

Massachusetts Electric Company
Nantucket Electric Company
d/b/a National Grid

R-2 Discount Rate Self-
Attestation Pilot Proposal

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Docket No. D.P.U. 23-150

Submitted to:
Massachusetts Department of Public Utilities

Submitted by:
The logo for National Grid, featuring the word "national" in a dark blue sans-serif font and "grid" in a lighter blue sans-serif font, with a small blue dot above the 'i' in "grid".

National Grid R-2 Discount Rate Self-Attestation Pilot Proposal

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1. Background

In response to the directive of the Massachusetts Department of Public Utilities (“Department”) in the final decision issued on September 30, 2024 in the Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid (“Company” or “National Grid”) base distribution rate case, D.P.U. 23-150 (“Order”), the Company has developed a proposal for the two-year Self-Attestation Pilot for Residential Low-Income Rate R-2 (“Pilot”). This Pilot proposal incorporates detailed enrollment processes, customer targeting strategies, cost estimates, and compliance measures.

In the Order, the Department directed the Company to develop a two-year pilot that allows for self-attestation of income eligibility for Residential-Low Income R-2 Retail Delivery Service as provided for in the Company’s tariffs M.D.P.U. No. 677 and M.D.P.U. No. 1545 (“Rate R-2” or “Discount Rate”). The Order stated that the Pilot must include:

- A transparent, easy-to-understand self-attestation and enrollment process, including multi-cultural and multi-lingual communications.
- Estimated costs and processes for all aspects of the Pilot, including the cost and procedures related to audits.
- Twice-annual reporting on audit costs and fraud incidents, comparing these with third-party verification costs and other approved enrollment methods.
- Summaries of all stakeholder positions on key Pilot elements.

This Pilot proposal addresses each of the required elements below.

2. Pilot Objectives

- Expand accessibility to the Discount Rate by reducing administrative barriers.
- Ensure that enrollment capacity aligns with the Company’s ability to effectively manage the Pilot.
- Evaluate the impact of self-attestation on customer engagement and enrollment.
- Assess cost efficiency, fraud risks, and administrative feasibility compared to third-party verification.
- Collect data to inform future regulatory decisions on self-attestation.

3. Key Pilot Elements

3.1. Pilot Structure & Customer Eligibility

- The Pilot will be conducted over a two-year timeframe.
- Target Population: Customers identified as potentially eligible for the Discount Rate based on household demographic data—including household income and size—compared against state low-income guidelines.
- Cap on Participants: A sample of 41,000 households will be randomly selected within the eligible population (to avoid bias) to receive the targeted outreach materials, with an estimated 250 participants expected, large enough to provide reliable data. The utility has focused on using a manageable application pool and capping the number of participants at 250 in order to keep down the costs of running the Pilot, while maintaining the statistical rigor needed to determine the results of the Pilot.
- The large random sample (41,000 households) avoids bias and ensures that it is representative of the diverse income-eligible potential population.
- Available Pilot Spots: The pilot will include up to 250 participants. If a customer closes their account or fails the audit (as discussed below), they will be removed from the Pilot; their spot will not be filled with another participant. The 250-customer cap is not dependent on the number of discount rate spots available, but rather on the workload of processing the application, auditing the self-attested documentation, validating their system enrollment, or removing them if they are not in fact eligible for the discount rate they attest to. Therefore, once the Company has 250 participants in the Pilot, the Company would not plan to replace them.
- Customers must self-attest to meeting the income eligibility criteria and may be subject to verification audits.
- The Discount Rate will apply shortly after enrollment, with spot checks conducted post-enrollment.
- The Company will aim to process incoming applications within 10 business days. However, in the event that the Company receives a large number of applications in a short period of time, it may take the Company more than 10 business days to process all the applications.
- Households that join the Pilot during the first year will remain on the program for the duration of the Pilot (subject to the post-enrollment verification process for those who are

selected for verification); they will not need to re-verify in the second year of the Pilot program.

