

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)
CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 1160

By: Easley of the Senate

and

Rice of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Corporation Commission; amending Section 18 of Article IX of the Oklahoma Constitution, 17 O.S. 1991, Sections 32, 137, as amended by Section 2, Chapter 365, O.S.L. 1993, 152, as amended by Section 2, Chapter 231, O.S.L. 1993, 160.1, as amended by Section 1, Chapter 365, O.S.L. 1992, and 251 (17 O.S. Supp. 1993, Sections 137, 152 and 160.1), 52 O.S. 1991, Section 149, 63 O.S. 1991, Sections 2417, as amended by Section 19, Chapter 364, O.S.L. 1993, and 2418 (63 O.S. Supp. 1993, Section 2417), 74 O.S. 1991, Section 840.8, as last amended by Section 30 of Enrolled House Bill No. 2299 of the 2nd Session of the 44th Oklahoma Legislature, 82 O.S. 1991, Section 1324.23, as amended by Section 4 of Enrolled House Bill No. 2178 of the 2nd Session of the 44th Oklahoma Legislature, and Section 1 of Enrolled Senate Bill No. 1146 of the 2nd Session of the 44th Oklahoma Legislature, which relate to various programs and functions of the Oklahoma Corporation Commission; modifying duties of the General Administrator; modifying certain employment requirements for certain Commission employees; deleting obsolete reference; adding certain new positions; stating duties; authorizing Commission to employ Oil and Gas Appellate Referee; stating duties; requiring Commission to establish certain telephonic system for certain hearings; providing for costs to be paid by requesting parties; authorizing Commission to promulgate rules to implement such system; adding certain positions to the unclassified service; removing certain position from unclassified service; modifying certain time limit for certain public hearings; stating procedures for certain public utility proceedings; stating procedures for contested public utility rate proceedings; requiring certain personnel to conduct certain exit conferences; requiring certain information to be considered by Commission when reviewing certain utility rate increase applications; authorizing certain forms of communications between utilities and their customers; providing for confidentiality and security of certain public utility records; defining terms; modifying certain requirements of the State Department of Rehabilitation Services; modifying uses for certain telephone surcharge; requiring certain telephone companies to comply with certain federal legislation and assess certain surcharge; modifying certain definition of cost of fuel or gas; authorizing certain transportation

charges; modifying certain constitutional requirements relating to publishing general orders, rules, regulations or requirements of the Commission; requiring certain telephone utilities rate review requests to be conducted according to certain statute; authorizing Commission to regulate certain cable television operators; authorizing Commission to promulgate rules; authorizing Commission to have certain ratemaking authority and jurisdiction over certain steam and chilled water supply systems; modifying exceptions; modifying membership and appointment process of Commission on Natural Gas Policy; providing for travel reimbursement; providing for staffing; requiring rural gas distribution systems to be subject to certain pipeline safety program; defining terms; repealing 63 O.S. 1991, Section 2419, which relates to revenues collected for hearing-impaired telecommunications systems; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 17 O.S. 1991, Section 32, is amended to read as follows:

Section 32. ~~(a)~~ A. The Corporation Commission shall employ one (1) General Administrator. Said position shall be in the unclassified service and shall have a maximum annual salary, payable monthly, which shall be specified in the Commission's annual appropriation bill. ~~Any person filling said position~~

B. The General Administrator shall be required to hold at least a bachelor's degree in marketing, business administration, accounting, personnel management, public administration, counseling, political science, related fields or experience equivalent thereto, or shall hold a juris doctorate degree, and shall have experience in a supervisory capacity in administrative or personnel management work.

C. The General Administrator shall be provide for the administration of the Commission and shall:

1. Be the chief administrative officer and appointing authority of the Commission and shall have supervision and control over all Commission employees except for the administrative aide and executive secretary for each Commissioner;

2. Employ, discharge, appoint or contract with, and fix the duties and compensation of all personnel, except for the

administrative aide and executive secretary for each Commissioner either on a full-time, part-time, fee or contractual basis, as in his or her judgment and discretion shall be deemed necessary, expedient, convenient or appropriate to the performance of carrying out the provisions of the laws of the State of Oklahoma and the rules of the Commission; and

3. Establish internal procedures for the proper and efficient administration of the Commission.

D. The General Administrator shall not be an owner, stockholder, employee or officer of, nor have any other business relationship with or receive compensation from, any corporation, partnership, or other business or entity which is subject to regulation by the Commission.

E. In the event of the General Administrator's temporary absence, the General Administrator may delegate the exercise of such powers and duties to a designee during the General Administrator's absence. In the event of a vacancy in the position of General Administrator, the Commission may designate an interim or acting General Administrator who is authorized to exercise such powers and duties until a permanent General Administrator is employed. Any designee exercising such powers and duties of the General Administrator on a temporary, acting or interim basis shall meet the requirements of subsection D of this section.

~~(b)~~ F. Whenever a vacancy occurs in the General Administrator's position, the new General Administrator shall be chosen by a majority vote of the Commissioners from at least three (3) candidates recruited and screened by the Office of Personnel Management.

SECTION 2. AMENDATORY 52 O.S. 1991, Section 149, is amended to read as follows:

Section 149. There is hereby created within the Corporation Commission of Oklahoma, herein called "Commission", a Conservation Division, the duties and functions of which, subject to the supervision and direction of the Commission, shall be to aid the Commission in the administration and performance of the powers,

duties and functions of the Commission with respect to oil and gas conservation and the prevention of pollution resulting from oil and gas production, transportation, and refining operations. The Conservation Division so created shall consist of the following personnel:

1. A Director of Conservation, who, in addition to the duties and functions now or hereafter prescribed for such officer in this title, shall have overall responsibility, supervision and direction of the activities of the Conservation Division and the administration and enforcement of the rules, regulations and orders of the Commission relating to oil and gas conservation and the prevention of pollution. The Director of Conservation shall be a graduate of an accredited college or university with a Bachelor's Degree and shall have five (5) years' experience in a supervisory capacity in an administrative or personnel management position-i

~~2. Duly licensed attorneys, one to be designated as Conservation Attorney who shall be subject to the supervision and direction of the Commission, and the others as Assistant Conservation Attorneys who shall be under the supervision and direction of the Conservation Attorney. The duties and functions of the Conservation Attorney and Assistant Conservation Attorneys shall be to act as legal advisors to and to represent the Commission, the Director of Conservation, and all other personnel of the Division of Conservation, in all matters and proceedings relating to the performance of their duties and functions relating to oil and gas conservation and the prevention of pollution, including proceedings involving the validity or enforcement of the orders, rules and regulations of the Commission.~~

~~3.~~ A Manager of Pollution Abatement, whose duties and functions shall be to direct and supervise the activities of the Conservation Division with respect to the prevention of pollution. The Manager of Pollution Abatement shall be a graduate of an accredited college or university with a Bachelor of Science Degree and shall have at least five (5) years' practical experience in the production of oil and gas-i

~~4.~~ 3. A Manager of Field Operations, whose duties and functions shall be to direct, supervise and coordinate the activities of the district offices and the field activities of the Conservation Division with respect to both oil and gas conservation and the prevention of pollution. The Manager of Field Operations shall be a graduate of an accredited college or university with a Bachelor of Science Degree in Petroleum Engineering or a related field and at least five (5) years' practical experience in the production of oil and gas or, in the alternative, shall have at least ~~seven (7) years' experience equivalent to that of a district drilling or production superintendent in the oil and gas industry.~~ ten (10) years' experience in the production of oil and gas, of which five (5) years shall be in a supervisory capacity;

