



**Mid Penn**  
LEGAL SERVICES

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# Utility Termination Issues



# I. What Are Public Utilities

## In General

A public utility is an entity regulated by the Pennsylvania Public Utility Commission which provides a basic, and usually necessary, service to members of the general public. Some services provided by public utilities include telephone, natural gas, electric and water service.

**The Pennsylvania Public Utility Commission (PUC)** is a state agency that oversees the operation of regulated public utilities. A major responsibility of the PUC is regulating the rates, rules and the termination of services by public utilities.

**Not All Utilities Are Regulated by the PUC** - A utility provider owned by the borough, township, or city where the customers live is a **municipally owned utility**. Municipal utilities have their own regulations which they must follow when providing service or ending it. Customers of the municipally owned utility should be able to see these regulations at the municipal office. Another non-PUC-regulated utility is the **rural electrical cooperative**. These cooperatives also have their own regulations. Customers of the municipally owned utility or rural electric cooperative should be able to see the governing rules and regulations at the administrative office, and should do so to become aware of their rights and responsibilities.

Sometimes, problems with rural electrical coops and municipally owned utilities can be worked out by contacting the service provider. However, since these types of providers are not generally regulated by the PUC, it may be necessary to seek legal advice right away if a problem can't be resolved by the service provider.

The termination decisions of municipal utility providers are appealable to your County Court of Common Pleas. Such appeals must be filed in writing with the court within 30 days of the municipality's decision; because of this, you should contact an attorney right away if you have a problem with a municipally owned provider.

You should also be aware that if a municipally owned utility sells its services to people who live outside the boundaries of the utility then the utility must follow PUC regulations as far as those customers are concerned.

## II. Trouble Paying Your Bill?

### A. Universal Services

Regulated public utilities have programs to assist low-income payment troubled consumers. If you are having trouble keeping up with your utility bills, contact your service provider for information on any Universal Service programs they may offer. Households that meet certain income and other eligibility requirements may qualify for assistance through their utility provider.

1. **Customer Assistance Programs (CAP)** – CAPs provide qualified customers with a discount on their utility bill.
2. **Low Income Usage Reduction Programs (LIURP)** - LIURP can help an eligible household decrease the amount of service they use by providing energy efficiency and conservation services.
3. **Hardship Funds** – These programs provide cash assistance for eligible households to help pay their utility bills.

### B. Payment Agreements

If you are behind on your payments, even if you have not yet received a shut off notice you should contact your utility provider to ask to set up a payment arrangement. Payment arrangements are required by law to be based upon your household income. Therefore, be sure to have accurate information concerning your income and expenses before you contact the utility company, so that any payment agreement that you make will be appropriately determined.

If you can't keep the payment agreement provided to you and your provider won't change the terms of the agreement, you may be able to contact the PUC to request a new payment arrangement. Once again, be sure to know your income and expenses. If you do not keep this repayment agreement the PUC can't help you make another one unless your income level has changed or you have a significant change in your household circumstances.

**Be aware** that if the money you owe to the utility is based on the discounted charges received while in a CAP the PUC is unable to provide you with a payment agreement.

### **III. General Service Termination Protection and Procedures for PUC Regulated Electric, Gas and Water Utilities**

#### **A. The Dispute/Complaint Process**

1. **Filing a Dispute with the Service Provider** - A utility customer may have a disagreement with a utility regarding the amount of a bill, the accuracy of a meter reading, etc. When a disagreement is made known to the utility it is considered a dispute. A dispute can be oral or in writing. It is better, but not necessary that you make the dispute in writing or that you follow up any oral dispute with a letter sent to the utility company. To avoid confusion or misunderstanding between you and the utility company, you should be sure to use the word “dispute”. This is because there are certain procedures that must be followed by the utility company where a dispute has been filed. If the dispute is filed before the service has been cut off, then a regulated utility may not terminate service until the dispute has been settled, as long as the customer pays the part of the bill that is not disputed. If, after contacting the utility, you still do not agree with the position of the utility, you have the right to file an informal or formal complaint with the PUC.

The notice of the company’s position must also advise the customer that service will not be terminated until completion of the informal and formal complaint processes.

When a customer tells the utility that he or she is not able to pay an undisputed bill, a regulated utility must make a serious effort to work out a reasonable payment arrangement which is in accord with the requirements of the law and regulations governing public utilities.

2. **Filing an Informal Complaint with the PUC** – The customer has the right to file an informal complaint with the PUC, if after registering a dispute with the company, the individual is still unsatisfied with the result.. Although an informal complaint may be filed orally or in writing (and must include basic information identifying the customer and a brief description of the dispute) it is best to file it in writing. When an informal complaint is filed, the PUC will notify the utility, review the dispute and, within a reasonable time, give an informal report telling the customer and the utility of its findings and decision.

The PUC has great flexibility in the manner of reviewing the dispute and may conduct telephone conference calls in which the customer can present his or her case and have witnesses testify. The customer may represent him/herself or have legal counsel or another representative of his or her choice. The PUC may also decide to act as a mediator to try to reach a settlement between the utility and the customer. It may put any settlement reached into a written agreement for the customer and provider to follow.

