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PROHIBIT "CRAMMING" NATURAL GAS RETAIL CUSTOMERS

House Bill 4321

Sponsor: Rep. Doug Spade

Committee: Energy and Technology

Complete to 3-14-01

A SUMMARY OF HOUSE BILL 4321 AS INTRODUCED 2-21-01

The bill would add a new section to the Public Service Commission enabling act (Public Act 3 of 1939) to prohibit natural gas utilities, suppliers, or distributors from including or adding optional products or services to a customer's account or bill without the customer's authorization. (The changing of traditional utility services, including natural gas, electricity, and telecommunications, without prior consent from the customer is known as "cramming.")

The bill also would require the Public Service Commission (PSC) to issue orders to ensure that natural gas utilities, suppliers, or distributors did not assign, include, or add optional products or services to a customer's account or bill without the customer's oral authorization, written confirmation, confirmation through an independent third party, or other verification procedures approved by the PSC confirming the customer's intent to receive the optional products or services. The bill would define "natural gas distributor" to mean a person who physically delivered natural gas to retail customers, "natural gas supplier" ("supplier") to mean a person who sold natural gas to retail customers located in Michigan, and "natural gas utility" ("utility") to mean a public utility that provided natural gas service before January 1, 1999.

MCL 460.9

House Bill 4321 (3-14-01)

Analyst: S. Ekstrom

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