

Legislative Analysis



REGULATED UTILITIES, AESs, & MUNICIPAL UTILITIES: CONTACT OLDER CUSTOMERS AFTER SHUTOFF

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4392 (Substitute H-2)
Sponsor: Rep. Sarah Roberts
Committee: Energy & Technology

Complete to 3-31-09

A SUMMARY OF HOUSE BILL 4392 AS REPORTED FROM COMMITTEE 3-26-09

The bill would add a new Section 9i to the Public Service Commission Law requiring electric and natural gas providers to contact senior citizen customers (aged 65 and older) by at least two permissible methods no later than three business days after their service has been shutoff to explain what they need to do to have their service restored. If the provider makes a personal visit to the senior citizen customer or leaves a written notice at or on the customer's door on the day of the disconnection, it would not have to contact the customer a second time.

Alternatively, instead of contacting the customer, a provider could comply with the notice requirement of this section by making a documented referral to a social service or government agency within three business days of the shutoff.

Covered providers. "Provider" in this bill means a regulated electric utility, municipally-owned electric or gas utility, cooperative electric utility, alternative electric supplier, or investor-owned, regulated natural gas utility.

Permissible methods. The following methods of contacting senior citizen customers are allowed:

- A personal or automated telephone call in which direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
- First-class mail.
- A personal visit to the customer.
- A written notice left at or on the customer's door.
- Any other method approved by the Public Service Commission.

FISCAL IMPACT:

A fiscal impact statement 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 4390) but is supportive of the rest of the package. (3-24-09) It opposes this bill on the grounds that a senior citizen customer could be seriously ill or dead within three business days of a winter or summer shutoff. It would be better to require contact before a shutoff, AARP believes.

Legislative Analyst: Shannan Kane
Fiscal Analyst: Mark Wolf

■ 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.