

Act No. 171  
Public Acts of 2009  
Approved by the Governor  
December 14, 2009  
Filed with the Secretary of State  
December 15, 2009  
EFFECTIVE DATE: January 14, 2010

**STATE OF MICHIGAN  
95TH LEGISLATURE  
REGULAR SESSION OF 2009**

Introduced by Senator Kahn

# ENROLLED SENATE BILL No. 554

AN ACT to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public and certain private 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," (MCL 460.1 to 460.11) by adding section 9q.

*The People of the State of Michigan enact:*

Sec. 9q. (1) A provider may shut off service temporarily for reasons of health or safety or in a state or national emergency. When a provider shuts off service for reasons of health or safety, the provider shall leave a notice at the premises.

(2) Subject to the requirements of this act, a provider may shut off or terminate service to a residential customer for any of the following reasons:

(a) The customer has not paid a delinquent account that accrued within the last 6 years.

(b) The customer has failed to provide a deposit or guarantee as required by the provider.

(c) The customer has engaged in unauthorized use of a provider's service.

(d) The customer has failed to comply with the terms and conditions of a payment plan entered into with the provider in accordance with the provider's rules.

(e) The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.

(f) The customer misrepresented his or her identity for the purpose of obtaining a provider service or put service in another person's name without permission of the other person.

(g) The customer has violated any rules of the provider so as to adversely affect the safety of the customer or other persons or the integrity of the provider's system.

(h) A person living in the customer's residence meets both of the following:

(i) Has a delinquent account for service with the provider within the past 3 years that remains unpaid.

(ii) The customer lived in the person's residence when all or part of the debt was incurred. The provider may transfer a prorated amount of the debt to the customer's account, based upon the length of time that the customer resided at the person's residence. This subdivision does not apply if the customer was a minor while living in the person's residence.

(3) A provider shall not shut off service unless it sends a notice to the customer by first-class mail or personally serves the notice not less than 10 days before the date of the proposed shutoff. A provider shall maintain a record of the date the notice was sent.

(4) Subject to the requirements of sections 9s and 9r, a provider's governing body shall establish a policy to allow a customer the opportunity to enter into a payment plan for an amount owed to the provider that is not in dispute, if a customer claims an inability to pay in full. A provider is not required to enter into a subsequent payment plan with a customer until the customer has complied fully with the terms of an existing or previous payment plan unless the customer demonstrates a significant change in economic circumstances and requests a modification of the payment plan. A provider is not required to enter into a subsequent payment plan with a customer who defaulted on the terms and conditions of a payment plan within the last 12 months.

(5) A notice of shutoff under subsection (3) shall contain all of the following information:

(a) The name and address of the customer, and the address at which service is provided, if different.

(b) A clear and concise statement of the reason for the proposed shutoff of service.

(c) The date on or after which the provider may shut off service, unless the customer takes appropriate action.

(d) That the customer has the right to enter into a payment plan with the provider for an amount owed to the provider that is not in dispute and that the customer is presently unable to pay in full.

(e) The telephone number and address of the provider where the customer may make inquiry, enter into a payment plan, or file a complaint.

(f) That the provider will postpone the shutoff of service if a certified medical emergency exists at the customer's residence and the customer informs and provides documentation to the provider of that medical emergency.

(g) That during the heating season the provider will postpone shutoff of service if a customer is an eligible low-income customer that enters into a winter protection payment plan with the provider and the customer provides documentation that the customer is actively seeking emergency assistance from an energy assistance program.

(h) The energy assistance telephone line number at the department of human services or an operating 2-1-1 system telephone number.

(6) Subject to the requirements of this act, a provider may shut off service to a customer on the date specified in the notice of shutoff or at a reasonable time following that date. If a provider does not shut off service and mails a subsequent notice, then the provider shall not shut off service before the date specified in the subsequent notice. Shutoff shall occur only between the hours of 8 a.m. and 4 p.m.

(7) A provider shall not shut off service on a day, or a day immediately preceding a day, when the services of the provider are not available to the general public for the purpose of restoring service.

(8) For an involuntary shutoff, at least 1 day before shutoff of service, the provider shall make not fewer than 2 attempts to contact the customer by 1 or more of the following methods:

(a) A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.

(b) First-class mail.

(c) A personal visit to the customer.

(d) A written notice left at or on the customer's door.

(e) Any other method approved by the commission for regulated utilities.

(9) A notice of shutoff sent under subsection (3) shall be considered as 1 attempt under subsection (8).

(10) The provider shall document all attempts to contact the customer under subsection (8).

(11) Immediately preceding the shutoff of service, an employee of the provider who is designated to perform that function may identify himself or herself to the customer or another responsible person at the premises and may announce the purpose of his or her presence.

(12) When a provider employee shuts off service, the employee shall leave a notice. The notice shall state that service has been shut off and shall contain the address and telephone number of the provider where the customer may arrange to have service restored.

(13) For an involuntary shutoff using meters with remote shutoff and restoration ability, at least 1 day before shutoff of service, the provider shall make at least 2 attempts to contact the customer by 1 of the methods listed in subsection (8). Any notice shall state that the disconnection of service will be done remotely and that a provider representative will not return to the premises before disconnection. The provider shall document all attempts to contact the customer. If the provider contacts the customer or other responsible person in the customer's household by telephone on the day service is to be shut off, the provider shall inform the customer or other responsible person that shutoff of service is imminent and of the steps necessary to avoid shutoff. Unless the customer presents evidence that reasonably demonstrates that the claim is satisfied or is in dispute, or the customer makes payment, the employee may shut off service. If the provider complies with the notice requirements of this subsection, no further customer contact is required on the day service is to be shut off and the provider may shut off service.

(14) A provider shall not shut off service for any of the following reasons:

(a) The customer has not paid for concurrent service received at a separate metering point, residence, or location.

(b) The customer has not paid for service at a premises occupied by another person. A provider may shut off service in any of the following circumstances where proper notice has been given:

(i) If the customer supplies a written, notarized statement that the premises are unoccupied.

(ii) If the premises are occupied and the occupant agrees, in writing, to the shutoff of service.

(iii) If it is not feasible to provide service to the occupant as a customer without a major revision of existing distribution facilities.

(iv) If it is feasible to provide service to the occupant as a customer without a major revision of existing distribution facilities and the occupant refuses to put the account in their name.

(15) After a provider has shut off service, it shall restore service upon the customer's request when the cause has been cured or credit arrangements satisfactory to the provider have been made.

(16) When a provider is required to restore service at the customer's meter manually, the provider shall make reasonable efforts to restore service on the day the customer requests restoration. Except for reasons beyond its control, the provider shall restore service not later than the first working day after the customer's request.

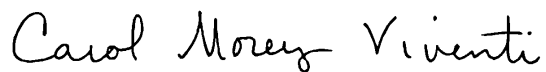
(17) For providers using meter technology with remote shutoff and restoration capability, service shall be restored on the first working day after the customer requests restoration, except in the case of documented equipment failure.

(18) The provider may assess the customer a charge for restoring service or relocating the customer's meter.

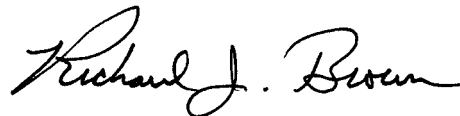
(19) As used in this section, "provider" means a municipally owned electric or natural gas utility.

Enacting section 1. This amendatory act takes effect 30 days after the effective date of the amendatory act that added this section.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved .....

.....  
Governor