

REFERENCE TITLE: **public service corporations; siting committee**

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

# **HB 2598**

Introduced by  
Representative Blackman

## AN ACT

AMENDING SECTIONS 40-360.01, 40-360.03, 40-360.04, 40-360.09 AND 40-360.10, ARIZONA REVISED STATUTES; RELATING TO THE POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 40-360.01, Arizona Revised Statutes, is amended  
3 to read:  
4 **40-360.01. Organization and membership of the committee**  
5 A. The commission shall establish a power plant and transmission  
6 line siting committee **of Arizona**.  
7 B. The committee shall consist of the following members:  
8 1. **State** THE attorney general or the attorney general's designee,  
9 **WHO SHALL SERVE AS CHAIRPERSON**.  
10 2. **THE** director of environmental quality or the director's  
11 designee.  
12 3. **THE** director of water resources or the director's designee.  
13 4. **THE** director of the governor's energy office or the director's  
14 designee.  
15 5. **THE** chairman of the **Arizona** corporation commission or the  
16 chairman's designee.  
17 6. Six members **WHO ARE** appointed by the commission to serve for a  
18 term of two years of which three members shall represent the public, one  
19 member shall represent incorporated cities and towns, one member shall  
20 represent counties and one member shall be actively engaged in  
21 agriculture.  
22 **C. The attorney general or the attorney general's designee shall be**  
23 **chairman of the committee.**  
24 **D. C.** The commission shall establish **such** procedures **as** **THAT**  
25 provide for expeditious review of the proposed siting plans and necessary  
26 consultation with the person proposing the facilities, for noticing and  
27 conducting the hearing provided by section 40-360.04, and for a timely  
28 decision regarding the issuance of a certificate of environmental  
29 compatibility of the proposed site.  
30 **E. D.** Committee members **WHO ARE** appointed by the commission are  
31 eligible to receive compensation of **two hundred dollars** **\$400** for each  
32 meeting attended, prorated for partial days for each meeting attended,  
33 payable from the **filing fee required** **UTILITY SITING FUND ESTABLISHED** by  
34 section 40-360.09. Committee members **WHO ARE** employed by government  
35 entities are not eligible to receive compensation for their services. All  
36 committee members shall be reimbursed from the **filing fee required** **UTILITY**  
37 **SITING FUND ESTABLISHED** by section 40-360.09 for their actual and  
38 necessary expenses incurred in connection with their participation in  
39 committee meetings **AND HEARINGS**.  
40 **F. E.** The committee may **utilize** **USE** the staff resources of its  
41 constituent agencies as well as necessary consultants. All studies  
42 required by the committee shall be conducted as specified by the committee  
43 and under its general direction.

1 Sec. 2. Section 40-360.03, Arizona Revised Statutes, is amended to  
2 read:

3 **40-360.03. Application for certificate of environmental**  
4 **compatibility before construction of facilities;**  
5 **electronic format; rules; exception**

6 A. Except as provided in subsection B of this section, every  
7 utility that plans to construct a plant or transmission line, or both, in  
8 this state shall first file with the commission an application for a  
9 certificate of environmental compatibility. The application shall be in a  
10 form prescribed by the commission and shall be accompanied by information  
11 with respect to the proposed type of facilities and description of the  
12 site, including the areas of jurisdiction affected and the estimated cost  
13 of the proposed facilities and site. The application shall also be  
14 accompanied by a receipt that evidences payment of the appropriate ~~fee~~  
15 **~~required~~ APPLICATION DEPOSIT PRESCRIBED** by section 40-360.09. The  
16 commission shall promptly refer the application and accompanying  
17 information to the chairman of the committee for the committee's review  
18 and decision. The application and accompanying information may be  
19 submitted to the commission in an electronic format. The commission may  
20 adopt rules to accept electronic filings under this section and to ensure  
21 that proper notice is provided electronically to interested parties.

22 B. A utility may replace a conductor or wire on a transmission line  
23 or may replace an existing transmission line structure or structures with  
24 a new transmission line structure or structures without seeking a new  
25 certificate of environmental compatibility and without holding a hearing  
26 under this article if the replacement is on a transmission line that  
27 previously received a certificate of environmental compatibility or that  
28 was in use or authorized before August 13, 1971. All replacement  
29 conductors or structures shall comply with the terms and conditions of the  
30 applicable existing certificate of environmental compatibility.

