SCC Utility Service Cut-off Moratorium to End September 16
Except for Customers in Extended Payment Plans;
Other Customer Protections Remain

RICHMOND – The State Corporation Commission (SCC) is extending the existing general moratorium on utility shutoffs from August 31 until September 16. The extension gives the General Assembly, currently in special session, additional time to enact any legislation it may choose addressing the impact of the COVID-19 pandemic on utility customers.

The SCC’s latest extension order means the moratorium will have been in place for six months. It was originally imposed on March 16, 2020, as an emergency measure to protect customers from the immediate economic impacts of the COVID crisis.

While the general moratorium will expire, utility customers who entered into extended payment plans as a result of a prior Commission order will continue to be protected from service shutoffs if they remain current or enter into individualized new repayment plans with the utility.

In its June 12 order, the SCC directed all utilities to offer extended payment plans of up to 12 months to customers struggling to pay bills due to the economic impacts of COVID. All utilities under the SCC’s jurisdiction have done so and many customers have used the option of entering such plans.

No late payment fees may be charged to customers in such extended payment plans. The Commission’s latest order continues that protection beyond the expiration of the moratorium.

The SCC said, “The expiration of our moratorium does not mean that customers are without options for continuing utility service, and we strongly urge utilities to make every effort to accommodate customers who are making good-faith efforts to pay their bills.”

The SCC also emphasized that prior to its moratorium, utilities already had existing tariffs approved by the SCC that contained protections, especially for medically vulnerable customers, to avoid shutoffs, and that those tariff protections will remain in place beyond the moratorium.

(more)
The SCC reiterated what it has stated in several previous orders:

- That an indefinite moratorium on service disconnections is not sustainable. “If such bills are never paid, the costs of these unpaid bills are ultimately borne by paying customers as operational costs of the utility. These costs do not disappear; they are shifted to other customers, who themselves may be struggling to make ends meet in the economic catastrophe caused by the COVID-19 pandemic.”

- That “utility regulation alone cannot adequately address what is a much broader socioeconomic catastrophe.”

The SCC’s June order cited examples of more comprehensive solutions, offered by parties in the proceeding, such as programs of financial aid directly to those utility customers with no ability to pay their bills, funded by federal or state appropriations. The SCC noted that such direct financial aid to utility customers would require legislation.

The SCC added, “This Commission will follow any legislation the General Assembly enacts but cannot continue the moratorium indefinitely unless legislatively required to do so.”

Case number PUR-2020-00048

View Order on Moratorium