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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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KRISTEN K. MAYES, Chairman
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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. G-02527A-09-0088
GRAHAM COUNTY UTILITIES, INC. FOR A)
RATE INCREASE)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. G-02527A-09-0032
GRAHAM COUNTY UTILITIES, INC. GAS)
DIVISION FOR APPROVAL OF A LOAN)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02527A-09-0201
GRAHAM COUNTY UTILITIES, INC. WATER)
DIVISION FOR A RATE INCREASE)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02527A-09-0033
GRAHAM COUNTY UTILITIES, INC. WATER)
DIVISION FOR APPROVAL OF A LOAN)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. E-01749A-09-0087
GRAHAM COUNTY ELECTRIC)
COOPERATIVE, INC. FOR APPROVAL OF A)
LOAN GUARANTEE)

Graham County Utilities, Inc. ("GCU") hereby files its Rules and Regulations for its Gas
Division in compliance with Decision No. 71690 dated May 3, 2010.

RESPECTFULLY SUBMITTED this 7th day of July, 2010.

Arizona Corporation Commission By

DOCKETED

JUL - 7 2010

John V. Wallace
Grand Canyon State Electric Cooperative Assn., Inc.
Consultant for Graham County Utilities, Inc.

DOCKETED BY

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Original and nineteen (13) copies filed
this 7th day of July, 2010, with:

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

GRAHAM COUNTY UTILITIES, INC.

PIMA, ARIZONA

GAS DIVISION

RULES AND REGULATIONS

**In Accordance With
Arizona Corporation Commission**

Definitions

In this Article, unless the context otherwise requires, the following definitions shall apply:

1. "Advance in aid of construction." Funds provided to the utility by the applicant under the terms of a main extension agreement the value of which may be refundable.
2. "Applicant." A person requesting the utility to supply gas service.
3. "Application." A request to the utility for gas service, as distinguished from an inquiry as to the availability or charges for such service.
4. "Arizona Corporation Commission." The regulatory authority of the state of Arizona having jurisdiction over public service corporations operating in Arizona.
5. "Billing month." The period between any two regular readings of the utility's meters at approximately 30 day intervals.
6. "Billing period." The time interval between two consecutive meter readings that are taken for billing purposes.
7. "British Thermal Unit." The amount of heat required to raise the temperature of one pound of water one degree Fahrenheit (1° F) at standard conditions.
8. "Btu." British thermal unit.
9. "Commodity charge." The unit of cost per billed usage, as set forth in the utility's tariffs.
10. "Contributions in aid of construction." Funds provided to the utility by the applicant under the terms of a main extension agreement and/or service connection tariff the value of which are not refundable.
11. "Cubic foot"
 - a. In cases where gas is supplied and metered to customers at the standard delivery pressure, a cubic foot of gas is the volume of gas, which at the temperature and pressure existing in the meter, occupies one cubic foot.
 - b. Regardless of the pressure supplied to the customer, the volume of gas metered will be converted to the volume which the gas would occupy at standard conditions of 14.73 pounds per square inch absolute at 60° F.
 - c. The standard cubic foot of gas for testing the gas itself for heating value shall be that volume of gas which, when saturated with water vapor and at a temperature of 60° F and under a pressure equivalent to that of 30 inches of mercury (mercury at 32° F and under standard gravity), occupies one cubic foot.
12. "Ccf." 100 cubic feet.
13. "Curtailed priority." The order in which gas service is to be curtailed to various classifications of customers, as set forth in the utility's tariffs.
14. "Customer." The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued in his name regardless of the identity of the actual user of the service.
15. "Customer charge." The amount the customer must pay the utility for the availability of gas service, excluding any gas used, as specified in the utility's tariffs.
16. "Day." Calendar day.
17. "Distribution main." A gas line of the utility from which service lines may be extended to customers.
18. "Elderly." A person who is 62 years of age or older.
19. "Handicapped." A person with a physical or mental condition which substantially contributes to the person's inability to manage his or her own resources, carry out activities of daily living, or protect oneself from neglect or hazardous situations without assistance from others.
20. "Illness." A medical ailment or sickness for which a residential customer obtains a verifiable document from a licensed medical physician stating the nature of the illness and that discontinuance of service would be especially dangerous to the customer's health in the opinion of a licensed medical physician.
21. "Inability to pay." Circumstances where a residential customer:
 - a. Is not gainfully employed and unable to pay, or
 - b. Qualifies for government welfare assistance, but has not begun to receive assistance on the date that he receives his bill and can obtain verification from the government welfare assistance agency, or
 - c. Has an annual income below the published federal poverty level and can produce evidence of this, and
 - d. Signs a declaration verifying that the customer meets one of the above criteria and is either elderly, handicapped, or suffers from an illness.
22. "Interruptible gas service." Gas service that is subject to interruption or curtailment as specified in the utility's tariff.
23. "Main extension." The lines and equipment necessary to extend the existing gas distribution system to provide service to additional customers.
24. "Master meter." An instrument for measuring or recording the flow of gas at a single location where said gas is transported through an underground piping system to tenants or occupants for their individual consumption.
25. "Mcf." 1,000 cubic feet.

26. "Meter." The instrument for measuring and indicating or recording the volume of gas or flow that has passed through it.
27. "Meter tampering." A situation where a meter has been illegally altered. Common examples are meter bypassing and other unauthorized connections.
28. "Minimum charge." The amount the customer must pay for the availability of gas service, including an amount of usage, as specified in the utility's tariffs.
29. "Permanent customer." A customer who is a tenant or owner of a service location who applies for and receives gas service.
30. "Permanent service." Service which, in the opinion of the utility, is of a permanent and established character. The use of gas may be continuous, intermittent, or seasonal in nature.
31. "Person." Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
32. "Point of delivery." The point where pipes owned, leased, or under license by a customer connect to the utility's pipes or at the outlet side of the meter.
33. "Premises." All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided by public streets, alleys or railways.
34. "Residential subdivision." Any tract of land which has been divided into four or more contiguous lots for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.
35. "Residential use." Service to customers using gas for domestic purposes such as space heating, air conditioning, water heating, cooking, clothes drying, and other residential uses and includes use in apartment buildings, mobile home parks, and other multiunit residential buildings.
36. "Restricted apparatus." Apparatus prohibited by the Commission or other governmental agency.
37. "Service area." The territory in which the utility has been granted a Certificate of Convenience and Necessity and is authorized by the Commission to provide gas service.
38. "Service line." A gas pipe that transports gas from a common source of supply (normally a distribution main) to the customer's point of delivery.
39. "Service establishment charge." A charge as specified in the utility's tariffs which covers the cost of establishing a new account.
40. "Service reconnect charge." A charge as specified in the utility's tariffs which must be paid by the customer prior to reestablishment of gas service each time the gas is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with the utility's tariffs.
41. "Service reestablishment charge." A charge as specified in the utility's tariffs for service at the same location where the same customer had ordered a service disconnection within the preceding 12-month period.
42. "Single family dwelling." A house, an apartment, a mobile home permanently affixed to a lot, or any other permanent residential unit which is used as a permanent home.
43. "Standard delivery pressure." 0.25 pounds per square inch gauge at the meter or point of delivery.
44. "Tariffs." The documents filed with the Commission which list the services and products offered by the gas company and which set forth the terms and conditions and a schedule of the rates and charges for those services and products.
45. "Temporary service." Service to premises or enterprises which are temporary in character, or where it is known in advance that the service will be of limited duration. Service which, in the opinion of the utility, is for operations of a speculative character is also considered temporary service.
46. "Therm." A unit of heating value, equivalent to 100,000 British thermal units (Btu's).
47. "Third-party notice." A notice sent to an individual or a public entity willing to receive notification of the pending discontinuance of service of a customer of record in order to make arrangements on behalf of said customer satisfactory to the utility.
48. "Utility." The public service corporation providing gas service to the public in compliance with state law. Also referred to as Graham County Utilities, Inc. or GCU.
49. "Weather especially dangerous to health." That period of time commencing with the scheduled termination date when the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast. The Commission may determine that any other weather conditions are especially dangerous to health as the need arises.

