



# OLR RESEARCH REPORT

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## UTILITY TERMINATIONS

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You asked for a summary of the law regarding residential terminations by utilities. You were particularly interested in learning whether the law requires a utility to notify the municipality where the affected customer lives, so that it could check on his or her welfare.

### SUMMARY

[CGS § 16-262c](#) limits when utilities can terminate residential service. Some of the restrictions apply to all residential customers, e.g., utilities cannot terminate residential service on weekends or holidays. Electric and gas companies and municipal electric or gas utilities may not terminate, deny or refuse to reinstate residential electric or gas service to customers who cannot pay their bills if doing so would create a life-threatening situation for the customer or a member of his or her household. Additional termination restrictions apply to terminations in hardship cases, e.g., low-income customers or those with a seriously ill family member.

The law does not require the utility to notify the municipality where the customer lives of an impending termination. However, in practice, a number of utilities allow customers to designate anyone as a third party to receive advance notice of termination notices.

## **UTILITY TERMINATIONS**

### ***General Restrictions***

Utilities may not terminate the service of any residential customer who does not pay his or her bill in full (1) on a Friday, Saturday, Sunday, legal holiday, or day before a legal holiday; (2) any time when the utility's business offices are not open to the public; or (3) within one hour before the closing of its business offices. This provision applies to electric, gas, telephone, water companies, and municipal utilities providing these services. It also applies to competitive electric suppliers and certified telecommunications providers.

Additional limits apply to energy utilities. No electric or gas company or municipal utility may terminate, deny or refuse to reinstate residential electric or gas service if (1) the customer lacks the financial resources to pay his or her entire account and (2) this action would create a life-threatening situation for the customer or a member of his or her household.

### ***Hardship Cases***

The energy utilities and competitive electric suppliers may not terminate, deny, or refuse to reinstate residential electric or gas service if (1) the customer is a hardship case and lacks the financial resources to pay his or her entire account and (2) a child up to 24 months old lives in the household and has been admitted to the hospital and received discharge papers on which the attending physician has indicated electric or gas service is needed for the child's health and well being. Hardship cases are customers:

1. receiving local, state, or federal public assistance;
2. whose sole source of financial support is Social Security, Veterans' Administration, or unemployment compensation benefits;
3. who are unemployed heads of households whose household income is less than three times the federal poverty level;
4. who are seriously ill or have a seriously ill household member;
5. whose income falls below 125% of the federal poverty level determined by the federal government; or

6. whose circumstances threaten a deprivation of food and the necessities of life for himself or herself or dependent children if payment of a delinquent bill is required.

From November 1 to May 1, [§ 16-262c](#) bars electric and gas companies, municipal utilities, and competitive electric suppliers from terminating, denying, or refusing to reinstate residential service in hardship cases where the customer lacks the financial resources to pay his or her entire account. From May 2 to October 31 gas companies and gas municipal utilities can only refuse to reinstate service to a hardship customer if the customer has failed to pay, since the preceding November first, the lesser of: (1) 20% of the outstanding principal balance owed the utility as of the date of termination, (2) \$100, or (3) the minimum payments due under the customer's amortization agreement.

### ***Termination Notices***

The section also establishes customer notice requirements and requires the Public Utilities Regulatory Authority (formerly the Department of Public Utility Control) to adopt implementing regulations.

The law does not require the utility to notify the municipality where the customer lives of an impending termination. However, in practice, a number of utilities allow customers to designate a third party to receive advance notice of termination notices. The third party can be a social service agency as well as a family member or friend of the customer's. The notice to the third party does not stop the termination process, but can allow the third party to take steps to prevent a termination.

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