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NOTICE

STAFF MEETING OF THE ARIZONA CORPORATION COMMISSION

Wednesday, March 13, 2019
1:00 p.m. or Upon adjournment of the Regular Open Meeting
Whichever is later

1200 W. Washington St., 1st Floor, Hearing Room Two
Phoenix, AZ 85007

This shall serve as notice of an open meeting at the above location for consideration, discussion, and possible vote of the items on the agenda and other matters related thereto. Commissioners may attend the proceedings in person, or by telephone, video, or internet conferencing, and may use this open meeting to ask questions about the matters on the agenda. The parties to the matters to be discussed or their legal representatives are requested, though not required, to attend. The Commissioners may move to executive session, which will not be open to the public, for the purpose of legal advice pursuant to A.R.S. § 38-431.03(A)(3) on the matters noticed herein.

Persons with a disability may request reasonable accommodations by contacting the Commission Secretary listed above.

For a live broadcast feed or archived videos: azcc.gov/live

AGENDA

1. Approval of past meeting minutes (Matt Neubert)
2. Updates by all Division Directors of anything new or significant since update at previous Commission Staff Meeting (Matt Neubert)
 - a. IT – Letty Butner
 - b. Securities – Mark Dinell
 - c. Safety – Chris Watson
 - d. Admin – Kim Battista
 - e. Communications – Holly Ward
 - f. Corporations – Tanya Gibson
 - g. Hearing – Jane Rodda
 - h. Utilities – Eli Abinah
 - i. Legal – Robin Mitchell
 - j. Executive Director – Matt Neubert



3. Legislative update, discussion, consideration and possible vote to support, oppose and/or be neutral on any bills listed on the attachment to this agenda (Matt Neubert/Nick Debus)
4. Arizona Power Plant and Line Siting Committee – Discussion of applicants and vote to fill remaining vacancy. The Commission may go into Executive Session for discussion and consultation with its attorneys in this matter pursuant to A.R.S. § 38-431.03 (A) (1), which will not be open to the public. (Matt Neubert)
5. Discussion of how to more efficiently and cost effectively provide notice of all types of Open Meeting Agendas and provide service/notice of all other filings made in dockets (other than by physical mailing) (Burns/Matt Neubert/Staff)
6. Discussion of how Commissioners can be more timely informed of troubled water and wastewater companies (Burns)
7. Discussion, consideration and possible vote concerning the use of Arizona State University developed modeling software for Integrated Resource Planning; Letter from Commissioner Kennedy dated February 8, 2019 letter, to Docket No. E-00000V-19-0034 (Resource Planning and Procurement in 2019, 2020 and 2021) (Kennedy)
8. Review and discussion of February 25, 2019 Energy Rules Stakeholder Meeting & Workshop, Docket No. RU-00000A-18-0284 (In the matter of possible modifications to the Arizona Corporation Commission's Energy Rules In the matter of possible modifications to the Arizona Corporation Commission's Energy Rules) (Burns)
9. Discussion of Staff's February 11, 2019 memo, for Docket No. RU-00000A-18-0284 (In the matter of possible modifications to the Arizona Corporation Commission's Energy Rules In the matter of possible modifications to the Arizona Corporation Commission's Energy Rules) (Burns)
10. Discussion of Commissioner Kennedy's letters of February 26, 2019, in Docket No. E-01345A-19-0005 (In the matter of the Commission's Inquiry/Investigation into the Campaign Expenditures and Political Participation of Arizona Public Service Company and its Affiliates, Subsidiaries and Pinnacle West Capital Corporation in the Election Periods of 2012, 2014 and 2016); and discussion of Chairman Burns' and Commissioner Dunn's February 27, 2019 letter in Docket No. E-01345A-19-0043 (In the matter of the Commission's Investigation into the Political Spending of Arizona Public Service Company and Its Affiliates, Including Pinnacle West Capital Corporation). No votes will be taken on this matter. The Commission may go into Executive Session for discussion and consultation with its attorneys in this matter pursuant to A.R.S. § 38-431.03 (A) (3), which will not be open to the public. (Burns)



AZCC 2019

Bill Summaries

H2131: STATE AGENCIES; CITIZEN PORTAL; ACCESS

Each "state agency" (defined) that collects personal information from any person is required to establish a citizen portal, which must be a secure online website that allows a person to access the person's personal information that the state agency collects and to correct any error in the person's personal information.

