

May 22, 2020

BY ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket 5022 - Suspension of Service Terminations and Certain Collections Activities
During the COVID-19 Emergency
National Grid's Comments and Responses to Request for Information**

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's comments and responses to the Public Utilities Commission's Request for Information pursuant to its April 14, 2020 written order in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121 or Jennifer Brooks Hutchinson at 401-784-7288.

Sincerely,



Raquel J. Webster



Jennifer Brooks Hutchinson

cc: Docket 5022 Service List
Jon Hagopian, Esq.
John Bell, Division
Linda George, Division

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

| | |
|---|-----------------------|
| IN RE: SUSPENSION OF SERVICE TERMINATIONS AND CERTAIN COLLECTIONS ACTIVITIES DURING THE COVID-19 EMERGENCY | RIPUC Docket No. 5022 |
|---|-----------------------|

**NATIONAL GRID'S COMMENTS AND RESPONSES TO THE RHODE ISLAND
PUBLIC UTILITIES COMMISSION'S REQUEST FOR INFORMATION**

National Grid¹ submits these comments in response to the Rhode Island Public Utilities Commission's (PUC) request for information in the above -referenced proceeding regarding the suspension of service terminations and certain collections activities during the COVID-19 pandemic (Pandemic). National Grid has also included a proposal for resolving a few challenges the Company has identified in the Arrearage Management Program (AMP).

I. RESPONSES TO PUC'S REQUEST FOR INFORMATION

National Grid responds to the PUC's questions as follows:

Question 1: Have collections dropped off for residential and nonresidential customers over the past eight weeks, compared to prior months and prior years?

Yes. Collections have dropped off for residential and nonresidential customers over the past eight weeks compared to prior months and prior years.

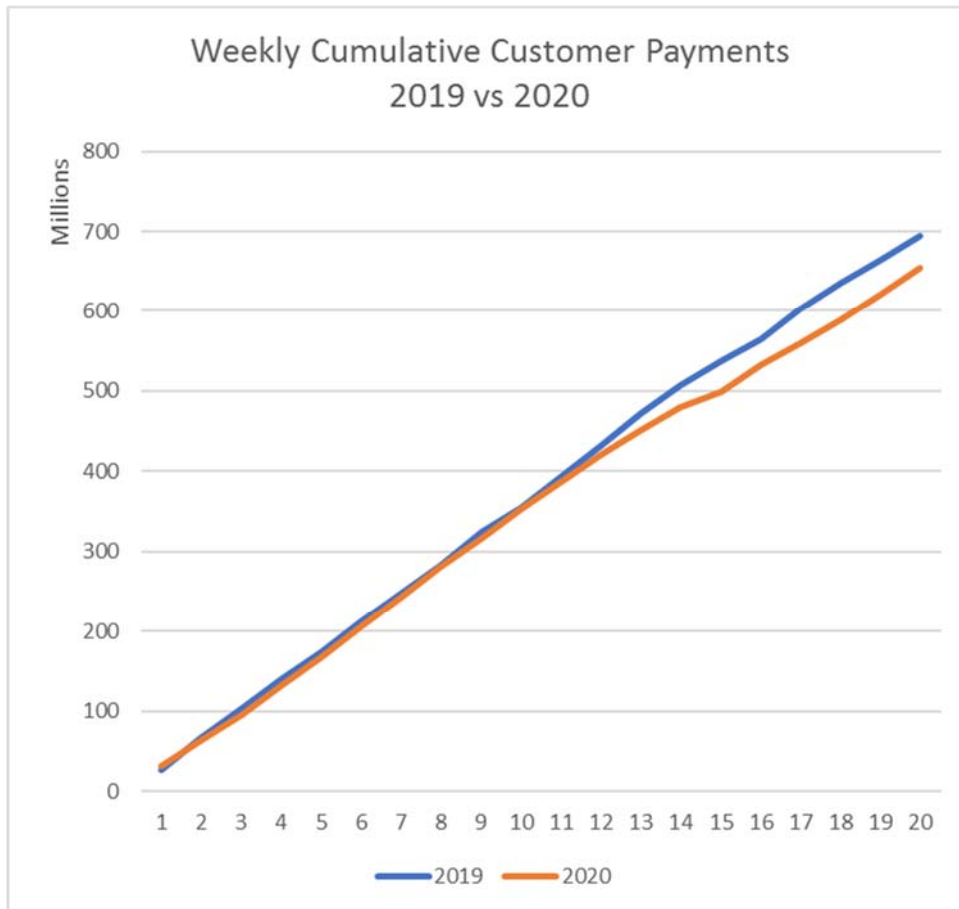
Question 2: If so, please quantify the extent of the reduction.

