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Senate Bill 554 (Substitute S-2 as reported by the Committee of the Whole)  
Sponsor: Senator Roger Kahn, M.D.  
Committee: Energy Policy and Public Utilities

## **CONTENT**

The bill would amend Public Act 3 of 1939, the Public Service Commission (PSC) law, to:

- Allow a provider (a municipally owned electric or natural gas utility) to shut off service temporarily for health or safety reasons or in a State or national emergency.
- Prohibit a provider from shutting off residential service unless it notified the customer at least 10 days in advance.
- Require a provider's governing body to establish a policy allowing a customer to enter into a payment plan for an amount owed that was not in dispute, if the customer claimed an inability to pay in full.
- Require shut-off to occur only between the hours of 8 a.m. and 4 p.m.
- Prohibit a provider from shutting off service on a day when its services were not available to the general public for the purpose of restoring service, or on a day immediately preceding such a day.
- Require a provider to attempt to contact a customer at least twice before an involuntary shut-off.
- Allow a provider to assess the customer a charge for restoring service or relocating the customer's meter.

The bill would allow a provider to shut off or terminate service to a residential customer if he or she: had not paid a delinquent account that had accrued within the last six years; failed to provide a required deposit or guarantee; engaged in unauthorized use of a provider's service; failed to comply with the terms and conditions of a payment plan entered into with the provider; refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment installed upon the premises or for the removal of a meter; misrepresented his or her identity to obtain service or put service in another person's name without permission; or violated provider rules and adversely affected the safety of the customer or other people or the integrity of the provider's system. In addition, the provider could shut off service if a person living in the customer's residence had a delinquent account within the past three years that remained unpaid and the customer lived in the person's residence when all or part of the debt was incurred. A provider could not shut off service if the customer had not paid for concurrent service received at a separate metering point, residence, or location; or the customer had not paid for service at premises occupied by another person, subject to certain exceptions.

Proposed MCL 460.9q

Legislative Analyst: Julie Cassidy

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 10-7-09

Fiscal Analyst: Elizabeth Pratt  
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