PART I. Certificate of Convenience and Necessity for gas utilities; additions/extensions; abandonments

A. Certificate of Convenience and Necessity

On October 15, 1989, the Arizona Corporation Commission approved the transfer of the Certificate of Convenience and Necessity to operate as a gas distribution utility in Graham County previously held by General Utilities, Inc. to Graham County Utilities, Inc., effective November 1, 1989.

B. Application for discontinuance or abandonment of utility service

1. Any utility proposing to discontinue or abandon utility service currently in use by the public shall prior to such action obtain authority thereof from the Commission.
2. The utility shall include in the application, studies of past, present and prospective customer use of the subject service, plant or facility as is necessary to support the application.
3. An application shall not be required to remove individual facilities where a customer has requested service discontinuance.

C. Membership

1. A membership application card shall be signed, acknowledging the customer's agreement to pay the required membership fee plus any applicable taxes and to observe such lawful rules, regulations, policies, rates and schedules of the non-profit corporation as are now in force or may hereafter be in force and as are filed and approved by the Commission.
2. In addition to the provisions of these Rules, each member shall be bound by the Articles of Incorporation and By-Laws of the corporation as the same may be amended from time to time.
3. The membership fee and any service connection charge shall be non-transferable.
4. No customer may hold more than one membership and a personal membership shall be held jointly by both husband and wife unless specified to the contrary in writing by both spouses or unless the corporation is given satisfactory evidence that the property of a spouse which is to receive service is the sole and separate property of such spouse.

PART II. Establishment of service

A. Information from new applicants

1. A utility may obtain the following minimum information from each new applicant for service:
 - a. Name or names of applicant(s).
 - b. Service address or location and telephone number.
 - c. Billing address or location and telephone number, if different than service address.
 - d. Address where service was provided previously.
 - e. Date applicant will be ready for service.
 - f. Indication of whether premises have been supplied with utility service previously.
 - g. Purpose for which service is to be used.
 - h. Indication of whether applicant is owner or tenant of or agent for the premises.
 - i. Information concerning the gas usage and demand requirements of the customers.
 - j. Type and kind of life-support equipment, if any, used by the customer.
2. Each utility may require a new applicant for service to appear at the utility's designated place of business to produce proof of identity and sign the utility's application form.
3. Where service is requested by two or more individuals the utility shall have the right to collect the full amount owed to the utility from any one of the applicants.

B. Deposits

1. A utility shall not require a deposit from a new applicant for residential service if the applicant is able to meet any of the following requirements:
 - a. The applicant has had service of a comparable nature with the utility at another service location within the past two years and was not delinquent in payment more than twice during the last 12 consecutive months or disconnected for nonpayment.
 - b. The applicant can produce a letter regarding credit or verification from a gas utility where service of a comparable nature was last received which states that the applicant has had service of a comparable

nature with the utility at another service location within the past two years and was not delinquent in payment more than twice during the last 12 consecutive months or disconnected for nonpayment.

- c. In lieu of a deposit, a new applicant may provide a Letter of Guarantee from an existing customer with service who is acceptable to the utility or a surety bond as security for the utility.
 2. The utility shall issue a nonnegotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the utility's records.
 3. Deposits shall be interest bearing; the interest rate and method of calculation shall be filed with and approved by the Commission in a tariff proceeding. The approved interest rate is six (6) percent per annum.
 4. Each utility shall file a deposit refund procedure with the Commission, subject to Commission review and approval during a tariff proceeding. However, each utility's refund policy shall include provisions for residential deposits and accrued interest to be refunded or Letter of Guarantee or surety bond to expire after 12 months of service if the customer has not been delinquent more than twice in the payment of utility bills.
 - a. Residential deposits will automatically be refunded by Graham County Utilities, Inc. after twelve (12) consecutive months during which time the customer has not been delinquent more than two (2) times in a twelve (12) month period or disconnected for non payment. Upon discontinuance of service, the deposit shall be returned within a reasonable time, but not less than three (3) working days (Monday through Friday excluding Holidays) in which to read its meters and to ascertain that the obligations of the customer have been duly performed. Upon final discontinuance of the use of the service and full settlement of all bills by the customer, any deposit, not previously refunded, with accrued interest, (if any), in accordance with the provisions of this policy will be returned to the customer or at the corporation election, it may be applied to the payment of any unpaid accounts of the customer and the balance, (if any), returned to the customer.
 5. A utility may require a residential customer to establish or reestablish a deposit if the customer becomes delinquent in the payment of three or more bills within a 12-consecutive-month period or has been disconnected for service during the last 12 months.
 6. The amount of a deposit required by the utility shall be determined according to the following terms:
 - a. Residential customer deposits shall not exceed two times that customer's estimated average monthly bill.
 - b. Nonresidential customer deposits shall not exceed 2 1/2 times that customer's estimated maximum monthly bill.
 7. The utility may review the customer's usage after service has been connected and adjust the deposit amount based upon the customer's actual usage.
 7. A separate deposit may be required for each meter installed.
- C. Grounds for refusal of service. A utility may refuse to establish service if any of the following conditions exist:
1. The applicant has an outstanding amount due for the same class of utility service with the utility and the applicant is unwilling to make arrangements with the utility for payment.
 2. A condition exists which in the utility's judgment is unsafe or hazardous to the applicant, the general population, or the utility's personnel or facilities.
 3. Refusal by the applicant to provide the utility with a deposit when the customer has failed to meet the credit criteria for waiver of deposit requirements.
 4. Customer is known to be in violation of the utility's tariffs filed with the Commission.
 5. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the utility as a condition for providing service.
 6. Applicant falsifies his or her identity for the purpose of obtaining service.
- D. Service establishments, reestablishment or reconnection charge
1. A utility may make a charge as approved by the Commission for the establishment, reestablishment, or reconnection of utility services.
 2. Should service be established during a period other than regular working hours at the customer's request, the customer may be required to pay an after-hour charge for the service connection. Where the utility scheduling will not permit service establishment on the same day requested, the customer can elect to pay the after-hour charge for establishment that day or his service will be established on the next available normal working day.
 3. For the purpose of this rule, the definition of service establishments are where the customer's facilities are ready and acceptable to the utility and the utility needs only to install a meter, read a meter, or turn the service on.
- E. Temporary service
1. Applicants for temporary service may be required to pay the utility, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.

