

SENATE BILL NO. 627

October 30, 2025, Introduced by Senators BUMSTEAD, BAYER and BELLINO and referred to Committee on Energy and Environment.

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 and certain providers of electric vehicle charging services; 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 powers and duties of certain state governmental officers and entities; 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 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,"

by amending section 6q (MCL 460.6q), as added by 2008 PA 286.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6q. (1) A person shall not acquire, control, or merge,
2 directly or indirectly, in whole or in part, with a jurisdictional
3 regulated utility nor shall a jurisdictional regulated utility
4 sell, assign, transfer, or encumber its assets to another person
5 without first applying to and receiving the approval of the
6 commission.

7 (2) After notice and hearing, the commission shall issue an
8 order stating what constitutes acquisition, transfer of control,
9 merger activities, or encumbrance of assets that are subject to
10 this section. This section does not apply to the encumbrance,
11 assignment, acquisition, or transfer of assets that are encumbered,
12 assigned, acquired, transferred, or sold in the normal course of
13 business or to the issuance of securities or other financing
14 transactions not directly or indirectly involved in an acquisition,
15 merger, encumbrance, or transfer of control that is governed by
16 this section.

17 (3) The commission shall promulgate rules creating procedures
18 for the application process required under this section. The
19 application ~~shall~~**must** include, but is not limited to, all of the
20 following information:

21 (a) A concise summary of the terms and conditions of the

1 proposed acquisition, transfer, merger, or encumbrance.

2 (b) Copies of the material acquisition, transfer, merger, or
3 encumbrance documents if available.

4 (c) A summary of the projected impacts of the acquisition,
5 transfer, merger, or encumbrance on rates and electric service in
6 this state.

7 (d) Pro forma financial statements that are relevant to the
8 acquisition, transfer, merger, or encumbrance.

9 (e) Copies of the parties' public filings with other state or
10 federal regulatory agencies regarding the same acquisition,
11 transfer, merger, or encumbrance, including any regulatory orders
12 issued by the agencies regarding the acquisition, transfer, merger,
13 or encumbrance.

14 (4) ~~Within~~ **Not later than** 60 days ~~from~~ **after** the date an
15 application is filed under this section, interested parties,
16 including the attorney general, may file comments with the
17 commission on the proposed acquisition, transfer, merger, or
18 encumbrance.

19 (5) After notice and hearing and ~~within~~ **not later than** 180
20 days ~~from~~ **after** the date an application is filed under this
21 section, the commission shall issue an order approving or rejecting
22 the proposed acquisition, transfer of control, merger, or
23 encumbrance.

24 (6) All parties to an acquisition, transfer, merger, or
25 encumbrance subject to this section shall provide the commission
26 and the attorney general access to all books, records, accounts,
27 documents, and any other data and information the commission
28 considers necessary to effectively assess the impact of the
29 proposed acquisition, transfer, merger, or encumbrance.

1 (7) The commission shall consider among other factors all of
2 the following in its evaluation of whether or not to approve a
3 proposed acquisition, transfer, merger, or encumbrance:

4 (a) Whether the proposed action would have an adverse impact
5 on the rates of the customers affected by the acquisition,
6 transfer, merger, or encumbrance.

7 (b) Whether the proposed action would have an adverse impact
8 on the provision of safe, reliable, and adequate energy service in
9 this state.

10 (c) Whether the action will result in the subsidization of a
11 nonregulated activity of the new entity through the rates paid by
12 the customers of the jurisdictional regulated utility.

13 (d) Whether the action will significantly impair the
14 jurisdictional regulated utility's ability to raise necessary
15 capital or to maintain a reasonable capital structure.

16 (e) Whether the action is otherwise inconsistent with public
17 policy and interest.

18 (f) **When considering the sale, acquisition, or transfer of a**
19 **hydroelectric facility, whether the acquiring entity demonstrates**
20 **that the entity has the financial ability and intent to provide for**
21 **any of the following:**

22 (i) **Capital investments sufficient to maintain and ensure safe**
23 **and efficient operation over the lifespan of the hydroelectric**
24 **facility.**

25 (ii) **Damages resulting from complete structural failure of the**
26 **hydroelectric facility.**

27 (iii) **Costs for decommissioning or removing the hydroelectric**
28 **facility.**

29 (iv) **Any other factors the commission considers necessary.**

1 (8) In approving an acquisition, transfer, merger, or
2 encumbrance under this section, the commission may impose
3 reasonable terms and conditions on the acquisition, transfer,
4 merger, or encumbrance to protect the jurisdictional regulated
5 utility, including the division and allocation of the utility's
6 assets. A jurisdictional regulated utility may reject the terms and
7 conditions imposed by the commission and not proceed with the
8 transaction.

9 (9) In approving an acquisition, transfer, merger, or
10 encumbrance under this section, the commission may impose
11 reasonable terms and conditions on the acquisition, transfer,
12 merger, or encumbrance to protect the customers of the
13 jurisdictional regulated utility. A jurisdictional regulated
14 utility may reject the terms and conditions imposed by the
15 commission and not proceed with the transaction.

16 (10) Nonpublic information and materials submitted by a
17 jurisdictional regulated utility under this section clearly
18 designated by that utility as confidential are exempt from
19 **disclosure under** the freedom of information act, 1976 PA 442, MCL
20 15.231 to 15.246. The commission shall issue protective orders as
21 necessary to protect information designated by that utility as
22 confidential.

23 (11) ~~Nothing in this~~ **This** section ~~alters~~ **does not alter** the
24 authority of the attorney general to enforce federal and state
25 antitrust laws.

26 (12) As used in this section:

27 (a) "Commission" means the Michigan public service commission.

28 (b) "Jurisdictional regulated utility" means a utility whose
29 rates are regulated by the commission. Jurisdictional regulated

1 utility does not include a telecommunication provider as defined in
2 the Michigan telecommunications act, 1991 PA 179, MCL 484.2101 to
3 ~~484.2604,~~ **484.2603**, or a motor carrier as defined in the motor
4 carrier act, 1933 PA 254, MCL 475.1 to ~~479.43.~~ **479.42**.

5 (c) "Person" means an individual, corporation, association,
6 partnership, utility, or any other legal private or public entity.