

1 **CORRECTED**

2
3 STATE OF OKLAHOMA

4 2nd Session of the 57th Legislature (2020)

5 COMMITTEE SUBSTITUTE

6 FOR

HOUSE BILL NO. 3970

By: McBride

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9 COMMITTEE SUBSTITUTE

10 An Act relating to renewable gas energy; making
11 certain declaration; declaring legislative intent;
12 defining terms; establishing Renewable Natural Gas
13 Option; requiring the Oklahoma Corporation Commission
14 to promulgate certain rules; providing for
15 codification; and providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 801.8 of Title 17, unless there
19 is created a duplication in numbering, reads as follows:

20 A. The Legislature declares that renewable natural gas is a
21 complement to our state's vast natural gas and renewable energy
22 resources that can be carbon-neutral or carbon-negative.

23 B. It is further declared the intent of the Legislature to give
24 Oklahoma energy consumers freedom to choose renewable natural gas

1 for their fueling, heating, and power needs, and that natural gas
2 utilities play a unique and necessary role in procuring,
3 transporting and delivering gas, including renewable natural gas, to
4 Oklahoma energy consumers.

5 C. For purposes of this section:

6 1. "Biogas" means a mixture of carbon dioxide and hydrocarbons,
7 primarily methane gas, released from the biological decomposition of
8 waste, including but not limited to, animal manure, wastewater,
9 municipal solid waste, landfilled waste, fats, oils and greases and
10 food waste; and

11 2. "Renewable natural gas" means:

- 12 a. biogas-derived methane gas that is interchangeable
13 with geologic natural gas,
- 14 b. hydrogen gas or carbon oxides derived from renewable
15 energy sources, or
- 16 c. methane gas derived from any combination of hydrogen
17 gas or carbon oxides derived from renewable energy
18 sources, biogas and waste carbon dioxide.

19 D. There is hereby established a Renewable Natural Gas Option.
20 The Oklahoma Corporation Commission shall promulgate rules allowing
21 natural gas utilities to procure, transport and deliver renewable
22 natural gas. The rules shall allow natural gas utilities to procure
23 and transport renewable natural gas, and deliver renewable natural
24 gas to customers that choose it in full or in part as their energy

1 option. The rules may allow natural gas utilities to develop
2 necessary and prudent gas infrastructure and recover the associated
3 investment costs to further the intent of this section. The rules
4 shall update the state's renewable fuel standard to more proactively
5 promote biogas, renewable natural gas and hydrogen as solutions for
6 reducing methane emissions and other environmental problems. In
7 addition, the rules shall provide for the production of educational
8 materials to provide Oklahoma residents with information regarding
9 renewable natural gas and its positive environmental impacts and
10 benefits.

11 SECTION 2. This act shall become effective November 1, 2020.

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