2. Where the duration of service is to be less than one month, the applicant may also be required to advance a sum of money equal to the estimated bill for service.
3. Where the duration of service is to exceed one month, the applicant may also be required to meet the deposit requirements of the utility.
4. If at any time during the term of the agreement for service the character of a temporary customer's operations changes so that in the opinion of the utility the customer is classified as permanent, the terms of the utility's main extension rules shall apply.

PART III. Minimum customer information requirements

A. Information for residential customers

1. Each utility shall make available upon customer request not later than 60 days from the date of request a concise summary of the rate schedule applied for by such customer. The summary shall include the following:
 - a. Monthly minimum or customer charge, identifying the amount of the charge and the specific amount of usage included in the minimum charge, where applicable.
 - b. Rate blocks, where appropriate.
 - c. Any adjustment factor(s) and method of calculation.
2. The utility shall to the extent practical identify the tariff most advantageous to the customer and notify the customer of such prior to service commencement.
3. In addition, a utility shall make available upon customer request not later than 60 days from the date of request a copy of the Commission's rules and regulations concerning:
 - a. Deposits
 - b. Terminations of service
 - c. Billing and collection
 - d. Complaint handling.
4. Each utility upon request of a customer shall transmit a written statement of actual consumption by such customer for each billing period during the prior 12 months unless such data is not reasonably ascertainable.
5. Each utility shall inform all new customers of their rights to obtain the information specified above.

B. Information required due to changes in tariffs

1. Each utility shall transmit to affected customers a concise summary of any change in the utility's tariffs affecting those customers.
2. This information shall be transmitted to the affected customer within 60 days of the effective date of the change.

PART IV. Master metering

A. Mobile home parks -- new construction/expansion

1. A utility shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by the utility. Main extensions and service line connections to serve such new construction or expansion shall be governed by the main extension and/or service line connection tariff of the appropriate utility.
2. Permanent residential mobile home parks for the purpose of this rule shall mean mobile home parks where, in the opinion of the utility, the average length of stay for an occupant is a minimum of six months.
3. For the purposes of this rule, expansion means construction which has been started for additional permanent residential spaces after the effective date of this rule.

PART V. Service lines and establishments

A. Priority and timing of service establishments

1. After an applicant has complied with the utility's application and deposit requirements and has been accepted for service by the utility, the utility shall schedule that customer for service establishment.
2. Service establishments shall be scheduled for completion within five working days of the date the customer has been accepted for service, except in those instances when the customer requests service establishment beyond the five working day limitation.
3. When the utility has made arrangements to meet with a customer for service establishment purposes and the utility or the customer cannot make the appointment during the prearranged time, the utility shall reschedule the establishment to the satisfaction of both parties.
4. Each utility shall schedule service establishment appointments within a maximum range of four hours during normal working hours, unless another time-frame is mutually acceptable to the utility and the customer.
5. Service establishments shall be made only by qualified utility service personnel.

6. For the purposes of this rule, service establishments are where the customer's facilities are ready and acceptable to the utility and the utility needs only to install or read a meter or turn the service on.

B. Service lines

(Subject to availability of adequate capacity and suitable pressure at the point of beginning of measurement of the extension the Company will extend its distribution facilities as provided hereafter in this section.)

1. Customer provided facilities
 - a. An applicant for services shall be responsible for the safety and maintenance of all customer piping from the point of delivery.
 - b. Meters shall be installed in a location suitable to the utility where the meters will be safe from street traffic, readily and safely accessible for reading, testing and inspection, and where such activities will cause the least interference and inconvenience to the customer. The customer shall provide, without cost to the utility, at a suitable and easily accessible location, sufficient and proper space for the installation of meters.
 - c. Where the meter or service line location on the customer's premises is changed at the request of the customer or due to alterations on the customer's premises, the customer shall provide and have installed at his expense all customer piping necessary for relocating the meter and the utility may make a charge for moving the meter and/or service line.
 - d. An applicant shall be responsible for all labor, material, and overhead costs of the new service as a non-refundable contribution in aid of construction.
2. Company provided facilities
 - a. Graham County Utilities, Inc. (GCU) does not provide a free footage or equipment allowance.
3. Easements and rights-of-way
 - a. Each customer shall grant adequate easement and right-of-way satisfactory to the utility to ensure proper service connection. Failure on the part of the customer to grant adequate easement and right-of-way shall be grounds for the utility to refuse service.
 - b. When a utility discovers that a customer or his agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interferes with the utility's access to equipment, the utility shall notify the customer or his agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the customer's expense.

PART VI. Main extensions

A. General requirements

(Subject to availability of adequate capacity and suitable pressure at the point of beginning of measurement of the extension the Company will extend its distribution facilities as provided hereafter in this section.)

1. Each utility shall file for Commission approval a main extension tariff which incorporates the provisions of this rule and specifically defines the conditions governing main extensions.
2. Upon request by an applicant for a main extension, the utility shall prepare, without charge, a preliminary sketch and rough estimates of the cost of installation to be paid by said applicant.
3. Any applicant for a main extension requesting the utility to prepare detailed plans, specifications, or cost estimates may be required to deposit with the utility an amount equal to the estimated cost of preparation. The utility shall upon request, make available within 90 days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed main extension. Where the applicant authorizes the utility to proceed with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include oversizing of facilities to be done at the utility's expense, appropriate details shall be set forth in the plans, specifications and cost estimate. Subdividers providing the utility with approved plans shall be provided with plans, specifications or cost estimates within 45 days after receipt of the deposit referred to above.
4. All main extension agreements requiring payment by the applicant shall be in writing and signed by each party.
5. The provisions of this rule apply only to those applicants who in the utility's judgment will be permanent customers of the utility. Applications for temporary service shall be governed by the Commission's rules concerning temporary service applications.

