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HOUSE BILL NO. 1052

Offered January 12, 2022

Prefiled January 12, 2022

A BILL to amend and reenact § 56-247.1 of the Code of Virginia and to amend the Code of Virginia by adding in Article 7 of Chapter 21 of Title 15.2 a section numbered 15.2-2161, relating to broadband providers and public utilities; late payment fees restricted.

Patron—Shin

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That § 56-247.1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 7 of Chapter 21 of Title 15.2 a section numbered 15.2-2161 as follows:

§ 15.2-2161. Provision of broadband services; certain features prohibited.

A. As used in this section, "broadband provider" means a provider of fixed broadband Internet access service and includes any entity required to provide the federal government with information on Federal Communications Commission Form 477 or as part of the federal Digital Opportunity Data Collection program or a provider of satellite-based broadband Internet access service that has been designated as an eligible telecommunications carrier pursuant to 47 U.S.C. § 214(e)(6) for any portion of the Commonwealth.

B. No broadband provider shall charge (i) a residential customer a late payment fee or similar penalty that exceeds the lesser of 2.5 percent of the balance due or \$5 or (ii) any interest on a residential customer's outstanding balance.

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

A. The Commission shall require that public utilities adhere to the following procedures for services not found to be competitive:

1. 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.

2. 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.

3. Every public utility shall establish customer complaint procedures that will ensure 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. The utility shall disclose to the customer that the Commission is the responsible regulatory agency and that the customer may contact the Commission on regulatory matters and provide the customer with the contact information for the Commission.

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

5. 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.

6. 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.

7. 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. Subdivisions 1, 2, 4, and 5 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.

8. No electric utility shall terminate the residential service of a customer for such customer's

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59 nonpayment for metered services when the electric utility believes that the customer is receiving or has
60 received electric utility services for which the customer was not properly billed as the result of
61 tampering with the electric utility's meter in a manner that prevented the meter from accurately recording
62 usage, until the electric utility has complied with the procedure set forth in subsection C. However, the
63 requirement that the electric utility comply with the procedure set forth in subsection C before
64 terminating service shall not apply if (i) the condition of a customer's wiring, equipment, or appliances
65 is either unsafe or unsuitable for receiving the electric utility service; (ii) the customer's use of the
66 electric utility service or equipment interferes with or may be detrimental to the electric utility's facilities
67 or to the provision of electric utility service by the electric utility to any other customer; (iii) a
68 tamper-evident meter seal securing the meter is broken, damaged, or missing; (iv) electric service is
69 furnished over a line that is not owned or leased by the electric utility and the line is either not in a safe
70 and suitable condition or is inadequate to receive electric utility service; (v) emergency repairs or
71 alterations are needed; (vi) there are unavoidable shortages or interruptions in a supply of utility service;
72 (vii) the electric utility is acting upon orders from an authority having jurisdiction; or (viii) the actions
73 taken are to preserve life or property, or to avoid or abate utility or fire hazard.

74 9. *No public utility shall charge (i) a residential customer a late payment fee or similar penalty that*
75 *exceeds the lesser of 2.5 percent of the balance due or \$5 or (ii) interest on a residential customer's*
76 *outstanding balance. Notwithstanding any other provision of law, for the purposes of this subdivision,*
77 *"public utility" includes utilities that are not subject to the jurisdiction of the Commission and that are*
78 *providing electric, gas, or water or wastewater service in the Commonwealth.*

79 B. Any and all Commission rules and regulations concerning the denial of telephone service for
80 nonpayment of such service shall not apply to services found to be competitive.

81 C. If an electric utility believes that a customer is receiving or has received electric utility services
82 for which the customer was not properly billed as the result of tampering with the electric utility's meter
83 in a manner that prevented the meter from accurately recording usage, the electric utility shall (i)
84 retrieve the meter from the customer's premises, which may be done without providing prior notice to
85 the customer; (ii) immediately replace it with a new meter; and (iii) determine whether the meter has
86 been tampered with. Within 60 days after any such determination of meter tampering has been made,
87 the electric utility shall provide evidence of such tampering to the customer. If, after determining the
88 meter has been tampered with, the electric utility seeks payment for electric utility services not properly
89 billed, the electric utility shall provide the customer with an invoice with a reasonable and final estimate
90 of the amount owed by the customer as a result of the meter's failure to accurately record the customer's
91 usage. The invoice shall explain the electric utility's calculation of the estimated amount owed as a result
92 of any suspected failure. The electric utility shall provide the customer one full billing period to pay the
93 amount billed in such invoice before initiating any proceeding against the customer for nonpayment.
94 During such billing period, the customer may submit an informal complaint to the Commission disputing
95 the amount sought by the utility. The customer may commence a formal proceeding after the informal
96 complaint process has been exhausted in accordance with Commission regulations.