~~5.~~ 4. ~~A Manager of Office Administration~~ Deputy Director of Conservation, whose duties and functions shall be the administrative management of the various offices of the Conservation Division including, but not limited to, office services and procedures, coordinating personnel administration, processing of expense statements, budget preparation and cost accounting, procurement and use of supplies, files ~~and~~ records, and other professional and clerical services, computer services, with other divisions of the Commission and providing technical assistance as necessary. ~~The Manager of Office Administration~~ Deputy Director of Conservation shall be a graduate of an accredited college or university with a Bachelor's Degree ~~in Office or Business Administration~~ and at least ~~three (3) years' experience in a supervisory capacity in office management or, in the alternative,~~ and shall have five (5) years' experience in a supervisory capacity in ~~office~~ an administrative or personnel management- position;

~~6.~~ 5. A Senior Engineer and a Senior Geologist, whose duties and functions shall be to provide the Commission, the Director of Conservation, and the Conservation Division with engineering, geological and other technical advice and assistance as needed with respect to oil and gas conservation and the prevention of

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pollution, including participation in hearings before the Commission or ~~Trial Examiners~~ Administrative Law Judges. The Senior Engineer shall be a graduate of an accredited college or university, with a Bachelor of Science Degree in Petroleum Engineering and at least five (5) years' experience as a petroleum engineer. The Senior Geologist shall be a graduate of an accredited college or university, with a Bachelor of Science Degree in Geology and shall have five (5) years' practical experience in petroleum geology-i

~~7.~~ 6. Staff Engineers and Geologists to serve on the staff and as assistants to the Senior Engineer. The Staff Engineers and Geologists shall be graduates of accredited colleges or universities, with Bachelor of Science Degrees in Engineering or Geology, as the case may be, and have a knowledge of petroleum engineering or geology and its application-i

~~8.~~ 7. District Managers, whose duties and functions shall be to supervise and direct the district offices and all field activities of the Conservation Division, including both oil and gas conservation and the prevention of pollution in the respective districts to which they are assigned. A District Manager shall be a graduate of an accredited college or university with a Bachelor of Science Degree in Petroleum Engineering and shall have five (5) years' practical experience in the production of oil and gas or, in lieu of a college degree, shall have ten (10) years' experience in the production of oil and gas, of which five (5) years' experience shall be in a supervisory capacity-i

~~9. District Office Assistants, who, under the direction and supervision of the District Manager in the respective districts to which they are assigned, shall perform the administrative and clerical functions of the district offices including, but not limited to, the preparation and filing of reports, keeping of files and records, providing dispatcher service to the field supervisors, and receipt of requests, complaints and other communications from industry representatives, landowners or the general public. A District Office Assistant shall be a graduate of a high school or business college and shall have at least three~~

~~(3) years' practical experience in office administration and a general knowledge of oil and gas production practices.~~

~~10.~~ 8. Assistant District Managers, whose duties and functions shall be to supervise, direct and coordinate the activities of field and office personnel and who shall be under the supervision of the District Managers. An Assistant District Manager shall be a graduate from an accredited college or university with a Bachelor of Science degree in petroleum, civil or mechanical engineering, geology, environmental science or related field and shall have three (3) years' practical experience in production of oil and gas or, in lieu of a college degree, shall have seven (7) years' experience in the production of oil and gas of which three (3) years', experience shall be in a supervisory capacity;

9. Oil and Gas Field Inspectors, whose duties and functions, subject to the direction and supervision of the ~~District Manager~~ Oil and Gas Inspection Supervisor of the respective district to which they are assigned, shall be to make inspections and investigations, witness tests, and generally serve as enforcement officers and representatives of the Commission in the administration and enforcement of the rules, regulations and orders of the Commission relating to both oil and gas conservation and the prevention of pollution. A An Oil and Gas Field Inspector shall be a high school graduate with at least ~~one (1) year's~~ five (5) years' experience in oil field production and drilling operations or equivalent training and experience with the Commission-;

~~11. Trial Examiners, who shall severally or jointly, as the Commission may direct, hear cases referred to them by the Commission for hearing, and who shall then file with the Commission a report of the proceedings and their recommendations as to the disposition thereof. The Commission is hereby authorized to refer any and all cases it sees fit to such Trial Examiners for hearing. A Trial Examiner shall be a graduate of an accredited college or university with a degree in law, petroleum engineering or geology and experience in the practice of the~~

~~profession and knowledge of oil and gas law, courtroom procedure, the technical aspects of oil and gas operations, and a knowledge of state statutes and rules and regulations governing such operations.~~

~~12. Court Reporters, who shall make a record of the proceedings and evidence at all hearings conducted before the Commission, the Trial Examiners, or an employee of the Conservation Division named to act in the capacity of a Trial Examiner.~~

~~13.~~ 10. Assistant Manager of Field Operations, who under the general direction of the Manager of Field Operations, shall direct, supervise and coordinate office personnel and the activities of the district office and other field programs. An Assistant Manager of Field Operations shall be a graduate of an accredited college or university with a Bachelor of Science Degree in Petroleum Engineering or related fields and shall have five (5) years' experience in the production of oil and gas or, in lieu of a college degree, shall have ten (10) years' experience in the production of oil and gas, of which five (5) years' experience shall be in a supervisory capacity;

11. Oil and Gas Safety Specialist, who under the general direction of the Assistant District Manager of the respective district to which they are assigned, shall investigate incidents of public safety concerns. An Oil and Gas Safety Specialist shall have five (5) years' experience as an Oil and Gas Field Inspector with the Corporation Commission and be fully competent in well control and blowout prevention for drilling operations, in Hydrogen Sulfide control and safety and in hazardous chemical detection;

12. Senior Field Inspector, who, under the general direction or the Oil and Gas Inspector Supervisor of the respective district to which they are assigned, shall perform detailed inspections and investigations and provide expert testimony concerning the enforcement of rules of the Corporation Commission. A Senior Field Inspector shall have five (5) years' experience in the oil and gas industry or shall have at least three (3) years'

experience as an Oil and Gas Field Inspector with the Corporation Commission;

13. Oil and Gas Inspector Supervisor, who under the supervision of the Assistant District Manager of the respective district to which they are assigned, shall supervise and perform field inspection activities related to tests, surveys and investigations of oil and gas production, pollution control and environmental protection. An Oil and Gas Inspector Supervisor shall be a high school graduate with at least five (5) years' experience in oil field production and drilling operations or equivalent training and experience with the Commission;

14. A Senior Statistician and Assistant Statisticians, whose duties and functions shall be the procurement, compilation, analysis and preparation of reports and schedules containing statistics necessary or desirable to the administration or performance of the powers, duties and functions of the Commission and of the Conservation Division with respect to oil and gas conservation and the prevention of pollution. The Senior Statistician shall be a graduate of an accredited college or university with a Bachelor's Degree in Accounting, Business Administration, Mathematics or the sciences and at least two (2) years' experience in the processing of large volumes of data with respect to oil and gas operations. An Assistant Statistician shall have at least a high school education and an aptitude and experience in working with the tabulation of numbers; and

~~14.~~ 15. Secretaries, who shall be qualified to accurately take and transcribe dictation and perform normal duties performed by a secretary; stenographer-clerks who shall be qualified to do typing, filing, handling of mail, and the routine clerical duties of an office; file clerks or librarians who shall be qualified to keep and maintain the central files and records of the Division; and duplicating machine operators.

