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UTILITY RECODIFICATION

House Bills 6211-6213, 6217-6218 House Bills 6219 and 6220 (Substitutes H-1) House Bills 6221 and 6222 House Bills 6224 and 6225 (Substitutes H-1)

Sponsor: Rep. Barbara Dobb Committee: Public Utilities

Complete to 12-2-96

A SUMMARY OF HOUSE BILLS 6211-6213, 6217-6222, 6224, AND 6225

The bills would recodify the current laws under which the operation of gas, electric and pipeline utilities are regulated by the Public Service Commission. Currently, these regulations are contained in several statutes, many which are antiquated. The recodification would repeal many of the current laws related to regulating utilities, rewrite some of them in more modern and more readable language, and reenact them in a single act, entitled the Michigan Utility Code of 1996. (According to the Legislative Service Bureau, the rewriting and recodification would not make any substantive changes in the provisions of the statutes; the package is intended to be policy neutral.)

House Bill 6225 (H-1) would create the Michigan Utility Code of 1996. It would repeal and recodify the following acts and parts of acts:

- Public Act 106 of 1909, regarding the transmission of electricity, MCL 460.551-460.559
- Public Act 266 of 1909, regarding public utility franchises, MCL 460.601-460.604
- Public Act 300 of 1909, regarding railroads, MCL 462.2-462.50
- Public Act 419 of 1919, regarding a "public utilities commission", MCL 460.54-460.62
- Public Act 347 of 1921, regarding interest on guaranty deposits, MCL 460.651-460.652
- Public Act 94 of 1923, regarding rehearings by the "public utilities commission", MCL 460.351-460.352
 - Public Act 9 of 1929, regarding natural gas, MCL 483.101-483.120
 - Public Act 16 of 1929, regarding oil, gas, and brine lines, MCL 483.1-483.11
- Public Act 69 of 1929, regarding certificates of convenience and necessity for gas or electric utilities, MCL 460.501-460.506

- Sections 1 to 6p and 8 of Public Act 3 of 1939, the Public Service Commission enabling act, MCL 460.1-460.6p, 460.8
- Section 231 (dealing with the Public Service Commission) of Public Act 380 of 1965, the Executive Organization Act, MCL 16.331
 - Public Act 165 of 1969, regarding gas safety standards, MCL 483.151-483.162
- Public Act 299 of 1972, regarding costs of regulating public utilities, MCL 460.111-460.120
- Public Act 53 of 1974, regarding protection of underground facilities, MCL 460.701-460.718
 - Public Act 448 of 1976, the Michigan Energy Employment Act, MCL 460.801-460.848
- Public Act 191 of 1982, regarding the powers of the governor in an energy emergency, MCL 10.81-10.89
- Public Act 30 of 1995, the Electric Transmission Line Certification Act, MCL 460.561-460.575
- Executive Reorganization Order 1993-9, regarding the transfer of the Utility Consumer Participation Board, MCL 460.20

House Bill 6225 (H-1) includes a section devoted to explaining the legislative intent of the recodification; that is, that any changes in the language are intended to be policy neutral. The bill provides that the purpose of the act is to revise only as necessary to codify and classify the laws relating to the regulation of public utilities and other entities. The bill states that the legislature specifically intends that any changes in the language or structure of the statutes that would be repealed and reenacted by the bill not be construed as changes or revisions to the intent, purpose, or meaning of those statutes. The bill specifies that changes in the act from the language or structure of the current law are not intended to alter, amend, or void any court rulings or interpretations of the current statutes prior to the effective date of the act. Nor would any evidence of specific changes in the language or structure of the current statutes be allowed to be used to by either the courts or the Public Service Commission to expand or narrow current regulation of public utilities and other entities. Finally, the bill would specify that the headings and titles in the act are included for the convenience of those who would use the act and are not intended to be used to construe the act more narrowly or more broadly than the act's language would indicate.

House Bills 6211-6213, 6217-6222, and 6224 would amend a number of different acts. For the most part, the bills would merely change references and citations to acts that would be repealed and reenacted by House Bill 6225 (H-1) so that the references would comport with the provisions of the Michigan Utility Code.

