

By: Representative Ellis

To: Public Utilities

## HOUSE BILL NO. 1357

1 AN ACT TO PROHIBIT PUBLIC UTILITIES FROM DISCONNECTING  
 2 SERVICE FROM ITS CUSTOMERS DUE TO NONPAYMENT UNLESS SUCH CUSTOMERS  
 3 RECEIVE A WRITTEN NOTICE THAT IS POSTED ON THE RESIDENTIAL DOOR OF  
 4 SUCH CUSTOMER NOTIFYING THE CUSTOMER OF THE PENDING DISCONNECTION;  
 5 TO AMEND SECTION 77-3-35, MISSISSIPPI CODE OF 1972, IN CONFORMITY  
 6 THERETO; TO AMEND SECTION 77-5-33, MISSISSIPPI CODE OF 1972, TO  
 7 REQUIRE THE MISSISSIPPI RURAL ELECTRIFICATION AUTHORITY TO PROVIDE  
 8 SUCH NOTICE; TO AMEND SECTION 77-5-743, MISSISSIPPI CODE OF 1972,  
 9 TO PROVIDE THAT JOINT MUNICIPAL ELECTRIC POWER COMPANIES TO  
 10 PROVIDE SUCH NOTICE; TO AMEND SECTION 77-5-745, MISSISSIPPI CODE  
 11 OF 1972, IN CONFORMITY THERETO; TO AMEND SECTION 19-5-195,  
 12 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT WATER, SEWER OR GARBAGE  
 13 DISPOSAL DISTRICTS SHALL PROVIDE SUCH NOTICE; TO AMEND SECTION  
 14 21-27-29, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT ANY  
 15 MUNICIPALLY OWNED UTILITY SHALL PROVIDE SUCH NOTICE; TO AMEND  
 16 SECTION 77-6-35, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT  
 17 MUNICIPALITIES THAT PROVIDE GAS SERVICE SHALL PROVIDE SUCH NOTICE;  
 18 AND FOR RELATED PURPOSES.

19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

20 **SECTION 1.** Before any service that is provided by a public  
 21 utility that is regulated by the Public Service Commission may be  
 22 disconnected due to nonpayment of service, a customer shall be  
 23 given written notice that shall be posted on the residential door  
 24 of such customer ten (10) days before the utility service can be  
 25 disconnected. The notice shall provide the reason for the  
 26 proposed disconnection and remedies to cure the delinquent amount.

27 **SECTION 2.** Section 77-3-35, Mississippi Code of 1972, is  
 28 amended as follows:

29 77-3-35. (1) Subject to the provisions of subsections (2)  
 30 and (4) of this section, under such reasonable rules and  
 31 regulations as the commission may prescribe, every public utility,  
 32 as to the rates which are subject to regulation under the  
 33 provisions of this article, shall file with the commission, within  
 34 such time and in such form as the commission may designate,  
 35 schedules showing such rates and charges established by it and

36 collected and enforced, or to be collected or enforced within the  
37 jurisdiction of the commission. The utility shall keep copies of  
38 such schedules open to public inspection under such reasonable  
39 rules and regulations as the commission may prescribe.

40 No such public utility shall directly or indirectly, by any  
41 device whatsoever, or in anywise, charge, demand, collect or  
42 receive from any person or corporation for any service rendered or  
43 to be rendered by such public utility a greater or less  
44 compensation than that prescribed in the schedules of such public  
45 utility applicable thereto then filed in the manner provided in  
46 this section, and no person or corporation shall receive or accept  
47 any service from any such public utility for a compensation  
48 greater or less than prescribed in such schedules.

49 Utilities selling commodities or rendering any service to  
50 cooperatives, municipalities or other nonprofit organizations,  
51 shall, at the order of the commission, file schedules of such  
52 rates and charges for information purposes only.

