

**SUBSTITUTE FOR
SENATE BILL NO. 1310**

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; 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 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 certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to provide for a restructuring of the manner in which energy is provided in this state; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,"

(MCL 460.1 to 460.11) by adding section 9d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9D. (1) IF A UTILITY OBSERVES AN UNSAFE ELECTRIC OR
2 NATURAL GAS SERVICE CONNECTION AT A CUSTOMER'S LOCATION CAUSED BY
3 UNAUTHORIZED USE OF ELECTRIC OR NATURAL GAS SERVICE, THE UTILITY
4 SHALL IMPLEMENT MEASURES CONSISTENT WITH GOOD UTILITY PRACTICES
5 INTENDED TO CURE OR TO OTHERWISE ADDRESS THE UNSAFE CONNECTION AND
6 MAY TAKE APPROPRIATE ACTION TO DETER FUTURE UNAUTHORIZED USE OF
7 ELECTRIC OR NATURAL GAS SERVICE AT THAT LOCATION, INCLUDING, BUT
8 NOT LIMITED TO, INSTALLATION OF ADDITIONAL UTILITY FACILITIES.

9 (2) AT ANY CUSTOMER LOCATION WHERE A UTILITY HAS SHUT OFF
10 ELECTRIC OR NATURAL GAS SERVICE 2 OR MORE TIMES DURING THE PRIOR 24
11 MONTHS BECAUSE OF UNAUTHORIZED USE OF ELECTRIC OR NATURAL GAS
12 SERVICE, A UTILITY MAY REFUSE TO PROVIDE ELECTRIC OR NATURAL GAS
13 SERVICE TO THAT LOCATION NOTWITHSTANDING ANY OTHER ADMINISTRATIVE
14 RULES OR STATUTES IF THE UTILITY DETERMINES THAT DENYING ELECTRIC
15 OR NATURAL GAS SERVICE AT THAT LOCATION WILL PREVENT THE
16 REOCCURRENCE OF THE UNAUTHORIZED USE.

17 (3) A UTILITY SHALL REESTABLISH ELECTRIC OR NATURAL GAS
18 SERVICE AT A CUSTOMER LOCATION IF THE PERSON REQUESTING SERVICE
19 DOES 1 OF THE FOLLOWING:

20 (A) PROVES THAT THE PERSON IS THE LEGAL OWNER OF THE PROPERTY
21 BY PROVIDING PROPERTY OWNERSHIP INFORMATION AND, PRIOR TO
22 RECONNECTION OF SERVICE, PAYS FOR THE ACTUAL COST TO REPAIR THE
23 UTILITY'S EQUIPMENT AND FACILITIES LOCATED ON THE OWNER'S PROPERTY,
24 ALL FEES AND DEPOSITS REQUIRED UNDER THE UTILITY'S APPROVED
25 SCHEDULE OF RATES AND TARIFFS, AND ALL CHARGES DUE TO THE UTILITY
26 FOR THE PRIOR UNAUTHORIZED USE THAT OCCURRED DURING HIS OR HER
27 OWNERSHIP.

1 (B) PROVES THAT THE PERSON IS THE LEGAL OWNER OF THE PROPERTY
2 BY PROVIDING PROPERTY OWNERSHIP INFORMATION AND PROVIDES A SIGNED
3 LEASE AGREEMENT THAT HAS BEEN CERTIFIED BY THE LANDLORD THAT
4 ESTABLISHES THE IDENTITY OF THE TENANT RESPONSIBLE FOR THE PRIOR
5 UNAUTHORIZED USE.

6 (4) IF THE LEGAL OWNER CANNOT PROVIDE DOCUMENTATION
7 ESTABLISHING THE IDENTITY OF THE TENANT RESPONSIBLE FOR THE PRIOR
8 UNAUTHORIZED USE AND THE OWNER DOES NOT AGREE TO PAY FOR THE
9 CHARGES DUE TO THE UTILITY FOR THE PRIOR UNAUTHORIZED USE, A
10 UTILITY MAY STILL REESTABLISH ELECTRIC OR NATURAL GAS SERVICE IF
11 THE OWNER PROVES THAT THE OWNER IS THE LEGAL OWNER OF THE PROPERTY
12 BY PROVIDING PROPERTY OWNERSHIP INFORMATION AND AGREES TO PAYMENT
13 OF THE ADDITIONAL FEE FOR REESTABLISHING ELECTRIC OR NATURAL GAS
14 SERVICE AT THE LOCATION WITH MULTIPLE PRIOR OCCURRENCES OF
15 UNAUTHORIZED USE AS SPECIFIED IN THE UTILITY'S APPROVED SCHEDULE OF
16 RATES AND TARIFFS.

17 (5) IF A PERSON REQUESTING ELECTRIC OR NATURAL GAS SERVICE
18 CANNOT PROVIDE PROPERTY OWNERSHIP INFORMATION, A UTILITY MAY
19 REESTABLISH SERVICE IF THE PERSON CAN PROVIDE ALL OF THE FOLLOWING:

20 (A) RESIDENCY INFORMATION.

21 (B) ALL DOCUMENTATION, FEES, AND DEPOSITS REQUIRED BY R
22 460.106, R 460.109, R 460.110, AND R 460.144 OF THE MICHIGAN
23 ADMINISTRATIVE CODE.

24 (C) PAYMENT OF ANY ADDITIONAL FEE FOR REESTABLISHING ELECTRIC
25 OR NATURAL GAS SERVICE AT A LOCATION WITH MULTIPLE PRIOR
26 OCCURRENCES OF UNAUTHORIZED USE AS SPECIFIED IN THE UTILITY'S
27 APPROVED SCHEDULE OF RATES AND TARIFFS.