3.2. Income Guidelines

Eligibility for the program is based on household income. Customers should:

- Add all household members' incomes from all eligible sources to determine total gross annual household income.
- Compare total combined gross annual household income against the Household Income Limit Table below:

Household Size	Maximum Annual Income Limit
1	\$49,196
2	\$64,333
3	\$79,470
4	\$94,608
5	\$109,745
6	\$124,882
7	\$127,720
8	\$130,559
9	\$133,397
10	\$136,235

**This Home Energy Assistance Program (HEAP) Income Eligibility and Benefit Levels table for FY 2025 will be updated with FY2026 information as it becomes available.*

Household income includes all taxable and non-taxable revenues from all people living in the residence. Examples include:

- Wages, salaries, and self-employment income: Signed and dated income tax return and all schedules, records of earnings and expenses.
- Interest and dividends: Statement from financial institution, notarized letter from broker, notarized letter from agent.
- Spousal and Child Support payments: Notarized letter from person providing support, or letter from court, child support/alimony check stub.
- Public assistance payments: Award letter/benefit check

- Social Security and pensions: Award letter/benefit check/correspondence from Social Security Administration.
- Housing and Military subsidies: Award letter/benefit check/correspondence from Government Agency.
- Rental income: Notarized letter from roomer/boarder/tenant, rent receipt with date and amount and address, signed valid lease agreement.
- Unemployment Benefits: Award letter/benefit check/correspondence from State Agency.
- Private Pension/Annuities: Statement from pension/annuity.
- Veterans Benefit: Award Letter/benefit check stub/correspondence from Veterans Administration.
- Military Benefit: Award letter/check stub.
- All employment-related, non-cash income: Pay Stubs (four consecutive weeks).

Proof of No Income:

- Notarized letter from source of rent/housing funding.
- Notarized letter from family member who is paying living expenses.
- SNAP Denial Letter/Approval Letter.
- File Federal Form 4506-T.

3.3. Outreach & Communications Plan

To maximize customer engagement, a structured outreach plan will be implemented. Communications will be delivered in multiple formats to ensure inclusivity and accessibility. All outreach materials will be translated into Spanish, Portuguese, Haitian Creole, Vietnamese, and Chinese (Mandarin and Cantonese) to accommodate diverse customer demographics. The Company will use existing language from other customer communications programs and add additional information as needed for this offering. The sample high-level messaging in the Company's communication plan refers to a "discount rate" and "discount rate program" using simple messaging for customers. The Company's draft high-level communication plan is included as **Attachment A** to this proposal.

Channel	Target Audience	Timing	High-Level Messaging	Total Cost
Email	All targeted digital customers	Initial outreach	We would like to inform you about a discount rate you may qualify for.	\$332
Postcard	All targeted non-digital customers	Initial outreach	We would like to inform you about a discount rate you may qualify for.	\$30,000
Text	All targeted digital customers	30 days post-initial outreach	A few weeks ago, we sent a communication about your eligibility for a discount.	\$332
Bill Insert	Targeted customer group	30 days post-initial outreach	You may qualify for our electric discount program.	\$4,000
Email	All targeted digital customers	60 days post-initial outreach	We want to remind you that you may be eligible for our discount program.	\$332
Bill Message	Targeted	60 days post initial outreach	You may be qualified for our electric discount rate program.	\$-
			Total	\$34,996

Post-enrollment communications, including confirmation notices and audit notifications, will also be included in the outreach strategy.

The Company does regularly monitor the performance of its communications, tweaking language if needed.

3.4. Cost Estimates

The cost estimates for this Pilot include personnel, audit procedures, and third-party verification costs, in addition to the Outreach and Communications Cost noted above. Given that this Pilot introduces a new enrollment model, additional resources are required to oversee the program, manage verification processes, ensure compliance, and handle customer inquiries efficiently.

Application Process Costs

Resource	Unit Cost	Quantity	Total Cost
Personnel (1 FTE)	\$75,000	1	\$75,000
Total Cost	\$75,000		

Audit Process Costs

Resource	Unit Cost	Quantity	Total Cost
Audit Personnel (1 FTE)	\$75,000	1	\$75,000
Technology & Data Verification	TBD	TBD	TBD
Total Audit Cost	\$75,000		

Third Party Verification Costs

Resource	Unit Cost	Quantity	Total Cost
External Verification Services	TBD	TBD	TBD

Third-party verification costs remain undetermined due to ongoing discussions with potential vendors. The costs will depend on factors such as verification methods, data access fees, and contractual agreements. National Grid is actively working to obtain detailed estimates and will provide an update to the Department once more information becomes available. The Company will continue to evaluate the costs described in the sections above and reserves the right to seek recovery of incremental costs to implement the Pilot by submitting additional information regarding such costs.

3.5. Enrollment Plan

The Pilot will give eligible customers immediate access to the existing 32 percent discount on their electricity rate. All participants in this Pilot will be enrolled in the 32 percent discount tier, because the multi-tiered discount structure approved in the Order will not take effect until September 2025. Further, using the 32 percent discount method keeps the self-attestation trial simple, and reduces the risk of non-compliance from customers incorrectly placing themselves on the wrong tier (once the tiers are available).