The employees of the Commission who at the effective date of this act are holding positions or performing functions corresponding to those herein prescribed but who do not have the qualifications required by this act for such positions or

functions shall not, for that reason, be disqualified to continue in such positions or to perform such functions, but at such time as there is a vacancy in such position it shall be filled by an employee having the qualifications herein prescribed.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 149.2 of Title 52, unless there is created a duplication in numbering, reads as follows:

The Corporation Commission is authorized to employ an Oil and Gas Appellate Referee. Any person filling the position of Oil and Gas Appellate Referee shall be a duly licensed attorney in the State of Oklahoma and shall be familiar with the statutes and rules governing oil and gas operations in Oklahoma. The Oil and Gas Appellate Referee shall hear all exceptions and appeals from recommendations of an Administrative Law Judge for cases on the conservation docket, except for exceptions and appeals from Administrative Law Judge recommendations of conservation docket cases which the Commission determines it will hear en banc without intermediate review. The Oil and Gas Appellate Referee shall file a report and make recommendations to the Commission for the disposition of such exceptions and appeals. The Commission shall promulgate such rules as may be necessary to implement this section.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 149.3 of Title 52, unless there is created a duplication in numbering, reads as follows:

The Corporation Commission shall establish and maintain a system providing telephonic capability for hearing of matters assigned to the conservation docket so that testimony at unprotested hearings may be offered by telephone and parties and witnesses need not be present in the courtroom. Where hearings are protested, testimony may also be offered by telephone with the consent of all parties and the administrative law judge assigned to hear the case. The cost of telephonic communication shall be paid by the person or persons requesting its use. The Commission shall promulgate rules implementing the provisions of this section.

SECTION 5. AMENDATORY 74 O.S. 1991, Section 840.8, as last amended by Section 30 of Enrolled House Bill No. 2299 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 840.8 The following offices, positions, and personnel comprise the exempt unclassified service:

1. Persons chosen by popular vote or appointment to fill an elective office, and their employees, except the employees of the Corporation Commission, the State Department of Education and the Department of Labor;
2. Members of boards and commissions, and heads of agencies; also one principal assistant or deputy and one executive secretary for each state agency;
3. All judges, elected or appointed, and their employees;
4. Federally funded time-limited employees hired for the specific purpose of providing public service employment or one-time special or research project services for a limited period of time and shall not exceed the period of time for which that specific federal funding is provided;
5. All officers and employees of The Oklahoma State System of Higher Education, State Board of Education and State Department of Vocational and Technical Education;
6. Persons employed in a professional or scientific capacity to make or conduct a temporary and special inquiry, investigation, or examination on behalf of the Legislature or a committee thereof or by authority of the Governor;
7. Election officials and employees;
8. Temporary employees employed to work less than one thousand (1,000) hours in any twelve-month period. This category of employees shall include persons employed on an intermittent, provisional, seasonal, temporary or emergency basis;
9. Temporary lake patrol officers, regardless of the number of hours worked, who are employed by the Department of Public Safety during the period March 16 through October 31 in any calendar year; provided, the hours worked shall be considered in determining the temporary employee's eligibility for subsequent

employment in any other unclassified temporary employment category;

10. Professional trainees only during the prescribed length of their course of training or extension study;

11. Students who are employed on a part-time basis, which shall be seventy-five percent (75%) of a normal forty-hour work week or thirty (30) hours per week, or less, or on a full-time basis if the employment is pursuant to a cooperative education program such as that provided for under Title I IV-D of the Higher Education Act of 1965 (20 U.S.C. 1087a-1087c), as amended, and who are regularly enrolled in:

- a. an institution of higher learning within The Oklahoma State System of Higher Education,
- b. an institution of higher learning qualified to become coordinated with said State System of Higher Education. For purposes of this act a student shall be considered a regularly enrolled student if he or she is enrolled in a minimum of five (5) hours of accredited graduate courses or a minimum of ten (10) hours of accredited undergraduate courses, provided, however, the student shall only be required to be enrolled in a minimum of six (6) hours of accredited undergraduate courses during the summer, and such student is regularly attending classes during that semester of employment, or
- c. high school students regularly enrolled in a high school in Oklahoma and regularly attending classes during such time of enrollment;

12. The spouses of personnel who are employed on a part-time basis to assist or work as a relief for their spouses in the Oklahoma Tourism and Recreation Department;

13. Service substitute attendants who are needed to replace museum and site attendants who are unavoidably absent. Service substitutes may work as part-time or full-time relief for absentees for a period of not more than four (4) weeks per year in the Oklahoma Historical Society sites and museums; such

substitutes will not count towards the agency's Full-Time-Equivalent Employee Limit;

14. Employees of State Capitol cafeterias;

15. Employees of either the House of Representatives or the State Senate;

16. Grand River Dam Authority personnel occupying the following offices and positions:

- a. the general manager, assistant general managers, secretaries to the general manager, and assistant general managers,
- b. the chief engineer and the engineers, superintendents, and assistant superintendents,
- c. the general counsel and the attorneys on the general counsel's staff,
- d. the secretary,
- e. the treasurer,
- f. rate analysts, and
- g. unclassified employees hired prior to May 1, 1989, who hold engineering job titles but who are not registered engineers, provided said persons are reassigned nonengineering job titles. At such time as the positions occupied by said unclassified employees are vacated, the positions shall revert to the classified service;

17. Oklahoma Tax Commission personnel occupying the following offices and positions:

- a. all revenue administrators, the budget officer and the comptroller of the Tax Commission,
- b. all administrators and unit managers in the Management Information Services Division,
- c. all Computer Programming Systems Specialist positions,
- d. all Data Processing Programmer Analyst Supervisor and Data Processing Programmer Analyst III positions,

- e. all Public Affairs Officer and Assistant Public Affairs Officer positions,
- f. Public Information Officer, and
- g. all Tax Economist positions;

18. Corporation Commission personnel occupying the following offices and positions:

- a. ~~administrative assistant,~~ administrative aides, and executive secretaries to the Commissioners,
- b. Directors of all the divisions, ~~and~~
- c. General Counsel,
- d. Public Utility Division Chief Engineer,
- e. Public Utility Division Chief Accountant,
- f. Public Utility Division Chief Economist, and
- g. Secretary of the Commission;

19. State Department of Education personnel occupying the following offices and positions:

- a. Administrative Assistants,
- b. Informational Representatives III,
- c. Driver Educational Electronics Technician,
- d. Media Technical Assistants,
- e. Executive Secretaries,
- f. Accounting Supervisor,
- g. Supervisor of Records,
- h. Supervisor of Printing Services,
- i. Migrant Records Transfer System Representative,
- j. Financial Managers, and
- k. in addition to the State Department of Education offices and positions listed in this paragraph, any and all offices and positions within the State Department of Education for which the annual salary is Twenty-one Thousand Nine Hundred Forty-three Dollars (\$21,943.00) or more shall also be in the unclassified service of this state.