The year-to-date payments for 2020 fall short of 2019 payments for the same period by \$41.5 million.

Weekly customer payment data is provided in the graphs and table below.

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

Graph 1



Graph 2

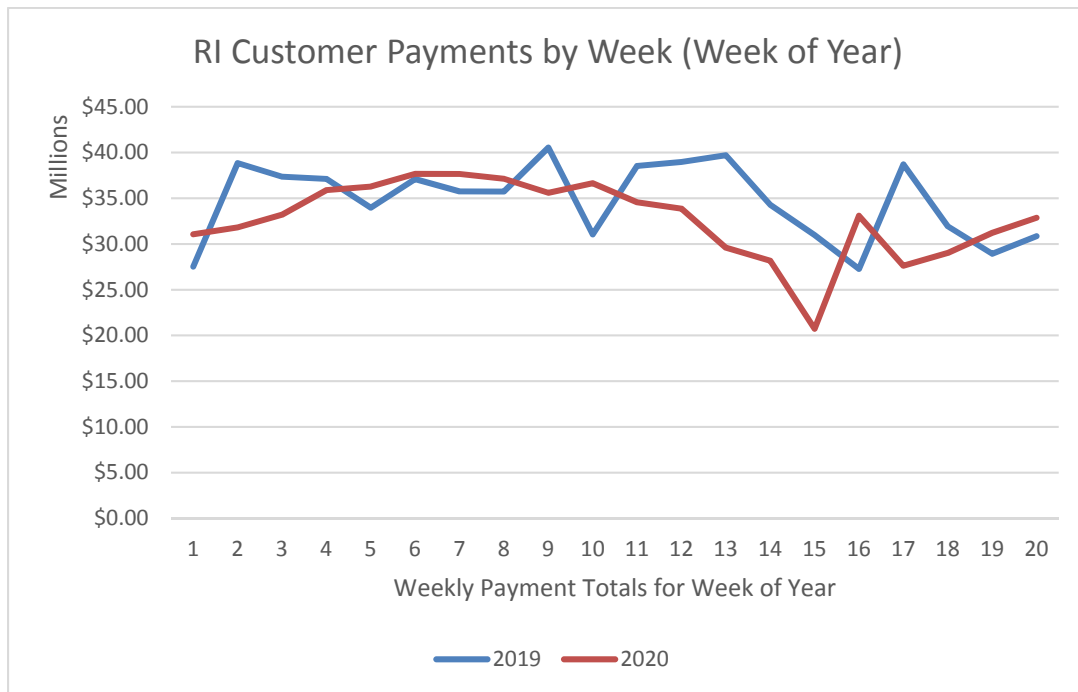


Table 1

| Row Labels | 2019 | 2020 |
|--------------------|----------------------|----------------------|
| 1 | \$27,522,624 | \$31,060,927 |
| 2 | \$38,848,614 | \$31,815,014 |
| 3 | \$37,354,462 | \$33,196,886 |
| 4 | \$37,107,686 | \$35,884,943 |
| 5 | \$33,969,967 | \$36,279,186 |
| 6 | \$37,090,428 | \$37,658,699 |
| 7 | \$35,739,410 | \$37,652,479 |
| 8 | \$35,731,762 | \$37,134,789 |
| 9 | \$40,537,941 | \$35,588,161 |
| 10 | \$31,050,942 | \$36,639,840 |
| 11 | \$38,521,590 | \$34,566,456 |
| 12 | \$38,973,375 | \$33,861,994 |
| 13 | \$39,706,600 | \$29,596,990 |
| 14 | \$34,286,320 | \$28,149,849 |
| 15 | \$30,972,114 | \$20,727,682 |
| 16 | \$27,270,108 | \$33,086,082 |
| 17 | \$38,711,607 | \$27,607,391 |
| 18 | \$31,942,785 | \$29,016,566 |
| 19 | \$28,918,712 | \$31,213,529 |
| 20 | \$30,846,092 | \$32,858,377 |
| Grand Total | \$695,103,138 | \$653,595,840 |