31 Sec. 3. Section 40-360.04, Arizona Revised Statutes, is amended to  
32 read:

33 **40-360.04. Hearings; procedures**

34 A. The chairman of the committee shall, ~~within ten days after~~  
35 ~~receiving an application, provide public~~ ENSURE THAT BOTH:

36 1. Notice as to the time and place of a hearing on ~~the~~ AN  
37 application ~~and provide~~ FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY  
38 IS PROVIDED TO THE PUBLIC IN THE VICINITY OF EACH PROPOSED FACILITY SITE  
39 WITHIN TEN DAYS AFTER THE APPLICATION IS FILED WITH THE COMMISSION.

40 2. Notice ~~by certified mail~~ to the affected areas of jurisdiction  
41 IS PROVIDED BY CERTIFIED MAIL at least twenty days ~~prior to~~ BEFORE a  
42 scheduled hearing.

43 B. AFTER PROVIDING THE NOTICE PRESCRIBED IN SUBSECTION A OF THIS  
44 SECTION, if the committee ~~subsequently~~ proposes to condition the  
45 certificate on the use of a site other than the site or alternative sites

1 generally described in the notice and considered at the hearing, THE  
2 COMMITTEE SHALL HOLD a further hearing ~~shall be held~~ thereon after  
3 ADDITIONAL public notice IS PROVIDED AS PRESCRIBED IN SUBSECTION A OF THIS  
4 SECTION.

5 C. The hearing ~~or hearings~~ ON AN APPLICATION shall be held not less  
6 than thirty days ~~NOT~~ OR more than sixty days after the date notice is  
7 first given PURSUANT TO SUBSECTION A OF THIS SECTION and shall be held in  
8 the general area within which the proposed plant or transmission line is  
9 to be located or at the state capitol at Phoenix as determined by the  
10 ~~chairman~~ CHAIRPERSON, at ~~this~~ THE CHAIRPERSON'S discretion. IF A FURTHER  
11 HEARING IS REQUIRED UNDER SUBSECTION B OF THIS SECTION, THAT HEARING SHALL  
12 BE HELD NOT LESS THAN THIRTY DAYS BEFORE OR MORE THAN SIXTY DAYS AFTER THE  
13 DATE THAT THE ADDITIONAL NOTICE WAS PROVIDED.

14 D. The committee may conduct the hearing or may appoint an  
15 attorney as a hearing officer. To be eligible for appointment the  
16 attorney must reside in a county other than the county in which the  
17 proposed site is located and have been admitted to practice in this state  
18 for not less than five years.

19 E. The committee or hearing officer shall receive under oath  
20 and before a court reporter the material, nonrepetitive evidence and  
21 comments of the parties to the proceedings and any rebuttal evidence of  
22 the applicant, and the committee or hearing officer may require the  
23 consolidation of the representation of nongovernmental parties having  
24 similar interests.

25 F. The committee shall review and consider the transcript of  
26 the public hearing or hearings and shall by a decision of a majority of  
27 the members issue or deny a certificate of environmental compatibility  
28 within one hundred eighty days after the application has been filed with  
29 or referred to the committee OR, IF A FURTHER HEARING IS REQUIRED UNDER  
30 SUBSECTION B OF THIS SECTION, WITHIN SIXTY DAYS AFTER THE CONCLUSION OF  
31 THE FURTHER HEARING.

32 G. Should the estimated cost of the facilities or site be  
33 increased as a result of the action of the committee, ~~such~~ THE increase,  
34 as determined by an independent engineering firm selected jointly by the  
35 committee and applicant, shall be reflected in the certificate issued by  
36 the committee. The engineering firm shall include a registered  
37 professional engineer WHO IS experienced in utility construction.

38 Sec. 4. Section 40-360.09, Arizona Revised Statutes, is amended to  
39 read:

40 40-360.09. Application deposit; utility siting fund

41 A. ~~The fee to be paid~~ A PERSON WHO FILES AN APPLICATION FOR A  
42 CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY SHALL BY THE SAME DATE PAY TO  
43 THE COMMISSION, for each application, ~~is as follows and shall be paid to~~  
44 ~~the committee for deposit, pursuant to sections 35-146 and 35-147, in a~~

1 ~~special fund to be known as the utility siting fund~~ THE FOLLOWING  
2 APPLICATION DEPOSIT:

3 1. For a new proposed plant site and associated transmission line  
4 site, ~~ten thousand dollars~~ \$79,000.

