

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE DRS35163-LM-104 (03/23)

Short Title: Individually Metered Units/Tenant Charged.

(Public)

Sponsors: Senator Hunt.

Referred to:

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE UTILITIES COMMISSION TO ADOPT PROCEDURES THAT ALLOW A LESSOR OF A RESIDENTIAL BUILDING OR COMPLEX HAVING INDIVIDUALLY METERED UNITS FOR ELECTRIC SERVICE IN THE LESSOR'S NAME TO CHARGE FOR THE ACTUAL COSTS OF PROVIDING ELECTRIC SERVICE TO EACH TENANT WHEN THE LESSOR HAS A SEPARATE LEASE FOR EACH BEDROOM IN THE UNIT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 62-110 is amended by adding a new subsection to read as follows:

"§ 62-110. **Certificate of convenience and necessity.**

...

(g1) In addition to the authority to issue a certificate of public convenience and necessity and establish rates otherwise granted in this Chapter, the Commission may, consistent with the public interest, adopt procedures that allow a lessor of a residential building or complex that has individually metered units for electric service in the lessor's name to charge for the actual costs of providing electric service to each tenant when the lessor has a separate lease for each bedroom in the unit. The following provisions shall apply to the charges authorized under this subsection:

- (1) The lessor shall equally divide the actual amount of the individual electric service bill for a unit among all the tenants in the unit and shall send one bill to each tenant. The amount charged shall be prorated when a tenant has not leased the unit for the same number of days as the other tenants in the unit during the billing period. Each bill may include an administrative fee up to the amount of the then-current administrative fee authorized by the Commission in Rule 18-6 for water service and, when applicable, a late fee in an amount determined by the Commission. The lessor shall not charge the cost of electricity from any other unit or common area in a tenant's bill. The lessor may, at the lessor's option, pay any portion of any bill sent to a tenant.
- (2) The lessor shall maintain records for a minimum of 36 months that demonstrate how each tenant's allocated costs were calculated for electric service. A tenant may inspect these records, including the actual per unit public utility billings, during reasonable business hours and may obtain copies of the records for a reasonable copying fee.



- 1 (3) Bills for electric service sent by the lessor to the tenant shall contain all of
2 the following information:
3 a. The bill charged by the electric supplier for the unit as a whole and
4 the amount of charges allocated to the tenant during the billing
5 period.
6 b. The name of the electric power supplier providing electric service to
7 the unit.
8 c. Beginning and ending dates for the usage period and, if provided by
9 the electric supplier, the date the meter was read for that usage
10 period.
11 d. The past-due date, which shall not be less than 25 days after the bill
12 is mailed to the tenant.
13 e. A local or toll-free telephone number and address that the tenant can
14 use to obtain more information about the bill.
15 f. The amount of any administrative fee and late fee approved by the
16 Commission and included in the bill.
17 g. A statement of the tenant's right to address questions about the bill to
18 the lessor, and the tenant's right to file a complaint with or otherwise
19 seek recourse from the Commission if the tenant cannot resolve an
20 electric service billing dispute with the lessor.
21 (4) The Commission shall develop an application that a lessor must submit for
22 Commission approval to charge for electric service as provided in this
23 section. The form shall include all of the following:
24 a. A description of the lessor and the property to be served.
25 b. A description of the proposed billing method and billing statements.
26 c. The administrative fee and late payment fee, if any, proposed to be
27 charged by the lessor.
28 d. The name of and contact information for the lessor and the lessor's
29 agents.
30 e. The name of and contact information for the supplier of electric
31 service to the lessor's rental property.
32 f. A copy of the lease forms used by the lessor for tenants who are
33 billed for electric service pursuant to this subsection.
34 g. Any additional information that the Commission may require.
35 (5) The Commission shall approve or disapprove an application within 30 days
36 of the filing of a completed application with the Commission. If the
37 Commission has not issued an order disapproving a completed application
38 within 30 days, the application shall be deemed approved.
39 (6) A lessor who charges for electric service under this subsection shall not be
40 required to file annual reports pursuant to G.S. 62-36.
41 (7) The Commission shall adopt rules to implement the provisions of this
42 subsection."

43 **SECTION 2.** G.S. 143-151.42 reads as rewritten:

44 **"§ 143-151.42. Prohibition of master meters for electric and natural gas service.**

45 (a) From and after September 1, 1977, in order that each occupant of an apartment or
46 other individual dwelling unit may be responsible for his own conservation of electricity and
47 gas, it shall be unlawful for any new residential building, as hereinafter defined, to be served by
48 a master meter for electric service or natural gas service. Each individual dwelling unit shall
49 have individual electric service with a separate electric meter and, if it has natural gas,
50 individual natural gas service with a separate natural gas meter, which service and meters shall
51 be in the name of the tenant or other occupant of said apartment or other dwelling unit. No

1 electric supplier or natural gas supplier, whether regulated public utility or municipal
2 corporation or electric membership corporation supplying said utility service, shall connect any
3 residential building for electric service or natural gas service through a master meter, and said
4 electric or natural gas supplier shall serve each said apartment or dwelling unit by separate
5 service and separate meter and shall bill and charge each individual occupant of said separate
6 apartment or dwelling unit for said electric or natural gas service. A new residential building is
7 hereby defined for the purposes of this section as any building for which a building permit is
8 issued on or after September 1, 1977, which includes two or more apartments or other family
9 dwelling units. Provided, however, that any owner or builder of a multi-unit residential building
10 who desires to provide central heat or air conditioning or central hot water from a central
11 furnace, air conditioner or hot water heater which incorporates solar assistance or other designs
12 which accomplish greater energy conservation than separate heat, hot water, or air conditioning
13 for each dwelling unit, may apply to the North Carolina Utilities Commission for approval of
14 said central heat, air conditioning or hot water system, which may include a central meter for
15 electricity or gas used in said central system, and the Utilities Commission shall promptly
16 consider said application and approve it for such central meters if energy is conserved by said
17 design. This section shall apply to any dwelling unit normally rented or leased for a minimum
18 period of one month or longer, including apartments, condominiums and townhouses, but shall
19 not apply to hotels, motels, hotels or motels that have been converted into condominiums,
20 dormitories, rooming houses or nursing homes, or homes for the elderly.

21 (b) The provisions of this section requiring that service and meters for each individual
22 dwelling unit be in the name of the tenant or other occupant of the apartment or other dwelling
23 unit shall not apply in cases where the Utilities Commission has approved an application under
24 G.S. 62-110(g1)."

25 **SECTION 3.** This act becomes effective October 1, 2011, and applies to leases
26 entered into on or after that date.