

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 577

**FISCAL
NOTE**

By Senators Garcia and Woelfel

[Introduced January 22, 2026; referred
to the Committee on Energy, Industry, and Mining;
and then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
2 designated §24-2-4i, relating to electric and natural gas utility rate increases; setting forth
3 findings; directing the Public Service Commission to implement a one-year moratorium on
4 certain rate increases for electric and natural gas utilities; providing exceptions to
5 moratorium; and requiring legislative interim study of electric and natural gas utility rate
6 increases.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.

§24-2-4i. Temporary moratorium on electric and natural gas utility rate increases.

1 (a) The Legislature hereby finds and declares as follows:

2 (1) That West Virginia is rich in energy resources, and its abundant mineral reserves have
3 created numerous benefits for the state, its citizens, and the country;

4 (2) That, nevertheless, rates for electricity and natural gas charged to customers of all
5 classes have risen dramatically in recent years, with customers facing near-constant rate
6 increases to the extent that such increases have adversely affected all customer classes;

7 (3) That electric and natural gas utility services are essential to the health and well-being of
8 the state's residents, to public safety, and to orderly economic development, with the cost of
9 electric and natural gas services being important factors in decisions made by business
10 concerning locating, expanding, and retaining facilities in West Virginia; and

11 (4) That it is imperative that the Legislature, in consultation and collaboration with the
12 Public Service Commission, have the opportunity to properly study the issues of utility
13 management, rate design, and electric and natural gas utility rate increases in the state
14 specifically, in the absence of constant proposed rate increases and resulting rate case
15 proceedings. The Legislature, therefore, determines that it is in the best interest of the state, its
16 citizens, and ratepayers to implement a statewide moratorium on electric and natural gas utility
17 rate increases.

18 (b) *One-year moratorium.* – Notwithstanding any other provision of this chapter, for a
19 period of one year following the effective date of this section, the commission shall authorize no
20 increase of rates charged by any electric or gas utility subject to its jurisdiction to any customer of
21 any class, and shall, for the same one-year period, suspend and hold in abeyance cases for
22 electric and gas rate increases which are pending before the commission on said effective date.
23 The one-year moratorium on rate increases mandated by this section applies to any electric or gas
24 utility rate increase, including, but not limited to:

25 (1) Any general rate increase application filed pursuant to §24-2-1 *et seq.* of this code;
26 (2) Any automatic adjustment mechanism or other rate adjustment authorized by this code
27 or by commission order which would result in an increase in rates or other charges to utility
28 customers during the pendency of the one-year moratorium; and
29 (3) Any previously approved electric or gas utility rate increase that has not yet taken effect
30 as of the effective date of this section.

31 (c) *Exceptions.* – During the one-year moratorium on rate increases mandated by this
32 section, the commission may, upon petition by an electric or natural gas utility, authorize an
33 emergency rate increase otherwise subject to the moratorium if it is determined that such
34 emergency rate is necessary to:

35 (1) Ensure the continued provision of safe and adequate electric or gas service to the
36 utility's customers; or
37 (2) Protect the utility from extreme financial hardship if such financial hardship is
38 attributable solely to the moratorium on rate increases.

39 Any emergency rate increase authorized pursuant to this subsection shall be limited to the
40 minimum amount necessary to address the reason requiring the rate increase. The commission
41 shall promulgate rules setting forth criteria for determination of the continued provision of safe and
42 adequate utility service and of a utility's extreme financial hardship within the meaning of this
43 section.

44 (d) *Interim study.* – During the one-year moratorium mandated by this section, the Joint
45 Committee on Government and Finance shall cause a legislative interim study or studies to be
46 conducted on utility management, rate design, and the causes of and potential legislative
47 remedies for recent dramatic electric and natural gas utility rate increases shouldered by
48 ratepayers in the state.

NOTE: The purpose of this bill is to require a one-year moratorium on electric and natural gas utility rate increases in West Virginia. The bill provides legislative findings, directs the Public Service Commission to implement the one-year moratorium, provides for exceptions to the moratorium for approving emergency rate increases, and requires a legislative interim study of electric and natural gas rate increases.

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