



SENATE BILL No. 411

March 16, 1995, Introduced by Senators BYRUM and DUNASKISS
and referred to the Committee on Technology and Energy.

A bill to amend sections 4 and 7 of Act No. 106 of the
Public Acts of 1909, entitled as amended

"An act to regulate the transmission of electricity through the
public highways, streets and places of this state, where the
source of supply and place of use are in the same or different
counties; to regulate the charges to be made for electricity so
transmitted; to regulate the rules and conditions of service
under which said electricity shall be furnished and to confer
upon the Michigan public utilities commission certain powers and
duties in regard thereto,"

section 7 as amended by Act No. 8 of the Public Acts of 1987,
being sections 460.554 and 460.557 of the Michigan Compiled
Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 4 and 7 of Act No. 106 of the Public
2 Acts of 1909, section 7 as amended by Act No. 8 of the Public
3 Acts of 1987, being sections 460.554 and 460.557 of the Michigan
4 Compiled Laws, are amended to read as follows:

1 Sec. 4. (1) ~~Every person, firm or corporation~~ IF REQUIRED
2 BY THE COMMISSION, AN ELECTRIC UTILITY erecting ~~any~~ lines ~~for~~
3 ~~the transmission of~~ TO TRANSMIT electricity in or through the
4 highways, streets, or public places of 1 or more counties of this
5 state shall ~~, from time to time, as and when required to do so~~
6 ~~by the commission,~~ prepare and file with the commission ~~such~~
7 data and information ~~as shall be required relative to~~
8 CONCERNING the method and manner of the construction of ~~such~~
9 THOSE lines, the franchise or consent under which ~~said~~ THOSE
10 lines were constructed or are being maintained, and ~~such~~ other
11 information ~~as~~ the commission ~~may~~ reasonably ~~require~~
12 REQUIRES. The commission may require the filing ~~with it~~ of
13 detailed specifications covering the type of construction of
14 ~~such~~ TRANSMISSION lines. ~~Such~~ THE specifications shall show
15 the details of construction of lines of various voltages. ~~, and~~
16 ~~after such specifications have been approved by~~ IF the commis-
17 sion APPROVES THE SPECIFICATIONS, all lines built by ~~such~~
18 ~~person, firm or corporation must~~ THE ELECTRIC UTILITY SHALL be
19 constructed according ~~thereto~~ TO THE SPECIFICATIONS. ~~The~~
20 ~~height of such~~ TRANSMISSION lines at all highway crossings shall
21 be not less than 22 feet ~~,~~ HIGH and at railroad crossings shall
22 be in accordance with the ~~regulations of the commission~~
23 COMMISSION'S RULES made under authority of law. The commission
24 ~~shall have the right to~~ MAY require all poles used in ~~the~~
25 ~~transmission of~~ TRANSMITTING electricity ~~as aforesaid,~~ to be
26 stenciled or otherwise marked with the OWNER'S name. ~~of the~~
27 ~~owner thereof.~~

1 (2) THIS ACT IS SUBJECT TO THE ELECTRIC TRANSMISSION LINE
2 CERTIFICATION ACT.

3 Sec. 7. (1) The commission shall investigate ~~any~~ EACH
4 complaint AGAINST AN ELECTRIC UTILITY submitted in writing by a
5 consumer or a city, village, or township ~~relative to~~ CONCERNING
6 the price of the electricity sold and delivered, ~~or with refer-~~
7 ~~ence to~~ the service rendered, or any other matter of complaint.
8 The commission's agents, examiners, inspectors, engineers, and
9 accountants may inspect the system and method used in transmit-
10 ting and supplying electricity and examine the ELECTRIC UTILITY'S
11 books and papers ~~of the person, firm, or corporation~~ pertaining
12 to ~~the transmittal and supply of~~ TRANSMITTING AND SUPPLYING
13 electricity, services rendered, or any other matter of
14 complaint.

