

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council or the Attorney General. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 9. HEALTH SERVICES

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

Editor's Note: The following Notice of Final Rulemaking was reviewed per Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 3459.) The Governor's Office authorized the notices to go through the rulemaking process on June 19, 2013.

[R14-205]

PREAMBLE

- | | |
|---|---------------------------------|
| 1. <u>Article, Part, or Section Affected (as applicable)</u> | <u>Rulemaking Action</u> |
| Article 16 | New Article |
| R9-22-1601 | New Section |

- 2. Citations to the agency's statutory rulemaking authority to include both the authorizing statute (general) and the implementing statute (specific):**
Authorizing statute: A.R.S. §§ 36-2903, 36-2903.01
Implementing statute: A.R.S. § 36-2901
Federal authority: 42 USC 1396a(a)(47)(B); 42 CFR 435.1110

- 3. The effective date of the rule:**
The agency requests an effective date of January 1, 2015.

This effective date is prior to the normal 60 day time-frame specified in A.R.S. § 41-1032(A). The Administration believes that this rulemaking meets the requirements as specified under A.R.S. § 41-1032(A)(1) by providing the opportunity to apply at the time the person presents themselves for care, therefore, preserving the public health and, A.R.S. § 41-1032(A)(3) to comply with federal requirements as listed under item 2 requiring the Administration to implement the Hospital Presumptive Eligibility. The proposed rulemaking was made without a delay or inaction on part of the Administration.

- 4. Citations to all related notices published in the Register as specified in R1-1-409(A) that pertain to the record of the final rulemaking package:**
Notice of Rulemaking Docket Opening: 20 A.A.R. 2263, August 22, 2014
Notice of Proposed Rulemaking: 20 A.A.R. 2229, August 22, 2014

- 5. The agency's contact person who can answer questions about the rulemaking:**
Name: Mariaelena Ugarte
Address: AHCCCS
701 E. Jefferson St.
Phoenix, AZ 85034

Telephone: (602) 417-4693
Fax: (602) 253-9115
E-mail: AHCCCSrules@azahcccs.gov
Web site: www.azahcccs.gov

- 6. 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 promulgating rules to comply with the Affordable Care Act of 2010, which added 42 USC 1396a(a)(47)(B), and 42 CFR 435.1110 which requires the State Medicaid agency to allow qualifying hospitals the

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option to determine presumptive eligibility for Medicaid for certain individuals. This process is referred to as Hospital Presumptive Eligibility (HPE). These proposed rules are to be effective January 1, 2015.

To be a hospital qualified to make a presumptive eligibility determination, the hospital must agree to make the determination in accordance with policies and procedures established by AHCCCS. 42 CFR 435.1110(b)(1). The details of the terms and conditions for qualifying hospitals will be included in a written agreement between AHCCCS and the hospital, and the terms of such contracts are exempt from the requirements for rule-making. A.R.S. § 41-1005(a)(15).

7. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not 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 referenced or relied upon when revising the regulations.

8. 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.

9. A summary of the economic, small business, and consumer impact:

It is extremely difficult to predict the impact of the proposed rule change. HPE is a new federal requirement as of January 1, 2014. It is unknown how many hospitals will be become qualified hospitals, how many individuals will apply for HPE through qualified hospitals, and how many individuals who are provided HPE will fail to file a full application or be determined ineligible following submission of a full application. However the agency is assuming a budget impact of \$5M in total fund payments for health care services provided to individuals who do not file a full application within the required timeframe or who are determined ineligible following submission of the full application. These payments will be made to health care providers including but not limited to hospitals.

10. A description of any changes between the proposed rulemaking, to include supplemental notices, and the final rulemaking:

No significant changes were made between the proposed rulemaking and the final rulemaking. Technical changes have been made for clarification as result of the Governor's Regulatory Review Council staff recommendations.

11. An agency's summary of the public or stakeholder comments made about the rulemaking and the agency response to the comments:

No comments were received as of the close of the comment period of September 29, 2014.

12. 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 are applicable.

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:

The rule does not require a permit.

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:

This rulemaking arises from a requirement of federal law, specifically 42 USC 1396a(a)(47)(B) and 42 CFR Part 435.1110 which require every State Medicaid program (including AHCCCS) to establish a Hospital Presumptive Eligibility process as a condition of receiving federal funding for the Medicaid program in the State. The rule is not more stringent than federal law.

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.

