COMMITTEE AMENDMENT AMENDED AND ADOPTED

May 26, 2010

**H. 4448**

Introduced by Reps. Sandifer, Agnew, Duncan, M.A. Pitts, Neilson, Brady, Gunn, Lowe, Funderburk, Hardwick, Mitchell, Hearn, Pinson, Bales, Clemmons, Toole, D.C. Moss, Ballentine, Willis, Huggins, Long, Simrill, H.B. Brown, Kirsh, Forrester, Rice, Anderson, D.C. Smith, Nanney, Vick, Stewart, T.R. Young, Bowers, Allen, V.S. Moss, Whitmire, Littlejohn, G.R. Smith, Hayes, Cobb‑Hunter, J.R. Smith, Brantley, Gambrell, King, Viers, Bannister, Dillard, Ott, Jefferson, Herbkersman, Allison, Wylie, R.L. Brown, Whipper, Weeks and Hodges

S. Printed 5/26/10--S.

Read the first time March 2, 2010.

**A** **BILL**

TO AMEND SECTION 58‑5‑380 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO AUTHORIZE GAS UTILITIES TO IMPLEMENT PREPAYMENT PROGRAMS FOR RESIDENTIAL CUSTOMERS IN SUCH A MANNER THAT WILL PROMOTE ENERGY EFFICIENCY AND CONSERVATION BY FACILITATING CONSUMER AWARENESS OF ENERGY USE AND THE CONSERVATION OF ENERGY RESOURCES AND TO ALLOW THE GAS UTILITIES TO INTERRUPT SERVICE WHEN THE PREPAID ACCOUNT BALANCE IS ZERO; TO AMEND CHAPTER 27, TITLE 58 OF THE CODE OF LAWS, SO AS TO AUTHORIZE ELECTRIC UTILITIES TO IMPLEMENT PREPAYMENT PROGRAMS FOR RESIDENTIAL CUSTOMERS IN SUCH A MANNER THAT WILL PROMOTE ENERGY EFFICIENCY AND CONSERVATION BY FACILITATING CONSUMER AWARENESS OF ENERGY USE AND THE CONSERVATION OF ENERGY RESOURCES AND TO ALLOW THE UTILITIES TO INTERRUPT SERVICE WHEN THE PREPAID ACCOUNT BALANCE IS ZERO; TO AMEND CHAPTER 31, TITLE 58 OF THE CODE OF LAWS, SO AS TO AUTHORIZE THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY TO IMPLEMENT PREPAYMENT PROGRAMS FOR RESIDENTIAL CUSTOMERS IN SUCH A MANNER THAT WILL PROMOTE ENERGY EFFICIENCY AND CONSERVATION BY FACILITATING CONSUMER AWARENESS OF ENERGY USE AND THE CONSERVATION OF ENERGY RESOURCES AND TO ALLOW THE PUBLIC SERVICE AUTHORITY TO INTERRUPT SERVICE WHEN THE PREPAID ACCOUNT BALANCE IS ZERO; TO AMEND CHAPTER 49, TITLE 33 OF THE CODE OF LAWS, SO AS TO AUTHORIZE ELECTRIC COOPERATIVES TO IMPLEMENT PREPAYMENT PROGRAMS FOR RESIDENTIAL CUSTOMERS IN SUCH A MANNER THAT WILL PROMOTE ENERGY EFFICIENCY AND CONSERVATION BY FACILITATING CONSUMER AWARENESS OF ENERGY USE AND THE CONSERVATION OF ENERGY RESOURCES AND TO ALLOW THE ELECTRIC COOPERATIVES TO INTERRUPT SERVICE WHEN THE PREPAID ACCOUNT BALANCE IS ZERO; AND TO AMEND CHAPTER 31, TITLE 5 OF THE CODE OF LAWS, SO AS TO AUTHORIZE MUNICIPAL ELECTRIC AND GAS SYSTEMS TO IMPLEMENT PREPAYMENT PROGRAMS FOR RESIDENTIAL CUSTOMERS IN SUCH A MANNER THAT WILL PROMOTE ENERGY EFFICIENCY AND CONSERVATION BY FACILITATING CONSUMER AWARENESS OF ENERGY USE AND THE CONSERVATION OF ENERGY RESOURCES AND TO ALLOW THE SYSTEMS TO INTERRUPT SERVICE WHEN THE PREPAID ACCOUNT BALANCE IS ZERO.

