



HOUSE BILL No. 5204

December 9, 1999, Introduced by Reps. Kowall, Hager, Allen, Julian, Shulman, Middaugh, Stallworth, Shackleton, Switalski, Mortimer, Voorhees, Tabor, Faunce, Van Woerkom, Bradstreet, Bishop, Basham, Hale, Jamnick, Minore, Wojno, Callahan, Hansen, Bovin, Woodward, Sheltroun, Woronchak, Garcia, Ruth Johnson, Thomas, Schauer, O'Neil, Mans, Spade, Gielegem, Martinez, Richardville, Birkholz, Sanborn, Cassis and Lemmons and referred to the Committee on Energy and Technology.

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 9g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9G. (1) A CUSTOMER OF A NATURAL GAS SUPPLIER SHALL NOT
2 BE SWITCHED TO ANOTHER SUPPLIER WITHOUT THE AUTHORIZATION OF THE
3 CUSTOMER.

1 (2) THE COMMISSION SHALL ISSUE ORDERS TO ENSURE THAT A
2 CUSTOMER OF A NATURAL GAS SUPPLIER IS NOT SWITCHED TO ANOTHER
3 SUPPLIER WITHOUT THE CUSTOMER'S ORAL AUTHORIZATION, WRITTEN CON-
4 FIRMATION, CONFIRMATION THROUGH AN INDEPENDENT THIRD PARTY, OR
5 OTHER VERIFICATION PROCEDURES APPROVED BY THE COMMISSION, CON-
6 FIRMING THE CUSTOMER'S INTENT TO MAKE A SWITCH AND THAT THE CUS-
7 TOMER HAS APPROVED THE SPECIFIC TERMS OF THE SWITCH.

8 (3) A NATURAL GAS SUPPLIER AND DISTRIBUTOR SHALL USE REASON-
9 ABLE EFFORTS TO SWITCH A CUSTOMER TO ANOTHER SUPPLIER IF PROPERLY
10 AUTHORIZED BY THE CUSTOMER IN ACCORDANCE WITH THE AGREEMENT
11 BETWEEN THE SUPPLIER AND THE CUSTOMER AS PROVIDED UNDER SUBSEC-
12 TION (2).

13 (4) THE COMMISSION SHALL ESTABLISH MINIMUM STANDARDS FOR THE
14 FORM AND CONTENT OF ALL DISCLOSURES, EXPLANATIONS, OR SALES
15 INFORMATION RELATING TO THE SALE OF A NATURAL GAS COMMODITY AND
16 DISSEMINATED BY A NATURAL GAS SUPPLIER OR DISTRIBUTOR TO ENSURE
17 THAT THE DISCLOSURES, EXPLANATIONS, AND SALES INFORMATION CONTAIN
18 ACCURATE AND UNDERSTANDABLE INFORMATION AND ENABLE A CUSTOMER TO
19 MAKE AN INFORMED DECISION RELATING TO THE PURCHASE OF A NATURAL
20 GAS COMMODITY. THE STANDARDS SHALL BE DEVELOPED TO DO ALL OF THE
21 FOLLOWING:

22 (A) NOT BE UNDULY BURDENSOME.

23 (B) NOT UNNECESSARILY DELAY OR INHIBIT THE INITIATION AND
24 DEVELOPMENT OF COMPETITION AMONG NATURAL GAS SUPPLIERS OR DIS-
25 TRIBUTORS IN ANY MARKET.

26 (C) ESTABLISH SEPARATE REQUIREMENTS FOR DISCLOSURES,
27 EXPLANATIONS, OR SALES INFORMATION RELATING TO OTHER PRODUCTS OR

1 SERVICES OR SIMILAR PRODUCTS OR SERVICES PROVIDED TO RESIDENTIAL,
2 COMMERCIAL, INDUSTRIAL, OR OTHER LARGE VOLUME CUSTOMERS IF THE
3 COMMISSION FINDS THAT THE REQUIREMENTS ARE APPROPRIATE TO CARRY
4 OUT THIS SECTION.

5 (5) THE COMMISSION MAY ADOPT RULES UNDER THE ADMINISTRATIVE
6 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328, IT
7 CONSIDERS NECESSARY TO IMPLEMENT THIS SECTION AND TO PROTECT CUS-
8 TOMERS FROM FRAUD AND OTHER UNFAIR AND DECEPTIVE BUSINESS
9 PRACTICES.

10 (6) A CUSTOMER IS ENTITLED TO OBTAIN FROM THE CUSTOMER'S
11 NATURAL GAS SUPPLIER OR DISTRIBUTOR THE CUSTOMER'S BILLING HIS-
12 TORY AND ENERGY USAGE OVER THE LAST 12 MONTHS.

13 (7) UPON RECEIPT OF A WRITTEN REQUEST FROM THE CUSTOMER, THE
14 CUSTOMER'S NATURAL GAS SUPPLIER OR DISTRIBUTOR SHALL PROVIDE THE
15 INFORMATION DESCRIBED IN SUBSECTION (6) TO THE CUSTOMER WITHIN 10
16 BUSINESS DAYS FROM THE DATE THE REQUEST WAS RECEIVED.

17 (8) THE NATURAL GAS SUPPLIER OR DISTRIBUTOR IS ENTITLED TO
18 CHARGE A FEE UNDER THIS ACT NOT GREATER THAN THE ACTUAL COST OF
19 PROVIDING THE INFORMATION DESCRIBED IN SUBSECTION (6). THE FEE
20 ALLOWED UNDER THIS SUBSECTION SHALL BE APPROVED BY THE
21 COMMISSION.

22 (9) A NATURAL GAS SUPPLIER OR DISTRIBUTOR MAY NOT RELEASE
23 THE INFORMATION DESCRIBED IN SUBSECTION (6) TO A THIRD PARTY
24 UNLESS THE CUSTOMER HAS PROVIDED CONSENT FOR THE RELEASE OF THE
25 INFORMATION.

26 (10) NOT LESS THAN ONCE ANNUALLY, THE NATURAL GAS SUPPLIER
27 OR DISTRIBUTOR SHALL PROVIDE THE MEANS FOR A CUSTOMER TO GRANT

1 CONSENT FOR THE RELEASE OF THE INFORMATION DESCRIBED IN
2 SUBSECTION (6).

3 (11) EACH BILL SHALL IDENTIFY THE NAME OF THE CUSTOMER'S
4 NATURAL GAS SUPPLIER OR DISTRIBUTOR AND PROVIDE THE SUPPLIER'S OR
5 DISTRIBUTOR'S ADDRESSES AND TELEPHONE NUMBERS.

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

9 (a) Senate Bill No. _____ or House Bill No. 5201 (request
10 no. 04283'99).

11 (b) Senate Bill No. _____ or House Bill No. 5202 (request
12 no. 04283'99 a).

13 (c) Senate Bill No. _____ or House Bill No. 5203 (request
14 no. 04283'99 b *).

15 (d) Senate Bill No. _____ or House Bill No. 5205 (request
16 no. 04283'99 d).

17 (e) Senate Bill No. _____ or House Bill No. 5207 (request
18 no. 04283'99 e).

19 (f) Senate Bill No. _____ or House Bill No. 5206 (request
20 no. 04283'99 f).