State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HOUSE BILL 2440

AN ACT

AMENDING TITLE 30, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 30-811; AMENDING SECTION 40-202, ARIZONA REVISED STATUTES;
RELATING TO ELECTRIC ENERGY.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 30, chapter 6, article 1, Arizona Revised Statutes, is amended by adding section 30-811, to read:

30-811. Infrastructure; investments; rates priorities

A PUBLIC POWER ENTITY RESPONSIBLE FOR ITS SERVICE TERRITORY SHALL CONDUCT INFRASTRUCTURE PLANNING AND INVESTMENTS TO MAINTAIN RELIABLE AND AFFORDABLE ELECTRIC SERVICE. THE GOVERNING BODY OF A PUBLIC POWER ENTITY SHALL PROVIDE ELECTRIC SERVICE AT JUST AND REASONABLE RATES. WHEN MAKING DECISIONS REGARDING THE PLANNING, INVESTMENT, PROCUREMENT AND OPERATION OF ELECTRIC GENERATION, TRANSMISSION AND DISTRIBUTION RESOURCES, THE PUBLIC POWER ENTITY SHALL PRIORITIZE THE RELIABILITY OF THE GRID AND AFFORDABILITY OF THE COSTS TO RETAIL ELECTRIC CUSTOMERS.

Sec. 2. Section 40-202, Arizona Revised Statutes, is amended to read:

40-202. Supervising and regulating public service corporations; telecommunications promotion; consumer protection; duty to comply

A. The commission may supervise and regulate every public service corporation in this state and do all things, whether specifically designated in this title or in addition thereto, necessary and convenient in the exercise of that power and jurisdiction. In supervising and regulating long-distance telecommunications corporations, the commission shall encourage competition and growth in the telecommunications industry and promote economic development and investment in new telecommunications technologies, infrastructure and services. In furtherance of this policy, the commission shall establish procedures and standards for identifying and regulating competitive long-distance telecommunications markets. When the commission determines that a long-distance telecommunications market is competitive, it shall establish appropriate supervisory and regulatory treatment for competitive long-distance telecommunications markets as distinguished from noncompetitive telecommunications markets. In imposing any assessments or other charges on mobile telecommunications service providers, the commission shall comply with the requirements of the mobile telecommunications sourcing act (P.L. 106-252; 114 Stat. 626; 4 United States Code sections 116 through 126).

B. In supervising and regulating public service corporations, the commission's authority is confirmed to adopt rules to:

1. Protect the public against deceptive, unfair and abusive business practices, practices related to deposit requirements and reconnection fees, intrusive and abusive marketing, deceptive or untrue advertising practices and practices prohibited under subsection E-F of this section.

2. Provide that, notwithstanding any other law, customer information, account information and related proprietary information are confidential unless specifically waived by the customer in writing.
3. Ensure that public service corporations that employ the services of a contractor for interior household energy service, either directly or through any affiliate, require the contractors and subcontractors to be licensed by the registrar of contractors and shall comply with all municipal permit and inspection standards and applicable life safety codes. For the purposes of this paragraph, "contractor" has the same meaning prescribed in section 32-1101.


D. Except as provided in subsection E of this section, during the initial construction of a residential structure, electric and natural gas facilities at a minimum shall be installed in and to the structure in a manner that provides the retail energy consumer ultimately residing in the structure with the capability to choose between electricity and natural gas as an energy source for each appliance application.

E. A residential structure may be constructed without the installation of any particular facilities if:
   1. The structure is not located within the service territory of a public service corporation certificated to furnish the associated energy service.
   2. Unless mandated otherwise by law or governmental regulation, the public service corporation certificated to furnish the associated energy notifies the contractor or owner that the extension of the facilities to the structure is not economically feasible.
   3. The public service corporation certificated to furnish a particular energy service and the owner or contractor agree that the extension of the facilities to the subdivision, to the structure or to any appliance application would not be economically feasible or would otherwise be inappropriate. In this case, the parties may agree to install no facilities in the subdivision, to install service to any or all residential structures without providing service to any appliance application or to install facilities to some but not all appliance applications.
E. F. Unless mandated by law or a generally accepted industry
code, a person or entity, including municipal corporations and political
subdivisions, shall not engage in any practice that interferes with the
opportunity to have electric and natural gas facilities at a minimum
installed in and to an existing residential structure in a manner that
provides the retail energy consumer ultimately residing in the structure
and all subsequent retail energy consumers residing in the structure with
the capability to choose between electricity and natural gas as an energy
source for each appliance application. This subsection does not apply to
reasonable sales and marketing activities.

F. G. If a trench is provided by a contractor or a property owner
for the purpose of having utility facilities installed to a residential
structure, electric and natural gas facilities at a minimum shall be
permitted ALLOWED to occupy the trench if the installation of the
facilities is completed in compliance with generally accepted industry
safety codes applicable to the installation. Except in the case of
underground conversion service areas provided for in sections 40-341
through 40-355 and improvement districts for underground utility
facilities provided for in section 48-620, if the contractor or property
owner conditions occupancy in a trench on a reimbursement of costs
associated with providing the trench, the contractor or property owner may
require an occupant to pay a pro rata share of the costs associated with
providing the trench. A public service corporation may use as a credit
against the payment money paid through the public service corporation's
conduit or other reimbursement programs.

H. I. Before initiating a complaint with a public service
corporation or the commission, the parties to a dispute arising under
subsections E, D, E, and F AND G of this section shall meet and in good
faith attempt to resolve the dispute through an informal dispute
resolution process. Compliance with subsections E, D, E, and F AND G of
this section does not require inspection or enforcement by a city, town or
county.

I. J. A public service corporation shall comply with every order,
decision, rule or regulation made by the commission in any matter relating
to or affecting its business as a public service corporation and shall do
everything necessary to secure compliance with and observance of every
such order, decision, rule or regulation.