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**SENATE BILL NO. 480**

Offered January 10, 2024

Prefiled January 9, 2024

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 through 15.2-2121.6, 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 through 56-245.1:6, relating to public utilities; municipal utilities; disconnection of service; limitations; report; consumer protections.*

Patron—Aird

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 in Chapter 21 of Title 15.2 an article numbered 2.1, consisting of sections numbered 15.2-2121.1 through 15.2-2121.6, 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 through 56-245.1:6 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 temperature low is at or below 32 degrees Fahrenheit within the 24 hours following the scheduled disconnection or (ii) when the forecasted heat index is at or above 95 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

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

3. No water or wastewater utility shall disconnect from service any residential customer when the forecasted heat index is at or above 95 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

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

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

**§ 15.2-2121.3. Reconnection of utility service.**

No such utility shall hold payment of associated fees, including disconnection fees, reconnection fees, late charges, and other fees, as a condition for restoration of service once payment of arrearage, less any fees, has been received or a repayment arrangement is entered into between such utility and the customer.

**§ 15.2-2121.4. Notice procedures for nonpayment; disconnecting utility service.**

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

B. Each utility subject to the provisions of this article shall deliver notice of nonpayment of bills or fees to its residential customers by mail, via text message, or by phone call. Each such utility shall deliver notice of a potential disconnection by visiting the residence if the customer has a serious medical condition form on file with the utility.

C. Utility disconnections due to the nonpayment of bills or fees are prohibited prior to three consecutive payments being missed. After each missed payment, the utility shall provide notice pursuant

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59 to subsection B and make contact with the customer and offer bill payment assistance, arrange a  
60 payment plan, or provide information to the customer for other bill payment assistance or energy  
61 savings programs.

62 D. No electric or gas utility shall require a deposit of more than 25 percent of the arrearage amount  
63 for service, exclusive of nonpayment fees, penalties, or interest, in order to restore service to any  
64 residential customer that is a recipient of the federal Low-Income Home Energy Assistance Program.

65 **§ 15.2-2121.5. Utility data transparency; annual report.**

66 Each utility subject to the provisions of this article shall make publicly available the following  
67 information organized by zip code for each immediately preceding month:

68 1. The number of residential utility customers on the last day of each month;

69 2. The total dollar amount and average amount billed to and collected from residential customers  
70 and the average utility usage per residential customer;

71 3. The number of residential customers receiving assistance under each applicable utility assistance  
72 program on the last day of each month;

73 4. The number of residential customers receiving service disconnection notices due to nonpayment of  
74 bills or fees;

75 5. The number of residential customers disconnected from service due to nonpayment of bills or fees;

76 6. The number of residential customers with service reconnected after being disconnected due to  
77 nonpayment of bills or fees;

78 7. The average time between service disconnection due to nonpayment of bills or fees and service  
79 reconnection for residential customers;

80 8. The number of residential customers who became eligible for disconnection due to nonpayment of  
81 bills or fees but were not disconnected because of a medical protection program;

82 9. The number of residential customers charged late fees and the total dollar amount and average  
83 amount of those fees;

84 10. The number of residential customers charged reconnection fees and the total dollar amount and  
85 average amount of those fees;

86 11. The number of residential customers charged penalties other than late fees and reconnection fees  
87 and the total dollar amount and average amount of those penalties;

88 12. The number of residential customers in arrears by 30, 60, and 90 days on the last day of each  
89 month and the total dollar amount and average amount owed in each category;

90 13. The number of residential customers enrolled in deferred payment agreements on the last day of  
91 each month, the total dollar amount and average amount of arrears owed by customers subject to such  
92 agreements, and the average length of the repayment term;

93 14. The number of residential customers who successfully entered into a new deferred payment  
94 agreement, the number of residential customers who successfully completed a deferred payment  
95 agreement, the number of residential customers who defaulted on a deferred payment agreement, and  
96 the total dollar amount and average amount of arrears for residential customers subject to such  
97 agreements;

98 15. The number of residential customers with accounts that were referred to a third party for the  
99 purpose of debt collection and the number of residential customers contacted by the utility to inform  
100 them that their account debt has been reported to a third party for the purpose of debt collection;

101 16. The number of residential customers with accounts reported to a credit reporting agency and the  
102 number of residential customers contacted by the utility to inform them that their account debt has been  
103 reported to a credit reporting agency; and

104 17. The number of liens on real property placed, sold, or enforced against residential customers due  
105 to nonpayment of bills or fees on utility accounts, if applicable.

