**Can I Prevent My Utility Service from being Disconnected by Filing Bankruptcy?**

**Can I discharge a past-due utility bill in bankruptcy and still keep my service?**

Yes, but there are requirements you need to be aware of. To start with, the filing of bankruptcy will give you temporary protection from disconnection of your electric, gas, water or other utility service. But it is important that the bankruptcy be filed before your service is shut off. When you first meet with a lawyer to file bankruptcy, make sure your lawyer is aware of any disconnection notice.

**How long does the temporary protection last after I file bankruptcy?**

20 days from the date your bankruptcy is filed. After that, your service can be discontinued unless you have given the utility what’s called “adequate assurance” of payment for future service.

**What does “adequate assurance” mean?**

In most cases, this means giving the utility company a deposit.

**How much will the deposit be?**

This depends on state law and is different for different kinds of service. The amount of the deposit may be affected by your payment history, the utility’s policies, your financial circumstances, how much is owed on the debt, the time of year, availability of energy assistance programs, and other factors. The amount of the deposit does not have to be the same amount as the past-due balance.

Typically you, with the help of your attorney, will try to reach agreement with the utility on how much the deposit will be and when and how it will be paid.

**What if I disagree with the utility over the amount of the deposit or can’t afford to pay it?**

Your lawyer can request a hearing in Bankruptcy Court before the 20 days has run. The Bankruptcy Court has the power to reduce the amount or change the time in which it must be paid. If there is a dispute with the utility company over the amount, your lawyer may advise you to bring to his or her office the amount you believe the amount deposit should be.

**Are there other things besides a deposit which can be “adequate assurance?”**

Maybe. Examples might include paying the past-due amount (if it isn’t large) or paying it in installments, letting the utility keep a deposit you made at an earlier time, or paying the deposit or bill as part of a Chapter 13 Plan. Your lawyer can discuss these with you.

**What if my service has already been disconnected?**

It is not clear whether bankruptcy will help you get it restored, but see an attorney to discuss this further.

**Is bankruptcy the right option for me?**

Bankruptcy is probably not for you if your utility bill is your only financial problem. You should contact the utility company as soon as possible, to discuss repayment or hardship plans. But if you need bankruptcy for other reasons as well (medical bills, credit cards, loans, lawsuits, etc.), filing bankruptcy may also help you preserve your utility service. Please read the other bankruptcy topics on this website, or consult with an attorney for more information.