

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 POLICY COMMITTEE
4 RECOMMENDATION

5 FOR

6 HOUSE BILL NO. 3989

7 By: Caldwell (Trey)

8 POLICY COMMITTEE RECOMMENDATION

9 An Act relating to the Retail Electric Supplier
10 Certified Territory Act; amending 17 O.S. 2021,
11 Section 158.25, as amended by Section 1, Chapter 95,
12 O.S.L. 2023 (17 O.S. Supp. 2025, Section 158.25),
13 which relates to exclusive rights within territory;
14 modifying when certain electric retail suppliers can
15 extend certain services; requiring certain fees under
16 certain circumstances; excluding specific sources of
17 funding for those fees; and providing an effective
18 date.

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

20 SECTION 1. AMENDATORY 17 O.S. 2021, Section 158.25, as
21 amended by Section 1, Chapter 95, O.S.L. 2023 (17 O.S. Supp. 2025,
22 Section 158.25), is amended to read as follows:

23 Section 158.25. A. Except as otherwise provided herein, each
24 retail electric supplier shall have the exclusive right to furnish
retail electric service to all electric-consuming facilities located

1 within its certified territory, and shall not furnish, make
2 available, render or extend its retail electric service to a
3 consumer for use in electric-consuming facilities located within the
4 certified territory of another retail electric supplier; provided
5 that any retail electric supplier may extend its facilities through
6 the certified territory of another retail electric supplier, if such
7 extension is necessary for such supplier to connect any of its
8 facilities or to serve its consumers within its own certified
9 territory.

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

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

3 D. Except as provided in subsection C of this section, no
4 retail electric supplier shall furnish, make available, render or
5 extend retail electric service to any electric-consuming facility to
6 which such service is being lawfully furnished by another retail
7 electric supplier on September 10, 1971, or to which retail electric
8 service is lawfully commenced thereafter in accordance with this
9 section by another retail electric supplier.

10 E. The provisions of this act shall not preclude any retail
11 electric supplier from extending its service after September 10,
12 1971, (1) to its own property and facilities, in an unincorporated
13 area, and (2) subject to subsection D of this section, to an
14 electric-consuming facility requiring electric service, in an
15 unincorporated area, if the ~~connected~~ actual total metered load for
16 initial full operation of such electric-consuming facility is to be
17 1,000 kw or larger. After August 26, 2026, the penalty for
18 violating subsection F of this act shall be payment of one percent
19 (1%) of sales per annum paid to the offended retail electric
20 supplier and shall not be paid from customer-generated revenues.

21 F. To achieve the purposes of efficient, cost-effective retail
22 electric service without duplication of electric facilities and to
23 avoid unfairly shifting costs to residential consumers, retail
24 electric service providers are required to establish and utilize

1 rate tariffs which are specifically applicable to a rate class of
2 customers composed of electric consuming facilities being served in
3 accord with the 1,000 kw size exception found in subsection E of
4 this section and located outside the retail electric service
5 provider's certified territory. These tariffs may be for a specific
6 electric consuming facility or for a class of electric consuming
7 facilities taking service under this provision. For retail electric
8 service providers that are rate-regulated by the Commission, the
9 rates supporting this rate class shall be determined in the rate-
10 regulated service provider's most recent rate proceeding. Rates for
11 this rate class shall be designed to recover (i) the costs of
12 extending service to the competitive load of electric consuming
13 facilities of 1,000 kw or larger located outside the retail electric
14 service provider's certified territory; and (ii) the allocated share
15 of other costs associated with providing service to the electric
16 consuming facility. Such tariffs shall be cost-of-service based and
17 shall not subsidize other rate classes or be subsidized by other
18 rate classes. Unless costs of extending service to such a new load
19 are collected from the customer, those costs shall be included in
20 the cost of service study in the next rate proceeding. If the
21 electric service provider, in whose certified territory the
22 competitive load is seeking electric service, chooses in writing not
23 to compete for said competitive load or does not respond within
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1 thirty (30) days of receiving written notice by the customer, the
2 terms of this subsection shall not apply.

3 SECTION 2. This act shall become effective November 1, 2026.

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