Cold Weather Rule Helps Prevent Shut-Offs

By Contessa Poole-King

Did you know that if you or someone you know is struggling financially and is without heat in their home or having difficulty paying the utility bill this winter there's a law that could help keep the house warm? The Missouri Public Service Commission's Cold Weather Rule (CWR) may be able to help keep the house warm or get the heat turned on by providing an option to enter into a more lenient payment arrangement with the natural gas and electric company.

From October 1 to November 15, 2010, the Public Service Commission's Consumer Services Department handled over 330 calls from consumers

regarding the restoration of their utility service for the winter heating season.

"Once temperatures start to drop, consumers realize the importance of restoring their heating services for health and safety purposes," said PSC Consumer Services Department Manager Gay Fred. "Lower evening temperatures tends to increase the number of people calling our department requesting assistance with reestablishing heating service."

Fred said that "many of those who contact our office are seeking help in paying their utility bills." She noted that "although we don't have energy assistance funds at the Public Service Commission, we can provide valuable contact information to help them in their efforts to seek financial help."

From November 1 to March 31, qualified residential customers can maintain or restore

"Once temperatures start to drop, consumers realize the importance of restoring their heating service for health and safety reasons."

heat related utility service for less than the full amount owed simply by contacting the utility company; declaring an inability to pay the bill in full; making a minimum payment; and establishing a Cold Weather Rule payment agreement with their utility provider. The rule allows customers to budget payments over 12 months, extend payment of preexisting arrears over a reasonable period beyond 12 months and if the payment agreement is kept, a deposit is not required.

The Missouri Public Service Commission adopted the Cold Weather Rule in 1977 to protect the health and safety of residential customers. Since that time the rule has helped over two million Missourians. In addition to promoting customer friendly payment terms, the rule places restrictions on disconnecting and refusing to provide heat related service from November 1

through March 31 due to delinquent customer accounts. For elderly and disabled customers who register with the utility company and who make a minimum payment, service disconnection during the cold winter months is prohibited.

The rule also prohibits the disconnection of heat-related service when the National Weather Service predicts the temperature will drop below **32** degrees during the following **24-hour period**. However, if you are already disconnected the utility company is not required to reconnect your service if the temperature drops below 32 degrees.

Since its inception, the Commission has modified the rule many times to preserve the health and safety of Missourians. Increased volatility of natural gas markets was a large factor leading to the most recent revision.

In 2006, the Cold Weather Rule was amended to provide additional protections for natural gas customers.

Natural gas as well as electric customers who have not broken a Cold Weather Rule payment agreement can avoid disconnection or have service reconnected for an initial payment of 12 percent of the total amount due under the budget plan, unless the utility and the customer agree to a different amount.

For a customer who has broken a Cold Weather Rule agreement, an initial payment of up to 80 percent of the customer's total balance is necessary to maintain or receive heat related service. However, because of changes to the rule in 2006, a natural gas customer who defaults, can keep service by making an initial payment of 50 percent of the outstanding balance or

Connect with 2-1-1

United Way 2-1-1 connects people with available community resources and volunteer opportunities. 2-1-1 will connect you to hundreds of services in your community. When you dial 2-1-1, you will reach a trained, caring



professional 7 days a week, 24 hours a day, who can provide referrals to valuable health and human services. By dialing three digits you can receive information on:

- · Utility and rent assistance,
- · Warming and cooling shelters,
- · Food pantries,
- · Physical and mental health resources,
- · Work initiatives,
- · Support for seniors
- · Support for those with disabilities, and much much more

If 2-1-1 is not yet active with your phone provider, you can reach a 2-1-1 call center by dialing **1-800-427-4626**.

For an emergency, please call 911.

Other Assistance Agencies:

Missouri Association of Community Action - 573-634-2969 – www.communityaction.org

Since its inception, the Commission has modified the rule many times to preserve the health and safety of Missourians.

\$500, whichever is less, with the remaining amount deferred to be paid in a Cold Weather Rule payment agreement plan over 12 months. A natural gas utility will not be required to offer the more lenient payment terms to keep service on or to reconnect a customer more than once every two years or when a customer has defaulted on a Cold Weather Rule payment plan under this amendment three or more times. In those situations, customers would be required to pay 80 percent of the outstanding balance to keep service or to have service restored.

The Commission's Cold Weather Rule is a required framework for regulated utilities to follow. However, utilities may have other lowincome programs or more lenient payment plans beyond those required by the Cold Weather Rule.

For more information about the Cold Weather Rule or utility specific plans contact your utility company or the Missouri Public Service Commission's toll free number at 1-800-392-4211.

-- Contessa Poole-King works in the PSC's Consumer Services Department.