

INTERGOVERNMENTAL CONTRACTS BETWEEN MUNICIPAL CORPORATIONS (EXCERPT)
Act 35 of 1951

124.3 Furnishing municipal service outside municipal corporate limits; definitions.

Sec. 3.

(1) A municipal corporation may contract for adequate consideration with a person or another municipal corporation to furnish to property outside the municipal corporate limits any lawful municipal service that it is furnishing to property within the municipal corporate limits. A municipal corporation may sell and deliver heat, power, and light in amounts as determined by the governing body of the utility, except for both of the following:

(a) Electric delivery service is limited to the area of any city, village, or township that was contiguous to the municipal corporation as of June 20, 1974, and to the area of any other city, village, or township being served by the municipal utility as of June 20, 1974.

(b) Retail sales of electric generation service are limited to the area of any city, village, or township that was contiguous to the municipal corporation as of June 20, 1974, and to the area of any other city, village, or township being served by the municipal utility as of June 20, 1974.

(2) A municipal corporation shall not render electric delivery service for heat, power, or light outside its corporate limits to a customer that is currently receiving or within the previous 3 years has received the service from another utility unless the serving utility consents in writing.

(3) As used in this section:

(a) "Customer" means only the building or facilities served rather than the individual, association, partnership, corporation, governmental body, or other entity taking service.

(b) "Electric delivery service" has the same meaning as "delivery service" under section 10y of 1939 PA 3, MCL 460.10y.

(c) "Electric generation service" means the sale of electric power and related ancillary services.

(d) "Person" means an individual, partnership, association, governmental entity, or other legal entity.

History: 1951, Act 35, Imd. Eff. May 8, 1951 ;-- Am. 1974, Act 157, Imd. Eff. June 20, 1974 ;-- Am. 2000, Act 155, Imd. Eff. June 14, 2000 ;-- Am. 2018, Act 516, Imd. Eff. Dec. 28, 2018