

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 HOUSE CONCURRENT  
4 RESOLUTION 1069

By: Bengtson of the House

5 and

6 Bingman of the Senate

7  
8 AS INTRODUCED

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

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

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

24 WHEREAS, the Southwest Power Pool is a group of 58 members  
comprised of investor-owned utilities, municipal systems, generation  
and transmission cooperatives, state authorities, wholesale

1 generators, power marketers and independent transmission companies  
2 that are located in Arkansas, Kansas, Louisiana, Mississippi,  
3 Missouri, Nebraska, New Mexico, Texas and Oklahoma that serve more  
4 than five million customers; and

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

9 WHEREAS, on April 27, 2010, the Southwest Power Pool Board of  
10 Directors and Member Committee approved for construction a group of  
11 "priority" high-voltage electric transmission projects estimated to  
12 bring benefits of at least \$3.7 billion to the Southwest Power Pool  
13 region over 40 years, contingent upon approval of the Highway/Byway  
14 Cost Allocation methodology by the Federal Energy Regulatory  
15 Commission; and

16 WHEREAS, the approved priority projects will improve the  
17 regional electric grid by reducing congestion on the transmission  
18 lines, better integrating the east and west Southwest Power Pool  
19 regions, improving the ability of Southwest Power Pool members to  
20 deliver power to customers, and facilitating the addition of new  
21 renewable and nonrenewable generation to the electric grid; and

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

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

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

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

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

21 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES  
22 OF THE 2ND SESSION OF THE 52ND OKLAHOMA LEGISLATURE, THE SENATE  
23 CONCURRING THEREIN:

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1        THAT the Oklahoma Legislature commends the Southwest Power Pool  
2 Board of Directors and Member Committee for approving the  
3 construction of the group of "priority" high-voltage electric  
4 transmission projects.

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

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

12        THAT copies of this resolution be distributed to the Oklahoma  
13 Corporation Commissioners, the Board of Directors of the Southwest  
14 Power Pool, the Secretary of the Federal Energy Regulatory  
15 Commission and to each member of the Oklahoma Congressional  
16 Delegation.

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