106 **§ 15.2-2121.6. Civil action for violation of article.**

107 A. Any utility subject to the provisions of this article that violates the provisions of this article shall  
108 be civilly liable for damages of up to \$1,000 and reasonable attorney fees, plus provable damages  
109 caused as a result of such violation, and be subject to such other remedies, legal or equitable, including  
110 injunctive relief, as may be available to the party damaged by such violation. Such action shall be  
111 brought in the circuit court of the jurisdiction wherein the utility is located.

112 B. No action may be brought under the provisions of this article for a cause of action that arises  
113 more than two years prior to the date on which such action is brought.

114 **§ 44-146.29:4. Disconnection suspension for certain utilities.**

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

120 **§ 56-245.1:3. Disconnection suspension for utilities.**

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

B. 1. No electric utility shall disconnect from service any residential customer for the nonpayment of bills or fees (i) when the forecasted temperature low is at or below 32 degrees Fahrenheit within the 24 hours following the scheduled disconnection or (ii) when the forecasted heat index is at or above 95 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

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

3. No water or wastewater utility shall disconnect from service any residential customer when the forecasted heat index is at or above 95 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

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

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

**§ 56-245.1:4. Reconnection of utility service.**

A. As used in this section, "utility" has the same meaning as provided in § 56-245.1:3.

B. No such utility shall hold payment of associated fees, including disconnection fees, reconnection fees, late charges, and other fees, as a condition for restoration of service once payment has been received or a repayment arrangement is entered into between such utility and the customer.

**§ 56-245.1:5. Notice procedures for nonpayment; disconnecting utility service.**

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

B. Each utility subject to the provisions of this section shall deliver notice of nonpayment of bills or fees to its residential customers by mail, via text message, or by phone call. Each such utility shall deliver notice of a potential disconnection by visiting the residence if the customer has a serious medical condition form on file with the utility.

C. Utility disconnections due to the nonpayment of bills or fees are prohibited prior to three consecutive payments being missed. After each missed payment, the utility shall provide notice pursuant to subsection B and make contact with the customer and offer bill payment assistance, arrange a payment plan, or provide information to the customer for other bill payment assistance or energy savings programs.

D. No electric or gas utility shall require a deposit of more than 25 percent of the arrearage amount for service, exclusive of nonpayment fees, penalties, or interest, in order to restore service to any residential customer that is a recipient of the federal Low-Income Home Energy Assistance Program.

**§ 56-245.1:6. Utility data transparency; annual report.**

A. Each utility subject to the provisions of § 56-245.1:3 shall make publicly available the following information organized by zip code for each immediately preceding month:

1. The number of residential utility customers on the last day of each month;  
2. The total dollar amount and average amount billed to and collected from residential customers and the average utility usage per residential customer;

3. The number of residential customers receiving assistance under each applicable utility assistance program on the last day of each month;

4. The number of residential customers receiving service disconnection notices due to nonpayment of bills or fees;

5. The number of residential customers disconnected from service due to nonpayment of bills or fees;

6. The number of residential customers with service reconnected after being disconnected due to nonpayment of bills or fees;

7. The average time between service disconnection due to nonpayment of bills or fees and service reconnection for residential customers;

8. The number of residential customers who became eligible for disconnection due to nonpayment of bills or fees but were not disconnected because of a medical protection program;

9. The number of residential customers charged late fees and the total dollar amount and average

182 amount of those fees;

183 10. The number of residential customers charged reconnection fees and the total dollar amount and  
184 average amount of those fees;

185 11. The number of residential customers charged penalties other than late fees and reconnection fees  
186 and the total dollar amount and average amount of those penalties;

187 12. The number of residential customers in arrears by 30, 60, and 90 days on the last day of each  
188 month and the total dollar amount and average amount owed in each category;

189 13. The number of residential customers enrolled in deferred payment agreements on the last day of  
190 each month, the total dollar amount and average amount of arrears owed by customers subject to such  
191 agreements, and the average length of the repayment term;

192 14. The number of residential customers who successfully entered into a new deferred payment  
193 agreement, the number of residential customers who successfully completed a deferred payment  
194 agreement, the number of residential customers who defaulted on a deferred payment agreement, and  
195 the total dollar amount and average amount of arrears for residential customers subject to such  
196 agreements;

197 15. The number of residential customers with accounts that were referred to a third party for the  
198 purpose of debt collection and the number of residential customers contacted by the utility to inform  
199 them that their account debt has been reported to a third party for the purpose of debt collection;

200 16. The number of residential customers with accounts reported to a credit reporting agency and the  
201 number of residential customers contacted by the utility to inform them that their account debt has been  
202 reported to a credit reporting agency; and

203 17. The number of liens on real property placed, sold, or enforced against residential customers due  
204 to nonpayment of bills or fees on utility accounts, if applicable.

