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Arizona Corporation Commission

BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKETED

SEP 16 1998

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JIM IRVIN
Chairman-Commissioner
RENZ D. JENNINGS
Commissioner
CARL KUNASEK
Commissioner

DOCKETED BY *cm*

IN THE MATTER OF
PROPOSED RULEMAKING TO
PROVIDE TIME FRAMES FOR THE
PROCESSING OF APPLICATIONS
FOR CERTIFICATES OF CONVENIENCE
AND NECESSITY PURSUANT TO
TITLE 40 OF THE
ARIZONA REVISED STATUTES

DOCKET NO. RU-00000A-98-0493

DECISION NO. 61120

ORDER

Open Meeting
September 15 and 16, 1998
Phoenix, Arizona

FINDINGS OF FACT

1. The Utilities Division ("the Division") of the Arizona Corporation Commission ("the Commission") has forwarded to the Commission a proposal recommending that the Commission amend A.A.C. R14-2-212, -312, -411, -510, -610, -902, -1002, -1103, and -1603 ("Proposed Rules") of the Arizona Administrative Code.

2. The Proposed Rules establish time-frames within which the Division shall process applications for Certificates of Convenience and Necessity ("CC&N").

3. The Proposed Rules are mandated by A.R.S. §§ 41-1072 through 1078, which require state agencies to promulgate rules establishing the time-frames during which the agency will either grant or deny any CC&N issued by the agency.

4. The Division's staff has recommended that the Proposed Rules be forwarded to the Secretary of State as a Notice of Proposed Rulemaking. The Division's staff also has recommended that the Hearing Division schedule a hearing on Proposed Rules after November 9, 1998.

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CONCLUSION OF LAW

The Commission has authority for the proposed rulemaking under Article XV, Sections 5, 6, and 13 of the Arizona Constitution, and Arizona Revised Statutes, Title 40 generally.

ORDER

THEREFORE, IT IS ORDERED that a hearing be set on this matter at the Commission Offices in Phoenix, Arizona no earlier than November 9, 1998.

IT IS FURTHER ORDERED that a Notice of Proposed Rulemaking be forwarded to the Office of the Secretary of State for publication in the Arizona Administrative Register.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

James K. ...
COMMISSIONER - CHAIRMAN

COMMISSIONER

Carl ...
COMMISSIONER

IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 16 day of September 1998.

for Stuart R. ...
JACK ROSE
Executive Secretary

DISSENT _____

(JW/js)

JUD. REC. DIV.

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1 **TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND**
2 **ASSOCIATIONS; SECURITIES REGULATION**

3 **CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES**

4 **ARTICLE 2. ELECTRIC UTILITIES**

5 Section

6 **R14-2-212. Administrative and hearing requirements**

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Decision No. 6120

1 **R14-2-212. Administrative and hearing requirements**

2 A. No change.

3 B. No change.

4 C. No change.

5 D. No change.

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

7 1. This rule prescribes time-frames for the processing of any application for a
8 Certificate of Convenience and Necessity issued by the Arizona Corporation
9 Commission pursuant to this Article. These time-frames shall apply to
10 applications filed on or after the effective date of this rule.

11 2. Within 120 calendar days after receipt of an application for a new Certificate of
12 Convenience and Necessity, or to amend or change the status of any existing
13 Certificate of Convenience and Necessity, staff shall notify the applicant, in
14 writing, that the application is either administratively complete or deficient. If the
15 application is deficient, the notice shall specify all deficiencies.

16 3. Staff may terminate an application if the applicant does not remedy all
17 deficiencies within 60 calendar days of the notice of deficiency.

18 4. After receipt of a corrected application, staff shall notify the applicant within 30
19 calendar days if the corrected application is either administratively complete or
20 deficient. The time-frame for administrative completeness review shall be
21 suspended from the time the notice of deficiency is issued until staff determines
22 that the application is complete.

23 5. Within 150 days after an application is deemed administratively complete, the
24 Commission shall approve or reject the application.

CONFIDENTIAL

1 6. For purposes of A.R.S. § 41-1072, et seq., the Commission has established the
2 following time-frames:

- 3 a. Administrative completeness review time-frame: 120 calendar days.
- 4 b. Substantive review time-frame: 150 calendar days.
- 5 c. Overall time-frame: 270 calendar days.

