



THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES

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March 31, 2025

VIA email

Lisa S. Wieland  
President, National Grid New England  
Boston Gas Company, each d/b/a  
National Grid  
lisa.wieland@nationalgrid.com

RE: Letter Order - Failure to Issue Timely Bills

Dear President Wieland:

Providing customers with accurate, timely, and transparent bills is a fundamental obligation of electric and gas distribution companies. Substantial delays in sending bills deprive customers of the opportunity to adjust their behavior (i.e., energy usage) in response to the distinct price signal produced by the rates and charges set forth in their utility bills. Requiring meters to be read, and associated bills to be rendered, regularly provides customers with the frequent, accurate price signals essential to making informed consumption decisions. Van Buskirk v. Boston Gas Company, D.P.U. 3, at 6 (1982). The importance of these price signals is even greater during times of high energy costs, such as experienced this past winter in the Commonwealth, when consumers' consumption decisions have a greater impact on their budgets. D.P.U. 3, at 6. More fundamentally, substantial bill delays can wreak havoc with household budgeting, and it is simply unfair to expect customers to pay multiple months' worth of bills that were not rendered timely.

Notwithstanding the importance of sending timely bills, over the course of this past winter, Boston Gas Company, d/b/a National Grid ("National Grid" or "Company") failed to send punctual bills to tens of thousands of its natural gas customers due to a deficiency in its customer billing system related to the "crossover" from off-peak to peak rates on November 1, 2024. The Company recently informed the Department that upwards of 35,000 customers were

not billed in the October/November period and that, as of the date of this letter order, only 92 percent of these customers have resumed receiving bills.<sup>1</sup> In other words, some 3,000 customers have received no bills for five or six months, while many others started receiving bills again only recently, with bills reflecting three or four months of consumption due at once. Consistent with its duties to ratepayers and the public, the Department cannot tolerate such a systemic and uncorrected failure.

The Company's failure to send timely bills to the affected customers violates the Department's consumer protection regulations and precedent. 220 CMR 25.00 *et seq.* The regulations require timely and accurate bills and protect ratepayers if the Company does not fulfill its obligations. While the Department's regulations and precedent make some allowance for unforeseen circumstances, inadvertent mistakes, and technical glitches in the Company's billing practices, there is a limit on the flexibility afforded for failure to comply with the requirement to render bills in a timely manner. Recent precedent and practice, for example, permit a utility to fully recover amounts owed when excusable errors result in a *single* unbilled month or an estimated bill for up to *two months*, and subject to appropriate protections like payment plans. 220 CMR 25.02(2); Lalander v. NSTAR Electric Company, D.P.U. 09-AD-3 at 10-11 (2013). Nothing in our regulations or precedent, however, permits an extended and unaddressed systemic error of this magnitude.

Apart from the utter failure to perform the routine utility obligation of rendering bills in a timely manner, the Company compounded its lapse by failing to inform the Department in November when it first became aware that the "crossover" process in the Company's billing system was causing bills to fail to be generated and rendered to its natural gas customers. As a result, the Department's Consumer Division was fielding hundreds of calls in succeeding months without having the information necessary to respond or to fashion a suitable remedy for the Company's customers. (For those customers who did contact the Department, our Consumer Division representatives have routinely granted a waiver of any charges for usage during a period that occurred earlier than the preceding two months.) The Company's failure to proactively acknowledge the billing issue and work constructively with the Department to craft an appropriate solution is inexcusable.

In resolving billing disputes between the Company and ratepayers, the Department may order any just and equitable remedy. 220 CMR 25.02(5). Pursuant to the supervisory authority granted in G.L. c. 164, § 76, the Department has a long-standing policy of reviewing management decisions and efficiency as matters of legitimate public interest. In this extraordinary circumstance, we determine the following remedy to be just, equitable, and reasonable:

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<sup>1</sup> The media has reported on this failure and the harmful consequences for ratepayers this winter. See, e.g., Sean P. Murphy, The Boston Globe, "Thousands of National Grid gas customers say it's been months since they got their last bill. Why?," available at <https://www.bostonglobe.com/2025/01/16/business/national-grid-gas-customers-bill/>.

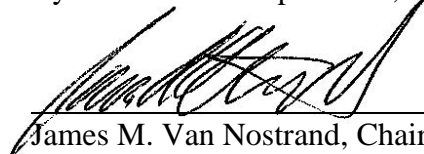
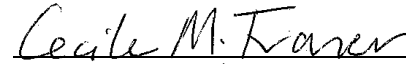
1. Consistent with the two-month rule in the regulations and in Lalander, the Company may collect no more than two months' revenue from customers affected by the ongoing systemic billing system failure. Specifically, the Company shall adjust affected customers' bills as follows:
  - a. For each customer who has not received a bill since the beginning of the peak season, the Company shall waive charges for any usage occurring more than 60 days prior to the date the Company sends the customer its next bill;<sup>2</sup> and
  - b. For customers who did not receive a bill for more than 60 days, the Company shall either waive collection of amounts owed for usage more than 60 days prior to the date of said bills or, if the customer has already paid, the Company shall credit or refund such sums to each customer.
2. The Department further directs protections for affected customers for whom even a 60-day back bill would pose a financial burden. When such customers request bill payment assistance from the Company, the Company shall require a down payment of no more than 10 percent of the amount owed and shall permit a payment plan period of at least 9 months.
3. The Department hereby puts the Company on notice that the Department will investigate whether the Company may recover the total sums waived, refunded, or credited to customers pursuant to this letter order in Boston Gas Company's next base distribution rate case. The Company will face a high burden of proof and production regarding this issue. In particular, the Company shall file testimony and exhibits documenting the total sums waived, refunded, or credited to gas customers pursuant to this letter. When a company's decisions are challenged, that company is expected to come forward with evidence to explain its decisions and show that they are not inconsistent with valid policies enforced by the Department. New England Telephone & Telegraph Company v. Department of Public Utilities, 360 Mass. 443, 493 (1971).
4. The Company shall provide updates to the Department's Consumer Division Director and General Counsel on a weekly basis from the date of this letter order and until further direction from the Department, indicating at minimum: (a) the remaining number of customers who have yet to receive bills; (b) the Company's steps to implement the waiver, refund, and consumer protection directives above; and (c) the Company's steps to investigate and prevent a similar deficiency in its billing system in the future.

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<sup>2</sup> This is consistent with the relief that the Department's Consumer Division has granted to the Company's customers who brought the issue to the Department's attention.

Massachusetts ratepayers have endured a cold winter marked by high rates and high bills. For a significant number of these ratepayers, these challenges were compounded by the Company's systemic billing error. Consistent with its mandate to ensure affordability and consumer protection, the Department hereby Orders the Company to immediately take the corrective actions prescribed above.

By Order of the Department,

  
James M. Van Nostrand, Chair  
Cecile M. Fraser, Commissioner  
Staci Rubin, Commissioner

cc: Alexandra Blackmore, New England General Counsel, National Grid  
Caroline Hon, Vice President of New England Regulation and Pricing, National Grid  
Lynne Nadeau, Regulatory Affairs Manager Massachusetts, National Grid  
Bill Malee, Chief Customer Officer, National Grid  
Elizabeth Anderson, Chief, Energy & Ratepayer Advocacy Division, Massachusetts  
Attorney General  
Rebecca Tepper, Secretary, Executive Office of Energy and Environmental Affairs  
Michael Judge, Undersecretary of Energy, Executive Office of Energy and  
Environmental Affairs  
David Lyons, General Counsel, Department of Public Utilities  
Theresa Kelly, Director, Consumer Division, Department of Public Utilities