Enrollment Process Steps:

1. **Customer Outreach:** Eligible customers will be identified and contacted via multiple outreach channels, including email, postcards, text messages, and bill inserts.
2. **Self-Attestation Submission:** Customers will complete and submit the self-attestation form through an online portal, paper application, or by phone.
3. **Enrollment:** After the form is submitted, customers will be enrolled in the 32 percent discount rate shortly thereafter, without requiring additional documentation at the time of application.
4. **Confirmation Notification:** Customers will receive a confirmation notification of their successful enrollment, including information on the possibility of future verification audits.
5. **Post-Enrollment Verification:** A randomized audit process will be conducted to verify the income eligibility of a subset of enrolled participants.
6. **Ongoing Compliance and Reporting:** The Company will track and report on enrollment trends, compliance, and any fraud detection findings as required by the Department.

This streamlined enrollment approach ensures that eligible customers can quickly access benefits while maintaining compliance with regulatory requirements.

For households that do not want to self-verify through the utility, the Company recommends that they contact the CAP agencies and verify through their historically used methods.

3.6. Post-Enrollment Verification (Audits & Fraud Prevention)

- Customers may receive a letter from National Grid requesting income verification as part of the audit process.
- Customers selected for audit must submit income documentation to maintain eligibility.
- If customers fail to respond or are found ineligible, their discount will be removed.
- Fraud detection measures:
 - Cross-checking income data with external sources (e.g., government records).
 - Monitoring response rates and compliance behavior.
 - Regular risk assessment meetings with compliance teams.

Consistent Audit Procedures:

- A uniform sample selection approach will be applied to maintain data consistency and integrity.
- A sample of participants will be randomly selected for audit. The audits will be done on a rolling basis during the Pilot. The Order requires twice annual reporting on audit costs and fraud incidents, and the goal is to audit 20 percent of Pilot participants for each report.
- Fraud detection will be an outcome of the audit process, not a pre-determined selection criterion.
- Audit processes will be ongoing throughout the pilot, with semi-annual reporting to ensure transparency and compliance.
- We will reach out to audited customers at least twice, with the second outreach taking place approximately 20 days after the initial outreach. A customer who fails or does not respond to the audit will be removed from the Discount Rate.

- If a customer is flagged as non-compliant through the audit, they will receive a denial letter and will have 30 calendar days to respond. During this time, they may submit supporting documentation for reconsideration. The case will be reviewed before a final determination is made.
- Upon failing the audit, customers will be able to apply for a means-tested program to obtain the appropriate discount rate.
- Customers who fail to respond or are over-income will be reported as non-compliant. Inconsistencies and potential fraud in reported income will be investigated and reported, in line with the Department's directive on the Pilot to report on fraud incidents.

Key Audit Procedures:

- **Document Verification:**
 - Cross-checking provided income documentation against known standards and third-party data sources.
 - Reviewing documents for signs of alteration or forgery.
- **Data Cross-Referencing:**
 - Comparing self-reported data with historical and external records (e.g., government databases).
- **Audit Response Analysis:**
 - Monitoring response rates and compliance during audits to identify avoidance behavior.
- **Fraud Prevention & Detection:**
 - Flagging and investigating inconsistencies in line with the Department's directive.
 - Regular risk assessment meetings with compliance teams.
- **Reporting Outcomes:**
 - Customers who fail to respond or are found over-income will be reported as non-compliant. In its audit reporting, National Grid will split out the percentage of people failing the audit due to non-response from the percentage failing due to having too high incomes.
 - Identified potential fraud cases will be further investigated and documented in compliance reports.

- Biannual reporting on fraud incidences and audit costs will be submitted to the Department as required.
- If a customer self-attests, verifies and joins a CAP program, this will be regarded statistically as a successful audit.

3.7. Data Privacy and Security

All customer information submitted through the Pilot – including attestations received via paper, email, or fax – will be handled in accordance with Company internal data protection standards. Access to customer account data will be limited to authorized personnel only, and all physical and electronic documents will be stored, transmitted, and disposed of securely in line with Company privacy protocols and applicable regulatory requirements. Manual submissions will be processed in a controlled environment to ensure the confidentiality and integrity of customer data.

3.8. Next Steps and Implementation Timeline

To ensure a smooth and efficient rollout of the Self-Attestation Pilot, the Company has developed a preliminary implementation timeline.

- **March 28, 2025** – Filing submission to the Department.
- **April – May 2025** – Hiring personnel, implementing system updates, and finalizing outreach materials.
- **June 2025 (Proposed Start Date)** – Pilot launch, contingent on Department approval.
- **July – August 2025** – Ongoing enrollment, outreach, and initial program monitoring.
- **Biannual Reports** – Findings submitted to the Department every six months.

