

HOUSE BILL NO. 906

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Labor and Commerce

on \_\_\_\_\_)

(Patron Prior to Substitute--Delegate Shin)

A BILL to amend the Code of Virginia by adding in Chapter 21 of Title 15.2 an article numbered 2.1, consisting of sections numbered 15.2-2121.1, 15.2-2121.2, and 15.2-2121.3, by adding in Chapter 3.2 of Title 44 a section numbered 44-146.29:4, and by adding in Article 2 of Chapter 10 of Title 56 sections numbered 56-245.1:3 and 56-245.1:4, relating to public utilities; municipal utilities; disconnection of service; limitations; report; consumer protections.

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 21 of Title 15.2 an article numbered 2.1, consisting of sections numbered 15.2-2121.1, 15.2-2121.2, and 15.2-2121.3, by adding in Chapter 3.2 of Title 44 a section numbered 44-146.29:4, and by adding in Article 2 of Chapter 10 of Title 56 sections numbered 56-245.1:3 and 56-245.1:4 as follows:**

Article 2.1.

Disconnection Provisions for Public Utilities.

**§ 15.2-2121.1. Definitions.**

As used in this article, "utility" means a public utility that is owned or operated by a locality of the Commonwealth.

**§ 15.2-2121.2. Disconnection suspension for utilities.**

A. 1. No electric utility shall disconnect from service any residential customer for the nonpayment of bills or fees (i) when the forecasted local temperature low is at or below 32 degrees Fahrenheit within the 24 hours following the scheduled disconnection or (ii) when the forecasted local temperature is at or above 92 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

26           2. No gas utility shall disconnect from service any residential customer for nonpayment of bills or  
27 fees when the forecasted local temperature low is at or below 32 degrees Fahrenheit within the 24 hours  
28 following the scheduled disconnection.

29           3. No water or wastewater utility shall disconnect from service any residential customer when the  
30 forecasted local temperature is at or above 92 degrees Fahrenheit within the 24 hours following the  
31 scheduled disconnection.

32           B. No utilities shall disconnect from service any residential customer for nonpayment of bills or  
33 fees on Fridays, weekends, state holidays, or the day immediately preceding a state holiday.

34           C. Nothing in this section shall be construed to limit utilities from voluntarily suspending  
35 scheduled disconnections during other extreme weather events, emergency conditions, or circumstances  
36 in which a utility determines such suspension is necessary to protect the health and safety of its customers  
37 and the reliability of utility service in the Commonwealth. Any fees or expenses incurred by a utility in  
38 complying with the requirements of this section shall be recovered by the utility.

39           **§ 15.2-2121.3. Notice procedures for nonpayment; disconnecting utility service.**

40           A. Each utility subject to the provisions of this article shall provide to each of its residential  
41 customers a copy of its disconnection for nonpayment policy (i) at any time a new residential account is  
42 established, (ii) when any disconnection for nonpayment of bills or fees is scheduled by including a copy  
43 of the policy with such notice, or (iii) by publishing the disconnection policy on the utility's website. Such  
44 required notices shall include information regarding payment plans and state, federal, or utility energy  
45 assistance programs.

46           B. Each utility subject to the provisions of this article shall deliver notice of nonpayment of bills  
47 or fees to its residential customers prior to disconnection by mail and via (i) email, (ii) text message, or  
48 (iii) phone call.

49           C. Utility disconnections due to the nonpayment of bills or fees are prohibited for residential  
50 customers until the customer's account is 60 days in arrears. After each missed payment, the utility shall  
51 provide notice pursuant to subsection B and make contact with the customer and offer bill payment

52 assistance, arrange a payment plan, or provide information to the customer for other bill payment  
53 assistance or energy savings programs.

54 D. No electric or gas utility shall require a deposit of more than 25 percent of the arrearage amount  
55 for service, exclusive of nonpayment fees, penalties, or interest, in order to restore service to any  
56 residential customer.

57 **§ 44-146.29:4. Disconnection suspension for certain utilities.**

58 In the case of any state of emergency declared by the Governor in response to a communicable  
59 disease of public health threat, each utility that is engaged in the business of furnishing electricity, gas,  
60 water, or wastewater service and subject to the regulation of the State Corporation Commission or owned  
61 or operated by a municipality shall be suspended from disconnecting service to residential customers for  
62 nonpayment of bills or fees for 30 days upon the declaration of such emergency.

63 **§ 56-245.1:3. Disconnection suspension for utilities.**

64 A. As used in this section, "utility" means an electric company, a natural gas supplier, or a water  
65 supplier or wastewater service provider that is subject to the regulation of the Commission.

