



# HOUSE BILL No. 5203

December 9, 1999, Introduced by Reps. Thomas, Middaugh, Birkholz, Howell, Bishop, Kuipers, Bradstreet, Allen, Faunce, Van Woerkom, Tabor, Stallworth, Toy, Woodward, Schauer, Hale, Hansen, Daniels and Neumann 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 utilities and other services affected with a public interest within this state; 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 therein 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 rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to provide for a restructuring of rates for certain utilities; to encourage the utilization of resource recovery facilities; to provide for appeals; to provide appropriations; to declare the effect of this act; to prescribe penalties; and to repeal all acts contrary to this act,"

(MCL 460.1 to 460.8) by adding section 9f.

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

1           SEC. 9F. (1) BEFORE OFFERING MARKET-BASED GAS COMMODITY  
2 SERVICE IN THIS STATE, A PERSON SHALL OBTAIN A LICENSE FROM THE  
3 COMMISSION.

1 (2) A PERSON WHO SEEKS A LICENSE SHALL FILE AN APPLICATION  
2 AND A \$100.00 APPLICATION FEE WITH THE COMMISSION THAT CONTAINS  
3 ALL OF THE FOLLOWING INFORMATION:

4 (A) THE BUSINESS NAME, ADDRESS, TELEPHONE NUMBER, AGENT OR  
5 OTHER PERSON AUTHORIZED TO RECEIVE SERVICE, AND ANY OTHER INFOR-  
6 MATION THE COMMISSION DETERMINES RELEVANT.

7 (B) EVIDENCE THAT THE APPLICANT HAS A NET WORTH OR AN ESTAB-  
8 LISHED LINE OF CREDIT OF AT LEAST \$100,000.00.

9 (C) EVIDENCE THAT THE APPLICANT HAS THE BUSINESS CAPABILITY  
10 TO RENDER THE PROPOSED SERVICE, AND, IN THE CASE OF A GAS COMMOD-  
11 ITY SUPPLIER, THE ABILITY TO ACQUIRE SUFFICIENT NATURAL GAS TO  
12 MEET CUSTOMER REQUIREMENTS.

13 (D) A VERIFICATION THAT THE APPLICANT WILL COMPLY WITH THE  
14 PROCEDURES FOR ENROLLING CUSTOMERS THAT ARE ESTABLISHED THROUGH  
15 THE LOCAL DISTRIBUTION COMPANY CUSTOMER CHOICE PLAN APPROVED BY  
16 THE COMMISSION.

17 (E) A VERIFICATION THAT THE APPLICANT HAS ESTABLISHED A  
18 MEANS TO RESOLVE DISPUTES WITH CUSTOMERS IN A MANNER SIMILAR TO  
19 THAT ESTABLISHED BY LOCAL DISTRIBUTION COMPANIES.

20 (F) A VERIFICATION THAT THE APPLICANT WILL COLLECT AND REMIT  
21 ALL APPLICABLE STATE AND LOCAL FEES, CHARGES, AND TAXES, EXCEPT  
22 WHEN THE LOCAL FEES, CHARGES, AND TAXES ARE VOLUNTARILY COLLECTED  
23 AND REMITTED BY THE LOCAL DISTRIBUTION COMPANY.

24 (G) A VERIFICATION THAT THE APPLICANT WILL COMPLY WITH ALL  
25 OTHER RULES AND PROCEDURES ESTABLISHED BY THE COMMISSION, INCLUD-  
26 ING, BUT NOT LIMITED TO, CONSUMER STANDARDS AND BILLING PRACTICES

1 FOR ELECTRIC AND GAS RESIDENTIAL SERVICE, R 460.2101 TO  
2 R 460.2199.

3 (H) DISCLOSURE OF ANY INSTANCE WHERE THE APPLICANT OR ANYONE  
4 ACTING IN CONCERT WITH THE APPLICANT HAS VIOLATED ANY LAW, RULE,  
5 OR REGULATION INTENDED TO PROTECT THE PUBLIC.

6 (3) THE LICENSE SHALL BE ISSUED BY THE COMMISSION UPON A  
7 SHOWING BY THE APPLICANT OF ALL OF THE FOLLOWING:

8 (A) THAT IT SATISFACTORILY COMPLIES WITH THE REQUIREMENTS OF  
9 SUBSECTION (2).

10 (B) THAT GRANTING THE LICENSE WOULD BE REASONABLE AND IN THE  
11 PUBLIC INTEREST.

12 (C) THE APPLICANT HAS OTHERWISE COMPLIED WITH THE REQUIRE-  
13 MENTS OF SECTIONS 9A THROUGH 9K.

14 (4) FAILURE TO SUPPLY THE REQUIRED INFORMATION OR FAILURE TO  
15 INFORM THE COMMISSION OF MATERIAL CHANGES IN PREVIOUSLY SUPPLIED  
16 INFORMATION SHALL BE CONSIDERED GROUNDS FOR DENIAL OR REVOCATION  
17 OF A LICENSE ISSUED UNDER THIS SECTION.

18 Enacting section 1. This amendatory act does not take  
19 effect unless all of the following bills of the 90th Legislature  
20 are enacted into law:

21 (a) Senate Bill No. \_\_\_\_\_ or House Bill No. 5201 (request  
22 no. 04283'99).

23 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 5202 (request  
24 no. 04283'99 a).

25 (c) Senate Bill No. \_\_\_\_\_ or House Bill No. 5204 (request  
26 no. 04283'99 c \*).

1 (d) Senate Bill No. \_\_\_\_\_ or House Bill No. 5205 (request  
2 no. 04283'99 d).

3 (e) Senate Bill No. \_\_\_\_\_ or House Bill No. 5207 (request  
4 no. 04283'99 e).

5 (f) Senate Bill No. \_\_\_\_\_ or House Bill No. 5206 (request  
6 no. 04283'99 f).