

TITLE 4: ECONOMIC RESOURCES
DIVISION 8: UTILITIES

§ 8144. Disconnection of Utility Services.

(a) Offset security deposit.

(1) Prior to the disconnection of utility services, the security deposit of residential and commercial customers shall be used to offset amount past due for utility services.

(2) CUC shall establish by regulation procedures for the restoring, within a reasonable period of time, of security deposits, should such security deposits be used to offset a customer's past-due accounts.

(b) CUC shall not disconnect the utility services of a residential or commercial customer before the disconnection date.

(c) CUC shall not disconnect the utility services of a customer if the customer is actively disputing a billing statement.

(d) CUC shall not disconnect all utility services (electrical power, water, and sewer) of a residential or commercial customer if the customer is only delinquent in the payment of one utility service.

(e) CUC shall be liable for all reconnection fees and costs if the Corporation disconnects a residential or a commercial customer in violation of any provision of this section.

Source: PL 15-122 § 2; repealed and reenacted by PL 16-17 § 10(8144); subsections (a)(1), (b), (d), and (e) amended by PL 18-39 § 2 (Mar. 21, 2014), modified.

Commission Comment: Public Law 15-122 enacted by override on December 5, 2007. PL 15-122 contained severability and savings clause provisions and the following:

Section 1. Findings and Purpose. The Legislature finds that the Commonwealth Utilities Corporation's ("CUC") present schedule of electric charges and rates has resulted in the disconnection of power of many residential consumers. The Legislature finds that many of CUC's disconnection, reconnection, and security deposit practices has created further hardships and undue burdens on residential consumers. For example, CUC has disconnected consumers: (1) without the benefit of offsetting their security deposits, (2) before the disconnection date, (3) who are disputing their billing statement, and (4) who are recipients of utility assistance from the Department of Community and Cultural Affairs. Even more egregious is that CUC has disconnected all utility services (water, power, and sewer) of some delinquent consumers even though a consumer is only delinquent in the payment of one particular utility.

The Legislature further finds that the present reconnection fees charged by CUC to their delinquent residential consumers may be unreasonable. The present reconnection fee of \$75.00 for power has been in place since 1996. There have been numerous technological advances that

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should make reconnecting power to consumers very cost effective and economical. The reconnection fees charged by CUC should not be greater than the actual cost of reconnecting customers.

During these difficult times, the Legislature finds that CUC must be more flexible in its business practices to the extent necessary to remove additional and unnecessary burdens on residential consumers. Therefore, the purpose of this legislation is to regulate the disconnection and reconnection of utility services by CUC.

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Section 3. Enforcement. The Consumer Counsel designated within the Office of the Attorney General, as mandated by Public Law 6-46, shall be responsible for the enforcement of this Act.

PL 18-39 (Mar. 21, 2014) contained, in addition to savings and severability clauses, the following Findings and Purpose section:

Section 1. Findings and Purpose. The Legislature finds that, in addition to the high utility rates charged by the Commonwealth Utilities Corporation, the reconnection fees for electrical and water services imposed by the CUC is a burden to residential customers. The Legislature acknowledges that all residential customers who get disconnected from electrical or water service or both for nonpayment of their utility bills, find it a great financial burden to pay high reconnection fees and at the same time pay remaining balance and then keep their accounts current. The Legislature also finds that the current reconnection of power or water services is much simpler and thus takes less time.

The purpose of this Act is to reduce the reconnection fees currently charged by the Commonwealth Utilities Corporation and to amend 4 CMC § 8144 to include commercial customers pertaining to reconnection of utility services.