

REFERENCE TITLE: public service corporation; surety; fund

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
First Regular Session  
2007

# HB 2085

Introduced by  
Representative Robson

AN ACT

AMENDING SECTION 40-321, ARIZONA REVISED STATUTES; RELATING TO PUBLIC SERVICE CORPORATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 40-321, Arizona Revised Statutes, is amended to  
3 read:

4 40-321. Power of commission to determine adequacy of service  
5 rendered by public service corporation; enforcement  
6 by order or regulation; duty of compliance by  
7 corporation; surety; utility surety fund

8 A. When the commission finds that the equipment, appliances,  
9 facilities or service of any public service corporation, or the methods of  
10 manufacture, distribution, transmission, storage or supply employed by it,  
11 are unjust, unreasonable, unsafe, improper, inadequate or insufficient, the  
12 commission shall determine what is just, reasonable, safe, proper, adequate  
13 or sufficient, and shall enforce its determination by order or regulation.

14 B. The commission shall prescribe regulations for the performance of  
15 any service or the furnishing of any commodity, and upon proper demand and  
16 tender of rates, the public service corporation shall furnish the commodity  
17 or render the service within the time and upon the conditions prescribed.

18 C. IF, AFTER NOTICE AND AN OPPORTUNITY TO BE HEARD, THE COMMISSION  
19 FINDS THAT A PUBLIC SERVICE CORPORATION IS IN DEFAULT OF THE TERMS AND  
20 CONDITIONS OF AN ORDER OF THE COMMISSION THAT REQUIRES A PERFORMANCE BOND,  
21 IRREVOCABLE LETTER OF CREDIT OR OTHER SURETY, AND THE COMMISSION EXERCISES  
22 ITS RIGHTS UNDER THE BOND, LETTER OR OTHER SURETY, THE COMMISSION SHALL  
23 DEPOSIT ALL MONIES RECEIVED AS A RESULT OF EXERCISING THE RIGHTS IN THE  
24 UTILITY SURETY FUND ESTABLISHED BY SUBSECTION D OF THIS SECTION.

25 D. THE UTILITY SURETY FUND IS ESTABLISHED CONSISTING OF MONIES  
26 RECEIVED BY THE COMMISSION PURSUANT TO SUBSECTION C OF THIS SECTION. MONIES  
27 IN THE UTILITY SURETY FUND SHALL BE ADMINISTERED BY THE COMMISSION FOR THE  
28 BENEFIT OF THE CUSTOMERS OF THE PUBLIC SERVICE CORPORATION WHO HAVE INCURRED  
29 A LOSS OF SERVICES OR COMMODITIES OR FOR RATE OR DEPOSIT SUPPORT PURSUANT TO  
30 THIS SECTION. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED TO THE  
31 COMMISSION AND DO NOT REVERT TO THE STATE GENERAL FUND PURSUANT TO SECTION  
32 35-190.