Nothing in this paragraph is intended to change the status, whether classified or unclassified, of any person employed by the Department of Education prior to May 1, 1989. No position shall

become unclassified while it is occupied by a classified employee because of any change in salary or grade. Hereafter, any position paid an annual salary of Twenty-one Thousand Nine Hundred Forty-three Dollars (\$21,943.00) or more shall be in the unclassified service upon being vacated;

20. At the option of the employing agency, the Supervisor, Director, or Educational Coordinator in any other state agency having a primary responsibility to coordinate educational programs operated for children in state institutions;

21. Bill Willis Community Mental Health Center personnel occupying the following offices and positions:

- a. Director of Facility,
- b. Deputy Director for Administration,
- c. Clinical Services Director, ~~and~~
- d. Executive Secretary to Director, and
- e. Directors or Heads of Departments or Services;

22. The State Comptroller, Office of the Director of State Finance;

23. Employees of the Oklahoma Development Finance Authority;

24. Those positions so specified in the annual business plan of the Department of Commerce;

25. Those positions so specified in the annual business plan of the Oklahoma Center for the Advancement of Science and Technology;

26. The following positions and employees of the Oklahoma School of Science and Mathematics:

- a. positions for which the annual salary is Twenty-four Thousand One Hundred Ninety-three Dollars (\$24,193.00) or more, as determined by the Office of Personnel Management, provided no position shall become unclassified because of any change in salary or grade while it is occupied by a classified employee,
- b. positions requiring certification by the State Department of Education, and

- c. positions and employees authorized to be in the unclassified service of the state elsewhere in this section or in Section 840.10 of this title;

27. State Insurance Fund personnel occupying the following offices and positions:

- a. Commissioner,
- b. Deputy Commissioner,
- c. Administrative Assistants to the Commissioner,
- d. Executive Secretaries to the Commissioner and Deputy Commissioner,
- e. Law Clerks and Legal Assistants,
- f. Special Counsel,
- g. General Counsel,
- h. Medical Analysts Supervisor,
- i. Medical Analysts,
- j. Field Adjusters,
- k. Investment Officer, and
- l. Collections Attorneys;

28. The Carl Albert Internship Program Coordinator within the Office of Personnel Management;

29. Department of Corrections personnel occupying the following offices and positions:

- a. Associate Director,
- b. Executive Secretary,
- c. General Counsel,
- d. Assistant General Counsel,
- e. Deputy Director,
- f. Public Information Officer,
- g. Personnel Manager,
- h. Administrator of Planning and Research,
- i. Administrator of Finance and Accounting,
- j. Executive Assistant,
- k. Administrator of Information Services,
- l. Affirmative Action Officer,
- m. System Development Manager,
- n. Computer Operations Manager,

- o. Training Director,
- p. Assistant Training Director,
- q. Administrator of Construction and Maintenance,
- r. Administrative Assistant,
- s. Secretary,
- t. Administrator of Classification and Programs,
- u. Coordinator of Facility Classification,
- v. Mediation Coordinator,
- w. Inspector General,
- x. Medical Director,
- y. Psychiatrist,
- z. Physician,
- aa. Optometrist,
- ab. Dental Services Supervisor,
- ac. Dentist,
- ad. Psychologist,
- ae. Administrator of Dietary Services,
- af. Warden I,
- ag. Warden II,
- ah. Warden III,
- ai. Deputy Warden I,
- aj. Deputy Warden II,
- ak. Deputy Warden III,
- al. Community Treatment Center Superintendent,
- am. Community Treatment Center Assistant Superintendent,
- an. Probation and Parole District Supervisor,
- ao. Probation and Parole Assistant District Supervisor,
- ap. Administrator of Human Resources,
- aq. Facility Staffing Pattern Analyst,
- ar. Correctional School Superintendent,
- as. Regional Director,
- at. Assistant Regional Director,
- au. Chief of Operations, and
- av. Chief Psychologist;

30. Department of Corrections personnel occupying the following offices and positions as representatives of the Oklahoma State Industries:

- a. Administrator of Industrial Production,
- b. Administrator of Agriculture Production,
- c. OSI Sales Representative,
- d. OSI Sales Manager, and
- e. Marketing Manager.

The positions listed in this paragraph shall be funded from the Department of Corrections Industries' Revolving Fund only. In addition to the regular salary, any unclassified sales representative of the Oklahoma State Industries of the Department of Corrections who is responsible for obtaining a contract for products manufactured or services provided by prison industries may, at the discretion of the Director of the Department of Corrections, be awarded additional compensation of not more than five percent (5%) of the total amount of said contracts but not more than Five Thousand Dollars (\$5,000.00) per year. This compensation may be in addition to the salary of the employee and may be paid in one lump sum from any funds available to the Department of Corrections. No such compensation shall be made unless funds are available. Funds for payment of any compensation awards shall be encumbered to the extent of the awards.

Incumbents in positions listed in paragraph 29 of this section and in this paragraph that are classified under the Merit System of Personnel Administration on the effective date of this act shall have the option of remaining in their classified status under the Merit System of Personnel Administration. Incumbents that choose to accept unclassified appointments shall so signify in writing. All future appointees to these positions shall be unclassified. Incumbents that choose to remain in the classified service under the Merit System of Personnel Administration shall be subject to all rules and procedures of the Merit System of Personnel Administration. By the end of the first full work week of each month, the Director of the Department of Corrections shall submit to the Director of State Finance a report listing the total

number of part-time employees employed during the preceding month, the positions for which they were employed, and the number of hours worked for each part-time position;

31. Department of Labor personnel occupying the following offices and positions:

- a. Deputy Commissioner,
- b. Executive Secretary to the Commissioner,
- c. Chief of Staff, and
- d. Administrative Assistant, Legal;

32. The State Bond Advisor and his employees;

33. The Oklahoma Employment Security Commission employees occupying the following positions:

- a. Associate Director,
- b. Secretary to the Associate Director, and
- c. Assistant to the Executive Director;

34. Oklahoma Human Rights Commission personnel occupying the position of Administrative Assistant;

35. The officers and employees of the State Banking Department; and

36. Officers and employees of the University Hospitals Authority except personnel in the state classified service pursuant to Section 3211 of Title 63 of the Oklahoma Statutes.

SECTION 6. AMENDATORY 17 O.S. 1991, Section 152, as amended by Section 2, Chapter 231, O.S.L. 1993 (17 O.S. Supp. 1993, Section 152), is amended to read as follows:

Section 152. A. The Commission shall have general supervision over all public utilities, with power to fix and establish rates and to prescribe and promulgate rules, requirements and regulations, affecting their services, operation, and the management and conduct of their business; shall inquire into the management of the business thereof, and the method in which same is conducted.

B. 1. When any public utility subject to general supervision pursuant to this section or to Section 158.27 of this title shall file with the Commission a request for review of its rates and charges, such request shall be given immediate attention.

2. In the exercise of this responsibility, the Commission shall complete any examination of such request for a review of its rates and charges within one hundred twenty (120) days from the date such application for review of its rates and charges is filed.

3. Public hearings on such matter must commence within ~~thirty~~ forty-five (45) days of the end of such examination to be conducted by the Commission and in no event shall the conclusion of such examination of the rates and charges and the hearing conducted by the Commission exceed one hundred eighty (180) days from the date the request was filed.

