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SENATE BILL NO. 741

Offered January 12, 2011

Prefiled August 27, 2010

A *BILL to amend the Code of Virginia by adding a section numbered 56-247.2, relating to terminations of electric service that endanger health.*

Patrons—Reynolds and Puckett; Delegate: Armstrong

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 56-247.2 as follows:

§ 56-247.2. Terminations of electric service that endanger health.

A. For purposes of this section:

1. The termination of electric service shall be deemed to endanger the health of a customer or member of a customer's household if the termination of electric service, by curtailing the operation of electric-powered life-supporting equipment, would aggravate an existing medical condition or pose a danger to the customer or a member of the customer's household who is medically dependent on the equipment; and

2. "Life-supporting equipment" means a kidney dialysis machine, oxygen pump, iron lung, or other medical device that (i) is located at the residential customer's service address and (ii) must be operated continuously or as circumstances require as specified by a physician to avoid the loss of life or the aggravation of an existing medical condition. The term does not include normal household appliances such as air conditioners or air filters.

B. An electric utility that has:

1. Sufficient cause to terminate the service of a residential customer as a result of the customer's nonpayment for residential service shall postpone a termination of the service for a period of not less than five days if, within the 10 days' notice period required pursuant to subsection D of § 56-247.1 or such additional period thereafter that precedes the termination of the customer's service, the electric utility receives oral or written notification that the customer is unable to pay for such service in accordance with the requirements of the electric utility's billing and that termination of electric service will endanger the health of the customer or member of the customer's household; or

2. Terminated the service of a residential customer as a result of the customer's nonpayment for residential service shall reinstate service for a period of five business days after receiving oral or written notification that the customer is unable to pay for such service in accordance with the requirements of the electric utility's billing and that the termination of electric service has endangered the health of the customer or member of the customer's household. Such reinstatement of service shall be made as promptly as is reasonably practicable, but in no event later than by the close of the next business day after receiving the notification. When service is reinstated the electric utility will not require payment of a reconnection charge or deposit prior to reinstating service, but shall bill all such charges on the customer's next regular monthly statement or on a separate invoice.

C. If the electric utility receives a complete physician's certification before the end of the five-day period that a planned service termination is postponed as provided in subdivision B 1, or a service reinstatement is required as provided in subdivision B 2, the electric utility shall not terminate the customer's service for an additional period of not less than 10 days, during which period the electric utility shall provide an opportunity for the customer to negotiate a deferred payment agreement. The electric utility shall have no obligation to enter into a deferred payment agreement unless the customer can demonstrate the ability to pay the outstanding balance but only in installments. Service shall not be terminated during the period from the date the electric utility receives the completed physician's certification until the end of such additional period or, if a deferred payment agreement is entered into, during the term of the agreement except as provided in subsection F.

D. A certification from a physician shall be deemed to be complete for purposes of subsection C if it is made by a physician licensed in the Commonwealth; is in writing; identifies the location of the customer's residence; describes how the termination of electric service would endanger the health of the customer or member of the customer's household; describes the life-supporting equipment; states whether the life-supporting equipment is required to be used by the customer or member of the customer's household for an indefinite period; and, if it is not required to be used indefinitely, states when the need for its use is expected to cease; and includes the title, signature, and telephone number of the certifying physician. A physician's certification under this section shall be valid for a period not

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59 *exceeding 120 days, but may be renewed.*

60 *E. A deferred payment agreement negotiated pursuant to subsection C shall provide for payment of*
61 *the outstanding balance on the customer's residential account in reasonable installments over a*
62 *reasonable period, and shall be based on the customer's ability to pay, the amount of the balance, the*
63 *customer's payment history, the amount of time the balance has been outstanding, the duration of the*
64 *need for use of the life-supporting equipment, reasons why the balance has been outstanding, and any*
65 *other relevant factors. The electric utility shall be allowed to collect interest on the outstanding balance*
66 *subject to the deferred payment agreement at the legal rate of interest set forth in § 6.2-301. Any*
67 *deferred payment agreement shall include an acknowledgement that entering into the agreement and*
68 *making payments in accordance with its terms does not excuse the customer from his obligation to pay*
69 *ongoing charges for electric service. The electric utility shall send a notice to the customer confirming*
70 *the terms of the deferred payment agreement within two business days after reaching agreement on its*
71 *terms.*

72 *F. Service shall not be terminated during the term of the deferred payment agreement; however, if*
73 *the customer fails to abide by the terms of the deferred payment agreement, or fails to pay ongoing*
74 *charges for electric service when due, the agreement may be canceled and the electric utility may*
75 *terminate service upon complying with the requirements of subsection D of § 56-247.1.*

76 *G. An electric utility shall not impose upon any customer any additional deposit to continue or*
77 *restore service in situations where the electric utility is required to postpone a termination of service or*
78 *to reinstate service pursuant to this section.*

79 *H. A customer shall not be entitled to the benefits established by this section more than once in any*
80 *120-day period.*

81 *I. The Commission shall adopt regulations necessary to implement the provisions of this section,*
82 *including regulations providing for Commission review of the reasonableness of deferred payment*
83 *agreements.*