53 The commission may provide, by rules and regulations to be  
54 adopted by it, the following:

55 (a) That utilities may contract with a manufacturer  
56 that is not a utility for furnishing the services or commodities  
57 described in Section 77-3-3(d)(i), (ii) and (iii) for use in  
58 manufacturing;

59 (b) That utilities described in Section 77-3-3(d)(i)  
60 also may contract with a customer that has a minimum yearly  
61 electric consumption of two thousand five hundred (2,500) megawatt  
62 hours per year or greater for furnishing the services or  
63 commodities described in Section 77-3-3(d)(i); and

64 (c) That utilities described in Section 77-3-3(d)(ii)  
65 also may contract with a customer that has a minimum yearly  
66 consumption of eight million five hundred thousand (8,500,000)  
67 cubic feet of gas per year or greater for furnishing the services  
68 or commodities described in Section 77-3-3(d)(ii).

69           These contracts may be entered into without reference to the  
70 rates or other conditions which may be established or fixed  
71 pursuant to other provisions of this article. Such regulations  
72 shall provide that before becoming effective any such contract  
73 shall be approved by the commission.

74           (2) (a) The Legislature recognizes that the maintenance of  
75 universal telephone service in Mississippi is a continuing goal of  
76 the commission and that the public interest requires that the  
77 commission be authorized and encouraged to formulate and adopt  
78 rules and policies that will permit the commission, in the  
79 exercise of its expertise, to regulate and control the provision  
80 of telecommunications services to the public in a changing  
81 environment where competition and innovation are becoming more  
82 commonplace, giving due regard to the interests of consumers, the  
83 public, the providers of telecommunications services and the  
84 continued availability of good telecommunications service. The  
85 commission is authorized to issue more than one (1) competing  
86 certificate of public convenience and necessity to provide local  
87 exchange telephone service in the same geographical area;  
88 provided, that the issuing of any such additional certificates  
89 shall not otherwise affect any certificate of public convenience  
90 and necessity heretofore issued to any provider of such services.

91           The commission shall adopt all rules and regulations  
92 necessary for implementing this subsection (2)(a).

93           The commission retains the authority to issue orders to  
94 implement its rules, regulations and the provisions of this  
95 chapter, including the authority to grant and modify, impose  
96 conditions upon, or revoke a certificate.

97           (b) The commission may, on its own motion or at the  
98 request of any interested party, enter an order, after notice and  
99 opportunity for hearing, determining and directing that, in the  
100 provision of a service or facility by a utility of the type  
101 defined in Section 77-3-3(d)(iii), competition or other market

102 forces adequately protect the public interest, or that a service  
103 or facility offered by the utility is discretionary, and that the  
104 public interest requires that the utility's rates and charges for  
105 such service or facility shall not thereafter be subject to  
106 regulation by the commission.

107 (c) In making its determination whether the rates and  
108 charges for a service or facility shall not be subject to  
109 regulation by the commission, the commission may consider  
110 individually or collectively:

111 (i) Whether the exercise of commission  
112 jurisdiction produces tangible benefits to the utility's customers  
113 that exceed those available by reliance on market forces or other  
114 factors;

115 (ii) Whether technological changes, competitive  
116 forces, discretionary nature of the service or facility, or  
117 regulation by other state and federal regulatory bodies render the  
118 exercise of jurisdiction by the Mississippi commission unnecessary  
119 or wasteful;

120 (iii) Whether the exercise of commission  
121 jurisdiction inhibits a regulated utility from competing with  
122 unregulated providers of functionally similar telecommunications  
123 services or equipment;

124 (iv) Whether the existence of competition tends to  
125 prevent abuses, unjust discrimination and extortion in the charges  
126 of telecommunications utilities for the service or facility in  
127 question;

128 (v) The availability of the service or facility  
129 from other persons and corporations; or

130 (vi) Any other factors that the commission  
131 considers relevant to the public interest.

