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## HOUSE BILL NO. 1257

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Agriculture, Conservation and Natural Resources  
on March 1, 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 natural gas utilities.

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 utility service; public entities.*

A. No public entity that provides natural gas utility service shall discontinue such service generally or to any commercial or industrial customers 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 public entity provides service, of the public entity's intention to discontinue service;

2. Attempt to negotiate the sale of its system facilities and associated rights such that service to its customers remains uninterrupted for one year following the publication of notice required by subdivision 1; and

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

B. A public entity that is seeking to discontinue natural gas utility 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 public entity 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 public entity that provides natural gas utility 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.