CHAPTER 161

Senate Bill 87

AN ACT

RELATING TO PUBLIC UTILITIES; REQUIRING PRIVATE SEWER CORPORATIONS TO OBTAIN CERTIFICATES OF CONVENIENCE AND NECESSITY; DEFINING SUCH CORPORATIONS AND SYSTEMS; AND AMENDING SECTIONS 40-201 AND 40-281, ARIZONA REVISED STATUTES, AND PROVIDING FOR CONDITIONAL ENACTMENT.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 40-201, Arizona Revised Statutes, is amended to read:

40-201. DEFINITIONS

In this chapter, unless the context otherwise requires:

- 1. "Commission" means the Arizona corporation commission OR ANY SUCCESSOR COMMISSION.
- 2. "Electric plant" includes all property used in connection with the production, transmission or delivery of electricity for light, heat, or power for sale.
- 3. "Express corporation" includes every person engaged in the business of transporting property for compensation on the line of any common carrier or stage line within this state.
- 4. "Gas plant" includes all property used in connection with the production, transmission or delivery of gas for light, heat, or power for sale.
- 5. "Pipe line" includes all property used in transmission for compensation of air, steam or fluid substances, except water, through pipe lines.
- 6. "Railroad" includes every railway, other than a street railroad, operated for public transportation of persons or property.
- 7. "SEWAGE DISPOSAL SERVICE OR SYSTEM" IN-CLUDES ALL PROPERTY USED IN CONNECTION WITH THE DISPOSAL, TRANSMISSION, STORAGE OR TREAT-MENT OF SEWAGE.
- 8. "SEWER CORPORATION" INCLUDES EVERY CORPORATION OR PERSON, THEIR LESSEES, TRUSTEES, RECEIVERS OR TRUSTEES APPOINTED BY ANY COURT OWNING, CONTROLLING, OPERATING OR MANAGING ANY SEWAGE DISPOSAL SERVICE OR SYSTEM WITHIN THIS STATE FOR COMPENSATION.
- 9. "Street railroad" includes every railway operated along any street or public way for public transportation of persons or property, but does not include a commercial or interurban railway.
- 10. "Telegraph line" includes all property used in connection with communication by telegraph for compensation, with or without the use of transmission wires.
- 11. "Telephone line" includes all property used in connection with communication by telephone, for compensation, with or without the use of transmission wires.
- 12. "Transportation of persons" includes every service in connection with the carriage, and delivery of a person and his baggage.
 - 13. "Transportation of property" includes every service in con-

nection with the transportation and handling of property and transmission of credit by express corporations.

- 14. "Water system" includes all property used in connection with the diversion, development, storage, distribution and sale, of water for beneficial uses for compensation.
- Sec. 2. Section 40-281, Arizona Revised Statutes, is amended to read:
 - 40-281. CERTIFICATE REQUIRED BEFORE CONSTRUCTION BY PUBLIC SERVICE CORPORATION; EXCEPTIONS; COMPLAINT BY CORPORATION INJURIOUSLY AFFECTED BY CONSTRUCTION; HEARING
- A. A street railroad, gas, electrical, telephone, private fire protection service, SEWER, or water corporation shall not begin construction of a street railroad, a line, plant, service or system, or any extension thereof, without first having obtained from the commission a certificate of public convenience and necessity.
- B. This section shall not require such corporation to secure such a certificate for an extension within a city, county or town within which it has theretofore lawfully commenced operations, or for an extension into territory either within or without a city, county or town, contiguous to its street railroad or line, plant or system, and not theretofore served by a public service corporation of like character, or for an extension within or to territory already served by it, necessary in the ordinary course of its business. If a public service corporation, in constructing or extending its line, plant or system, interferes or is about to interfere with the operation of the line, plant or system of any other public service corporation already constructed, the commission, on complaint of the corporation claiming to be injuriously affected, may, after hearing, make an order and prescribe terms and conditions for the location of lines, plants or systems affected as it deems just and reasonable.
- C. No such corporation shall exercise any right or privilege under any franchise or permit without first having obtained from the commission a certificate of public convenience and necessity.
- D. Nothing in this article shall be construed to make private fire protection service corporations subject to the provisions of paragraph A, section 9-515 and paragraph A, section 9-516, or grant to any existing certificated fire protection service corporation any priority when making application for a certificate to serve an uncertificated area.

Sec. 3. CONDITIONAL ENACTMENT

This act shall not become effective until such time as the Constitution of Arizona is amended by vote of the people to include within

the definition of a public service corporation corporations other than municipal engaged in furnishing sewage disposal service.

Approved by the Governor-May 11, 1971

Filed in the Office of the Secretary of State-May 11, 1971