Note that in weeks 19 and 20, the customer payments for 2020 exceed those of 2019 for the respective week. This does not represent improved year-over-year performance. Rather, as Graph 2, above, shows, the seasonal pattern in customer payment behavior is unfolding earlier in 2020. The upturn in payments that occurred in 2019 in week 19 took place in 2020 in week 17.

Thus, it is more appropriate to compare weeks 19 and 20 of 2019 to weeks 17 and 18 of 2020, respectively, as follows:

| Row Labels | 2019 | 2020 |
|-------------------|-------------|-------------|
| 19 & 17 | 28,918,712 | 27,607,391 |
| 20 & 18 | 30,846,092 | 29,016,566 |

Question 3: What effect has any such reduction had on the utility's cash flow?

On average, Rhode Island cash collections are down an average of \$3.4 per week for the period April 14, 2020 through May 18, 2020 as compared to the same period in 2019. Notably, because of the Pandemic, the Company continues to incur incremental costs such as cleaning costs and personal protective equipment costs to ensure the safety of its employees.

Question 4: Has the utility been unable to meet any obligations, or does it expect to be unable to meet any financial obligations in the next two weeks if it cannot commence termination of service as a collections option.

The Company has been able to meet its obligations and expects to be able to meet all its obligations in the next two weeks if it cannot commence termination of service as a collections option.

Question 5: Provide any information on plans for termination of service for nonpayment absent an extension of this order.

The Company's current focus is "bill health" - helping customers find solutions that help them pay their bill. As described in the Company's COVID-19 Emergency Bill Payment

& Customer Assistance Plan (Plan), which the Company filed with the PUC on May 15, 2020, the Company is currently focused on a proactive and targeted outreach program to all customer segments to help them find the resources they need to help manage usage, avoid insurmountable debt, and pay their bills, whether in full or through any number of assistance programs. The Company is undertaking a four-phased approach to resume cash collections. Please see the Plan for additional details regarding the Company's plans for termination of service absent an extension of the PUC's order.

Question 6: National Grid shall provide the percentage of collections by rate class for the period commencing March 16, 2020.

The Collection Effectiveness Index is a standard financial metric that assesses how much of a company's collectible receivable were actually collected in a given period. The formula consists of the sum of beginning receivables and monthly credit sales, less ending total receivables. This total is then divided by the sum of beginning receivables and monthly credit sales, less ending current receivables.

The collection effectiveness index by rate class for April 2019, May 2019, March 2020, April 2020, and May 2020 (Month-to-Date as of 5/16/2020) is included in the tables below:

GAS BUSINESS:

| | <i>Apr 2019</i> | <i>May 2019</i> | <i>Mar 2020</i> | <i>Apr2020</i> | <i>5/16/2020</i> |
|---------------------------------|-----------------|-----------------|-----------------|----------------|------------------|
| Collection Effectiveness | | | | | |
| Residential | 62.1% | 57.1% | 58.0% | 48.1% | 32.0% |
| Low Income | 28.0% | 25.2% | 16.9% | 13.8% | 11.8% |
| Small C&I | 78.7% | 76.6% | 73.7% | 56.5% | 49.0% |
| Medium C&I | 80.0% | 78.1% | 78.0% | 61.1% | 54.0% |
| Large C&I | 82.4% | 83.6% | 78.3% | 61.4% | 64.4% |
| Total | 61.8% | 58.0% | 58.8% | 47.1% | 35.0% |

ELECTRIC BUSINESS:

| | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | <i>5/16/2020</i> |
|---------------------------------|--------------|--------------|--------------|--------------|------------------|
| Collection Effectiveness | | | | | |
| Residential | 63.1% | 64.5% | 57.1% | 52.1% | 35.8% |
| Low Income | 21.1% | 24.5% | 17.8% | 15.9% | 11.3% |
| Small C&I | 75.6% | 76.3% | 70.1% | 58.7% | 47.4% |
| Medium C&I | 85.6% | 88.2% | 82.9% | 70.0% | 61.7% |
| Large C&I | 89.5% | 92.3% | 86.9% | 85.5% | 78.4% |
| Total | 68.2% | 70.1% | 62.0% | 55.6% | 42.3% |

