

THE HOUSE OF REPRESENTATIVES  
Tuesday, May 18, 2010

**House Concurrent  
Resolution No. 1069**

HOUSE CONCURRENT RESOLUTION NO. 1069 - By: BENGE of the House and BINGMAN of the Senate.

A Concurrent Resolution commending the Southwest Power Pool Board of Directors on approving certain priority transmission projects; supporting the cost allocation method proposed to pay for the transmission projects; urging the Federal Energy Regulatory Commission to approve the proposed cost allocation method; and directing distribution.

1 WHEREAS, Oklahoma has abundant natural resources for the production of energy  
2 that can be beneficial to this state and the entire region and country; and

3 WHEREAS, the main impediment to the further development of wind energy in  
4 Oklahoma to date has been the lack of a transmission infrastructure to move the power  
5 from the areas where the energy is produced to the areas where it is needed; and

6 WHEREAS, the Southwest Power Pool is a group of 58 members comprised of  
7 investor-owned utilities, municipal systems, generation and transmission cooperatives,  
8 state authorities, wholesale generators, power marketers and independent transmission  
9 companies that are located in Arkansas, Kansas, Louisiana, Mississippi, Missouri,  
10 Nebraska, New Mexico, Texas and Oklahoma that serve more than five million  
11 customers; and

1           WHEREAS, the Southwest Power Pool ensures reliable supplies of power, adequate  
2 transmission infrastructure and competitive wholesale prices of electricity, in addition to  
3 overseeing compliance enforcement and reliability standards development; and

4           WHEREAS, on April 27, 2010, the Southwest Power Pool Board of Directors and  
5 Member Committee approved for construction a group of “priority” high-voltage electric  
6 transmission projects estimated to bring benefits of at least \$3.7 billion to the Southwest  
7 Power Pool region over 40 years, contingent upon approval of the Highway/Byway Cost  
8 Allocation methodology by the Federal Energy Regulatory Commission; and

9           WHEREAS, the approved priority projects will improve the regional electric grid by  
10 reducing congestion on the transmission lines, better integrating the east and west  
11 Southwest Power Pool regions, improving the ability of Southwest Power Pool members  
12 to deliver power to customers, and facilitating the addition of new renewable and  
13 nonrenewable generation to the electric grid; and

14           WHEREAS, the priority projects represent a shift from past practice of building  
15 transmission incrementally toward proactively building a robust transmission  
16 superhighway that will benefit the entire region and meet both near- and long-term  
17 needs; and

18           WHEREAS, it is expected that many new electric generation facilities will be built  
19 once the priority projects are completed and transmission is available to pull more energy  
20 from Oklahoma's natural resources, such as wind and natural gas, to meet the demands  
21 in high-load regions, which will also provide additional jobs in Oklahoma; and

1           WHEREAS, the Southwest Power Pool also approved an innovative and equitable  
2 method known as a Highway/Byway Cost Allocation method to pay for the cost of  
3 constructing the priority projects, which will allocate the costs of the transmission  
4 projects across the multistate Southwest Power Pool region; and

5           WHEREAS, the next step in moving ahead with construction of the projects is to  
6 achieve approval from the Federal Energy Regulatory Commission of the  
7 Highway/Byway Cost Allocation method; and

8           WHEREAS, upon approval of the cost allocation proposal by the Federal Energy  
9 Regulatory Commission, Oklahoma can begin to expand its role in the development of  
10 renewable wind energy that will benefit both the state and the region.

11           NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
12 REPRESENTATIVES OF THE 2ND SESSION OF THE 52ND OKLAHOMA  
13 LEGISLATURE, THE SENATE CONCURRING THEREIN:

14           THAT the Oklahoma Legislature commends the Southwest Power Pool Board of  
15 Directors and Member Committee for approving the construction of the group of  
16 “priority” high-voltage electric transmission projects.

17           THAT the Oklahoma Legislature supports the Southwest Power Pool proposal to  
18 revise the existing cost allocation method to a Highway/Byway Cost Allocation  
19 methodology to pay for the cost of constructing the transmission projects.

20           THAT the Oklahoma Legislature urges the Federal Energy Regulatory Commission  
21 to quickly approve the Highway/Byway Cost Allocation methodology proposed by the  
22 Southwest Power Pool.

1            THAT copies of this resolution be distributed to the Oklahoma Corporation  
2    Commissioners, the Board of Directors of the Southwest Power Pool, the Secretary of the  
3    Federal Energy Regulatory Commission and to each member of the Oklahoma  
4    Congressional Delegation.  
5    DIRECT TO CALENDAR.