First sponsor: Rep. Thorpe (R - Dist 6)

H2131 Daily History	Date Action
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/28 referred to Senate gov.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/26 House COW approved. Passed House 33-26; ready for Senate.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/21 stricken from House consent calendar by Bolding.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/21 from House rules okay.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/20 to House consent calendar.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	2/6 from House tech do pass.
STATE AGENCIES; CITIZEN PORTAL; ACCESS	1/28 referred to House tech.

H2405: REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT

For a wastewater treatment facility or system or public water system that is regulated as a public service corporation by the Corporation Commission, the Department of Environmental Quality is authorized to make a written request to the Commission to take necessary corrective actions within 30 calendar days after the Dept either determines that the facility or system is out of compliance with an administrative order issued by the Dept for a violation, files a civil action against the owner or operator of the facility or system for a violation, and/or determines that an emergency exists with respect to the facility or system, and the Dept determines that the Commission taking necessary corrective actions would expedite the facility's or system's return to compliance. AS PASSED HOUSE.

First sponsor: Rep. Shope (R - Dist 8)

H2405 Daily History	Date Action
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	3/7 Senate water-agri do pass; report awaited.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/28 referred to Senate water-agri.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/26 House COW approved with amend ~ and floor amend #4434. Passed House 38-21; ready for Senate.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/21 from House rules okay.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/14 from House gov with amend #4202.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/14 House gov amended; report awaited.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/13 from House nat res-energy-water do pass.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	2/12 House nat res-energy-water do pass; report awaited.
REGULATED WATER COMPANY; VIOLATIONS; ENFORCEMENT	1/30 referred to House nat res-energy-water, gov.

H2574: APPROP; RAILWAY SAFETY INSPECTORS

Makes a supplemental appropriation of \$196,600 from the general fund in FY2019-20 to the Corporation Commission to fund two railway safety inspectors. AS PASSED HOUSE.

First sponsor: Rep. Cobb (R - Dist 5)

H2574 Daily History	Date Action
APPROP; RAILWAY SAFETY INSPECTORS	3/6 from Senate appro do pass.
APPROP; RAILWAY SAFETY INSPECTORS	3/5 Senate appro do pass; report awaited.



APPROP; RAILWAY SAFETY INSPECTORS 2/27 referred to Senate appro.
APPROP; RAILWAY SAFETY INSPECTORS 2/25 House COW approved with amend #4187. Passed House .§.Q:Q; ready for Senate.
APPROP; RAILWAY SAFETY INSPECTORS 2/18 to House COW consent calendar. From House rules okay.
APPROP; RAILWAY SAFETY INSPECTORS 2/14 from House appro with amend #4187.
APPROP; RAILWAY SAFETY INSPECTORS 2/13 House appro amended; report awaited.
APPROP; RAILWAY SAFETY INSPECTORS 2/5 referred to House appro.

S1145: CORPORATION COMMISSION; SECURITIES; SUBPOENA

Before compliance with a subpoena from the Corporation Commission, the recipient of a subpoena is permitted to object to, claim privilege from or move to quash the subpoena with the Commission, or initiate an action in superior court to object to, claim privilege from or move to quash the subpoena. In complying with a subpoena, the recipient of the subpoena may certify under oath that documents responsive to the subpoena are trade secrets. The Commission is prohibited from making public any information identified under oath as a trade secret without first redacting the information from the document or notifying the party at least 14 days before the Commission intends to make the complete document public. The party may apply to the superior court for injunctive relief on the basis that disclosure of the information will cause the party irreparable harm. If the court finds that the trade secret certification or request for injunctive relief is made in bad faith, the court is required to exercise its contempt powers. AS PASSED SENATE.