There is a substantial decline in the Collection Effectiveness Index for both businesses, both year-over-year (2020 vs. 2019) and month-over-month (March through May of 2020). It is important to note that the Collection Effectiveness Index is ratio of collected monies relative to monies available for collection. Therefore, it is quite possible to collect more dollars in a given period compared to another period, while at the same time having a lower Collection Effectiveness Index. In other words, it is possible to have an increased numerator, but if the denominator (available dollars) is higher, that value of the ratio will be lower.

GAS BUSINESS:

| | <i>Mar</i> | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | <i>5/16/2020</i> |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| # of Customers | | | | | | |
| Residential | 222,692 | 222,614 | 222,273 | 226,356 | 226,961 | 226,465 |
| Low Income | 20,348 | 20,333 | 20,344 | 20,575 | 20,581 | 21,112 |
| Small C&I | 18,657 | 18,643 | 18,600 | 19,170 | 19,219 | 19,201 |
| Medium C&I | 5,102 | 5,104 | 5,100 | 5,179 | 5,189 | 5,189 |
| Large C&I | 774 | 773 | 771 | 784 | 784 | 781 |
| Total | 267,573 | 267,467 | 267,088 | 272,064 | 272,734 | 272,748 |
| # of Customers w/ Arrears | | | | | | |
| Residential | 39,582 | 43,164 | 40,708 | 52,486 | 54,860 | 52,581 |
| Low Income | 9,251 | 9,517 | 8,320 | 6,890 | 7,050 | 6,689 |
| Small C&I | 2,620 | 3,513 | 3,003 | 3,990 | 4,922 | 4,379 |
| Medium C&I | 603 | 881 | 707 | 895 | 1,225 | 1,109 |
| Large C&I | 84 | 128 | 101 | 131 | 171 | 158 |
| Total | 52,140 | 57,203 | 52,839 | 64,392 | 68,228 | 64,916 |
| # Arrears 30-60 | | | | | | |
| Residential | 20,231 | 21,202 | 16,947 | 22,971 | 19,538 | 16,051 |
| Low Income | 1,938 | 1,857 | 1,391 | 1,235 | 1,161 | 1,026 |
| Small C&I | 1,625 | 2,468 | 1,548 | 2,444 | 2,311 | 1,807 |
| Medium C&I | 358 | 641 | 381 | 575 | 682 | 582 |
| Large C&I | 53 | 101 | 52 | 86 | 100 | 83 |
| Total | 24,205 | 26,269 | 20,319 | 27,311 | 23,792 | 19,549 |
| # Arrears 60-90 | | | | | | |
| Residential | 7,789 | 9,173 | 9,340 | 11,346 | 12,508 | 11,158 |
| Low Income | 1,682 | 1,490 | 1,281 | 1,149 | 988 | 930 |
| Small C&I | 658 | 608 | 937 | 994 | 1,555 | 933 |
| Medium C&I | 152 | 118 | 212 | 208 | 341 | 225 |
| Large C&I | 17 | 13 | 35 | 31 | 49 | 33 |
| Total | 10,298 | 11,402 | 11,805 | 13,728 | 15,441 | 13,279 |