6 7. If an applicant requests, and is granted, an extension or continuance, the
7 appropriate time-frames shall be tolled from the date of the request during the
8 duration of the extension or continuance.

9 8. During the substantive review time-frame, the Commission may, upon its own
10 motion or that of any interested party to the proceeding, request a suspension of
11 the time-frame rules.

12 ~~E. Incomplete application for a Certificate of Convenience, transfer of a Certificate of~~
13 ~~Convenience, rate review~~

14 ~~1. Applications will not be assigned a docket number until the application is~~
15 ~~complete according to the Arizona Revised Statutes and the Commission's rules~~
16 ~~and regulations.~~

17 ~~2. The Commission shall within 15 days of receipt return the incomplete application~~
18 ~~making note of such deficiencies.~~

19 F. No change.

20 G. No change.

21 H. No change.

22 I. No change.

23 J. No change.

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1 **TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND**

2 **ASSOCIATIONS; SECURITIES REGULATION**

3 **CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES**

4 **ARTICLE 3. GAS UTILITIES**

5 **Section**

6 **R14-2-312. Administrative and hearing requirements**

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1 **R14-2-312. Administrative and hearing requirements**

2 A. No change.

3 B. No change.

4 C. No change.

5 D. No change.

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

7 1. This rule prescribes time-frames for the processing of any application for a
8 Certificate of Convenience and Necessity issued by the Arizona Corporation
9 Commission pursuant to this Article. These time-frames shall apply to
10 applications filed on or after the effective date of this rule.

11 2. Within 120 calendar days after receipt of an application for a new Certificate of
12 Convenience and Necessity, or to amend or change the status of any existing
13 Certificate of Convenience and Necessity, staff shall notify the applicant, in
14 writing, that the application is either administratively complete or deficient. If the
15 application is deficient, the notice shall specify all deficiencies.

16 3. Staff may terminate an application if the applicant does not remedy all
17 deficiencies within 60 calendar days of the notice of deficiency.

18 4. After receipt of a corrected application, staff shall notify the applicant within 30
19 calendar days if the corrected application is either administratively complete or
20 deficient. The time-frame for administrative completeness review shall be
21 suspended from the time the notice of deficiency is issued until staff determines
22 that the application is complete.

23 5. Within 150 days after an application is deemed administratively complete, the
24 Commission shall approve or reject the application.

JUDICIAL COUNCIL OF ARIZONA

1 6. For purposes of A.R.S. § 41-1072, et seq., the Commission has established the
2 following time-frames:

- 3 a. Administrative completeness review time-frame: 120 calendar days,
4 b. Substantive review time-frame: 150 calendar days,
5 c. Overall time-frame: 270 calendar days.

6 7. If an applicant requests, and is granted, an extension or continuance, the
7 appropriate time-frames shall be tolled from the date of the request during the
8 duration of the extension or continuance.

9 8. During the substantive review time-frame, the Commission may, upon its own
10 motion or that of any interested party to the proceeding, request a suspension of
11 the time-frame rules.

12 ~~E. Incomplete application for a Certificate of Convenience, transfer of a Certificate of~~
13 ~~Convenience, rate review~~

14 ~~1. Applications will not be assigned a docket number until the application is~~
15 ~~complete according to the Arizona Revised Statutes and the Commission's rules~~
16 ~~and regulations.~~

17 ~~2. The Commission shall within 15 days of receipt return the incomplete application~~
18 ~~making note of such deficiencies.~~

19 F. No change.

20 G. No change.

21 H. No change.

22 I. No change.

23 J. No change.

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1 **TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND**

2 **ASSOCIATIONS; SECURITIES REGULATION**

3 **CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES**

4 **ARTICLE 4. WATER UTILITIES**

5 Section

6 **R14-2-411. Administrative and hearing requirements**

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Decision No. 61120

2000-10-01-0000

1 **R14-2-411. Administrative and hearing requirements**

2 A. No change.

3 B. No change.

4 **C. Time-frames for processing applications for Certificates of Convenience and Necessity**

5 1. This rule prescribes time-frames for the processing of any application for a

6 Certificate of Convenience and Necessity issued by the Arizona Corporation

7 Commission pursuant to this Article. These time-frames shall apply to

8 applications filed on or after the effective date of this rule.

