

House Engrossed

replacement units; certificates; environmental compatibility

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# HOUSE BILL 2389

AN ACT

AMENDING SECTION 40-360.03, ARIZONA REVISED STATUTES; RELATING TO THE  
POWER PLANT AND TRANSMISSION LINE SITTING COMMITTEE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

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

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

32 C. A UTILITY MAY REPLACE AN EXISTING PLANT WITH A REPLACEMENT PLANT  
33 OR CONSTRUCT A NEW PLANT IMMEDIATELY ADJACENT TO AN EXISTING PLANT WITHOUT  
34 FILING FOR OR RECEIVING A NEW CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY  
35 FOR THE NEW OR REPLACEMENT PLANT IF ALL OF THE FOLLOWING CONDITIONS ARE  
36 MET:

37 1. THE UTILITY PROVIDES TO THE COMMISSION THIRTY DAYS' WRITTEN  
38 NOTICE AND HOLDS AT LEAST ONE PUBLIC COMMENT SESSION IN THE COUNTY WHERE  
39 THE EXISTING PLANT IS LOCATED.

40 2. THE NEW OR REPLACEMENT PLANT IS LOCATED ON OR IMMEDIATELY  
41 ADJACENT TO THE SITE OF A PLANT THAT HAS PREVIOUSLY RECEIVED A CERTIFICATE  
42 OF ENVIRONMENTAL COMPATIBILITY PURSUANT TO THIS ARTICLE OR THAT WAS IN USE  
43 OR AUTHORIZED BEFORE AUGUST 13, 1971.

1           3. THE AGGREGATE NAMEPLATE RATING OF ALL PLANTS THAT WILL BE  
2 LOCATED ON AND IMMEDIATELY ADJACENT TO THE SITE AFTER CONSTRUCTION WILL BE  
3 EQUAL TO OR GREATER THAN THE AGGREGATE NAMEPLATE RATING OF ALL EXISTING  
4 PLANTS LOCATED ON AND IMMEDIATELY ADJACENT TO THE SITE BEFORE  
5 CONSTRUCTION.