

SENATE BILL No. 87

January 27, 2011, Introduced by Senators ROCCA and MARLEAU and referred to the Committee on Energy and Technology.

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to provide for a restructuring of the manner in which energy is provided in this state; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,"

by amending section 6 (MCL 460.6), as amended by 2005 PA 190 and by

adding section 6t.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) The public service commission is vested with
2 complete power and jurisdiction to regulate all public utilities in
3 the state except a municipally owned **ELECTRIC OR NATURAL GAS**
4 utility, the owner of a renewable resource power production
5 facility as provided in section 6d, and except as otherwise
6 restricted by law. The public service commission is vested with the
7 power and jurisdiction to regulate all rates, fares, fees, charges,
8 services, rules, conditions of service, and all other matters
9 pertaining to the formation, operation, or direction of public
10 utilities. The public service commission is further granted the
11 power and jurisdiction to hear and pass upon all matters pertaining
12 to, necessary, or incident to the regulation of public utilities,
13 including electric light and power companies, whether private,
14 corporate, or cooperative; water, **INCLUDING MUNICIPALLY OWNED WATER**
15 **AND SEWER SYSTEMS;** telegraph, oil, gas, and pipeline companies;
16 motor carriers; private wastewater treatment facilities; and all
17 public transportation and communication agencies other than
18 railroads and railroad companies.

19 (2) A private, investor-owned wastewater utility may apply to
20 the commission for rate regulation. If an application is filed
21 under this subsection, the commission is vested with the specific
22 grant of jurisdictional authority to regulate the rates, fares,
23 fees, and charges of private, investor-owned wastewater utilities.
24 As used in this subsection, "private, investor-owned wastewater
25 utilities" means a utility that delivers wastewater treatment

1 services through a sewage system and the physical assets of which
2 are wholly owned by an individual or group of individual
3 shareholders.

4 SEC. 6T. THE PUBLIC SERVICE COMMISSION IS VESTED WITH THE
5 POWER AND JURISDICTION TO REGULATE ALL RATES, FARES, FEES, AND
6 CHARGES OF ANY WATER OR SEWERAGE SYSTEM THAT PROVIDES WATER SUPPLY
7 SERVICE OR SEWERAGE SERVICE, OR BOTH, TO MORE THAN 25% OF THE
8 POPULATION OF THIS STATE.