

Notices of Proposed Rulemaking

7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

The removal of the codification scheme in rule will help the Office to quickly maintain future Title changes or additions.

The addition of a Title to the Administrative Code has minimal impact on stakeholders. It is the Agency Chapters listed under the Titles that may have an economic, small business, or consumer impact. Agencies give justification for such an impact in their own preambles when making rules.

9. The agency's contact person who can answer questions about the economic, small business, and consumer impact statement:

Not applicable

10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

An oral proceeding is not scheduled. Persons may request an oral proceeding by contacting the Office's contact listed under item 4.

If an oral proceeding is not requested, the rulemaking record will close 30 days upon publication of this notice.

11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

This proposed rule is not subject to Council review.

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

Not applicable

b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:

Not applicable

c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:

Not applicable

12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

None

13. The full text of the rules follows:

TITLE 1. RULES AND THE RULEMAKING PROCESS

CHAPTER 1. SECRETARY OF STATE - RULES AND RULEMAKING

ARTICLE 1. GENERAL PROVISIONS

Section

R1-1-102. ~~Codification Outline~~ Repealed

ARTICLE 1. GENERAL PROVISIONS

R1-1-102. ~~Codification Outline~~ Repealed

~~All rules made, amended, renumbered, recodified, or repealed and filed with the Office after September 30, 1992, will be published in the The Register shall contain documents named under A.R.S. § 41-1013 and filed with the Office after September 30, 1992, or the The Code shall contain Sections of final, exempt, and expedited rules approved and filed with the Office after September 30, 1992, as provided under A.R.S. § 41-1012., as appropriate under:~~

~~1. The Act, or~~

~~2. Exempt from all or part of the rulemaking process as required in:~~

~~a. The Act, or~~

~~b. Arizona Revised Statute, or~~

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e. As provided in the Constitution of Arizona.

B. The Code shall be codified by Title. Rules Chapters shall be published within under the following Titles:-

1. Title 1. Rules and the Rulemaking Process
2. Title 2. Administration
3. Title 3. Agriculture
4. Title 4. Professions and Occupations
5. Title 5. Corrections
6. Title 6. Economic Security
7. Title 7. Education
8. Title 8. Emergency and Military Affairs
9. Title 9. Health Services
10. Title 10. Law
11. Title 11. Mines
12. Title 12. Natural Resources
13. Title 13. Public Safety
14. Title 14. Public Service Corporations; Corporations and Associations; Securities Regulation
15. Title 15. Revenue
16. Title 16. Tax Appeals
17. Title 17. Transportation
18. Title 18. Environmental Quality
19. Title 19. Alcohol, Horse and Dog Racing, Lottery, and Gaming
20. Title 20. Commerce, Financial Institutions, and Insurance

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

**CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)
ADMINISTRATION**

Editor's Note: The following Notice of Proposed Rulemaking was reviewed per Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 2772.) The Governor's Office authorized the notice to proceed through the rulemaking process on August 8, 2014.

[R14-154]

PREAMBLE

- | | |
|---|---------------------------------|
| 1. <u>Article, Part, or Section Affected (as applicable)</u> | <u>Rulemaking Action</u> |
| R9-22-1001 | Amend |
| R9-22-1002 | Amend |
| R9-22-1003 | Amend |
- 2. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):**
Authorizing statute: A.R.S. §§ 36-2901, 36-2903(F), 36-2903.01(K), and 36-2915
Implementing statute: A.R.S. §§ 36-2901, 36-2903(F), 36-2903.01(K), and 36-2915
- 3. Citations to all related notices published in the Register as specified in R1-1-409(A) that pertain to the record of the proposed rule:**
Notice of Rulemaking Docket Opening: 20 A.A.R. 2762, October 10, 2014 (*in this issue*).
- 4. The agency's contact person who can answer questions about the rulemaking:**
Name: Mariaelena Ugarte
Address: AHCCCS
Office of Administrative Legal Services
701 E. Jefferson, Mail Drop 6200
Phoenix, AZ 85034
Telephone: (602) 417-4693

