

Legislative Analysis



BAN ELECTRIC SERVICE LIMITERS UNTIL UNIFORM STANDARDS ISSUED

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House Bill 4390 (Substitute H-2)
Sponsor: Rep. Jeff Mayes
Committee: Energy and Technology

Complete to 3-31-09

A SUMMARY OF HOUSE BILL 4390 AS REPORTED FROM COMMITTEE 3-26-09

House Bill 4390 would add a new Section 6t to the Public Service Commission Law to prohibit electric providers from using an "electric service limiter" or an "advanced meter" (to the extent the advanced meter is used as an electric service limiter) until the Public Service Commission (PSC) issues a temporary order establishing uniform standards for the use of electric service limiting devices. The PSC would have to issue its temporary order by October 1, 2009 and promulgate final rules within one year of the bill's effective date.

Providers could not use electric service limiters in the household of a known senior citizen customer or in which a known medical emergency exists. [Unlike the general ban on service limiters, described above, which would expire when the PSC issues its temporary order, the ban on the use of electric service limiters in the households of known senior citizens or persons with medical emergencies would remain in effect indefinitely but would cover only an electric service limiter, not an advanced meter used as an electric service limiter.]

Covered providers. This section would apply to electric utilities, municipally-owned electric utilities, cooperative electric utilities, and alternative electric suppliers.

"Electric service limiter" would mean "an electric meter or device used in conjunction with an electric meter that automatically interrupts all electric service to customer without intervening direction from the electric provider when a utility-imposed peak usage limit is exceeded."

"Advanced meter" would mean an electric meter that does one or more of the following: (1) measures and records usage data in terms of hourly or other time intervals; (2) allows electric consumers and providers to participate in price-based demand response programs, including remote service switch capability activated by intervening provider direction; and (3) provides other data and functionality concerning power quality and other electric service issues.

MCL 460.6t

FISCAL IMPACT:

A fiscal analysis is in process.

POSITIONS:

The Public Service Commission testified in support of the entire shutoff protection package of bills. (3-24-09)

The Attorney General indicated support of the entire package. (3-26-09)

The Department of Human Services indicated support of the entire package. (3-26-09)

ACORN (Michigan) indicated support of the entire package. (3-24-09)

The Center for Civil Justice indicated support of the entire package. (3-24-09)

Clean Water Action testified in support of the entire package, and submitted a letter of support dated 3-24-09, but would also like to see shutoff protections during hot summer weather and ban on foreclosures due to non-payment of utility bills. (3-24-09)

Consumers Energy indicated support of the entire package. (3-24-09)

DTE Energy indicated support of the entire package. (3-26-09)

Elder Law of Michigan indicated support of the entire package. (3-24-09)

Indiana Michigan Power indicated support of the entire package. (3-26-09)

Michigan Advocacy project indicated support of the entire package. (3-24-09)

The Michigan Catholic Conference indicated support of the entire package. (3-24-09)

The Michigan Electric Cooperative Association indicated support of the entire package. (3-24-09)

The Michigan Electric and Gas Association indicated support of the entire package. (3-26-09)

Michigan Citizen Action indicated support of the entire package. (3-24-09)

The Michigan Municipal Electric Association testified in support of the entire package. (3-26-09)

SEMCO Energy indicated support of the entire package. (3-26-09)

The AARP opposes this bill (and House Bill 4392) but is supportive of the rest of the package. It opposes this bill on the grounds that the use of service limiters can have the same tragic consequences as complete service shutoffs. (3-24-09)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.