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

None

14. Whether the rule was previously made, amended or repealed as an emergency rule. If so, cite the notice published in the Register as specified in R1-1-409(A). Also, the agency shall state where the text was changed between the emergency and the final rulemaking packages:

Not applicable.

15. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

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

**ARTICLE 16. ~~SOCIAL SECURITY DISABILITY INSURANCE – TEMPORARY MEDICAL COVERAGE~~
HOSPITAL PRESUMPTIVE ELIGIBILITY**

Section

R9-22-1601. ~~Expired HPE General Eligibility Requirements~~

**ARTICLE 16. ~~SOCIAL SECURITY DISABILITY INSURANCE – TEMPORARY MEDICAL COVERAGE~~
HOSPITAL PRESUMPTIVE ELIGIBILITY**

R9-22-1601. ~~Expired HPE General Eligibility Requirements~~

- A.** Notwithstanding Article 3, a qualified hospital may determine Hospital Presumptive Eligibility (HPE), on the basis of preliminary information, that an individual is eligible for AHCCCS medical coverage during the presumptive eligibility period described in this section, if the individual is a United States citizen or eligible qualified alien, and the individual is:
1. Pregnant with gross household income that does not exceed 156% of the FPL;
 2. An adult who meets the requirements of R9-22-1427(E);
 3. A caretaker relative as defined in R9-22-1401(B) with gross household income that does not exceed 106% of the FPL;
 4. Under age 19 with gross household income that does not exceed the limit set in R9-22-1427(D) for the child's age;
 5. A woman screened for breast or cervical cancer by an Arizona program of the National Breast and Cervical Cancer Early Detection Program who meets the requirements of R9-22-2003(A); or
 6. A former foster care child who meets the requirements of R9-22-1432.
- B.** Definitions. In addition to definitions contained in R9-22-101 and A.R.S. § 36-2901, the words and phrases in this Article have the following meanings unless the context explicitly requires another meaning:
“Qualified hospital” means a hospital that has signed an agreement with the Administration to process HPE applications and has not been disqualified.
- C.** Application Process:
1. Right to apply. A person may apply for presumptive eligibility for AHCCCS medical coverage by submitting an Administration-approved application to the qualified hospital.
 2. Application. To initiate the application process, the qualified hospital will accept an application from the applicant, an adult who is in the applicant's household, as defined in 42 CFR 435.603(f), or family, as defined in section 36B(d)(1) of the Internal Revenue Service (IRS) Code, an authorized representative, or if the applicant is a minor or incapacitated, someone acting responsibly for the applicant by submitting a written or online application under 42 CFR 435.907.
- D.** To establish presumptive eligibility, an applicant must complete and submit an AHCCCS-approved presumptive eligibility application signed under penalty of perjury to a qualified hospital. The applicant must attest to the name(s), relationship(s), and income of all persons in the household. In addition, the applicant must provide and attest to the following information regarding each household member on whose behalf AHCCCS medical coverage is sought:
1. The individual's date of birth;
 2. Whether the individual is pregnant;
 3. Whether the individual has been determined eligible for Breast and Cervical Cancer Treatment Program, described under Article 20;
 4. Whether the individual is a former foster child, described under R9-22-1432;
 5. The U.S. citizenship status or eligible qualified alien status under A.R.S. 36-2903.03 of the individual; and
 6. The individual's permanent and mailing addresses;
 7. The individual's Arizona residency status; and
 8. Whether the individual has Medicare coverage.
- E.** Presumptive eligibility begins on the date the hospital determines an individual's presumptive eligibility and ends with the earlier of:
1. In the case of an individual on whose behalf an application has been submitted to AHCCCS or its designee under Article 3, the day on which AHCCCS or its designee makes a determination on that application; or
 2. In the case of an individual on whose behalf an application has not been submitted to AHCCCS or its designee under Article 3, on the last day of the following month in which the determination of presumptive eligibility was made by the qualified hospital.
- F.** An individual may not be determined presumptively eligible more often than once every two years.
- G.** Coverage and reimbursement of services.
1. The Administration shall provide coverage of medically necessary services described under Article 2 to persons determined eligible for HPE on a fee-for-service basis.
 2. Providers shall submit claims for services provided to persons determined eligible for HPE to the Administration as described under Article 7.
- H.** A member may withdraw from HPE coverage by notifying the Administration or its designee.
- I.** Upon determining an individual presumptively eligible, the qualified hospital shall:

