

BILL SUMMARY
2nd Session of the 52nd Legislature

Bill No.:	HB 3028
Version:	FULLPCS1
Author:	Speaker Bengt
Date:	2/15/2010
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Bill Summary

Research Analyst: Dusty Darr

The Proposed Committee Substitute for House Bill 3028 creates the Oklahoma Energy Security Act. The measure establishes a voluntary goal of increasing the installed capacity of electricity derived from renewable energy sources to fifteen percent (15%) by the year 2015. Qualifying renewable energy sources are defined by the measure as including wind, solar, photovoltaic, hydropower, geothermal, biomass and other renewable sources as approved by the Oklahoma Corporation Commission (OCC). Biomass is specifically defined as projects which may include agricultural crops, wastes, and residues, wood, animal and other degradable organic wastes, municipal solid waste and landfill gas.

In addition, the measure declares natural gas as the preferred choice of electric generation for fossil fuel generating facilities. If an electricity-generating entity elects to utilize a fossil fuel source other than natural gas, the entity may provide evidence to the OCC or other similar appropriate regulatory body that the selected fossil fuel source is in the best interest of electric consumers.

The measure also states that it is the intention of the State of Oklahoma to increase electricity transmission capacity as it relates to the promotion of wind-energy development in the state to the extent that the renewable energy generated from wind can be utilized in every part of the state and exported to other states. In addition, the measure states that it is the intention of the State of Oklahoma to increase public access to Compressed Natural Gas (CNG) fueling stations by having at least one public CNG fueling station located every one hundred (100) miles along the entire interstate highway system in the state by the year 2015.

Fiscal Summary

Fiscal Analyst: Mark Nichols

The proposed committee substitute for HB 3028 creates the Oklahoma Energy Security Act. The Act establishes the legislative goal that 20% all electricity generated in the state by 2020 shall be from renewable resources.

The Act sets a natural gas energy standard, which states Legislative intent that new fossil fuel generation facilities built after the effective date of the Oklahoma Energy Security Act be powered by natural gas.

The Act provides that it is a state goal to develop electricity transmission capacity for wind power. The Act states that transmission capacity for wind energy be increased by 10% by 2020.

Finally, the Act provides for compressed natural gas (CNG) fueling stations to be available every 100 miles of interstate highway in the state by 2015, and that such stations be available every 50 miles by 2025. The Department of Central Services is encouraged, subject to the bidding requirements of the Oklahoma Central Purchasing Act, to enter into partnership agreements with private entities to construct such fueling stations.

Fiscal Analysis

The provisions of the measure outline the vision of the Legislature as it relates to renewable energy standards and provides a goal that the state can cooperatively reach. As it sets no mandate or provides for any funding, the provisions of the measure provide no fiscal impact to state revenues or expenditures.

Long Term Fiscal Considerations

An increase in renewable energy usage would ease the burden on nonrenewable sources.

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director