B. Minimum written agreement requirements

1. Each main extension agreement shall, at a minimum, include the following information:
 - a. Name and address of applicant(s)

- b. Proposed service address or location
 - c. Description of requested service
 - d. Description and sketch of the requested main extension
 - e. A cost estimate to include materials, labor, and other costs as necessary
 - f. Payment terms
 - g. A concise explanation of any refunding provisions, if applicable. The refunding provisions shall be as follows:
 - I. Where the number of potential services has been determined by final plats.
 - 1. Each subsequent hookup on the line extension after the first customer shall pay a percentage equal to the total cost estimate divided by the number of lots. This amount shall then be refunded to the first customer provided it has not been five years since the time of payment as outlined in rule C-5.
 - II. Where the number of potential services is not readily available and must be estimated by the Cooperative.
 - 1. Each subsequent hookup on the line extension after the first customer shall pay a percentage of the original cost as determined by the distance from the main to the service location. This amount shall then be refunded equally between the prior customers provided it has not been five years since the time of payment as outlined in rule C-5.
 - h. The utility's estimated start date and completion date for construction of the main extension
 - i. A summary of the results of the economic feasibility analysis performed by the utility to determine the amount of advance required from the applicant for the proposed main extension.
2. Each applicant shall be provided with a copy of the written main extension agreement.
- C. Main and Service line extension requirements. Each main line extension shall include the following provisions:
- 1. GCU does not provide a free footage allowance. The applicant shall be responsible for all material, labor, and overhead costs of the main line extension.
 - 2. Line extension measurement shall be along the route of construction required.
 - 3. The timing and methodology by which the utility will refund any aid to construction as additional customers are served off the main extension. The customer may request an annual survey to determine if additional customers have been connected to and are using service from the extension. In no case shall the amount of the refund exceed the amount originally paid.
 - 4. All aid to construction shall be non-interest bearing.
 - 5. All refunding provisions are null and void after five years from the date of payment of the contribution in aid of construction.
- D. Extensions For Residential Subdivision Developments and Mobile Home Parks
- 1. Extensions to the Perimeter of Duly Recorded Real Estate Subdivisions and Mobile Home Parks.
 - a. Gas main extensions will generally be made when mutually agreed upon by the Company and the applicant in areas where the Company does maintain existing facilities for its operating convenience.
 - b. The Applicant shall provide at his expense the trenching, backfilling (including any imported backfill required), compaction, repaving and earth-work in preparation for installation of facilities. At its option, the Company may elect, at the applicants expense, to perform the necessary activities to fulfill the applicants responsibility hereunder provided the expense to the applicant is equal or less than that which would otherwise be borne.
 - 2. Extensions Within Duly Recorded Real Estate Subdivisions and Mobile Home Parks
 - a. Distribution facilities will be constructed by the Company within a duly recorded subdivision or mobile home park in advance of application for service by permanent customers after the Company and the Developer of said subdivision or mobile home park have entered into a written contract which provides for net construction costs to be paid as contributions in aid of construction. Net construction costs shall be all costs furnished by the Company to install such facilities and meters and regulators required including all material, labor, and overhead costs.
 - b. Rights-of-way and easements suitable to the Company must be furnished by the developer at no cost to the Company and in reasonable time to meet service requirements. No facilities shall be installed until the final grades have been established and furnished to the Company. In addition, the easement strips, alleys and streets must be graded to within six (6) inches of final grade by the developer before the Company will commence construction and must be maintained by the developer during construction.
 - 3. There is no free Main and Service Line Extension Footage for Residential Subdivision Developments and Mobile Home Parks.
 - 4. Residential Subdivision Developments and Mobile Home Parks shall be excluded from any refunding provisions except to the individual developer when additional customers have been connected to and are using service from the extension of the main line outside the development.

- E. Ownership of facilities. Any facilities installed hereunder shall be the sole property of the utility.

PART VII. Provision of service

A. Utility responsibility

1. Each utility shall be responsible for the safe transmission and distribution of gas until it passes the point of delivery to the customer.
2. Each utility shall be responsible for maintaining in safe operating condition all meters, regulators, service pipe or other fixtures installed on the customer's premises by the utility for the purpose of delivering gas to the customer.
3. Each utility may, at its option, refuse service until the customer's pipes and appliances have been tested and found to be safe, free from leaks, and in good operating condition. Proof of such testing shall be in the form of a certificate executed by a licensed plumber of local inspector, certifying that the customer's facilities have been tested and are in safe operating condition.
4. Each utility shall be required to test the customer's piping for leaks when the gas is turned on. If such tests indicate leakage in the customer's piping, the utility shall refuse to provide service until such time as the customer has had the leakage corrected.

B. Customer responsibility

1. Each customer shall be responsible for maintaining all customer piping, fixtures and appliances on the customer's side of the point of delivery in safe operating condition.
2. Each customer shall be responsible for safeguarding all utility property installed in or on the customer's premises for the purpose of supplying utility service.
3. Each customer shall exercise all reasonable care to prevent loss or damage to utility property, excluding ordinary wear and tear. The customer shall be responsible for loss of or damage to utility property on the customer's premises arising from neglect, carelessness, or misuse and shall reimburse the utility for the cost of necessary repairs or replacements.
4. Each customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering, tampering or bypassing the utility meter.
5. Each customer shall be responsible for notifying the utility of any gas leakage identified in the customer's or the utility's equipment.

C. Continuity of service. Each utility shall make reasonable efforts to supply a satisfactory and continuous level of service. However, no utility shall be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

1. Any cause against which the utility could not have reasonably foreseen or made provision for, i.e., force majeure
2. Intentional service interruptions to make repairs or perform routine maintenance
3. Curtailment.

D. Change in character of service. When a change is made by the utility in the type of service rendered which would adversely affect the efficiency of operation or require the adjustment of the equipment of customers, all customers who may be affected shall be notified by the utility at least 30 days in advance of the change or, if such notice is not possible, as early as feasible. Where adjustments or replacements of the utility's standard equipment must be made to permit use under such changed conditions, adjustments shall be made by the utility without charge to the customers.

E. Service interruptions

1. Each utility shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
2. Each utility shall make reasonable provisions to meet emergencies resulting from failure of service, and each utility shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
3. In the event of a national emergency or local disaster resulting in disruption of normal service, the utility may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
4. When a utility plans to interrupt service for more than four hours to perform necessary repairs or maintenance, the utility shall attempt to inform affected customers at least 24 hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers of the utility.

