

Administrative Rule Analysis



BILLING PRACTICES APPLICABLE TO NON-RESIDENTIAL ELECTRIC AND GAS CUSTOMERS

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CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND NATURAL GAS SERVICE

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<http://www.house.mi.gov/hfa>

Rule Set Nos.:2014-037 and 2014-038 LR
Submitted to JCAR on: 07/21/2017

Department: Licensing and Regulatory Affairs

Agency: Michigan Public Service Commission

Enabling Statute: Executive Organization Act, 1965 PA 380, MCLs 460.557, 460.55 460.4, and 460.6 462.2(12) et seq.

Analysis Complete to: 08/08/2017

BACKGROUND AND SUMMARY OF PROPOSED RULES

Rule sets 2014-037 LR and 2014-038 LR would amend, adopt, and rescind numerous rules that apply to the actions of regulated utilities. The rules establish standards covering a variety of areas, including: application for utility service, reading and estimates of metering, billing errors, disconnection and restoration of utility service, consumer complaints, energy assistance and shutoff protection programs, and payment plans/settlement agreements. Changes to existing rules are included to address issues including data privacy, metering technologies, unauthorized use of utility service, and utility payment plans. The following are important changes that would be made by the rule sets:

- Inclusion of a requirement that a utility not deprive a customer of the benefit of a lower tiered rate, when estimated reads are utilized
- Expansion of notice requirements for utilities that estimate meter reads
- Inclusion of requirement that utilities have a data privacy tariff so that personal customer information will not be shared with third-parties without the customer's knowledge or consent
- Customers would be allowed to participate in customer hearing via telephone or other electronic media
- Reduction on the percentage of interest that utilities must pay on customer deposits and billing errors from 7% to 5% per annum
- Shutoff protections for critical care customers
- Updates to rules regarding responsibility for unauthorized use of utility service

FISCAL IMPACT OF PROPOSED RULES

Neither rule set would be expected to have any significant fiscal impact on any units of state or local government.

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