



March 2018

The real story about estimated utility bills

When it comes to paying utility bills, customers generally like to pay what they owe – no more and no less. That is why estimated bills are so aggravating. A high estimated bill usually results in overpayment, while a low estimate often requires a large "catch up" bill later.

Billing rules

The Michigan Public Service Commission (MPSC) has adopted administrative rules, referred to as billing rules, which govern utility company billing practices.¹

These rules state:

- A utility company shall provide all residential customers with an actual monthly meter reading and can only estimate the bill if an actual reading cannot be obtained.
- An estimated bill must be clearly identified as an "estimated bill."
- When a bill is estimated for two or more consecutive months, the customer must be given the same number of months to pay the bill when an actual reading is obtained. However, the customer must provide access to the meter or provide a reading, if requested by the utility.
- A utility, unable to gain access to a customer's home or yard to read the meter, shall use reasonable alternative measures to get an actual reading, including providing a postage-paid, pre-addressed postcard for a customer to record the reading.
- An estimated bill generated because the actual read is outside the range for the premises usage, shall not be issued in consecutive months.
- If a utility shuts off service for non-payment, the utility must complete a final read. Reasonable attempts to read the meter must be made before the utility can estimate the bill.
- A utility that cannot obtain an actual meter read shall keep records of the efforts made to obtain an actual meter read and reasons for failing to obtain an actual meter read.
- A utility may render estimated bills to seasonally billed customers in accordance with MPSC approved rules.

Customer meter read

At a customer's request, a utility company is required to provide the customer with the opportunity to read the meter on a regular basis and accurately report energy usage on postage-paid and pre-addressed postcards.² However, the utility must obtain an actual meter reading at least once every 12 months to verify the accuracy of the customer reported readings.

Note: No late payment fees will be assessed for failure to pay an estimated bill (when the utility had access to the meter) by the due date unless the customer is late on the next bill using an actual read.

Voluntary termination of service

When terminating service at an address, be sure to request an actual read of your meter from the utility company.

Rule violations

If you think your utility company has violated a billing rule regarding estimated bills, call the company to discuss and attempt to resolve the problem.

If necessary, you can contact the MPSC at:
800-292-9555

or write to:

**P.O. Box 30221,
Lansing, MI 48909,**

¹Mich Admin Code R 460.113-460.116, ²Mich Admin Code R 460.114