

SENATE BILL No. 1218

April 13, 2000, Introduced by Senators JOHNSON, DUNASKISS, HAMMERSTROM, ROGERS, GOSCHKA, BENNETT, NORTH, EMMONS, SHUGARS and SIKKEMA and referred to the Committee on Technology and Energy.

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 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 therein 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 rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act,"

(MCL 460.1 to 460.8) by adding section 9m.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9M. (1) A NATURAL GAS SUPPLIER OR DISTRIBUTOR SHALL
2 NOT SHUT OFF SERVICE TO AN ELIGIBLE CUSTOMER DURING THE HEATING
3 SEASON FOR NONPAYMENT OF A DELINQUENT ACCOUNT IF THE CUSTOMER IS
4 AN ELIGIBLE SENIOR CITIZEN CUSTOMER OR IF THE CUSTOMER PAYS TO

1 THE SUPPLIER OR DISTRIBUTOR A MONTHLY AMOUNT EQUAL TO 7% OF THE
2 ESTIMATED ANNUAL BILL FOR THE ELIGIBLE CUSTOMER AND THE ELIGIBLE
3 CUSTOMER DEMONSTRATES, WITHIN 14 DAYS OF REQUESTING SHUTOFF PRO-
4 TECTION, THAT HE OR SHE HAS APPLIED FOR STATE OR FEDERAL HEATING
5 ASSISTANCE. IF AN ARREARAGE EXISTS AT THE TIME AN ELIGIBLE CUS-
6 TOMER APPLIES FOR PROTECTION FROM SHUTOFF OF SERVICE DURING THE
7 HEATING SEASON, THE SUPPLIER OR DISTRIBUTOR SHALL PERMIT THE CUS-
8 TOMER TO PAY THE ARREARAGE IN EQUAL MONTHLY INSTALLMENTS BETWEEN
9 THE DATE OF APPLICATION AND THE START OF THE SUBSEQUENT HEATING
10 SEASON.

11 (2) A NATURAL GAS SUPPLIER OR DISTRIBUTOR MAY SHUT OFF SERV-
12 ICE TO AN ELIGIBLE LOW-INCOME CUSTOMER WHO DOES NOT PAY THE
13 MONTHLY AMOUNTS REQUIRED UNDER SUBSECTION (1) AFTER GIVING NOTICE
14 IN THE MANNER REQUIRED BY RULES. THE SUPPLIER OR DISTRIBUTOR IS
15 NOT REQUIRED TO OFFER A SETTLEMENT AGREEMENT TO AN ELIGIBLE
16 LOW-INCOME CUSTOMER WHO FAILS TO MAKE THE MONTHLY PAYMENTS
17 REQUIRED UNDER SUBSECTION (1).

18 (3) IF A CUSTOMER FAILS TO COMPLY WITH THE TERMS AND CONDI-
19 TIONS OF THIS SECTION, A DISTRIBUTOR MAY SHUT OFF SERVICE ON ITS
20 OWN BEHALF OR ON BEHALF OF A SUPPLIER AFTER GIVING THE CUSTOMER A
21 NOTICE, BY PERSONAL SERVICE OR FIRST-CLASS MAIL, THAT CONTAINS
22 ALL OF THE FOLLOWING INFORMATION:

23 (A) THAT THE CUSTOMER HAS DEFAULTED ON THE WINTER PROTECTION
24 PLAN.

25 (B) THE NATURE OF THE DEFAULT.

1 (C) THAT UNLESS THE CUSTOMER MAKES THE PAYMENTS THAT ARE
2 PAST DUE WITHIN 10 DAYS OF THE DATE OF MAILING, THE SUPPLIER OR
3 DISTRIBUTOR MAY SHUT OFF SERVICE.

4 (D) THE DATE ON OR AFTER WHICH THE SUPPLIER OR DISTRIBUTOR
5 MAY SHUT OFF SERVICE, UNLESS THE CUSTOMER TAKES APPROPRIATE
6 ACTION.

7 (E) THAT THE CUSTOMER HAS THE RIGHT TO FILE A COMPLAINT DIS-
8 PUTING THE CLAIM OF THE SUPPLIER OR DISTRIBUTOR BEFORE THE DATE
9 OF THE PROPOSED SHUTOFF OF SERVICE.

