

	City of Bay City Administrative Policy: Utility Shutoff Policy	
	Approval Date: October 17, 2011	Initial Date: 10/04/2010
	City Manager: <i>Robert V. Belleman</i>	Director: <i>Phil Newton</i>
		Pages: 1 of 6

1. Purpose:

- 1.1. This policy allows for extreme winter temperatures to be considered when determining if electric shutoffs should occur and provide additional protection for our customers. As well as, offer City staff additional clarification when determining the suspension of utility services.

2. Scope:

- 2.1. This policy shall be applicable to all City of Bay City Utility customers.

3. Responsibility:

- 3.1. The Director of Electric shall oversee compliance with this policy by the employee of the Electric Utility.

4. Policy:

- 4.1. The Electric Utility shall not use an electric service limiter. [This Rule may be reevaluated after the Michigan Public Service Commission issues an order that establishes uniform standards for the use of electric service limiters.]
- 4.2. A Utility shall refund any late fees, fines, or payments related to a shutoff or resumption of service if those late fees, fines, or payments were improperly assessed because of the failure to provide notice as required by these Rules.
- 4.3. Notwithstanding other requirements of this Rule, service may be shut off temporarily for reasons of health or safety or in a state or national emergency. When service is shut off for reasons of health or safety, the Utility shall leave a notice at the premises.
- 4.4. The Utility may shut off or terminate service to a residential customer for any of the following reasons:
- 4.4.1. The customer has not paid a delinquent account.
 - 4.4.2. The customer has failed to provide a deposit or guarantee as required.
 - 4.4.3. The customer has engaged in unauthorized use of the utility's service.
 - 4.4.4. The customer has failed to comply with the terms and conditions of a Payment Plan, a Winter Protection Payment Plan, or a Critical Care Customer and Medical Emergency Agreement.
 - 4.4.5. The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.
 - 4.4.6. The customer misrepresented his or her identity for the purpose of obtaining service or put service in another person's name.
 - 4.4.7. The customer has violated any rules of the Utility so as to adversely affect the safety of the customer or other persons or the integrity of the system.

- 4.4.8. A person living in the customer's residence meets both of the following:
 - 4.4.8.1. Has a delinquent account for service with the Utility that remains unpaid.
 - 4.4.8.2. The customer lived in the person's residence when all or part of the debt was incurred. This subdivision does not apply if the customer was a minor while living in the person's residence.
- 4.4.9. Where service is being paid for by someone other than the occupant, the Utility may shut off or terminate service where any of the following circumstances are present:
 - 4.4.9.1. If the customer supplies a written notarized statement that the premises are unoccupied.
 - 4.4.9.2. If the premises are occupied and the occupant agrees, in writing, to the shut off of service.
 - 4.4.9.3. If it is not feasible to provide service to the occupant as a customer without a major revision of existing distribution facilities.
 - 4.4.9.4. If it is feasible to provide service to the occupant as a customer without a major revision of existing distribution facilities and the occupant refuses to put the account in his or her name.
- 4.4.10. In order to avoid a previously noticed shut off the customer issued a non-sufficient check, issued a check from a closed account, issued a check and then stopped payment, or authorized an electronic funds transfer which was rejected or declined by their banking institution.
- 4.5. Subject to applicable third-party consent, a customer will be permitted to designate a third party to receive bill notifications, including shutoff notices, on the customer's behalf. Such notices may be provided to both the designated third party and the customer.
- 4.6. The Utility shall supply information regarding the following to customers at least two (2) times a year:
 - 4.6.1.1. The energy assistance telephone line number at the Michigan Department of Human Services or an operable 2-1-1 system telephone number.
 - 4.6.1.2. Medical Emergency and Critical Care Protections provided in these Rules.
 - 4.6.1.3. Military shutoff protections pursuant to MCL 460.9c.
 - 4.6.1.4. Low income protections provided in these Rules.
 - 4.6.1.5. Senior citizen protections provided in these Rules.
 - 4.6.2. The information required under Subsection (A) may be supplied in or on a customer's bill, in a bill insert, in a newsletter issued to customers, a public forum, newspaper announcement, an electronic communication, or in any other manner approved by the governing body of the Utility.
- 4.7. The Utility shall, at least once per year, attempt to identify senior citizen customers by at least one (1) of the following methods:
 - 4.7.1. Conducting customer interviews.
 - 4.7.2. Obtaining information from a consumer reporting agency or consumer reporting service.
 - 4.7.3. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - 4.7.4. First class mail.
 - 4.7.5. A personal visit to the customer.

