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SENATE BILL NO. 480

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Commerce and Labor
on January 29, 2024)

(Patron Prior to Substitute—Senator Aird)

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 temperature low is at or below 32 degrees Fahrenheit within the 24 hours following the scheduled disconnection or (ii) when the forecasted temperature is at or above 92 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 temperature is at or above 92 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

4. To ascertain the projected temperature as provided in this subsection, each utility shall refer to the forecasted local temperature provided by the National Weather Service where the customer to be disconnected is located.

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. Further, nothing in this section shall be construed to prohibit (i) a disconnection required by the conditions of subdivision A 8 of § 56-247.1, (ii) emergency disconnections for health and safety purposes, or (iii) the occurrence of an automatic service suspension associated with prepaid utility service. 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. 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, or (iii) by publishing the disconnection policy on the utility's website. Each such utility shall provide all required notices in English and Spanish. Such 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 prior to disconnection by mail or email, via text message, or by phone call.

C. Utility disconnections due to the nonpayment of bills or fees are prohibited for residential customers until the customer's account is 60 days in arrears. 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.

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

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

§ 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 temperature is at or above 92 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 temperature is at or above 92 degrees Fahrenheit within the 24 hours following the scheduled disconnection.

4. To ascertain the projected temperature as provided in this subsection, each utility shall refer to the forecasted local temperature provided by the National Weather Service where the customer to be disconnected is located.

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. Further, nothing in this section shall be construed to prohibit (i) a disconnection required by the conditions of subdivision A 8 of § 56-247.1, (ii) emergency disconnections for health and safety purposes, or (iii) the occurrence of an automatic service suspension associated with prepaid utility service. 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. 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, or (iii) by publishing the disconnection policy on the utility's website. Each such utility shall provide all required notices in English and Spanish. Such 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 prior to disconnection by mail or email, via text message, or by phone call.

C. Utility disconnections due to the nonpayment of bills or fees are prohibited for residential customers until the customer's account is 60 days in arrears. 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.

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

3. That the Commission on Electric Utility Regulation and the Commission on Local Government, in consultation with the State Corporation Commission, shall convene a work group to determine data transparency requirements for public utilities, including municipal utilities. The work group shall consider and make recommendations related to (i) the information such utilities shall be required to make publicly available to best improve energy assistance efforts for utility customers;

122 (ii) utility benchmarks, goals, or targets regarding customer assistance programs; (iii) utility
123 policies regarding debt collection; (iv) utility procedures for disconnecting a customer from
124 service; (v) methods and contents of communications and notices to customers regarding available
125 customer assistance programs, disconnection of service, debt collection, and customer rights and
126 remedies, including a medical protection program; and (vi) the frequency of utility data reporting.
127 The Commission on Electric Utility Regulation and the Commission on Local Government shall
128 complete their meetings by November 30, 2024, and shall submit to the General Assembly an
129 executive summary and a report of their findings and recommendations no later than December
130 31, 2024.