First sponsor: Sen. Leach (R - Dist 11)

S1145 Daily History	Date Action
CORPORATION COMMISSION; SECURITIES; SUBPOENA	3/5 passed Senate 16-13; ready for House.
CORPORATION COMMISSION; SECURITIES; SUBPOENA	3/4 Senate COW approved with amend #4042 and floor amend #4579.
CORPORATION COMMISSION; SECURITIES; SUBPOENA	2/19 from Senate rules okay.
CORPORATION COMMISSION; SECURITIES; SUBPOENA	2/4 from Senate com with amend #4042.
CORPORATION COMMISSION; SECURITIES; SUBPOENA	1/31 Senate com amended; report awaited .
CORPORATION COMMISSION; SECURITIES; SUBPOENA	1/23 referred to Senate com.

(No Category Assigned)

Bill Summaries

H2004: NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT

Assesses \$2.55 million in FY2019-20 and \$2.58 million in FY2020-21, plus any applicable interest, against each consortium of public service corporations and municipal corporations engaged in constructing or operating a commercial nuclear generating station in Arizona. Appropriates \$2.55 million in FY2019-20 and \$2.58 million in FY2020-21 from the Nuclear Emergency Management Fund to the Department of Emergency and Military Affairs, Department of Health Services, and Department of Agriculture in specified amounts and for specified purposes, including for distribution to departments and agencies of Maricopa County the Town of Buckeye that are assigned responsibilities under the offsite nuclear emergency response plan. Emergency clause.

First sponsor: Rep. Kavanagh (R - Dist 23)

H2004 Daily History	Date Action
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	3/6 from Senate appro do pass.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	3/5 Senate appro do pass; report awaited.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	2/25 referred to Senate appro.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	1/31 passed House 60-0; ready for Senate.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	1/28 from House rules okay. To House consent calendar.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	1/23 from House appro do pass.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	1/23 House appro do pass; report awaited.
NUCLEAR MANAGEMENT FUND; APPROPRIATION; ASSESSMENT	1/15 referred to House appro.



H2013: APPROP; AZ WATER PROTECTION FUND

Appropriates \$1 million from the general fund in FY2019-20 to the Arizona Water Protection Fund.

First sponsor: Rep. Griffin (R - Dist 14)
others: Rep. Townsend (R - Dist 16)

H2013 Daily History	Date Action
APPROP; AZ WATER PROTECTION FUND	3/7 Senate water-agri do pass; report awaited.
APPROP; AZ WATER PROTECTION FUND	2/25 referred to Senate appro, water-agri.
APPROP; AZ WATER PROTECTION FUND	2/11 passed House .§.2:Q; ready for Senate.
APPROP; AZ WATER PROTECTION FUND	2/4 from House rules okay. To House consent calendar.
APPROP; AZ WATER PROTECTION FUND	1/30 from House appro do pass.
APPROP; AZ WATER PROTECTION FUND	1/30 House appro do pass; report awaited.
APPROP; AZ WATER PROTECTION FUND	1/23 House appro held.
APPROP; AZ WATER PROTECTION FUND	1/23 from House nat res-energy-water do pass.
APPROP; AZ WATER PROTECTION FUND	1/22 House nat res-energy-water do pass; report awaited.
APPROP; AZ WATER PROTECTION FUND	1/15 referred to House nat res-energy-water, appro.

H2146: CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY

In a contract between two or more private parties, the parties are authorized to agree to waive any state, county or municipal laws relating to licensure, certification, registration or other authorization to act for the purposes of the contract if a list of specified conditions applies. Some exceptions, including for health professions, any regulated practice of law, licensed engineers or architects, and real estate professionals. AS PASSED HOUSE.

