

## TRANSMISSION OF ELECTRICITY

### Act 106 of 1909

AN ACT to regulate the transmission of electricity through the public highways, streets and places of this state, where the source of supply and place of use are in the same or different counties; to regulate the charges to be made for electricity so transmitted; to regulate the rules and conditions of service under which said electricity shall be furnished and to confer upon the Michigan public utilities commission certain powers and duties in regard thereto.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921

*The People of the State of Michigan enact:*

#### **460.551 Transmission of electricity in or between counties; control.**

##### Sec. 1.

When electricity is generated or developed by steam, water or other power, within 1 county of this state, and transmitted and delivered to the consumer in the same or some other county, then the transmission and distribution of the same in or on the public highways, streets and places, the rate of charge to be made to the consumer for the electricity so transmitted and distributed and the rules and conditions of service under which said electricity shall be transmitted and distributed shall be subject to regulation as in this act provided.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4842 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11093 ;-- CL 1948, 460.551

**Admin Rule:** R 460.501 et seq.; R 460.581 et seq.; and R 460.2101 et seq. of the Michigan Administrative Code.

#### **460.552 Transmission of electricity; rate regulation by commission.**

##### Sec. 2.

The Michigan public utilities commission, hereinafter referred to as "the commission" shall have control and supervision of the business of transmitting and supplying electricity as mentioned in the first section of this act and no public utility supplying electricity shall put into force any rate or charge for the same without first petitioning said commission for authority to initiate or put into force such rate or charge and securing the affirmative action of the commission approving said rate or charge.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4843 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11094 ;-- CL 1948, 460.552

**Compiler's Notes:** The public utilities commission, referred to in this section, was abolished and its powers and duties transferred to the public service commission by MCL 460.4.

#### **460.553 Transmission of electricity; user of streets, regulation.**

##### Sec. 3.

Any person, firm or corporation engaged or organized to engage in any such business of transmitting and supplying electricity in 1 or more counties of this state shall, with the consent of the duly constituted city, village and township authorities of the cities, villages and townships in or through which it operates or may hereafter

propose to operate, have the right to use the highways, streets, alleys and other public places of such cities, villages and townships: Provided, That in all cases each transmission line used shall have insulation and conductivity in accordance with its voltage. In case it has or procures a franchise from any city, village or township or a right to do business therein, it may transact a local business therein. Nothing herein contained shall be construed to impair any right possessed by any village or township to the reasonable control of its streets, alleys and public places in all matters of mere local concern.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4844 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11095 ;-- CL 1948, 460.553

**460.554 Data and information; specifications of construction; filing; height of lines; stenciling of poles; act subject to electric transmission line certification act.**

Sec. 4.

(1) If required by the commission, an electric utility erecting lines to transmit electricity in or through the highways, streets, or public places of 1 or more counties of this state shall prepare and file with the commission data and information concerning the method and manner of the construction of those lines, the franchise or consent under which those lines were constructed or are being maintained, and other information the commission reasonably requires. The commission may require the filing of detailed specifications covering the type of construction of transmission lines. The specifications shall show the details of construction of lines of various voltages. If the commission approves the specifications, all lines built by the electric utility shall be constructed according to the specifications. Transmission lines at all highway crossings shall be not less than 22 feet high and at railroad crossings shall be in accordance with the commission's rules made under authority of law. The commission may require all poles used in transmitting electricity to be stenciled or otherwise marked with the owner's name.

(2) This act is subject to the electric transmission line certification act.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4845 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- Am. 1923, Act 93, Eff. Aug. 30, 1923 ;-- CL 1929, 11096 ;-- CL 1948, 460.554 ;-- Am. 1995, Act 33, Imd. Eff. May 17, 1995

**460.555 Public utility commission; inspection; order for improvements.**

Sec. 5.

The commission shall have power to inspect and examine all such electrical apparatus already installed in any public highways, streets or places and all such apparatus hereafter installed, and to investigate from time to time the method employed by persons, firms or corporations transmitting and supplying electricity, and shall have power to order such improvements in such method as shall be necessary to secure good service and the safety of the public and of those employed in the business of transmitting and distributing such electricity, and of any persons liable to be injured by the erection, maintenance and use of such apparatus.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4846 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11097 ;-- CL 1948, 460.555

**460.556 Public utility commission; discretionary powers; annual report of utilities; audit, expense.**

Sec. 6.

The commission shall have power in its discretion to order electric current for distribution to be delivered at a suitable primary voltage, to any city, village or township through which a transmission line or lines may pass; to

order service to be rendered by any such electric utility in any case in which it will be reasonable for such service to be ordered; prescribe uniform methods of keeping accounts to be observed by all persons, firms or corporations engaged in such business of transmitting and supplying electricity, and to keep informed as to the methods employed by all electric utilities in the transaction of their business; and to see that their property is maintained and operated for the security and accommodation of the public and in compliance with the provisions of law. It shall have power to require of such persons, firms or corporations annually a verified report upon such form and giving such information as will enable the commission to better discharge the duties imposed upon it hereby; and shall also have power to require from all electric utilities in the state such information as the commission may need at any time in connection with the performance of the duties imposed upon it by this act. Said commission shall also have power, in connection with any rate or service hearing or investigation, to make such audit and analysis of the books and records of the utility, and such inventory and appraisal of its property as may be necessary in connection with the duties imposed upon the commission by this act; and in any such case the commission shall keep a record of all expenses incurred by it in connection with its investigation of the affairs and property of the said utility and during the progress or at the conclusion of its work, shall state the amount thereof in writing to the said utility and said utility shall pay into the treasury of the state the amount of such expense at such times and in such manner as the commission may by order require. Said moneys when so paid into the state treasury shall go to the credit of the Michigan public utilities commission, and are hereby appropriated to the payment of its expenses.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4847 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11098 ;-- CL 1948, 460.556

**460.557 Investigation of complaints; notice; hearing; fixing of rates; rates as just and reasonable; rate-making subject to electric transmission line certification act; rules; review of order or decree.**

**Sec. 7.**

(1) The commission shall investigate each complaint against an electric utility submitted in writing by a consumer or a city, village, or township concerning the price of the electricity sold and delivered, the service rendered, or any other matter of complaint. The commission's agents, examiners, inspectors, engineers, and accountants may inspect the system and method used in transmitting and supplying electricity and examine the electric utility's books and papers pertaining to transmitting and supplying electricity, services rendered, or any other matter of complaint.