15 (2) The commission shall cause a notice of the complaint
16 with a copy of the complaint to be served on the ~~person, firm,~~
17 ~~or corporation~~ ELECTRIC UTILITY complained of or affected by the
18 complaint. The ~~person, firm, or corporation may be heard~~
19 ELECTRIC UTILITY HAS THE RIGHT TO A HEARING in respect to the
20 ~~matter complained of at a convenient time and place to be fixed~~
21 ~~in the notice~~ COMPLAINT. After investigation and hearing, the
22 commission ~~within lawful limits, and by order,~~ may BY ORDER fix
23 the price of electricity to be charged by the ~~person, firm, or~~
24 ~~corporation~~ ELECTRIC UTILITY WITHIN LAWFUL LIMITS. The ~~person,~~
25 ~~firm, or corporation~~ ELECTRIC UTILITY shall receive notice of
26 the price fixed by the commission and shall charge that fixed
27 price until the commission changes the fixed price. The

1 commission ~~also by order~~ may establish BY ORDER rules and
2 conditions of service that are just and reasonable. In determin-
3 ing the price, the commission shall consider and give due weight
4 to all lawful elements ~~properly to be considered to enable the~~
5 ~~commission~~ NECESSARY to determine the price to be fixed for sup-
6 plying electricity, including cost, reasonable return on the fair
7 value of all property used in the service, depreciation, obsoles-
8 cence, risks of business, value of service to the consumer, the
9 connected load, the hours of the day when used, and the quantity
10 used each month. However, the commission shall not change or
11 alter the price fixed in or regulated by or under a franchise
12 granted by a city, village, or township.

13 (3) If identical or substantially identical rates are estab-
14 lished in 2 or more contiguous cities, villages, townships, or
15 communities served or whose inhabitants are served by the same
16 ~~person, firm, or corporation~~ ELECTRIC UTILITY, the territory
17 served shall be treated as a unit for ~~the purpose of~~ fixing
18 rates. A rate shall not be changed with respect to 1 or more of
19 the cities, villages, townships, or communities so as to estab-
20 lish a RATE difference ~~of rate~~ within the territory served,
21 unless it is shown that the continuance of the identical or sub-
22 stantially identical rate or rates will work substantial hardship
23 to a city, village, township, person, firm, or corporation
24 affected ~~—~~ or unless otherwise provided by law.

25 (4) The rates of an electric utility shall be just and rea-
26 sonable and a consumer shall not be charged more or less than
27 other consumers are charged for like contemporaneous service

1 rendered under similar circumstances and conditions. ~~If an~~ AN
 2 electric utility doing business within this state SHALL NOT,
 3 directly or indirectly by a special rate, rebate, draw-back, or
 4 other device, ~~charges, demands, collects, or receives~~ CHARGE,
 5 DEMAND, COLLECT, OR RECEIVE from a person, partnership, or corpo-
 6 ration, a greater or lesser compensation for a service rendered
 7 than the electric utility charges, demands, collects, or receives
 8 from any other person, partnership, or corporation for rendering,
 9 a like contemporaneous service. ~~, the electric utility is~~
 10 ~~guilty of unjust discrimination which is hereby prohibited and~~
 11 ~~declared to be unlawful. In addition, a~~ A person, partnership,
 12 or corporation shall not, directly or indirectly, ask, demand, or
 13 accept a rebate, draw-back, or other device by which the person,
 14 partnership, or corporation shall obtain electric service for a
 15 rate less than that charged others in like circumstances.

16 (5) RATE-MAKING PURSUANT TO THIS ACT IS SUBJECT TO THE ELEC-
 17 TRIC TRANSMISSION LINE CERTIFICATION ACT.

18 (6) ~~(5)~~ The commission may promulgate rules for the con-
 19 duct of its business and the proper discharge of its functions
 20 under this act, pursuant to the administrative procedures act OF
 21 1969, Act No. 306 of the Public Acts of 1969, being sections
 22 24.201 to 24.328 of the Michigan Compiled Laws. ~~, and a~~ A
 23 person dealing with the commission or interested in a matter or
 24 proceeding pending before the commission ~~shall be~~ IS bound by
 25 those rules.

26 (7) ~~(6)~~ Any AN order or decree of the commission ~~shall~~
 27 ~~be~~ IS subject to review ~~in the manner~~ AS provided ~~for~~ in

1 section 26 of Act No. 300 of the Public Acts of 1909, being
2 section 462.26 of the Michigan Compiled Laws.

3 Section 2. This amendatory act shall not take effect unless
4 Senate Bill No. _____ or House Bill No. _____ (request
5 no. 04332'95) of the 88th Legislature is enacted into law.