First sponsor: Rep. Rivero (R - Dist 21)

H2146 Daily History	Date Action
CONTRACTS; UCENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/26 passed House 32-28; ready for Senate.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/26 House COW approved with amend #4242; amend #4146 was withdrawn.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/21 from House rules okay.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/18 from House reg affairs with amend #4242.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/18 House reg affairs amended; report awaited.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/13 from House com with amend-.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/12 House com amended; report awaited.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	2/5 House com held.
CONTRACTS; LICENSURE REQUIREMENTS; WAIVER; APPLICABILITY	1/28 referred to House com, reg affairs.

H2177: REGULATORY SANDBOX PROGRAM; AMENDMENTS

Various changes to the Regulatory Sandbox Program. Transactions involving an innovation provided by a sandbox participant testing financial products or services as a money transmitter are exempt from the Program requirement to be an Arizona resident, but physical presence of the consumer in Arizona at the time of the transaction may be required. Specifies that the Attorney General alone enforces state regulatory laws applicable to sandbox participants. Sandbox participants are permitted to request an increase in the consumer cap from the Attorney General. The Attorney General may deny requests for discretionary allowances and a denial is not an appealable agency action. Also eliminates some reporting requirements for sandbox participants. AS PASSED HOUSE.

First sponsor: Rep. Weninger (R - Dist 17)

H2177 Daily History	Date Action
REGULATORY SANDBOX PROGRAM; AMENDMENTS	3/7 Senate com do pass; report awaited.
REGULATORY SANDBOX PROGRAM; AMENDMENTS	2/27 referred to Senate com.
REGULATORY SANDBOX PROGRAM; AMENDMENTS	2/25 House COW approved with amend #4059. Passed House 32-28; ready for Senate.
REGULATORY SANDBOX PROGRAM; AMENDMENTS	2/11 from House rules okay.
REGULATORY SANDBOX PROGRAM; AMENDMENTS	2/5 from House com with amend #4059.
REGULATORY SANDBOX PROGRAM; AMENDMENTS	1/22 referred to House com.



H2615: WATER UTILITY ACQUISITION; MUNICIPAL ACTION

Voter approval is not required for the construction, purchase, acquisition or lease of any plant or property or portion of any plant or property devoted to the business of providing water and wastewater services to property where the owner has requested to be served by a municipal corporation if the property is located in a service territory in which the holder of a certificate of convenience and necessity whose authority to manage or operate the public utility has been terminated or suspended or the public utility does not have the capacity to provide safe and sufficient services to the property, and if the construction, purchase, acquisition or lease does not cause the rates of the existing municipal utility customers to increase.

First sponsor: Rep. Shope (R - Dist 8)

H2615 Daily History

Date Action

WATER UTILITY ACQUISITION; MUNICIPAL ACTION 2/20 from House nat res-energy-water do pass.

WATER UTILITY ACQUISITION; MUNICIPAL ACTION 2/19 House nat res-energy-water do pass; report awaited.

WATER UTILITY ACQUISITION; MUNICIPAL ACTION 2/12 referred to House nat res-energy-water.

H2660: OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY

An agency is permitted to disqualify a person from obtaining a license, permit, certificate or other state recognition for a specified offense only if the conviction occurred within seven years before the date of the petition. Modifies the list of offenses that may disqualify a person to include business and commercial fraud offenses and to exclude organized crime, fraud and terrorism offenses. A person may be denied employment by a probation agency due to a prior conviction for a felony or misdemeanor. AS PASSED HOUSE.

First sponsor: Rep. J. Allen (R - Dist 15)

H2660 Daily History

Date Action

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 3/6 referred to Senate jud.

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 3/4 passed House 58-0; ready for Senate.

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 2/28 House COW approved with floor amend #4518, a substitute for amend 4310.

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 2/21 from House jud with amend #4310. From House rules okay.

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 2/20 House jud amended; report awaited.

OCCUPATIONAL REGULATION; PRIOR CONVICTION; APPLICABILITY 2/13 referred to House jud.