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1. Notify the applicant at the time a determination regarding presumptive eligibility is made, in writing and orally if appropriate, of the determination for each individual on whose behalf presumptive eligibility was requested and the effective date of the presumptive eligibility;
 2. Provide the applicant with a regular AHCCCS-approved application form and inform the applicant that the applicant may file an application for Medicaid with the Administration or its designee;
 3. Notify AHCCCS of the presumptive eligibility determination;
 4. Notify the applicant at the time the determination is made that presumptive eligibility ends with the earlier of:
 - a. In the case of an individual on whose behalf an application has been submitted to AHCCCS or its designee under Article 3, the day on which AHCCCS or its designee makes a determination on that application; or
 - b. In the case of an individual on whose behalf an application has not been submitted to AHCCCS or its designee under Article 3, on the last day of the following month in which the determination of presumptive eligibility was made by the qualified hospital.
- J.** A determination by a qualified hospital that an individual is not presumptively eligible is not appealable under Chapter 34. If a qualified hospital denies an individual presumptive eligibility, the individual may apply for coverage by submitting an application to the Administration or its designee.

NOTICE OF FINAL RULEMAKING

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

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

Editor's Note: The following Notice of Final Rulemaking was exempt from Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 3459.)

[R14-198]

PREAMBLE

- | | |
|---|---------------------------------|
| 1. <u>Article, Part, or Section Affected (as applicable)</u> | <u>Rulemaking Action</u> |
| R14-2-103 | Amend |
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
 Authorizing statute: Arizona Constitution article XV § 3; A.R.S. §§ 40-202; 40-203; 40-321, 40-322, 40-281, 40-282.
 Implementing statute: Arizona Constitution article XV § 3; A.R.S. §§ 40-202; 40-203; 40-321, 40-322, 40-281, 40-282.
- 3. The effective date of the rules:**
 January 16, 2015
- 4. A list of all previous notices appearing in the Register addressing the final rule:**
 Notice of Rulemaking Docket Opening: 20 A.A.R.1077, May 9, 2014
 Notice of Proposed Rulemaking: 20 A.A.R.1069, May 9, 2014
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
- | | |
|------------|---|
| Name: | Bridget A. Humphrey or Matthew Laudone
Attorneys, Legal Division, Arizona Corporation Commission |
| Address: | Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007 |
| Telephone: | (602) 542-3402 |
| Fax: | (602) 542-4870 |
| E-mail: | bhumphrey@azcc.gov or mlaudone@azcc.gov |
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- | | |
|-------|--|
| Name: | John LeSueur
Assistant Director, Utilities Division, Arizona Corporation Commission |
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Notices of Final Rulemaking

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

Telephone: (602) 542-4228

Fax: (602) 542-2129

E-mail: ljlesueur@azcc.gov

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

The proposed changes will update the annual in-state operating revenue thresholds that classify utilities as A, B, C, D or E, which have not been updated since their adoption by the Commission in Decision No. 57875 (May 18, 1992). Except for Telephone utilities, the proposed revenue thresholds would double the existing Class A threshold, triple the existing Class B threshold, quadruple the existing Class C threshold, and quintuple the existing Class D and E thresholds. Reclassifying Commission-regulated utilities in this manner will impact the applicability of other Commission rules, change rate case filing, accounting and time clock requirements, and the eligibility for submitting a rate case via a short form application.

7. 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

8. 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:

Not applicable

9. The 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:

The proposed rule changes are necessary to update the revenue thresholds used to establish the utility classifications. Proponents of the proposed rule changes believe they will reduce regulatory lag, streamline Commission processes and reduce rate case expense.

2. NAME AND ADDRESS OF AGENCY EMPLOYEE WHO MAY BE CONTACTED TO SUBMIT ADDITIONAL DATA ON THE INFORMATION INCLUDED IN THIS STATEMENT:

John LeSueur, Assistant Director, Utilities Division

Arizona Corporation Commission

1200 West Washington Street

Phoenix, Arizona 85007

Telephone Number (602) 542-4251; Fax Number (602) 542-2129

3. AFFECTED CLASSES OF PERSONS:

- A. Commission-regulated utilities
- B. Customers of Commission-regulated utilities
- C. Intervenors in utility rate cases
- D. Arizona Corporation Commission

4. RULE IMPACT ON AFFECTED CLASSES OF PERSONS:

- A. Fewer utilities must comply with the Commission's Affiliated Interests Rules, Energy Efficiency Rules, and Cooperative Streamlining Rules. Utilities' rate case filing, accounting and time clock requirements, and the eligibility for submitting a rate case via a short form application will change.
- B. Utility cases will be processed faster.
- C. The Commission will be required to process more utilities' rate cases within 120 days. Commission rules require the Commission to process Class E utility rate cases within 120 days. The number of Class E utilities will increase from approximately 200 to approximately 320.