- 4.7.6. A written notice left at or on the customer's door.
- 4.7.7. On a bill or in a bill insert.
- 4.8. Service shall not be shut off unless a notice is sent to the customer by first class mail or is personally served not less than ten (10) days before the date of the proposed shutoff. A record of the date the notice was sent shall be maintained.
- 4.9. A notice of shutoff shall contain all of the following information:
 - 4.9.1. The name and address of the customer, and the address at which service is provided, if different.
 - 4.9.2. A clear and concise statement of the reason for the proposed shutoff of service.
 - 4.9.3. The date on or after which service may be shut off unless the customer takes appropriate action.
 - 4.9.4. That the customer has the right to enter into a payment plan.
 - 4.9.5. The telephone number and address where the customer may make inquiry or file a complaint.
 - 4.9.6. Shutoff may be postponed if it can be documented that there is a certified Medical Emergency at the customer's residence.
 - 4.9.7. Shutoff may be postponed during the heating season if the customer is an eligible low-income customer that enters into a Winter Protection Payment Plan and provides documentation that they are actively seeking emergency assistance from an emergency assistance program.
 - 4.9.8. The energy assistance telephone line number at the Michigan Department of Human Services or an operable 2-1-1 system telephone number.
- 4.10. For an involuntary shut off, at least one attempt, in addition to the notice provided in Section 4.8, shall be made one or more days before the shutoff of the service to contact the customer by one (1) or more of the following methods:
 - 4.10.1. A personal or automated telephone call where direct contact is made with a member of the Customer's household or a message is recorded on an answering machine or voice mail.
 - 4.10.2. First-class mail.
 - 4.10.3. A personal visit to the customer.
 - 4.10.4. A written notice left at or on the customer's door.
- 4.11. All attempts to contact the customer under Section 4.10 shall be documented.
- 4.12. Service may be shut off to a customer on the date specified in the notice of the shutoff or within ten (10) business days following that date. If service is not shut off and a subsequent notice is sent, then service shall not be shut off before the date specified in the subsequent notice. Shut off shall occur only between the hours of 8 a.m. and 3 p.m., but not later than 2 hours before the close of business.
- 4.13. Service shall not be shut off on a day, or a day immediately preceding a day, when services cannot be restored.
- 4.14. Not later than two hours before the close of the utility's business on the day service is shut off, a notice shall be left at the customer's residence stating that service has been shut off and providing the address and telephone number where the customer may arrange to have service restored. Alternatively, a contact by telephone may be made with an adult who identifies himself or herself as a person living at the residence providing the same information within the same time frame.
- 4.15. No later than three (3) business days after shutting off service to an eligible senior citizen customer, the Utility shall make at least two attempts to contact that customer to advise the customer of the actions that the customer must take to have his or her service restored.

- 4.15.1. The following notification methods may be used to contact the customer:
 - 4.15.1.1. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - 4.15.1.2. First-class mail.
 - 4.15.1.3. A personal visit to the customer.
 - 4.15.1.4. A written notice left at or on the customer's door.
 - 4.15.1.5. Any other method approved by the governing body of the utility.
- 4.15.2. A communication described in Subsection 4.15.1.13 or 4.15.1.14 made on the day of disconnection meets the requirements of this Rule.
- 4.15.3. A message left on an answering machine or voice mail or a written notice left at or on a customer's door must include a toll free or local telephone number indicating that it may be used to contact a representative of the Utility regarding restoration of service.
- 4.15.4. The notice requirement of this section may be met with regard to a senior citizen customer by, within three (3) business days of shutting off service, making a documented referral of that customer to a social service or government agency.
- 4.16. After the customer has paid any arrearage or has agreed to an acceptable payment plan the Utility shall make reasonable efforts to restore service on the day the customer requests restoration. Except for reasons beyond the control of the Utility, the service shall be restored not later than the first working day after the customer's request.
- 4.17. A charge may be assessed for restoring service.

COOLING SEASON SHUTOFFS

- 4.18. Each morning, the temperature forecast from the (National Weather Service or another recognized source) will be reviewed. If the temperature forecast for the current day or the following day is 95 degrees or greater, eligible senior citizen customers will not be disconnected on the current day. For Fridays, customers will not be disconnected if the forecast is for 95 degrees or greater for Friday, Saturday or Sunday.
- 4.19. The Utility may utilize additional weather factors in determining to suspend shut-offs in the cooling season at a temperature below the threshold set forth in section 18.

