

SHORT TITLE: Oil and gas; modifying natural gas pipe line regulations; emergency.

STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

SENATE BILL NO. 634

By: Easley

AS INTRODUCED

An Act relating to oil and gas; amending 52 O.S.

1991, Sections 24 and 24.1 and Section 1, Chapter 340, O.S.L. 1993 (52 O.S. Supp. 1994, Section 24.3), which relate to transportation of natural gas; declaring certain gas gathering systems to be common carriers; providing for grievance against gas gathering systems before the Corporation Commission; prohibiting certain discrimination by certain gas gathering systems; and declaring an emergency.

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

SECTION 1. AMENDATORY 52 O.S. 1991, Section 24, is amended to read as follows:

Section 24. Every corporation, joint-stock company, limited copartnership, partnership or other person, now or hereafter engaged in the business of carrying ~~or~~, transporting or gathering natural gas for hire, for compensation, resale or other wise, by pipeline, or pipelines within this state, and by virtue of and in conformity to, any valid law incapable of revocation by any law of this state or of the United States, or by virtue of and in conformity to the provisions of this act, shall be a common carrier thereof as at common law, and no such common carrier shall allow or be guilty of any unjust or any unlawful discrimination, directly or indirectly,

in favor of the carriage, transportation or delivery of any natural gas, offered to it, in its possession or control, or in which it may be interested, directly or indirectly, and, provided further, that any person, firm or corporation owning or operating a gas pipeline within the limits of any incorporated city or town in this state shall be exempted from the provisions of this section only as to its distributing lines located wholly within the corporate limits of said city or town.

SECTION 2. AMENDATORY 52 O.S. 1991, Section 24.1, is amended to read as follows:

Section 24.1 Any person, firm or municipality aggrieved by reason of the refusal by a common carrier of natural gas to purchase ~~or~~, transport or gather natural gas produced by such person or firm or gas production owned by said municipality may file a complaint before the Corporation Commission. The Corporation Commission shall conduct a hearing and take evidence as is necessary to determine the complaint. Notice shall be given to the common carrier at least ten (10) days prior to such hearing. The Corporation Commission shall order the common carrier to purchase ~~or~~, transport or gather the natural gas, and fix a fair rate for such transportation or gathering, unless the common carrier establishes and the Commission determines that:

1. Such natural gas cannot reasonably be carried by the named common carrier, because of the difficulty or expense involved;
2. Some other common carrier of natural gas can more conveniently purchase ~~or~~, transport or gather such natural gas; or
3. The gas might dilute or pollute the gas being carried in their line.

SECTION 3. AMENDATORY Section 1, Chapter 340, O.S.L. 1993 (52 O.S. Supp. 1994, Section 24.3), is amended to read as follows:

Section 24.3 No person gathering natural gas for hire, for compensation or otherwise, shall charge any fee for such service which is unjustly or unlawfully discriminatory. Any person seeking any gathering service who is aggrieved by reason of the imposition of any unjustly or unlawfully discriminatory fee for gathering may file a complaint before the Corporation Commission. The Corporation Commission shall conduct a hearing and take evidence as is necessary to determine the complaint. Notice shall be given to the gatherer at least ten (10) days prior to such hearing. Upon such hearing, the Corporation Commission shall have authority to order the remediation of any unjustly or unlawfully discriminatory fee for gathering to the extent necessary for the remediation of such fees as to the aggrieved person for the particular service involved.

SECTION 4. 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.

45-1-0853

MJM