4. If such request for review of the applicant's rates and charges has not been completed and an order issued within one hundred eighty (180) days from the date of filing of such application, some or all of the request for changes in the rates, charges, and regulations made in such application shall be immediately placed into effect and collected through new tariffs on an interim basis at the discretion of the applicant.

5. Should the Commission determine upon the completion of its examination and public hearings that a refund regarding the amount of interim relief is appropriate and necessary, the Commission shall order such refund including reasonable interest at the one-year U.S. Treasury bill rate accruing on that portion of the rate increase to be refunded for a period not to exceed ninety (90) days from the effective date of the rate increase which is being refunded.

C. The Commission shall have full visitorial and inquisitorial power to examine such public utilities, and keep informed as to their general conditions, their capitalization, rates, plants, equipments, apparatus, and other property owned, leased, controlled or operated, the value of same, the management, conduct, operation, practices and services; not only with respect to the adequacy, security and accommodation afforded by their service, but also with respect to their compliance with the provisions of this act, and with the Constitution and laws of this state, and with the orders of the Commission.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 281 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. In a public utility proceeding subject to subsection B of Section 152 of Title 17 of the Oklahoma Statutes, responses to any document request, data request or interrogatory shall be due within ten (10) business days from the date of receipt, unless an objection is filed or the parties agree in writing to a different response time.

B. In any other public utility proceeding, responses to any document request, data request or interrogatory shall be due no later than twenty (20) days after service of the document or data request or interrogatory, unless an objection is filed or the parties agree in writing to a different response time.

C. The Commission may allow a shorter or longer time for response for good cause shown, but in no event may the Commission order a response to be served in less than ten (10) business days, except as otherwise agreed by the parties.

D. Any request or interrogatory received after 3:00 p.m. shall be deemed received on the next regular business day.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 282 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. In any contested public utility rate proceeding, the Corporation Commission shall at the request of any of the parties, order a settlement conference among the parties, to be held at a time and place to be fixed by the Commission. Provided, however, that the Commission may terminate any settlement conference, upon a motion by any party, if it finds that any party is failing to participate in the process in good faith or that there is no probability of settlement.

B. An individual designated by the Commission with the concurrence of the utility and the Attorney General will preside as settlement judge at the settlement conference. The settlement judge shall take no part in adjudicating the case subsequent to the settlement conference.

C. Scheduling of settlement conferences will not continue, delay, or otherwise interfere with scheduling dates set pursuant to a scheduling order. Likewise, the scheduling dates set at the prehearing or scheduling conference will not affect the date of a settlement conference set pursuant to a separate settlement conference order.

D. At least one attorney who is fully familiar with the proceeding or cause shall appear for each party. A person or representative with full settlement authority shall accompany the attorney to the settlement conference. The settlement judge presiding over the settlement conference may make such other and additional requirements of the parties as shall be deemed proper in order to expedite an amicable resolution of the case. The settlement authority of the Public Utility Division of the Corporation Commission shall be extended from the director of that division.

E. Any settlement reached by the parties shall be subject to the approval of the Commission.

F. All matters discussed at a settlement conference, and any materials which may be distributed in connection with a settlement conference, shall be considered privileged and confidential. Accordingly, all such matters and materials shall not be admissible in any public utility rate proceeding, and shall not be disclosed to the Commission, except for any settlement reached by the parties which is submitted to the Commission for approval under subsection E of this section.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 283 of Title 17, unless there is created a duplication in numbering, reads as follows:

The Public Utility Division Director shall designate personnel with at least five (5) years' experience in public utility ratemaking, and with managerial responsibility for and knowledge of the issues raised in the audit, to conduct an exit conference on behalf of the Public Utility Division. The Public Utility Division representative shall conduct an exit conference with designees of the utility being audited, within ten (10) days of

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the audit's conclusion. At the exit conference, the preliminary draft of the audit findings should be discussed. An exit conference memorandum, identifying all matters discussed at the exit conference shall be approved by the Director of the Public Utility Division. The exit memorandum shall be maintained with any audit records of the Corporation Commission and shall be available to any party upon request.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 284 of Title 17, unless there is created a duplication in numbering, reads as follows:

In its review and examination of an application by a utility to increase its rates and charges pursuant to Sections 137, 152 or 158.27 of Title 17 of the Oklahoma Statutes, and in any order resulting therefrom, the Corporation Commission shall give effect to known and measurable changes occurring or reasonably certain to occur within six (6) months of the end of the test period upon which the rate review is based.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 285 of Title 17, unless there is created a duplication in numbering, reads as follows:

For purposes of communicating information to a customer, including delinquent and termination notices, the Corporation Commission shall allow a utility to use either written or oral communications by the utility to the customer. Oral communications may be over the telephone or in person.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 24A.22 of Title 51, unless there is created a duplication in numbering, reads as follows:

A. The Corporation Commission shall keep confidential those records of a public utility, its affiliates, suppliers and customers which the Commission determines are confidential books and records or trade secrets.

B. As used in this section, "public utility" means any entity regulated by the Corporation Commission, owning or operating for compensation in this state equipment or facilities for:

1. Producing, generating, transmitting, distributing, selling or furnishing electricity;

2. The conveyance, transmission, or reception of communication over a telephone system; or

3. Transmitting directly or indirectly or distributing combustible hydrocarbon natural or synthetic natural gas for sale to the public.

SECTION 13. AMENDATORY 63 O.S. 1991, Section 2417, as amended by Section 19, Chapter 364, O.S.L. 1993 (63 O.S. Supp. 1993, Section 2417), is amended to read as follows:

Section 2417. The State Department of Rehabilitation Services is hereby directed to:

~~1. Design and implement a program whereby there will be provided, at no cost to deaf, severely hearing-impaired, severely speech-impaired or deaf-blind persons, telecommunicating ring-signaling and TDD devices compatible with existing telecommunications for the hearing-impaired;~~

~~2. Provide for the availability, distribution and maintenance, at no cost to qualified ~~needy deaf, severely hearing-impaired, severely speech-impaired or deaf-blind persons~~ individuals with hearing or speech disabilities, or both, telecommunication devices and ring-signaling devices compatible with ~~existing telecommunications for the hearing-impaired system;~~~~

~~3. Design and implement a program whereby third party intervention shall connect the deaf, severely hearing-impaired, severely speech-impaired or deaf-blind persons with persons of normal hearing by the way of inter-communication devices and the telephone system;~~

~~4. Provide for maintenance, distribution, public assistance and administration of the program the telecommunications relay services for hearing-impaired and speech-impaired individuals requirements of the Americans with Disabilities Act of 1990 and regulations promulgated thereunder; and~~

5. 2. Design and implement a needs assessment test so that ~~only the deaf, severely hearing-impaired, severely speech-impaired or deaf/blind~~ individuals with hearing or speech disabilities, or both, are benefited by this program. Provided, however, that no equipment and maintenance shall be provided without charge for those individuals meeting more than two hundred percent (200%) of the income guidelines for food stamps. The State Department of Rehabilitation Services shall develop a sliding scale to provide equipment and maintenance to individuals exceeding the above-mentioned needs test.

