



Utility Shut-Off Safeguards

Legislative Overview/ HB 906 (Shin), SB 480 (Aird)

Lower-income households spend more of their money on energy bills than any other income group.

In Virginia, **utility assistance is the top unmet need**, according to 2-1-1. And yet, [only 30% of eligible households](#) actually receive the energy assistance they need to stay connected to their essential utility services.

In addition to health and safety risks, the financial cost of shut-offs to the customer can be substantial. In 2021, [33% of households](#) had to choose between purchasing groceries, medication, or paying heating and cooling expenses. Low-income Virginia households spend [up to 14% of their income](#) on energy costs as compared to higher-earning households.

A Better Way

This legislation proposes recommendations from the 2022 State Corporation Commission (SCC) study requested by the legislature in 2021. The SCC recommended that the state formalize a policy to protect utility customers from losing essential services during high-risk periods.

- The legislation protects customers from shutoffs for non-payment during extreme cold and hot weather, during public health emergencies, and on or before non-business days, including Fridays, weekends, and holidays.
- It also ensures that customers who have been shut off will be reconnected in a timely manner and without paying burdensome fees prior to having their service restored. It requires that utilities make better efforts to notify customers of a pending shut-off, including by providing notice in English and Spanish, and it requires utilities to inform customers about available assistance programs.
- Lastly, utilities must make available important data about energy usage, bills, and shut-offs to inform public policy decisions aimed at improving energy affordability.

When households can't afford to pay their bills, utility companies can shut off their power or water regardless of how hot or cold it is outside, or how long it may take to get their power restored.

These are families already struggling to stay afloat, and they face high barriers to getting necessary services reconnected. Customers often must pay before having their service restored, with additional security deposits, late fees, and other penalties.