| | <i>Mar</i> | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | <i>5/16/2020</i> |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| # Arrears 90> | | | | | | |
| Residential | 11,562 | 12,789 | 14,421 | 18,169 | 22,814 | 25,372 |
| Low Income | 5,631 | 6,170 | 5,648 | 4,506 | 4,901 | 4,733 |
| Small C&I | 337 | 437 | 518 | 552 | 1,056 | 1,639 |
| Medium C&I | 93 | 122 | 114 | 112 | 202 | 302 |
| Large C&I | 14 | 14 | 14 | 14 | 22 | 42 |
| Total | 17,637 | 19,532 | 20,715 | 23,353 | 28,995 | 32,088 |
| \$ Arrears 30-60 | | | | | | |
| Residential | \$7,200,859 | \$7,610,014 | \$5,193,594 | \$8,003,626 | \$7,558,729 | \$6,500,524 |
| Low Income | \$1,735,646 | \$1,708,637 | \$1,150,703 | \$999,450 | \$880,753 | \$762,520 |
| Small C&I | \$748,063 | \$838,851 | \$472,799 | \$945,157 | \$1,109,718 | \$757,060 |
| Medium C&I | \$876,450 | \$930,671 | \$608,277 | \$819,108 | \$1,175,746 | \$973,571 |
| Large C&I | \$418,102 | \$700,403 | \$499,435 | \$961,457 | \$1,040,094 | \$941,718 |
| Total | \$10,979,120 | \$11,788,576 | \$7,924,808 | \$11,728,799 | \$11,765,040 | \$9,935,393 |
| \$ Arrears 60-90 | | | | | | |
| Residential | \$2,996,408 | \$3,711,976 | \$3,965,360 | \$4,422,873 | \$5,282,406 | \$5,232,102 |
| Low Income | \$1,266,857 | \$1,451,773 | \$1,274,148 | \$883,399 | \$858,778 | \$769,043 |
| Small C&I | \$159,921 | \$231,169 | \$276,574 | \$283,598 | \$583,521 | \$555,399 |
| Medium C&I | \$171,472 | \$260,754 | \$318,222 | \$260,105 | \$492,772 | \$508,453 |
| Large C&I | \$102,822 | \$160,122 | \$347,770 | \$214,437 | \$481,786 | \$438,060 |
| Total | \$4,697,481 | \$5,815,794 | \$6,182,074 | \$6,064,412 | \$7,699,263 | \$7,503,057 |
| \$ Arrears 90> | | | | | | |
| Residential | \$6,813,963 | \$7,830,917 | \$9,003,338 | \$12,570,628 | \$15,268,224 | \$16,941,861 |
| Low Income | \$4,307,125 | \$4,916,370 | \$5,007,154 | \$4,472,983 | \$4,946,396 | \$5,004,887 |
| Small C&I | \$145,300 | \$181,652 | \$241,835 | \$454,513 | \$643,728 | \$846,985 |
| Medium C&I | \$480,032 | \$517,823 | \$543,665 | \$684,269 | \$871,532 | \$990,536 |
| Large C&I | \$71,090 | \$89,237 | \$118,175 | \$149,340 | \$249,777 | \$312,799 |
| Total | \$11,817,510 | \$13,536,000 | \$14,914,166 | \$18,331,732 | \$21,979,657 | \$24,097,068 |
| \$ Total Arrears | | | | | | |
| Residential | \$17,011,230 | \$19,152,907 | \$18,162,292 | \$24,997,127 | \$28,109,360 | \$28,674,487 |
| Low Income | \$7,309,628 | \$8,076,780 | \$7,432,005 | \$6,355,832 | \$6,685,927 | \$6,536,450 |
| Small C&I | \$1,053,284 | \$1,251,672 | \$991,207 | \$1,683,268 | \$2,336,967 | \$2,159,444 |
| Medium C&I | \$1,527,954 | \$1,709,249 | \$1,470,164 | \$1,763,482 | \$2,540,049 | \$2,472,561 |
| Large C&I | \$592,014 | \$949,762 | \$965,381 | \$1,325,233 | \$1,771,656 | \$1,692,578 |
| Total | \$27,494,111 | \$31,140,370 | \$29,021,049 | \$36,124,942 | \$41,443,959 | \$41,535,520 |

It would appear that the total arrears has changed little from April to May, but one must bear in mind that the May numbers are mid-month and are merely a tentative leading indicator of what the month-end numbers might be. Regardless, even if total arrears were to remain level, it is important to look at the quality of the arrears rather than just the quantity. It can be clearly seen that the arrears in May are trending toward the older aging buckets. Older arrears are known to be less collectible, and, therefore, represent a greater expense to the Company.

