

Russians Owe \$20 Billion in Unpaid Utility Bills

By [The Moscow Times](#)

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About 40 percent of the debt comes from unpaid heating and hot water bills.

Rising costs have sent Russian debt for housing and utilities services soaring above 1 trillion rubles (\$20 billion), the RBC news agency reported, citing data from Russia's lead debt collection agency.

"This is the first time the debt has exceeded 1 trillion rubles," Anton Dianov, the managing director of the National Recovery Service (NRS) collection agency, told RBC.

As of May 1, Russian debt for housing and utilities services had risen 15 percent year-on-year, the NRS told the news agency. About 20 percent of citizens are late on their utilities payments, according to the NRS. The 1 trillion ruble sum also includes debt accrued by companies.

Rising utility prices have played a major role in this increase, Dianov told the agency, adding that the public's attitude towards these services is also important.

"There is a stereotype in consumer consciousness that utilities are paid for last. Many [consumers] accumulate debt for two to three months ... [This] causes cash shortages for providers," Dianov said.

Another reason is the fact that many payments go through the accounts of intermediaries, where money sometimes gets stuck for a period of time before being transferred to providers, he added.

About 40 percent of the debt comes from unpaid heating and hot water bills, 25 percent from unpaid gas bills, 20 percent from electricity bills and the rest from late payments for cold water, repairs, cleaning and garbage disposal, according to the NRS.

Meanwhile, prices continue to rise: Moscow City Hall announced last week that costs for housing and utilities will rise again on July 1. The cost of utilities will rise by an average of 10 percent, Maxim Reshetnikov, the head of Moscow's economic policy department, was quoted as saying by the Interfax news agency.

The cost of utilities was last raised in Moscow on Nov. 1, when utilities climbed by an average of 7 percent, according to Interfax.

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