



DEPARTMENT OF LAW  
OFFICE OF THE  
**Attorney General**  
STATE CAPITOL  
Phoenix, Arizona 85007

(R75-457)

BRUCE E. BABBITT  
ATTORNEY GENERAL

April 12, 1976

76-110

The Honorable Ernest Garfield  
Chairman  
Arizona Corporation Commission  
2222 West Encanto Boulevard  
Phoenix, Arizona 85009

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**ARIZONA ATTORNEY GENERAL**

Re: Authority of Arizona Corporation Commission to  
Order Advance Submission of Budgets by Utilities

Dear Chairman Garfield:

You have made the following inquiry:

After inquiring of NARUC I was informed that most commissions have the authority to require advanced submission of budgets or construction of utilities they regulate.

As you know, I currently have a request before you for an opinion as to whether or not this commission may require the utilities to have authority of the commission regarding capital expenditures. I would like to know the same question in regards to advance submission of budgets.

You will no doubt recall that the Commission deemed this problem of such urgency that, with our concurrence, the Commission contracted on September 8, 1975, with Roger N. Cheney, acting as special counsel to the Attorney General, among other things, to "perform legal research and draft proposed General Orders and aid in presenting same in public hearings." One of the specific projects contemplated by the contract involved the subject matter of this opinion request.

Although Mr. Cheney was not retained to answer the opinion request per se, necessarily he researched the question and concluded that the answer to your request was "yes". In informal discussions with Mr. Cheney, I concurred with him in that determination. This will confirm the opinion given to Mr. Cheney.

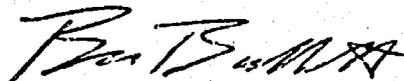


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We are informed that Mr. Cheney in fact prepared a proposed rule (R14-2-130) and submitted it to the Commission. We understand that, for administrative reasons, the rule has not yet been set for hearing.

To clear our records, we are noting that this request has been effectively answered, in accordance with the foregoing.

Sincerely,



BRUCE E. BABBITT  
Attorney General

BEB:CSP:lc

cc: Mr. Donald E. Vance