

# HOUSE BILL No. 5122

August 22, 2007, Introduced by Rep. Hune and referred to the Committee on Energy and Technology.

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,"

by amending section 10w (MCL 460.10w), as added by 2000 PA 141.

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

1           Sec. 10w. (1) Each investor-owned electric utility in this  
2 state shall ~~, at the utility's option, either~~ join a FERC approved  
3 multistate regional transmission system organization or other FERC  
4 approved multistate independent transmission organization. ~~or~~  
5 ~~divest its interest in its transmission facilities to an~~  
6 ~~independent transmission owner.~~

7           (2) An investor-owned electric utility that is party to a  
8 legitimate filing that was pending before the FERC on December 31,  
9 2001 which is seeking FERC approval of a proposed multistate  
10 regional transmission system organization shall be considered to be  
11 in compliance with this section. Subsection (3) shall apply if FERC  
12 rejects a pending filing or if the electric utility withdraws from  
13 the filing or from a regional transmission system organization.  
14 This section does not provide guidance to FERC with respect to any  
15 pending filing.

16           (3) If an electric utility has not complied with this section  
17 by December 31, 2001, the commission shall direct the electric  
18 utility to join a FERC approved multistate regional transmission  
19 system organization selected by the commission.

20           **(4) AN INVESTOR-OWNED UTILITY SHALL OWN, CONSTRUCT, AND**  
21 **OPERATE ANY NEW TRANSMISSION FACILITIES USED OR INTENDED TO BE USED**  
22 **BY THAT UTILITY FOR THE TRANSMISSION OF ELECTRICITY THAT ARE**  
23 **INSTALLED IN THAT UTILITY'S SERVICE AREA AFTER THE EFFECTIVE DATE**  
24 **OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION.**