9 2. Within 30 calendar days after receipt of an application for a new Certificate of

10 Convenience and Necessity, or to amend or change the status of any existing

11 Certificate of Convenience and Necessity, staff shall notify the applicant, in

12 writing, that the application is either administratively complete or deficient. If the

13 application is deficient, the notice shall specify all deficiencies.

14 3. Staff may terminate an application if the applicant does not remedy all

15 deficiencies within 60 calendar days of the notice of deficiency.

16 4. After receipt of a corrected application, staff shall notify the applicant within 30

17 calendar days if the corrected application is either administratively complete or

18 deficient. The time-frame for administrative completeness review shall be

19 suspended from the time the notice of deficiency is issued until staff determines

20 that the application is complete.

21 5. Within 150 days after an application is deemed administratively complete, the

22 Commission shall approve or reject the application.

23 6. For purposes of A.R.S § 41-1072, et seq., the Commission has established the

24 following time-frames:

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STATE OF ARIZONA
OFFICE OF THE ATTORNEY GENERAL

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- a. Administrative completeness review time-frame: 30 calendar days.
- b. Substantive review time-frame: 150 calendar days.
- c. Overall time-time: 180 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.

G. ~~Incomplete application for a Certificate of Convenience, transfer of a Certificate of Convenience, rate review~~

1. ~~Applications will not be assigned a docket number until the application is complete according to the Arizona Revised Statutes and the Commission's rules and regulations.~~

2. ~~The Commission shall within 15 days of receipt return the incomplete application making note of such deficiencies.~~

- D. No change.
- E. No change.
- F. No change.
- G. No change.

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TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND

ASSOCIATIONS; SECURITIES REGULATION

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

ARTICLE 5. TELEPHONE UTILITIES

Section

R14-2-510. Administrative and hearing requirements

2015-03-10 10:00 AM

1 **R14-2-510. Administrative and hearing requirements**

2 A. No change.

3 B. No change.

4 C. No change.

5 D. No change.

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

7 **1. This rule prescribes time-frames for the processing of any application for a**

8 **Certificate of Convenience and Necessity issued by the Arizona Corporation**

9 **Commission pursuant to this Article. These time-frames shall apply to**

10 **applications filed on or after the effective date of this rule.**

11 **2. Within 30 calendar days after receipt of an application for a new Certificate of**

12 **Convenience and Necessity, or to amend or change the status of any existing**

13 **Certificate of Convenience and Necessity, staff shall notify the applicant, in**

14 **writing, that the application is either administratively complete or deficient. If the**

15 **application is deficient, the notice shall specify all deficiencies.**

16 **3. Staff may terminate an application if the applicant does not remedy all**

17 **deficiencies within 60 calendar days of the notice of deficiency.**

18 **4. After receipt of a corrected application, staff shall notify the applicant within 30**

19 **calendar days if the corrected application is either administratively complete or**

20 **deficient. The time-frame for administrative completeness review shall be**

21 **suspended from the time the notice of deficiency is issued until staff determines**

22 **that the application is complete.**

23 **5. Within 150 days after an application is deemed administratively complete, the**

24 **Commission shall approve or reject the application.**

Decision No. 61120

11/00-1001-0010

CONFIDENTIAL

1 6. For purposes of A.R.S. § 41-1072, et seq., the Commission has established the
2 following time-frames:

- 3 a. Administrative completeness review time-frame: 30 calendar days.
- 4 b. Substantive review time-frame: 150 calendar days.
- 5 c. Overall time-frame: 180 calendar days.

6 7. If an applicant requests, and is granted, an extension or continuance, the
7 appropriate time-frames shall be tolled from the date of the request during the
8 duration of the extension or continuance.

9 8. During the substantive review time-frame, the Commission may, upon its own
10 motion or that of any interested party to the proceeding, request a suspension of
11 the time- frame rules.

12 ~~E. Incomplete application for a Certificate of Convenience, transfer of a Certificate of~~
13 ~~Convenience, rate review, or financing requests~~

14 ~~1- Applications will not be docketed until the application is complete according to~~
15 ~~the Arizona Revised Statutes and the Commission's rules and regulations.~~

16 ~~2- The Commission shall within 15 days of receipt return the application making~~
17 ~~note of such deficiencies.~~

- 18 F. No change.
- 19 G. No change.
- 20 H. No change.
- 21 I. No change.
- 22 J. No change.