5. The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within one hour after the responsible representative of the utility becomes aware of said interruption by telephone to the Commission and followed by a written report to the Commission.
- F. Heat value standard for natural gas.** Each gas utility operating under the jurisdiction of the Commission shall supply gas to its customers with an average total heating value of not less than 900 Btu's per cubic foot. The number of Btu's per cubic foot actually delivered through the customer's meter will vary according to the altitude/elevation of the location where the customer is being provided service.
- G. Standard delivery pressure**
1. Each utility shall maintain a standard delivery pressure at the outlet of the customer's meter of approximately 0.25 pounds per square inch gauge subject to variation under load conditions.
 2. In cases where a customer desires service at greater than standard delivery pressure, the utility may supply at its option such greater pressure if and only as long as the furnishing of gas to such customer at higher than standard delivery pressure will not be detrimental to the service of other customers of the utility. The utility reserves the right to lower said delivery pressure or discontinue the delivery of gas at higher pressure at any time upon reasonable notice to the customer. Where service is provided at such higher pressure, the meter volumes shall be corrected to that higher pressure.
- H. Curtailment**
1. In the event that the availability of service is so restricted due to severe supply shortages or service curtailments and a reduction of service on a proportionate basis to all customer classes will not maintain the integrity of the total system; priority will first be given to those customers and/or customer classes where health, safety and welfare would be adversely affected.
- I. Construction Standards and Safety**
1. Graham County Utilities, Inc. will conform with and be subject to the Federal Safety Standards as adopted by the United States Department of Transportation, Office of Pipeline Safety.
 2. Graham County Utilities, Inc. will report to the Commission all accidents attributed to leakage or explosion of natural gas or fires which result in injury requiring hospitalization, fatality, or property damage estimated to exceed the current dollar amount as specified by R14-5-203 of the Arizona Administrative Code, if said injury, death or damage is attributable to failure or accident involving such utility or if the cause of said leakage, explosion or fire is unknown and might have resulted from failure or accident involving such utility property. The location of all such accidents will be reported within four (4) hours after the responsible representatives of Graham County Utilities, Inc. becomes aware of said accident by telephone to the person holding one of the following positions with the Commission:
 - a) Gas Pipeline Safety Inspector
 - b) Assistant Director of Utilities Division
 - c) Director of Utilities Division
 3. Any accident reported by telephone will be followed by a written report to the Commission.
 4. Graham County Utilities, Inc. has filed an inspection and maintenance plan with the Commission. Any changes in the plan after the initial filing of the plan will be filed with the Commission at least thirty (30) days prior to the proposed effective date of the change.

PART VIII. Meter reading

- A. Company or customer meter reading**
1. Each utility may at its discretion allow for customer reading of meters.
 2. It shall be the responsibility of the utility to inform the customer how to properly read his or her meter.
 3. Where a customer reads his or her own meter, the utility will read the customer's meter at least once every six months.
 4. The utility shall provide the customer with postage-paid cards or other methods to report the monthly reading to the utility.
 5. Each utility shall specify the timing requirements for the customer to submit his or her monthly meter reading to conform with the utility's billing cycle.
 6. In the event the customer fails to submit the reading on time, the utility may issue the customer an estimated bill.
 7. Meters shall be read monthly on as close to the same day as practical.
- B. Measuring of service**

1. All gas sold by a utility shall be metered except in the case of gas sold according to a fixed charge schedule or when otherwise authorized by the Commission.
 2. When there is more than one meter at a location, the metering equipment shall be so tagged or plainly marked as to indicate the facilities being metered.
- C. Customer requested rereads
1. Each utility shall at the request of a customer reread the customer's meter within 10 working days after such request by the customer.
 2. Any rereads may be charged to the customer at a rate on file and approved by the Commission, provided that the original reading was not in error.
 3. When a reading is found to be in error, the reread shall be at no charge to the customer.
- D. Access to customer premises. Each utility shall at all times have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of service and the exercise of any and all rights secured to it by law or these rules.
- E. Meter testing and maintenance program
1. Each utility shall file with the Commission subject to review and approval a plan for routine maintenance and replacement of meters.
 - a. Graham County Utilities, Inc. will do routine testing, maintenance and replacement of meters.
 2. Each utility shall file an annual report with the Commission summarizing the results of the meter maintenance and testing program for that year. At a minimum the report should include the following data:
 - a. Total number of meters tested, at company initiative or upon customer request.
 - b. Number of meters tested which were outside the acceptable error allowance $\pm 3\%$.
- F. Customer requested meter tests. A utility shall test a meter upon customer request, and each utility shall be authorized to charge the customer for such meter test according to the tariff on file and approved by the Commission. However, if the meter is found to be in error by more than 3%, no meter testing fee will be charged to the customer.

PART IX. Billing and collection

- A. Frequency and estimated bills
1. Each utility shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than 25 days or more than 35 days.
 2. If the utility is unable to read the meter on the scheduled meter read date, the utility will estimate the consumption for the billing period giving consideration to the following factors where applicable:
 - a. The customer's usage during the same month of the previous year
 - b. The amount of usage during the preceding month.
 3. After the second consecutive month of estimating the customer's bill for reasons other than severe weather, the utility will attempt to secure an accurate reading of the meter.
 4. Failure on the part of the customer to comply with a reasonable request by the utility for access to its meter may lead to the discontinuance of service.
 5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a customer who read his own meter to deliver his meter reading card to the utility in accordance with the requirements of the utility billing cycle.
 - b. Severe weather conditions which prevent the utility from reading the meter.
 - c. Circumstances that make it impossible to read the meter, i.e., locked gates, blocked meters, vicious or dangerous animals, etc.
 6. Each bill based on estimated usage will indicate that it is an estimated bill.
- B. Combining meters, minimum bill information
1. Each meter at a customer's premises will be considered separately for billing purposes, and the readings of two or more meters will not be combined except those approved by the utility.
 2. Each bill for residential service will contain the following minimum information:
 - a. Date and meter reading at the start of billing period or number of days in the billing period
 - b. Date and meter reading at the end of the billing period
 - c. Billed usage
 - d. Rate schedule number
 - e. Utility telephone number
 - f. Customer's name
 - g. Service account number

- h. Amount due and due date
 - i. Past due amount
 - j. Adjustment factor, where applicable
 - k. Taxes
 - l. The Arizona Corporation Commission and address, thereof.
- C. Billing terms
- 1. All bills for utility services are due and payable no later than 10 days from the date the bill is rendered. Any payment not received within this time-frame shall be considered past due.
 - 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date
 - b. The mailing date
 - c. The billing date shown on the bill (however, the billing date shall not differ from the postmark or mailing date by more than two days).
 - 3. All past due bills for utility services are due and payable within 15 days. Any payment not received within this time-frame shall be considered delinquent.
 - 4. All delinquent bills for which payment has not been received within five days shall be subject to the provisions of the utility's termination procedures.
 - 5. All payments shall be made at or mailed to the office of the utility or to the utility's duly authorized representative.
- D. Applicable tariffs, prepayment, failure to receive, commencement date, taxes
- 1. Each customer shall be billed under the applicable tariff indicated in the customer's application for service.
 - 2. Each utility shall make provisions for advance payment of utility services.
 - 3. Failure to receive bills or notices which have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein.
 - 4. Charges for service commence when the service is installed and connection made, whether used or not.
- E. Meter error corrections
- 1. If any meter after testing is found to be more than 3% in error, either fast or slow, proper correction between 3% and the amount of the error shall be made of previous readings and adjusted bills shall be rendered according to the following terms:
 - a. For the period of three months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three months since the meter shall have been shown to be in error by such test.
 - b. From the date the error occurred, if the date of the cause can be definitely fixed.
 - 2. No adjustment shall be made by the utility except to the customer last served by the meter tested.
- F. Insufficient funds (NSF) checks
- 1. A utility shall be allowed to recover a fee, as approved by the Commission in a tariff proceeding, for each instance where a customer tenders payment for utility service with an insufficient funds check.
 - 2. When the utility is notified by the customer's bank that there are insufficient funds to cover the check tendered for utility service, the utility may require the customer to make payment in cash, by money order, certified check, or other means which guarantee the customer's payment to the utility.
 - 3. A customer who tenders an insufficient check shall in no way be relieved of the obligation to render payment to the utility under the original terms of the bill nor defer the utility's provision for termination of service for nonpayment of bills.
- G. Levelized billing plan
- 1. Each utility may, at its option, offer its residential customers a levelized billing plan.
 - 2. Each utility offering a levelized billing plan shall develop upon customer request an estimate of the customer's levelized billing for a 12-month period based upon:
 - a. Customer's actual consumption history, which may be adjusted for abnormal conditions such as weather variations.
 - b. For new customers, the utility will estimate consumption based on the customer's anticipated load requirements.
 - c. The utility's tariff schedules approved by the Commission applicable to that customer's class of service.
 - 3. The utility shall provide the customer a concise explanation of how the levelized billing estimate was developed, the impact of levelized billing on a customer's monthly utility bill, and the utility's right to adjust the customer's billing for any variation between the utility's estimated billing and actual billing.
 - 4. For those customers being billed under a levelized billing plan, the utility shall show, at a minimum, the following information on the customer's monthly bill:

