

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 **CORRECTED**

3
4 STATE OF OKLAHOMA

5 2nd Session of the 57th Legislature (2020)

6 COMMITTEE SUBSTITUTE

7 FOR

8 HOUSE BILL NO. 3970

By: McBride of the House

and

Murdock of the Senate

9
10
11
12 COMMITTEE SUBSTITUTE

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

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 801.8 of Title 17, unless there
22 is created a duplication in numbering, reads as follows:
23
24

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

4 B. It is further declared the intent of the Legislature to give
5 Oklahoma energy consumers freedom to choose renewable natural gas
6 for their fueling, heating, and power needs, and that natural gas
7 utilities play a unique and necessary role in procuring,
8 transporting and delivering gas, including renewable natural gas, to
9 Oklahoma energy consumers.

10 C. For purposes of this section:

11 1. "Biogas" means a mixture of carbon dioxide and hydrocarbons,
12 primarily methane gas, released from the biological decomposition of
13 waste, including but not limited to, animal manure, wastewater,
14 municipal solid waste, landfilled waste, fats, oils and greases and
15 food waste; and

16 2. "Renewable natural gas" means:

17 a. biogas-derived methane gas that is interchangeable
18 with geologic natural gas,

19 b. hydrogen gas or carbon oxides derived from renewable
20 energy sources, or

21 c. methane gas derived from any combination of hydrogen
22 gas or carbon oxides derived from renewable energy
23 sources, biogas and waste carbon dioxide.

24

1 D. There is hereby established a Renewable Natural Gas Option.
2 The Oklahoma Corporation Commission shall promulgate rules allowing
3 natural gas utilities to procure, transport and deliver renewable
4 natural gas. The rules shall allow natural gas utilities to procure
5 and transport renewable natural gas, and deliver renewable natural
6 gas to customers that choose it in full or in part as their energy
7 option. The rules may allow natural gas utilities to develop
8 necessary and prudent gas infrastructure and recover the associated
9 investment costs to further the intent of this section. The rules
10 shall update the state's renewable fuel standard to more proactively
11 promote biogas, renewable natural gas and hydrogen as solutions for
12 reducing methane emissions and other environmental problems. In
13 addition, the rules shall provide for the production of educational
14 materials to provide Oklahoma residents with information regarding
15 renewable natural gas and its positive environmental impacts and
16 benefits.

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

18

19 COMMITTEE REPORT BY: COMMITTEE ON UTILITIES, dated 02/27/2020 - DO
20 PASS, As Amended and Coauthored.

21

22

23

24

25