10 (F) THAT THE CUSTOMER HAS THE RIGHT TO REQUEST A HEARING
11 BEFORE A HEARING OFFICER IF THE COMPLAINT CANNOT BE OTHERWISE
12 RESOLVED AND THAT THE CUSTOMER SHALL PAY TO THE SUPPLIER OR DIS-
13 TRIBUTOR THAT PORTION OF THE BILL THAT IS NOT IN DISPUTE WITHIN 3
14 DAYS OF THE DATE THAT THE CUSTOMER REQUESTS A HEARING.

15 (G) THAT THE CUSTOMER HAS THE RIGHT TO REPRESENT HIMSELF OR
16 HERSELF, TO BE REPRESENTED BY AN ATTORNEY, OR TO BE ASSISTED BY
17 ANY OTHER PERSON OF HIS OR HER CHOICE IN THE COMPLAINT PROCESS.

18 (H) THAT THE SUPPLIER OR DISTRIBUTOR WILL NOT SHUT OFF SERV-
19 ICE PENDING THE RESOLUTION OF A COMPLAINT THAT IS FILED IN
20 ACCORDANCE WITH THIS SECTION.

21 (I) THE TELEPHONE NUMBER AND ADDRESS OF THE SUPPLIER OR DIS-
22 TRIBUTOR WHERE THE CUSTOMER MAY MAKE INQUIRY, ENTER INTO A SET-
23 TLEMENT AGREEMENT, OR FILE A COMPLAINT.

24 (J) THAT THE CUSTOMER SHOULD CONTACT A SOCIAL SERVICES
25 AGENCY IMMEDIATELY IF THE CUSTOMER BELIEVES HE OR SHE MIGHT BE
26 ELIGIBLE FOR EMERGENCY ECONOMIC ASSISTANCE.

1 (K) THAT THE SUPPLIER OR DISTRIBUTOR WILL POSTPONE SHUTOFF
2 OF SERVICE IF A MEDICAL EMERGENCY EXISTS AT THE CUSTOMER'S
3 RESIDENCE.

4 (l) THAT THE SUPPLIER OR DISTRIBUTOR MAY REQUIRE A DEPOSIT
5 AND RESTORATION CHARGE IF THE SUPPLIER SHUTS OFF SERVICE FOR NON-
6 PAYMENT OF A DELINQUENT ACCOUNT.

7 (4) AS USED IN THIS SECTION:

8 (A) "ELIGIBLE CUSTOMER" MEANS EITHER AN ELIGIBLE LOW-INCOME
9 CUSTOMER OR AN ELIGIBLE SENIOR CITIZEN CUSTOMER.

10 (B) "ELIGIBLE LOW-INCOME CUSTOMER" MEANS A CUSTOMER WHOSE
11 HOUSEHOLD INCOME DOES NOT EXCEED 150% OF THE POVERTY LEVEL, AS
12 PUBLISHED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN
13 SERVICES, OR WHO RECEIVES ANY OF THE FOLLOWING:

14 (i) ASSISTANCE FROM A STATE EMERGENCY RELIEF PROGRAM.

15 (ii) FOOD STAMPS.

16 (iii) MEDICAID.

17 (C) "ELIGIBLE SENIOR CITIZEN CUSTOMER" MEANS A UTILITY OR
18 SUPPLIER CUSTOMER WHO IS 65 YEARS OF AGE OR OLDER AND WHO ADVISES
19 THE UTILITY OF HIS OR HER ELIGIBILITY.

20 Enacting section 1. This amendatory act does not take
21 effect unless all of the following bills of the 90th Legislature
22 are enacted into law:

23 (a) Senate Bill No. 916.

24

25 (b) Senate Bill No. 917.

26

- 1 (c) Senate Bill No. 918.
- 2
- 3 (d) Senate Bill No. 919.
- 4
- 5 (e) Senate Bill No. 920.
- 6
- 7 (f) Senate Bill No. 922.
- 8
- 9 (g) Senate Bill No. 921.
- 10