This proposed timeline allows for the necessary preparations while ensuring timely program execution.

4. Summaries of Stakeholders’ Positions on Key Pilot Elements

In developing its Pilot proposal, the Company provided several drafts of the Pilot proposal to stakeholders for feedback. The details of the Pilot were described in a draft of the Pilot proposal shared with the Massachusetts Office of the Attorney General (“AGO”) on December 17, 2024; in the draft of the Pilot proposal shared with all stakeholders on February 3, 2025; and in an updated Pilot proposal shared with all stakeholders on March 18, 2025. National Grid solicited and

responded to written questions and input from stakeholders and held two sessions to gather stakeholder feedback, on February 7 and February 14, 2025, during which the Company also responded to questions.

Stakeholders also provided questions and feedback in writing via email. The AGO provided written questions by email on January 30, 2025, draft written comments to the Company on March 4, 2025, and further written questions and input from Dr. Courtney Henderson on March 24, 2025. The Department of Energy Resources (“DOER”) provided written questions by email on February 19, 2025. Action for Boston Community Development (“ABCD”) provided written questions and comments by email on March 21, 2025, and the National Consumer Law Center (“NCLC”) did so on March 25, 2025. The Low-Income Energy Affordability Network (“LEAN”) provided written questions on March 27, 2025.¹ The Company responded to the AGO’s January 30 questions on February 12, and responded to stakeholders’ written questions by email on March 19, 2025 and March 28, 2025.

Below is a summary of the positions provided by the stakeholders and questions received organized by topic area, and the Company’s responses.

4.1. Developing the self-attestation pilot proposal

During the February 7 and 14 stakeholder meetings, the Company was still working through some of the details of the Pilot proposal, and stakeholders generally asked about the size and scope of the self-attestation model, and enrollment. They also submitted written questions on these topics. A summary of the questions and positions received from stakeholders on the development of the proposal is below.

Massachusetts Energy Directors Association (“MEDA”):

- How will you construct the sample for the self-attestation?

¹ Due to the timing of the sending of LEAN’s questions, the Company was not able to separately respond to these, however most of LEAN’s questions overlap with questions from other stakeholders which are addressed herein. LEAN’s specific questions were as follows: “1. Please describe the intended ‘representative sample of customers’ and the ‘statistically valid groups’ (Stakeholder Meeting #1), the ‘determining criteria’ for sampling (Stakeholder Meeting #2), the means of achieving those groups, and how many people (in total and by group) are needed to yield statistically valid samples. Please include how the aforementioned criteria are to be determined. 2. Please describe the proposed process for obtaining statistically valid (a) audit results and (b) participation rates and audit results by statistically [sic] valid groups, including by socio-demographic strata. Please include a list of all the socio-demographic strata. 3. Information about whether audits [sic] will be conducted by a third-party vendor seems, at least in part, inconsistent. Please describe the process and criteria by which the auditor(s) will be selected, including for third-party vendor(s). 4. Please provide a projection of the ultimate total number of additional Discount Rate participants expected if self-attestation is adopted as a result of the pilot being deemed successful.”

Citizens for Citizens (“CFC”):

- Do you have a planned maximum number of customers in the pilot, and will the pilot consist of households throughout the state?

Attorney General’s Office (“AGO”):

- How will you construct the sample for the self-attestation?
- Can all customers (who are eligible based on their financial/household status) enroll in the LIDR via self-verification or is there a cap on the number of customers who can utilize this enrollment option?
- If there is a proposed cap on the number of customers who can utilize the self-verification enrollment option, it should be specified in the pilot proposal (a) that the enrollment option will be offered to a representative sample of customers, and (b) how a representative sample will be constructed, in part to get stakeholder input on that element of the pilot. The data from the pilot will be less useful if the sample of people who can utilize the self-attestation enrollment option is not representative of eligible customers in the service territory.
- Can stakeholders review the proposal before the release date? We’d appreciate the opportunity to review things including sample size and methodology.
- With regards to the pilot timeframe, we recommend that the communication to customers about the need to renew eligibility at the end of the pilot be at least 3 months ahead of when their enrollment would end (possibly more, based on input from service providers), and that customers be contacted at least 2 times and via more than one method of communication.
- When will the Company determine the costs to administer the pilot?
- Will customers who enroll via self-verification have to re-self-verify after 1 year or will they remain on the LIDR for the term of the pilot?
- Will there be a non-internet/computer option for applying? With regards to Enrollment, we appreciate the Company’s plan to provide a telephone option as we have heard that lack of internet service can be a barrier to some customers.