5 2. For expansion of an existing plant site and a new proposed  
6 transmission line site, ~~seven thousand five hundred dollars~~ \$59,000.

7 3. For expansion of an existing plant site only, ~~five thousand~~  
8 ~~dollars~~ \$39,000.

9 4. For a new proposed transmission line site one hundred miles or  
10 more in length, ~~five thousand dollars~~ \$39,000.

11 5. For a new proposed transmission line site over fifty but less  
12 than one hundred miles in length, ~~two thousand five hundred dollars~~  
13 \$20,000.

14 6. For a new proposed transmission line site fifty miles or less in  
15 length, ~~one thousand dollars~~ \$7,900.

16 7. For a new proposed transmission line site paralleling an  
17 existing transmission line site, regardless of length, ~~one thousand~~  
18 ~~dollars~~ \$7,900.

19 B. THE UTILITY SITING FUND IS ESTABLISHED. THE COMMISSION SHALL  
20 ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED.  
21 THE COMMISSION SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, THE  
22 MONIES PAID UNDER SUBSECTION A OF THIS SECTION IN THE FUND, WHICH SHALL BE  
23 PARTITIONED SO THAT THE DEPOSITS AND EXPENSES FOR EACH CASE ARE ACCOUNTED  
24 FOR SEPARATELY.

25 Sec. 5. Section 40-360.10, Arizona Revised Statutes, is amended to  
26 read:

27 40-360.10. Expenditure of fund monies: additional monies:  
28 responsibilities

29 A. The commission, ~~upon~~ ON receipt of a detailed accounting ~~of the~~  
30 ~~committee's expenses~~, shall ~~approve~~ and pay the following EXPENSES THAT  
31 ARE INCURRED BY THE COMMITTEE FOR A CERTIFICATION PROCEEDING, BY THE  
32 COMMITTEE MEMBERS FOR THEIR PARTICIPATION IN A CERTIFICATION PROCEEDING  
33 AND BY ANY APPOINTED HEARING OFFICER WHO PRESIDES OVER A HEARING:

34 1. ~~The cost of reporting and transcribing any application hearing,~~  
35 ~~the compensation of~~ FOR THE COSTS TO COMPENSATE EACH COMMITTEE MEMBER WHO  
36 IS NOT EMPLOYED BY A GOVERNMENT ENTITY AS DESCRIBED IN SECTION 40-360.01,  
37 SUBSECTION D FOR EACH DAY OR PARTIAL DAY OF ATTENDANCE AT A COMMITTEE  
38 MEETING OR HEARING.

39 2. FOR THE COSTS TO COMPENSATE EACH COMMITTEE MEMBER FOR THE ACTUAL  
40 AND NECESSARY EXPENSES THAT ARE INCURRED BY THE COMMITTEE MEMBER TO ATTEND  
41 A COMMITTEE MEETING OR HEARING.

42 3. FOR THE COSTS TO COMPENSATE the hearing officer at the rate of  
43 ~~two hundred dollars~~ \$400 for each day OF HEARING and ~~his reimbursable~~ FOR  
44 THE ACTUAL AND NECESSARY expenses THAT ARE INCURRED BY THE HEARING OFFICER  
45 TO ATTEND THE HEARING.

1       2. ~~Actual and necessary expenses incurred by the committee members~~  
2 ~~in connection with their participation in committee meetings.~~

3       3. ~~4. The cost of studies and the fees of consultants utilized~~  
4 ~~USED by the committee. Costs and fees exceeding the amount of the~~  
5 ~~applicant's fee may with the applicant's consent be incurred by the~~  
6 ~~committee and charged to the applicant.~~

7       4. ~~5. A refund to the person who paid the fitting fee APPLICATION~~  
8 ~~DEPOSIT of any unused portion thereof OF THE DEPOSIT.~~

9       B. IN ADDITION TO PAYING THE APPLICATION DEPOSIT THAT IS PRESCRIBED  
10 IN SECTION 40-360.09 AND ANY ADDITIONAL MONIES THAT MAY BE REQUIRED BY THE  
11 COMMISSION PURSUANT TO SUBSECTION C OF THIS SECTION, A PERSON WHO APPLIES  
12 FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY SHALL:

13       1. IF ORDERED TO DO SO BY THE CHAIRPERSON, ARRANGE AND PAY FOR THE  
14 NOTICE THAT IS REQUIRED TO INFORM THE PUBLIC AND THE AFFECTED AREAS OF  
15 JURISDICTION PURSUANT TO SECTION 40-360.04.

