WEST VIRGINIA LEGISLATURE 2025 REGULAR SESSION

Introduced

Senate Bill 605

By Senator Stuart

[Introduced February 26, 2025; referred to the Committee on the Judiciary; and then to the Committee on Finance]

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A BILL to amend the Code of West Virginia, 1931, as amended, by adding three new sections, designated §8-19-23, §16-13A-26, and §24-2-22, relating to requiring any public or private entity that owns, leases, or oversees a water supply or electrical supply utility to implement a Utility Continuity Rate Credit Program; setting definitions; setting forth the circumstances under which a utility customer is entitled to a continuity credit; setting forth the circumstances in which a utility provider may deny or must approve of a continuity credit; defining the maximum amounts and manner in which a continuity credit shall be applied to a customer's account; and requiring municipalities, counties, and the Public Service Commission to adopt rules and policies.

Be it enacted by the Legislature of West Virginia:

CHAPTER 8. MUNICIPAL CORPORATIONS.

ARTICLE 19. MUNICIPAL AND COUNTY WATERWORKS AND ELECTRIC POWER SYSTEMS.

§8-19-23. Utility Continuity Rate Credit Program.

- (a) Commencing July 1, 2025, any municipality or county that owns or leases a waterworks
 system or electrical power system shall establish a Utility Continuity Rate Credit Program.
- 3 (b) For purposes of this section, the following definitions apply:
- 4 (1) "Continuity Credit" means the credit established by subsection (a) of this section.
 - (2) "Electricity outage" means a continuous period during which there is no power being supplied to a home due to no fault of the customer. *Provided*, That intermittent periods during which electricity is temporarily restored during an otherwise continuous electricity outage may not be deemed as creating separate electricity outages.
- 9 (3) "Qualifying outage" means:
- 10 (A) For purposes of a Continuity Credit from an electrical power system—
- 11 (i) Any planned or unplanned continuous electricity outage that lasts for 24 hours or more;

| 12 | <u>or</u> |
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| 13 | (ii) Two or more planned or unplanned continuous electricity outages that last for 8 hours or |
| 14 | more within any 30-day period. |
| 15 | (B) For purposes of a Continuity Credit from a waterworks system— |
| 16 | (i) Any planned or unplanned water outage that lasts for 24 hours or more; |
| 17 | (ii) Two or more planned or unplanned water outages that last for 8 hours or more within |
| 18 | any 30-day period; |
| 19 | (iii) Any boil water advisory or "brown water" periods that last for 48 hours or more. |
| 20 | (4) "Public utility" means an electrical power system or waterworks system that is owned or |
| 21 | leased by a municipality or county or combination thereof. |
| 22 | (4) "Qualifying purchase" means: |
| 23 | (A) For purposes of a Continuity Credit from an electrical power system, any one or a |
| 24 | combination of— |
| 25 | (i) An electric power generator; |
| 26 | (ii) A transfer switch; and |
| 27 | (iii) Costs to install the electric power generator and transfer switch for use as a whole- |
| 28 | home generator. |
| 29 | (B) For purposes of a Continuity Credit from a waterworks system, any one or a |
| 30 | combination of— |
| 31 | (i) An inline water collection tank; and |
| 32 | (ii) Costs to install the inline water collection tank. |
| 33 | (5) "Water outage" means a continuous period during which the peak amount of water |
| 34 | being provided to a residence is less than 5gpm due to no fault of the customer. Provided, that |
| 35 | intermittent periods during which the peak amount of water being supplied to a residence exceeds |
| 36 | 5gpm during an otherwise continuous water outage may not be deemed as creating separate |
| 37 | water outages. |

| 38 | (c) A public utility customer is entitled to a Continuity Credit if the customer : |
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| 39 | (1) Experienced a qualifying outage; |
| 40 | (2) Was a customer of the public utility when the outage occurred; |
| 41 | (3) Made a qualifying purchase within 60 days following the qualifying outage, |
| 42 | (4) Submitted an application for the Continuity Credit within 30 days following the qualifying |
| 43 | purchase, including documentation to verify the qualifying purchase and a statement as to when |
| 44 | the qualifying outage occurred; and |
| 45 | (5) Has not received a Continuity Credit from the public utility within the ten years |
| 46 | preceding the qualifying outage. |
| 47 | (d) Within 30 days following receipt of an application for a Continuity Credit, the public |
| 48 | utility shall either: |
| 49 | (1) Notify the customer that his or her application was approved; or |
| 50 | (2) Notify both the customer and the Public Service Commission that the customer's |
| 51 | application was denied, together with an explanation as to why the application was denied. |
| 52 | Provided, That the public utility may only deny an application if the customer fails to satisfy one of |
| 53 | the conditions set forth in subsection (c), in which case the customer shall be afforded an |
| 54 | opportunity to correct his or her application. |
| 55 | (e) An approved Continuity Credit shall: |
| 56 | (1) Be equal to 50% of the qualifying purchase; |
| 57 | (2) Not exceed \$2,500; |
| 58 | (3) Be amortized over a 24-month period and applied monthly against every successive |
| 59 | payment; and |
| 60 | (4) Begin on the first calendar month following the date on which the application was |
| 61 | approved. |
| 62 | (f) No public utility may use the requirements set forth in this section as a justification to |
| 63 | raise its rates. |

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(g) All municipalities and counties that own or lease a waterworks system or electrical power system shall develop policies and a Continuity Credit application form to implement and make effective the program established by this section.