SECTION 14. AMENDATORY 63 O.S. 1991, Section 2418, is amended to read as follows:

Section 2418. A. There is hereby imposed a surcharge of five cents (\$0.05) per local exchange telephone access line per month to pay for the equipment and maintenance program provided for ~~herein~~ in Section 2417 of this title and to provide for other needed services for the deaf, severely hearing-impaired, severely speech-impaired and deaf-blind programs administered through the Department of Rehabilitation Services, such surcharge to be paid by each local exchange subscriber to local telephone service in this state, unless such subscriber is otherwise exempt from taxation.

B. The surcharge shall be collected on the regular monthly bill by each local exchange telephone company operating in this state and shall be remitted quarterly to the Oklahoma Tax Commission no later than fifteen (15) days following the end of each quarter.

C. There is hereby created in the State Treasury the Telecommunications for the Hearing Impaired Revolving Fund. The fund shall consist of monies imposed in subsection A of this section. All monies accruing to said fund are hereby appropriated and may be budgeted and expended by the Department of ~~Human~~ Rehabilitation Services. The fund shall be a continuing fund not subject to fiscal year limitations and expenditures from said fund shall be made upon warrants issued by the State Treasurer against

claims submitted to the Director of State Finance for the purpose of implementation of this act.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2418.1 of Title 63, unless there is created a duplication in numbering, reads as follows:

Each certified local exchange telephone company shall comply with the provisions of the Americans with Disabilities Act of 1990 and regulations promulgated thereunder relating to telecommunications relay services for hearing-impaired and speech-impaired individuals and shall assess a surcharge to each customer on a per line per month basis to recover the costs associated with such compliance and advise the Commission of any changes.

SECTION 16. AMENDATORY 17 O.S. 1991, Section 251, is amended to read as follows:

Section 251. A. No fuel adjustment clause of any kind shall hereafter be authorized by the Commission if such clause operates automatically to permit charges, assessments or amendments to existing rate schedules to be made which have not been first approved as provided by Sections ~~2~~ 251 through ~~6~~ 255 of this ~~act~~ title, except as otherwise provided for purchased power adjustments by electric distribution cooperatives in Sections ~~9~~ 258 through ~~13~~ 262 of this ~~act~~ title.

B. If the Commission finds that the changes in the price of fuels required for the generation of electricity by any electric public utility, that the changes in the price of purchased electricity required for distribution by any public utility or changes in the price of purchased gas required for distribution by any gas utility, portends a likely and substantial threat to the ability of the utility to earn a reasonable rate of return, or are likely to cause the utility to have an excessive rate of return, or are likely to substantially impair the ability of the utility to acquire adequate supplies of fuel or gas, the Commission may, after investigation and public hearing, approve suitable fuel adjustment clauses to be superimposed upon the existing rate schedules of the public utility. The Commission shall design the

fuel adjustment clause to allow the electric or gas public utility to increase or decrease charges to the consumer according to changes in the cost of fuel, purchased power or purchased gas as compared to the price of such fuels or power as reflected in the base rates.

C. In the Commission's design of fuel adjustment clauses, the following rules shall apply:

1. For the purpose of determining fuel or gas costs, the price paid for the fuel or gas shall be computed at the actual cost of fuel or gas purchased from nonaffiliated persons, firms and corporations; and the actual cost of the production of fuel owned by the public utility or received from affiliated persons, firms and corporations, and in the case of gas, the fair field price for gas owned by the public utility or received from affiliated persons, firms or corporations;

2. The cost of fuel or gas shall be the price paid at the point of delivery into the utility system. In the event the transportation is performed by an affiliated person, firm or corporation as defined in this act which is not subject to the regulatory jurisdiction of the Commission, a regulatory agency of another state having jurisdiction, or the Federal Energy Regulatory Commission or successor agency, the charges made for transportation shall be, if allowed at all, only such as the Commission finds fair, just and reasonable, for purposes of this section. Transportation charges approved by this Commission, a regulatory agency of another state having jurisdiction, or by the Federal Energy Regulatory Commission, or successor agency shall be included for purposes of this section, if allowed by this Commission. The proposed adjustment charge shall not include the cost of transportation beyond its point of delivery into that portion of the utility system ~~or transportation by an affiliated person, firm or corporation as defined in this act,~~ regulated by the Corporation Commission unless there is presented to the Commission and it is persuaded by reliable evidence which clearly points to the conclusion that failure to do so will substantially

threaten the ability of the utility to earn a reasonable rate of return;

3. The amount of electric energy produced by hydroelectric generating plants and purchased by the public utility proposing the adjustment charge shall be deducted from the amount of electric energy to which any fuel cost applies;

4. The actual efficiency or heat rate of electric public utilities shall be utilized and line losses shall be considered only if reliable evidence clearly points to the conclusion that failure to do so will substantially threaten the ability of the utility to earn a reasonable rate of return;

5. Fuel or gas removed from storage or stockpiles shall be taken into consideration on the basis of the last-in first-out method of inventory accounting; and

6. No estimated fuel adjustment shall be allowed.

SECTION 17. AMENDATORY Pursuant to the authority vested in the Legislature by Section 35 of Article IX of the Oklahoma Constitution, Section 18 of Article IX of the Oklahoma Constitution, is amended to read as follows:

Section 18. The Commission shall have the power and authority and be charged with the duty of supervising, regulating and controlling all transportation and transmission companies doing business in this State, in all matters relating to the performance of their public duties and their charges therefor, and of correcting abuses and preventing unjust discrimination and extortion by such companies; and to that end the Commission shall, from time to time, prescribe and enforce against such companies, in the manner hereinafter authorized, such rates, charges, classifications of traffic, and rules and regulations, and shall require them to establish and maintain all such public service, facilities, and conveniences as may be reasonable and just, which said rates, charges, classifications, rules, regulations, and requirements, the Commission may, from time to time, alter or amend. All rates, charges, classifications, rules and regulations adopted, or acted upon, by any such company, inconsistent with those prescribed by the commission, within the scope of its

authority, shall be unlawful and void. The commission shall also have the right, at all times, to inspect the books and papers of all transportation and transmission companies doing business in this State, and to require from such companies, from time to time, special reports and statements, under oath, concerning their business; it shall keep itself fully informed of the physical condition of all the railroads of the State, as to the manner in which they are operated, with reference to the security and accommodation of the public, and shall, from time to time, make and enforce such requirements, rules, and regulations as may be necessary to prevent unjust or unreasonable discrimination and extortion by any transportation or transmission company in favor of, or against any person, locality, community, connecting line, or kind of traffic, in the matter of car service, train or boat schedule, efficiency of transportation, transmission, or otherwise, in connection with the public duties of such company. Before the Commission shall prescribe or fix any rate, charge or classification of traffic, and before it shall make any order, rule, regulation, or requirement directed against any one or more companies by name, the company or companies to be affected by such rate, charge, classification, order, rule, regulation, or requirement, shall first be given, by the Commission, at least ten days' notice of the time and place, when and where the contemplated action in the premises will be considered and disposed of, and shall be afforded a reasonable opportunity to introduce evidence and to be heard thereon, to the end that justice may be done, and shall have process to enforce the attendance of witnesses; and before said Commission shall make or prescribe any general order, rule, regulation, or requirement, not directed against any specific company or companies by name, the contemplated general order, rule, regulation, or requirement shall first be published one time in substance in one or more of the newspapers of general circulation published in the county in which the Capitol of this State may be located, together with the notice of the time and place, when and where the Commission will hear any objections which may be urged by any person interested, against

