Michigan Public Service Commission

Overview

Winter 2011

Commission

The Michigan Public Service Commission is composed of three members appointed by the Governor with the advice and consent of the Senate. Commissioners are appointed to serve staggered six-year terms. No more than two Commissioners may represent the same political party. One commissioner is designated as chairman by the Governor.

- **Chairman Orjiakor N. Isiogu**
- **Commissioner Monica Martinez**
- **Commissioner Greg R. White**

Mission

The mission of the Michigan Public Service Commission is to grow Michigan's economy and enhance the quality of life of its communities by assuring safe and reliable energy, telecommunications, and transportation services at just and reasonable rates.

Goals

The goals of the Commission are to:

- Establish fair and reasonable rates for regulated services and adopt and administer fair terms and conditions of service for the State's utility customers.
- Assure adequate and reliable supplies of regulated services to all Michigan customers, and the safe and efficient production, distribution, and use of the State's energy, telecommunications, and transportation services.
- Assure the security of the State's critical infrastructure by promoting homeland security.
- Promote the State's economic growth and enhance the quality of life of its communities through adoption of new technologies like broadband telecommunications and efficient renewable energy resources.
- Provide customers with the opportunity to choose alternative electric, natural gas, telecommunications, and transportation providers.
- Provide regulatory oversight in a prudent and efficient manner while implementing legislative and constitutional requirements.

Authority – 1939 PA 3

MPSC Enabling Act

"The public service commission is vested with complete power and jurisdiction to regulate all public utilities in the state except a municipally owned utility, the owner of a renewable resource power production facility as provided in section 6d, and except as otherwise restricted by law. The public service commission is vested with the power and jurisdiction to regulate all rates, fares, fees, charges, services, rules, conditions of service, and all other matters pertaining to the formation, operation, or direction of public utilities. The public service commission is further granted the power and jurisdiction to hear and pass upon all matters pertaining to, necessary, or incident to the regulation of public utilities, including electric light and power companies, whether private, corporate, or cooperative; water, telegraph, oil, gas, and pipeline companies; motor carriers; private wastewater treatment facilities; and all public transportation and communication agencies other than railroads and railroad companies." MCL 460.6 (1).

Electricity

- 1939 PA 3 – Gives MPSC broad authority over regulated electric utilities; major amendments include:
  - 2000 PA 141 – Electric Industry Restructuring – "Customer Choice"
  - 2008 PA 286 – Placed 10% Cap on Choice; allows for Certificate of Need, Integrated Resource Plan
- 2008 PA 295 – "Clean, Renewable, and Efficient Energy Act"
- 1995 PA 30 – Electric Transmission Siting

Electricity

The Commission regulates:

- 9 Investor-owned Utilities (e.g., Detroit Edison, Consumers Energy)
- 10 Electric Cooperatives – MPSC regulation vs. member regulation

The Commission licenses:

- Alternative Electric Suppliers

The Commission does not regulate:

- Municipally-owned Utilities

Natural Gas

- 1939 PA 3 – Gives MPSC broad authority over regulated gas utilities
- 1969 PA 165 – Michigan Gas Safety Standards
- 1929 PA 9, PA 16, and PA 69 – Siting of Gas and Oil Pipelines

Natural Gas

The Commission regulates:

- 11 Gas Distribution Companies (e.g., MichCon, SEMCO, Consumers)

The Commission licenses:

- Alternative Gas Suppliers

The Commission oversees:

- Pipeline Safety – In Conjunction with Feds

The Commission does not regulate:

- Propane or Fuel Oil

Telecommunications

- 1991 PA 379 – Michigan Telecommunications Act
- 2006 PA 480 – Uniform Video Services Local Franchise Act
- Parts of 1986 PA 32 – Emergency 9-1-1 Services Enabling Act
- Parts of 2002 PA 48 – Metropolitan Extension Telecommunications Rights-of-way Oversight (METRO) Act

Telecommunications

The Commission regulates:

- Wireline phone service providers (e.g., AT&T, Frontier, etc.)
  - Primary Basic Local Exchange Service (PBLES) is only regulated rate
  - Quality of service

The Commission provides:

- Oversight, dispute resolution for video franchise agreements

The Commission does not regulate:

- Wireless service, Internet, cable rates

Motor Carrier

- PA 254 of 1933 – Motor Carrier Act
  - Intrastate Motor Carriers must obtain operating authority from MPSC
  - Household Goods Carriers Regulation
- Unified Carrier Registration Program
- Intrastate USDOT Numbering Program

Questions?

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