- a. Actual consumption
 - b. Amount due for actual consumption
 - c. Levelized billing amount due
 - d. Accumulated variation in actual versus levelized billing amount.
5. The utility may adjust the customer's levelized billing in the event the utility's estimate of the customer's usage and/or cost should vary significantly from the customer's actual usage and/or cost; such review to adjust the amount of the levelized billing may be initiated by the utility or upon customer request.
- H. Elevation/pressure adjustment. Each gas utility shall, as a part of a general rate proceeding, file an adjustment factor to be applied to customer meter recordings to adjust for differences in pressure due to elevation.
- I. Deferred payment plan
- 1. Each utility may, prior to termination, offer to qualifying residential customers a deferred payment plan for the customer to retire unpaid bills for utility service.
 - 2. Each deferred payment agreement entered into by the utility and the customer due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
 - a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment agreement.
 - b. Customer agrees to pay all future bills for utility service in accordance with the billing and collection tariffs of the utility.
 - c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six months.
 - 3. For the purposes of determining a reasonable installment payment schedule under these rules, the utility and the customer shall give consideration to the following conditions:
 - a. Size of the delinquent account
 - b. Customer's ability to pay
 - c. Customer's payment history
 - d. Length of time that the debt has been outstanding
 - e. Circumstances which resulted in the debt being outstanding
 - f. Any other relevant factors related to the circumstances of the customer.
 - 4. Any customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the utility's scheduled termination date for nonpayment of bills; customer failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the utility from discontinuing service for nonpayment.
 - 5. Deferred payment agreements may be in writing and may be signed by the customer and an authorized utility representative.
 - 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding.
 - 7. If a customer has not fulfilled the terms of a deferred payment agreement, the utility shall have the right to disconnect service pursuant to the utility's termination of service rules and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.
- J. Change of occupancy
- 1. Not less than three working days advance notice must be given in person, in writing, or by telephone at the utility's office to discontinue service or to change occupancy.
 - 2. The outgoing party shall be responsible for all utility services provided and/or consumed up to the scheduled turn-off date.

PART X. Termination of service

- A. Nonpermissible reasons to disconnect service. A utility may not disconnect service for any of the reasons stated below:
- 1. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
 - 2. Failure of the customer to pay for services or equipment which are not regulated by the Commission.
 - 3. Nonpayment of a bill related to another class of service.
 - 4. Failure to pay for a bill to correct a previous underbilling due to an inaccurate meter or meter failure if the customer agrees to pay over a reasonable period of time.
 - 5. A utility shall not terminate residential service where the customer has an inability to pay and:
 - a. The customer can establish through medical documentation that, in the opinion of a licensed medical physician, termination would be especially dangerous to the customer or a permanent resident residing on the customer's premises health, or

- b. Life supporting equipment used in the home that is dependent on utility service for operation of such apparatus, or
 - c. Where weather will be especially dangerous to health as defined herein or as determined by the Commission.
 - 6. Residential service to ill, elderly, or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted:
 - a. The customer has been informed of the availability of funds from various government and social assistance agencies
 - b. A third party previously designated by the customer has been notified and has not made arrangements to pay the outstanding utility bill.
 - 7. A customer utilizing the provisions of subsection (A)(5) or (6) may be required to enter into a deferred payment agreement with the utility within 10 days after the scheduled termination date.
 - 8. Failure to pay the bill of another customer as guarantor thereof.
 - 9. Disputed bills where the customer has complied with the Commission's rules on customer bill disputes.
- B. Termination of service without notice**
 - 1. Utility service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer or the general population.
 - b. The utility has evidence of meter tampering or fraud.
 - c. Failure of a customer to comply with the curtailment procedures imposed by a utility during supply shortages.
 - 2. The utility shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the utility.
 - 3. Each utility shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one year and shall be available for inspection by the Commission.
- C. Termination of service with notice**
 - 1. A utility may disconnect service to any customer for any reason stated below provided the utility has met the notice requirements established by the Commission:
 - a. Customer violation of any of the utility's tariffs.
 - b. Failure of the customer to pay a delinquent bill for utility service.
 - c. Failure to meet or maintain the utility's deposit requirements.
 - d. Failure of the customer to provide the utility reasonable access to its equipment and property.
 - e. Customer breach of a written contract for service between the utility and customer.
 - f. When necessary for the utility to comply with an order of any governmental agency having such jurisdiction.
 - 2. Each utility shall maintain a record of all terminations of service with notice. This record shall be maintained for one year and be available for Commission inspection.
- D. Termination notice requirements**
 - 1. No utility shall terminate service to any of its customers without providing advance written notice to the customer of the utility's intent to disconnect service, except under those conditions specified where advance written notice is not required.
 - 2. Such advance written notice shall contain, at a minimum, the following information:
 - a. The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The utility tariff that was violated and explanation thereof or the amount of the bill which the customer has failed to pay in accordance with the payment policy of the utility, if applicable.
 - c. The date on or after which service may be terminated.
 - d. A statement advising the customer that the utility's stated reason for the termination of services may be disputed by contacting the utility at a specific address or phone number, advising the utility of the dispute and making arrangements to discuss the cause for termination with a responsible employee of the utility in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the utility shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the customer of his right to file a complaint with the Commission.
 - 3. Where applicable, a copy of the termination notice will be simultaneously forwarded to designated third parties.
- E. Timing of terminations with notice**
 - 1. Each utility shall be required to give at least five days' advance written notice prior to the termination date.

