

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE CONCURRENT  
RESOLUTION NO. 1080

By: Gray

AS INTRODUCED

A Concurrent Resolution relating to proposed rules of the Oklahoma Corporation Commission; approving proposed permanent rules OAC 165:45-19-1 and OAC 165:45-19-3(h), regarding gas service utilities; directing adoption of emergency rules; expressing legislative intent; and directing distribution.

WHEREAS, pursuant to Sections 250.2 and 308 of Title 75 of the Oklahoma Statutes, the Legislature reserves the right to designate the method for rule promulgation, review and modification and establish policy; and

WHEREAS, on January 28, 1998, the Oklahoma Corporation Commission adopted proposed permanent rules OAC 165:45-19-1 and OAC 165:45-19-3(h), regarding gas service utilities, relating to downstream services, and on February 9, 1998, the Oklahoma Corporation Commission submitted proposed permanent rules OAC 165:45-19-1 and OAC 165:45-19-3(h) to the Legislature for its review; and

WHEREAS, the proposed rules require that downstream restructuring shall occur on all major natural gas utilities by October 1, 1999; and

WHEREAS, to ensure a successful transition to a competitive marketplace, a thorough assessment of issues and consequences

associated with downstream restructuring should be undertaken, including a study of the implications for state and local severance, franchise, sales, ad valorem and other tax revenues and the potential inequities between customers in large urban areas and customers in smaller communities; and

WHEREAS, the Legislature does not believe that the proposed rules provide adequate time for the implementation of a competitive upstream market and a thorough assessment of issues and consequences associated with downstream restructuring; and

WHEREAS, the Legislature recognizes that proposed permanent rules OAC 165:45-19-1 and OAC 165:45-19-3(h) are inconsistent with legislative intent.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE 2ND SESSION OF THE 46TH OKLAHOMA LEGISLATURE, THE SENATE CONCURRING THEREIN:

THAT the Legislature hereby approves proposed permanent rules OAC 165:45-19-1 and OAC 165:45-19-3(h).

THAT the Legislature hereby directs the Oklahoma Corporation Commission to adopt and promulgate emergency rules to be effective no later than June 1, 1998, which provide for reasonable time periods.

THAT the Legislature hereby finds that the desirable amendments to OAC 165:45-19-1 would read as follows:

"Rule 165:45-19-1. Purpose of this Subchapter

The purpose of this Subchapter is to establish an orderly unbundling of natural gas services. Accordingly, this Subchapter anticipates that natural gas services downstream at the retail or merchant level will be provided pursuant to a utility downstream unbundling plan with service to commence by October 1, ~~1999~~ 2001."

THAT the Legislature hereby finds that the desirable amendments to OAC 165:45-19-3(h) would read as follows:

"Rule 165:45-19-3. Downstream service unbundling plan

"(h) Upon issuance of the Commission order, the utility shall begin implementation of the approved downstream unbundling plan for an in service date of October 1, ~~1999~~ 2001."

THAT the Secretary of State is hereby directed to distribute copies of this resolution to the Governor, the Corporation Commissioners and the Editor of "The Oklahoma Register".

46-2-11114            TK