

Legislative Analysis



MUNICIPAL UTILITIES: MEDICAL SHUTOFF PROTECTIONS

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

House Bill 4386 (Substitute H-1)

Sponsor: Rep. Bert Johnson

Committee: Energy and Technology

(Enacted as Public Act 152 of 2009)

Complete to 3-31-09

A SUMMARY OF HOUSE BILL 4386 AS REPORTED FROM COMMITTEE 3-26-09

In general, municipally-owned utilities are not regulated by the Public Service Commission. The bill would add a new Section 9s to the Public Service Commission law (MCL 360.9s) to provide medical shutoff protections for municipal utility customers similar to the protections provided to customers of regulated utilities under a PSC rule [R 160.467].

The bill would require municipal utilities to postpone shutting off a customer's electric or natural gas service if the customer — or a member of the customer's household — is either (1) a "**critical care customer**" or (2) has a "**medical emergency**." In general, a "**critical care customer**" is someone using home medical equipment or a life-support system for whom an interruption of service would be immediately life threatening, whereas someone with a "**certified medical emergency**" is a person with an existing medical condition that would be aggravated by an interruption of service. The initial postponement would be for a period of not more than 21 days, with two extensions possible, up to a maximum postponement of 63 days. A provider would not be required to grant shutoff extensions totaling more than 126 days per household per year.

Certification. The customer would have to provide a certification that identifies the medical condition, any medical or life-support equipment being used, and the specific time period during which the shutoff of service would "aggravate the medical emergency." A customer requesting an extension would have to provide an additional certification.

- A physician's or medical facility's certification for a "critical care customer" would have to say that interruption of service would be immediately life-threatening.
- A physician's or public health official's certification of a "medical emergency" would have to define and certify on official stationery or a company-provided form the existing medical condition that would be aggravated by an interruption in service.

Restoration of service. If service has already been shutoff before a postponement has been obtained, the provider would have to restore service. The restoration would be for not more than 21 days, with two extensions possible, not to exceed a total restoration of service of 63 days in any 12-month period per household member. [In contrast, the rule that

applies to regulated utilities, R 460.147 of the Michigan Administrative Code, requires those utilities to *"unconditionally"* restore service in this situation.]

FISCAL IMPACT:

A fiscal analysis 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 House Bill 4390 and House Bill 4392 but is supportive of the rest of the package, including this bill. (3-24-09)

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.