

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 419

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,"

by amending the title and section 6 (MCL 460.6), the title as amended by 2000 PA 141 and section 6 as amended by 1993 PA 355.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to provide for the regulation and control of public **AND**
3 **CERTAIN PRIVATE** utilities and other services affected with a public
4 interest within this state; to provide for alternative energy
5 suppliers; to provide for licensing; to include municipally owned
6 utilities and other providers of energy under certain provisions of
7 this act; to create a public service commission and to prescribe
8 and define its powers and duties; to abolish the Michigan public
9 utilities commission and to confer the powers and duties vested by
10 law on the public service commission; to provide for the
11 continuance, transfer, and completion of certain matters and
12 proceedings; to abolish automatic adjustment clauses; to prohibit
13 certain rate increases without notice and hearing; to qualify
14 residential energy conservation programs permitted under state law
15 for certain federal exemption; to create a fund; to provide for a
16 restructuring of the manner in which energy is provided in this
17 state; to encourage the utilization of resource recovery
18 facilities; to prohibit certain acts and practices of providers of
19 energy; to allow for the securitization of stranded costs; to
20 reduce rates; to provide for appeals; to provide appropriations; to
21 declare the effect and purpose of this act; to prescribe remedies
22 and penalties; and to repeal acts and parts of acts.

23 Sec. 6. (1) The public service commission is vested with
24 complete power and jurisdiction to regulate all public utilities in
25 the state except a municipally owned utility, the owner of a
26 renewable resource power production facility as provided in section

1 6d, and except as otherwise restricted by law. The public service
2 commission is vested with the power and jurisdiction to regulate
3 all rates, fares, fees, charges, services, rules, conditions of
4 service, and all other matters pertaining to the formation,
5 operation, or direction of public utilities. The public service
6 commission is further granted the power and jurisdiction to hear
7 and pass upon all matters pertaining to, necessary, or incident to
8 the regulation of public utilities, including electric light and
9 power companies, whether private, corporate, or cooperative; water,
10 telegraph, oil, gas, and pipeline companies; motor carriers;
11 **PRIVATE WASTEWATER TREATMENT FACILITIES;** and all public
12 transportation and communication agencies other than railroads and
13 railroad companies.

14 (2) A PRIVATE, INVESTOR-OWNED WASTEWATER UTILITY MAY APPLY TO
15 THE COMMISSION FOR RATE REGULATION. IF AN APPLICATION IS FILED
16 UNDER THIS SUBSECTION, THE COMMISSION IS VESTED WITH THE SPECIFIC
17 GRANT OF JURISDICTIONAL AUTHORITY TO REGULATE THE RATES, FARES,
18 FEES, AND CHARGES OF PRIVATE, INVESTOR-OWNED WASTEWATER UTILITIES.
19 AS USED IN THIS SUBSECTION, "PRIVATE, INVESTOR-OWNED WASTEWATER
20 UTILITIES" MEANS A UTILITY THAT DELIVERS WASTEWATER TREATMENT
21 SERVICES THROUGH A SEWAGE SYSTEM AND THE PHYSICAL ASSETS OF WHICH
22 ARE WHOLLY OWNED BY AN INDIVIDUAL OR GROUP OF INDIVIDUAL
23 SHAREHOLDERS.