



Public Utility Commission of Texas

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News Release

June 11, 2021

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PUC Lifts Moratorium on Utility Disconnections for Non-Payment

Available aid and market health considerations drive resumption of normal business practices

Austin, TX – Citing a proliferation of available financial support and the need for providers of electricity, water and sewer service to resume standard business operations, the Public Utility Commission of Texas today set June 18, 2021 as the last day for the moratorium on electric, water and sewer service disconnections for customers with unpaid utility bills. In place since the Commission’s order on February 21, 2021, the moratorium applied to electricity, water and sewer customers served by investor owned utilities (IOUs) across the state that fall under the PUC’s jurisdiction.

Beginning June 19, 2021, retail electric providers (REPs) and water/sewer utilities must issue new disconnection warning notices to customers whose past due accounts put them at risk of service termination. According to PUC rules, those notices will trigger a ten-day waiting period to allow customers to arrange for payment, meaning disconnections can resume on June 29, 2021.

“This is not an easy decision and it was not taken lightly,” said PUC Chairman Peter Lake. “But by acting now, customers will be able to take advantage of deferred payment plans or federal assistance ahead of the summer season.”

Options for customers needing bill-related financial assistance include::

- Payment assistance programs offered by some Retail Electric Providers (REPs)
- Programs offered by the [Texas Department of Housing and Community Affairs](#) for customers whether they rent (the [Texas Rent Relief](#) program) or own ([Comprehensive Energy Assistance Program](#)) their residence.
- Community assistance agencies nearby. (note: many agencies require a disconnection notice for a customer to receive priority assistance)
- Contacting [211 Texas](#) online or by phone to discuss other options.

Customers who simply need more time to pay their utility bills are encouraged to contact the company that bills them for their electric, water or sewer service to discuss a deferred payment plan which will allow them to pay an outstanding balance in installments. For electric, according to the PUC rules:

- The initial payment required by the plan cannot be more than half the amount due.
- The customer must be allowed at least five billing cycles to pay the remainder.
- REPs may apply a switch-hold to the customer’s account that will prevent the customer from switching to another REP until the plan is paid in full.
- A deferred payment plan must be made available for bills due in July, August, or September.



For water or sewer customers who need more time to pay their retail water or sewer bills, Section [24.165\(d\)](#) of the PUC's rules specify:

- The water or sewer utility shall offer a deferred payment plan to any residential customer if the customer's bill is more than three times the average monthly bill for that customer for the previous 12 months and if that customer has not been issued more than two disconnection notices at any time during the preceding 12 months.
- The utility is encouraged to offer a deferred payment plan to residential customers who cannot pay an outstanding bill in full but are willing to pay the balance in reasonable installments. A deferred payment plan may include a finance charge that may not exceed an annual rate of 10% simple interest. Any finance charges must be clearly stated on the deferred payment agreement.

Customers who believe that they are not being treated in accordance with PUC rules are encouraged to contact the PUC's Customer Protection Division at 888-782-8477 or Customer@PUC.Texas.Gov.

"Given the unprecedented level of available resources, there is no better time than the present for a customer to secure the financial assistance they need to pay their utility bills," said PUC Commissioner Will McAdams. "This decision is best for them and best for the continued financial health of the companies that serve them."

Customers subject to disconnection for non-payment have specific rights under state law. For example, prior to disconnection, a REP must

- issue a disconnection notice no earlier than the due date of the bill and
- specify a disconnection date at least ten days after the notice is issued.

Also, disconnection is prohibited during an extreme weather emergency (as defined by a [National Weather Service](#) heat advisory issued on a county by county basis). Additional notice and other protections are available for customers with health conditions that may worsen without access to electricity.

The Public Utility Commission has prepared a one-page explanation available for download [here](#) and an infographic detailing options [here](#).

These orders do not apply to entities (ie. municipally owned utilities, electric cooperatives, etc.) that are not within the PUC's jurisdiction in this area.

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About the Public Utility Commission

Our mission is to serve Texans by regulating the state's electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <http://www.puc.texas.gov>.