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Sent: Thursday, March 26, 2026 3:46 PM

To: Kiely, Edward (HLC) <edward.kiely@mass.gov>

Subject: Suspension of MOR

Effective Friday, March 27, 2026, the HEAP Margin Over Rack (MOR) is suspended. This suspension is a short-term response to the volatile oil market and is NOT a permanent change to the program.

Since the beginning of March there has been a disruption in global energy markets. As a result, oil prices have continued to increase overall while experiencing rapid swings in pricing throughout the day.

Because MOR is set the day before delivery, the MOR has not been able to keep current with wholesale pricing and its swings. As a result, the set MOR quickly becomes outdated within the same day, and vendors lose money when delivering to HEAP households.

The Community Software Group (CSG) has been notified of this suspension. Agencies are instructed to continue to enter in the retail price from tickets/invoices received into the software as usual. The software will pay the retail price when reimbursing a vendor for an oil delivery during the suspension of the MOR. Any tickets with delivery dates prior to March 27 will be reimbursed using the MOR payment method as described in section 12.7 of the FY26 Program Operators' Guide.

EOHLC has been in contact with the Massachusetts Energy Marketers Association, of which many participating HEAP vendors are members, regarding this change. However, agencies are instructed to reach out to their participating oil vendors **in writing** to notify them about this temporary change to the program. At the bottom of this message is example language that you may use when contacting your vendors.

When EOHLC makes the determination that the oil market has stabilized, MOR will be reinstated and agencies will be notified.

If you have any questions, please contact Ed Kiely at Edward.Kiely@mass.gov.

EXAMPLE MESSAGE TO VENDOR

Thank you for your continued participation in the Home Energy Assistance Program (HEAP). Considering the current oil market prices, the Executive Office of Housing and Livable Communities (EOHLC), the state administrator of the HEAP, has temporarily suspended the Margin Over Rack (MOR) for HEAP as of Friday, March 27, 2026. That means any oil deliveries made to HEAP households on or after the date above will be reimbursed at the retail price up to HEAP household's remaining available benefit amount. Once EOHLC determines that the prices have stabilized, vendors will be notified that the MOR has been reinstated.