

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1501**

Griffin Floor Amendment

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- Expands the time the Corporation Commission is required conduct an grid security review, from every year to:
 - o at least once every two years;
 - o as a part of the Commission's integrated resource planning process; or
 - o as a part of the Commission's biennial transmission assessment.
 - Requires the Commission to adopt an order specifying the frequency or process it will conduct a review and allows the Commission to amend the order.
 - Mandates that each investor-owned public service corporation in the state conduct a review of certain electric grid security criteria and submit their cybersecurity and grid protection protocols to the Corporation Commission.
 - Requires the Corporation Commission to review and confirm that each of the investor-owned public service corporations in the state has grid security protections and determine if the protections are adequate, inadequate or are in need of modifications.
 - Exempts the review, plans, protocols, dangers or deficiencies and all information or content received, reviewed, created or provided for the grid security review from public inspection.

Amendment explanation prepared by Corbin W

Phone Number 63458

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3/19/2025

GRIFFIN FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1501
(Reference to Senate engrossed 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 2, article 6.2, Arizona Revised
3 Statutes, is amended by adding section 40-360.14, to read:

4 40-360.14. Grid security review; plan; cybersecurity

5 [A.] NOTWITHSTANDING SECTION 40-360.02, THE COMMISSION SHALL
6 CONDUCT [AN ANNUAL] [A] GRID SECURITY REVIEW [AT LEAST ONCE EVERY TWO
7 YEARS OR AS A PART OF THE COMMISSION'S INTEGRATED RESOURCE PLANNING
8 PROCESS OR BIENNIAL TRANSMISSION ASSESSMENT. THE COMMISSION SHALL ADOPT AN
9 ORDER SPECIFYING THE FREQUENCY OR PROCESS WITHIN WHICH IT WILL CONDUCT A
10 REVIEW AND MAY MODIFY OR AMEND THE ORDER FROM TIME TO TIME AS THE
11 COMMISSION DEEMS REASONABLE AND IN THE PUBLIC INTEREST PURSUANT TO SECTION
12 40-252].

13 [B.] IN CONDUCTING THE REVIEW, [THE COMMISSION] [EACH INVESTOR-
14 OWNED PUBLIC SERVICE CORPORATION DOING BUSINESS IN THIS STATE] SHALL:

15 1. RESEARCH AND EVALUATE THE GENERATION AND GRID MANAGEMENT
16 TECHNOLOGIES THAT ~~[WILL ACCOMMODATE A TWO-WAY FLOW OF ELECTRICITY AND~~
17 ~~THAT]~~ [CAN] PROTECT AGAINST [OR WITHSTAND] A PHYSICAL ATTACK AND A
18 CYBERATTACK.

19 2. EVALUATE THE DANGERS ASSOCIATED WITH AN ELECTROMAGNETIC PULSE
20 AND THE STEPS NECESSARY TO SECURE A CONTINUOUS SUPPLY OF ELECTRICITY TO
21 THE RESIDENTS OF THIS STATE [IN THE EVENT OF AN ELECTROMAGNETIC PULSE].

22 3. EVALUATE NEW INFORMATION TECHNOLOGY SYSTEMS AND HOW PROTECTIONS
23 ARE IMPLEMENTED, AS REQUIRED.

24 [4. UPDATE AND SUBMIT THE PUBLIC SERVICE CORPORATION'S
25 CYBERSECURITY AND GRID PROTECTION PROTOCOLS TO THE COMMISSION FOR REVIEW.

26 C. IN CONDUCTING THE REVIEW, THE COMMISSION SHALL:

1 1. CONFIRM THAT EACH INVESTOR-OWNED PUBLIC SERVICE CORPORATION
2 DOING BUSINESS IN THIS STATE HAS ACTIVE CYBERSECURITY AND GRID PROTECTION
3 PROTOCOLS IN PLACE.
4 2. CONFIRM WHETHER EACH CYBERSECURITY AND GRID PROTECTION PROTOCOL
5 SUBMITTED TO THE COMMISSION IS ADEQUATE, INADEQUATE OR NEEDS
6 MODIFICATIONS.]
7 ~~[4.]~~[3.] ~~[ENCOURAGE INVESTOR-OWNED UTILITIES]~~ [MAKE
8 RECOMMENDATIONS] TO RECTIFY DEFICIENCIES ~~[THAT WERE IDENTIFIED IN THE GRID~~
9 ~~SECURITY REVIEW]~~ AND DEVELOP SECURITY PLANS THAT EVALUATE AND CONSIDER THE
10 TIME AND COSTS THAT ARE ASSOCIATED WITH IMPLEMENTING CHANGES. ~~[THIS~~
11 ~~PARAGRAPH DOES NOT APPLY TO ELECTRIC COOPERATIVES AND PUBLIC POWER~~
12 ~~ENTITIES.~~
13 ~~5. EVERY TWO YEARS, REVIEW THE CYBERSECURITY AND GRID PROTECTION~~
14 ~~PROTOCOLS.]~~
15 [D. THE REVIEW, PLANS, PROTOCOLS, DANGERS OR DEFICIENCIES AND ALL
16 OTHER INFORMATION OR CONTENT RECEIVED, REVIEWED, CREATED OR PROVIDED
17 PURSUANT TO THIS SECTION ARE NOT OPEN TO PUBLIC INSPECTION.]
18 Sec. 2. Legislative findings and intent
19 It is the policy of this state to:
20 1. Diversify ~~[access to]~~ [portfolios of] energy generation assets
21 ~~[that]~~ [to] reduce costs and ensure additional grid reliability.
22 2. Prepare for the effects of electromagnetic pulses through
23 targeted approaches that coordinate whole-of-government activities and
24 encourage private-sector engagement.

25 Enroll and engross to conform
26 Amend title to conform

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