ELECTRIC BUSINESS:

| | <i>Mar</i> | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | <i>5/16/2020</i> |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| # of Customers | | | | | | |
| Residential | 402,439 | 402,660 | 402,309 | 407,456 | 408,445 | 408,371 |
| Low Income | 33,730 | 33,723 | 33,714 | 33,994 | 33,998 | 34,229 |
| Small C&I | 50,972 | 51,024 | 51,082 | 52,454 | 52,639 | 52,646 |
| Medium C&I | 8,072 | 8,078 | 8,081 | 8,195 | 8,201 | 8,198 |
| Large C&I | 1,042 | 1,043 | 1,044 | 1,054 | 1,056 | 1,055 |
| Total | 496,255 | 496,528 | 496,230 | 503,153 | 504,339 | 504,499 |
| # of Customers w/ Arrears | | | | | | |
| Residential | 61,152 | 65,215 | 61,544 | 82,598 | 85,457 | 82,419 |
| Low Income | 13,608 | 13,907 | 13,210 | 15,198 | 15,053 | 14,249 |
| Small C&I | 7,753 | 9,118 | 9,642 | 11,923 | 11,724 | 11,024 |
| Medium C&I | 1,046 | 1,307 | 1,299 | 1,573 | 1,867 | 1,681 |
| Large C&I | 84 | 117 | 131 | 135 | 155 | 148 |
| Total | 83,643 | 89,664 | 85,826 | 111,427 | 114,256 | 109,521 |
| # Arrears 30-60 | | | | | | |
| Residential | 30,533 | 33,483 | 29,585 | 36,001 | 32,194 | 28,040 |
| Low Income | 3,095 | 3,303 | 3,064 | 2,944 | 2,738 | 2,392 |
| Small C&I | 4,316 | 5,722 | 5,876 | 7,092 | 4,970 | 4,396 |
| Medium C&I | 629 | 909 | 881 | 1,082 | 1,028 | 840 |
| Large C&I | 57 | 88 | 99 | 107 | 104 | 90 |
| Total | 38,630 | 43,505 | 39,505 | 47,226 | 41,034 | 35,758 |

| | <i>Mar</i> | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | 5/16/2020 |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| # Arrears 60-90 | | | | | | |
| Residential | 11,203 | 12,109 | 12,532 | 17,333 | 18,176 | 16,240 |
| Low Income | 1,888 | 1,898 | 1,821 | 2,153 | 1,818 | 1,689 |
| Small C&I | 1,753 | 1,614 | 1,961 | 2,196 | 3,173 | 2,063 |
| Medium C&I | 241 | 214 | 246 | 267 | 493 | 358 |
| Large C&I | 15 | 14 | 12 | 16 | 32 | 35 |
| Total | 15,100 | 15,849 | 16,572 | 21,965 | 23,692 | 20,385 |
| # Arrears 90> | | | | | | |
| Residential | 19,416 | 19,623 | 19,427 | 29,264 | 35,087 | 38,139 |
| Low Income | 8,625 | 8,706 | 8,325 | 10,101 | 10,497 | 10,168 |
| Small C&I | 1,684 | 1,782 | 1,805 | 2,635 | 3,581 | 4,565 |
| Medium C&I | 176 | 184 | 172 | 224 | 346 | 483 |
| Large C&I | 12 | 15 | 20 | 12 | 19 | 23 |
| Total | 29,913 | 30,310 | 29,749 | 42,236 | 49,530 | 53,378 |
| \$ Arrears 30-60 | | | | | | |
| Residential | \$8,438,345 | \$8,657,784 | \$6,848,514 | \$10,425,564 | \$10,149,610 | \$9,891,114 |
| Low Income | \$1,724,403 | \$1,668,605 | \$1,339,642 | \$1,620,197 | \$1,463,095 | \$1,414,133 |
| Small C&I | \$1,566,811 | \$1,706,753 | \$1,439,271 | \$2,096,008 | \$2,534,705 | \$2,162,389 |
| Medium C&I | \$1,963,997 | \$2,200,862 | \$1,564,576 | \$2,417,444 | \$3,529,826 | \$2,947,679 |
| Large C&I | \$1,765,305 | \$2,086,877 | \$1,421,078 | \$2,311,369 | \$2,210,494 | \$2,438,232 |
| Total | \$15,458,861 | \$16,320,880 | \$12,613,081 | \$18,870,582 | \$19,887,730 | \$18,853,547 |
| \$ Arrears 60-90 | | | | | | |
| Residential | \$3,983,391 | \$4,184,425 | \$3,988,314 | \$6,369,550 | \$6,680,835 | \$6,540,376 |
| Low Income | \$1,374,327 | \$1,377,654 | \$1,251,581 | \$1,538,095 | \$1,360,415 | \$1,260,607 |
| Small C&I | \$521,955 | \$516,800 | \$544,826 | \$844,165 | \$1,212,397 | \$1,332,359 |
| Medium C&I | \$403,232 | \$480,764 | \$469,207 | \$648,991 | \$1,187,224 | \$1,323,697 |
| Large C&I | \$363,949 | \$346,647 | \$250,697 | \$508,966 | \$560,196 | \$628,056 |
| Total | \$6,646,855 | \$6,906,289 | \$6,504,626 | \$9,909,767 | \$11,001,067 | \$11,085,095 |