Whereas, there are various factors putting upward pressure on the price of electricity and natural gas, and those factors are likely to increase in the foreseeable future; and

Whereas, improvement of residential energy efficiency and conservation can protect South Carolina electricity and natural gas consumers from these price increases; and

Whereas, the implementation of energy efficiency and conservation measures in South Carolina residences will benefit not only the residents of the homes in which such measures are installed, but will benefit all residents of South Carolina by reducing the need for new and expensive sources of electricity generation; and

Whereas, consumer awareness of energy use is now, and has been, an impediment to increased efforts to make consumers more energy efficient; and

Whereas, South Carolina electricity providers and natural gas providers are in a position to assist their customers with the installation and financing of energy efficiency and conservation measures, provided that appropriate procedures are followed providing for the installation of such measures and the recovery of the cost of such measures. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 58‑5‑380 of the 1976 Code is amended to read:

“Section 58‑5‑380. ~~No utility company, the South Carolina Public Service Authority, any electric cooperative, nor municipality may~~ (A) Except as provided in subsections (B) and (C) of this section, a gas utility must not interrupt ~~electric or~~ gas ~~hearing~~ service to any residential customer for nonpayment of a bill until twenty‑five days have elapsed from the date of billing.

(B) A gas utility may interrupt natural gas service to any residential customer who has voluntarily enrolled in a prepay program if the prepay program allows the customer to monitor his consumption of natural gas and his account balance on a daily basis and the balance of that customer’s prepay account is zero, provided that the following conditions are met: (1) at the time the residential customer enrolls in the prepay program, the residential customer is informed and agrees that his natural gas service may be interrupted when the balance of his prepay account reaches zero; (2) natural gas service must not be interrupted before 10:00 a.m. on the next business day following an attempt by the gas utility to give the customer notice of the impending interruption by telephone or electronically; and (3) service must not be interrupted except during hours when the gas utility, or an agent, is accepting cash payments.

(C) A prepay program established by a gas utility shall be subject to approval by the commission prior to implementation. Any interruption of natural gas service under an approved prepay program shall be governed by the terms of this section and the provisions of the prepay account agreement. A prepay program approved by the commission under this subsection must allow the utility to interrupt service when the balance of the customer’s prepay account is zero and the conditions set out in subsection (B) are met. Upon a showing of good cause, the commission may allow alternative compliance with the requirement of subsection (B) regarding the ability of the customer to monitor his consumption and account balance on a daily basis, if such compliance provides consumer information and protections similar to that required in subsection (B).

(D) Nothing contained herein shall be construed so as to relieve a gas utility of the requirements of Act 313 of 2006.

(E) Any person aggrieved by a violation of this section may petition the courts of this State for redress in accordance with applicable law ~~and notwithstanding Section 58‑27‑210, the Public Service Commission shall have no jurisdiction over any electric cooperative or municipality by reason of this section~~.”

SECTION 2. Chapter 27, Title 58 of the 1976 Code is amended by adding:

“Section 58‑27‑250. (A) Except as provided in subsections (B) and (C) of this section, an electrical utility must not interrupt electric service to any residential customer for nonpayment of a bill until twenty‑five days have elapsed from the date of billing.

(B) An electrical utility may interrupt electric service to any residential customer who has voluntarily enrolled in a prepay program if the prepay program allows the customer to monitor his consumption of electricity and his account balance on a daily basis and the balance of that customer’s prepay account is zero, provided that the following conditions are met: (1) at the time the residential customer enrolls in the prepay program, the residential customer is informed and agrees that his electric service may be interrupted when the balance of his prepay account reaches zero; (2) electric service must not be interrupted before 10:00 a.m. on the next business day following an attempt by the electrical utility to give the customer notice of the impending interruption by telephone or electronically; and (3) electric service must not be interrupted except during hours when the electrical utility, or an agent, is accepting cash payments.

(C) A prepay program established by an electrical utility shall be subject to approval by the Public Service Commission of South Carolina prior to implementation. Any interruption of electric service under an approved prepay program shall be governed by the terms of this section and the provisions of the prepay account agreement. A prepay program approved by the Public Service Commission under this subsection must allow the utility to interrupt service when the balance of the customer’s prepay account is zero and the conditions set out in subsection (B) are met. Upon a showing of good cause, the commission may allow alternative compliance with the requirement of subsection (B) regarding the ability of the customer to monitor his consumption and account balance on a daily basis, if such compliance provides consumer information and protections similar to that required in subsection (B).

