

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 CONFERENCE COMMITTEE  
4 SUBSTITUTE  
5 FOR ENGROSSED  
6 HOUSE BILL NO. 1747

By: Blackwell of the House

and

Schulz of the Senate

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8  
9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to energy; authorizing the  
11 Corporation Commission to employ an electric  
12 transmission system advisor; stating purpose of  
13 authorization; stating duties of the advisor;  
14 authorizing the Commission to determine duties,  
15 qualifications, compensation and type of position;  
16 specifying certain terms of the contract; allowing  
17 the Commission to solicit advice from certain public  
18 entities; authorizing the Commission to promulgate  
19 rules; specifying additional duties of the electric  
20 transmission system advisor; requiring certain diesel  
21 fuel sold after a certain date to contain a minimum  
22 percent of biodiesel fuel; making requirement  
23 contingent; establishing the Oklahoma biodiesel  
24 minimum content standards; making implementation  
effective upon certain date or time period; requiring  
implementation within certain number of days;  
providing for temporary reduction in the minimum  
content level requirement upon certain determination;  
directing the Corporation Commission to promulgate  
rules; defining certain term; providing for  
codification; and declaring an emergency.

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

1           SECTION 1.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 180.12 of Title 17, unless there  
3 is created a duplication in numbering, reads as follows:

4           A. In an effort to provide safe, reliable and economical  
5 electric energy to all the citizens of this state and promote the  
6 development of transmission infrastructure necessary to support  
7 expansion of wind energy facilities, the Corporation Commission is  
8 authorized to employ one person to serve as a senior-level electric  
9 transmission system advisor to the Commission for the purpose of  
10 monitoring state, regional and federal activities relating to access  
11 to and reliability of the electric transmission system. In addition  
12 to any other duties specified by the Commission, the advisor shall  
13 attend and participate in meetings of the Southwest Power Pool, the  
14 regional transmission organization governing electric transmission  
15 service for this state, to advocate on behalf of the citizens of  
16 this state and report to the Corporation Commission on all issues  
17 relating to electric power transmission in this state.

18           B. The Director of Administration for the Commission shall  
19 determine the duties and qualifications necessary for the electric  
20 transmission advisor and determine appropriate compensation. The  
21 Commission is authorized to utilize an existing full-time-equivalent  
22 (FTE) position or may enter into a contract with any person or firm  
23 for this purpose. Contracts authorized by this section shall be  
24 sole source contracts and not be subject to competitive bidding

1 requirements. Contracts shall not exceed one (1) year in duration.  
2 The Commission may terminate any contract for cause as it deems  
3 necessary and may contract for services for less than one (1) year  
4 as it desires. The Commission is authorized to contract for  
5 electric transmission advisor services pursuant to the provisions of  
6 this section for five (5) years following the effective date of this  
7 act.

8 C. The Commission may solicit advice from any agency, public  
9 utility, or related interest group relating to the provisions of  
10 this section.

11 D. The Commission is authorized to promulgate any rules  
12 necessary to implement the provisions of this section.

13 SECTION 2. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 180.13 of Title 17, unless there  
15 is created a duplication in numbering, reads as follows:

16 In addition to the duties specified in Section 1 of this act,  
17 the electric transmission system advisor shall provide advice and  
18 assistance to the Corporation Commission on issues related to  
19 renewal energy, including but not limited to wind energy, solar  
20 energy, geothermal energy, and biofuels and biodiesel fuel energy.

21 SECTION 3. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 621 of Title 17, unless there is  
23 created a duplication in numbering, reads as follows:

24

1       A. Contingent upon implementation of this section as provided  
2 for in subsection C of this section, on or after May 1, 2010, all  
3 diesel fuel sold or offered for sale in Oklahoma for use in internal  
4 combustion engines of motor vehicles shall contain at least the  
5 minimum percent of biodiesel fuel oil by volume as set forth in  
6 subsection B of this section, provided the United States federal  
7 government enforces volume usage mandates for biomass-based diesel.

8       B. The Oklahoma biodiesel minimum content standards shall be as  
9 follows:

10       1. Three percent (3%) if there is a federal volume usage  
11 mandate for biomass-based diesel of greater than or equal to five  
12 hundred million (500,000,000) gallons per year;

13       2. Four percent (4%) if there is a federal volume usage mandate  
14 for biomass-based diesel of greater than or equal to seven hundred  
15 fifty million (750,000,000) gallons per year; and

16       3. Five percent (5%) if there is a federal volume usage mandate  
17 for biomass-based diesel of greater than or equal to one billion  
18 (1,000,000,000) gallons per year.

19       C. Implementation of the Oklahoma biodiesel minimum content  
20 levels as set forth in subsection B of this section shall become  
21 effective on or after May 1, 2010, provided that implementation  
22 shall begin not more than one hundred eighty (180) days after  
23 enforcement of a federal volume usage mandate.

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1 D. After implementation of the Oklahoma biodiesel minimum  
2 content levels as set forth in subsection B of this section, if the  
3 Oklahoma Secretary of Agriculture determines that a biodiesel  
4 shortage exists, the Corporation Commission may temporarily reduce  
5 the minimum content level requirement until there is sufficient  
6 biodiesel fuel available to fulfill the minimum content requirement.

7 E. The Corporation Commission shall promulgate rules necessary  
8 to implement the provisions of this section.

9 F. For purposes of this section, "biodiesel fuel" means a  
10 renewable, biodegradable, monoalkyl ester combustible liquid fuel  
11 that is derived from agricultural and other plant oils or animal  
12 fats and that meets the American Society for Testing and Materials  
13 specification D6751-08 for Biodiesel Fuel (B100) Blend Stock for  
14 Middle Distillate Fuels. Biodiesel fuel produced from palm oil  
15 shall not be a biodiesel fuel for the purposes of this section,  
16 unless the palm oil is contained within waste oil and grease  
17 collected within the United States.

18 SECTION 4. It being immediately necessary for the preservation  
19 of the public peace, health and safety, an emergency is hereby  
20 declared to exist, by reason whereof this act shall take effect and  
21 be in full force from and after its passage and approval.

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