2. Such notice shall be considered to be given to the customer when a copy thereof is left with the customer or posted first class in the United States mail, addressed to the customer's last known address.
 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the utility for the payment thereof or in the case of a violation of the utility's rules the customer has not satisfied the utility that such violation has ceased, the utility may then terminate service on or after the day specified in the notice without giving further notice.
 4. Service may only be disconnected in conjunction with a personal visit to the premises by an authorized representative of the utility.
 5. The utility shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises upon the termination of service.
- F. Landlord/tenant rule. In situations where service is rendered at an address different from the mailing address of the bill or where the utility knows that a landlord/tenant relationship exists and that the landlord is the customer of the utility, and where the landlord as a customer would otherwise be subject to disconnection of service, the utility may not disconnect service until the following actions have been taken:
1. Where it is feasible to so provide service, the utility, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the utility may disconnect service pursuant to the rules.
 2. A utility shall not attempt to recover from a tenant or condition service to a tenant with the payment of any outstanding bills or other charges due upon the outstanding account of the landlord.

PART XI. Administrative and Hearing Requirements

- A. Customer service complaints
1. Each utility shall make a full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
 2. The utility shall respond to the complainant and/or the Commission representative within five working days as to the status of the utility investigation of the complaint.
 3. The utility shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the utility shall report the findings of its investigation in writing.
 4. The utility shall inform the customer of his right of appeal to the Commission.
 5. Each utility shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - a. Name and address of the complainant
 - b. Date and nature of the complaint
 - c. Disposition of the complaint
 - d. A copy of any correspondence between the utility, the customer, and/or the Commission.
 This record shall be maintained for a minimum period of one year and shall be available for inspection by the Commission.
- B. Customer bill disputes
1. Any utility customer who disputes a portion of a bill rendered for utility service shall pay the undisputed portion of the bill and notify the utility's designated representative that such unpaid amount is in dispute prior to the delinquent date of the bill.
 2. Upon receipt of the customer notice of dispute, the utility shall:
 - a. Notify the customer within five working days of the receipt of a written dispute notice.
 - b. Initiate a prompt investigation as to the source of the dispute.
 - c. Withhold disconnection of service until the investigation is completed and the customer is informed of the results. Upon request of the customer the utility shall report the results of the investigation in writing.
 - d. Inform the customer of his right of appeal to the Commission.
 3. Once the customer has received the results of the utility's investigation, the customer shall submit payment within five working days to the utility for any disputed amounts. Failure to make full payment shall be grounds for termination of service.
- C. Commission resolution of service and/or bill disputes
1. In the event a customer and utility cannot resolve a service and/or bill dispute, the customer shall file a written statement of dissatisfaction with the Commission; by submitting such notice to the Commission, the customer shall be deemed to have filed an informal complaint against the utility.
 2. Within 30 days of the receipt of a written statement of customer dissatisfaction related to a service or bill dispute, a designated representative of the Commission shall endeavor to resolve the dispute by

correspondence and/or telephone with the utility and the customer. If resolution of the dispute is not achieved within 20 days of the Commission representative's initial effort, the Commission shall hold an informal hearing to arbitrate the resolution of the dispute. The informal hearing shall be governed by the following rules:

- a. Each party may be represented by legal counsel, if desired.
 - b. All such informal hearings may be recorded or held in the presence of a stenographer.
 - c. All parties will have the opportunity to present written or oral evidentiary material to support the positions of the individual parties.
 - d. All parties and the Commission's representative shall be given the opportunity for cross-examination of the various parties.
 - e. The Commission's representative will render a written decision to all parties within five working days after the date of the informal hearing. Such written decision of the arbitrator is not binding on any of the parties and the parties will still have the right to make a formal complaint to the Commission.
3. The utility may implement normal termination procedures if the customer fails to pay all bills rendered during the resolution of the dispute by the Commission.
 4. Each utility shall maintain a record of written statements of dissatisfaction and their resolution for a minimum of one year and make such records available for Commission inspection.

D. Notice by utility of responsible officer or agent

1. Each utility shall file with the Commission a written statement containing the name, address (business, residence and post office) and telephone numbers (business and residence) of at least one officer, agent or employee responsible for the general management of its operations as a utility in Arizona.
2. Each utility shall give notice, by filing a written statement with the Commission, of any change in the information required herein within five days from the date of any such change.

E. Time-frames for processing applications for Certificates of Convenience and Necessity

1. This rule prescribes time-frames for the processing of any application for a Certificate of Convenience and Necessity issued by the Arizona Corporation Commission pursuant to this Article. These time-frames shall apply to applications filed on or after the effective date of this rule.
2. Within 120 calendar days after receipt of an application for a new Certificate of Convenience and Necessity, or to amend or change the status of any existing Certificate of Convenience and Necessity, staff shall notify the applicant, in writing, that the application is either administratively complete or deficient. If the application is deficient, the notice shall specify all deficiencies.
3. Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.
4. After receipt of a corrected application, staff shall notify the applicant within 30 calendar days if the corrected application is either administratively complete or deficient. The time-frame for administrative completeness review shall be suspended from the time the notice of deficiency is issued until staff determines that the application is complete.
5. Within 150 days after an application is deemed administratively complete, the Commission shall approve or reject the application.
6. For purposes of A.R.S. § 41-1072 et seq., the Commission has established the following time-frames:
 - a. Administrative completeness review time-frame: 120 calendar days,
 - b. Substantive review time-frame: 150 calendar days,
 - c. Overall time-frame: 270 calendar days.
7. If an applicant requests, and is granted, an extension or continuance, the appropriate time-frames shall be tolled from the date of the request during the duration of the extension or continuance.
8. During the substantive review time-frame, the Commission may, upon its own motion or that of any interested party to the proceeding, request a suspension of the time-frame rules.

F. Filing tariffs

1. Each utility shall file with the Commission tariffs which are in compliance with the rules and regulations promulgated by the Arizona Corporation Commission within 120 days of the effective date of such rules.
2. Each utility shall file with the Commission any proposed changes to the tariffs on file with the Commission; such proposed changes shall be accompanied by a statement of justification supporting the proposed tariff change.
3. Any proposed change to the tariffs on file with the Commission shall not be effective until reviewed and approved by the Commission.