1 (6) A PROPERTY OWNER SHALL PROVIDE NOTICE TO A UTILITY WITHIN
2 30 DAYS AFTER THE OWNER ABANDONS OR SURRENDERS A PROPERTY. IF A
3 PROPERTY OWNER DOES NOT PROVIDE NOTICE TO THE UTILITY WITHIN 30
4 DAYS AFTER THE PROPERTY OWNER'S ABANDONMENT OR SURRENDER OF A
5 PROPERTY, THAT PROPERTY OWNER IS LIABLE, JOINTLY AND SEVERALLY, FOR
6 ANY UNAUTHORIZED USE THAT OCCURS AT THE PROPERTY AFTER THE OWNER'S
7 ABANDONMENT OR SURRENDER OF THE PROPERTY.

8 (7) WITHIN 150 DAYS OF THE EFFECTIVE DATE OF THE AMENDATORY
9 ACT THAT ADDED THIS SECTION, ELECTRIC AND NATURAL GAS UTILITIES
10 SERVING 1,000,000 OR MORE CUSTOMERS SHALL ESTABLISH AND MAINTAIN A
11 SERVICE IN WHICH LANDLORDS OF RENTAL PROPERTIES IN THE UTILITY'S
12 SERVICE TERRITORY WHO HAVE REGISTERED WITH THE UTILITY FOR SHUT-OFF
13 NOTIFICATIONS ARE NOTIFIED OF LOCATIONS WHERE ELECTRIC AND NATURAL
14 GAS SERVICES HAVE BEEN SHUT OFF BECAUSE OF UNAUTHORIZED USE.

15 (8) THIS SECTION ONLY APPLIES TO THE UNAUTHORIZED USE OF
16 ELECTRIC OR NATURAL GAS SERVICE AND DOES NOT APPLY TO THE PROVIDING
17 OF A TELECOMMUNICATION SERVICE OR CABLE SERVICE OR THE ATTACHMENT
18 OF FACILITIES BY A TELECOMMUNICATION OR CABLE SERVICE PROVIDER TO
19 THE UTILITY POLES, DUCTS, CONDUITS, OR TRENCHES OWNED OR CONTROLLED
20 BY AN ELECTRIC OR NATURAL GAS UTILITY. THIS SECTION DOES NOT
21 SUPERSEDE, MODIFY, OR AFFECT THE VALIDITY OF ANY STATUTES,
22 ADMINISTRATIVE RULES, UTILITY TARIFFS, CONTRACTS, COMMISSION
23 ORDERS, OR COMMON LAW GOVERNING THE RATES, TERMS, AND CONDITIONS OF
24 THE USE OF ELECTRIC OR NATURAL GAS UTILITY POLES, DUCTS, CONDUITS,
25 AND TRENCHES.

26 (9) AS USED IN THIS SECTION:

27 (A) "BYPASSING" MEANS UNMETERED SERVICE THAT FLOWS THROUGH A

1 DEVICE CONNECTED BETWEEN A SERVICE LINE AND CUSTOMER-OWNED
2 FACILITIES.

3 (B) "METER TAMPERING" MEANS ANY ACT THAT AFFECTS THE PROPER
4 REGISTRATION OF SERVICE THROUGH A METER AND AFFECTS THE FLOW OF
5 ENERGY.

6 (C) "POSITIVE IDENTIFICATION INFORMATION" MEANS A DRIVER'S
7 LICENSE OR IDENTIFICATION CARD ISSUED BY THIS OR ANOTHER STATE, A
8 MILITARY IDENTIFICATION CARD, A PASSPORT, OR OTHER GOVERNMENT-
9 ISSUED IDENTIFICATION CONTAINING A PHOTOGRAPH.

10 (D) "PROPERTY OWNERSHIP INFORMATION" MEANS A RECORDED WARRANTY
11 DEED, NOTARIZED CLOSING PAPERS, TAX RECORDS, MORTGAGE PAYMENT BOOK,
12 OR COPY OF AN INSURANCE POLICY FOR THE ADDRESS IDENTIFYING AN
13 INDIVIDUAL OR ENTITY AS THE OWNER.

14 (E) "RESIDENCY INFORMATION" MEANS ALL OF THE FOLLOWING:

15 (i) POSITIVE IDENTIFICATION INFORMATION.

16 (ii) A SIGNED LEASE AGREEMENT THAT HAS BEEN CERTIFIED BY THE
17 LANDLORD FOR THE LOCATION WHERE ELECTRIC OR NATURAL GAS SERVICE IS
18 BEING REQUESTED.

19 (iii) ANY FIRST-CLASS MAIL SENT TO THE PERSON REQUESTING
20 ELECTRIC OR NATURAL GAS SERVICE WITHIN THE LAST 3 MONTHS AT THAT
21 PERSON'S PREVIOUS RESIDENCE.

22 (F) "UNAUTHORIZED USE OF ELECTRIC OR NATURAL GAS SERVICE" OR
23 "UNAUTHORIZED USE" MEANS THEFT, FRAUD, INTERFERENCE, OR DIVERSION
24 OF ELECTRIC OR NATURAL GAS SERVICE, INCLUDING, BUT NOT LIMITED TO,
25 METER TAMPERING, BYPASSING, AND SERVICE RESTORATION BY ANYONE OTHER
26 THAN THE UTILITY OR ITS REPRESENTATIVE.

27 (G) "UTILITY" MEANS AN ELECTRIC OR NATURAL GAS UTILITY

1 REGULATED BY THE PUBLIC SERVICE COMMISSION.