132 In making the determination as above set forth, the  
133 commission may specify the period of time during which the  
134 utility's rates and charges for the service or facility shall not

135 thereafter be subject to regulation. Likewise, after notice and  
136 opportunity for hearing, the commission may revoke a determination  
137 and direction made under this section, when the commission finds  
138 that commission regulation of the utility's rates and charges for  
139 the service or facility in question is necessary to protect the  
140 public interest.

141 (3) (a) The commission is authorized to consider and adopt  
142 alternative methods of regulation proposed by a utility of the  
143 type defined in Section 77-3-3(d)(i), (ii) or (iii) to establish  
144 rates for the services furnished by such utility that are fair,  
145 just and reasonable to the public and that provide fair, just and  
146 reasonable compensation to the utility for such services.  
147 However, before such service may be disconnected due to nonpayment  
148 of service, the notice requirements provided in Section 1 of House  
149 Bill No. \_\_\_\_\_, 2007 Regular Session shall be adhered to before  
150 such service is disconnected.

151 (b) For purposes of this subsection, the phrase  
152 "alternative methods of regulation" means the regulation of  
153 utility rates and charges by methods other than the rate base or  
154 rate of return method of regulation set forth in other provisions  
155 of this article.

156 (4) (a) Notwithstanding any other provisions of this  
157 article or any other statute to the contrary, and consistent with  
158 the provisions herein, for those public utilities of the type  
159 defined in Section 77-3-3(d)(iii) that are subject to the  
160 competitive requirements set forth in 47 USCS Section 251 or those  
161 public utilities that have waived a suspension granted by the  
162 commission of the requirements of 47 USCS Section 251(b) and (c)  
163 as authorized by 47 USCS Section 251(f)(2), the Legislature has  
164 determined that, in the provision of all services other than  
165 switched access service and single-line flat rate voice  
166 communication service, competition or other market forces  
167 adequately protect the public interest. Therefore, the commission

168 is only authorized to regulate the rates, terms and conditions of  
169 switched access service and single-line flat rate voice  
170 communication service within a traditional local calling area,  
171 with access to 911, with touch tone dialing and with access to  
172 long distance, so long as such single-line flat rate service is  
173 not combined with any other service, feature or product. The  
174 retail rates for such single-line flat rate voice communication  
175 service beginning January 1, 2007, and every succeeding January 1  
176 may only be increased during the calendar year by an amount that  
177 does not exceed the rates for such service on January 1 of the  
178 previous year, plus the increase in the Consumer Price Index for  
179 all Urban Consumers as reported by the United States Department of  
180 Labor, Bureau of Labor Statistics.

181 (b) For those public utilities of the type defined in  
182 Section 77-3-3(d)(iii) that have been granted a suspension by the  
183 commission of the requirements of 47 USCS Section 251(b) and (c)  
184 as authorized by 47 USCS Section 251(f)(2), the commission, at the  
185 request of such public utility, shall enter an order, after notice  
186 and opportunity for hearing, determining that such public  
187 utility's provision of service will be subject to the same level  
188 of regulation as provided in paragraph (a) of this subsection, but  
189 only after the commission determines that such public utility has  
190 satisfied one (1) of the following conditions:

191 (i) Has executed interconnection agreements which  
192 have been approved by the commission to the extent required under  
193 law with two (2) or more local exchange carriers unaffiliated with  
194 such public utility;

195 (ii) Offers for resale at wholesale rates,  
196 pursuant to 47 USCS Section 251(c)(4)(A) and (B), such public  
197 utility's retail telecommunications services provided to  
198 subscribers who are not telecommunications carriers;

199 (iii) At least two (2) competitive  
200 telecommunications providers unaffiliated with such requesting

201 public utility are offering service to such public utility's  
202 subscribers; or

203 (iv) Has experienced a material reduction in  
204 access lines or minutes of use in two (2) consecutive years.

