Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 103 (Substitute S-2 as reported)
Sponsor: Senator Wayne A. Schmidt
Committee: Energy and Technology

CONTENT

The bill would enact the "Transmission Infrastructure Planning Act" to do the following:

-- Specify that an incumbent electric transmission company would have the right to construct, own, operate, maintain, and control a regionally cost-shared transmission line if the line or its construction were included in a plan adopted or otherwise approved by a recognized planning authority for the incumbent electric transmission company and the line would interconnect to facilities owned, or that would be owned, by that company.
-- Specify that right to construct, own, operate, maintain, and control a regionally-cost shared transmission line that would interconnect to facilities owned by two or more incumbent electric transmission companies would belong individually and equally to each incumbent electric transmission company, unless otherwise agreed to by each company.
-- Specify that certain cost accountability provisions overseen by the Michigan Public Service Commission (MPSC) would apply to an incumbent electric transmission company, or companies if there were more than one owner of the transmission line, that had the rights described above.
-- Specify that the Act would not alter or limit the right of a person to construct, own, operate, maintain, or control an electric transmission line in the State that was not a regionally cost-shared transmission line.
-- Specify that the Act would not modify or supersede specified authorities, rights, and requirements.

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill would have a minor fiscal impact on State government and no fiscal impact on local units of government. The MPSC, within the Department of Licensing and Regulatory Affairs, could incur legal and administrative costs if it filed a complaint with the Federal Energy Regulatory Commission to challenge costs incurred by a company to construct a transmission line. Under the bill, a successful complaint would result in the transmission company's reimbursement of the MPSC's litigation costs to a maximum of $250,000. If the MPSC's complaint were denied, the company would have to reimburse 25% of its litigation costs up to $250,000. The MPSC would pay its litigation costs in excess of these amounts.

Other MPSC activities in relation to the bill, such as plan reviews and meetings, likely would be covered by existing appropriations.

Date Completed: 10-6-21 Fiscal Analyst: Elizabeth Raczkowski