Summary of AGO’s March 4 Comments (relative to this section):

- Participants should be placed in the discount tier they are eligible for based on their attested household size and income, rather than a default discount level;

- The AGO recommends measures to ensure data privacy and protection for customers who self-attest, especially those connected with immigrant communities;
- The AGO recommended discussing the cap with stakeholders;
- The AGO supports multiple enrollment pathways, including online, paper-based, and telephone options, and recommends prompt enrollment in the appropriate discount tier;
- The AGO advises against using terms like "low-income" and "fraud" in customer-facing communications.

Summary of AGO's (Dr. Henderson) March 24 Comments (relative to this section):

- The AGO recommends stratification to ensure diversity among income levels for the sample of pilot participants, and questions how National Grid will ensure socio-demographic diversity and make statistically significant comparisons among participants;
- The AGO notes that participants should be able to self-attest to their income and be placed in the appropriate discount rate tier once the tiered discount rate (TDR) structure is in effect, and suggests delaying the pilot start date until after the TDR is effective;
- The AGO requests a clear definition of "immediately" regarding customer enrollment after form submission, and recommends no longer than five business days between application receipt and customer enrollment in the discount rate; and
- The AGO requests that National Grid discontinue the use of the term "low-income" in customer communications, as previously stated in D.P.U. 23-150.

DOER:

- Is National Grid targeting a specific eligible customer participation level over and above the existing level with this pilot program?
- Has National Grid done internal analysis to estimate by how much participation will increase with the proposed pilot program?
- If the program is filed by 3/28/25 as planned, what would be the proposed start date for the program to launch?
- Given that there is a recurring requirement for customers on the existing low-income discount rate to "re-verify" their eligibility on the discount rate, do you intend to pilot self-attestation by sampling from existing customers that would otherwise require documented verification? Or, alternatively, do you plan to sample across all residential customers, where you may select residential customers who are ineligible, customers who are eligible but unenrolled, and customers who are already enrolled in the low-income discount rate?

ABCD:

- Can you provide opportunities for people to self-verify with a third party if they are not comfortable doing so with a utility?(March 21st question after first round of review) Will National Grid only allow a maximum of 250 participants? If customers are dropped out of the pilot for any reason, will others be able to join up, up to an aggregate of 250 people at any given time?
- (March 21 question after first round of review): Can customers who the Company did not initially identify as “potentially eligible” for the DR, participate in the self-attestation program?
- (March 21 recommendation after first round of review): [Income guidelines] will change quite early into the pilot. CAPs should have the new income guidelines for FY26 in July or August.

National Consumer Law Center (“NCLC”):

- (March 25 question after first round of review): What is the time frame in which customers must join the Pilot after receiving communication? Will there be a window in which customers must self-attest at the beginning of the Pilot, or can customers sign up at any point within the two-year period?
- (March 25 recommendation after first round of review): We recommend that the Pilot should be rolled out at the same time as the tiered discount rate structure to give self-attesting customers full access to the benefits of the tiered rate. This will also make the pilot a better study of the viability of a Self-Attestation Program in the context of the tiered discounts that will be in place within months.

National Grid Responses:

The details of the Pilot were described in a draft of the Pilot proposal shared with the AGO on December 17, 2024; in the draft of the Pilot proposal shared with all stakeholders on February 3, 2025; in the updated Pilot proposal dated March 19, 2025 and shared with all stakeholders; and in the written responses to stakeholders’ questions. These included the following details:

- The pilot will be conducted over a two-year timeframe.
- Target Population: Customers will be identified as potentially eligible for the discount rate based on internal data.
- Cap on Participants: A sample of 41,000 customers will be randomly selected within the eligible population to avoid bias, with a cap of 250 participants, large enough to provide

reliable data. The utility has focused on using a manageable application pool to keep down the costs of running the pilot, while maintaining the statistical rigor needed to determine the results of the pilot.

- Customers must self-attest to meeting the income eligibility criteria and may be subject to verification audits.
- The Company will aim to process incoming applications within 10 business days. However, in the event that the Company receives a large number of applications in a short period of time, it may take the Company more than 10 business days to process all the applications.
- The Self-Attestation Pilot will give eligible customers immediate access to the existing 32 percent discount on their electricity rate. All participants in this Pilot will be enrolled in the 32 percent discount tier, because the multi-tiered discount structure approved in the Company's most recent base distribution rate case, D.P.U. 23-150, will not take effect until September 2025. If customers would like to be placed on a higher discount rate, they will be encouraged to verify their income through joining the CAP agencies. The Company notes requests by stakeholders to place customers on the tiered discount rate, but believes this 32 percent discount method keeps the self-attestation trial simple, and reduces the risk of non-compliance from customers incorrectly placing themselves on the wrong tier.
- Households that join the Pilot during the first year will remain on the program for the duration of the pilot (subject to the post-enrollment verification process for those who are selected for verification); they will not need to re-verify in the second year of the pilot program.