5. COSTS AND BENEFITS TO THE AGENCY:

The Commission will have to process more utility rate cases within the 120 days.

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:

Customers of utilities will benefit if rate case expense declines and if reducing regulatory lag improves the financial health and stability of regulated utilities. Customers and intervenors may be negatively impacted

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by having less time to scrutinize and participate in utility rate cases.

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

Not applicable.

9. **LESS COSTLY OR INTRUSIVE METHODS:**

The amendments to the rules are the least costly method for obtaining compliance with the updated standards and, with respect to the 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:**

There are no alternative methods available that promulgate adoption of the updated standards and, with respect to the 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. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

None

11. A summary of the comments made regarding the rule and the agency response to them:

The Commission did not receive any written comments on the Notice of Proposed Rulemaking. The oral comments received by the Commission after the publication of the Notice of Proposed Rulemaking are included in the following table, along with the Commission's response to each.

<u>Section</u>	<u>Public Comment</u>	<u>Commission Response</u>
Proposed Reclassification Rule Generally	Karen Nally of Camp Verde Water Systems, Inc. stated that the changes are necessary because the Rule 103 revenue thresholds have not been updated since 1992. She further stated that updated thresholds will streamline the Commission's processes and will help reduce rate case expense for small utilities.	The Commission acknowledges the supportive comments. No change is needed in response to these comments.
Proposed Reclassification Rule Generally	Tim Sabo of Roshka, Dewulf, & Patten spoke in favor of the NPRM. Mr. Sabo stated that he was not speaking on behalf of any particular client, as the utilities that will benefit the most from this rulemaking cannot afford to hire an attorney. He supports the rulemaking because a number of smaller utilities will be shifted into classifications where they can benefit from reduced filing requirements and streamlined rate case processes.	The Commission acknowledges the supportive comments. No change is needed in response to these comments.

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

None

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

None

14. Was this rule previously made as an emergency rule?

No

15. The full text of the rules follows:

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

CHAPTER 2. CORPORATION COMMISSION - FIXED UTILITIES

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ARTICLE 1. GENERAL PROVISIONS

Section

R14-2-103. Defining Filing Requirements in Support of a Request by a Public Service Corporation Doing Business in Arizona for a Determination of the Value of Property of the Corporation and of the Rate of Return Thereon, or in Support of Proposed Increased Rates or Charges

ARTICLE 1. GENERAL PROVISIONS

R14-2-103. Defining Filing Requirements in Support of a Request by a Public Service Corporation Doing Business in Arizona for a Determination of the Value of Property of the Corporation and of the Rate of Return Thereon, or in Support of Proposed Increased Rates or Charges

A. Purpose and definitions

1. No change
2. No change
3. No change
 - a. No change
 - b. No change
 - c. No change
 - d. No change
 - e. No change
 - f. No change
 - g. No change
 - h. No change
 - i. No change
 - j. No change
 - k. No change
 - l. No change
 - m. No change
 - n. No change
 - o. No change
 - p. No change
 - q. "Utilities" -- For purposes of the Section, utilities are electric, gas, telephone, water, sewer or any other that may be supplying service and/or commodities which in the future may be adjudged a public service corporation and under the jurisdiction of this Commission, are classified as follows:

	Annual Operating Revenue				
	Class A	B	C	D	E
Electric & Gas	Exceeding \$5,000,000 <u>10,000,000</u>	\$1,000,000 to \$5,000,000 <u>3,000,000 to</u> <u>10,000,000</u>	\$250,000 to \$999,000 <u>1,000,000 to</u> <u>2,999,999</u>	\$50,000 to \$249,999 <u>250,000 to</u> <u>999,999</u>	Less than \$50,000 <u>250,000</u>
Water & Sewer	Exceeding \$5,000,000 <u>10,000,000</u>	\$1,000,000 to \$5,000,000 <u>3,000,000 to</u> <u>10,000,000</u>	\$250,000 to \$999,000 <u>1,000,000 to</u> <u>2,999,999</u>	\$50,000 to \$249,999 <u>250,000 to</u> <u>999,999</u>	Less than \$50,000 <u>250,000</u>
Telephone	Exceeding \$1,000,000 <u>10,000,000</u>	\$250,000 to \$1,000,000 <u>3,000,000 to</u> <u>10,000,000</u>	\$100,000 to \$249,000 <u>1,000,000 to</u> <u>2,999,999</u>	\$25,000 to \$99,999 <u>250,000 to</u> <u>999,999</u>	Less than \$25,000 <u>250,000</u>

