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February 8, 2024

By: Green

An Act relating to the Retail Electric Supplier Certified Territory Act; amending 17 O.S. 2021, Section 158.25, as amended by Section 1, Chapter 95, O.S.L. 2023 (17 O.S. Supp. 2023, Section 158.25), which relates to new electric-consuming facilities; updating statutory references; updating statutory language; requiring certain retail electric suppliers to provide certain notice; providing for confidentiality of certain notice information; specifying contents of notice; and providing an effective date.

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

SECTION 1. AMENDATORY 17 O.S. 2021, Section 158.25, as amended by Section 1, Chapter 95, O.S.L. 2023 (17 O.S. Supp. 2023, Section 158.25), is amended to read as follows:

Section 158.25. A. Except as otherwise provided herein, each retail electric supplier shall have the exclusive right to furnish retail electric service to all electric-consuming facilities located within its certified territory, and shall not furnish, make available, render or extend its retail electric service to a consumer for use in electric-consuming facilities located within the certified territory of another retail electric supplier; provided,

1 that any retail electric supplier may extend its facilities through  
2 the certified territory of another retail electric supplier, if such  
3 extension is necessary for such supplier to connect any of its  
4 facilities or to serve its consumers within its own certified  
5 territory.

6 B. Except as provided in subsections C and E of this section,  
7 any new electric-consuming facility located in an unincorporated  
8 area which has not as yet been included in a map issued by the  
9 Corporation Commission, pursuant to Section 158.24 of this title, or  
10 certified, pursuant to Section 158.24 of this title, shall be  
11 furnished retail electric service by the retail electric supplier  
12 which has an existing distribution line in closer proximity to such  
13 electric-consuming facility than is the nearest existing  
14 distribution line of any other retail electric supplier. Any  
15 disputes under this subsection shall be resolved by the Commission.

16 C. If the Commission, after hearing, shall determine that the  
17 retail electric service being furnished or proposed to be furnished  
18 by a retail electric supplier to an electric-consuming facility is  
19 inadequate and is not likely to be made adequate, the Commission may  
20 authorize another retail electric supplier to furnish retail  
21 electric service to such facility.

22 D. Except as provided in subsection C of this section, no  
23 retail electric supplier shall furnish, make available, render or  
24 extend retail electric service to any electric-consuming facility to

1 which such service is being lawfully furnished by another retail  
2 electric supplier on September 10, 1971, or to which retail electric  
3 service is lawfully commenced thereafter in accordance with this  
4 section by another retail electric supplier.

5 E. The provisions of ~~this act~~ the Retail Electric Supplier  
6 Certified Territory Act shall not preclude any retail electric  
7 supplier from extending its service after September 10, 1971, (1) to  
8 its own property and facilities, in an unincorporated area, and (2)  
9 subject to subsection D of this section, to an electric-consuming  
10 facility requiring electric service, in an unincorporated area, if  
11 the connected load for initial full operation of such electric-  
12 consuming facility is to be 1,000 kw or larger.

13 F. To achieve the purposes of efficient, cost-effective retail  
14 electric service without duplication of electric facilities and to  
15 avoid unfairly shifting costs to residential consumers, retail  
16 electric service providers are required to establish and utilize  
17 rate tariffs which are specifically applicable to a rate class of  
18 customers composed of electric consuming facilities being served in  
19 accord with the 1,000 kw size exception found in subsection E of  
20 this section and located outside the retail electric service  
21 provider's certified territory. These tariffs may be for a specific  
22 electric consuming facility or for a class of electric consuming  
23 facilities taking service under this provision. For retail electric  
24 service providers that are rate-regulated by the Commission, the

1 rates supporting this rate class shall be determined in the rate-  
2 regulated service provider's most recent rate proceeding. Rates for  
3 this rate class shall be designed to recover (i) the costs of  
4 extending service to the competitive load of electric consuming  
5 facilities of 1,000 kw or larger located outside the retail electric  
6 service provider's certified territory; and (ii) the allocated share  
7 of other costs associated with providing service to the electric  
8 consuming facility. Such tariffs shall be cost-of-service based and  
9 shall not subsidize other rate classes or be subsidized by other  
10 rate classes. Unless costs of extending service to such a new load  
11 are collected from the customer, those costs shall be included in  
12 the ~~cost-of-service~~ cost-of-service study in the next rate  
13 proceeding. If the electric service provider, in whose certified  
14 territory the competitive load is seeking electric service, chooses  
15 in writing not to compete for ~~said~~ the competitive load or does not  
16 respond within thirty (30) days of receiving written notice by the  
17 customer, the terms of this subsection shall not apply.

18 G. Any retail electric supplier not excluded by Section 158.28  
19 of this title that intends to provide retail electric service to a  
20 new electric-consuming facility within the certified territory of  
21 another retail electric service provider shall notify the incumbent  
22 retail electric service provider and the Public Utility Division  
23 (PUD) of the Commission, either in writing or by electronic mail, no  
24 less than fifteen (15) business days prior to entrance into a

1 written or verbal contract for service between the non-incumbent  
2 retail electric service provider and the new electric-consuming  
3 facility. Upon request by the new electric-consuming facility,  
4 information contained in the notice shall be maintained  
5 confidentially by the incumbent retail electric service provider.  
6 Arrangements shall be made with the PUD to allow such information to  
7 remain confidential. Notice shall provide information including,  
8 but not limited to, the following:

9 1. A specific description of the anticipated location of the  
10 new electric-consuming facility by GPS coordinates to allow clear  
11 identification of the certified territory retail electric service  
12 provider;

13 2. A specific description of the planned size of the connected  
14 load for initial full operation to be added; and

15 3. Identification of the tariff, on file with the PUD, under  
16 which the retail electric service provider intends to serve the  
17 electric-consuming facility.

18 SECTION 2. This act shall become effective November 1, 2024.

19 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND TELECOMMUNICATIONS  
20 February 8, 2024 - DO PASS  
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