| | <i>Mar</i> | <i>Apr</i> | <i>May</i> | <i>Mar</i> | <i>Apr</i> | <i>5/16/2020</i> |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ Arrears 90> | | | | | | |
| Residential | \$11,527,224 | \$12,036,319 | \$12,083,069 | \$20,036,874 | \$23,317,811 | \$25,143,511 |
| Low Income | \$7,447,249 | \$7,799,308 | \$7,714,794 | \$9,974,117 | \$10,605,684 | \$10,722,897 |
| Small C&I | \$979,966 | \$1,032,111 | \$1,064,351 | \$1,495,271 | \$2,053,134 | \$2,455,643 |
| Medium C&I | \$363,633 | \$313,515 | \$309,730 | \$485,219 | \$882,574 | \$1,311,333 |
| Large C&I | \$163,690 | \$188,858 | \$252,994 | \$176,188 | \$174,739 | \$217,137 |
| Total | \$20,481,763 | \$21,370,111 | \$21,424,937 | \$32,167,669 | \$37,033,942 | \$39,850,521 |
| \$ Total Arrears | | | | | | |
| Residential | \$23,948,960 | \$24,878,528 | \$22,919,896 | \$36,831,989 | \$40,148,256 | \$41,575,002 |
| Low Income | \$10,545,980 | \$10,845,567 | \$10,306,016 | \$13,132,409 | \$13,429,195 | \$13,397,637 |
| Small C&I | \$3,068,732 | \$3,255,663 | \$3,048,448 | \$4,435,443 | \$5,800,236 | \$5,950,391 |
| Medium C&I | \$2,730,862 | \$2,995,141 | \$2,343,514 | \$3,551,654 | \$5,599,624 | \$5,582,709 |
| Large C&I | \$2,292,945 | \$2,622,382 | \$1,924,770 | \$2,996,523 | \$2,945,429 | \$3,283,426 |
| Total | \$42,587,479 | \$44,597,280 | \$40,542,643 | \$60,948,018 | \$67,922,740 | \$69,789,165 |

II. ARREAGE MANAGEMENT PROGRAM (AMP)

The Company implements the AMP program in accordance with the Henry Shelton Act to allow LIHEAP-eligible residential customers who have had their utility service terminated or who have been scheduled for termination to earn incremental debt forgiveness while maintaining utility service. See R.I. Gen. Laws § 39-2-1, et seq.

Customers who enroll in an AMP plan must have an account balance that is at least three-hundred dollars (\$300.00) and sixty days past due. If the customers' service has been terminated, the customer must make an initial payment of twenty-five percent of the total unpaid balance, including current and past due amounts, unless otherwise directed by the PUC through emergency regulation. Program participants enroll in a one-year payment plan, with a fixed monthly charge

equal to the customer's estimated average usage, as determined by National Grid. With each payment made over the course of the year, one-twelfth of the customer's arrearage is forgiven. Customers can earn up to \$1,500 of forgiveness in a year. If a customer's outstanding balance is greater than \$1,500, the plan may be extended for an additional twelve-month period. A customer enrolled in the AMP program must agree to remain current with payments to stay enrolled in the program. To remain current, a customer cannot miss more than two (2) payments in a twelve (12) month period. *See* R.I. Gen. Laws § 39-2-1(d)(2)(ix)(A).

