

**DTE Electric Company & DTE Gas Company  
Improper Shutoff Staff Report  
Case No. U-18486**

**Prepared by the Staff of the Michigan Agency for Energy**

**February 21, 2018**

On December 29, 2018, the Michigan Public Service Commission (Commission) issued an order in Case No. U-18486 opening an investigation into DTE Electric Company's and DTE Gas Company's (DTE collectively) shutoff and billing practices. DTE filed its original plan to the Commission on January 22, 2016 and an amended report on January 29, 2018. Appendix A of this report provides supplemental questions clarifying specific areas in the report. Also, during this time frame Staff continued to work with DTE through various communication methods developing an understanding of the company's processes.

## **Overview**

The order outlines the investigation into DTE's improper shutoff practices from 2016 to present. Staff has observed unsatisfactory performance regarding improper shut-off notifications to customers ultimately resulting in service being disconnected and the length of time for these affected customers to have service restored. Under R 460.137 (arrange access), R 460.1624 and R 460.138 (now R 460.139 notice of shutoff: 10-day), R 460.139 (now R 460.140 form of notice - open complaint), R 460.141 (now R 460.139 manner of shutoff: 5-day or 1-day notice), R 460.1626 and R 460.141 (now R 460.143 shutoff with remote and restoration) and R 460.144 (restoration) of the Commission's Consumer Standards And Billing Practices For Electric And Gas Residential Service and the Commission's Billing Practices Applicable to Non-Residential Electric and Gas Customers<sup>1</sup> (jointly referred to as the "Billing Rules"), "not less than 10 days before the proposed shutoff of service ... a utility shall send a notice to the customer by first-class mail, or personal service." This ruleset also states that "the utility shall make not less than 2 attempts to contact the customer ... the utility shall either leave a notice at the premises advising the customer that service will be shut off on or after the next business day or send notice by first-class mail postmarked at least 5 days before shutoff of service is scheduled."

## **Staff Findings**

Most improper shut-offs referenced in the report revolve around customers not receiving proper notification. These customers either didn't receive notification as required by the Billing Rules, or they received notifications that had incorrect information on them. The other improper shut-offs involve AMI customers whose service was disconnected even though they had followed the company's directive of calling to schedule an appointment to have their new meter installed, or the meter was already installed but the company was unaware. The final group of improper shut-offs were customers who had an open complaint with MAE and were disconnected while that complaint was still open.

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<sup>1</sup> Effective December 11, 2017, the Commission's Consumer Standards and Billing Practices for Electric and Gas Residential Service, and the Commission's Billing Practices Applicable to Non-Residential Electric and Gas Customers were combined and revised in a new rule set, Consumer Standards and Billing Practices for Electric and Natural Gas Service, and rules referenced in this order were renumbered as noted. However, for purposes of the investigation at issue in this docket, it is noteworthy that none of the substantive requirements of these rules has changed.

After a preliminary review of the January 22<sup>nd</sup> report, on January 30<sup>th</sup>, 2018, Staff provided DTE with supplemental questions to provide greater clarity to the report and to get additional information that had been shared in weekly meetings but omitted from the report. Responses to the supplemental questions were provided on February 2<sup>nd</sup>, 13<sup>th</sup>, and 14<sup>th</sup>, 2018.

During this period Staff continues meeting with DTE at least weekly getting updates on a series of metrics that are being monitored. Staff has also met with DTE to review a list of customers who were identified by the Company as being improperly shutoff to review the customer experience, determine restoration length of time from disconnect, identify the number of customers who were senior citizen or low income, reason for disconnection, and any communication or remedy provided to the customers.

On January 29<sup>th</sup>, 2018 DTE filed an amendment and supplement to the initial report that identified an error regarding shut off notifications impacting approximately 5,000 customers who had been disconnected. This latest information impacting DTE's business practices led the Commission to conclude that an evidentiary/show cause hearing was needed and issued an order on February 5, 2018 in U-20084.

Staff is currently reviewing the supplemental information provided by DTE and will be filing a complete report with additional findings and recommendations at a date in the future.

# Appendix A

## **MAE STAFF REQUEST – Improper Shutoff Report**

1. Staff was informed prior to the order that 288 customers were improperly disconnected due to C360 issues. The report indicates 252 customers, please explain the discrepancy in customer numbers.
2. What was the process that DTE Energy used to identify the improperly shut-off customers?
3. How many customers were shut-off while having an open MAE complaint from Jan. 1, 2017 until current?
4. Please provide restoration numbers for all improper shut offs. How many customers were restored the same day, 2-5 days, 6-10 days, over 10 days and number of customers still not restored. Please provide an explanation for any customer not restored within 10 days. How many customers after contacting the utility were restored same day?
5. Provide the communication plan that was used for customers that experienced a “no bill” error during the C360 transition. (Provide any training material that was shared with call center staff that was used to educate them on this issue)
6. Why was there a large decrease in overall shut-offs in 2017, compared to 2016?
7. Why were AMI (non-access) shut-offs up in 2017, compared to 2016?
8. Why was there a large decrease in unauthorized use shut-offs in 2017, compared to 2016?
9. In meetings prior to the investigation, staff was provided an explanation that customers improperly shut off during the AMI transition were unrelated to the C360 transition. The report seems to indicate that these improper disconnections were C360 related. Clarify the reason why 18 AMI customers were improperly shut-off.
10. Why does the report state that no customers have been erroneously disconnected due to MMO/MRP project and due to unauthorized use? During our weekly meeting DTE states that the customer complaint regarding the condominium group was wrongfully disconnected was an improper unauthorized use issue and not a C360 issue. What is DTE’s wrongful disconnection rate post C360 implementation?
11. Please provide a copy of the red shutoff bill, notice of intent and the disconnection document mentioned in the disconnection flow chart any other communication sent to customers related to the disconnection process.

**Additional 5,000 Improper Shutoff Questions:**

1. Please provide restoration numbers for the 5,000 customers that were included in the amended filing. How many customers were restored the same day, 2-5 days, 6-10 days, over 10 days and still not restored. Please provide an explanation for any customer not restored within 10 days.
2. If all customers were restored once this issue was identified, how many of these customers contacted DTE on their own and had their service restored prior to the issue being identified? Of these customers how many were restored the same day and how many were restored the next day?
3. How did DTE communicate with these customers?