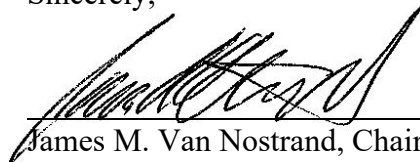
¹ D.P.U. 24-PGAF-BERK, D.P.U. 24-PGAF-EGMA, D.P.U. 24-PGAF-GRID, D.P.U. 24-PGAF-FGE, D.P.U. 24-PGAF-LIB, D.P.U. 24-PGAF-NSTAR

Each Company shall identify the carrying charge rate it proposes to apply to recoveries for these short-term deferrals. Consistent with current practice, the carrying charge rate shall be no higher than the prime rate, though the Department expects each Company to give due consideration to employing a lower carrying charge rate as a means of effecting additional bill relief for customers.² Given the unprecedented combination of circumstances in effect this winter—weather-driven high usage, lingering customer sensitivity to recent high inflation, and exceptionally high, program-driven delivery expenses—a limit to carrying charges is appropriate.

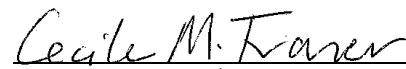
In addition, the Department directs the Companies (and their electric distribution company affiliates, where applicable) (together, “Distribution Companies”) to take all appropriate and reasonable actions to mitigate the financial effects of winter energy bills, to include reviewing programmatic spending driving high delivery charges. More specifically, the Department directs the Distribution Companies to accelerate efforts to promote budget billing programs for residential customers, which allow customers to spread their total energy costs evenly over time. The Distribution Companies should guide customers who have difficulty paying their energy bills towards appropriate assistance programs, such as arrearage management plans and the Home Energy Assistance Programs. In addition, the Department directs the Distribution Companies to continue their efforts to promote participation in energy efficiency programs that will reduce customer bills.

We appreciate your prompt attention to this matter.

Sincerely,



James M. Van Nostrand, Chair



Cecile M. Fraser, Commissioner



Staci Rubin, Commissioner

² The Department has previously authorized carrying charges at the customer deposit rate and the weighted average cost of capital.

Exhibit A
(Investor-Owned Gas Local Distribution Companies)

Charlotte Ancel, President
The Berkshire Gas Company

Lisa S. Wieland, President
Boston Gas Company d/b/a National Grid

Joe Nolan, President and CEO
Eversource Gas Company of Massachusetts and NSTAR Gas Company,
each d/b/a Eversource Energy

Thomas Meissner, Jr., Chairman, President and CEO
Fitchburg Gas and Electric Light Company d/b/a Unitil

Tatiana Roc, President
Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty