

SENATE BILL NO. 879

May 22, 2024, Introduced by Senator SINGH and referred to the Committee on Energy and Environment.

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 and certain providers of electric vehicle charging services; 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 powers and duties of certain state governmental officers and entities; 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 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 9t (MCL 460.9t), as added by 2013 PA 95.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9t. (1) The low-income energy assistance fund is created
2 ~~within~~**in** the state treasury.

3 (2) The state treasurer may receive money or other assets from
4 any source for deposit into the fund. The state treasurer shall
5 direct the investment of the fund ~~. The state treasurer shall and~~
6 credit to the fund interest and earnings from fund investments.

7 (3) Money in the fund at the close of the fiscal year ~~shall~~
8 ~~remain~~**remains** in the fund and ~~shall~~**does** not lapse to the general
9 fund.

10 (4) The department of licensing and regulatory affairs ~~shall~~
11 ~~be~~**is** the administrator of the fund for auditing purposes.

12 (5) Subject to the limitations imposed in this section, the
13 department of **health and** human services shall expend money from the
14 fund, ~~upon~~**on** appropriation, as provided in the Michigan energy
15 assistance act, 2012 PA 615, MCL 400.1231 to ~~400.1236.~~**400.1235.**
16 The department of **health and** human services, in consultation with
17 the ~~public service~~ commission, shall ensure ~~that all money~~
18 ~~collected for the fund from a geographic area is returned, to the~~
19 ~~extent possible, to that geographic area.~~**is administered to promote**
20 **all of the following:**

21 (a) **Statewide access to the Michigan energy assistance program**

1 established in section 3 of the Michigan energy assistance act,
2 2012 PA 615, MCL 400.1233, and ensuring that funds collected from a
3 specific geographic area are, to the extent possible, returned to
4 eligible low-income customers in that specific geographic area.

5 (b) Collaboration between the department of health and human
6 services, the commission, energy providers, and entities that
7 administer assistance programs to ensure that low-income customers
8 in a participating geographical area are receiving funds
9 proportional to what customers in that geographical area are being
10 assessed.

11 (c) For energy providers and entities that administer
12 assistance programs, education and outreach on availability of the
13 assistance programs and funding.

14 (6) Beginning October 1, 2027, and by each October 1
15 thereafter, the department of health and human services shall
16 provide to the house and senate appropriations committee for the
17 department of health and human services budget and the house and
18 senate standing committees on energy a report that contains all of
19 following information:

20 (a) The distribution of money from the fund across this state.

21 (b) Each geographic area where funds were collected, and the
22 extent to which the funds were returned to the geographic area from
23 which the funds were collected.

24 (c) A summary of the education, marketing, and outreach to
25 improve the distribution of funds.

26 (d) For an electric utility, municipally owned electric
27 utility, or cooperative electric utility that serves fewer than
28 45,000 retail customers, the total amount of funds collected from
29 the retail customers and the total amount of funds distributed to

1 eligible low-income customers in the electric utility's,
2 municipally owned electric utility's, or cooperative electric
3 utility's geographic area.

4 (7) ~~(6)~~—Subject to the limitations imposed in this subsection,
5 the ~~public service~~ commission may, after an opportunity to comment,
6 annually approve a low-income energy assistance funding factor no
7 later than July 31 of each year for the subsequent fiscal year. The
8 low-income energy assistance funding factor ~~shall~~**must** be the same
9 across all customer classes and ~~shall~~**must** not exceed \$1.00. The
10 amount used by the ~~public service~~ commission to calculate a low-
11 income energy assistance funding factor during each fiscal year
12 ~~shall~~**must** not exceed \$50,000,000.00 minus both the amount
13 appropriated from the general fund in that fiscal year for home
14 energy assistance and the amount remaining in the fund from the
15 prior fiscal year. An electric utility, municipally owned electric
16 utility, or cooperative electric utility that collects money under
17 this subsection shall remit that money to the state treasurer for
18 deposit in the fund on a monthly basis no later than 30 days after
19 the last day in each calendar month. The electric utility,
20 municipally owned electric utility, or cooperative electric utility
21 shall list the low-income energy assistance funding factor as a
22 separate line item on each customer's bill.

23 (8) ~~(7)~~—An electric utility, municipally owned electric
24 utility, or cooperative electric utility may elect to not collect a
25 low-income energy assistance funding factor under this section by
26 annually filing a notice with the ~~public service~~ commission by July
27 1. Notwithstanding any other provision of this act, an electric
28 utility, municipally owned electric utility, or cooperative
29 electric utility that elects to not collect a low-income energy

1 assistance funding factor under this section shall not shut off
2 service to any residential customer from November 1 to April 15 for
3 nonpayment of a delinquent account.

4 (9) ~~(8)~~—An electric utility, municipally owned electric
5 utility, or cooperative electric utility that does not opt out
6 under subsection ~~(7)~~, ~~(8)~~, or an association representing a
7 municipally owned electric utility or cooperative electric utility
8 that does not opt out under subsection ~~(7)~~, ~~(8)~~, shall annually
9 provide to the ~~public service~~ commission by July 1 the number of
10 retail billing meters it serves in this state that are subject to
11 the low-income energy assistance funding factor.

12 (10) ~~(9)~~ ~~Nothing in this~~ **This** act ~~gives~~ **does not give** the
13 ~~public service~~ commission the power to regulate a municipally owned
14 electric utility.

15 (11) ~~(10)~~—As used in this section:

16 (a) "Fund" means the low-income energy assistance fund created
17 in subsection (1).

18 (b) "Low-income energy assistance funding factor" means a
19 nonbypassable surcharge on each retail billing meter payable
20 monthly by every customer receiving a retail distribution service
21 from an electric utility, municipally owned electric utility, or
22 cooperative electric utility that does not opt out under subsection
23 ~~(7)~~, ~~(8)~~, regardless of the identity of the customer's electric
24 generation supplier. The low-income energy assistance funding
25 factor ~~shall~~ **must** not be charged on more than 1 residential meter
26 per residential site.