Notices of Proposed Rulemaking

Fax: (602) 253-9115
E-mail: AHCCCSRules@azahcccs.gov
Website: www.azahcccs.gov

5. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:

The Administration is conducting a rulemaking necessary to conform AHCCCS rules to federal requirements regarding the obligation of health care providers to bill other insurance (when it is known to exist) before billing AHCCCS. With some exceptions, providers must bill legally liable third parties (like private insurance) before billing AHCCCS. However, federal regulations state that in certain circumstances – such services provided to children and pregnant women – AHCCCS must pay the provider then AHCCCS or its contractors must seek reimbursement from the third party. In addition, there are a few federal exception to the general rule that AHCCCS is the payor of last resort; for example, AHCCCS must assume primary responsibility for payment for services covered through the Indian Health Service or medical services that are provided through schools under the federal Individuals with Disabilities Education Act.

6. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

A study was not relied upon for this rulemaking.

7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

The Administration anticipates a minimal economic impact on health plans since the contractors will have the payment responsibility to pay the claim upfront and then pursue payment by the primary insurer for prenatal, preventive pediatric and when a third party insurance is provided by an absent parent. The provider will benefit from this change since the claim related to prenatal, preventive pediatric and third party insurance provided by an absent parent will not be denied and paid when processed if the claim meets timeliness and medically necessary requirements.

Minimal = \$1 - \$1M

Moderate = \$1M - \$10M

Maximum = \$10M - on up

9. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:

Name: Mariaelena Ugarte
Address: AHCCCS
Office of Administrative Legal Services
701 E. Jefferson, Mail Drop 6200
Phoenix, AZ 85034
Telephone: (602) 417-4693
Fax: (602) 253-9115
E-mail: AHCCCSRules@azahcccs.gov
Website: www.azahcccs.gov

10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Proposed rule language will be available on the AHCCCS website www.azahcccs.gov the week of September 22, 2014. Please send written or email comments to the above address by the close of the comment period, 5:00 p.m., November 10, 2014.

Date: November 10, 2014
Time: 11:00 a.m.
Location: AHCCCS
701 E. Jefferson
Phoenix, AZ 85034
Nature: Public Hearing

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Date: November 10, 2014
Time: 11:00 a.m.
Location: ALTCS: Arizona Long-Term Care System
1010 N. Finance Center Dr., Suite 201
Tucson, AZ 85710
Nature: Public Hearing

Date: November 10, 2014
Time: 11:00 a.m.
Location: 2717 N. 4th St., Suite 130
Flagstaff, AZ 86004
Nature: Public Hearing

11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

No other matters have been prescribed.

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

Not applicable

b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:

The proposed rule is not more stringent than the relevant federal laws referenced below. In part, these laws specify that Title XIX is the payor of last resort, except under limited circumstances, that all reasonable measures be taken to ascertain the legal liability of third parties, that coordination of benefits be implemented, and that the AHCCCS shall make payment for specified services without regard to the liability of a third party such that reimbursement from the third party will take place after payment to the provider. Thus, the Administration is promulgating rule to conform third party liability and coordination of benefit requirements in Article 10 to federal law, describing those entities which are the secondary payor to AHCCCS such as Indian Health Services and Tribal 638 facilities and the Arizona Early Intervention Program. In addition, these rules clarify specific services for which AHCCCS and its Contractors shall “pay and chase” the claim rather than “cost avoid” the claim, including prenatal care for pregnant women and preventive pediatric care.

Federal laws that describe Title XIX coordination of benefit requirement and the exceptions to cost avoidance of claims are found in 42 U.S.C. 1396a(a)(25), 42 CFR 433.139.

