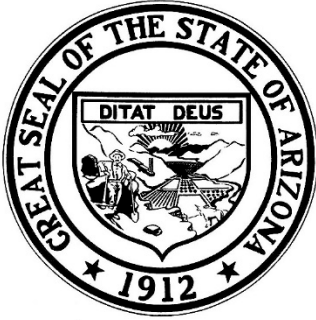


## HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **HB 2738**

Olson Floor Amendment

- 
- Includes a public service corporation's holding or parent company.
  - Replaces the actions that a public service corporation, their holding company or parent company would take that would provide eligibility to a retail electric customer to opt out of their service.
  - Defines:
    - o *electric service*;
    - o *net zero*;
    - o *retail electric customer*; and
    - o *service territory*.

Amendment explanation prepared by Corbin W

Phone Number 63458

ls

2/28/2025

OLSON SUBSTITUTE FLOOR AMENDMENT  
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2738

I move the following SUBSTITUTE amendment to the NATURAL RESOURCES, ENERGY & WATER  
Committee Amendment to  
HOUSE BILL 2738 (Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or  
previously enacted session law.  
[Green underlining in brackets] indicates text added to new session law  
or text restoring existing law.  
[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute  
or previously enacted session law.  
[Green strikeout in brackets] indicates text removed from existing statute,  
previously enacted session law or new session law.  
<<Green carets>> indicate a section added to the bill.  
<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Title 40, chapter 1, article 1, Arizona Revised  
3 Statutes, is amended by adding section 40-104, to read:

4 40-104. Public service corporation; carbon emissions goals;  
5 alternative electric service provider; rules;  
6 definitions

7 A. IF AN ELECTRIC PUBLIC SERVICE CORPORATION ~~[DECLARES A CARBON~~  
8 ~~EMISSIONS REDUCTION GOAL TO SHAREHOLDERS OR COMMITS TO REPLACING RELIABLE~~  
9 ~~AND DISPATCHABLE SOURCES OF ELECTRICITY WITH INTERMITTENT SOURCES OF~~  
10 ~~ELECTRICITY]~~ [OR THE PUBLIC SERVICE CORPORATION'S HOLDING COMPANY OR  
11 PARENT COMPANY DOES ANY OF THE FOLLOWING], THE COMMISSION SHALL ALLOW A  
12 RETAIL ELECTRIC CUSTOMER TO OPT OUT AND TO RECEIVE ELECTRIC SERVICE FROM  
13 ~~[ANOTHER PROVIDER]~~ [OTHER PROVIDERS] IN THE SAME SERVICE TERRITORY~~[.]~~[:]

14 [1. COMMITS TO SHAREHOLDERS IN FILINGS TO THE UNITED STATES  
15 SECURITIES AND EXCHANGE COMMISSION OR IN AN INTEGRATED RESOURCE PLAN  
16 APPROVED OR ACKNOWLEDGED BY THE COMMISSION TO GO NET ZERO.

17 2. COMPENSATES EXECUTIVES OR EMPLOYEES BASED ON ANY CLEAN ENERGY  
18 COMMITMENT.]

19 B. THE COMMISSION SHALL ADOPT RULES THAT:

20 1. ALLOW A RETAIL ELECTRIC CUSTOMER TO PETITION TO OPT OUT AS  
21 PRESCRIBED IN SUBSECTION A OF THIS SECTION AND THAT SET FORTH PROCEDURES  
22 FOR USE BY THE COMMISSION IN EVALUATING PETITIONS TO OPT OUT.

23 2. ESTABLISH GUIDELINES FOR THE PROVISION OF ALTERNATIVE, SAFE,  
24 AFFORDABLE AND RELIABLE RETAIL ELECTRIC SERVICE BY OTHER RETAIL ELECTRIC  
25 SERVICE PROVIDERS OR PUBLIC POWER ENTITIES TO RETAIL ELECTRIC CUSTOMERS

1 THAT ARE LOCATED WITHIN THE ORIGINAL PUBLIC SERVICE CORPORATION'S SERVICE  
2 TERRITORY AND THAT HAVE OPTED OUT PURSUANT TO THIS SECTION.

3 C. FOR THE PURPOSES OF THIS SECTION~~[;]~~[:]

4 ~~[1.] "COMMISSION" [, "ELECTRIC SERVICE", "RETAIL ELECTRIC CUSTOMER"~~  
5 ~~AND "SERVICE TERRITORY" HAVE] [HAS] THE SAME [MEANINGS] [MEANING]~~  
6 ~~PRESCRIBED IN SECTION 40-201.~~

7 [2. "ELECTRIC SERVICE" HAS THE SAME MEANING PRESCRIBED IN SECTION  
8 40-201.

9 3. "NET ZERO" MEANS COMMITTING TO NET ZERO CARBON EMISSIONS BY  
10 PROVING ONE HUNDRED PERCENT CLEAN AND CARBON FREE ELECTRICITY.

11 4. "RETAIL ELECTRIC CUSTOMER" HAS THE SAME MEANING PRESCRIBED IN  
12 SECTION 40-201.

13 5. "SERVICE TERRITORY" HAS THE SAME MEANING PRESCRIBED IN SECTION  
14 40-201.]

15 Enroll and engross to conform

16 Amend title to conform

JUSTIN OLSON

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02/26/2025

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