

# HOUSE BILL No. 5326

December 2, 2003, Introduced by Rep. Hunter and referred to the Committee on Government Operations.

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public 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,"

(MCL 460.1 to 460.10cc) by adding section 9c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 9c. (1) If a local unit of government purchases any

1 type of utility service for its residential or commercial  
2 customers from another local unit of government, the customer's  
3 bill for the utility service shall include all of the following:

4 (a) The cost that the local unit of government paid for the  
5 service.

6 (b) The cost to the local unit of government to receive and  
7 distribute the service.

8 (c) The cost to maintain the distribution system and any  
9 associated administration costs.

10 (d) Any markup or profit that the local unit of government  
11 includes in the rate that it charges the customer for the utility  
12 service.

13 (2) As used in this section:

14 (a) "Local unit of government" means a county, city, village,  
15 or township with a population of less than 750,000.

16 (b) "Utility service" means the providing to residential or  
17 commercial customers of natural gas, electric power, water, or  
18 sewer services.