

SENATE BILL No. 1126

September 26, 2018, Introduced by Senator COLBECK 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 powers and duties of certain state governmental officers and entities; 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 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 sections 1 and 3 (MCL 460.1 and 460.3).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) ~~A commission to be known and designated as the~~
2 ~~"Michigan public service commission" is hereby created, which shall~~
3 ~~consist~~ **THE MICHIGAN PUBLIC SERVICE COMMISSION IS CREATED IN THE**
4 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.**

5 (2) **THE COMMISSION CONSISTS** of 3 members, not more than 2 of
6 whom ~~shall be~~ **ARE** members of the same political party, appointed by
7 the governor with the advice and consent of the senate.

8 (3) Each member ~~shall~~ **OF THE COMMISSION MUST** be a citizen of
9 the United States ~~, and of the~~ **THIS** state. ~~of Michigan, and no~~
10 ~~member of said~~ **A MEMBER OF THE** commission shall **NOT** be pecuniarily
11 interested in any public utility or ~~public service~~ **PERSON** subject
12 to the jurisdiction and control of the commission. During his **OR**
13 **HER** term, ~~no~~ **A member OF THE COMMISSION** shall **NOT** serve as an
14 officer or committee member of any political party organization or
15 hold any office or be employed by any other commission, board,
16 department, or institution in this state. ~~No commission~~

17 (4) **AN INDIVIDUAL IS NOT ELIGIBLE TO BE A member OF THE**
18 **COMMISSION IF THAT INDIVIDUAL HAS EVER BEEN RETAINED OR EMPLOYED BY**
19 **ANY PUBLIC UTILITY OR PERSON SUBJECT TO THE JURISDICTION AND**
20 **CONTROL OF THE COMMISSION. A MEMBER OF THE COMMISSION** shall **NOT** be
21 retained or employed by any public utility or ~~public service~~ **PERSON**
22 subject to the jurisdiction and control of the commission during
23 the time he **OR SHE** is acting as ~~such commissioner, and~~ **A MEMBER OF**
24 **THE COMMISSION OR for 6 months thereafter, and no 1 YEAR AFTER THAT**
25 **TIME.**

1 (5) A member of the commission ~~who is a member of the bar~~
2 **STATE BAR** of ~~the state of Michigan~~ ~~who shall~~ **NOT** practice his
3 ~~profession~~**LAW** or act as counselor or attorney in any court of this
4 state ~~during the time~~ **WHILE** he **OR SHE** is a member of ~~said~~**THE**
5 commission. ~~Provided, however, This shall~~

6 (6) **THIS SECTION DOES** not require any ~~commissioner~~**MEMBER OF**
7 **THE COMMISSION** to retire from ~~or~~ dissolve any partnership ~~of~~
8 which he **OR SHE** is a member, but ~~said~~**THE** partnership ~~while he is~~
9 ~~a member of the commission,~~ shall not engage in public utility
10 practice **WHILE HE OR SHE IS A MEMBER OF THE COMMISSION.** Immediately
11 ~~upon the taking effect of this act, the offices of the present~~
12 ~~members of the Michigan public service commission are hereby~~
13 ~~abolished, and the members of the Michigan public service~~
14 ~~commission as herein created shall be appointed by the governor~~
15 ~~with the advice and consent of the senate, for terms of 6 years~~
16 ~~each: Provided, That of the members first appointed, 1 shall be~~
17 ~~appointed for a term of 2 years, 1 for a term of 4 years, and 1 for~~
18 ~~a term of 6 years. Upon the expiration of said terms successors~~
19 ~~shall be appointed with like qualifications and in like manner for~~
20 ~~terms of 6 years each, and until their successors are appointed and~~
21 ~~qualified. Vacancies shall be filled in the same manner as is~~
22 ~~provided for appointment in the first instance.~~

23 (7) **MEMBERS OF THE COMMISSION SHALL SERVE FOR TERMS OF 6 YEARS**
24 **OR UNTIL A SUCCESSOR IS APPOINTED, WHICHEVER IS LATER. IF A VACANCY**
25 **OCCURS ON THE COMMISSION, THE GOVERNOR SHALL MAKE AN APPOINTMENT**
26 **FOR THE UNEXPIRED TERM IN THE SAME MANNER AS THE ORIGINAL**
27 **APPOINTMENT.**

1 Sec. 3. The **LEGISLATURE SHALL ANNUALLY ESTABLISH THE** salary of
2 the ~~chairman~~**CHAIRPERSON** of the commission, and ~~THE SALARY~~ of each
3 of the other members **OF THE COMMISSION**, and the schedule for
4 reimbursement of expenses **FOR MEMBERS OF THE COMMISSION**. ~~shall be~~
5 ~~established annually by the legislature.~~ The commission may appoint
6 a secretary and the deputies, clerks, assistants, inspectors, heads
7 of divisions, and employees necessary for the proper exercise of
8 the powers and duties of the commission. All salaries and other
9 expenses incurred by the commission ~~shall~~**MUST** be paid out of funds
10 appropriated by the legislature. All fees and other ~~moneys~~**MONEY**
11 received by the commission ~~shall~~**MUST** be paid over at the end of
12 each month to the state treasurer. ~~, taking a receipt therefor.~~ The
13 commission may employ engineers and experts in public utilities and
14 public service matters and fix their compensation for services,
15 which may be paid out of the appropriation provided by the
16 legislature. The engineers, inspectors, and employees ~~shall be~~**ARE**
17 entitled to their actual and necessary expenses incurred in the
18 performance of the work of the commission ~~pursuant to~~**UNDER** the
19 schedule established by the legislature. Each deputy, clerk,
20 assistant, engineer, inspector, or expert shall perform the duties
21 required by the commission. **THE COMMISSION SHALL NOT EMPLOY AN**
22 **INDIVIDUAL IF THAT INDIVIDUAL HAS BEEN RETAINED OR EMPLOYED BY ANY**
23 **PUBLIC UTILITY OR PERSON SUBJECT TO THE JURISDICTION AND CONTROL OF**
24 **THE COMMISSION DURING THE PREVIOUS YEAR. AN EMPLOYEE OF THE**
25 **COMMISSION SHALL SIGN AN AGREEMENT THAT HE OR SHE WILL NOT BE**
26 **RETAINED OR EMPLOYED BY ANY PUBLIC UTILITY OR PERSON SUBJECT TO THE**
27 **JURISDICTION AND CONTROL OF THE COMMISSION FOR 1 YEAR AFTER LEAVING**

1 EMPLOYMENT WITH THE COMMISSION. A PUBLIC UTILITY OR PERSON SUBJECT
2 TO THE JURISDICTION AND CONTROL OF THE COMMISSION SHALL NOT RETAIN
3 OR EMPLOY AN INDIVIDUAL WHO WAS EMPLOYED BY THE COMMISSION FOR 1
4 YEAR AFTER THAT INDIVIDUAL LEFT EMPLOYMENT WITH THE COMMISSION.

5 Each member of the commission shall devote his OR HER entire time
6 to the performance of the duties of his OR HER office.