

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1506

By: Paxton

AS INTRODUCED

An Act relating to rebate payments; creating the Oklahoma Reliable Power Act; providing short title; defining terms; creating the Oklahoma Reliable Power Rebate Fund; specifying sources of funds; requiring interest returns to be retained in the fund; providing for expenditures from the fund; limiting rebates to the balance of the fund; creating the Oklahoma Reliable Power Rebate Program; specifying amount of rebate payment; directing the Oklahoma Tax Commission to administer the program; providing for eligibility; authorizing the seller to file claim under certain circumstance; requiring the Commission to approve or disapprove all claims for rebate payment; requiring payment upon approval; limiting rebate payments to gas purchased in excess of the amount purchased in previous year; making an appropriation; directing deposit in certain fund; repealing Sections 1, 2, 3, 4, as amended by Section 1, Chapter 1, O.S.L. 2023, 5, and 6, as amended by Section 2, Chapter 1, O.S.L. 2023, Chapter 66, O.S.L. 2022 (68 O.S.L. 2023, Sections 3645.1, 3645.2, 3645.3, 3645.4, 3645.5, and 3645.6), which relate to the Large-scale Economic Activity and Development Act of 2022; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3647.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

1 This act shall be known and may be cited as the "Oklahoma  
2 Reliable Power Act".

3 SECTION 2. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 3647.2 of Title 68, unless there  
5 is created a duplication in numbering, reads as follows:

6 As used in the Oklahoma Reliable Power Act:

7 1. "Commission" means the Oklahoma Tax Commission;

8 2. "Electric generation facility" means any person, firm,  
9 partnership, corporation, association, or cooperative corporation  
10 generating or producing electric energy for the purpose of  
11 furnishing retail electric service to the public in this state;

12 3. "Gas" means natural gas or casinghead gas. The terms gas,  
13 natural gas, or casinghead gas when used in this act are  
14 interchangeable, and any provisions relating to any one of these  
15 shall relate to all gas, natural gas, or casinghead gas; and

16 4. "Public utility" shall be the same as it is defined in  
17 Section 151 of Title 17 of the Oklahoma Statutes.

18 SECTION 3. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3647.3 of Title 68, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. There is hereby created in the State Treasury a revolving  
22 fund for the Oklahoma Tax Commission to be designated the "Oklahoma  
23 Reliable Power Rebate Fund". The fund shall be a continuing fund,  
24 not subject to fiscal year limitations, and shall consist of all

1 monies received by the Commission from appropriations and transfers  
2 designated for deposit in the fund. Interest earned by the  
3 investment of monies in the fund shall be retained in the fund. All  
4 monies accruing to the credit of the fund are hereby appropriated  
5 and may be budgeted and expended by the Commission for the purpose  
6 authorized in subsection B of this section in amounts as authorized  
7 by the Legislature. Expenditures from the fund shall be made upon  
8 warrants issued by the State Treasurer against claims filed as  
9 prescribed by law with the Director of the Office of Management and  
10 Enterprise Services for approval and payment.

11 B. All of the amounts deposited in the Oklahoma Reliable Power  
12 Rebate Fund shall be used and expended by the Commission solely for  
13 the purposes of implementing the Oklahoma Reliable Power Rebate  
14 Program as provided for in Section 4 of this act. The amount of  
15 rebates as provided for in Section 4 of this act shall be limited to  
16 the balance of the Oklahoma Reliable Power Rebate Fund.

17 SECTION 4. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 3647.4 of Title 68, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. There is hereby created the Oklahoma Reliable Power Rebate  
21 Program. The rebate provided in this section shall be allowed in  
22 the amount equal to five percent (5%) of the purchase price of gas  
23 purchased by an electric generation facility to be consumed in the  
24 generation of electricity.

1 B. The rebate program shall be administered by the Oklahoma Tax  
2 Commission, as provided for in this act.

3 C. To be eligible for a rebate payment:

4 1. The applicant shall submit a claim for rebate on forms  
5 prescribed by the Commission with all documentation as the  
6 Commission may require;

7 2. The application shall be submitted no later than two (2)  
8 years after the date in which the sale to the electric generation  
9 facility was made; and

10 3. The electric generation facility may seek payment of the  
11 rebate authorized by this section directly from the Commission or  
12 the seller may apply for the rebate on the sale made to the electric  
13 generation facility. If the applicant is the seller, the  
14 application for rebate shall include documentation that the rebate  
15 has been paid or credited to the public utility customer.

16 D. The Commission shall approve or disapprove all claims for  
17 rebate payments. The Commission shall, upon approval of a claim,  
18 issue payment from funds in the Oklahoma Reliable Power Rebate Fund,  
19 created in Section 3 of this act. Payment of rebate claims, as  
20 provided for in this section, shall be limited to the balance of the  
21 Oklahoma Reliable Power Rebate Fund.

22 E. Rebate payments issued pursuant to this act shall be for gas  
23 purchased by a public utility for the generation of electric power  
24

1 in excess of the amount of gas purchased for the electric generation  
2 of power by the applicant in the previous calendar year.

3 F. The Oklahoma Tax Commission may promulgate rules necessary  
4 to effectuate the provisions of this act.

5 SECTION 5. There is hereby appropriated to the Oklahoma Tax  
6 Commission for deposit in the Oklahoma Reliable Power Rebate Fund  
7 from any monies not otherwise appropriated from the General Revenue  
8 Fund of the State Treasury for the fiscal year ending June 30, 2023,  
9 the sum of Six Hundred Ninety-eight Million Twenty Thousand Dollars  
10 (\$698,020,000.00).

11 SECTION 6. REPEALER Sections 1, 2, 3, 4, as amended by  
12 Section 1, Chapter 1, O.S.L. 2023, 5, and 6, as amended by Section  
13 2, Chapter 1, O.S.L. 2023, Chapter 66, O.S.L. 2022 (68 O.S.L. 2023,  
14 Sections 3645.1, 3645.2, 3645.3, 3645.4, 3645.5, and 3645.6), are  
15 hereby repealed.

16 SECTION 7. This act shall become effective July 1, 2024.

17 SECTION 8. It being immediately necessary for the preservation  
18 of the public peace, health or safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

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