The following federal laws identify the exceptions to Title XIX as the payor of last resort: 42 CFR 431.110 for IHS; 34 CFR 303.510(c) for the Arizona Early Intervention Program; 34 CFR 300.154 for local educational agencies providing services under the Individuals with Disabilities Education Act (IDEA); 42 USC 300ff-15(a)(6); 300ff-27(b)(7)(F); 300ff-64(f)(1); and 300ff-71(i) for grants under the HIV Health Care Services Program and 45 CFR 400.94 for refugee medical assistance programs.

c. Whether a person submitted an analysis to the agency that compares the rule’s impact of the competitiveness of business in this state to the impact on business in other states:

No analysis was submitted.

12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

None

13. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

**CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)
ADMINISTRATION**

ARTICLE 10. FIRST- AND THIRD-PARTY LIABILITY AND RECOVERIES

Section

- R9-22-1001. Definitions
- R9-22-1002. General Provisions
- R9-22-1003. Cost Avoidance

ARTICLE 10. FIRST- AND THIRD-PARTY LIABILITY AND RECOVERIES

R9-22-1001. Definitions

In addition to the definitions in A.R.S. §§ 36-2901, 36-2923 and 9 A.A.C. 22, Article 1, the following definitions apply to this Article:

“Absent parent” means an individual who is absent from the home and is legally responsible for providing financial and/or medical support for a dependent child.

“Cost avoid” means to deny a claim and return the claim to the provider for a determination of the amount of first- or third-party liability.

“First-party liability” means the obligation of any insurance plan or other coverage obtained directly or indirectly by a member that provides benefits directly to the member to pay all or part of the expenses for medical services incurred by AHCCCS or a member.

“Third-party” means a person, entity, or program that is, or may be, liable to pay all or part of the medical cost of injury, disease, or disability of an applicant or member.

“Third-party liability” means any individual, entity, or program that is or may be liable to pay all or part of the expenditures for medical assistance furnished to a member under a state plan.

R9-22-1002. General Provisions

AHCCCS is the payor of last resort unless specifically prohibited by applicable state or federal law. ~~Entities that pay before AHCCCS include but are not limited to~~ AHCCCS is not the payor of last resort when the following entities are the third-party:

1. Indian Health Services (IHS/638), contract health.
2. Title IV-E,
3. Arizona Early Intervention Program (AZEIP), ~~and~~
4. ~~Contract health.~~
4. Local educational agencies providing services under the Individuals with Disabilities Education Act under 34 CFR Part 300.
5. Entities and contractors of entities providing services under grants awarded as part of the HIV Health Care Services Program under 42 USC 300ff et seq., and
6. The Arizona Refugee Resettlement Program operated under 45 CFR Part 400, Subpart G.

R9-22-1003. Cost Avoidance

A. The Administration’s reimbursement responsibility.

1. The Administration shall pay no more than the difference between the Capped Fee-For-Service schedule and the amount of the third-party liability, unless Medicare is the third-party.
2. If Medicare is the third-party that is liable, the Administration shall pay the Medicare copayment, coinsurance and deductible regardless of the Capped Fee-For-Service Schedule, as described under Chapter 29, Article 3.

B. The Contractor’s reimbursement responsibility.

1. If the contract between the contractor and the provider does not state otherwise, a contractor shall pay no more than the difference between the contracted rate and the amount of the third-party liability.
2. If the provider does not have a contract with the contractor, a contractor shall pay no more than the difference between the Capped Fee-For-Service rate and the amount of the third-party liability.

C. ~~The requirement to cost avoid applies to all AHCCCS covered services under Article 2 of this Chapter, unless otherwise specified in this Section.~~ The following parties shall take reasonable measures to identify potentially legally liable first- or third-party sources:

1. AHCCCS, the Administration, or a contractor;
2. A provider;
3. A noncontracting provider; and
4. A member.

D. Except as specified under subsection (E), the Administration or a contractor shall cost avoid a claim for AHCCCS covered services under Article 2 if the Administration or a contractor has established the probable existence of a liable party at the time the claim is filed. Establishing liability takes place when the Administration or the contractor receives confirmation that another party is legally responsible for payment of a health care service under Article 2.

