ENGROSSED HOUSE
BILL NO. 2836

By: Rice of the House

and

Easley of the Senate

An Act relating to the Corporation Commission; amending Section 43, Chapter 278, O.S.L. 1993, as amended by Section 1, Chapter 91, O.S.L. 1996 (17 O.S. Supp. 1997, Section 180.11), which relates to the assessment on public utilities; providing for an assessment on pay phone service providers; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 43, Chapter 278, O.S.L. 1993, as amended by Section 1, Chapter 91, O.S.L. 1996 (17 O.S. Supp. 1997, Section 180.11), is amended to read as follows:

Section 180.11 A. The Corporation Commission is hereby authorized to assess a fee upon each public utility to provide adequate funding to the Public Utility Division of the Oklahoma Corporation Commission for the regulation of public utilities in this state and for providing for timely and expeditious reviews and completion of rate cases, and increased responsiveness to the needs of consumers and the regulated community.

B. 1. The assessment authorized by this section may, after excluding the amount allocated to interexchange telecommunications

companies, resellers, pay phone service providers and operator service providers in paragraph 2 of this subsection, be borne by the affected public utilities as follows:

a. one-half shall be allocated based on that proportion which the total regulated Oklahoma jurisdictional gross operating revenues of each public utility bear to the total regulated Oklahoma jurisdictional gross operating revenues of all public utilities, and

b. one-half shall be allocated based on that proportion which the total number of regulated Oklahoma jurisdictional customers of each public utility bears to the total number of regulated Oklahoma jurisdictional customers of all public utilities.

2. For interexchange telecommunications companies, resellers, pay phone service providers and operator service providers, the allocation may be based on the total regulated Oklahoma jurisdictional gross operating revenues that each interexchange telecommunications company, reseller or operator service provider bears in proportion to the total regulated Oklahoma jurisdictional gross operating revenue of all public utilities as applied to the total amount of the assessment to be collected from all public utilities for each year.

C. Any assessment levied pursuant to this section shall be recoverable as an operating expense to the public utility and shall be included in a utility's base rates or basic monthly service charge. The Corporation Commission shall take such action necessary to ensure recovery of the assessment by a public utility during the period for which it is levied.

D. The Corporation Commission may provide that each public utility shall pay any assessment levied pursuant to this section on a quarterly basis. Notice of the annual assessment shall be sent by certified mail, return receipt requested, to each public utility.

Each public utility shall pay the amount assessed to the Commission for deposit to the Public Utility Regulation Revolving Fund created in subsection E of this section. A public utility may, at its discretion, pay its annual assessment prior to the due date of the quarterly payments.

E. Any assessment collected by the Commission pursuant to this section shall be deposited in the Public Utility Regulation Revolving Fund hereby created. The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of the monies received by the Commission from any assessment levied pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission to pay the costs, both direct and indirect, of the Public Utilities Division incurred to regulate public utilities. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

F. The Legislature shall establish budgetary limits for the Public Utility Division of the Corporation Commission. Any assessment levied pursuant to this section shall not exceed the amount of the budgetary limits and indirect costs for related support functions established by the Legislature for any fiscal year.

G. For purposes of this section, "public utility" means:

1. A public utility as defined by Section 151 of Title 17 of the Oklahoma Statutes, excluding those companies encompassed by paragraph (d) of Section 151 of Title 17 of the Oklahoma Statutes;

2. Any telephone or telecommunications company subject to Section 131 et seq. of Title 17 of the Oklahoma Statutes, including interexchange telecommunications companies or such other telecommunications companies as defined by OCC Rule OAC 165:55-1-4,

resellers as defined by OCC Rule OAC 165:56-1-4 and operator service providers as defined by OCC Rule OAC 165:57-1-4; and

3. Any association or cooperative corporation doing business under the Rural Electric Cooperative Act except for generation and transmission associations or cooperative corporations, or transmission associations or cooperative corporations.

H. 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 of Article IX of said Constitution.

SECTION 2. This act shall become effective July 1, 1998.

SECTION 3. 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.

Passed the House of Representatives the 24th day of February, 1998.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1998.

President of the Senate