The costs of the Pilot were included in the second draft of the proposal shared with stakeholders, based on then-current information. The Company has focused on using a small application pool to keep down the costs of running the Pilot, while maintaining the statistical rigor needed to determine the required results.

The Target Population will not include households that are currently on the discount rate. To allow for ease of application, there will be a phone and paper option when applying for the self-attestation rate. Households that join the Pilot during the first year will remain on the program for the duration of the Pilot (subject to those selected for auditing); they will not need to re-verify in the second year of the Pilot.

For households that do not want to self-verify eligibility through the Company, the Company recommends that they contact the CAP agencies and verify through the historically used method. The timeline for the launching of the Pilot will be dependent on the approval of the proposal, with

a goal to launch in June 2025. The Company notes the views on what should happen post-Pilot, and will work with stakeholders to determine post-Pilot plans during the period of the Pilot, given that it is currently unknown if the self-attestation option will continue past the two-year Pilot timeframe or not.

The Company does anticipate having a maximum of 250 participants. The 250-customer cap is not dependent on the number of discount rate spots available, but rather on the workload of processing the application, auditing the self-attested documentation, validating their system enrollment, or removing them if they are not in fact eligible for the discount rate they attest to. Therefore, once there are 250 participants in the Pilot, the Company would not plan to replace them. Customers can apply at any point within the two-year period until the 250-participant cap is reached. Customers who National Grid did not initially identify as potentially eligible for the discount rate can participate in the Pilot.

The Company will use the Massachusetts HEAP Income Guidelines and will update the table when the fiscal year 2026 Income Eligibility and Benefit Levels become available.

Regarding avoiding using the term “low-income,” the Company will use alternative language in the Pilot title and for Pilot communications. The Company notes that its tariffs that provide the Rate R-2 for customers, M.D.P.U. Nos. 1545 and 677, are titled “Residential-Low Income R-2 Retail Delivery Service,” and they use the phrase “low-income” in the tariffs. In order to avoid confusion about what rate is being referred to in this Pilot, the tariffs will need to be amended. It will also take time to amend other materials that reference this rate.

The Company did not use other socio-demographic measures when developing the sample. The Company will select a large sample (41,000 households) which will ensure that it is representative of the income-eligible potential population including Hispanic customers and other key socio-demographic groups. The Company does not intend to ask participants about their racial identity, education levels, or other socio-demographic metrics. This is not the type of information that the Company collects on its customers nor do customers typically report such information to their utility; asking customers to report this sensitive personal information could dissuade them from participating in the Pilot.

All customer information submitted through the Self-Attestation Pilot – including attestations received via paper, email, or fax – will be handled in accordance with Company internal data protection standards. Access to customer account data will be limited to authorized personnel only, and all physical and electronic documents will be stored, transmitted, and disposed of securely in line with Company privacy protocols and applicable regulatory requirements. Manual submissions will be processed in a controlled environment to ensure the confidentiality and integrity of customer data.

4.2. Marketing outreach

ABCD:

- It is important what is being self-attested is being communicated clearly to the customer. The utility should stress what should go into the calculation of this income. Some “fraud” is just misunderstanding, some customers don’t understand Social Security and cash benefits are both income.
- What methods of outreach will you be using?

AGO:

- Outline the multi-level strategy for the self-attestation pilot outreach.
- Will you do testing of the messaging of the marketing collateral / consider different languages in the marketing collateral?
- With regards to Customer Qualifications, how does the Company intend to target messaging about the self-verification enrollment pathway? E.g. targeting by census block group, and/or based on bill payment activity? Does the Company intend to work with the CAPs and/or CBOs on the outreach about this enrollment option?
- With regards to Income guidelines, we recommend that the Company test the communications with an appropriate number of customers to ensure that the communications about determining income for enrollment purposes are clear and easily understood.

Summary of AGO’s March 4 Comments (relative to this section):

- The AGO recommends a comprehensive, multi-lingual marketing, education, and outreach strategy, with clear and plain language communication.

