AN ACT

AMENDING SECTIONS 1-215 AND 40-201, ARIZONA REVISED STATUTES; RELATING TO RENEWABLE ENERGY.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 1-215, Arizona Revised Statutes, is amended to read:

1-215. Definitions
In the statutes and laws of this state, unless the context otherwise requires:

1. "Action" includes any matter or proceeding in a court, civil or criminal.
2. "Adopted rule" means a final rule as defined in section 41-1001.
3. "Adult" means a person who has attained eighteen years of age.
4. "Alternative fuel" means:
   (a) Electricity.
   (b) Solar energy.
   (c) Liquefied petroleum gas, natural gas, hydrogen or a blend of hydrogen with liquefied petroleum or natural gas that complies with any of the following:
       (i) Is used in an engine that is certified to meet at a minimum the United States environmental protection agency low emission vehicle standard pursuant to 40 Code of Federal Regulations section 88.104-94 or 88.105-94.
       (ii) Is used in an engine that is certified by the engine modifier to meet the addendum to memorandum 1-A of the United States environmental protection agency as printed in the federal register, volume 62, number 207, October 27, 1997, pages 55635 through 55637.
       (iii) Is used in an engine that is the subject of a waiver for that specific engine application from the United States environmental protection agency's memorandum 1-A addendum requirements and that waiver is documented to the reasonable satisfaction of the director of the department of environmental quality.
       (d) Only for vehicles that use alcohol fuels before August 21, 1998, alcohol fuels that contain not less than eighty-five percent alcohol by volume.
       (e) A combination of at least seventy percent alternative fuel and no more than thirty percent petroleum based fuel that operates in an engine that meets the United States environmental protection agency low emission vehicle standard pursuant to 40 Code of Federal Regulations section 88.104-94 or 88.105-94 and that is certified by the engine manufacturer to consume at least seventy percent alternative fuel during normal vehicle operations.
5. "Bribe" means anything of value or advantage, present or prospective, asked, offered, given, accepted or promised with a corrupt intent to influence, unlawfully, the person to whom it is given in that person's action, vote or opinion, in any public or official capacity.
6. "Child" or "children" as used in reference to age of persons means persons under eighteen years of age.
7. "Clean burning fuel" means:
   (a) An emulsion of water-phased hydrocarbon fuel that contains not
       less than twenty percent water by volume and that complies with any
       of the following:
       (i) Is used in an engine that is certified to meet at a minimum the
           United States environmental protection agency low emission vehicle standard
           pursuant to 40 Code of Federal Regulations section 88.104-94 or 88.105-94.
       (ii) Is used in an engine that is certified by the engine modifier to
           meet the addendum to memorandum 1-A of the United States environmental
           protection agency as printed in the federal register, volume 62, number 207,
           October 27, 1997, pages 55635 through 55637.
       (iii) Is used in an engine that is the subject of a waiver for that
           specific engine application from the United States environmental protection
           agency's memorandum 1-A addendum requirements and that waiver is documented
           to the reasonable satisfaction of the director of the department of
           environmental quality.
   (b) A diesel fuel substitute that is produced from nonpetroleum
       renewable resources if the qualifying volume of the nonpetroleum renewable
       resources meets the standards for California diesel fuel as adopted by the
       California air resources board pursuant to 13 California Code of Regulations
       sections 2281 and 2282 in effect on January 1, 2000, the diesel fuel
       substitute meets the registration requirement for fuels and additives
       established by the United States environmental protection agency pursuant to
       section 211 of the clean air act as defined in section 49-401.01 and the use
       of the diesel fuel substitute complies with the requirements listed in 10
       Code of Federal Regulations part 490, as printed in the federal register,
       volume 64, number 96, May 19, 1999.
   (c) A diesel fuel that complies with all of the following:
       (i) Contains a maximum of fifteen parts per million by weight of
           sulfur.
       (ii) Meets ASTM D975.
       (iii) Meets the registration requirements for fuels and additives
           established by the United States environmental protection agency pursuant to
           section 211 of the clean air act as defined in section 49-401.01.
       (iv) Is used in an engine that is equipped or has been retrofitted
           with a device that has been certified by the California air resources board
diesel emission control strategy verification procedure, the United States
environmental protection agency voluntary diesel retrofit program or the
United States environmental protection agency verification protocol for
retrofit catalyst, particulate filter and engine modification control
technologies for highway and nonroad use diesel engines.
   (d) A blend of unleaded gasoline that contains at minimum eighty-five
       percent ethanol by volume or eighty-five percent methanol
       by volume.
(e) Neat methanol.
(f) Neat ethanol.

8. "Corruptly" means a wrongful design to acquire or cause some pecuniary or other advantage to the person guilty of the act or omission referred to, or to some other person.

9. "Daytime" means the period between sunrise and sunset.

10. "Depose" includes every manner of written statement under oath or affirmation.

11. "Federal poverty guidelines" means the poverty guidelines as updated annually in the federal register by the United States department of health and human services.

