

REFERENCE TITLE: public utilities; plant construction; colocation

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

# HB 2457

Introduced by  
Representative Wilmeth

AN ACT

AMENDING TITLE 40, CHAPTER 2, ARTICLE 6.2, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 40-360.14; 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. Title 40, chapter 2, article 6.2, Arizona Revised  
3 Statutes, is amended by adding section 40-360.14, to read:  
4 40-360.14. Exemption; new plants collocated with large  
5 industrial energy users; rules  
6 A. NOTWITHSTANDING SECTIONS 40-360.03 AND 40-360.07, A UTILITY,  
7 AFTER PROVIDING THIRTY DAYS' WRITTEN NOTICE TO THE COMMISSION AND HOLDING  
8 AT LEAST ONE PUBLIC COMMENT SESSION IN THE COUNTY WHERE THE RELEVANT PLANT  
9 IS LOCATED, MAY CONSTRUCT A NEW PLANT WITHOUT FILING FOR OR RECEIVING A  
10 CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY FOR THE NEW PLANT IF ALL OF THE  
11 FOLLOWING CONDITIONS ARE MET:  
12 1. THE NEW PLANT IS COLOCATED WITH A LARGE INDUSTRIAL ENERGY USER  
13 AND THE LARGE INDUSTRIAL ENERGY USER HAS RECEIVED ALL APPLICABLE ZONING  
14 ENTITLEMENTS.  
15 2. THE UTILITY IS A PUBLIC SERVICE CORPORATION OR PUBLIC POWER  
16 ENTITY DOING BUSINESS IN THIS STATE.  
17 B. THE COMMISSION SHALL ADOPT RULES TO IMPLEMENT THIS SECTION THAT  
18 INCLUDE A DEFINITION FOR EACH OF THE FOLLOWING TERMS:  
19 1. COLOCATED WITH. THE COMMISSION'S DEFINITION MUST SPECIFY ONE OR  
20 BOTH OF THE FOLLOWING:  
21 (a) THE DISTANCE IN FEET OR PARCELS BETWEEN THE SITE OF A LARGE  
22 INDUSTRIAL ENERGY USER AND THE SITE OF A PLANT.  
23 (b) THE QUALITY OR NATURE OF THE ELECTRICAL INTERCONNECTION BETWEEN  
24 THE LARGE INDUSTRIAL ENERGY USER AND THE PLANT.  
25 2. LARGE INDUSTRIAL ENERGY USER. THE COMMISSION'S DEFINITION:  
26 (a) MUST SPECIFY THE PEAK OR AVERAGE ANNUAL OR MONTHLY ENERGY  
27 DEMAND OF THE USER THAT IS MEASURED IN MEGAWATTS OR MEGAWATT HOURS.  
28 (b) MAY NOT DISCRIMINATE BETWEEN DIFFERENT:  
29 (i) INDUSTRIES, SECTORS OR END USERS AND THE OWNERS OR OPERATORS OF  
30 END USERS OR THE PROPOSED LOCATIONS OF END USERS.  
31 (ii) END USERS IN ANY OTHER CAPACITY BEYOND THE USE OF ENERGY  
32 DEMAND AND OTHER ELECTRICAL-RELATED OPERATING NEEDS OR CHARACTERISTICS.  
33 C. THE COMMISSION MAY ADOPT DEFINITIONS FOR ANY OTHER TERMS THE  
34 COMMISSION DEEMS REASONABLE OR NECESSARY TO IMPLEMENT THIS SECTION.