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TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS; SECURITIES REGULATION

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

ARTICLE 6. SEWER UTILITIES

Section

R14-2-610. Administrative and hearing requirements

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Decision No. 61120

1 **R14-2-610. Administrative and hearing requirements**

2 A. No change.

3 B. No change.

4 **C. Time-frames for processing applications for Certificates of Convenience and Necessity**

5 1. This rule prescribes time-frames for the processing of any Application for a
6 Certificate of Convenience and Necessity issued by the Arizona Corporation
7 Commission pursuant to this Article. These time-frames shall apply to
8 applications filed on or after the effective date of this rule.

9 2. Within 30 calendar days after receipt of an application for a new Certificate of
10 Convenience and Necessity, or to amend or change the status of any existing
11 Certificate of Convenience and Necessity, staff shall notify the applicant, in
12 writing, that the application is either administratively complete or deficient. If the
13 application is deficient, the notice shall specify all deficiencies.

14 3. Staff may terminate an application if the applicant does not remedy all
15 deficiencies within 60 calendar days of the notice of deficiency.

16 4. After receipt of a corrected application, staff shall notify the applicant within 30
17 calendar days if the corrected application is either administratively complete or
18 deficient. The time-frame for administrative completeness review shall be
19 suspended from the time the notice of deficiency is issued until staff determines
20 that the application is complete.

21 5. Within 150 days after an application is deemed administratively complete, the
22 Commission shall approve or reject the application.

23 6. For purposes of A.R.S. § 41-1072, et seq., the Commission has established the
24 following time-frames:

CONFIDENTIAL

1 a. Administrative completeness review time-frame: 30 calendar days.

2 b. Substantive review time-frame: 150 calendar days.

3 c. Overall time-frame: 180 calendar days.

4 7. If an applicant requests, and is granted, an extension or continuance, the
5 appropriate time-frames shall be tolled from the date of the request during the
6 duration of the extension or continuance.

7 8. During the substantive review time-frame, the Commission may, upon its own
8 motion or that of any interested party to the proceeding, request a suspension of
9 the time- frame rules.

10 C. Incomplete application for a Certificate of Convenience, transfer of a Certificate of
11 Convenience, rate review, or financing requests

12 1. Applications will not be docketed until the application is complete according to
13 the Arizona Revised Statutes and the Commission's rules and regulations.

14 2. The Commission shall within 15 days of receipt return the incomplete application
15 making note of such deficiencies.

16 D. No change.

17 E. No change.

18 F. No change.

19 G. No change.

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Decision No. 61120

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**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND
ASSOCIATIONS; SECURITIES REGULATION**

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

ARTICLE 9. CUSTOMER-OWNED PAY TELEPHONES

Section

R14-2-902. Application for Certificate of Convenience and Necessity

CONFIDENTIAL

1 **R14-2-902. Application for Certificate of Convenience and Necessity**

2 A. No change.

3 B. No change.

4 C. No change.

5 D. No change.

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

7 1. This rule prescribes time-frames for the processing of any application for a

8 Certificate of Convenience and Necessity issued by the Arizona Corporation

9 Commission pursuant to this Article. These time-frames shall apply to

10 applications filed on or after the effective date of this rule.

11 2. Within 30 calendar days after receipt of an application for a new Certificate of

12 Convenience and Necessity, or to amend or change the status of any existing

13 Certificate of Convenience and Necessity, staff shall notify the applicant, in

14 writing, that the application is either administratively complete or deficient. If the

15 application is deficient, the notice shall specify all deficiencies.

16 3. Staff may terminate an application if the applicant does not remedy all

17 deficiencies within 60 calendar days of the notice of deficiency.

18 4. After receipt of a corrected application, staff shall notify the applicant within 30

19 calendar days if the corrected application is either administratively complete or

20 deficient. The time-frame for administrative completeness review shall be

21 suspended from the time the notice of deficiency is issued until staff determines

22 that the application is complete.

23 5. Within 150 days after an application is deemed administratively complete, the

24 Commission shall approve or reject the application, unless a formal hearing is

2000-001-0017

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held.

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: 30 calendar days.
- b. Substantive review time-frame: 150 calendar days.
- c. Overall time-frame: 180 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.

E.F. Subsequent to adoption of this Article, the Commission shall issue an order setting time limitations within which LECs, as well as all customers of record providing service as of the effective date of this Article, shall comply with the requirements contained herein.