H2686: BUSINESS LICENSING REQUIREMENTS; WEB PORTAL

Subject to legislative appropriation, the Department of Administration is required to establish an internet web portal that serves as a streamlined application process for starting a business in Arizona, including business licensing requirements, trademark and service mark registration requirements, trade name registration requirements, transaction privilege tax and municipal privilege tax license requirements, and other applicable business licensing requirements. The Dept is required to contract with a third-party entity to establish and administer the internet web portal, and must select the entity through the procurement process. By December 31 of each year through 2022, the Dept is required to submit report to the Governor and the Legislature on implementing the comprehensive internet web portal. Appropriates \$4 million from the general fund in FY2019-20 and \$400,000 from the general fund in FY2020-21 to the Dept for the portal. AS PASSED HOUSE.

First sponsor: Rep. Weninger (R - Dist 17)

H2686 Daily History

Date Action

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 3/6 referred to Senate gov, appro.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 3/4 House COW approved with amend #4322 and floor amend #4583. Passed House 58-0; ready for Senate.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 2/27 retained on House COW calendar.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 2/26 from House rules okay.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 2/21 from House appro with amend #4322.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 2/20 House appro amended; report awaited.

BUSINESS LICENSING REQUIREMENTS; WEB PORTAL 2/13 referred to House appro.



S1010: ASRS; WAITING PERIOD; REPEAL

Statute requiring any state employee initially hired on or after July 20, 2011 to wait until the 27th week of employment to become a member of the Arizona State Retirement System (ASRS) or the ASRS Long-Term Disability Program is repealed.

First sponsor: Sen. Livingston (R - Dist 22)

S1010 Daily History	Date Action
ASRS; WAmNG PERIOD; REPEAL	3/7 House gov do pass; report awaited.
ASRS; WAITING PERIOD; REPEAL	2/26 referred to House gov.
ASRS; WAmNG PERIOD; REPEAL	2/4 passed Senate 30-0; ready for House.
ASRS; WAITING PERIOD; REPEAL	1/29 to Senate consent calendar. From Senate rules okay.
ASRS; WAITING PERIOD; REPEAL	1/17 from Senate fin do pass.
ASRS; WAmNG PERIOD; REPEAL	1/16 Senate fin do pass ; report awaited.
ASRS; WAITING PERIOD; REPEAL	1/14 referred to Senate fin.

S1483: VULNERABLE ADULTS; FINANCIAL EXPLOITATION

If a "qualified individual" (defined) reasonably believes that financial exploitation of an eligible adult may have occurred, may have been attempted or is being attempted, the individual is permitted to notify Adult Protective Services and the Corporation Commission. An individual who in good faith discloses information under this allowance is Immune from administrative or civil liability that might otherwise arise from the disclosure. A broker-dealer or investment adviser is authorized to delay a disbursement from an account of an eligible adult or an account on which an eligible adult is a beneficiary if the broker-dealer, investment adviser or qualified individual reasonably believes that the requested disbursement may result in financial exploitation of an eligible adult, and the broker-dealer or Investment adviser takes a list of specified actions, including notifying parties of the delay. A broker-dealer or investment adviser is required to provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to Adult Protective Services and law enforcement.

First sponsor: Sen. Mesnard (R - Dist 17)

Others : Sen. Alston (D - Dist 24), Sen. Bowie (D - Dist 18), Sen. Carter (R - Dist 15), Sen. Kerr (R- Dist 13), Rep. Lieberman (D - Dist 28), Sen. Livingston (R - Dist 22)

S1483 Daily History	Date Action
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	3/6 Senate COW approved with floor amend #4672.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	3/5 retained on Senate COW calendar.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/28 retained on Senate COW calendar.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/26 stricken from Senate consent calendar by Mesnard.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/26 from Senate rules okay.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/25 to Senate consent calendar.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/21 from Senate hel-hu ser do pass.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/20 Senate hel-hu ser do pass; report awaited.
VULNERABLE ADULTS; FINANCIAL EXPLOITATION	2/5 referred to Senate hel-hu ser.