(D) Nothing contained herein shall be construed so as to relieve an electrical utility of the requirements of Act 313 of 2006.

(E) Any person aggrieved by a violation of this section may petition the courts of this State for redress in accordance with applicable law.”

SECTION 3. Chapter 31, Title 58 of the 1976 Code is amended by adding:

“Section 58‑31-460. (A) Except as provided in subsection (B) of this section, the Public Service Authority must not interrupt electric service to any residential customer for nonpayment of a bill until twenty‑five days have elapsed from the date of billing.

(B) The Public Service Authority may interrupt electric service to any residential customer who has voluntarily enrolled in a prepay program if the prepay program allows the customer to monitor his consumption of electricity and his account balance on a daily basis and the balance of that customer’s prepay account is zero, provided that the following conditions are met: (1) at the time the residential customer enrolls in the prepay program, the residential customer is informed and agrees that his electric service may be interrupted when the balance of his prepay account reaches zero; (2) electric service must not be interrupted before 10:00 a.m. on the next business day following an attempt by the Public Service Authority to give the customer notice of the impending interruption by telephone or electronically; and (3) service must not be interrupted except during hours when the Public Service Authority is accepting cash payments. For purposes of this subsection, a business day is any day in which the Public Service Authority, or an agent, is accepting cash payments.

(C) Any person aggrieved by a violation of this section may petition the courts of this State for redress in accordance with applicable law.”

SECTION 4. Chapter 49, Title 33 of the 1976 Code is amended by adding:

“Section 33-49-255. (A) Except as provided in subsection (B) of this section, an electric cooperative must not interrupt electric service to any residential customer for nonpayment of a bill until twenty‑five days have elapsed from the date of billing.

(B) An electric cooperative may interrupt electric service to a residential customer who has voluntarily enrolled in a prepay program if the prepay program allows the customer to monitor his consumption of electricity and his account balance on a daily basis and the balance of that customer’s prepay account is zero, provided that the following conditions are met: (1) at the time the residential customer enrolls in the prepay program, the residential customer is informed and agrees that his electric service may be interrupted when the balance of his prepay account reaches zero; (2) electric service must not be interrupted before 10:00 a.m. on the next business day following an attempt by the electric cooperative to give the customer notice of the impending interruption by telephone or electronically; and (3) service must not be interrupted except during hours when the electric cooperative is accepting cash payments. For purposes of this subsection, a business day is any day in which the electric cooperative, or an agent, is accepting cash payments.

(C) Nothing contained herein shall be construed so as to relieve an electric cooperative of the requirements of Act 313 of 2006.

(D) Any person aggrieved by a violation of this section may petition the courts of this State for redress in accordance with applicable law and notwithstanding Section 58‑27‑210, the Public Service Commission shall have no jurisdiction over an electric cooperative by reason of this section.”

SECTION 5. Chapter , Title 5 of the 1976 Code is amended by adding:

“Section 5-31-690. (A) Except as provided in subsection (B) of this section, a municipality must not interrupt electric or gas service to any residential customer for nonpayment of a bill until twenty‑five days have elapsed from the date of billing.

(B) A municipality may interrupt electric or natural gas service to any residential customer who has voluntarily enrolled in a prepay program if the prepay program allows the customer to monitor his consumption of electricity or natural gas and his account balance on a daily basis and the balance of that customer’s prepay account is zero, provided that the following conditions are met: (1) at the time the residential customer enrolls in the prepay program, the residential customer is informed and agrees that his electric or natural gas service may be interrupted when the balance of his prepay account reaches zero; (2) electric or natural gas service must not be interrupted before 10:00 a.m. on the next business day following an attempt by the municipality to give the customer notice of the impending interruption by telephone or electronically; and (3) electric or natural gas service must not be interrupted except during hours when the municipality is accepting cash payments. For purposes of this subsection, a business day is a day in which the municipality, or an agent, is accepting cash payments.

(C) Nothing contained herein shall be construed so as to relieve a municipality of the requirements of Act 313 of 2006.

(D) Any person aggrieved by a violation of this section may petition the courts of this State for redress in accordance with applicable law and notwithstanding Section 58‑27‑210, the Public Service Commission shall have no jurisdiction over a municipality by reason of this section.”

SECTION 6. This act takes effect upon approval by the Governor.

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