~~**D.E.** When the Administration or a contractor determines that a third party may be liable for services provided, the The Administration or contractor shall pay the full amount of the claim according to the Capped-Fee-For-Service Schedule or~~

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Name: Bob Gray
Executive Consultant, Utilities Division

Address: Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Telephone: (602) 542-0827

Fax: (602) 542-2129

E-mail: bgray@azcc.gov

5. An explanation of the rule, including the agency's reasons for initiating the rule:

The proposed rule changes will clarify and update how the Commission deals with renewable energy compliance and related renewable energy credits ("RECs"). The Commission's Renewable Energy Standard and Tariff ("REST") rules have not been updated since they were approved by the Commission in Decision No. 69127 (November 14, 2006). Since this decision, the renewable energy marketplace has changed dramatically. The existing REST rules require the utility to serve a growing percentage of its retail sales each year via renewable energy, with a carve-out for distributed energy ("DE"). The rules were predicated on utilities acquiring RECs to achieve compliance. In the DE market, RECs were acquired by the utility when the utility gave the entity installing the renewable energy system an incentive. In recent years some utilities have seen their incentives eliminated as market conditions have changed. This led to utilities seeking guidance from the Commission as to how they should demonstrate compliance with the DE portion of the REST rules when the transaction REC acquisition was predicated upon is no longer occurring. This issue was explored in great detail in the context of the utilities 2013 annual renewable energy implementation plans as well as in the proceeding that culminated in Commission Decision No 74365 on February 26, 2014 (Docket Nos. E-01345-10-0394, etc.). Decision No. 74365 required the Commission Staff to propose new rules to the Commission. Staff made its filing, offering a number of options for the Commission to consider. At its September 9, 2014 Open Meeting, the Commission in Decision No. 74753 in Docket No. RE-00000C-14-0112, ordered Staff to file a Notice of Proposed Rulemaking which seeks comment on the attached changes to the REST rules intended to address the issue of utility compliance in the DE market in a post-incentive era. Absent action by the Commission on this issue, it is unclear how utilities who are no longer offering DE incentives would demonstrate compliance with the REST rules' DE requirements. This is not a critical issue for some utilities in their residential DE and/or commercial DE segments, as they are far ahead of current compliance goals. However, not all residential DE and commercial DE segments for affected utilities are ahead in compliance and thus it is necessary for the Commission to provide a new framework for considering compliance with the rules.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

None

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

N/A

8. The preliminary summary of the economic, small business, and consumer impact:

NOTE – The Arizona Corporation Commission is exempt from the requirements of A.R.S. § 41-1055 relating to economic, small business, and consumer impact statements. See A.R.S. § 41-1057(2). However, under A.R.S. § 41-1057(2), the Arizona Corporation Commission is required to prepare a "substantially similar" statement.

1. NEED:

Under the present rules, utilities demonstrate compliance with the DE requirement through RECs. The proposed rule changes are necessary to address the problem created when DE incentives are no longer offered by the utility and the utility therefore no longer obtains RECs from the customer. The proposed rule changes do this by noting that the Commission may consider all available information. All available information may include measures such as market installations, historical and projected production and capacity levels in each segment of the DE market and other indicators of market sufficiency activity.

The proposed rule changes also provide a new requirement for the reporting of renewable production from facilities installed in a utility's service territory without an incentive which means the REC is not transferred to the utility. The proposed rules provide that these non-utility owned RECs will be acknowledged for informational purposes by the Commission. This language is intended protect the value of RECs and avoid the issue of double counting.

In addition, new language was added to the rules that explicitly states that RECs remain with the entity that created them absent the approval of the entity that they be transferred to the utility or another entity. This language is also meant to protect the value of RECs and prevent against the issue of double counting.

