

**SUBSTITUTE FOR  
SENATE BILL NO. 1134**

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public and certain private 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 460.11) by adding section 9t.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 9T. (1) THE LOW-INCOME ENERGY ASSISTANCE FUND IS CREATED  
2 WITHIN THE STATE TREASURY.

3           (2) THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM  
4 ANY SOURCE FOR DEPOSIT INTO THE FUND. THE STATE TREASURER SHALL  
5 DIRECT THE INVESTMENT OF THE FUND. THE STATE TREASURER SHALL CREDIT  
6 TO THE FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS.

7           (3) MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL  
8 REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.

9           (4) THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS SHALL  
10 BE THE ADMINISTRATOR OF THE FUND FOR AUDITING PURPOSES.

11           (5) THE DEPARTMENT OF HUMAN SERVICES SHALL EXPEND MONEY FROM  
12 THE FUND, UPON APPROPRIATION, ONLY AS PROVIDED IN THE MICHIGAN  
13 ENERGY ASSISTANCE ACT.

14           (6) SUBJECT TO THE LIMITATIONS IMPOSED IN THIS SUBSECTION, THE  
15 COMMISSION SHALL, AFTER NOTICE AND HEARING, ANNUALLY APPROVE A LOW-  
16 INCOME ENERGY ASSISTANCE FUNDING FACTOR NO LATER THAN JULY 31 OF  
17 EACH YEAR FOR THE SUBSEQUENT FISCAL YEAR. THE LOW-INCOME ENERGY  
18 ASSISTANCE FUNDING FACTOR SHALL BE THE SAME ACROSS ALL CUSTOMER  
19 CLASSES. THE AMOUNT COLLECTED FROM A LOW-INCOME ENERGY ASSISTANCE  
20 FUNDING FACTOR DURING EACH FISCAL YEAR SHALL NOT EXCEED  
21 \$60,000,000.00 MINUS BOTH THE AMOUNT APPROPRIATED FROM THE GENERAL  
22 FUND IN THAT FISCAL YEAR FOR HOME ENERGY ASSISTANCE AND THE AMOUNT  
23 REMAINING IN THE FUND FROM THE PRIOR FISCAL YEAR. AN ELECTRIC  
24 UTILITY, MUNICIPALLY OWNED ELECTRIC UTILITY, OR COOPERATIVE  
25 ELECTRIC UTILITY THAT COLLECTS MONEY UNDER THIS SUBSECTION SHALL  
26 REMIT THAT MONEY TO THE STATE TREASURER FOR DEPOSIT IN THE FUND ON  
27 A MONTHLY BASIS NO LATER THAN 30 DAYS AFTER THE LAST DAY IN EACH

1 CALENDAR MONTH. THE ELECTRIC UTILITY, MUNICIPALLY OWNED ELECTRIC  
2 UTILITY, OR COOPERATIVE ELECTRIC UTILITY SHALL LIST THE LOW-INCOME  
3 ENERGY ASSISTANCE FUNDING FACTOR AS A SEPARATE LINE ITEM ON EACH  
4 CUSTOMER'S BILL.

5 (7) IF REQUESTED BY THE COMMISSION, EACH ELECTRIC UTILITY,  
6 MUNICIPALLY OWNED ELECTRIC UTILITY, AND COOPERATIVE ELECTRIC  
7 UTILITY, OR AN ASSOCIATION REPRESENTING A MUNICIPALLY OWNED  
8 ELECTRIC UTILITY OR COOPERATIVE ELECTRIC UTILITY, SHALL ANNUALLY  
9 PROVIDE TO THE COMMISSION THE NUMBER OF RETAIL BILLING METERS IT  
10 SERVES IN THIS STATE THAT ARE SUBJECT TO THE LOW-INCOME ENERGY  
11 ASSISTANCE FUNDING FACTOR.

12 (8) AS USED IN THIS SECTION:

13 (A) "FUND" MEANS THE LOW-INCOME ENERGY ASSISTANCE FUND CREATED  
14 IN SUBSECTION (1).

15 (B) "LOW-INCOME ENERGY ASSISTANCE FUNDING FACTOR" MEANS A  
16 NONBYPASSABLE SURCHARGE ON EACH RETAIL BILLING METER PAYABLE  
17 MONTHLY BY EVERY CUSTOMER RECEIVING A RETAIL DISTRIBUTION SERVICE  
18 FROM AN ELECTRIC UTILITY, MUNICIPALLY OWNED ELECTRIC UTILITY, OR  
19 COOPERATIVE ELECTRIC UTILITY REGARDLESS OF THE IDENTITY OF THE  
20 CUSTOMER'S ELECTRIC GENERATION SUPPLIER. THE LOW-INCOME ENERGY  
21 ASSISTANCE FUNDING FACTOR SHALL NOT BE CHARGED ON MORE THAN 1  
22 RESIDENTIAL ACCOUNT METER PER RESIDENTIAL SITE.

23 Enacting section 1. This amendatory act does not take effect  
24 unless Senate Bill No. 1135 of the 96th Legislature is enacted into  
25 law.