16       2. ARRANGE AND PAY FOR THE USE OF A HEARING LOCATION THAT IS  
17 EQUIPPED WITH AUDIOVISUAL EQUIPMENT CAPABLE OF STREAMING AND RECORDING,  
18 INCLUDING ANY SPECIFIC REQUIREMENTS THAT ARE PRESCRIBED BY THE  
19 CHAIRPERSON.

20       3. ARRANGE AND PAY FOR A COURT REPORTER TO TRANSCRIBE THE HEARING  
21 AND PRODUCE A VERBATIM HEARING TRANSCRIPT. THE COURT REPORTING AGENCY  
22 SHALL:

23           (a) FILE AN ELECTRONIC COPY OF THE TRANSCRIPT WITH THE COMMISSION.  
24           (b) PROVIDE AN ELECTRONIC COPY AND HARD COPY OF THE TRANSCRIPT TO  
25 THE CHAIRPERSON.

26           (c) PROVIDE AN ELECTRONIC COPY OF THE TRANSCRIPT TO EACH COMMITTEE  
27 MEMBER.

28           (d) PROVIDE AN ELECTRONIC COPY OF THE TRANSCRIPT TO THE APPLICANT.  
29           (e) DELIVER A HARD COPY OF THE TRANSCRIPT TO EACH PUBLIC LIBRARY AS  
30 SPECIFIED BY THE CHAIRPERSON.

31           (f) PROVIDE AN ELECTRONIC READ-ONLY COPY OF THE TRANSCRIPT TO THE  
32 APPLICANT, WHICH THE APPLICANT SHALL POST ON THE APPLICANT'S PROJECT  
33 WEBSITE UNTIL THIRTY DAYS AFTER THE COMMISSION ISSUES A DECISION  
34 CONCERNING THE APPLICATION.

35       4. WITHIN TWO BUSINESS DAYS AFTER THE CONCLUSION OF A COMMITTEE  
36 HEARING ON THE APPLICANT'S CERTIFICATION PROCEEDING, PROVIDE  
37 ELECTRONICALLY TO THE COMMISSION, IN A FORMAT THAT MEETS ANY SPECIFIC  
38 REQUIREMENTS PRESCRIBED BY THE COMMISSION, A RECORDING OF THE HEARING FOR  
39 THE COMMISSION TO POST ON THE COMMISSION'S WEBSITE FOR PUBLIC INSPECTION  
40 PURSUANT TO SECTION 38-431.01, SUBSECTION E.

41       C. IF THE BALANCE IN THE UTILITY SITING FUND ESTABLISHED BY SECTION  
42 40-360.09 FOR AN APPLICANT'S CERTIFICATION PROCEEDING IS DEPLETED TO LESS  
43 THAN \$1,000, THE COMMISSION MAY REQUIRE THE APPLICANT TO PAY ADDITIONAL  
44 MONIES TO THE COMMISSION. THE APPLICANT SHALL PROMPTLY PAY THE COMMISSION  
45 THE ADDITIONAL MONIES IN THE AMOUNT REQUIRED BY THE COMMISSION.

1       D. IF A CERTIFICATION PROCEEDING IS REOPENED PURSUANT TO SECTION  
2 40-252 AND THE COMMISSION ORDERS THAT ANOTHER HEARING BE HELD BEFORE THE  
3 COMMITTEE, THE COMMISSION MAY ORDER THE APPLICANT TO PAY A HEARING DEPOSIT  
4 OF \$5,000 FOR DEPOSIT PURSUANT TO SECTION 40-360.09 AND TO AGAIN COMPLY  
5 WITH SUBSECTIONS B AND C OF THIS SECTION.

6       E. THE COMMISSION SHALL USE TWO PERCENT OF EACH APPLICATION DEPOSIT  
7 FOR ADMINISTRATIVE COST RECOVERY.

8           Sec. 6. Requirements for enactment; two-thirds vote

9           Pursuant to article IX, section 22, Constitution of Arizona, this  
10 act is effective only on the affirmative vote of at least two-thirds of  
11 the members of each house of the legislature and is effective immediately  
12 on the signature of the governor or, if the governor vetoes this act, on  
13 the subsequent affirmative vote of at least three-fourths of the members  
14 of each house of the legislature.