G. Accounts and records

1. Each utility shall keep general and auxiliary accounting records reflecting the cost of its properties, operating income and expense, assets and liabilities, and all other accounting and statistical data necessary to give complete and authentic information as to its properties and operations.
 2. Each utility shall maintain its books and records in conformity with the Uniform Systems of Accounts for Class A, B, C and D Gas Utilities as adopted and amended by the Federal Energy Regulatory Commission.
 3. A utility shall produce or deliver in this state any or all of its formal accounting records and related documents requested by the Commission. It may, at its option, provide verified copies of original records and documents.
 4. All utilities shall submit an annual report to the Commission on a form prescribed by it. The annual report shall be filed on or before the 15th day of April for the preceding calendar year. Reports prepared by a certified or licensed public accountant on the utility, if any, shall accompany the annual report.
 5. All utilities shall file with the Commission a copy of all reports required by the Securities and Exchange Commission.
 6. All utilities shall file with the Commission a copy of all annual reports required by the Federal Energy Regulatory Commission.
- H. Maps. All utilities shall file with the Commission a map or maps clearly setting forth the location and extent of the area or areas they hold under approved certificates of convenience and necessity, in accordance with the Cadastral (Rectangular) Survey of the United States Bureau of Land Management, or by metes and bounds with a starting point determined by the aforesaid Cadastral Survey.
- I. Variations, exemptions of Commission rules and regulations. Variations or exemptions from the terms and requirements of any of the rules included herein (Title 14, Chapter 2, Article 3) shall be considered upon the verified application of an affected party to the Commission setting forth the circumstances whereby the public interest requires such variation or exemption from the Commission rules and regulations. Such application will be subject to the review of the Commission, and any variation or exemption granted shall require an order of the Commission. In case of conflict between these rules and regulations and an approved tariff or order of the Commission, the provisions of the tariff or order shall apply.
- J. Prior agreements. The adoption of these rules by the Commission shall not affect any agreements entered into between the utility and customers or other parties who, pursuant to such contracts, arranged for the extension of facilities in a provision of service prior to the effective date of these rules.

PART XII. Intermittent gas ignition

- A. Application and scope. The provisions of this rule are applicable to the following types of gas appliances:
1. All residential gas-fired space heating equipment requiring electrical supply for operation,
 2. All residential gas-fired clothes dryers,
 3. All residential gas-fired household cooking appliances having an electrical supply cord or electrical junction box,
 4. All residential gas-fired air conditioners,
 5. All residential decorative gas lots which are automatically ignited and require electrical supply for operation,
 6. All residential vented decorative gas appliances which are automatically lighted and require electrical supply for operation.
- B. Prohibition of distribution, sales and installation
1. No person shall cause to be distributed, sold or installed in this state a newly produced gas appliance subject to this rule which has not been certified by the Commission. This prohibition shall not take effect for any particular type of gas appliance until 24 months after at least one model of that type of appliance has been certified by the Commission.
 2. All gas appliances certified by the Commission shall have the statement, "This appliance is equipped with an intermittent type ignition device" or "Equipped with IID" or "IID Equipped" on the rating plate.
- C. Definitions. For the purpose of this rule, and unless otherwise indicated, the following definitions shall apply in addition to those definitions shown in Title 40, Section 1, Chapter 7, Article 1, Paragraph 40-1201, of the A.R.S.:
1. "Certified by the Commission" means that the Commission has acknowledged receipt of one of the following for an appliance equipped with an intermittent type ignition device; a photostatic copy of the A.G.A. Appliance Certificate or the UL Listing Certificate; a listing of the appliance in the A.G.A. "Directory of Certified Appliances and Accessories" or the UL "Gas and Oil Equipment List"; or a certified test report from a recognized independent testing laboratory acceptable to the Commission stating that the appliance has been tested and conforms to the applicable American National Standards as mentioned below.
 2. "Newly produced" means not previously used for the purpose for which designed or any other related purpose and constructed entirely of new unused parts and materials.

3. "Rating plate" means a plate, or combination of adjacent plates located so as to be easily read when the appliance is in a normally installed position.
- D. Gas-fired space heating equipment.**
1. Except as otherwise provided, all intermittent type ignition devices used on gas-fired space heating equipment shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975, Automatic Gas Ignition Systems and Components.
 2. Except as otherwise provided, gas-fired space heating equipment shall be certified by the Commission if it complies with one of the standards approved by the American National Standards Institute, Inc., known as:
 - a. ANSI Z21.47-1973-Gas-Fired Gravity and Forced Air Central Furnaces, addenda Z21.47a-1974, and addenda Z21.47b-1975.
 - b. ANSI Z21-11.1-1974-Vented Room Heaters, addenda Z21.11.1a-1975 and addenda Z21.11.1b-1976.
 - c. ANSI Z21.13-1974-Gas-Fired Low-Pressure Steam and Hot Water Boilers, and addenda Z21.13a-1976.
 - d. ANSI Z21.44-1977-Gas-Fired Gravity and Fan Type Sealed Combustion System Wall Furnaces.
 - e. ANSI Z21.49-1975-Gas-Fired Gravity and Fan Type Vented Wall Furnaces and addenda Z21.49a-1977.
 - f. ANSI Z21.48-1973-Gravity and Fan Type Floor Furnaces and addenda Z21.48a-1974 and addenda Z21.48b-1975.
- E. Gas clothes dryers.**
1. Except as otherwise provided, all intermittent type ignition devices used on gas clothes dryers shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975-Automatic Gas Ignition Systems and Components.
 2. Except as otherwise provided, gas clothes dryers shall be certified by the Commission, if they comply with the standards approved by the American National Standards Institute, Inc., known as ANSI Z21.5.1-1975-Type 1 Clothes Dryers.
- F. Household cooking gas appliances.**
1. Except as otherwise provided, all intermittent type ignition devices used on a household cooking gas appliance shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975-Automatic Gas Ignition Systems and Component.
 2. Except as otherwise provided, household cooking gas appliances shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.1-1974-Household Cooking Appliances, addenda Z21.1a-1974, and addenda Z21.1b-1976.
- G. Gas-fired air conditioners.**
1. Except as otherwise provided, all intermittent type ignition devices used on a gas-fired air conditioner shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975-Automatic Gas Ignition Systems and Components.
 2. Except as otherwise provided, gas-fired air conditioners shall be certified by the Commission, if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.40.1-1973-Gas-Fired Absorption Summer Air Conditioning Appliances, and addenda Z21.40.1a-1974.
- H. Decorative gas logs.**
1. Shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975-Automatic Gas Ignition Systems and Components.
 2. Except as otherwise provided, gas-fired decorative gas logs shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.60-1975-Decorative Gas Appliances for Installation in Vented Fireplaces and addenda Z21.60a-1976.
- I. Vented decorative gas appliances.**
1. Shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.20-1975-Automatic Gas Ignition Systems and Components.
 2. Except as otherwise provided, gas-fired vented decorative appliances shall be certified by the Commission if they comply with the standards approved by the American National Standards Institute, Inc., known as: ANSI Z21.50-1973-Vented Decorative Gas Appliances, addenda Z21.50a-1974 and addenda Z21.50b-1974.
- J. The statement mentioned in subsection (B)(2) which is required on the rating plate will be the Seal of Certification for Arizona. The rating plate will be furnished and applied and distributed by the manufacturer.**

- K. The Utilities Division of this Commission is charged with the duty of maintaining the records necessary for the control of the Certification Program and will notify manufacturers in accordance with paragraph 40-1204, Article 1, Chapter 7, Title 40 of the Arizona Revised Statutes.
- L. Variance. Variation from the terms and conditions of this rule shall be permitted only upon the verified application of an affected party to the Commission, setting forth the circumstances whereby the public interest requires such variation, and upon the issuance of a special Order of the Commission. The Commission may require an application for such variation to be presented in a public hearing.