the proposed general order, rule, regulation, or requirement; and every such general order, rule, regulation, or requirement, made by the Commission, shall be published at length, ~~for the time and in the manner above specified~~ in the next annual report of the Commission. The authority of the Commission (subject to review on appeal as hereinafter provided) to prescribe rates, charges, and classifications of traffic, for transportation and transmission companies, shall, subject to regulation by law, be paramount; but its authority to prescribe any other rules, regulations or requirements for corporations or other persons shall be subject to the superior authority of the Legislature to legislate thereon by general laws: Provided, However, That nothing in this section shall impair the rights which have heretofore been, or may hereafter be, conferred by law upon the authorities of any city, town or county to prescribe rules, regulations, or rates of charges to be observed by any public service corporation in connection with any services performed by it under a municipal or county franchise granted by such city, town, or county, so far as such services may be wholly within the limits of the city, town, or county granting the franchise. Upon the request of the parties interested, it shall be the duty of the Commission, as far as possible, to effect, by mediation, the adjustment of claims, and the settlement of controversies, between transportation or transmission companies and their patrons or employees.

SECTION 18. AMENDATORY 17 O.S. 1991, Section 137, as amended by Section 2, Chapter 365, O.S.L. 1993 (17 O.S. Supp. 1993, Section 137), is amended to read as follows:

Section 137. A. Except as otherwise hereafter provided, any proceeding under Section 136 of this title and in any other proceeding to regulate the rates of a telephone utility subject to the jurisdiction of the Corporation Commission, said Commission shall prescribe and enforce rates to provide a fair return on the fair value of the property devoted to public service in this state.

B. Telephone companies which serve less than fifteen thousand (15,000) subscribers within the state and telephone cooperatives

shall not be subject to local exchange rate regulation by the Corporation Commission unless:

1. The company elects by action of its board of directors to be subject to such local exchange rate regulation by the Commission;

2. The proposed local exchange rate increase exceeds Two Dollars (\$2.00) per access line per month in any one (1) year;

3. Fifteen percent (15%) of the subscribers petition the Commission to regulate local exchange rates pursuant to subsections C, D and E of this section; or

4. The Commission declares that the company shall be subject to local exchange rate regulation by the Commission pursuant to subsection F of this section.

C. Each such telephone company not subject to local exchange rate regulations, at least sixty (60) days before the effective date of any proposed rate change, shall notify the Commission and each of the subscribers of such company of the proposed local exchange rate change. Notice to the Commission shall include a list of the published subscribers of such company. Notice by the company to all subscribers shall:

1. Be in a form prescribed by the Commission;

2. Be by regular mail and may be included in regular subscriber billings; and

3. Include a schedule of the proposed local exchange rates, the effective date of the said rates, and the procedure necessary for the subscribers to petition the Commission to examine and determine the reasonableness of the proposed rates. If the telephone directory published by the company for its subscribers sets forth the procedure for petitioning the Commission, a reference to the location in the directory shall be adequate notice of the procedure.

D. The subscribers of a telephone company not subject to the Commission's local exchange rate regulation may petition the Commission to examine and determine the reasonableness of the local exchange rate change proposed by the company pursuant to subsection C of this section. The Commission shall adopt and

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promulgate rules and regulations governing the form of such petitions. A petition substantially in compliance with such rules and regulations shall not be deemed invalid due to minor errors in its form.

E. If, by the effective date of the proposed local exchange rate change, the Commission has received petitions from fewer than fifteen percent (15%) of the subscribers requesting that the Commission examine the proposed local exchange rate change, the Commission shall immediately certify such fact to the company and the proposed local exchange rates shall become effective as published in the notice to subscribers. If, on or before the effective date of the proposed local exchange rate change, the Commission has received petitions from fifteen percent (15%) or more of the subscribers requesting that the Commission examine and determine the reasonableness of the proposed local exchange rates, the Commission shall notify the company that it will examine and determine the reasonableness of the proposed local exchange rate change. Local exchange rates and charges established by the Commission or by a telephone company pursuant to this subsection and subsection C of this section shall be in force for not less than one (1) year.

F. In addition to the procedure for petition prior to any proposed local exchange rate change pursuant to subsections C through E of this section, the subscribers of a telephone company not subject to the Commission's local exchange rate regulation may at any time petition the Commission to declare the company be subject to such rate regulation. If the Commission determines that at least fifty-one percent (51%) of the subscribers of a company have properly petitioned that the company be subject to the Commission's rate regulation, the Commission shall certify such fact to the company and thereafter the company shall be subject to rate regulation by the Commission until at least fifty-one percent (51%) of the subscribers of the company properly petition that the company no longer shall be subject to the Commission's local exchange rate regulation. The Commission shall adopt and promulgate rules and regulations governing the petition

procedure and the form of such petitions and a petition substantially in compliance with such rules and regulations shall not be deemed invalid due to minor errors in its form.

G. Subsections A through F of this section apply only to local exchange rates and charges and shall have no effect on the Oklahoma Corporation Commission's jurisdiction over, and regulation of, intrastate toll and access rates and charges.

H. The Commission shall have the right to investigate and determine the reasonableness of the increase in local exchange rates and charges of each telephone company or cooperative not subject to local exchange rate regulation within one (1) year of the time local exchange rates or charges are increased. If the Commission determines such rate or charge increases are unreasonable, the Commission shall have the authority to order a rate hearing and, after such hearing, shall have the authority to rescind all or any portion of the increases found to be unreasonable.

I. When any telephone utility subject to the jurisdiction of the Corporation Commission shall file with the Commission a request for review of its rates and charges, such request shall be conducted in accordance with the provisions of subsection B of Section 152 of this title.

J. It is the intention of the Legislature that this entire section is an amendment to, and alteration of Sections 18 through 34, inclusive, of Article IX of the Constitution of the State of Oklahoma, as authorized by Section 35, Article IX of said Constitution.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 137.2 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. The Corporation Commission shall, to the extent allowed by federal law, regulate cable television operators that offer or provide any local exchange telephone service, whether offered or provided on a common carrier or a contract basis, to the same extent the Commission regulates existing transmission and

telephone companies that offer or provide the same or similar services. Any such regulations related to cable television operators the Commission adopts shall be designed and construed to encourage fair competition in the provision of local exchange telephone service by cable television operators.

B. The Commission shall promulgate rules as necessary to carry out the provisions of this section.

SECTION 20. AMENDATORY 17 O.S. 1991, Section 160.1, as amended by Section 1, Chapter 365, O.S.L. 1992 (17 O.S. Supp. 1993, Section 160.1), is amended to read as follows:

Section 160.1 A. The Corporation Commission shall have ratemaking authority and general jurisdiction over all supply systems of natural gas, steam heat and steam serving the general public notwithstanding operation thereof by a trust, authority, cooperative and subsidiary created for the benefit or furtherance of a public function pursuant to a trust or public trust, unless the said body operating said system has financing or is in the process of financing the acquisition, improvement or extension of the said system with a loan from the United States of America and is a nonprofit trust.