Summary of AGO’s (Dr. Henderson) March 24 Comments (relative to this section):

- The AGO seeks clarification on how National Grid plans to test its communications before the pilot launch, and recommends a simplified version of message testing to ensure the messaging resonates with customers and drives desired behavior[.]

National Grid Responses:

Regarding the income question, the description of what is being included in income is included in the Pilot proposal. It includes all taxable and non-taxable revenues from all people living in the residence. This will be clearly communicated to Pilot participants.

With respect to outreach, in order to maximize customer engagement, a structured outreach plan will be implemented. The Company uses its internal customer council to test messaging. The language and channels the Company uses are part of its regular communications process, where there is regularly above average engagement. Communications will be sent to the randomly selected group of customers identified as potentially eligible for the low-income discount rate. Communications will be delivered in multiple formats to ensure inclusivity and accessibility. Outreach will be by email or postcard (for non-digital customers), and followed up by text, email and/or bill insert. All outreach materials will be translated into Spanish, Portuguese, Haitian Creole, Vietnamese, and Chinese (Mandarin and Cantonese) to accommodate diverse customer demographics. Post-enrollment communications, including confirmation notices and audit notifications, will also be included in the outreach strategy.

The Company does regularly monitor the performance of its communications, tweaking language if needed, and gears language towards income-eligible audiences.

4.3. Verification / Failing the Audit

AGO:

- When will the Company establish the review/audit process?
- Under Review/Audit, it would be good to specify that the incidences of non-compliance or identified fraud will be tracked and recorded separately, as two distinct categories - not lumped into a single statistic.
- With regards to Post-enrollment Verification, we recommend that customers be contacted at least two times and via more than one method of communication (the current draft contemplates one contact via mail).
- Can the Company split out data on the customers who fail the audit from reporting their incomes too high vs. non-compliance?
- If a customer self-attests, verifies and joins a CAP program, they shouldn't be removed from the data sample of successful audit responses.

ABCD:

- Regarding the fraud and non-compliance – will the audit be done by staff at National Grid or by a third party?
- What would happen if a customer did not pass/respond to the audit?
- Customers on the self-attested reduced rate could apply for energy efficiency / electrical assessments, what would happen to these additional services if they fail the audit?
- (March 21 questions after first round of review): What is the time period for which customers selected for audit will be required to provide income documents? How many attempts to contact the customer will be made, through what means? Given the limited number of participants proposed, more than two attempts should be made to contact the selected customers for audit.
- (March 21 questions after first round of review): There are other methods by which a customer can provide proof of income eligibility for the DR beyond the CAPs. If the customer provides proof of eligibility for any traditionally accepted means-tested benefit, including those received indirectly through other data-matching processes beyond the CAPs (e.g., MassHealth, SNAP), these should also be regarded as a successful audit.

MEDA:

- For what percentage of applicants will you audit their self-verification?

Summary of AGO's March 4 Comments for this section:

- The AGO recommends detailed plans for the audit process, including steps, communication, timeline, documentation, and actions for non-compliance.
- The AGO suggests that all self-attesting customers should have an equal chance of being audited and that audits should occur soon after enrollment to avoid inconsistencies.
- The AGO recommends detailed data reporting on program participation, audit outcomes, and costs to ensure transparency and effectiveness.

Summary of AGO's (Dr. Henderson) March 24 Comments for this section:

- The AGO raises concerns about the appeal process for customers flagged as "non-compliant" during audits, recommends that customers who fail the audit process should have the option to verify income through a means-tested program, and advises against any punitive consequences for customers flagged during audits, as non-compliance may be due to documentation issues.
- The AGO expresses concern about the implication of fraud detection measures and recommends framing the audit process as "compliance checks" or "accuracy checks.";
- The AGO questions the criteria for auditing 10% versus 20% of participants and recommends auditing 10% to minimize costs, suggests increasing the pilot population to ensure statistically significant comparisons among key socio-demographic groups, and recommends conducting audits close to the application receipt to avoid over-reporting of fraudulent cases due to income shifts.

National Grid Responses:

By way of clarification, the audits will be done on a rolling basis during the Pilot; the Department's Order requires twice annual reporting on audit costs and fraud incidents, and the goal is to audit 20 percent of Pilot participants for each report (not 10 percent to 20 percent total during the Pilot). The Company will reach out to audited customers at least twice, with the second outreach taking place approximately 20 days after the initial reach out. Outreach will be via letter and the Company is also investigating the option of outreach via email. A customer who fails or does not respond to the audit will be dropped from the discount rate. At this time, the Company anticipates that the audits will be done by a third-party vendor.