12. "Grantee" includes every person to whom an estate or interest in real property passes, in or by a deed.

13. "Grantor" includes every person from or by whom an estate or interest in real property passes, in or by a deed.

14. "Includes" or "including" means not limited to and is not a term of exclusion.

15. "Inhabitant" means a resident of a city, town, village, district, county or precinct.

16. "Issue" as used in connection with descent of estates includes all lawful, lineal descendants of the ancestor.

17. "Knowingly":
   (a) MEANS only a knowledge that the facts exist that bring the act or omission within the provisions of the statute using such word.
   (b) Does not require any knowledge of the unlawfulness of the act or omission.

18. "Magistrate" means an officer having power to issue a warrant for the arrest of a person charged with a public offense and includes the chief justice and justices of the supreme court, judges of the superior court, justices of the peace and police magistrates in cities and towns.

19. "Majority" or "age of majority" as used in reference to age of persons means the age of eighteen years or more OF AGE.

20. "Malice" and "maliciously" mean a wish to vex, annoy or injure another person, or an intent to do a wrongful act, established either by proof or presumption of law.

21. "Minor" means a person under the age of eighteen years.

22. "Minor children" means persons under the age of eighteen years.

23. "Month" means a calendar month unless otherwise expressed.

24. "Neglect", "negligence", "negligent" and "negligently" import a want of such attention to the nature or probable consequence of the act or omission as a prudent man ordinarily bestows in acting in his own concerns.

25. "Nighttime" means the period between sunset and sunrise.

26. "Oath" includes an affirmation or declaration.

27. "Peace officers" means sheriffs of counties, constables, marshals, policemen of cities and towns, commissioned personnel of the department of
public safety, personnel who are employed by the state department of
corrections and the department of juvenile corrections and who have received
a certificate from the Arizona peace officer standards and training board,
peace officers who are appointed by a multicounty water conservation district
and who have received a certificate from the Arizona peace officer standards
and training board, police officers who are appointed by community college
district governing boards and who have received a certificate from the
Arizona peace officer standards and training board, police officers who are
appointed by the Arizona board of regents and who have received a certificate
from the Arizona peace officer standards and training board, police officers
who are appointed by the governing body of a public airport pursuant to
section 28-8426 and who have received a certificate from the Arizona peace
officer standards and training board and special agents from the office of
the attorney general, or of a county attorney, and who have received a
certificate from the Arizona peace officer standards and training board.

28. "Person" includes a corporation, company, partnership, firm,
association or society, as well as a natural person. When the word "person"
is used to designate the party whose property may be the subject of a
criminal or public offense, the term includes the United States, this state,
or any territory, state or country, or any political subdivision of this
state that may lawfully own any property, or a public or private corporation,
or partnership or association. When the word "person" is used to designate
the violator or offender of any law, it includes corporation, partnership or
any association of persons.

29. "Personal property" includes money, goods, chattels, dogs, things
in action and evidences of debt.

30. "Population" means the population according to the most recent
United States decennial census.

31. "Process" means a citation, writ or summons issued in the course of
judicial proceedings.

32. "Property" includes both real and personal property.

33. "Real property" is coextensive with lands, tenements and
hereditaments.

34. "Registered mail" includes certified mail.

35. "RENEWABLE ENERGY" INCLUDES SOLAR, WIND, HYDROELECTRIC, PUMPED
STORAGE, FLYWHEEL STORAGE, HYDROGEN, GEOTHERMAL, BIOMASS AND BIOMASS BASELOAD
ENERGY AND NUCLEAR ENERGY FROM SOURCES THAT ARE FUELED BY URANIUM FUEL RODS
THAT INCLUDE EIGHTY PERCENT OR MORE OF RECYCLED NUCLEAR FUEL AND NATURAL
THORIUM REACTOR RESOURCES UNDER DEVELOPMENT.

36. "Seal" as used in reference to a paper issuing from a court or
public office to which the seal of such court or office is required to be
affixed means an impression of the seal on that paper, an impression of the
seal affixed to that paper by a wafer or wax, a stamped seal, a printed seal,
a screened seal or a computer generated seal.
"Signature" or "subscription" includes a mark, if a person cannot write, with the person's name written near it and witnessed by a person who writes the person's own name as witness.

"State", as applied to the different parts of the United States, includes the District of Columbia, this state and the territories.

"Testify" includes every manner of oral statement under oath or affirmation.

"United States" includes the District of Columbia and the territories.

"Vessel", as used in reference to shipping, includes ships of all kinds, steamboats, steamships, barges, canal boats and every structure adapted to navigation from place to place for the transportation of persons or property.

"Wilfully" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or believes that the person's conduct is of that nature or that the circumstance exists.

"Will" includes codicils.

"Workers' compensation" means workmen's compensation as used in article XVIII, section 8, Constitution of Arizona.

"Writ" means an order or precept in writing issued in the name of the state or by a court or judicial officer.

"Writing" includes printing.