205 A waiver of suspension under paragraph (a) of this subsection  
206 shall be effective upon written notification to the commission.  
207 The initial rate utilized by such public utility shall be the rate  
208 for such service in effect at the time of such waiver under this  
209 section. The commission, upon request of the public utility, may  
210 return such public utility \* \* \* to a form of regulation permitted  
211 under Section 77-3-35.

212 (c) (i) An incumbent local exchange carrier shall  
213 provide, upon reasonable request, primary single-line flat rate  
214 voice communication service to the premises of a permanent  
215 residence or business within its franchised service territory, if  
216 the costs, including, but not limited to, the costs of facilities,  
217 rights-of-way and equipment, of providing such service to the  
218 requesting party do not exceed Five Thousand Dollars (\$5,000.00).  
219 This requirement shall not apply where there is an alternative  
220 provider of service to the premises of the residence or business  
221 customer, or where the incumbent local exchange carrier has been  
222 prohibited from providing service to the premises.

223 (ii) If the costs exceeds Five Thousand Dollars  
224 (\$5,000.00), as provided in and subject to subparagraph (i) of  
225 this paragraph (c), an incumbent local exchange carrier may not  
226 deny service on the basis of costs so long as sufficient funds to  
227 provide that services are available from contributions to aid in  
228 construction or the Mississippi portion of the applicable federal  
229 universal service fund program as administered by the commission.

230 (d) Nothing in this chapter shall be construed to  
231 affect the duties of an incumbent local exchange carrier to  
232 provide unbundled access to network elements to the extent  
233 required under 47 USCS Sections 251 and 252 and the Federal

234 Communications Commission's regulations implementing these  
235 sections, or the commission's authority to arbitrate and enforce  
236 interconnection agreements pursuant to 47 USCS Sections 251 and  
237 252 and the Federal Communications Commission's regulations  
238 implementing these sections.

239 (e) The commission shall retain exclusive original  
240 jurisdiction over customer complaints for those services that  
241 continue to be regulated. For services no longer regulated, the  
242 commission shall have exclusive original jurisdiction to interpret  
243 and enforce the terms and conditions of customer service  
244 agreements for telecommunications services, but it shall not  
245 alter, set aside or refuse to enforce the rates, terms and  
246 conditions thereof, either directly or indirectly. No other party  
247 shall be allowed to participate in any such complaint proceeding,  
248 except for the customer, legal counsel or other representative of  
249 the customer, or the public utility involved.

250 (f) A public utility of the type defined in Section  
251 77-3-3(d)(iii) which is regulated under the provisions of  
252 paragraph (a) of this subsection shall only be required to file  
253 financial or service quality information that such public  
254 utilities are required to file with the Federal Communications  
255 Commission so long as such financial information includes data  
256 specific to Mississippi. As to all other data and information,  
257 the requirements of Section 77-3-79 continue to apply. If any  
258 such public utility is not required to file such financial  
259 information with the Federal Communications Commission, the  
260 requirements of Section 77-3-79 continue to apply. The public  
261 utility regulatory tax established in Section 77-3-87 shall be  
262 based on the financial information contained in such federal  
263 financial reports filed by such public utilities. The calculation  
264 of such tax for such public utilities shall continue to be based  
265 upon the gross revenues from the intrastate operations of such  
266 public utility in the same manner as such tax was calculated



267 before July 1, 2006. Nothing herein shall change the obligation  
268 of such public utilities described in Section 77-3-3(d)(iii) to  
269 pay the public utilities regulatory tax established in Section  
270 77-3-87. In addition, such public utility shall only be required  
271 to adhere to billing for retail telecommunications services in  
272 compliance with the federal truth in billing regulations  
273 prescribed by the Federal Communications Commission.

