

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the complaint of)	
JOHN B. AND CHARLENE S. HUGUELET)	Case No. U-15030
against CONSUMERS ENERGY COMPANY.)	
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At the May 22, 2007 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. J. Peter Lark, Chairman
Hon. Laura Chappelle, Commissioner
Hon. Monica Martinez, Commissioner

ORDER

On September 6, 2006, John B. and Charlene S. Huguelet filed a complaint against Consumers Energy Company (Consumers), alleging that for many years their residence had been subjected to power surges; that the power surges resulted in excessive electric bills; and that they had been improperly denied an informal hearing to address their concerns. Consumers filed an answer on October 6, 2006.

Pursuant to due notice, an evidentiary hearing was held on October 25, 2006, before Administrative Law Judge Mark E. Cummins (ALJ). The Huguelets, Consumers, and the Commission Staff (Staff) participated. The record consists of 272 pages of transcript and 18 exhibits. The Huguelets and Consumers filed initial briefs on November 22, 2006, and the Huguelets filed a reply brief on December 6, 2006.

The ALJ issued a Proposal for Decision (PFD) on March 28, 2007. No exceptions were filed.

The Huguelets' dispute with Consumers extends over two decades. Mr. Huguelet testified that when they moved into their home at 850 N. Leaton Road in Mt. Pleasant in 1985, they immediately began to experience "excessively high bills and power surges coming into the house." Tr. 8. Mr. Huguelet testified that the alleged power surges required him to change up to 4,000 light bulbs per year, and to replace all the of home's wall outlets every two months. Tr. 9, 31.

The Huguelets put their bill in dispute with Consumers in 1992. Any arrearage from that dispute was discharged as a result of the Huguelets' bankruptcy filing in 1996. Tr. 53-54. The Huguelets put their bill in dispute again in 1997, 1998, 2003, and 2006. They participated in various payment plans throughout the years. They made their last payment to Consumers on March 17, 2003. Exhibit R-11, p. 4. At that time, their total arrearage was \$796.63. They were scheduled for an informal hearing during the week of September 8, 2003. On September 5, 2003, Mr. Huguelet cancelled that hearing. The Huguelets' power was shut off on August 24, 2006.

In addition to his testimony, Mr. Huguelet's evidence consisted of a 1992 invoice for a new refrigerator, a 1998 invoice for a new water heater, 2002 and 2005 invoices showing television repairs, and two partially melted surge protectors. Exhibits C-1, C-4.

Consumers offered documentary evidence and the testimony of three employees who performed tests on the electrical system leading to the Huguelets' home. In response to their complaints, voltage tests on the Huguelets' electric system were performed during June 1997, April 1998, May 1998, April 2002, May 2003, and May 2006. All tests showed that the voltage supplied to the Huguelets' home was within normal limits. Consumers twice used a device called the "beast of burden" to check for a bad neutral connection on the utility's part of the system and

found no problems.¹ Consumers produced evidence showing that every part of the electrical distribution system running to this home had been replaced at least once since the onset of the alleged problems, including the transformer, service drop, and all connectors, and none of that work had changed the nature of the Huguelets' complaint.

In addition, Consumers performed high-bill investigations in 1998, 2003, and 2006. Each investigation indicated that the potential load represented by the Huguelets' array of appliances (which included an electric water heater and well pump) significantly exceeded the usage shown on their monthly bills. Repeated tests of the meter revealed no problems. Mr. Huguelet testified that his electric bills have averaged between \$250 and \$500 per month, while his neighbors pay only \$45 to \$60. Tr. 21. Consumers introduced evidence of the actual energy charges to the Leaton Rd. home since December of 1999. Exhibit R-11. The ALJ found that Exhibit R-11 shows that the actual average monthly electric costs were in the range of \$150 to \$175. PFD, p. 14, n. 8. Finally, the ALJ noted the key point that voltage does not cause a meter to turn; rather there must be electrical load present on the customer's side of the meter to cause current to flow. The ALJ found that the Huguelets failed to prove that they had any voltage related service quality problems caused by Consumers. The ALJ further found that the Huguelets failed to show that Consumers' billing was incorrect.

With respect to the claim that they had been denied an informal hearing, evidence showed that an informal hearing had been scheduled in 2003, which the Huguelets later cancelled. Exhibits C-4, R-12. They continued to receive electric service after that time without making payment. Each time they received a shut-off notice, they contacted the utility to point out that their bill was

¹One Consumers employee who, as a favor to the Huguelets, used the beast of burden to test the home's inside wiring system in 2006 found evidence of a problem in either the electrical panel or the ground rod. These are areas of inside wiring that are the customer's responsibility. Tr. 213.

in active dispute, and the shut-off was cancelled. On March 31, 2006, Consumers sent the Huguelets a letter detailing the history of their account, the results of all previous tests, and offering both a reduction in the balance due and an extended payment plan. Exhibit R-12, p. 22. The Huguelets again requested an informal hearing. The Commission's Rule 67(3), 1992 AC, R 460.2167(3), required the Huguelets to pay either the amount not in dispute, or 50% of the full disputed amount. Uncontroverted evidence showed that their arrearage had grown to approximately \$15,000, of which they had paid almost \$7,000; this meant that they needed to submit approximately \$500 to Consumers to satisfy the 50% requirement, which they refused to do. Exhibit R-12. Hence, the Huguelets failed to meet the regulatory prerequisite for an informal hearing. They waived their right to the informal hearing and the utility could shut off service. R 460.2167(5). The ALJ found that the Huguelets failed to show that Consumers had improperly denied them an informal hearing.

The Commission adopts the well-reasoned findings and recommendations of the ALJ. In addition to failing to file exceptions, the Commission is persuaded that the Huguelets have failed to prove their claims. They did not offer any evidence refuting the results of the myriad tests performed by Consumers on the utility's electrical system serving the Leaton Rd. home. They did not contest the assertion that voltage does not actually cause the meter to turn. Mr. Huguelet's estimate of his average bill was not corroborated by the bills themselves. They cancelled their first informal hearing without attempting to reschedule it, and failed to meet the payment prerequisite for their second informal hearing. The Commission finds that the September 6, 2006 complaint should be dismissed.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 *et seq.*; 1919 PA 419, as amended, MCL 460.51 *et seq.*; 1939 PA 3, as amended, MCL 460.1 *et seq.*; 1969 PA 306, as amended, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 *et seq.*

b. The September 6, 2006 complaint filed by John B. and Charlene S. Huguelet should be dismissed.

THEREFORE, IT IS ORDERED that the September 6, 2006 complaint filed by John B. and Charlene S. Huguelet is dismissed.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

(S E A L)

/s/ J. Peter Lark
Chairman

By its action of May 22, 2007.

/s/ Laura Chappelle
Commissioner

/s/ Mary Jo Kunkle
Its Executive Secretary

/s/ Monica Martinez
Commissioner

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