

HOUSE BILL No. 4484

March 15, 2001, Introduced by Reps. Bovin, Raczkowski, Wojno, Voorhees, Allen, Bradstreet, Birkholz, O'Neil, Vander Veen, Pappageorge, Julian, Sanborn, Pestka, Kooiman, Lockwood, Ruth Johnson, Vander Roest, Neumann, Shackleton, Spade, Van Woerkom, Richardville, Woronchak, Faunce, Rich Brown, Jacobs, Kolb and Garcia and referred to the Committee on Energy and Technology.

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to provide for a restructuring of the manner in which energy is provided in this state; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,"

by amending section 10t (MCL 460.10t), as added by 2000 PA 141.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10t. (1) An electric utility or alternative electric
2 supplier shall not shut off service to an eligible customer
3 during the heating season for nonpayment of a delinquent account
4 if the customer is an eligible senior citizen customer or if the
5 customer pays to the utility or supplier a monthly amount equal
6 to ~~7%~~ 5% of the estimated annual bill for the eligible customer
7 and the eligible customer demonstrates, within 14 days of
8 requesting shutoff protection, that he or she has applied for
9 state or federal heating assistance. If an arrearage exists at
10 the time an eligible customer applies for protection from shutoff
11 of service during the heating season, the utility or supplier
12 shall permit the customer to pay the arrearage in equal monthly
13 installments between the date of application and the start of the
14 subsequent heating season.

15 (2) An electric utility or alternative electric supplier may
16 shut off service to an eligible low-income customer who does not
17 pay the monthly amounts required under subsection (1) after
18 giving notice in the manner required by rules. The utility or
19 supplier is not required to offer a settlement agreement to an
20 eligible low-income customer who fails to make the monthly pay-
21 ments required under subsection (1).

22 (3) If a customer fails to comply with the terms and condi-
23 tions of this section, an electric utility may shut off service
24 on its own behalf or on behalf of an alternative electric sup-
25 plier after giving the customer a notice, by personal service or
26 first-class mail, that contains all of the following
27 information:

1 (a) That the customer has defaulted on the winter protection
2 plan.

3 (b) The nature of the default.

4 (c) That unless the customer makes the payments that are
5 past due within 10 days of the date of mailing, the utility or
6 supplier may shut off service.

7 (d) The date on or after which the utility or supplier may
8 shut off service, unless the customer takes appropriate action.

9 (e) That the customer has the right to file a complaint dis-
10 puting the claim of the utility or supplier before the date of
11 the proposed shutoff of service.

12 (f) That the customer has the right to request a hearing
13 before a hearing officer if the complaint cannot be otherwise
14 resolved and that the customer shall pay to the utility or sup-
15 plier that portion of the bill that is not in dispute within 3
16 days of the date that the customer requests a hearing.

17 (g) That the customer has the right to represent himself or
18 herself, to be represented by an attorney, or to be assisted by
19 any other person of his or her choice in the complaint process.

20 (h) That the utility or supplier will not shut off service
21 pending the resolution of a complaint that is filed with the
22 utility in accordance with this section.

23 (i) The telephone number and address of the utility or sup-
24 plier where the customer may make inquiry, enter into a settle-
25 ment agreement, or file a complaint.

1 (j) That the customer should contact a social services
2 agency immediately if the customer believes he or she might be
3 eligible for emergency economic assistance.

4 (k) That the utility or supplier will postpone shutoff of
5 service if a medical emergency exists at the customer's
6 residence.

7 (l) That the utility or supplier may require a deposit and
8 restoration charge if the supplier shuts off service for nonpay-
9 ment of a delinquent account.

10 (4) An electric utility is not required to shut off service
11 under this section to an eligible customer for nonpayment to an
12 alternative electric supplier.

13 (5) The commission shall establish an educational program to
14 ensure that eligible customers are informed of the requirements
15 and benefits of this section.

16 (6) As used in this section:

17 (a) "Eligible customer" means either an eligible low-income
18 customer or an eligible senior citizen customer.

19 (b) "Eligible low-income customer" means a customer whose
20 household income does not exceed ~~150%~~ 175% of the poverty
21 level, as published by the United States department of health and
22 human services, or who receives any of the following:

23 (i) Assistance from a state emergency relief program.

24 (ii) Food stamps.

25 (iii) Medicaid.

1 (c) "Eligible senior citizen customer" means a utility or
2 supplier customer who is 65 years of age or older and who advises
3 the utility of his or her eligibility.