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## HOUSE BILL NO. 2297

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Senate Committee on Local Government  
on February 15, 2011)

(Patron Prior to Substitute—Delegate Englin)

A *BILL to amend and reenact § 56-247.1 of the Code of Virginia, relating to suspension of water services by certain public utilities; and to provide for State Corporation Commission proceedings related to provision of water services to customers with serious medical conditions.*

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

**1. That § 56-247.1 of the Code of Virginia is amended and reenacted as follows:**

§ 56-247.1. Commission to require public utilities to follow certain procedures.

The Commission shall require that public utilities adhere to the following procedures:

A. Every public utility shall provide its residential customers one full billing period to pay for one month's local or basic services, before initiating any proceeding against a residential customer for nonpayment of local service.

B. Pay the residential customer a fair rate of interest as determined by the Commission on money deposited and return the deposit with the interest after not more than one year of satisfactory credit has been established.

C. Every public utility shall establish customer complaint procedures which will insure prompt and effective handling of all customer inquiries, service requests and complaints. Such procedure shall be approved by the Commission before its implementation and it shall be distributed to its residential customers.

D. No electric or gas utility shall terminate a customer's service without 10 days' notice by mail to the customer.

E. No public utility shall terminate the residential service of a customer for such customer's nonpayment of basic nonresidential services as defined by its terms and conditions on file with the Virginia State Corporation Commission.

F. *A public utility providing water service shall not terminate service for nonpayment until it first sends the customer written notice by mail 10 days in advance of making the termination but, in no event, shall it terminate the customer's service until 20 days after the customer's bill has become due. Any such notice shall also include contact information for the customer's use in contacting the public utility regarding the notice.*

FG. Any electric utility formed under or subject to Chapter 9.1 (§ 56-231.15 et seq.) may install and operate, upon a customer's request and pursuant to an appropriate tariff for any type or classification of service, a prepaid metering equipment and system that is configured to terminate electric service immediately and automatically when the customer has incurred charges for electric service equal to the customer's prepayments for such service. Subsections A, B, D, and E shall not apply to services provided pursuant to electric service provided on a prepaid basis by a prepaid metering equipment and system pursuant to this subsection. Such tariffs shall be filed with the Commission for its review and determination that the tariff is not contrary to the public interest.

**2. § 1. That the State Corporation Commission, in order to promote public health and safety, shall conduct a proceeding for the purpose of establishing limitations on the authority of a public utility providing water service to terminate water service to the residence of any customer who provides the certification of a licensed physician that the customer has a serious medical condition or the customer resides with a family member with a serious medical condition. The limitations shall be consistent with the public interest. In the proceeding establishing such limitations, the State Corporation Commission shall consult with the Commissioner of Health, the Commissioner of Social Services, the Virginia Poverty Law Center, the Virginia League of Social Services Executives, water utilities, and any other persons that the State Corporation Commission deems appropriate. As a part of the proceeding, the State Corporation Commission shall adopt regulations to implement such limitations. The regulations shall (i) be adopted in accordance with the Commission's Rules of Practice and Procedure, (ii) be effective not later than October 31, 2011, (iii) establish a cost recovery mechanism under which water utilities shall be authorized to recover, from approved rates collected from other customers or other sources of revenue, any losses on customer accounts the balance of which is written off or otherwise determined to be uncollectible as the result of the implementation of the regulations, and (iv) define "serious medical condition."**