(h) The Public Service Commission shall promulgate rules in accordance with §29A-1-1 et seq. of this code to oversee the public utilities that are subject to this section.

CHAPTER 16. PUBLIC HEALTH.

ARTICLE 13A. PUBLIC SERVICE DISTRICTS.

| | <u>§16-13A-26.</u> | Utility | Continuity | Rate | Credit | Program. |
|----|---------------------|--------------------|-----------------------|-----------------|---------------------|----------------|
| 1 | (a) Comr | mencing July 1, | 2025, every county | commission | that has one or | public service |
| 2 | districts shall est | ablish a Utility C | Continuity Rate Cred | t Program. | | |
| 3 | (b) For p | urposes of this s | ection, the following | definitions ap | ply: | |
| 4 | (1) "Cont | inuity Credit" me | eans the credit estab | lished by sub | section (a) of this | section. |
| 5 | (2) "Qual | ifying outage" m | eans: | | | |
| 6 | (A) Any p | olanned or unpla | nned water outage t | hat lasts for 2 | 4 hours or more; | |
| 7 | (B) Two (| or more planned | or unplanned water | outages that | last for 8 hours | or more within |
| 8 | any 30-day perio | od; or | | | | |
| 9 | (C) Any b | ooil water adviso | ry or "brown water" | periods that la | st for 48 hours o | r more. |
| 10 | <u>(3) "Qual</u> | ifying purchase" | means any one or a | combination | of: | |
| 11 | (A) An in | line water collec | tion tank; and | | | |
| 12 | (B) Costs | to install the inl | ine water collection | tank. | | |
| 13 | (4) "Wate | er outage" mear | ns a continuous peri | od during wh | ich the peak am | ount of water |
| 14 | being provided | to a home is le | ss than 5gpm due | to no fault of | the customer. | Provided, that |
| 15 | intermittent perio | ds during which | the peak amount of | water being su | upplied to a resid | ence exceeds |
| 16 | 5gpm during an | otherwise conti | nuous water outage | may not be | deemed as crea | ating separate |
| 17 | water outages. | | | | | |

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| 18 | (c) A public service district customer is entitled to a Continuity Credit if the customer : |
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| 19 | (1) Experienced a qualifying outage; |
| 20 | (2) Was a customer of the public service district when the outage occurred; |
| 21 | (3) Made a qualifying purchase within 60 days following the qualifying outage; |
| 22 | (4) Submitted an application for the Continuity Credit within 30 days following the qualifying |
| 23 | purchase, including documentation to verify the qualifying purchase and a statement as to when |
| 24 | the qualifying outage occurred; and |
| 25 | (5) Has not received a Continuity Credit from the public service district within the ten years |
| 26 | preceding the qualifying outage. |
| 27 | (d) Within 30 days following receipt of an application for a Continuity Credit, the public |
| 28 | service district shall either: |
| 29 | (1) Notify the customer that his or her application was approved; or |
| 30 | (2) Notify both the customer and the county commission that the customer's application |
| 31 | was denied, together with an explanation as to why the application was denied. Provided, That the |
| 32 | public service district may only deny an application if the customer fails to satisfy one of the |
| 33 | conditions set forth in subsection (c), in which case the customer shall be afforded an opportunity |
| 34 | to correct his or her application. |
| 35 | (e) An approved Continuity Credit shall: |
| 36 | (1) Be equal to 50% of the qualifying purchase; |
| 37 | (2) Not exceed \$2,500; |
| 38 | (3) Be amortized over a 24-month period and applied monthly against every successive |
| 39 | payment; and |
| 40 | (4) Begin on the first calendar month following the date on which the application was |
| 11 | approved. |
| 12 | (f) No public service district may use the requirements set forth in this section as a |
| 13 | justification to raise its rates. |

44 (g) The county commission shall develop policies and a Continuity Credit application form
 45 to implement and make effective the program established by this section.

CHAPTER 24. PUBLIC SERVICE COMMISSION.

ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.

| | §24-2-22. Utility Continuity Rate Credit Program. |
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| 1 | (a) Commencing July 1, 2025, the Public Service Commission shall establish a Utility |
| 2 | Continuity Rate Credit Program. |
| 3 | (b) For purposes of this section, the following definitions apply: |
| 4 | (1) "Continuity Credit" means the credit established by subsection (a) of this section. |
| 5 | (2) "Electricity outage" means a continuous period during which there is no power being |
| 6 | supplied to a home due to no fault of the customer. Provided, That intermittent periods during |
| 7 | which electricity is temporarily restored during an otherwise continuous electricity outage may not |
| 8 | be deemed as creating separate electricity outages. |
| 9 | (3) "Qualifying outage" means: |
| 10 | (A) For purposes of a Continuity Credit from an electricity utility— |
| 11 | (i) Any planned or unplanned continuous electricity outage that lasts for 24 hours or more; |
| 12 | <u>or</u> |
| 13 | (ii) Two or more planned or unplanned continuous electricity outages that last for 8 hours or |
| 14 | more within any 30-day period. |
| 15 | (B) For purposes of a Continuity Credit from a water supply utility— |
| 16 | (i) Any planned or unplanned water outage that lasts for 24 hours or more; |
| 17 | (ii) Two or more planned or unplanned water outages that last for 8 hours or more within |
| 18 | any 30-day period; |
| 19 | (iii) Any boil water advisory or "brown water" periods that last for 48 hours or more. |
| 20 | (4) "Qualifying purchase" means: |

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| 21 | (A) For purposes of a Continuity Credit from an electricity utility, any one or a combination |
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| 22 | <u>of—</u> |
| 23 | (i) An electric power generator; |
| 24 | (ii) A transfer switch; and |
| 25 | (iii) Costs to install the electric power generator and transfer switch for use as a whole- |
| 26 | home generator. |
| 27 | (B) For purposes of a Continuity Credit from a water utility, any one or a combination of— |
| 28 | (i) An inline water collection tank; and |
| 29 | (ii) Costs to install the inline water collection tank. |
| 30 | (5) "Water outage" means a continuous period during which the peak amount of water |
| 31 | being provided to a home is less than 5gpm due to no fault of the customer. Provided, that |
| 32 | intermittent periods during which the peak amount of water being supplied to a residence exceeds |
| 33 | 5gpm during an otherwise continuous water outage may not be deemed as creating separate |
| 34 | water outages. |
| 35 | (c) A utility company customer is entitled to a Continuity Credit if the customer : |
| 36 | (1) Experienced a qualifying outage; |
| 37 | (2) Was a customer of the utility company when the outage occurred; |
| 38 | (3) Made a qualifying purchase within 60 days following the qualifying outage, |
| 39 | (4) Submitted an application for the Continuity Credit within 30 days following the qualifying |
| 40 | purchase, including documentation to verify the qualifying purchase and a statement as to when |
| 41 | the qualifying outage occurred; and |
| 42 | (5) Has not received a Continuity Credit from the utility company within the ten years |
| 43 | preceding the qualifying outage. |
| 44 | (d) Within 30 days following receipt of an application for a Continuity Credit, the utility |
| 45 | company shall either: |
| 46 | (1) Notify the customer that his or her application was approved; or |

| 47 | (2) Notify both the customer and the commission that the customer's application was |
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| 48 | denied, together with an explanation as to why the application was denied. Provided, That the |
| 49 | utility company may only deny an application if the customer fails to satisfy one of the conditions |
| 50 | set forth in subsection (c), in which case the customer shall be afforded an opportunity to correct |
| 51 | his or her application. |
| 52 | (e) An approved Continuity Credit shall: |
| 53 | (1) Be equal to 50% of the qualifying purchase; |
| 54 | (2) Not exceed \$2,500; |
| 55 | (3) Be amortized over a 24-month period and applied monthly against every successive |
| 56 | payment; and |
| 57 | (4) Begin on the first calendar month following the date on which the application was |
| 58 | approved. |
| 59 | (f) No utility company may use the requirements set forth in this section as a justification to |
| 60 | raise its rates. |
| 61 | (g) The commission shall promulgate rules in accordance with §29A-1-1 et seq. of this |
| 62 | code and develop a Continuity Credit application form to implement and make effective the |
| 63 | program established by this section. |
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NOTE: The purpose of this bill is to require any public or private entity that owns, leases, or oversees a water supply or electrical supply utility to implement a Utility Continuity Rate Credit Program. The bill sets forth definitions. The bill sets forth the circumstances under which a utility customer is entitled to a continuity credit. The bill sets forth the circumstances in which a utility provider may deny or must approve of a continuity credit. The bill determines the maximum amounts and manner in which a continuity credit shall be applied to a customer's account. Finally, the bill requires municipalities, counties, and the Public Service Commission to adopt rules and policies.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.

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