

REFERENCE TITLE: electric utility customers; carbon reduction

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

HB 2738

Introduced by
Representative Olson

AN ACT

AMENDING TITLE 40, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 40-104; RELATING TO THE CORPORATION COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 40, chapter 1, article 1, Arizona Revised
3 Statutes, is amended by adding section 40-104, to read:

4 40-104. Public service corporation; carbon emissions goals;
5 alternative electric service provider; rules;
6 definitions

7 A. IF AN ELECTRIC PUBLIC SERVICE CORPORATION DECLARES A CARBON
8 EMISSIONS REDUCTION GOAL TO SHAREHOLDERS OR COMMITS TO REPLACING RELIABLE
9 AND DISPATCHABLE SOURCES OF ELECTRICITY WITH INTERMITTENT SOURCES OF
10 ELECTRICITY, THE COMMISSION SHALL ALLOW A RETAIL ELECTRIC CUSTOMER TO OPT
11 OUT AND TO RECEIVE ELECTRIC SERVICE FROM ANOTHER PROVIDER IN THE SAME
12 SERVICE TERRITORY.

13 B. THE COMMISSION SHALL ADOPT RULES THAT:

14 1. ALLOW A RETAIL ELECTRIC CUSTOMER TO PETITION TO OPT OUT AS
15 PRESCRIBED IN SUBSECTION A OF THIS SECTION AND THAT SET FORTH PROCEDURES
16 FOR USE BY THE COMMISSION IN EVALUATING PETITIONS TO OPT OUT.

17 2. ESTABLISH GUIDELINES FOR THE PROVISION OF ALTERNATIVE, SAFE,
18 AFFORDABLE AND RELIABLE RETAIL ELECTRIC SERVICE BY OTHER RETAIL ELECTRIC
19 SERVICE PROVIDERS OR PUBLIC POWER ENTITIES TO RETAIL ELECTRIC CUSTOMERS
20 THAT ARE LOCATED WITHIN THE ORIGINAL PUBLIC SERVICE CORPORATION'S SERVICE
21 TERRITORY AND THAT HAVE OPTED OUT PURSUANT TO THIS SECTION.

22 C. FOR THE PURPOSES OF THIS SECTION, "COMMISSION", "ELECTRIC
23 SERVICE", "RETAIL ELECTRIC CUSTOMER" AND "SERVICE TERRITORY" HAVE THE SAME
24 MEANINGS PRESCRIBED IN SECTION 40-201.