Annual operating revenues are those gross utility operating revenues derived from jurisdictional operations, including the requested rate relief. A combination utility is a utility which provides more than one of the commodities or services enumerated in this subsection. For combination utilities, the annual operating revenue, including the requested rate relief, for the specific subsidiary, department, or operating division requesting the rate change shall be used for classification purposes.

- r. No change

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B. Filing requirements:

1. Information required from Class A, B, C and D utilities: The information required to be prepared and submitted by Class A, B, C and D Utilities in conjunction with a filing is presented below. Corresponding schedule formats are contained in the Appendix of this General Order and denoted. These formats are not applicable to Class E utilities. The Appendix schedule formats A-1 through A-5 are a part of this General Order, and the Applicant's schedules should conform to these formats. All other Appendix schedule formats and descriptions are illustrative and the applicant's specific formats may vary from that suggested in the Appendix. The substantive information requested, both on the Appendix schedule and in the body of this General Order, however, must be contained on the applicant's schedules together with the titles and schedule numbers provided in the Appendix. Specific information items requested on the Appendix schedules may be omitted without formal waiver, from the filing where it is evident that said items are not applicable to the applicant's business. The instructions and notes contained on the Appendix schedules shall be followed where applicable. Reconstruction Cost New Depreciated information not filed by the applicant shall be deemed waived.

Information	Filing Required by	Appendix Schedule Reference(s)
A. Summary Information:		
1. A summary of the increase in revenue requirements and the spread of the revenue increase by customer classification.	All classes	A-1
2. A summary of the results of operations for the test year and for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.	All classes	A-2
3. A summary of the capital structure for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.	Classes A & B	A-3
4. Construction expenditures and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.	All classes	A-4
5. A summary of changes in financial position for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.	Classes A & B	A-5
B. Rate Base Information:		
1. A schedule showing the elements of original cost and RCND rate bases.	All classes	B-1
2. A schedule listing pro forma adjustments to gross plant in service and accumulated depreciation for the original cost rate base.	All classes	B-2
3. A schedule showing pro forma adjustments to gross plant in service and accumulated depreciation for the RCND rate base.	All classes	B-3
4. A schedule demonstrating the determination of reproduction cost new less depreciation at the end of the test period.	All classes	B-4
5. A schedule showing the computation of working capital allowance.	All classes	B-5
C. Test Year Income Statements:		
1. A test year income statement, with pro form adjustments.	All classes	C-1
2. A schedule showing the detail of all pro forma adjustments.	All classes	C-2
3. A schedule showing the incremental taxes and other expenses on gross revenues and the computation of an incremental gross revenue conversion factor.	All classes	C-3
D. Cost of Capital Information:		
1. A schedule summarizing the elements in the capital structure at the end of the test year and the projected year, their related costs and the computation of the total cost of capital.	All classes	D-1
2. A schedule showing the detail of long-term and short-term debt at the end of the test year and the projected year and their total cost.	Classes A & B	D-2
3. A schedule showing the detail of preferred stock at the end of the test year and the projected year, and their total cost.	Classes A & B	D-3
4. A schedule summarizing conclusions of the required return on the common equity as of the end of the test year and the projected year.	Classes A & B	D-4
E. Financial Statements and Statistical Data:		
1. Comparative balance sheets for the end of the test year and the 2 fiscal years ended prior to the end of the test year.	All classes	E-1
2. Comparative income statements for the test year and the 2 fiscal years ended prior to the end of the test year.	All classes	E-2
3. Comparative statements of changes in financial position for the test year and the 2 fiscal years ended prior to the end of the test year.	Classes A & B	E-3
4. Statements of changes in stockholder's equity for the test year and the 2 fiscal years ended prior to the end of the test year.	Classes A & B	E-4
5. A comparative schedule showing by detail account number, utility plant balances at the end of the test year and the end of prior fiscal year.	All classes	E-5
6. Comparative departmental statements of operating income for the test year and the 2 fiscal years ended prior to the end of the test year.	All classes of combination utilities	E-6
7. Comparative operating statistics on customers, consumption, revenues, and expenses for the test year and the 2 fiscal years ended prior to the end of the test year.	All classes	E-7