(2) The commission shall cause a notice of the complaint with a copy of the complaint to be served on the electric utility complained of or affected by the complaint. The electric utility has the right to a hearing in respect to the complaint. After investigation and hearing, the commission may by order fix the price of electricity to be charged by the electric utility within lawful limits. The electric utility shall receive notice of the price fixed by the commission and shall charge that fixed price until the commission changes the fixed price. The commission may establish by order rules and conditions of service that are just and reasonable. In determining the price, the commission shall consider and give due weight to all lawful elements necessary to determine the price to be fixed for supplying electricity, including cost, reasonable return on the fair value of all property used in the service, depreciation, obsolescence, risks of business, value of service to the consumer, the connected load, the hours of the day when used, and the quantity used each month. However, the commission shall not change or alter the price fixed in or regulated by or under a franchise granted by a city, village, or township.

(3) If identical or substantially identical rates are established in 2 or more contiguous cities, villages, townships, or communities served or whose inhabitants are served by the same electric utility, the territory served shall be treated as a unit for fixing rates. A rate shall not be changed with respect to 1 or more of the cities, villages, townships, or communities so as to establish a rate difference within the territory served, unless it is shown that the continuance of the identical or substantially identical rate or rates will work substantial hardship to a city, village, township, person, firm, or corporation affected or unless otherwise provided by law.

(4) The rates of an electric utility shall be just and reasonable and a consumer shall not be charged more or less than other consumers are charged for like contemporaneous service rendered under similar circumstances and conditions. An electric utility doing business within this state shall not, directly or indirectly by a special rate, rebate, draw-back, or other device, charge, demand, collect, or receive from a person, partnership, or corporation, a greater or lesser compensation for a service rendered than the electric utility charges, demands, collects, or receives from any other person, partnership, or corporation for rendering, a like contemporaneous service.

A person, partnership, or corporation shall not, directly or indirectly, ask, demand, or accept a rebate, draw-back, or other device by which the person, partnership, or corporation shall obtain electric service for a rate less than that charged others in like circumstances.

(5) Rate-making pursuant to this act is subject to the electric transmission line certification act.

(6) The commission may promulgate rules for the conduct of its business and the proper discharge of its functions under this act, pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. A person dealing with the commission or interested in a matter or proceeding pending before the commission is bound by those rules.

(7) An order or decree of the commission is subject to review as provided in section 26 of Act No. 300 of the Public Acts of 1909, being section 462.26 of the Michigan Compiled Laws.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4848 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- Am. 1923, Act 108, Eff. Aug. 30, 1923 ;-- CL 1929, 11099 ;-- CL 1948, 460.557 ;-- Am. 1987, Act 8, Eff. Apr. 1, 1987 ;-- Am. 1995, Act 33, Imd. Eff. May 17, 1995

**Compiler's Notes:** For provisions of Act 419 of 1919, referred to in this section, see MCL 460.51 et seq. For provisions of Act 300 of 1909, referred to in this section, see MCL 462.2 et seq. Section 2 of Act No. 497 of the Public Acts of 1982, which act amended this section, provided that this amendatory act shall not take effect unless House Bill No. 5719 (request no. 02467 '81) of the 81st Legislature is enacted into law. House Bill No. 5719 was not enacted into law during the 1982 Regular Session.

**Admin Rule:** R 460.511 et seq.; R 460.2011 et seq.; R 460.2101 et seq.; R 460.2601 et seq.; and R 460.3101 et seq. of the Michigan Administrative Code.

#### **460.558 Public utility commission; order mandatory; failure to comply, penalty.**

##### **Sec. 8.**

Every corporation, its officers, agents and employes, and all persons and firms engaged in the business of furnishing electricity as aforesaid shall obey and comply with every lawful order made by the commission under the authority of this act so long as the same shall remain in force. Any corporation or person engaged in such business or any officer, agent, or employe thereof, who wilfully or knowingly fails or neglects to obey or comply with such order or any provision of this act shall forfeit to the state of Michigan not to exceed the sum of 300 dollars for each offense. Every distinct violation of any such order or of this act, shall be a separate offense, and in case of a continued violation, each day shall be deemed a separate offense. An action to recover such forfeiture may be brought in any court of competent jurisdiction in this state in the name of the people of the state of Michigan, and all moneys recovered in any such action, together with the costs thereof, shall be paid into the state treasury to the credit of the general fund.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4849 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11100 ;-- CL 1948, 460.558

#### **460.559 Scope; limitation.**

##### **Sec. 9.**

This act shall not apply to the transmission or use of electricity for the purpose of conveying intelligence by telegraph, telephone or by other methods now or hereafter adopted therefor.

**History:** 1909, Act 106, Eff. Sept. 1, 1909 ;-- CL 1915, 4850 ;-- Am. 1921, Act 274, Eff. Aug. 18, 1921 ;-- CL 1929, 11101 ;-- CL 1948, 460.559