House Bill 6211 would amend the Public Service Commission enabling act (MCL 460.7). Because most of the act would be repealed and reenacted in the Michigan Utility Code by House Bill 4225 (H-1), House Bill 6211 would amend the act's title to reflect the portions of the act that would remain and also would change the references in the act to cite the appropriate sections of the Michigan Utility Code.

House Bill 6212 would amend the Nonprofit Corporation Act (MCL 450.2261 and 450.3109) to change references to acts that would be repealed by House Bill 4225 (H-1) and to replace them with the appropriate citations for the corresponding sections of the Michigan Utility Code.

House Bills 6213, 6217 and 6221 would amend the County Rural Zoning Enabling Act (MCL 125.201), the city or village zoning act (MCL 125.581), and the Township Rural Zoning Act (MCL 125.271), respectively. The current law makes ordinances adopted under any of the acts subject to the Electric Transmission Line Certification Act, which would be repealed and reenacted in the Michigan Utility Code. The bills would replace references to that act with appropriate references to the Michigan Utility Code of 1996.

House Bills 6218 and 6219 (H-1) would amend the Michigan Telecommunications Act (MCL 484.2211 and 484.2203) to change references to statutes that would be repealed by House Bill 6225 (H-1) and reenacted in the Michigan Utility Code, so that the references would comport with the provisions of the Michigan Utility Code.

House Bill 6220 (H-1) would amend the Water Company Act (MCL 486.253) to change references to acts that would be repealed by House Bill 4225 (H-1) and to replace them with the appropriate citations for the corresponding sections of the Michigan Utility Code, and to remove language that would be made redundant by the provisions of the Michigan Utility Code.

House Bill 6222 would amend the Public Assistance Home Repair, Weatherization, and Shutoff Protection Act (MCL 400.1163). The bill would change a reference to a statute providing for certain energy conservation programs to conform to the provisions of House Bill 4225, which would repeal the statute and reenact it in the Michigan Utility Code of 1996.

House Bill 6224 (H-1) would amend the Michigan Consumer Protection Act (MCL 445.904 and 445.918) to change references and citations to acts that would be repealed and reenacted by House Bill 6225 (H-1) so that the references would comport with the provisions of the Michigan Utility Code.

<u>Tie-bars</u>. House Bills 6211, 6212, 6213, 6217,6219, 6220, 6221, 6222 and 6224 are each tie-barred to House Bill 6225 (House Bill 6218 contains no tie-bar provision).

The following is a brief index of the subjects addressed in House Bill 6225:

Article 1 - General Provisions

- Part 11 Short title and intent
- Part 12 Definitions contains definitions of some terms that would be common throughout the act.

Article 2 - Michigan Public Service Commission

- Part 21 Commission Organization
- Part 22 Commission Jurisdiction, Powers, and Duties
- Part 23 Utility Assessment

Article 3 - Proceedings Before the Commission

- Part 31 General Provisions contains many of the statutes currently referred to as the Railroad
- Act
- Part 32 Certificate of Convenience and Necessity
- Part 33 Consumer Participation
- Part 34 Deposits, Attachments, and Conservation Programs
- Part 35 Energy Emergencies
- Part 36 Protection of Underground Facilities
- Part 37 Public Utility Franchises
- Part 38 Complaints
- Part 39 Rehearings and Modification of Orders

Article 4 - Electric Utilities

- Part 41 General Provisions
- Part 42 Power Supply Cost Recovery
- Part 43 Electric Transmission Lines
- Part 44 Electric Utility Facilities

Article 5 - Gas Utilities

- Part 51 General Provisions
- Part 52 Gas Cost Recovery

Article 6 - Pipeline Companies

- Part 61 Oil Pipeline Companies
- Part 62 Gas Pipeline Companies
- Part 63 Gas Safety Standards

Article 7 - Savings Clauses and Repealer

- Part 71 Savings Clauses
- Part 72 Conversion Table contains a table indicating where repealed sections could be found within the new act
- Part 73 Repealer

Analyst: W. Flory

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.