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Information	Filing Required by	Appendix Schedule Reference(s)
8. A comparative schedule of all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the end of the test year.	All classes except Class D	E-8
9. Audited financial statements, if available, for the test year and the 2 fiscal years ended prior to the end of the test year. If the financial statements have not been audited, notes to the financial statements should be provided to indicate accounting method, depreciation lives and methods, income tax treatment and other important disclosures.	All classes	E-9
F. Projections and Forecasts:		
1. A projected income statement for the projected year compared with actual test year results, at present rates and proposed rates.	All classes	F-1
2. Projected changes in financial position for the projected year compared with the test year, at present rates and proposed rates.	Classes A & B	F-1
3. Projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year, compared with the test year.	Classes A & B 3 years Classes C & D 1 year	F-3
4. Important assumptions used in preparing forecasts and projections.	All classes	F-4
G. Cost of Service Information		
A utility shall submit cost of service analyses and studies if all of the following conditions prevail:		
1. The utility is in a segment of the utility industry that recognizes cost of service studies as important tools for rate design.		
2. Costs incurred by the utility are likely to vary significantly from 1 defined segment of customers to another.		
A historical accounting period other than the test year may be used for cost of service purposes provided that customer mix in the historical period used is representative of the test year. When a cost of service analysis is required, the following information shall be submitted:		
1. Schedule showing rates of return by customer classification at present and proposed rates.	Classes A, B and C if applicable	G-1 G-2
2. Schedules showing the approach used in allocating or assigning plant and expenses to classes of service and defined functions.	Classes A, B and C if applicable	G-3 G-4 G-5 G-6 G-7
3. Schedules showing the development of all allocation factors used in the all allocation factors used in the cost of service study.	Classes A, B and C if applicable	G-7
H. Effect of Proposed Rate Schedules:		
1. A comparison of revenues by customer classification or other classification of revenues for the test year, at present and proposed rates.	All classes	H-1
2. A comparison of revenues by class of service and by rate schedule for the test year, at present and proposed rates.	Classes A & B	H-2
3. A comparison of present and proposed rate schedules or representative rate schedules.	Class A representative schedules; Classes B, C and D - all schedules	H-3
4. Typical bill analysis	All classes	H-4
5. Bill count	All classes	H-5
2. Information required from Class E Utilities: The information required to be prepared and submitted by a Class E Utility in support of a filing is as follows:		
a. A statement of income for the test year similar in format to Schedule C-1 or E-2.		
b. A balance sheet as of the end of the test year similar in format to Schedule E-1.		
c. Utility plant account balances at the end of the test year similar in format to Schedule E-5.		
d. An estimate of new investment in utility plant to be added in the projected year.		
e. A schedule of current rates and proposed rates and the additional revenues to be derived from the proposed rates.		
The appendix schedules shall be used as guides in presenting the information specified in this subsection.		
3. No change		
4. No change		
5. No change		
6. No change		
7. No change		
8. No change		
9. No change		
a. No change		
b. No change		
c. No change		
d. No change		

Notices of Final Rulemaking

- 10. No change
- 11. No change
 - a. No change
 - b. No change
 - i. No change
 - ii. No change
 - iii. No change
 - iv. No change
 - v. No change
 - c. No change
 - d. No change
 - i. No change
 - ii. No change
 - iii. No change
 - iv. No change
 - v. No change
 - e. No change
 - i. No change
 - ii. No change
 - f. No change
 - g. No change
 - h. No change

Appendix. Arizona Corporation Commission; Regulation R14-2-103; Rate Application Filing Requirements; Index of Schedules

No change

Appendix A. Summary Schedules

No change

Appendix B. Rate Base Schedules

No change

Appendix C. Test Year Income Statements

No change

Appendix D. Cost of Capital

No change

Appendix E. Financial Statements and Statistical Schedules

No change

Appendix F. Projections and Forecasts

No change

Appendix G. Cost of Service Analyses

No change

Appendix H. Effect of Proposed Tariff Schedules

No change