1 **TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND**

2 **ASSOCIATIONS; SECURITIES REGULATION**

3 **CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES**

4 **ARTICLE 10. ALTERNATIVE OPERATOR SERVICES**

5 Section

6 **R14-2-1002. Application for Certificate of Convenience and Necessity**

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Decision No. 6120

010-001-001

1 **R14-2-1002. Application for Certificate of Convenience and Necessity**

2 **A. No change.**

3 **B. No change.**

4 **C. No change.**

5 **D. No change.**

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

7 **1. This rule prescribes time-frames for the processing of any Application for a**
8 **Certificate of Convenience and Necessity issued by the Arizona Corporation**
9 **Commission pursuant to this Article. These time-frames shall apply to**
10 **applications filed on or after the effective date of this rule.**

11 **2. Within 365 calendar days after receipt of an application for a new Certificate of**
12 **Convenience and Necessity, or to amend or change the status of any existing**
13 **Certificate of Convenience and Necessity, staff shall notify the applicant, in**
14 **writing, that the application is either administratively complete or deficient. If the**
15 **application is deficient, the notice shall specify all deficiencies.**

16 **3. Staff may terminate an application if the applicant does not remedy all**
17 **deficiencies within 60 calendar days of the notice of deficiency.**

18 **4. After receipt of a corrected application, staff shall notify the applicant within 30**
19 **calendar days if the corrected application is either administratively complete or**
20 **deficient. The time-frame for administrative completeness review shall be**
21 **suspended from the time the notice of deficiency is issued until staff determines**
22 **that the application is complete.**

23 **5. Within 365 calendar days after an application is deemed administratively**
24 **complete, the Commission shall approve or reject the application.**

Decision No. 61120

JUDIC. COMM. FILE

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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: 365 calendar days.
- b. Substantive review time-frame: 365 calendar days.
- c. Overall time-frame: 730 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.

1 **TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND**
2 **ASSOCIATIONS; SECURITIES REGULATION**

3 **CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES**

4 **ARTICLE 11. COMPETITIVE TELECOMMUNICATIONS SERVICES**

5 Section

6 **R14-2-1103. Certificates of Convenience and Necessity Required**

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Decision No. 61120

2025-004-001-001

1 **R14-2-1103. Certificates of Convenience and Necessity Required**

2 **A.** All telecommunications companies providing intrastate telecommunications services
3 shall obtain a Certificate of Convenience and Necessity from the Commission, either
4 under this Article, if competitive services are to be provided or, under Article 5. If the
5 Commission determines that the services identified in an Application filed under this
6 Article are not competitive, the Commission may nevertheless grant a Certificate and
7 authorize provision of the services on a noncompetitive basis pursuant to Article 5.

8 **B. Time-frames for processing applications for Certificates of Convenience and Necessity**

- 9 1. This rule prescribes time-frames for the processing of any application for a
10 Certificate of Convenience and Necessity issued by the Arizona Corporation
11 Commission pursuant to this Article. These time-frames shall apply to
12 applications filed on or after the effective date of this rule.
- 13 2. Within 10 calendar days after receipt of an application for a new Certificate of
14 Convenience and Necessity, or to amend or change the status of any existing
15 Certificate of Convenience and Necessity, staff shall notify the applicant, in
16 writing, that the application is either administratively complete or deficient. If the
17 application is deficient, the notice shall specify all deficiencies.
- 18 3. Staff may terminate an application if the applicant does not remedy all
19 deficiencies within 60 calendar days of the notice of deficiency.
- 20 4. After receipt of a corrected application, staff shall notify the applicant within 30
21 calendar days if the corrected application is either administratively complete or
22 deficient. The time-frame for administrative completeness review shall be
23 suspended from the time the notice of deficiency is issued until staff determines
24 that the application is complete.

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5. Within 270 days after an application is deemed administratively complete, the Commission shall approve or reject the application, unless a formal hearing is held.

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: 10 calendar days.
- b. Substantive review time-frame: 270 calendar days.
- c. Overall time-frame: 280 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.

