

Merrimack Valley Residents to Receive First Payments In Gas Disaster Class Action Settlement

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\$70 Million in payments, the first to be sent out, will be mailed this Friday

Boston, MA – The first \$70 million in expedited settlement payments to residents affected by the September 13, 2018 Columbia Gas disaster will be mailed Friday, May 22 from the settlement claims administrator. For those residents who filed a claim with the administrator seeking a lump-sum payment, the average per-household payment will be more than \$8,000.

When the COVID-19 pandemic shut down large parts of the economy, lawyers for the class asked Judge James Lang to allow them to fast track payments to Merrimack Valley residents now dealing with the financial fallout of the coronavirus on top of the devastating fires and explosions of 2018. Judge Lang’s approval of this week’s expedited check mailing distributes \$70 million in lump sum payments to families in the Valley about six weeks sooner than originally anticipated.

“Getting this first round of checks out now rather than at the end of June will give a desperately needed lifeline to thousands of families during the Covid-19 shutdown,” said John Roddy of Bailey & Glasser, Frank Petosa of Morgan & Morgan, and Elizabeth Graham of Grant & Eisenhofer, the plaintiffs’ co-lead counsel who led the settlement negotiations. “The gas explosions crushed the local economy in Merrimack Valley, and these payments are a critical part of making the community whole again.”

A follow-up lump sum payment will go out in June for those claimants who filed a claim seeking a lump sum payment but have not yet provided proof they lived in Lawrence, Andover or North Andover in September 2018. These claimants have been notified by the settlement administrator that they need to provide such proof. Lawyers for the class emphasized that to prevent fraud, the settlement administrator must receive a document proving residency, like a utility bill, lease, credit card or bank statement. Those so notified can get help from EN Business Solutions in Andover for no charge.

MERRIMACK VALLEY RESIDENTS TO RECEIVE FIRST PAYMENTS IN GAS DISASTER CLASS ACTION SETTLEMENT

Checks for itemized personal and business claimants will go out in September, as those claims take much longer to review. The subsequent June and September payments will add approximately another \$47 million into the Merrimack Valley economy on top of the \$70 million being distributed Friday.

Evan Schouten, an economist who advised the 9/11 Victim Compensation Fund, provided Judge Lang her expert opinion that the settlement's \$100M+ cash infusion would give the Merrimack Valley economy a boost of between \$37 million to \$119 million.

The settlement was negotiated over the course of 2019 by five lawyers who led the class action lawsuit: John Roddy of Bailey Glasser, Elizabeth Graham of Grant & Eisenhofer, Frank Petosa of Morgan & Morgan, Brad Henry and Leo Boyle of the Boston trial firm Meehan Boyle.

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Practice Areas

Catastrophic Personal Injury