274 (g) (i) In order to transition to the changes  
275 effectuated by paragraph (a) of this subsection, the rates, terms  
276 and conditions for products and services no longer subject to  
277 regulation by the commission which were in effect with a specific  
278 term immediately prior to the effective date of this section shall  
279 remain in effect for the duration of the specific term as to  
280 customers who subscribed to such products or services prior to the  
281 effective date of this section. If no term applied to such  
282 products or services at the time such customer subscribed to such  
283 products or services, then the rates, terms and conditions  
284 governing such products or services shall remain in effect until a  
285 written customer service agreement becomes effective as described  
286 in subparagraph (ii) of this paragraph (g).

287 (ii) Except as provided in subparagraph (i) of  
288 this paragraph (g), the service provider shall offer existing and  
289 new customers a written customer service agreement, which in the  
290 case of new customers shall be delivered no later than thirty (30)  
291 days after the initiation of service. The customer service  
292 agreement shall include a provision advising the customer that he  
293 has thirty (30) days from receipt in which to elect:

294 1. To terminate service with the service  
295 provider by contacting such service provider within the thirty-day  
296 time period, in which case the customer shall have the right to  
297 pay off the account in the same manner and under the same rates,  
298 terms and conditions as set forth in the written customer service  
299 agreement provided to the customer, which written customer service

300 agreement shall relate back in its entirety to the date of a new  
301 customer's request for service or the date the agreement was sent  
302 to an existing customer, as applicable, and shall be in effect  
303 until termination through pay off; or

304                   2. To use the services of the service  
305 provider or to otherwise continue the account with the service  
306 provider after the thirty-day time period has elapsed, either of  
307 which shall constitute the customer's assent to all the rates,  
308 terms and conditions of the written customer service agreement.  
309 The customer service agreement shall be deemed received three (3)  
310 business days after deposit in the United States mail, first-class  
311 delivery.

312                   (iii) If any service provider desires to modify in  
313 any respect any rates, terms or conditions of a customer service  
314 agreement, it shall provide at least thirty (30) days' prior  
315 written notice of the modification and the proposed effective date  
316 to the customer. The customer service agreement shall include a  
317 provision advising the customer that he has the option:

318                   1. To terminate service with the service  
319 provider by contacting such service provider prior to the  
320 effective date, in which case the customer shall have the right to  
321 pay off the account in the same manner and under the same rates,  
322 terms and conditions as then in effect; or

323                   2. To use the services of the service  
324 provider or to otherwise continue the account with the service  
325 provider on or after the effective date, either of which shall  
326 constitute the customer's assent to the modified written customer  
327 service agreement. The customer service agreement shall be deemed  
328 received three (3) business days after deposit in the United  
329 States mail, first-class delivery.

330                   (h) Nothing herein shall change the obligation of those  
331 public utilities described in Section 77-3-3(d)(iii) to obtain a

332 certificate of public convenience and necessity pursuant to this  
333 chapter.

334 **SECTION 3.** Section 77-5-33, Mississippi Code of 1972, is  
335 amended as follows:

336 77-5-33. (a) The authority shall not be operated for gain  
337 or profit or primarily as a source of revenue to the state. The  
338 authority shall, however, prescribe and collect reasonable rates,  
339 fees or charges for the services, facilities and commodities made  
340 available by it, and shall revise such rates, fees or charges from  
341 time to time whenever necessary so that the authority shall be and  
342 always remain self-supporting, and shall not require  
343 appropriations by the state to enable it to carry out its purpose.  
344 The rates, fees, or charges prescribed shall be such as will  
345 produce revenue at least sufficient (a) to pay when due all bonds  
346 and interest thereon, for the payment of which such revenue is or  
347 shall have been pledged, charged or otherwise incumbered,  
348 including reserves therefor, and (b) to provide for all expenses  
349 of operation, maintenance or improvement of the system or systems  
350 acquired by the authority, including reserves therefor. Any  
351 surplus thereafter remaining shall be devoted solely to the  
352 reduction of rates.

