



Senate Fiscal Agency
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Senate Bill 535 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Jim Barcia
Committee: Energy Policy and Public Utilities

CONTENT

The bill would amend Public Act 3 of 1939, the Public Service Commission (PSC) law, to prohibit a municipally owned electric utility from shutting off service to an eligible customer during the heating season (November 1 through March 31) for nonpayment of a delinquent account if the customer were an eligible senior citizen, or an eligible low-income customer who entered into a winter protection payment plan and demonstrated that he or she had applied for State or Federal heating assistance.

("Eligible senior citizen" would mean a customer who is at least 65 years old and who advises the utility of his or her eligibility. "Eligible low-income customer" would mean a customer whose household income does not exceed 150% of the Federal poverty level, or who receives assistance from a State emergency relief program, food stamps, or Medicaid.)

If a customer failed to comply with the terms and conditions of a winter protection payment plan, the utility could shut off service after notifying the customer of specified information, including that that he or she could petition the utility disputing the claim before the proposed shut-off date or bring an action pursuant to Section 9p (described below); that the utility would postpone shut-off if a medical emergency existed; and that the utility could require a deposit and restoration charge if service were shut off for nonpayment.

(Senate Bill 557 (S-1) would add Section 9p to authorize the Attorney General or any customer of a municipally owned electric or natural gas utility to commence a civil action for injunctive relief or the imposition of a civil fine against the utility if it failed to meet the applicable requirements of the Act.)

The bill would take effect on November 1, 2009.

Proposed MCL 460.9t

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 10-7-09

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