The PUC's March 16, 2020 emergency order, which was extended through May 31, 2020, prohibits utility terminations and certain collections activities for residential and non-residential customers. In its March 16, 2020 order, the PUC noted that "any customer currently enrolled in an arrearage management plan who misses their third payment in their applicable twelve-month period through April 15, 2020 will not be disenrolled unless they miss another payment, subsequently, in the same twelve-month period." PUC Order No. 23786, Docket 5022 at 2-3.

The Company understands that the AMP program is governed by statute in Rhode Island. However, the Company respectfully requests that, in light of the unprecedented nature of the Pandemic and the serious financial and other impact it has had on the Company's customers, that the PUC exercise its emergency powers under R.I. Gen. Laws § 39-1-32(a)² and issue guidance to

² R.I. Gen. Laws § 39-1-32(a) states: "Any general or public law notwithstanding, the commission, when it determines that public safety so requires, or that failure to act immediately will result in irreparable injury to the public interest, or that an emergency exists in the financial affairs of a public utility which, if not met immediately, will interfere with the accommodations, convenience, and welfare of the people, may issue an order effective

the Company regarding the AMP. The Company requests guidance on the AMP to ensure that it can be used to the greatest benefit for LIHEAP-eligible customers who have been adversely affected by the Pandemic. Specifically, the Company requests guidance on following:

- 1) The PUC's emergency order does not allow the Company to schedule an actual shut-off of service on a specific date, potentially leaving customers ineligible for the AMP.

During Phases 0 and 1 of its COVID-19 Emergency Bill Payment & Customer Assistance Program Plan, the Company proposes that upon the customer's request, the Company can send a written termination notice for the sole purpose of meeting eligibility for the AMP. This will allow a customer to become enrolled in an AMP as early as possible and offer the customer the greatest chance of addressing their arrears.

- 2) In the PUC's March 16, 2020 emergency order, the PUC stated that a customer enrolled in an AMP who misses their third payment in their current twelve-month period through April 15, 2020 will not be disenrolled unless they miss another payment in the same twelve-month period. *See* PUC Order No. 23786, Docket 5022 at 2-3.

Since the PUC's March 16, 2020 order has been extended beyond April 15, 2020, the Company has been unsure of how to deal with customers who have missed their third

payment or subsequent payments in their twelve-month period after April 15, 2020. To avoid violating the PUCs order and prevent a customer from experiencing a situation where all unpaid balances become due and payable in full, the Company has not taken any action to disenroll customers from AMPs.

On May 18, 2020, there were a total of 1,247 accounts that previously missed at least two payments. There were 723 accounts that missed two payments, 333 accounts that missed three payments, and 191 accounts that missed four payments. The Company proposes that during Phases 0, 1, and 2 of its COVID-19 Emergency Bill Payment & Customer Assistance Program Plan, all customers who missed more than two payments in the twelve-month period, and who would have been disenrolled from their plans, be given the opportunity to reenroll with a new agreement that includes their entire account balance. During Phases 0, 1 and 2, the Company would also like to offer any customer who has previously participated in the AMP and who would otherwise qualify, the ability to reenroll in a plan.

- 3) In consideration of the unique financial hardships being experienced by customers because of the Pandemic, the Company could also temporarily increase the amount a customer can have forgiven in an AMP to at least \$4,000 over a twelve (12) month period. In Massachusetts, the Company's business as usual maximum forgiveness in AMP is \$4,000 over a twelve (12) month period. The Company will also be proposing a temporary

increase in Massachusetts, but that amount has not yet been determined. Importantly, the AMP program in Massachusetts is not statutorily-based, so the Company understands that this option may not be feasible under the PUC's emergency powers.

Respectfully submitted,

**The Narragansett Electric Company
d/b/a National Grid**

By its Attorneys,



Raquel J. Webster, RI Bar # 9064
National Grid
40 Sylvan Road
Waltham, MA 02451
(781) 907-2121



Jennifer Brooks Hutchinson #6176
National Grid
280 Melrose Street
Providence, RI 02907
(401) 784-7288

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