



2011 SENATE BILL 58

April 12, 2011 - Introduced by Senators ELLIS, COWLES, OLSEN and LASSA, cosponsored by Representatives KAUFERT, KERKMAN, ZIEGELBAUER, BERCEAU, BALLWEG and THIESFELDT. Referred to Committee on Energy, Biotechnology, and Consumer Protection.

1 **AN ACT** *to renumber and amend* 196.635; and *to create* 196.635 (2m) of the
2 statutes; **relating to:** liability of public utility customers for unbilled utility
3 service.

Analysis by the Legislative Reference Bureau

Current law imposes a two-year deadline on public utility bills for service. Under the deadline, a public utility must bill a customer for service within two years of the service. Current law also provides that a customer is not liable for unbilled service two years after the date of the service, unless certain specified exceptions apply. As a result, under current law, a customer is liable, without exception, for service billed within the two-year deadline, but is liable for service billed after the two-year deadline only if an exception applies.

This bill creates an exception to customer liability for service billed within the two-year deadline. Under the bill, a customer is not liable for service if a public utility fails to bill the customer in a timely manner and the failure resulted from the inaccurate measurement of service caused in whole or in part by the public utility's act or omission. The bill provides that service is considered billed in a timely manner if it is billed in the same billing cycle in which the service is delivered. The bill also prohibits the Public Service Commission from allowing a public utility to recover in rates any amounts that the bill prohibits the public utility from collecting from customers.

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For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 196.635 of the statutes is renumbered 196.635 (1m), and 196.635
2 (1m) (intro.), as renumbered, is amended to read:

3 196.635 **(1m)** (intro.) ~~All~~ Except as provided in sub. (2m), all service supplied
4 by a public utility must be billed within 2 years of such service. No customer shall
5 be liable for unbilled service 2 years after the date of the service unless any of the
6 following applies:

7 **SECTION 2.** 196.635 (2m) of the statutes is created to read:

8 196.635 **(2m)** (a) No customer shall be liable for service for which a public
9 utility fails to bill the customer in a timely manner if the failure to bill the service
10 in a timely manner resulted from the inaccurate measurement of service caused in
11 whole or in part by an act or omission of the public utility. In this paragraph, service
12 is considered billed in a timely manner if it is billed in the same billing cycle in which
13 the service is delivered.

14 (b) The commission may not allow a public utility to recover in rates any
15 amounts that par. (a) prohibits the public utility from collecting from customers.

16 **SECTION 3. Initial applicability.**

17 (1) This act first applies to service delivered on the effective date of this
18 subsection.

19 **SECTION 4. Effective date.**