353 (b) Before any electric service that is regulated by the  
354 authority may be disconnected due to nonpayment of service, a  
355 customer shall be given written notice that shall be posted on the  
356 residential door of such customer ten (10) days before the  
357 electric service can be disconnected. The notice shall provide  
358 the reason for the proposed disconnection and remedies to cure the  
359 delinquent amount.

360 **SECTION 4.** Section 77-5-743, Mississippi Code of 1972, is  
361 amended as follows:

362 77-5-743. (a) A municipality is hereby authorized to fix,  
363 charge and collect rents, rates, fees and charges for electric  
364 power and energy and other services, facilities and commodities

365 sold, furnished or supplied through the facilities of its electric  
366 system or its interest in any joint project. For so long as any  
367 bonds of a municipality are outstanding and unpaid, the rents,  
368 fees and charges shall be so fixed as to provide revenues  
369 sufficient to pay all costs of and charges and expenses in  
370 connection with the proper operation and maintenance of its  
371 electric system, and its interest in any joint project, and all  
372 necessary repairs, replacements or renewals thereof, to pay when  
373 due the principal of, premium, if any, and interest on all bonds  
374 and other evidences of indebtedness payable from said revenues, to  
375 create and maintain reserves as may be required by any resolution  
376 authorizing and securing bonds, to pay when due the principal of,  
377 premium, if any, and interest on all bonds heretofore or hereafter  
378 issued to finance additions, improvements and betterments to its  
379 electric system, and to pay any and all amounts which the  
380 municipality may be obligated to pay from said revenues by law or  
381 contract. Nothing herein contained shall be construed to prohibit  
382 any municipality from expending any revenues in excess of that  
383 required herein in any manner otherwise permitted by law.

384 (b) Before any electric service that is provided by a  
385 municipality may be disconnected due to nonpayment of service, a  
386 customer shall be given written notice that shall be posted on the  
387 residential door of such customer ten (10) days before the  
388 electric service can be disconnected. The notice shall provide  
389 the reason for the proposed disconnection and remedies to cure the  
390 delinquent amount.

391 **SECTION 5.** Section 77-5-745, Mississippi Code of 1972, is  
392 amended as follows:

393 77-5-745. (a) A joint agency is hereby authorized to fix,  
394 charge and collect rents, rates, fees and charges for electric  
395 power and energy and other services, facilities and commodities  
396 sold, furnished or supplied through the facilities of its  
397 projects. For so long as any bonds of a joint agency are

398 outstanding and unpaid, the rents, rates, fees and charges shall  
399 be so fixed as to provide revenues sufficient to pay all costs of  
400 and charges and expenses in connection with the proper operation  
401 and maintenance of its projects, and all necessary repairs,  
402 replacements or renewals thereof, to pay when due the principal  
403 of, premium, if any, and interest on all bonds and other evidences  
404 of indebtedness payable from said revenues, to create and maintain  
405 reserves as may be required by any resolution authorizing and  
406 securing bonds, and to pay any and all amounts which the joint  
407 agency may be obligated to pay from said revenues by law or  
408 contract.

409 (b) Before any electric service that is provided by a joint  
410 agency may be disconnected due to nonpayment of service, a  
411 customer shall be given written notice that shall be posted on the  
412 residential door of such customer ten (10) days before the  
413 electric service can be disconnected. The notice shall provide  
414 the reason for the proposed disconnection and remedies to cure the  
415 delinquent amount.

416 **SECTION 6.** Section 19-5-195, Mississippi Code of 1972, is  
417 amended as follows:

418 19-5-195. (a) The board of commissioners of the district  
419 issuing bonds pursuant to Sections 19-5-151 through 19-5-207 shall  
420 prescribe and collect reasonable rates, fees, tolls or charges for  
421 the services, facilities and commodities of its system or systems;  
422 shall prescribe penalties for the nonpayment thereof; and shall  
423 revise such rates, fees, tolls or charges from time to time  
424 whenever necessary to insure the economic operation of such system  
425 or systems. The rates, fees, tolls or charges prescribed shall  
426 be, as nearly as possible, such as will always produce revenue at  
427 least sufficient to: (a) provide for all expenses of operation  
428 and maintenance of the system or systems, including reserves  
429 therefor, (b) pay when due all bonds and interest thereon for the  
430 payment of which such revenues are or shall have been pledged,

431 charged or otherwise encumbered, including reserves therefor, and  
432 (c) provide funds for reasonable expansions, extensions and  
433 improvements of service.