205 B. The Commission shall establish standards for monthly reporting requirements for each utility  
206 subject to the provisions of § 56-245.1:3, and the reported data shall be disclosed publicly on the  
207 Commission's website.

208 C. Each utility subject to the provisions of § 56-245.1:3 shall file an annual report with the  
209 Commission that sets forth the following information:

210 1. A description of available customer assistance programs, including the terms of eligibility, the  
211 available budget for each program, any changes to the program during the reporting year, and any  
212 planned future changes to the program;

213 2. The utility's benchmarks, goals, or targets regarding customer assistance programs, if any, and the  
214 utility's performance relative to those benchmarks, goals, or targets during the reporting year;

215 3. The utility's policies regarding disconnection of service, including the minimum amount of arrears  
216 required before a customer is issued a notice of disconnection, the minimum time between nonpayment  
217 of bills or fees and the issuance of a notice of disconnection, and the minimum time between issuance of  
218 a notice of disconnection and disconnection of service. The utility shall include information regarding  
219 how, if at all, such policies differ based on a customer's assessed risk, payment history, or other factors;

220 4. The utility's policies regarding debt collection, including the minimum amount of arrears required  
221 before a customer's account is sent to a third party for the purpose of debt collection and information  
222 regarding how, if at all, such policies differ based on a customer's assessed risk, payment history, or  
223 other factors;

224 5. The utility's cost of disconnecting a customer from service, per circumstance, differentiated  
225 between advanced metering infrastructure (AMI) and non-AMI accounts, and the cost of service  
226 disconnections to the utility overall, including gross and net costs, as well as the amount of debt written  
227 off or sold;

228 6. Excluding any customer-specific communications, the methods and contents of communications and  
229 notices to customers regarding available customer assistance programs, disconnection of service, debt  
230 collection, and customer rights and remedies, including a medical protection program; and

231 7. The utility's schedule of rates and charges.

232 As used in this subsection, "charges" means the amounts billed to a customer under specific  
233 circumstances that are not included in the provider's base rate, including late fees, connection fees,  
234 impact fees for new development, deposits for opening new accounts, and any other fees, surcharges, or  
235 penalties. As used in this subsection, "rates" means the fixed component, if any, and the volumetric or  
236 other variable component, if any, of the cost of service that are applied to a category of customers.

237 D. The Commission shall, by January 31 of each calendar year, prepare and publish a report  
238 containing the following information:

239 1. A plain language summary of the data reported by utilities pursuant to this section, including any  
240 significant trends or changes concerning customer assistance programs, service disconnections, and debt  
241 collection;

242 2. The Commission's assessment of the impact of customer assistance programs, service  
243 disconnection policies, and debt collection policies on the affordability and accessibility of utility

244 service, including whether certain customer segments, by zip code, income level, and racial group, are  
245 disproportionately impacted by a utility's disconnection or debt collection policies;

246 3. The Commission's assessment of whether additional data reporting is prudent for understanding  
247 and addressing issues related to affordability and accessibility of utility service; and

248 4. The Commission's assessment of whether the data reported by utilities pursuant to this section  
249 indicates any significant issues impacting the public health, safety, or welfare such that it requires  
250 further investigation by the Commission.

251 E. No information required to be reported pursuant to this section shall include the personally  
252 identifiable information of any utility customer.

253 F. Notwithstanding any other provision of law, the Commission shall have jurisdiction over each  
254 utility identified in subsection A of § 56-245.1:3 for the purposes of enforcing the requirements of this  
255 section. Upon a written showing by such a utility that compliance with the reporting requirements of  
256 this section would result in an unjust and unreasonable rate increase, the Commission may (i) provide  
257 technical and financial assistance to assist the utility's reporting or (ii) establish alternative reporting  
258 requirements for such utility. Any such alternative reporting requirements established by the Commission  
259 shall include the reporting of information from subdivisions A 1 through A 6, A 9, and A 13.

260 2. That the State Corporation Commission (the Commission) may, in its discretion, direct a utility  
261 subject to the Commission's jurisdiction and the provisions of §§ 44-146.29:4 and 56-245.1:3 of the  
262 Code of Virginia, as created by this act, to extend or otherwise modify a suspension or limitation  
263 on disconnecting service to residential customers beyond the time periods prescribed by this act (i)  
264 if the Commission finds such extension or modification to be necessary or in the public interest  
265 and (ii) provided that any such modification does not shorten the disconnection suspension under  
266 § 44-146.29:4 of the Code of Virginia, as created by this act, to a time period of less than 30 days.  
267 Prior to issuing any such extension or modification, the Commission shall convene a stakeholder  
268 meeting to seek input from utility representatives, interested parties, and customers to inform such  
269 decision and determine whether such decision is in the public interest.