

## 2022 SESSION

### HOUSE SUBSTITUTE

22107968D

#### HOUSE BILL NO. 1257

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Joint Conference Committee  
on March 12, 2022)

(Patron Prior to Substitute—Delegate Kilgore)

A BILL to amend the Code of Virginia by adding a section numbered 56-265.4:7, relating to municipal corporations providing natural gas service; discontinuing service.

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

**1. That the Code of Virginia is amended by adding a section numbered 56-265.4:7 as follows:**

**§ 56-265.4:7. Discontinuing natural gas service; municipal corporation.**

A. No municipal corporation that provides natural gas service shall discontinue such service to any residential, commercial, or industrial customer prior to satisfying the following requirements:

1. Provide at least three years' notice, both by bill insert and by publication in a newspaper of general circulation in the area in which the municipal corporation provides service, of the municipal corporation's intention to discontinue service;

2. For two years following the publication of notice required by subdivision 1, attempt to negotiate the sale of its system facilities and associated rights such that service to its customers remains uninterrupted; and

3. If such sale as described in subdivision 2 is not accomplished within two years following the publication of notice required by subdivision 1, the municipal corporation may offer its system facilities and associated rights by auction to the highest bidder.

B. A municipal corporation that is seeking to discontinue natural gas service shall advise its customers by bill insert of its progress in effecting a sale of its system facilities and associated rights at least once annually following the publication of the notice required by subdivision A 1. Copies of the initial publication of such notice and of all subsequent bill inserts relating to discontinuing service and sale of system facilities by a municipal corporation shall be provided to the Commission at the time they are made.

C. Nothing in this section shall be construed to limit the rights of a municipal corporation that provides natural gas service from discontinuing service to a particular customer as the result of nonpayment of fees for services provided or any cause otherwise permitted by law or regulation.

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