



# HOUSE BILL No. 6429

October 4, 2018, Introduced by Reps. LaFave, Lower and Miller and referred to the Committee on Energy Policy.

A bill to amend 1951 PA 35, entitled

"An act to authorize intergovernmental contracts between municipal corporations; to authorize any municipal corporation to contract with any person or any municipal corporation to furnish any lawful municipal service to property outside the corporate limits of the first municipal corporation for a consideration; to prescribe certain penalties; to authorize contracts between municipal corporations and with certain nonprofit public transportation corporations to form group self-insurance pools; and to prescribe conditions for the performance of those contracts,"

by amending section 3 (MCL 124.3), as amended by 2000 PA 155.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           Sec. 3. (1) A municipal corporation may contract for adequate  
2           consideration with a person or another municipal corporation to  
3           furnish to property outside the municipal corporate limits any  
4           lawful municipal service that it is furnishing to property within

House Bill No. 6429 as amended December 11, 2018

1 the municipal corporate limits. A municipal corporation may sell  
2 and deliver heat, power, and light in amounts as determined by the  
3 governing body of the utility, except for both of the following:

4 (a) Electric delivery service is limited to the area of any  
5 city, village, or township that was contiguous to the municipal  
6 corporation as of June 20, 1974, and to the area of any other city,  
7 village, or township being served by the municipal utility as of  
8 June 20, 1974.

9 (b) Retail sales of electric generation service are limited to  
10 the area of any city, village, or township that was contiguous to  
11 the municipal corporation as of June 20, 1974, and to the area of  
12 any other city, village, or township being served by the municipal  
13 utility as of June 20, 1974. ~~, unless the municipal corporation is~~  
14 ~~in compliance with section 10y(4) of 1939 PA 3, MCL 460.10y.~~

15 (2) A municipal corporation shall not render electric delivery  
16 service for heat, power, or light ~~to customers~~ outside its  
17 corporate limits ~~already~~ **TO A CUSTOMER THAT IS CURRENTLY** receiving  
18 **OR WITHIN THE PREVIOUS 3 YEARS HAS RECEIVED** the service from  
19 another utility unless the serving utility consents in writing.

20 (3) As used in this section:

21 (A) "CUSTOMER" MEANS **[ONLY] THE BUILDING OR FACILITIES SERVED**  
22 **RATHER**  
23 **THAN THE INDIVIDUAL, ASSOCIATION, PARTNERSHIP, CORPORATION,**  
24 **GOVERNMENTAL BODY, OR OTHER ENTITY TAKING SERVICE.**

25 (B) ~~(a)~~ "Electric delivery service" has the same meaning as  
26 "delivery service" under section 10y of 1939 PA 3, MCL 460.10y.

27 (C) ~~(b)~~ "Electric generation service" means the sale of  
electric power and related ancillary services.

1           **(D)** ~~(e)~~—"Person" means an individual, partnership,  
2   association, governmental entity, or other legal entity.