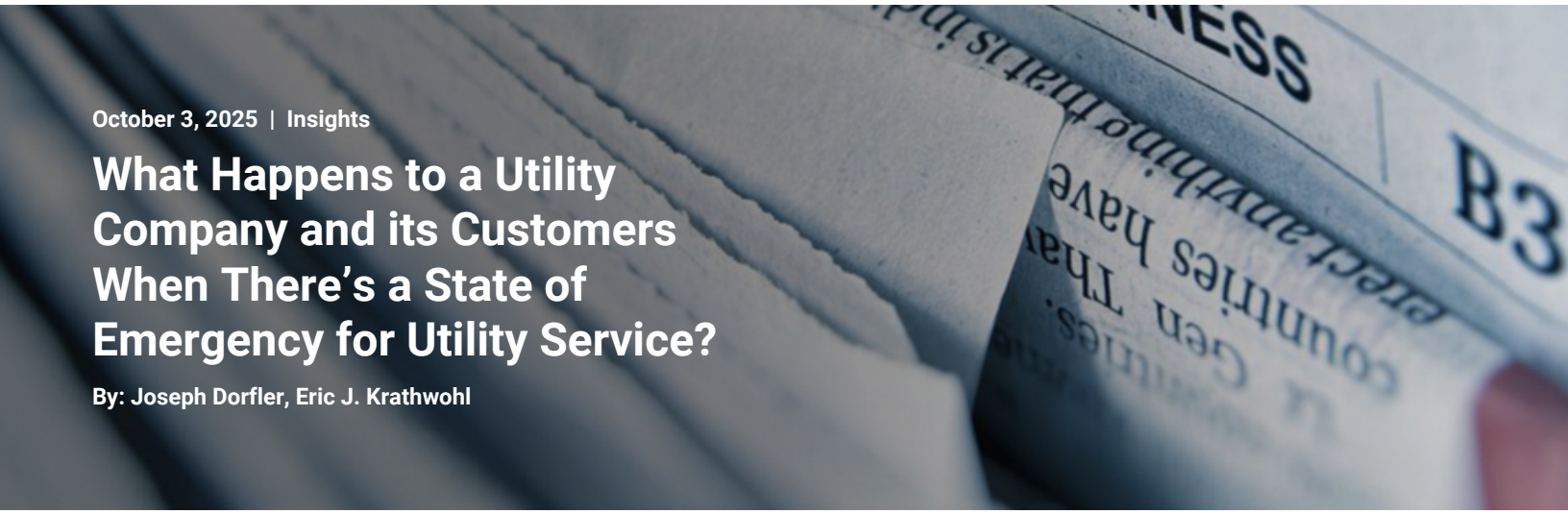

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What Happens to a Utility Company and its Customers When There's a State of Emergency for Utility Service?

By: Joseph Dorfler, Eric J. Krathwohl

On September 10, 2025, Massachusetts Governor Maura Healey signed a declaration of a state of emergency specifically for the customers of Andrews Farm Water Company. This urgent action was taken after mounting concerns about the company's water quality and other pressing issues. During the announcement, the governor emphasized that water quality had become unacceptable, among other operational problems that prompted swift intervention. Shortly thereafter, the Department of Public Utilities ("DPU") appointed Aquarion Water Company to take over the operations of Andrews Farm Water Company, signaling a major transition for both the company and its customers.

For customers, this emergency declaration raises important questions: Does new management mean an entirely new experience? Is it simply out with the old and in with the new? Not exactly.

When the governor declares a state of emergency, the chair of the DPU is authorized to take necessary actions to ensure public safety and welfare by prioritizing the restoration or continued availability of gas, electric, and water utility services. The chairman can issue directives, order expenditures, and take other measures, including deploying personnel and equipment from other utility companies if the affected utility cannot restore service. The chairman has immediate access to all necessary utility documents and personnel, and can temporarily suspend or implement emergency rules and procedures. This legal mechanism is designed to protect the public when a utility is unable to provide safe, reliable service, allowing the DPU to step in and ensure the continued delivery of essential services.

Additionally, expenses authorized by the chairman are recognized as proper business expenses and can be recovered from customers through rates. The affected utility must also reimburse any costs from other utility companies for their supporting services. Failure to comply with the chairman's orders can result in penalties of up to $1,000,000 per violation, which will be returned to ratepayers.

However, this situation is not forever. Orders issued by the DPU chair expire within 30 business days unless ratified by the full DPU commission, which must also set an end date

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for each order. Finally, affected utilities can request a hearing within 90 days after the state of emergency ends if they are aggrieved by the orders.

While rare, a state of emergency for a utility company has been declared in the past, notably by Governor Baker in 2018 after the natural gas explosions in Lawrence, Andover, and North Andover. The DPU chair appointed Eversource as the lead utility for recovery, directing them to oversee the affected utility, Columbia Gas, and their restoration effort. Two years later, in 2020, Eversource acquired Columbia Gas as the natural gas utility for that service area.

While Aquarion Water is now responsible for day-to-day operations, they are not the new owners of Andrews Farm Water and management should eventually revert. The transition is designed to stabilize the water system and protect public health, rather than change ownership of the company.

If you have any questions on this topic or wish to explore it more, please contact us.

Disclaimer: This summary is provided for educational and informational purposes only and is not legal advice. Any specific questions about these topics should be directed to attorney Joseph Dorfler and Eric J. Krathwohl.

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