



HOUSE BILL No. 5323

February 8, 2000, Introduced by Reps. Vear, Rocca, Sheltroun, Richner, Van Woerkom, Bishop, Bovin and Birkholz and referred to the Committee on Energy and Technology.

A bill to prohibit the switching of a customer's natural gas supplier without the customer's authorization; to prescribe the powers and duties of certain state agencies and officials; and to provide penalties and other remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Commission" means the Michigan public service commis-
3 sion in the department of consumer and industry services.

4 (b) "Customer" means an end-user of natural gas.

5 (c) "Natural gas supplier" or "supplier" means a person that
6 sells natural gas and related services at retail to customers
7 located in this state.

8 Sec. 2. (1) A customer of a natural gas supplier shall not
9 be switched to another supplier without the authorization of the
10 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 written confirmation confirming
4 the customer's intent to make a switch and that the customer has
5 approved the specific details of the switch.

6 (3) A natural gas supplier shall not unreasonably delay or
7 refuse to switch a customer to another supplier if properly
8 authorized.

9 Sec. 3. (1) Upon the receipt of a complaint filed by a
10 person alleging a violation of this act or upon the commission's
11 own motion, the commission may conduct a contested case under the
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
13 24.328.

14 (2) If the commission finds that a person has violated this
15 act or an order issued under this act, the commission shall order
16 remedies and penalties to protect and make whole customers and
17 other persons who have suffered damages as a result of the viola-
18 tion, including, but not limited to, 1 or more of the following:

19 (a) Order the person to pay a fine for the first offense of
20 not less than \$10,000.00 or more than \$20,000.00. For a second
21 and any subsequent offense, the commission shall order the person
22 to pay a fine of not less than \$25,000.00 or more than
23 \$40,000.00. If the commission finds that the second or any of
24 the subsequent offenses were knowingly made in violation of this
25 act, the commission shall order the person to pay a fine of not
26 more than \$50,000.00.

- 1 (b) Order the natural gas supplier to refund to the customer
- 2 any amount the customer paid to the supplier.
- 3 (c) Issue cease and desist orders.