434 (b) Before any water, sewer or garbage disposal service that  
435 is provided by the district may be disconnected due to nonpayment  
436 of service, a customer shall be given written notice that shall be  
437 posted on the residential door of such customer ten (10) days  
438 before the electric service can be disconnected. The notice shall  
439 provide the reason for the proposed disconnection and remedies to  
440 cure the delinquent amount.

441 **SECTION 7.** Section 21-27-29, Mississippi Code of 1972,  
442 is amended as follows:

443 21-27-29. Rates charged for services furnished by any system  
444 or combined system purchased, constructed, improved, enlarged,  
445 extended or repaired under the provisions of Sections 21-27-11 to  
446 21-27-69 shall not be subject to supervision or regulation by any  
447 state bureau, board, commission, or other like instrumentality or  
448 agency thereof. It shall not be necessary for any municipality  
449 operating under the provisions of said sections to obtain any  
450 franchise or other permit from any state bureau, board, commission  
451 or other instrumentality thereof, in order to construct, improve,  
452 enlarge, extend or repair any system or combined system. However,  
453 billing and service disputes between the system and its customers  
454 shall be subject to review and arbitration by the Public Service  
455 Commission as provided under Section 77-3-6. In addition, any  
456 service that is provided by any municipally owned utility may be  
457 disconnected due to nonpayment of service, a customer shall be  
458 given written notice that shall be posted on the residential door  
459 of such customer ten (10) days before the service can be  
460 disconnected. The notice shall provide the reason for the  
461 proposed disconnection and remedies to cure the delinquent amount.

462 **SECTION 8.** Section 77-6-35, Mississippi Code of 1972, is  
463 amended as follows:

464           77-6-35. (a) A municipality is hereby authorized to fix,  
465 charge and collect rents, rates, fees and charges for gas and  
466 other services, facilities and commodities sold, furnished or  
467 supplied through the facilities of its gas system or its interest  
468 in any joint project. For so long as any bonds of a municipality  
469 are outstanding and unpaid, the rents, fees and charges shall be  
470 so fixed as to provide revenues sufficient to pay all costs of and  
471 charges and expenses in connection with the proper operation and  
472 maintenance of its gas system, and its interest in any joint  
473 project, and all necessary repairs, replacements or renewals  
474 thereof, to pay when due the principal of, premium, if any, and  
475 interest on all bonds and other evidences of indebtedness payable  
476 from said revenues, to create and maintain reserves as may be  
477 required by any resolution authorizing and securing bonds, to pay  
478 when due the principal of, premium, if any, and interest on all  
479 bonds heretofore or hereafter issued to finance additions,  
480 improvements and betterments to its gas system, and to pay any and  
481 all amounts which the municipality may be obligated to pay from  
482 said revenues by law or contract. Nothing herein contained shall  
483 be construed to prohibit any municipality from expending any  
484 revenues in excess of that required herein in any manner otherwise  
485 permitted by law.

486           (b) No municipality that provides gas services to its  
487 customers shall disconnect services due to nonpayment of services  
488 until a customer is given a written notice that shall be posted on  
489 the residential door of such customer ten (10) days before the  
490 service can be disconnected. The notice shall provide the reason  
491 for the proposed disconnection and remedies to cure the delinquent  
492 amount.

493           **SECTION 9.** This act shall take effect and be in force from  
494 and after July 1, 2007.