Regarding consequences for not passing the audit, at this time the Company does not anticipate retroactively cancel/rebiling Pilot customers who do not pass the audit at its regular, non-discounted rates. However, if following this Pilot a self-attestation option were to be made available to all customers, the Company expects that it would cancel/rebill customers who do not pass an audit or who are otherwise deemed to not be eligible for the discount rate; otherwise, that could lead to customers receiving large amounts of discounts that they do not qualify for, and to all other customers having to pay for this.

With respect to the question on customers who have also applied for energy efficiency/electrical assessments, the Company will assess the impact on this group of self-attested customers.

The Company plans to make two outreach attempts, with customers providing documentation 30 days from the audit request. The Company will use two different channels to reach customers –

i.e., phone, email, printed letter, and or text message. The customer will have 30 calendar days for the initial request. The Company will provide 20 calendar days after the second outreach attempt, before removing a customer from the Pilot.

If the customer provides proof of eligibility for a means-tested benefit that would qualify them for the low-income discount rate, this would be regarded as a successful audit. Further, if a customer self-attests, verifies and joins a CAP program, this will be regarded statistically as a successful audit. Customers will be able to apply for a means-tested program to obtain the appropriate discount rate. When the customer can reapply for a future self-attested program after the Pilot will be decided at a later date.

Regarding audit results, the Company will delineate in its audit results between customers who fail the audit because their incomes are too high, and customers who fail the audit because they do not respond to the audit. The Company acknowledges that there are different reasons for a household being non-compliant with the audit. Customers who fail to respond or are over-income will be reported as non-compliant. Inconsistencies and potential fraud in reported income will be investigated and reported, in line with the Department's directive on the Pilot to report on fraud incidents. The Company believes that the reporting it has proposed is appropriate for this Pilot.

Attachment A: High-Level Communications Plan

High-Level Communications Plan for R-2 Discount Rate Self-Attestation Pilot

Channel	Details	Timing	High Level Messaging	Total Cost
Email	All Targeted Digital Customers	Initial	We would like to inform you about a discount rate that you may qualify for. Enrolling is easy and can be done quickly through our self-attestation process. Please visit ngrid.com/xxx to review qualifications and instructions for enrollment. In the future, there will be an annual process to verify the eligibility of those enrolled in the rate. <i>(This message will be translated into Spanish, Portuguese, Chinese (Mandarin and Cantonese), and Haitian-Creole)</i>	\$ 332
Postcard	All Targeted non-digital customers	Initial	We would like to inform you about a discount rate that you may qualify for. Enrolling is easy and can be done quickly through our self-attestation process. Please visit ngrid.com/xxx to review qualifications and instructions for enrollment. In the future, there will be an annual process to verify the eligibility of those enrolled in the rate. <i>(This message will be translated into Spanish, Portuguese, Chinese (Mandarin and Cantonese), and Haitian-Creole)</i>	\$30,000
Text	All Targeted Digital Customers	30 days post initial outreach	A few weeks ago, we sent a communication about a discount rate that you may qualify for. Enrolling is easy and can be done quickly through our self-attestation process. Please visit ngrid.com/xxx to review qualifications and instructions for enrollment. In the future, there will be an annual process to verify the eligibility of those enrolled in the rate. <i>(This message will be translated into Spanish, Portuguese, Chinese (Mandarin and Cantonese), and Haitian-Creole)</i>	\$ 332
Bill Insert	Targeted	30 days post initial outreach	You may be qualified for our electric discount rate program. Enrolling is easy and can be done quickly through our self-attestation process. Please visit ngrid.com/xxx to learn about	\$ 4,000

Channel	Details	Timing	High Level Messaging	Total Cost
			potential savings, qualifications and instructions for enrollment. In the future, there will be an annual process to verify the eligibility of those enrolled in the rate. <i>(This message will be translated into Spanish, Portuguese, Chinese (Mandarin and Cantonese), and Haitian-Creole)</i>	
Email	All Targeted Digital Customers	60 days post initial outreach	We want to remind you that you may be eligible for our electric discount rate program. Enrolling is easy and can be done quickly through our self-attestation process. Please visit ngrid.com/xxx to review qualifications and instructions for enrollment. In the future, there will be an annual process to verify the eligibility of those enrolled in the rate. <i>(This message will be translated into Spanish, Portuguese, Chinese (Mandarin and Cantonese), and Haitian-Creole)</i>	\$ 332
Bill Message	Targeted	60 days post initial outreach	You may be qualified for our electric discount rate program. Enrolling is easy. Learn more at ngrid.com/xxxx	\$ -
			Total	\$34,996

**Total Target Audience 41,000, with proposed enrollment goal of 250 customers.*

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