Sec. 2. Section 40-201, Arizona Revised Statutes, is amended to read:

A. In this chapter, unless the context otherwise requires:

1. "Ancillary services" means those services designated as ancillary services in federal energy regulatory commission order 888 adopted in 1996 including the services necessary to support the transmission of electricity from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice.

2. "Appliance application" means central space heating, clothes drying, water heating and indoor cooking.

3. "Bundled service" means electric service provided as a package to the consumer including all generation, transmission, distribution, ancillary and other services necessary to deliver and measure useful electricity used by consumers.


5. "Common carrier" means a railroad or street railroad.

6. "Electric distribution facilities" means all property used in connection with the distribution of electricity from an electric generating plant to retail electric customers except electric transmission facilities.

7. "Electric distribution service" means the distribution of electricity to retail electric customers through the use of electric distribution facilities.
8. "Electric distribution utility" means a public service corporation or public power entity that operates, controls or maintains electric distribution facilities.

9. "Electric generation plant" means all property used in connection with the generation for sale of electricity to retail electric customers but excluding any services provided by electric transmission facilities or electric distribution facilities.

10. "Electric generation service" means the provision of electricity for sale to retail electric customers but does not include electric distribution or transmission services and generation that are necessary for the reliable operation of the electric distribution or transmission system.

11. "Electric transmission facilities" means all property so classified by the federal energy regulatory commission or, to the extent permitted by law, so classified by the Arizona corporation commission.

12. "Electric transmission service" means the transmission of electricity to retail electric customers or to electric distribution facilities that is so classified by the federal energy regulatory commission or, to the extent permitted by law, so classified by the Arizona corporation commission.

13. "Electricity" means electric energy, electric capacity or electric capacity and energy.

14. "Electricity supplier" means a person, whether acting in a principal, agent or other capacity, that is a public service corporation that offers to sell electricity to a retail electric customer in this state.

15. "Foreign nonprofit, member owned cooperative corporation" means a cooperative incorporated in another state if that state has not ordered electric competition for cooperative corporations.

16. "Gas plant" includes all property used in connection with the production, transmission or delivery of gas for light, heat or power for sale.

17. "Other services" means metering, meter reading, billing and collecting services.

18. "Pipeline" includes all property used in transmission for compensation of air, steam or fluid substances, except water, through pipelines.

19. "Railroad" includes every railway, other than a street railroad, operated for public transportation of persons or property.

20. "Residential structure" means a detached owner-occupied or rental one or two family dwelling unit, an attached duplex or fourplex unit, a manufactured home, a residential factory-built building as defined in section 41-2142, paragraph 14 or a mobile home designed to be used with a permanent structure, excluding real property used to accommodate more than four attached dwelling units.
21. "Retail electric customer" means a person who purchases electricity for that person's own use, including use in that person's trade or business, and not for resale, redistribution or retransmission.

22. "Service territory" means the geographic area in which a public power entity or public service corporation owns, operates, controls or maintains electric distribution facilities or natural gas distribution facilities and that additional area in which the public power entity or public service corporation has agreed to extend electric distribution facilities or natural gas distribution facilities, whether established by a certificate of convenience and necessity, by official action by a public power entity or by contract or agreement.

23. "Sewer corporation" includes every person owning, controlling, operating or managing any sewage system for profit.

24. "Sewerage system" includes all property used in connection with the collection, treatment, purification and disposal transmission, storage or treatment of sewage.

25. "Street railroad" includes every railway operated along any street or public way for public transportation of persons or property, but does not include a commercial or interurban railway.

26. "Telecommunications corporation" means a public service corporation other than municipal engaged in transmitting messages or furnishing public telegraph or telephone service or operating as a telecommunications common carrier.

27. "Telegraph line" includes all property used in connection with communication by telegraph for compensation with or without the use of transmission wires.

28. "Telephone line" includes all property used in connection with communication by telephone, for compensation, with or without the use of transmission wires.

29. "Transportation of persons" includes every service in connection with the carriage and delivery of a person and the person's baggage.

30. "Transportation of property" includes every service in connection with the transportation and handling of property.

31. "Water system" includes all property used in connection with the diversion, development, storage, distribution and sale of water for beneficial uses for compensation.

B. IN THIS CHAPTER, AND IN RULES AND ORDERS ADOPTED AND ISSUED PURSUANT TO THIS CHAPTER, "RENEWABLE ENERGY" INCLUDES THE USE OF HYDROELECTRIC, PUMPED STORAGE, FLYWHEEL STORAGE, HYDROGEN, GEOTHERMAL, BIOMASS AND BIOMASS BASELOAD POWER AND NUCLEAR ENERGY SOURCES THAT ARE FUELED BY URANIUM FUEL RODS THAT INCLUDE EIGHTY PERCENT OR MORE OF RECYCLED NUCLEAR FUEL AND NATURAL THORIUM REACTOR RESOURCES UNDER DEVELOPMENT IN THE PRODUCTION OF ELECTRICITY.