

HOUSE BILL No. 4242

February 11, 2009, Introduced by Reps. Terry Brown, Opsommer, Scripps, Knollenberg and Pearce 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,"

(MCL 460.1 to 460.11) by adding section 6u.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 6U. (1) THE COMMISSION SHALL MAKE LOANS AT NO INTEREST
2 FROM MONEY IN THE ALTERNATE ENERGY REVOLVING LOAN FUND CREATED
3 UNDER SECTION 6T ON A FIRST-COME, FIRST-SERVED BASIS TO EACH
4 APPLICANT SCHOOL DISTRICT THAT, IN THE JUDGMENT OF THE COMMISSION,
5 PRESENTS A VIABLE PLAN FOR COST-EFFECTIVE ENERGY EFFICIENCY
6 IMPROVEMENTS IN CONJUNCTION WITH CONSTRUCTION OR LEASE OF AN ON-
7 SITE RENEWABLE ENERGY PRODUCTION SYSTEM. THE SCHOOL DISTRICT'S
8 APPLICATION SHALL IDENTIFY THE SOURCE OF MONEY THAT IS EXPECTED TO
9 BE USED TO REPAY THE LOAN AND SPECIFY A REPAYMENT PERIOD OF NOT
10 MORE THAN 30 YEARS.

11 (2) THE COMMISSION MAY BEGIN ACCEPTING APPLICATIONS FOR LOANS
12 AFTER THE ALTERNATE ENERGY REVOLVING LOAN FUND FIRST ATTAINS A
13 BALANCE OF \$10,000,000.00. HOWEVER, IF MONEY IS TO BECOME AVAILABLE
14 THROUGH A TRANSFER FROM DISCRETIONARY FUNDS THAT THE COMMISSION
15 ADMINISTERS OR FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF
16 2009, THE COMMISSION MAY ACCEPT LOAN APPLICATIONS WITHOUT REGARD TO
17 THE BALANCE IN THE ALTERNATE ENERGY REVOLVING LOAN FUND.

18 (3) IF A SCHOOL DISTRICT RENEWABLE ENERGY PRODUCTION PROJECT
19 OTHERWISE MEETS THE REQUIREMENTS FOR FUNDING, THE COMMISSION MAY
20 MAKE A LOAN UNDER THIS SECTION FROM MONEY IN THE LOW-INCOME AND
21 ENERGY EFFICIENCY FUND CREATED BY THE COMMISSION THAT IS ORDINARILY
22 SET ASIDE TO BE USED FOR THE DEVELOPMENT OF ENERGY EFFICIENCY
23 PROGRAMS DESIGNED TO BENEFIT ALL CUSTOMER CLASSES. THE COMMISSION
24 MAY REQUEST THAT THE STATE TREASURER TRANSFER MONEY FOR THE PROJECT
25 TO THE ALTERNATE ENERGY REVOLVING LOAN FUND, AND THE COMMISSION
26 SHALL ADMINISTER THE LOAN OF TRANSFERRED FUNDS UNDER THIS SECTION.

1 (4) A SCHOOL DISTRICT THAT RECEIVES A LOAN UNDER THIS SECTION
2 SHALL REPAY THE LOAN AT NO INTEREST WITHIN 30 YEARS IN A MANNER
3 APPROVED BY THE COMMISSION DURING THE APPLICATION PROCESS.

4 Enacting section 1. This amendatory act does not take effect
5 unless Senate Bill No.____ or House Bill No. 4243(request no.
6 00636'09*) of the 95th Legislature is enacted into law.