2. NAME AND ADDRESS OF AGENCY EMPLOYEE WHO MAY BE CONTACTED TO SUBMIT ADDITIONAL

Arizona Administrative Register / Secretary of State
Notices of Proposed Rulemaking

DATA ON THE INFORMATION INCLUDED IN THIS STATEMENT:

Bob Gray, Executive Consultant, Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007
Telephone Number (602) 542-0827; Fax Number (602) 542-2129

3. AFFECTED CLASSES OF PERSONS:

- A. Commission-regulated utilities
- B. Customers of Commission-regulated utilities
- C. The solar industry
- D. Arizona Corporation Commission

4. RULE IMPACT ON AFFECTED CLASSES OF PERSONS:

- A. Utilities subject to the REST rules will have a means to achieve compliance with the DE portion of the REST rules in a post-incentive environment.
- B. Utilities will have to report additional information in their reports in the form of production by non-incentivized DE production within its service territory. Utilities are already required to meter all DE production within their service territory, so the utility already has this information available, and this additional reporting requirement should not be burdensome. This reporting is intended to be for informational purposes only.
- C. The utility may also report information related to market activity. Thus information should be readily available to the utility and should not be burdensome. Regulatory certainty with respect to the Commission's rules will benefit all segments of the industry involved in the provision of solar, including the utilities, solar providers and customers.
- D. Some solar industry representatives may believe that the proposed rules do not provide sufficient protection for the value of RECs and such belief could also lead to a concern that there is a property rights issue if the value of RECs is impaired. These concerns are not warranted given the safeguards built into the proposed rules to only acknowledge kWh production associated with RECs not owned by the utility as well as language specifying that RECs are retained by the entity creating them absent the creating entity transferring the RECs to the utility or another entity. If the value of RECs were somehow impaired, it could have a negative impact on the costs associated with installing solar since RECs may be used to offset or lower the cost of the solar installation. Although there were some parties in the underlying Commission proceeding who believed the value or cost of RECs would be relatively low.
- E. Some solar industry representatives may believe that no change is necessary to the rules or that an alternative proposal should be adopted.

5. COSTS AND BENEFITS TO THE AGENCY:

The Commission will benefit from having a method for considering utility compliance with the REST rules that recognizes that the DE market may be self-sufficient and that incentives may no longer be necessary to incent solar installations in this market. The Commission will have a more complete picture of Arizona's renewable energy market by having information on all DE production in utility reports. The Commission will also benefit from receiving available information on market sufficiency and activity. There are minimal costs associated with this proposal because the Commission typically performs an analysis of the DE market in conjunction with the utilities' annual implementation plans.

6. COSTS AND BENEFITS TO POLITICAL SUBDIVISIONS:

There will be no impact to political subdivisions because the Commission does not have jurisdiction over political subdivisions and the Rules do not apply to them.

7. COSTS AND BENEFITS TO PRIVATE PERSONS:

Many utility customers may benefit from not having to pay more for utilities to achieve compliance with the REST rules, as would have resulted from some alternative proposals. Customers will benefit from the certainty these changes provide regarding the treatment of RECs by the Commission in a post-incentive environment. Customers will also be able to retain the value of any RECs they own. Some customers who own RECs may believe that the proposed rules do not provide sufficient protection for the value of RECs. If customers believe that the value of their RECs was brought into question, they may argue that they have property interests in the RECs which were being impaired. The Commission has built adequate protections into the rules so it is clear that the intent is for non-utility REC owners to retain the value of their RECs.

8. COST AND BENEFITS TO CONSUMERS OR USERS OF ANY PRODUCT OR SERVICE IN THE IMPLEMENTATION OF THE NEW RULES.

Customers of solar providers should benefit since there will be certainty with respect to REC ownership. Customers of the utilities should benefit since they will no longer be paying for incentives or additional costs for utilities to procure RECs in this market.

9. LESS COSTLY OR INTRUSIVE METHODS:

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The amendments to the rules are one of the least cost methods for providing utilities with a path to DE compliance under the REST rules and, with respect to any incorporated by reference materials, provide for the Commission's rules to be consistent with A.R.S. § 41-1028 and the rules of the Secretary of State.

