Regardless of their circumstances, everyone should have the basic necessities and resources to thrive.

Each month, 1 in 20 Nebraska households have their utilities shut off. These disconnections can have swift and devastating consequences: a loss of perishable food, inability to cook or bathe, referrals to Child Protective Services, rescinded housing assistance, and eviction. Seniors and people with disabilities who rely on fixed incomes are particularly vulnerable. Already more susceptible than others to life-threatening heat or cold-related illnesses, they may also be left unable to operate critical medical devices like oxygen concentrators or dialysis equipment, placing their health and safety in great jeopardy. While the impacts of disconnections are particularly dire for some, no one in Nebraska is fully protected from being shut off.

The Cold Weather Rule is Cold Comfort for Many

Our state’s “Cold Weather Rule” helps low-income Nebraskans keep their heat on during the winter. However, this rule only applies to customers of private gas companies (ie. Black Hills Energy, Northern Natural Gas) who use gas to heat their homes--and only then if they are able to prove they are “certified” low-income, agree to a payment plan, and make the arranged payments each month. No equivalent protection exists for the 41% of Nebraskans who use fuel other than gas to heat their homes, or the thousands of customers serviced by public gas companies such as Metropolitan Utilities District in Omaha.

Disconnected Disconnection Policies

Nebraska has more than 150 public power providers across the state—and nearly as many different policies for handling service disconnections. Internal weather-related guidelines, when they exist, differ greatly from one provider to the next—and none are sufficient to protect customers from dangerously hot or cold temperatures. Most concerning, more than 10% of public power companies surveyed in 2018 have no formal written policy whatsoever for handling disconnections. The absence of consistent, well-defined, and publicly accessible policies leaves many Nebraskans in the dark as to the rules governing shutoffs in their area.

Shining a Light on Fines, Fees, and Deposits

The significant cost of paying an overdue utility bill is often compounded by the myriad fees imposed on those who already lack the resources to avoid a disconnection. According to the LR 394 survey, in addition to the full amount of their overdue bill, customers may incur late fees (typically $20-$50), reconnection fees up to $400, and deposits of $600 or more required as insurance against the customer’s future inability to pay. Many providers will not restore service until each of these are paid in full. Only one public power provider reports routinely waiving these fees for customers who rely on public assistance as their primary source of income.

1. Legislative Resolution 394, Survey of Nebraska public power providers, 2018
2. Nebraska Public Service Commission Annual Cold Weather Rule Release, 2018
Regardless of their circumstances, everyone should have the basic necessities and resources to thrive.

**Recommendations and Solutions**

**Providers Should Establish Accessible Baseline Administrative Procedures**

💡 Establish a written policy for shutoffs that is publicly accessible to customers
💡 Standardize shutoff notification format so that notices are consistent and easy to read and understand for customers with different abilities (language, vision, literacy, etc.); include referrals to emergency assistance providers (or 211) within notices of late payments
💡 Prohibit reconnection fees in excess of the actual cost of restoring service
💡 Collect deposits in a way that does not make them a condition of service reconnection

**Providers and Municipalities Should Adopt Greater Protections for Vulnerable Customers**

💡 Extend the existing 30-day temporary shutoff moratorium for medically needy customers
💡 Prohibit power disconnections for customers who rely on critical medical equipment
💡 Impose seasonal moratoriums on shutoffs during summer and winter months given the dramatic temperature extremes common throughout Nebraska

**The Department of Health and Human Services Should Improve Access to Low Income Home Energy Assistance**

💡 Process LIHEAP applications on a rolling basis regardless of the date submitted
💡 Reinstate income deductions for medical expenses as authorized by federal law

**Providers and Communities Should Work Together to Reduce the Energy Burdens of Low-Income Residents**

💡 Providers may offer and promote free energy audits and counseling to customers with high energy use in low-income neighborhoods and partner with local agencies to provide low-cost weatherization services
💡 State and local governments may consider requiring landlords to maintain properties to an acceptable level of weatherization and to disclose average utility costs to prospective tenants prior to any application fees

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