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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3151

02/03/2022

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The bill was read for the first time and referred to the Committee on Climate and Energy Finance and Policy

1.1 A bill for an act
1.2 relating to public utilities; providing a procedure for the resolution of disputes
1.3 between public utilities and residential customers; amending Minnesota Statutes
1.4 2020, section 216B.17, subdivision 1; proposing coding for new law in Minnesota
1.5 Statutes, chapter 216B.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 216B.17, subdivision 1, is amended to read:

1.8 Subdivision 1. **Investigation.** On ~~its~~ the commission's own motion or upon a complaint
1.9 made against any public utility; by the governing body of any political subdivision, by
1.10 another public utility, by the department, ~~or~~ by any 50 consumers of ~~the~~ a particular utility,
1.11 or by a customer under section 216B.172 that any of the rates, tolls, tariffs, charges, or
1.12 schedules or any joint rate or any regulation, measurement, practice, act, or omission affecting
1.13 or relating to the production, transmission, delivery, or furnishing of natural gas or electricity
1.14 or any service in connection therewith is in any respect unreasonable, insufficient, or unjustly
1.15 discriminatory, or that any service is inadequate or cannot be obtained, the commission
1.16 shall proceed, with notice, to make such investigation as it may deem necessary. The
1.17 commission may dismiss any complaint without a hearing if in its opinion a hearing is not
1.18 in the public interest.

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment and
1.20 applies to any complaint filed with the commission on or after that date.

1.21 Sec. 2. **[216B.172] CONSUMER DISPUTES.**

1.22 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
1.23 the meanings given.

2.1 (b) "Appeal" means a filing made to the commission by a complainant that challenges
 2.2 or disagrees with delegated staff's disposition of a dispute. An appeal is a formal complaint
 2.3 under Minnesota Rules, chapter 7829.

2.4 (c) "Complainant" means an individual residential customer who has filed a complaint
 2.5 with the commission. A complainant is a qualified complainant under Minnesota Rules,
 2.6 part 7829.0100.

2.7 (d) "Complaint" means a filing that a complainant submits to delegated staff and that
 2.8 alleges a public utility's action or practice regarding billing or terms and conditions of
 2.9 service:

2.10 (1) is unreasonable;

2.11 (2) violates a statute, rule, tariff, service contract, or other provision of law; or

2.12 (3) has harmed or, if not addressed, will harm a complainant and potentially other
 2.13 residential ratepayers.

2.14 Complaint does not include an objection to or a request to modify any natural gas or
 2.15 electricity rate contained in a tariff that has been approved by the commission. A complaint
 2.16 under this section is an informal complaint under Minnesota Rules, chapter 7829.

2.17 (e) "Delegated staff" means commission staff delegated under section 216B.098,
 2.18 subdivision 6, to resolve consumer complaints.

2.19 (f) "Informal proceeding" has the meaning given in Minnesota Rules, part 7829.0100.

2.20 (g) "Public assistance" has the meaning given in section 550.37, subdivision 14.

2.21 Subd. 2. **Complaint resolution procedure.** (a) A complainant must first attempt to
 2.22 resolve a dispute with a utility by filing a complaint with delegated staff.

2.23 (b) Delegated staff must (1) provide a complainant with written notice of the staff's
 2.24 proposed settlement or determination, and (2) advise the complainant of the complainant's
 2.25 right to appeal the proposed settlement or determination under subdivision 3.

2.26 Subd. 3. **Disposition of appeal.** (a) A complainant may appeal to the commission a
 2.27 proposed settlement or determination made by delegated staff under subdivision 2. An
 2.28 appeal made under this subdivision must comply with the notice requirements under section
 2.29 216B.17, subdivisions 2 to 5.

2.30 (b) Upon receipt of an appeal filed under paragraph (a), the commission may:

3.1 (1) dismiss the appeal without conducting an informal proceeding if the commission
3.2 determines there is no reasonable basis to investigate the matter;

3.3 (2) conduct an informal proceeding; or

3.4 (3) refer the matter to the Office of Administrative Hearings for a contested case hearing
3.5 under chapter 14.

3.6 (c) For the purposes of section 216B.27, the commission's dismissal of an appeal or the
3.7 commission's determination rendered after conducting an informal proceeding on the appeal
3.8 is a decision constituting an order or determination.

3.9 Subd. 4. **Rehearing; judicial review.** (a) A complainant may seek judicial review in
3.10 district court of the commission's action taken under subdivision 3 if the complainant first
3.11 petitions the commission for a rehearing of the matter under section 216B.27 and:

3.12 (1) the commission rejects the petition; or

3.13 (2) the commission's determination on rehearing does not satisfy the complainant.

3.14 (b) An appeal of the commission's determination in a contested case referred under
3.15 subdivision 3 is governed by chapter 14.

3.16 Subd. 5. **Right to service during pendency of dispute.** A public utility must continue
3.17 or promptly restore service to a complainant during the pendency of any administrative or
3.18 judicial procedure pursued by a complainant under this section, provided the complainant:

3.19 (1) agrees to enter into a payment agreement under section 216B.098, subdivision 3;

3.20 (2) obtains a waiver from the commission under Minnesota Rules, part 7829.3200;

3.21 (3) posts the full disputed payment in escrow;

3.22 (4) demonstrates receipt of public assistance;

3.23 (5) demonstrates the complainant's household income is at or below 60 percent of state
3.24 median income; or

3.25 (6) demonstrates that posting the disputed amount would cause a financial hardship to
3.26 the complainant.

3.27 Subd. 6. **Rulemaking authority.** The commission may adopt rules to carry out the
3.28 purposes of this section.

3.29 **EFFECTIVE DATE.** This section is effective the day following final enactment and
3.30 applies to any complaint filed with the commission on or after that date.