

Legislative Analysis



PRIVATE WASTEWATER CO. UTILITY ASSESSMENT

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Senate Bill 719 as passed by the Senate

Sponsor: Sen. Jason E. Allen

House Committee: Natural Resources, Great Lakes, Land Use, and Environment

Senate Committee: Economic Development, Small Business and Regulatory Reform

Complete to 9-21-05

A SUMMARY OF SENATE BILL 719 AS PASSED BY THE SENATE 9-14-05

Public Act 299 of 1972 imposes an assessment against public utilities attributable to the cost of regulation by the Public Service Commission. A regulated utility's assessment is based on its proportionate share of gross revenue in the preceding calendar year from interstate operations. Public Act 299 defines "public utility" to mean a steam, heat, electric, power, gas, water, telecommunications, telegraph, communications, pipeline, or gas producing company regulated by the PSC, whether private, corporate, or cooperative, except a municipally owned utility. Senate Bill 719 would include a wastewater company in the definition.

FISCAL IMPACT:

The amount of revenue generated from the assessment would depend on the number of private wastewater treatment utilities regulated by the Public Service Commission. The assessment would cover the staffing and administrative costs associated with the regulation of these utilities.

BACKGROUND INFORMATION:

Related to this bill, Senate Bill 356 would amend Part 41 (Sewerage Systems) of the Natural Resources and Environmental Protection Act to add that the activities of a private, investor-owned wastewater facility would have to comply with all applicable laws of the NREPA, local zoning and other ordinances, the Federal Water Pollution Control Act (i.e. the Clean Water Act) and the National Environmental Policy Act of 1969. Senate Bill 419 would amend Public Act 3 of 1939, which grants the Public Service Commission regulatory authority over public utilities, to provide the PSC with the regulatory authority over rates, fares, fee, and charges of private, investor-owned wastewater utilities, upon application from the utility.

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