



HOUSE OF REPRESENTATIVES
FIFTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
FIRST REGULAR SESSION, 2006

PUBLIC LAW NO. 15-122
H. B. No. 15-39, HS1, SS1

AN ACT

To regulate the disconnection and reconnection of utility services by the
Commonwealth Utilities Corporation; and for other purposes.

**BE IT ENACTED BY THE FIFTEENTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE:**

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

12 The Legislature further finds that the present reconnection fees charged by CUC to
13 their delinquent residential consumers may be unreasonable. The present reconnection fee of
14 \$75.00 for power has been in place since 1996. There have been numerous technological
15 advances that should make reconnecting power to consumers very cost effective and
16 economical. The reconnection fees charged by CUC should not be greater than the actual
17 cost of reconnecting customers.

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

5 **Section 2. Amendment.** Article 4, Chapter 1, Division 8 of Title 4 of the
6 Commonwealth Code, as amended by Executive Order 2006-04, is amended by adding new
7 sections 8144 and 8145 to read as follows:

8 **“§ 8144. Disconnection of Utility Services.**

9 (a) Offset Security Deposit.

10 (1) Prior to the disconnection of utility services, the security deposit of
11 a residential consumer shall be used to offset a consumer’s past due amount
12 for utility services.

13 (2) The corporation shall establish procedures by regulation for the
14 restoring, within a reasonable time period, of security deposits should such
15 security deposits be used to offset a consumer’s past due amount.

16 (b) The corporation shall not disconnect the utility services of a residential
17 consumer before the disconnection date.

18 (c) The corporation shall not disconnect the utility services of a residential
19 consumer if the consumer is actively disputing a billing statement.

20 (d) The corporation shall not disconnect all utility services (power, water, and
21 sewer) of a residential consumer if the consumer is only delinquent in the payment of
22 one utility service.

23 (e) The corporation shall not disconnect a residential consumer who is
24 receiving utility service assistance from the Department of Community and Cultural
25 Affairs due to the failure of the said Department’s failure to remit the utility service
26 payment to the corporation in a timely manner.

1 (f) The corporation shall be liable for all reconnection fees and costs if the
2 corporation disconnects a residential consumer in violation of any provision of this
3 section.

4 **§ 8145. Reconnection of Utility Services.**

5 (a) *Fees.* The corporation shall not charge a reconnection fee for utility
6 services that is greater than the actual average cost incurred by the corporation to
7 reconnect a residential consumer; provided that the reconnection fee does not exceed
8 \$60.00. Actual cost includes the average total labor hours, administrative cost, parts,
9 transportation and other costs necessary to reconnect a residential consumer.

10 (b) *Reconnection Security Deposit.* The corporation shall not require an
11 additional security deposit to reconnect a residential consumer's utility service that is
12 greater than the security deposit required for new residential utility service
13 applicants."

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

17 **Section 4. Severability.** If any provision of this Act or the application of any such
18 provision to any person or circumstance should be held invalid by a court of competent
19 jurisdiction, the remainder of this Act or the application of its provisions to persons or
20 circumstances other than those to which it is held invalid shall not be affected thereby.

21 **Section 5. Savings Clause.** This Act and any repealer contained herein shall not be
22 construed as affecting any existing right acquired under contract or acquired under statutes
23 repealed or under any rule, regulation or order adopted under the statutes. Repealers
24 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.
25 The enactment of the Act shall not have the effect of terminating, or in any way modifying,
26 any liability, civil or criminal, which shall already be in existence on the date this Act
27 becomes effective.

1 Section 6. Effective Date. This Act shall take effect upon its approval by the
2 Governor, or becoming law without such approval.

CERTIFIED BY:



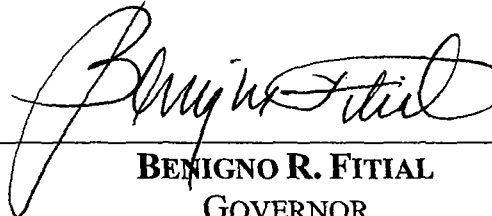
OSCAR M. BABAUTA
SPEAKER OF THE HOUSE

ATTESTED TO BY:



EVELYN C. FLEMING
HOUSE CLERK

DISAPPROVED on this 23rd day of October, 2007



BENIGNO R. FITIAL
GOVERNOR
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

CERTIFICATION:

Overridden by the House of Representatives on December 3, 2007, and by the Senate on December 5, 2007, by the affirmative vote of two-thirds of the members in each house.



OSCAR M. BABAUTA
SPEAKER OF THE HOUSE

DATE

JOSEPH M. MENDIOLA
PRESIDENT OF THE SENATE

DATE