3. **Filing a Formal Complaint with the PUC** - If the customer is not satisfied with the decision entered on the informal complaint, he or she may file a formal complaint with the PUC within 20 days of the mailing date of the decision. This must be done in writing. These procedures are structured much more formally but the PUC does provide forms and instructions that enable a customer to file a formal complaint without an attorney. *If you live in Dauphin, Perry, Cumberland, Lancaster, Lebanon or York Counties and have a household income at or below 150% of the federal poverty guidelines, you may be eligible for free legal representation to help you file a formal complaint with the PUC.*

## **B. Notices Before Termination**

1. **Notice Provisions and Procedures** -The following termination notice regulations apply to all PUC regulated utilities, except for providers of telephone service. The customer has the ability to prevent terminations according to the notices if he or she files a dispute, informal or formal complaint as described above. This could be as simple as a telephone call. It is much easier and less expensive to prevent disconnection than it is to get service restored after a shut-off.

The basic notice procedures are:

- The utility must provide written notice at least ten days prior to the proposed shut off date. The notice will remain effective for 60 days.
  - The utility must attempt to contact the customer or occupant at least three days before the proposed shut-off date in person or by telephone;
  - During December through March, unless the utility was able to make personal contact with the customer or a responsible adult by going to the residence, the utility must post within 48 hours of a scheduled termination, a written notice indicating that services will be terminated.
  - The utility must also try to make in person contact with the customer or a responsible adult at the time service is terminated.
2. **Winter Moratorium** – Generally, PUC regulated utilities which provide heat related services are not permitted to terminate service to low income individuals, whose household income is 250% of the federal poverty level or below, between December 1 and March 31. (Note - this does not apply to PGW which provides natural gas service within the City of Philadelphia.)

For premises where heat related service has been shut-off by a PUC regulated utility before December 1 of each year, the utility shall, within 90 days prior to December 1, survey and attempt to make personal contact with the occupant or a responsible adult at the premises and in good faith attempt to reach an agreement regarding payment of any debt in order to restore service.

3. **Medical Emergency in Household** - Where there is a seriously ill person in the household, or if a serious medical condition will worsen without utility service, a regulated utility may not stop service as long as the customer provides a medical certification signed by a physician or physician's assistant of these facts within three days. Postponement of termination may be for up to 30 days. These medical certifications may be renewed for an additional two 30 day periods. The customer must still enter into an equitable payment arrangement to pay all bills. If the bills are paid in accord with the agreement the customer continues to be entitled to renew the medical certificate every 30 days. In some circumstances, terminated services may be restored if the customer submits a medical emergency certificate.
4. **Other "Shut-off" Rules** - Except in emergencies, utility service may not be shut-off:
  - a) On a Saturday or Sunday; (service may not be shut off on a Friday if the utility is unable to accept payment and restore service on Saturday.
  - b) On a bank holiday or the day before a bank holiday;
  - c) On a holiday observed by the utility or by the PUC and the day before that holiday.

## **IV. Telephone Service for Local Calls**

The above basic procedures, with some differences, are also followed for suspension or termination of services by a telephone utility which provides basic local calling services. The rules for long distance providers and wireless cell phone companies are not covered by this fact sheet.

The important thing is, again, to contact the telephone company before termination to make sure that all customer rights are protected. The notices from the telephone company will also inform the customer of his or her rights to these protections.

## **V. Landlord and Tenant Situations - The Utility Services Tenants' Rights Act**

The Utility Service Tenants' Rights and the Discontinuance of Services to Leased Premises Acts are intended to prevent loss of utility services and undue hardship to tenants when the service is stopped by request of a landlord or because a landlord has not paid utility bills. They apply where the landlord is the one responsible for the payment of the utility bills. Municipally owned, rural electric and regulated public utilities are each covered by one of these laws. The utility is required to notify the tenants and the landlord in advance of a shut-off resulting because the landlord has not paid the bill. The tenants are to be provided at least 30 days written notice of the planned shut-off. The utility must also notify any local agencies that might help the tenants if there is a shut-off.

If a landlord asks a utility to shut-off service to rental housing, he or she must give a written statement to the utility indicating that either all the rented units are empty or that all the tenants have agreed, in writing, to have the service shut-off. If this is not possible, then the landlord must give the utility the names and addresses of the tenants who will be affected; the utility is required to then notify each tenant in writing of the landlord's request that service be shut-off. The utility is also required to post a similar notice in a common area of the building or mobile home park, if the property is a mobile home park.

The tenants have the right to apply to have the services continued. **The utility must reconnect the service or stop a shut-off if the tenants pay an amount equal to the last 30-day usage.** The tenants will then be billed for each additional 30 days of service. Any tenants paying for the utility's service this way are entitled to withhold the amount paid from the rent owed to the landlord.

**The Phone Numbers for the PUC are as Follows:**

Residential Terminations: 800-692-7380    General Utility Complaints: 800-692-7380

The PUC website: [www.puc.pa.gov](http://www.puc.pa.gov)



MidPenn Legal Services serves residents of: Adams, Bedford, Berks, Blair, Centre, Clearfield, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lancaster, Lebanon, Perry, Mifflin, Schuylkill & York Counties.

If you have specific questions about utility issues call your MidPenn at 1-800-326-9177.

[www.midpenn.org](http://www.midpenn.org)



This Fact Sheet contains general information and not specific legal advice. Although this information is believed to be accurate at the time of preparation, individual situations may require individual analysis, such that it may be advisable to consult with a lawyer. Sept. 2010