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TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS; SECURITIES REGULATION
CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES
ARTICLE 16. RETAIL ELECTRIC COMPETITION

Section

R14-2-1603. Certificates of Convenience and Necessity

JUDG • 000 • 011C

1 **R14-2-1603. Certificates of Convenience and Necessity**

- 2 A. No change.
- 3 B. No change.
- 4 C. No change.
- 5 D. No change.
- 6 E. No change.
- 7 F. No change.
- 8 G. No change.
- 9 H. No change.
- 10 I. No change.

11 **J. Time-frames for processing applications for Certificates of Convenience and Necessity**

- 12 1. This rule prescribes time-frames for the processing of any application for a
- 13 Certificate of Convenience and Necessity issued by the Arizona Corporation
- 14 Commission pursuant to this Article. These time-frames shall apply to
- 15 applications filed on or after the effective date of this rule.
- 16 2. Within 120 calendar days after receipt of an application for a new Certificate of
- 17 Convenience and Necessity, or to amend or change the status of any existing
- 18 Certificate of Convenience and Necessity, staff shall notify the applicant, in
- 19 writing, that the application is either administratively complete or deficient. If the
- 20 application is deficient, the notice shall specify all deficiencies.
- 21 3. Staff may terminate an application if the applicant does not remedy all
- 22 deficiencies within 60 calendar days of the notice of deficiency.
- 23 4. After receipt of a corrected application, staff shall notify the applicant within 30
- 24 calendar days if the corrected application is either administratively complete or

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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 180 calendar 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: 180 calendar days.
- c. Overall time-frame: 300 calendar days.

6. 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.

7. 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.

Arizona Corporation Commission
Time-frame Rules For Processing Utility Service Provider Applications for
Certificate of Convenience and Necessity
ECONOMIC, SMALL BUSINESS AND CONSUMER IMPACT STATEMENT

A. Economic, small business and consumer impact summary.

1. Proposed rulemaking.

The proposed amendments to (R14-2-1603, R14-2-212, R14-2-312, R14-2-411, R14-2-510, R14-2-610, R14-2-902, R14-2-1002, R14-2-1103 and 1104) establish the time-frames within which the Utilities Division (the "Division") of the Arizona Corporation Commission (the "Commission") shall process the applications for Certificate of Convenience and Necessity ("CC&N") by utility service providers under its jurisdiction. This rulemaking is mandated by A.R.S. § 41-1072, *et seq.* (the "time-frame statutes").

Each amendment consists of two processing components each with its own time-frames. The first component is an administrative completeness review time-frame. Within a specified number of days after receipt of the application for a new CC&N, or to change the status of an existing CC&N the Commission provides notice to the applicant that the application is administratively complete or deficient. If deficient, the notice specifies all deficiencies. The applicant receiving the deficiency notice is required to provide the Commission with the needed information within a specified number of days after receipt of the deficiency notice. Once the Commission receives the information requested in the deficiency notice, it shall have a specified number of days to notify the applicant, in writing, that the application is either administratively complete or deficient with deficiencies identified. Within a specified number of days after the application is deemed administratively complete, the Commission shall approve or reject the application.

If an applicant requests, and is granted, an extension or continuance, the appropriate time frames are tolled from the date of the request through the duration of the extension or continuance. During the second component, 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.

2. Information contained in this report.

This economic, small business and consumer impact statement analyzes the costs, savings, and benefits that accrue to the Commission, Secretary of State, CC&N applicants, and the public. The impact of the proposed amendments on established Commission procedures, Commission staff time, and other administrative costs is minimal. The benefits to the Commission are minimal. The estimated additional cost to the Secretary of State's office is minimal. This additional cost stems from the Secretary

of State's staff time publishing the rule. The benefits provided by the proposed rules are non-quantifiable. The rules should benefit the Commission's relations with regulated utility service providers by preventing misunderstandings about the time necessary for acquiring a CC&N. The public will benefit from clear and concise standards for the certification process.

3. Name and address of agency employees to contact regarding this statement.

Ray Williamson, Acting Director, Utilities Division or Paul Bullis, Chief Counsel, Arizona Corporation Commission, 1200 West Washington, Phoenix, Arizona 85007.

B. Economic, small business and consumer impact statement.

1. Proposed rulemaking.

The proposed amendments to R14-2-212, R14-2-312, R14-2-411, R14-2-510, R14-2-610, R14-2-902, R14-2-1002, R14-2-1103, R14-2-1104 R14-2-1603.) establish time-frames within which the Division shall process applications by utility companies for a Certificate of Convenience and Necessity. This rulemaking is mandated by A.R.S. §41-1072. et seq.

