

House Engrossed

electric energy; power companies; priorities

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)

1 Be it enacted by the Legislature of the State of Arizona:

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

4 30-811. Infrastructure; investments; rates priorities

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

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

15 40-202. Supervising and regulating public service
16 corporations; telecommunications promotion;
17 consumer protection; duty to comply

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

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

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

43 2. Provide that, notwithstanding any other law, customer
44 information, account information and related proprietary information are
45 confidential unless specifically waived by the customer in writing.

1 3. Ensure that public service corporations that employ the services
2 of a contractor for interior household energy service, either directly or
3 through any affiliate, require the contractors and subcontractors to be
4 licensed by the registrar of contractors and shall comply with all
5 municipal permit and inspection standards and applicable life safety
6 codes. For the purposes of this paragraph, "contractor" has the same
7 meaning prescribed in section 32-1101.

8 C. THE PUBLIC SERVICE CORPORATION RESPONSIBLE FOR ITS SERVICE
9 TERRITORY SHALL CONDUCT INFRASTRUCTURE PLANNING AND INVESTMENTS TO
10 MAINTAIN RELIABLE AND AFFORDABLE ELECTRIC SERVICE. PUBLIC SERVICE
11 CORPORATIONS SHALL PROVIDE ELECTRIC SERVICE AT JUST AND REASONABLE RATES
12 DETERMINED BY THE COMMISSION PURSUANT TO ARTICLE XV, SECTION 3,
13 CONSTITUTION OF ARIZONA. TO ENSURE THE CONVENIENCE, COMFORT AND SAFETY
14 AND THE PRESERVATION OF THE HEALTH OF THE PUBLIC IN THIS STATE, WHEN
15 MAKING DECISIONS REGARDING THE PLANNING, INVESTMENT, PROCUREMENT AND
16 OPERATION OF ELECTRIC GENERATION, TRANSMISSION AND DISTRIBUTION RESOURCES,
17 THE PUBLIC SERVICE CORPORATION SHALL PRIORITIZE THE RELIABILITY OF THE
18 GRID AND AFFORDABILITY OF THE COSTS TO RETAIL ELECTRIC CUSTOMERS.

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

26 ~~D.~~ E. A residential structure may be constructed without the
27 installation of any particular facilities if:

28 1. The structure is not located within the service territory of a
29 public service corporation certificated to furnish the associated energy
30 service.

31 2. Unless mandated otherwise by law or governmental regulation, the
32 public service corporation certificated to furnish the associated energy
33 notifies the contractor or owner that the extension of the facilities to
34 the structure is not economically feasible.

35 3. The public service corporation certificated to furnish a
36 particular energy service and the owner or contractor agree that the
37 extension of the facilities to the subdivision, to the structure or to any
38 appliance application would not be economically feasible or would
39 otherwise be inappropriate. In this case, the parties may agree to
40 install no facilities in the subdivision, to install service to any or all
41 residential structures without providing service to any appliance
42 application or to install facilities to some but not all appliance
43 applications.

1 ~~F.~~ F. Unless mandated by law or a generally accepted industry
2 code, a person or entity, including municipal corporations and political
3 subdivisions, shall not engage in any practice that interferes with the
4 opportunity to have electric and natural gas facilities at a minimum
5 installed in and to an existing residential structure in a manner that
6 provides the retail energy consumer ultimately residing in the structure
7 and all subsequent retail energy consumers residing in the structure with
8 the capability to choose between electricity and natural gas as an energy
9 source for each appliance application. This subsection does not apply to
10 reasonable sales and marketing activities.

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

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

33 ~~H.~~ I. After facilities have been installed initially in accordance
34 with subsection ~~G.~~ D of this section, the public service corporation, the
35 homeowner, the home builder or the contractor is not responsible or liable
36 for any subsequent modification to the number of initially installed
37 facilities.

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