66 B. 1. No electric utility shall disconnect from service any residential customer for the nonpayment  
67 of bills or fees (i) when the forecasted local temperature low is at or below 32 degrees Fahrenheit within  
68 the 24 hours following the scheduled disconnection or (ii) when the forecasted local temperature is at or  
69 above 92 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

70 2. No gas utility shall disconnect from service any residential customer for nonpayment of bills or  
71 fees when the forecasted local temperature low is at or below 32 degrees Fahrenheit within the 24 hours  
72 following the scheduled disconnection.

73 3. No water or wastewater utility shall disconnect from service any residential customer when the  
74 forecasted local temperature is at or above 92 degrees Fahrenheit within the 24 hours following the  
75 scheduled disconnection.

76 C. No utilities shall disconnect from service any residential customer for nonpayment of bills or  
77 fees on Fridays, weekends, state holidays, or the day immediately preceding a state holiday.

78 D. Nothing in this section shall be construed to limit utilities from voluntarily suspending  
79 scheduled disconnections during other extreme weather events, emergency conditions, or circumstances  
80 in which a utility determines such suspension necessary to protect the health and safety of its customers  
81 and the reliability of utility service in the Commonwealth. Further, nothing in this section shall be  
82 construed to prohibit (i) a disconnection required by the conditions of subdivision A 8 of § 56.247.1, (ii)  
83 emergency disconnections for health and safety purposes, or (iii) the occurrence of an automatic service  
84 suspension associated with prepaid electric utility service. Any fees or expenses incurred by a utility in  
85 complying with the requirements of this section shall be recovered by the utility.

86 **§ 56-245.1:4. Notice procedures for nonpayment; disconnecting utility service.**

87 A. Each utility subject to the requirements of § 56-245.1:3 shall provide to each of its residential  
88 customers a copy of its disconnection for nonpayment policy (i) at any time a new residential account is  
89 established, (ii) when any disconnection for nonpayment of bills or fees is scheduled by including a copy  
90 of the policy with such notice, or (iii) by publishing the disconnection policy on the utility's website. Such  
91 required notices shall include information regarding payment plans and state, federal, or utility energy  
92 assistance programs.

93 B. Each utility subject to the provisions of this section shall deliver notice of nonpayment of bills  
94 or fees to its residential customers prior to disconnection by mail and via (i) email, (ii) text message, or  
95 (iii) phone call.

96 C. Utility disconnections due to the nonpayment of bills or fees are prohibited for residential  
97 customers until the customer's account is 60 days in arrears. After each missed payment, the utility shall  
98 provide notice pursuant to subsection B and make contact with the customer and offer bill payment  
99 assistance, arrange a payment plan, or provide information to the customer for other bill payment  
100 assistance or energy savings programs.

101 D. No electric or gas utility shall require a deposit of more than 25 percent of the arrearage amount  
102 for service, exclusive of nonpayment fees, penalties, or interest, in order to restore service to any  
103 residential customer.

104 2. That the State Corporation Commission (the Commission) may, in its discretion, direct a utility  
105 subject to the Commission's jurisdiction and the provisions of §§ 44-146.29:4 and 56-245.1:3 of the  
106 Code of Virginia, as created by this act, to extend or otherwise modify a suspension or limitation on  
107 disconnecting service to residential customers beyond the time periods prescribed by this act (i) if  
108 the Commission finds such extension or modification to be necessary or in the public interest and  
109 (ii) provided that any such modification does not shorten the disconnection suspension under § 44-  
110 146.29:4 of the Code of Virginia, as created by this act, to a time period of less than 30 days. Prior  
111 to issuing any such extension or modification, the Commission shall convene a stakeholder meeting  
112 to seek input from utility representatives, interested parties, and customers to inform such decision  
113 and determine whether such decision is in the public interest.

114 3. That the Commission on Electric Utility Regulation and the Commission on Local Government,  
115 in consultation with the State Corporation Commission, shall convene a work group to determine  
116 data transparency requirements for public utilities, including municipal utilities. The work group  
117 shall consider and make recommendations related to (i) the information such utilities shall be  
118 required to make publicly available to best improve energy assistance efforts for utility customers;  
119 (ii) utility benchmarks, goals, or targets regarding customer assistance programs; (iii) utility policies  
120 regarding debt collection; (iv) utility procedures for disconnecting a customer from service; (v)  
121 methods and contents of communications and notices to customers regarding available customer  
122 assistance programs, disconnection of service, debt collection, and customer rights and remedies,  
123 including a medical protection program; and (vi) the frequency of utility data reporting. The work  
124 group shall complete its meetings by November 30, 2024, and shall submit to the General Assembly  
125 an executive summary and a report of their findings and recommendations no later than December  
126 31, 2024.

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