Each amendment consists of two components. The first is an administrative completeness review time-frame. Within a specified number of days after receipt of the application for a new CC&N, or to change the status of an existing CC&N the Commission provides notice to the applicant that the application is administratively complete or deficient. If deficient, the notice specifies all deficiencies. The applicant receiving the deficiency notice is required to provide the Commission with the needed information within a specified number of days after receipt of the deficiency notice. Once the Commission receives the information requested in the deficiency notice, it shall have a specified number of days to notify the applicant, in writing, that the application is either administratively complete or deficient with deficiencies identified. Within a specified number of days after the application is deemed administratively complete, the Commission shall approve or reject the application.

If an applicant requests, and is granted, an extension or continuance, the appropriate time-frames shall be tolled from the date of the request through the duration of the extension or continuance. 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.

2. Persons who will be directly affected by, bear the costs of, or directly benefit from the proposed rulemaking.

Those affected by the proposed rulemaking include fixed utility service company applicants seeking a CC&N that will allow them to provide customer services. For Fiscal Year 1997, the Division processed 136 CC&N applications.

Cost bearers

The costs of the time-frame rules are borne by the Commission.

Beneficiaries

The citizens of Arizona, certificated fixed utility companies, and the Commission benefit from clear and concise standards for the certification process.

3. Cost/benefit analysis.

Cost/revenue scale

Annual costs/revenues changes are designated as minimal when less than \$1000 in additional costs or revenues, moderate when between \$1000 and \$10,000 in additional costs or revenues, and substantial when greater than \$10,000 in additional costs or revenues.

- a. Probable costs and benefits to the implementing agencies directly affected by the implementation and enforcement of the proposed rulemaking.**

The increased cost to the Commission to provide staff time to draft the rule amendments and an economic and small business and consumer impact statement is minimal. The rules are not expected to result in any change in revenues. There are no expected increase in costs arising from noncompliance with the time-frames set by the rule.

Minimal increase costs for the Secretary of State will result from staff time needed to prepare and print the proposed rules in the Register.

- b. Probable costs and benefits to a political subdivision of this state directly affected by the implementation and enforcement of the proposed rulemaking.**

None.

- c. Probable costs and benefits to businesses directly affected by the proposed rulemaking including any anticipated affect on the revenues or payroll expenditures of employers who are subject to the proposed rulemaking.**

None.

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Since no fees are collected for companies to apply for a CC&N, the time-frame rule will have no financial impact. All parties however, will benefit from a clear, concise, and an understandable certification process with definite time-frames. The use of definite time-frames prevents misunderstanding and promotes better communication between the Commission and the regulated public.

4. Probable impact on private and public employment in businesses, agencies and political subdivisions of this state directly affected by the proposed rulemaking.

The rules should have no impact on private and public employment.

5. Probable impact of the proposed rulemaking on small businesses.

a. Identification of the small businesses subject to the proposed rulemaking.

No small business will be subject to the requirements of the proposed rulemaking; however, any fixed utility service company that meets the definition of "small business" under A.R.S. § 41-1001 (19) will benefit from the rules.

b. Administrative and other costs required for compliance with the proposed rulemaking.

None.

c. A description of the methods that the agency may use to reduce the impact on small businesses.

Not applicable.

d. Probable cost and benefit to private persons and consumers who are directly affected by the proposed rulemaking.

Utility service companies under the jurisdiction of the Commission are required to obtain a CC&N before offering service to the public. These companies will be affected by the proposed rulemaking. There is no Commission fee for a company to apply for a CC&N. The time-frame rules will benefit applicants by providing a clear, concise, and understandable certification process with definite time frames.

6. Probable effect on state revenues.

The proposed rulemaking has no effect on state revenues.

7. **Less intrusive or less costly alternative methods of achieving the purpose of the proposed rulemaking.**

The rulemaking is mandated by A.R.S. § 41-1072 and no alternative is necessary or possible. The only possible cost will be borne by the Commission.

8. **If for any reason adequate data are not reasonably available to comply with the requirements of subsection B of this section, the agency shall explain the limitations of the data and the methods that were employed in the attempt to obtain the data and shall characterize the probable impacts in qualitative terms.**

Not applicable.