B. The Corporation Commission shall also have general supervision over any person or entity to whom the function of operating a natural gas, steam heat or steam supply system has been delegated by such a trust, authority, cooperative or subsidiary. Provided nothing herein shall be construed to apply to a public trust whose Board of Trustees is composed of elected officials or is elected by the customers or a majority of which is composed of members selected by the governing bodies of municipalities in which the public trust operates, or members which it serves, and which Board of Trustees has the authority to establish and regulate its own rates.

C. The Corporation Commission shall have ratemaking authority and general jurisdiction over all supply systems of steam and chilled water serving any portion of any municipality if such system serves more than five (5) off-site commercial customers within such municipality.

D. The Corporation Commission shall have the power to fix and establish rates and to prescribe rules, requirements and regulations affecting their services, operation and the management and conduct of the business of persons and entities subject to this act, Section 160.1 et seq. of this title, and shall inquire into the management of the business thereof, and the method in which same is conducted. It shall have full visitorial and inquisitorial power to examine such operations, and keep informed as to their general conditions, their capitalization, rates, plants, equipment, apparatus and other property owned, leased, controlled or operated, the value of same, the management, conduct, operation, practices and services, not only with respect to the adequacy, security and accommodation afforded by their service, but also with respect to their compliance with the Constitution and laws of this state, and with the orders of the Commission.

~~D.~~ E. The ratemaking authority and general jurisdiction of the Corporation Commission, created under this act, shall be subject to the following exceptions:

1. The Corporation Commission shall not have ratemaking authority or general jurisdiction over:

- a. steam supply systems operated by public trusts which supply steam to customers presently served by or located within the mid-America industrial district, ~~and not for heating or cooling of buildings, nor for resale,~~ or
- b. an institution of higher education, or related entities, now operating such steam and chilled water facilities not for profit; and

2. The Commission shall not have authority to:

- a. compel an electric public utility to make inspections of consumer-owned facilities, or
- b. compel an electric public utility to provide electric utility service wherein the electric public utility believes such service is likely to endanger

the public health and safety or the health and safety of employees of the electric public utility.

SECTION 21. AMENDATORY Section 1 of Enrolled Senate Bill No. 1146 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 1. A. The Commission on Natural Gas Policy, as created by Enrolled Senate Concurrent Resolution No. 39 of the 1st Session of the 43rd Oklahoma Legislature and modified by Enrolled Senate Joint Resolution No. 42 of the 2nd Session of the 43rd Oklahoma Legislature shall operate as a legislative commission until its termination on February 15, 1997. The Commission is appointed to study the policies, laws, agency rules and economics affecting the natural gas industry and make recommendations on any issue which is of great importance to the natural gas industry within the State of Oklahoma. In addition, the Commission shall, in cooperation with the Oklahoma Corporation Commission, provide data and assistance to the Governor and the Legislature in the formation of an Oklahoma energy plan and policy statements to present to the Congress and the President of the United States with regard to a national energy strategy which furthers the interests of the United States and the State of Oklahoma.

B. 1. The Commission shall consist of nineteen (19) members as specified by this section, provided however, that members of the Commission serving on the effective date of this act shall continue to serve in such capacity subject to the provisions of this section. ~~Fifteen of the nineteen members shall, as provided in Enrolled Senate Concurrent Resolution No. 39 of the 1st Session of the 43rd Oklahoma Legislature, be~~

2. The Commission shall be composed of persons qualified as follows:

- ~~1.~~ a. the Governor, or his or her designee,
- b. the Secretary of Energy, or subsequent Cabinet Secretary responsible for the Corporation Commission,
- c. one member appointed by the Oklahoma Corporation Commission,

~~d. two members of the Oklahoma State Senate,~~

~~e. (1) pursuant to Enrolled Senate Concurrent Resolution No. 39 of the 1st Session of the 43rd Oklahoma Legislature, the Speaker of the House of Representatives shall appoint:~~

~~(a) two members of the Oklahoma House of Representatives, one of whom shall be the Chairman of the House Energy, Environment and Natural Resources Committee, and~~

~~(b) four nonlegislative members as follows:~~

~~(i) one representative of large gas producers,~~

~~(ii) one representative of small gas producers,~~

~~(iii) one representative of royalty owners, and~~

~~(iv) one representative of transporters of natural gas.~~

~~(2) in addition, upon the effective date of this act, the Speaker of the House of Representatives shall also appoint:~~

~~(a) one representative of major oil company gas producers, and~~

~~(b) one representative of nonutility purchasers or industrial users of natural gas,~~

~~f. e. (1) two representatives pursuant to Enrolled Senate Concurrent Resolution No. 39 of the 1st Session of the 43rd Oklahoma Legislature, the President Pro Tempore of the Senate shall appoint:~~

~~(a) two members of the Oklahoma State Senate, one of whom shall be the Chairman of the Senate Natural Resources Committee,~~

~~(b) four nonlegislative members as follows:~~

~~(i) one representative of large gas producers,~~

termination of the Commission, such position shall be filled by the ~~original~~ designated appointing authority who shall appoint a qualified representative of the group the original member was appointed to represent. ~~Provided, however~~ For vacancies, the Chairman of the Senate Natural Resources Committee shall appoint all members previously appointed by the President Pro Tempore of the Senate ~~and the Chairman of the House of Representatives Energy, Environment and Natural Resources Committee shall appoint all members previously appointed by the Speaker of the House of Representatives.~~

D. The Chairman and Vice Chairman of the Commission serving on the effective date of this act, shall continue to serve until June 30, 1994. Beginning July 1, 1994, the chairmanship and vice-chairmanship of the Commission on Natural Gas Policy shall rotate annually on July 1 between the Chairman of the House of Representatives Energy, Environment and Natural Resources Committee and the Chairman of the Senate Committee on Natural Resources.

E. ~~Members of the Legislature serving on the Commission and non-legislative~~ Nonlegislative members shall be reimbursed for all necessary and actual travel expenses by their respective appointing bodies in accordance with the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes. Members of the Legislature serving on the Commission shall be reimbursed pursuant to Section 456 of Title 74 of the Oklahoma Statutes.

F. Staffing for the Commission shall be provided by the Oklahoma State Senate and the Oklahoma House of Representatives or by such other persons designated, authorized or retained by the Chairman and Vice Chairman.

G. The Chairman shall record the members present at each meeting of the Commission. If any member is absent from two (2) consecutive regular meetings, or if the member is no longer qualified pursuant to this section, the position of such member may be declared vacant and shall be filled by appointment of the Chairman of the Commission the designated appointing authority.

H. The Commission shall report to the Legislature and the Governor its findings and recommendations by January 15 of each year. The Commission shall submit such supplemental or additional reports as it deems appropriate.

SECTION 22. AMENDATORY 82 O.S. 1991, Section 1324.23, as amended by Section 4 of Enrolled House Bill No. 2178 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 1324.23 Rural water, sewer, gas and solid waste management districts, and corporations shall be exempt in any and all respects from the jurisdiction and control of the Corporation Commission of this state; provided, however, rural gas distribution systems shall be subject to the jurisdiction for only the pipeline safety program administered by the Oklahoma Corporation Commission.

SECTION 23. REPEALER 63 O.S. 1991, Section 2419, is hereby repealed.

SECTION 24. This act shall become effective July 1, 1994.

SECTION 25. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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