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House Bill 4706 (Substitute H-1 as passed by the House)
Sponsor: Representative Sharon MacDonell
House Committee: Transportation, Mobility and Infrastructure
Senate Committee: Energy and Environment

Date Completed: 11-2-23

CONTENT

The bill would amend Public Act 3 of 1939, the Public Service Commission law, to allow an entity that provided electric vehicle charging services to own, construct, or operate an electric vehicle charging station without being considered a public utility and to charge a customer for those services on a volumetric basis.

Electric Vehicle Charging Stations

Generally, only an electric provider whose rates and conditions of service are regulated by Michigan Public Service Commission (MPSC) may sell electricity in the State. Section 10q of the Act specifies that only investor-owned, cooperative, or municipal electric utilities may own, construct, or operate electric distribution facilities or electric meter equipment used in the distribution of electricity in the State. The provision does not prohibit a self-service power provider from owning, constructing, or operating electric distribution facilities or electric metering equipment for the sole purpose of providing or utilizing self-service power.

Under the bill, this provision also would not prohibit an entity that provided electric vehicle charging services from owning, constructing, or operating an electric vehicle charging station.

"Electric vehicle" would mean that term as defined in the Michigan Next Energy Authority Act: a motor vehicle powered solely by a battery cell energy system. "Electric vehicle charging services" would mean the transfer of electric energy from electric vehicle service equipment to a battery or other storage device in an electric vehicle, and the provision of billing services, networking, and operation and maintenance related to that transfer of electric energy to an electric vehicle. "Electric vehicle charging station" would mean an electric component assembly or cluster of component assemblies designed specifically to charge batteries within an electric vehicle by permitting the transfer of electric energy to a battery or other storage device in an electric vehicle.

The bill specifies that an entity that provided electric vehicle charging services would not be a public utility and could not be prohibited from charging a customer for electric vehicle charging services on a volumetric basis, including for charging a volumetric rate for the electricity transferred to the battery or other storage device. An entity that was a public utility that engaged in the sale of electric vehicle charging services would remain subject to regulation under the Act and would not be exempt from that regulation due solely to the provision of electric vehicle charging services.

Alternative Electric Suppliers

The Act allows the MPSC to regulate the terms and conditions of service that allow retail customers to take service from an alternative electric supplier. Section 10q also prohibits a

person from engaging in the business of an alternative electric supplier in the State unless the person obtains and maintains a license.

"Alternative electric supplier" means a person selling electric generation service to retail customers in the State. The term does not include a person who physically delivers electricity directly to retail customers in the State. An alternative electric supplier is not a public utility.

Under the bill, "alternative electric supplier" also would not include a provider of electric vehicle charging services.

MCL 460.10g et al.

Legislative Analyst: Tyler P. VanHuysse

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.