

1 ENGROSSED SENATE
2 BILL NO. 1456

By: Griffin of the Senate

3 and

4 Turner of the House
5

6 An Act relating to public utilities; amending 17 O.S.
7 2011, Section 156, which relates to distributed
8 generation costs; defining terms; modifying
9 prohibition relating to recovery of certain fixed
10 costs from electric customers utilizing certain
11 distributed generation; prohibiting subsidization of
12 certain costs among customer class; requiring rate
tariff adjustment by certain date; and providing an
effective date.

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

14 SECTION 1. AMENDATORY 17 O.S. 2011, Section 156, is
15 amended to read as follows:

16 Section 156. A. As used in this section:

17 1. "Distributed generation" means:

18 a. a device that provides electric energy that is owned,
19 operated, leased or otherwise utilized by the
20 customer,

21 b. is interconnected to and operates in parallel with the
22 retail electric supplier's grid and is in compliance
23 with the standards established by the retail electric
24 supplier,

1 c. is intended to offset only the energy that would have
2 otherwise been provided by the retail electric
3 supplier to the customer during the monthly billing
4 period,

5 d. does not include generators used exclusively for
6 emergency purposes,

7 e. does not include generators operated and controlled by
8 a retail electric supplier, and

9 f. does not include customers who receive electric
10 service which includes a demand-based charge.

11 2. "Fixed charge" means any fixed monthly charge, basic
12 service, or other charge not based on the volume of energy consumed
13 by the customer, which reflects the actual fixed costs of the retail
14 electric supplier.

15 3. "Retail electric supplier" means an entity engaged in the
16 furnishing of retail electric service within the State of Oklahoma
17 and is rate regulated by the Oklahoma Corporation Commission.

18 B. No ~~public utility~~ retail electric supplier shall increase
19 rates charged or enforce a surcharge ~~on the basis of the use or~~
20 ~~installation of a solar energy device by a consumer~~ above that
21 required to recover the full costs necessary to serve customers who
22 install distributed generation on the customer side of the meter
23 after the effective date of this act.

C. No retail electric supplier shall allow customers with distributed generation installed after the effective date of this act to be subsidized by customers in the same class of service who do not have distributed generation.

D. A higher fixed charge for customers within the same class of service that have distributed generation installed after the effective date of this act, as compared to the fixed charges of those customers who do not have distributed generation, is a means to avoid subsidization between customers within that class of service and shall be deemed in the public interest.

E. Retail electric suppliers shall implement tariffs in
compliance with this act no later than December 31, 2015.

SECTION 2. This act shall become effective November 1, 2014.

Passed the Senate the 12th day of March, 2014.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2014.

Presiding Officer of the House
of Representatives