HEATING SEASON SHUTOFFS

- 4.20. The Utility shall not shut off service to an eligible customer during the heating season for nonpayment of a delinquent account:
 - 4.20.1. If the customer is an eligible senior citizen customer or;
 - 4.20.2. If an eligible low income customer has entered into a Winter Protection Payment Plan.
- 4.21. Winter Protection Plan payments will be made during the Heating Season as defined under "Heating Season" definition shall be equal to:
 - 4.21.1. A monthly amount equal to 7% of the estimated annual bill for the eligible low income customer and/or;
 - 4.21.2. An alternative payment plan if the eligible low income customer has applied for state or federal heating assistance within 14 days of requesting shutoff protection. If an arrearage exists at the time an eligible low income customer applies for protection from shut off of service during the heating season, the customer may be permitted to

pay the arrearage in equal monthly installments between the date of application and the start of the subsequent heating season. During the heating season the Winter Protection Payment Plan will require the eligible low income customer to pay any past due amount in equal payments from the date of the application to the start of the next heating season. For the remainder of the heating season the customer will also pay a monthly amount equal to 7% of the estimated annual bill. After the heating season the Utility will apply any over collection to the bill. Any under collection will result in a true-up of the equal payments due through the start of the next heating season. In addition to the past due payments, the customer will have to pay the current bills in full each month.

- 4.22. If an eligible low income customer fails to comply with the terms and conditions of a winter protection payment plan, or if the customer fails to pay a monthly installment on a preexisting arrearage, service may be shut off after giving the customer a notice, by personal service, or first class mail, that contains all of the following information:
- 4.22.1. That the customer has defaulted on a winter protection payment plan or has failed to pay a monthly installment on a preexisting arrearage.
 - 4.22.2. The nature of the default.
 - 4.22.3. That unless the customer makes the payments that are past due within ten (10) days of the date of mailing, service will be shut off.
 - 4.22.4. That date on or after which service will be shut off, unless the customer takes appropriate action.
 - 4.22.5. That the customer may dispute the claim in writing before the date of the proposed shutoff of service.
 - 4.22.6. That the utility will not shut off service pending the resolution of a dispute.
 - 4.22.7. The telephone number and address where the customer may make inquiry or file a complaint.
 - 4.22.8. The energy assistance telephone line number at the Michigan Department of Human Services or an operable 2-1-1 system telephone number.
 - 4.22.9. That the shut off will be postponed if a medical emergency exists at the customer's residence.
 - 4.22.10. That a deposit and restoration charge may be required if the utility shuts off service for nonpayment of a delinquent account.
- 4.23. The Utility may utilize all weather factors in determining to suspend shut-offs in the heating season.

SHUTOFF OF CRITICAL CARE CUSTOMERS OR MEDICAL EMERGENCY

- 4.24. Shutoff shall be postponed for not more than 21 days if the customer or a member of the customer's household is a critical care customer or has a certified medical emergency. The customer's certification shall identify any qualifying medical or life-supporting equipment being used, and the specific time period during which the shutoff of service will aggravate the medical emergency. Shut off may be extended for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days, only if the customer provides additional certification that the customer or a member of the customer's household remains a critical care customer or has a certified medical emergency. If shutoff of service has occurred without any postponement being obtained, the service shall be restored for not more than 21 days, and shall continue for further periods of not more than 21 days, not to exceed a total of 63 days in any 12-

month period per household member. Annually, shutoff extensions totaling more than 126 days per household will not be given.

- 4.25. These Rules shall be part of the terms and conditions of the contract for service between the Utility and the customer.

5. References:

Number	Description

6. Revision Summary:

Revision Date	Description
October 17, 2011	To allow extreme winter temperatures to be considered when determining if electric shutoffs should occur

7. Definitions:

“Critical care customer” means a customer who requires, or has a household member who requires, home medical equipment or a life support system, and who has provided appropriate documentation from a physician or medical facility to the Utility identifying the medical equipment or life-support system and certifying that an interruption of service would be immediately life threatening.

“Electric service limiter” means an electric meter or device used in conjunction with an electric meter that automatically interrupts all electric service to a customer without intervening direction from the Utility when a utility-imposed peak usage limit is exceeded.

“Eligible low income customer” means a customer whose household income does not exceed 150% of the poverty level, as published by the United States Department of Health and Human Services, or who receives any of the following:

- (i) Assistance from a state emergency relief program.
- (ii) Food stamps.
- (iii) Medicaid.

“Eligible senior citizen customer” means a customer who is 65 years of age or older and who advises the Utility of his or her eligibility.

“Heating season” means November 1 through March 31.

“Medical emergency” means the existence of a medical condition of the customer or a member of the customer’s household, certified by a physician or public health official on official stationery, which will be aggravated by the lack of utility service.

“Senior citizen customer” means a customer of the Utility who is 65 years of age or older.