10. ALTERNATIVE METHODS CONSIDERED:

The Commission considered alternative methods offered in the utility annual implementation plans as well as the underlying Commission proceeding. A wide variety of proposals were put forward by Commission Staff, the Residential Utility Consumer Office, and a variety of other interested parties including utilities, solar providers, solar installers and various industry and environmental associations. These alternatives included the utility paying to acquire RECs, the utility claiming the RECs through interconnection or net metering activities, granting a waiver of portions of the REST rules, taking no action, reducing the REST requirement to reflect non-utility owned RECs, re-introduction of up-front incentives, creation of a maximum conventional energy requirement, utilities counting all RECs toward compliance, and recovery of DE costs through the standard rate case process. A number of these proposals had multiple variations. Each option had its pros and cons and in some cases parties disagreed on the effect of some proposals on preservation of the value of RECs and other issues. Generally the other options were considered to have one or more of the following flaws: it increased costs paid by ratepayers through the REST surcharge, it did not preserve the 15 percent overall REST requirement, it either did not or it was questionable whether it maintained the value of the RECs, and/or it was overly complicated and cumbersome.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Maureen Scott, Esq.
Attorney, Legal Division
Address: Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007
Telephone: (602) 542-3402
Fax: (602) 542-4870
E-mail: mscott@azcc.gov

Name: Robin Mitchell, Esq.
Attorney, Legal Division
Address: Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007
Telephone: (602) 542-3402
Fax: (602) 542-4870
E-mail: rmitchell@azcc.gov

Name: Bob Gray
Executive Consultant, Utilities Division
Address: Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007
Telephone: (602) 542-0827
Fax: (602) 542-2129
E-mail: bgray@azcc.gov

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

A public meeting will be held on November 12, 2014, at 1:00 p.m., at the Commission's Tucson offices, 400 W. Congress, Room 222, Tucson, AZ 85701 and on November 14, 2014, at 10:00 a.m., at the Phoenix offices of the Arizona Corporation Commission located at 1200 W. Washington, Hearing Room 2, Phoenix, AZ 85007. The Hearing Division requests initial written comments be received on or before November 10, 2014, and that responsive comments be received on or before November 14, 2014. Please reference docket number RE-00000C-14-0112 on all documents.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

12. Incorporations by reference and their location in the rules:

Not Applicable

13. The full text of the rules follows:

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

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

ARTICLE 18. RENEWABLE ENERGY STANDARD AND TARIFF

R14-2-1805. Distributed Renewable Energy Requirement

R14-2-1812. Compliance Reports

ARTICLE 18. RENEWABLE ENERGY STANDARD AND TARIFF

R14-2-1805. Distributed Renewable Energy Requirement

- A. No change
- B. No change
- C. No change
- D. No change
- E. No change

F. Any Renewable Energy Credit created by production of renewable energy which the Affected Utility does not own shall be retained by the entity creating the Renewable Energy Credit. Such Renewable Energy Credit may not be considered used or extinguished by any Affected Utility without approval and proper documentation from the entity creating the Renewable Energy Credit, regardless of whether or not the Commission acknowledged the kWhs associated with non-utility owned Renewable Energy Credits.

G. The reporting of kWhs associated with Renewable Energy Credits not owned by the utility will be acknowledged.

R14-2-1812. Compliance Reports

- A. Beginning April 1, 2007, and every April 1st thereafter, each Affected Utility shall file with Docket Control a report that describes its compliance with the requirements of these rules for the previous calendar year and provides other relevant information. The Affected Utility shall also transmit to the Director of the Utilities Division an electronic copy of this report that is suitable for posting on the Commission's web site.
- B. The compliance report shall include the following information:
 - 1. The actual kWh of energy produced within its service territory and the actual kWh of energy or equivalent obtained from Eligible Renewable Energy Resources, differentiating between kWhs for which the Affected Utility owns the Renewable Energy Credits and kWhs produced in the Affected Utility's service territory for which the Affected Utility does not own the Renewable Energy Credits;
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
- C. The Commission may consider all available information and may hold a hearing to determine whether an Affected Utility's compliance report satisfied the requirements of these rules.