

SENATE BILL No. 1310

April 29, 2010, Introduced by Senators HUNTER, OLSHOVE, WHITMER, JACOBS, SWITALSKI, ANDERSON, BARCIA, GLEASON, BRATER, CHERRY, PRUSI, PATTERSON, BIRKHOLZ, KUIPERS, BROWN, NOFS and RICHARDVILLE and referred to the Committee on Judiciary.

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:

SEC. 9D. (1) IF A UTILITY OBSERVES AN UNSAFE UTILITY SERVICE

1 CONNECTION AT A CUSTOMER'S LOCATION CAUSED BY UNAUTHORIZED USE OF
2 UTILITY SERVICE, THE UTILITY SHALL IMPLEMENT MEASURES CONSISTENT
3 WITH GOOD UTILITY PRACTICES INTENDED TO CURE OR OTHERWISE ADDRESS
4 THE UNSAFE CONNECTION AND MAY TAKE APPROPRIATE ACTION TO DETER
5 FUTURE UNAUTHORIZED USE OF UTILITY SERVICES AT THAT LOCATION,
6 INCLUDING INSTALLATION OF ADDITIONAL UTILITY FACILITIES.

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

14 (3) A UTILITY SHALL REESTABLISH UTILITY SERVICE AT A CUSTOMER
15 LOCATION IF THE PERSON REQUESTING SERVICE DOES 1 OF THE FOLLOWING:

16 (A) PROVES THAT THE PERSON IS THE LEGAL OWNER OF THE PROPERTY
17 BY PROVIDING PROPERTY OWNERSHIP INFORMATION AND AGREES TO PAY FOR
18 THE ACTUAL COST TO REPAIR THE UTILITY'S EQUIPMENT AND FACILITIES
19 LOCATED ON THE OWNER'S PROPERTY, ALL FEES AND DEPOSITS REQUIRED
20 UNDER THE UTILITY'S APPROVED SCHEDULE OF RATES AND TARIFFS, AND ALL
21 CHARGES DUE TO THE UTILITY FOR THE PRIOR UNAUTHORIZED USE THAT
22 OCCURRED DURING HIS OR HER OWNERSHIP.

23 (B) PROVES THAT THE PERSON IS THE LEGAL OWNER OF THE PROPERTY
24 BY PROVIDING PROPERTY OWNERSHIP INFORMATION AND PROVIDES A SIGNED
25 LEASE AGREEMENT THAT HAS BEEN CERTIFIED BY THE LANDLORD THAT
26 ESTABLISHES THE IDENTITY OF THE TENANT RESPONSIBLE FOR THE PRIOR
27 UNAUTHORIZED USE.

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

11 (5) IF A PERSON REQUESTING SERVICE CANNOT PROVIDE PROPERTY
12 OWNERSHIP INFORMATION, A UTILITY MAY REESTABLISH SERVICE IF THE
13 PERSON CAN PROVIDE ALL OF THE FOLLOWING:

14 (A) RESIDENCY INFORMATION.

15 (B) ALL DOCUMENTATION, FEES, AND DEPOSITS REQUIRED BY R
16 460.106, R 460.109, R 460.110, AND R 460.144 OF THE MICHIGAN
17 ADMINISTRATIVE CODE.

18 (C) PAYMENT OF ANY ADDITIONAL FEE FOR REESTABLISHING UTILITY
19 SERVICE AT A LOCATION WITH MULTIPLE PRIOR OCCURRENCES OF
20 UNAUTHORIZED USE AS SPECIFIED IN THE UTILITY'S APPROVED SCHEDULE OF
21 RATES AND TARIFFS.

22 (6) A PROPERTY OWNER SHALL PROVIDE NOTICE TO A UTILITY WITHIN
23 30 DAYS AFTER THE OWNER ABANDONS OR SURRENDERS A PROPERTY. IF A
24 PROPERTY OWNER DOES NOT PROVIDE NOTICE TO THE UTILITY WITHIN 30
25 DAYS AFTER THE PROPERTY OWNER'S ABANDONMENT OR SURRENDER OF A
26 PROPERTY, THAT PROPERTY OWNER IS LIABLE, JOINTLY AND SEVERALLY, FOR
27 ANY UNAUTHORIZED USE THAT OCCURS AT THE PROPERTY AFTER THE OWNER'S

1 ABANDONMENT OR SURRENDER OF THE PROPERTY.

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

10 (8) AS USED IN THIS SECTION:

11 (A) "BY-PASSING" MEANS UNMETERED SERVICE THAT FLOWS THROUGH A
12 DEVICE CONNECTED BETWEEN A SERVICE LINE AND CUSTOMER-OWNED
13 FACILITIES.

14 (B) "METER TAMPERING" MEANS ANY ACT THAT AFFECTS THE PROPER
15 REGISTRATION OF SERVICE THROUGH A METER AND AFFECTS THE FLOW OF
16 ENERGY.

17 (C) "POSITIVE IDENTIFICATION INFORMATION" MEANS A DRIVER'S
18 LICENSE OR IDENTIFICATION CARD ISSUED BY THIS OR ANOTHER STATE, A
19 MILITARY IDENTIFICATION CARD, A PASSPORT, OR OTHER GOVERNMENT-
20 ISSUED IDENTIFICATION CONTAINING A PHOTOGRAPH.

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

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

26 (i) POSITIVE IDENTIFICATION INFORMATION.

27 (ii) A SIGNED LEASE AGREEMENT THAT HAS BEEN CERTIFIED BY THE

1 LANDLORD FOR THE LOCATION WHERE UTILITY SERVICE IS BEING REQUESTED.

2 (iii) ANY FIRST-CLASS MAIL SENT TO THE PERSON REQUESTING UTILITY
3 SERVICE WITHIN THE LAST 3 MONTHS AT THAT PERSON'S PREVIOUS
4 RESIDENCE.

5 (F) "UNAUTHORIZED USE OF UTILITY SERVICE" OR "UNAUTHORIZED
6 USE" MEANS THEFT, FRAUD, INTERFERENCE, OR DIVERSION OF SERVICE,
7 INCLUDING, BUT NOT LIMITED TO, METER TAMPERING, BY-PASSING, AND
8 SERVICE RESTORATION BY ANYONE OTHER THAN THE UTILITY OR ITS
9 REPRESENTATIVE.