

1 ENGROSSED HOUSE
2 BILL NO. 3028

By: Bengé, Wesselhoft,
Blackwell, Jett, Luttrell,
Buck, Morrissette, Scott
and Walker of the House

4 and

5 Myers of the Senate

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7
8 (energy - Oklahoma Energy Security Act - fossil
9 fuel generation facilities - natural gas -
10 codification -

11 effective date)

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

16 SECTION 1. NEW LAW A new section of law not to be
17 codified in the Oklahoma Statutes reads as follows:

18 This act shall be known and may be cited as the "Oklahoma Energy
19 Security Act".

20 SECTION 2. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 801 of Title 17, unless there is
22 created a duplication in numbering, reads as follows:

23 It is hereby stated that the goal of the State of Oklahoma is to
24 reduce the dependence of Oklahoma and the United States on foreign

1 oil, to improve the security of the United States in the world and
2 to improve the economic well-being of the citizens of Oklahoma. The
3 Legislature hereby expresses its intent to take steps to increase
4 the energy independence of the United States by increasing the use
5 of domestic energy and renewable energy sources in Oklahoma. It is
6 further the goal of the State of Oklahoma to continue to expand
7 development of domestic energy and renewable energy production in
8 the state and increase the ability to export the domestic energy and
9 renewable energy produced in the state to the rest of the United
10 States.

11 SECTION 3. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 802 of Title 17, unless there is
13 created a duplication in numbering, reads as follows:

14 A. The Legislature declares that it is in the interest of
15 Oklahoma to promote renewable energy development in the state in
16 order to best utilize the abundant natural resources in the state.

17 B. It is hereby declared the intent of the State of Oklahoma to
18 increase the use of renewable energy in the state by setting a
19 renewable energy standard that will serve as a goal to be reached by
20 the year 2015.

21 C. There is hereby established a renewable energy standard for
22 the state that will serve as a goal for the year 2015. The
23 renewable energy standard shall be that fifteen percent (15%) of all
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1 installed capacity of electricity generated within the state by the
2 year 2015 be generated from renewable energy sources.

3 D. For purposes of this section, qualifying renewable energy
4 resources shall include:

5 1. Wind;

6 2. Solar;

7 3. Photovoltaic;

8 4. Hydropower;

9 5. Hydrogen;

10 6. Geothermal;

11 7. Biomass, which projects may include agricultural crops,
12 wastes, and residues, wood, animal and other degradable organic
13 wastes, municipal solid waste, and landfill gas; and

14 8. Other renewable sources approved by the Oklahoma Corporation
15 Commission.

16 E. The annual renewable energy percentage shall be determined
17 by dividing all installed capacity of renewable electricity
18 generated in Oklahoma by the total installed capacity of all
19 electricity generated in Oklahoma. Every electricity-generating
20 entity or company in Oklahoma shall report to the Commission by
21 March 1 each year the amount of renewable capacity installed and the
22 number of kilowatt hours generated in Oklahoma and from which source
23 of energy the electricity was produced.

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1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 803 of Title 17, unless there is
3 created a duplication in numbering, reads as follows:

4 A. The Legislature declares that it is in the interest of
5 Oklahoma to promote natural gas energy development in the state in
6 order to take advantage of our vast natural gas resources and its
7 natural compatibility as with wind energy.

8 B. It is hereby declared the intent of the State of Oklahoma to
9 promote natural gas energy development in the state by setting a
10 natural gas energy standard that will serve to increase the use of
11 natural gas as an electricity-generation fuel.

12 C. There is hereby established a natural gas energy standard to
13 supplement the increased volume of renewable energy and to
14 capitalize on the state's abundant natural gas resources. The
15 natural gas energy standard shall be achieved by declaring natural
16 gas as the preferred choice of electric generation for fossil fuel
17 generating facilities in this state after the effective date of this
18 act through January 1, 2020.

19 D. Beginning January 1, 2011, through January 1, 2020, it is
20 the intent of the state that new fossil fuel generation facilities
21 built or expanded in this state be powered by natural gas. Any
22 electricity-generating entity in the state choosing a fossil fuel
23 source other than natural gas may provide evidence to the Oklahoma
24 Corporation Commission or other similar appropriate regulatory body

1 that the fossil fuel source is in the best interest of the Oklahoma
2 electric consumers.

3 SECTION 5. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 804 of Title 17, unless there is
5 created a duplication in numbering, reads as follows:

6 The State of Oklahoma recognizes that energy efficiency and
7 demand-side management are important components to maximizing our
8 energy resources. Therefore, every electricity-generating entity in
9 Oklahoma may use energy conservation measures to assist the state in
10 meeting its renewable energy standard. Such energy conservation
11 measures shall be described and quantified to the Corporation
12 Commission on March 1 annually. The Corporation Commission shall
13 make the final determination of the amount of kilowatts per hour the
14 electricity-generating entity saved and determine to what degree
15 that will account toward meeting the renewable energy standard for
16 the state.

17 SECTION 6. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 287 of Title 17, unless there is
19 created a duplication in numbering, reads as follows:

20 A. The Legislature declares that it is in the interest of
21 Oklahoma to promote the development of a robust transmission grid to
22 facilitate delivery of renewable energy and improve reliability. It
23 is also in the public interest of Oklahoma, in cooperation with
24 electricity transmission entities and the Southwest Power Pool, to

1 promote wind-energy development in the state to the extent that the
2 renewable energy generated from wind can be utilized in every part
3 of the state and can be exported to other states.

4 B. It is hereby declared the intent of the State of Oklahoma to
5 promote wind-energy development by increasing the capability of
6 transmitting the electricity generated by wind across the state and
7 to other states.

8 C. There is hereby established a state goal to increase
9 electricity transmission capacity so that the renewable energy goal
10 of fifteen percent (15%) can be reached by the year 2015. The state
11 and the Corporation Commission shall work with the Southwest Power
12 Pool to develop plans to expand transmission capacity in the state
13 and shall monitor the construction of new transmission facilities in
14 the state until the year 2020. The Commission shall report on the
15 progress in expanding transmission capacity by January 1, 2014, and
16 January 1, 2017, with a final report issued by January 1, 2020.

17 SECTION 7. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 78f of Title 74, unless there is
19 created a duplication in numbering, reads as follows:

20 A. The Legislature declares that it is in the interest of
21 Oklahoma to promote public access to compressed natural gas (CNG)
22 fueling stations in the state.

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1 B. It is hereby declared the intent of the State of Oklahoma to
2 increase the number of public access CNG fueling stations located
3 along the interstate highway system in the state.

4 C. There is hereby established a state goal to have at least
5 one public CNG fueling station located approximately every one
6 hundred (100) miles along the entire interstate highway system in
7 the state by the year 2015. The state goal shall increase to at
8 least one public CNG fueling station approximately every fifty (50)
9 miles by the year 2025.

10 D. The Department of Central Services through the Fleet
11 Management Division may take steps to meet the state goal set forth
12 in this section by cooperating with or entering into partnership
13 agreements with private entities to construct the necessary CNG
14 fueling stations for use by the public, state agencies and political
15 subdivisions of the state. Any agreement to construct a CNG fueling
16 station pursuant to this section shall be subject to the public
17 bidding requirements as set forth in the Oklahoma Central Purchasing
18 Act.

19 SECTION 8. This act shall become effective November 1, 2010.
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1 Passed the House of Representatives the 2nd day of March, 2010.

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4 Presiding Officer of the House of
Representatives

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6 Passed the Senate the ____ day of _____, 2010.

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9 Presiding Officer of the Senate