

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3397

By: Clinton

AS INTRODUCED

An Act relating to data centers; defining terms; requiring Corporation Commission provide for certain classification of service; requiring classification of service be distinct from other classifications and have its own tariff schedule; listing requirements for tariff schedule; requiring Commission make certain proposed tariff considerations regarding rates; exempting certain entities from using classification of service; providing for certain expiration; requiring Commission to direct certain contracts be entered into between entities; listing requirements for contracts; allowing certain charge to be included in contract; requiring notice of delay under certain conditions; allowing contracts to contain certain terms and conditions; stating contract shall not prevent Commission from carrying out its duties; providing for codification; and providing an effective date.

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 860 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. For the purposes of this act:

1 1. "Costs of serving" includes, as applicable, the costs
2 incurred by an electric company in providing transmission,
3 distribution, energy, capacity or ancillary electricity services,
4 and any related costs or associated risks with serving a class of
5 retail electricity consumers or a retail electricity consumer;

6 2. "Electric company" means an entity engaged in the business
7 of distributing electricity to retail electricity consumers in this
8 state, but does not include a consumer-owned utility;

9 3. "Facility" means all buildings, equipment, structures, and
10 other stationary items that are located on a single site or on
11 contiguous or adjacent sites and that are owned or operated by the
12 same person or by any person who controls, is controlled by, or is
13 under common control with such person;

14 4. "Large energy use facility" means a facility that uses or is
15 able to use twenty (20) megawatts or more and is primarily engaged
16 in providing a service described under code 518210 of the 2022 North
17 American Industry Classification System; and

18 5. "Retail electricity consumer" means the end user of
19 electricity for specific purposes such as heating, lighting, or
20 operating equipment, and includes all end users of electricity
21 served through the distribution system of an electric utility,
22 whether or not each end user purchases the electricity from the
23 electric utility.

1 B. The Corporation Commission shall provide for a
2 classification of service for retail electricity consumers that are
3 large energy use facilities. The classification of service must be
4 separate and distinct from classifications of service for other
5 commercial or industrial retail electricity consumers and have its
6 own tariff schedule. Any tariff schedule adopted by the Commission
7 for the class shall:

- 8 1. a. allocate the costs of serving the class of retail
9 electricity consumers that are large energy use
10 facilities to the class in a manner that is equal or
11 proportional to the costs of serving the class, or
12 b. directly assign the costs of serving a retail
13 electricity consumer that is a large energy use
14 facility to the retail electricity consumer;

15 2. Meet the same conditions the Commission requires for a
16 contract under division 5 of subparagraph a of paragraph 2 of
17 subsection A of Section 3 of this act; and

18 3. Mitigate the risk of:

- 19 a. other classes of retail electricity consumers paying
20 unwarranted costs, and
21 b. shifting the costs, in an unwarranted manner, of
22 serving a retail electricity consumer that is a large
23 energy use facility to other classes of retail
24 electricity consumers, including costs of an electric

1 company to meet load requirements resulting from the
2 provision of electricity service to a retail
3 electricity consumer that is a large energy use
4 facility.

5 C. In deciding whether to approve a proposed tariff schedule of
6 an electric company for a classification of service described under
7 subsection B of this section, the Commission shall consider whether
8 the rates:

9 1. Result in, or have the potential to result in, increased
10 costs or unwarranted risk to other retail electricity consumers;

11 2. Provide for equitable contributions to grid efficiency,
12 reliability, and resiliency benefits; and

13 3. Meet any other conditions the Commission may require in the
14 public interest.

15 SECTION 2. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 861 of Title 17, unless there is
17 created a duplication in numbering, reads as follows:

18 An electric company and a retail electricity consumer that is a
19 large energy use facility are not required to use a classification
20 of service provided for under Section 1 of this act if the
21 Corporation Commission has not approved for the electric company a
22 tariff schedule for the classification of service. This section
23 shall cease to have the force and effect of law on January 1, 2029.
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1 SECTION 3. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 862 of Title 17, unless there is
3 created a duplication in numbering, reads as follows:

4 A. 1. The Corporation Commission shall require an electric
5 company that is providing electricity service to a retail
6 electricity consumer that is a large energy use facility to enter
7 into a contract with the retail electricity consumer that covers the
8 provision of the electricity service, including, as applicable,
9 transmission, distribution, energy, capacity, or ancillary
10 electricity services.

11 2. a. any contract for the provision of electricity service
12 entered into between an electric company and a retail
13 electricity consumer that is a large energy use
14 facility shall:

15 (1) be consistent with the criteria listed under
16 subsection C of Section 1 of this act,

17 (2) specify the duration of the contract and be for a
18 duration for ten (10) years or longer,

19 (3) specify the date or estimated date that the
20 electric company will begin to provide
21 electricity service to the retail electricity
22 consumer,

23 (4) obligate the retail electricity consumer to pay a
24 minimum amount or percentage, as determined by

1 the Commission, based on the retail electricity
2 consumer's projected electricity usage for the
3 electricity services the electric company is
4 contracted to provide for the duration of the
5 contract, and

6 (5) meet any other conditions the Commission may
7 require in the public interest.

8 b. any contract for the provision of electricity service
9 entered into between an electric company and a retail
10 electricity consumer that is a large energy use
11 facility may include a charge for excess demand for
12 the electricity services the electric company is
13 contracted to provide that is in addition to the
14 tariff schedule.

15 B. If an electric company fails to begin to provide electricity
16 service on or by the date or estimated date specified in a contract
17 entered into under this section due to causes within the electric
18 company's reasonable control, the electric company shall provide the
19 retail electricity consumer notice of the delay as soon as
20 reasonably practicable. A contract entered into under this section
21 may include terms and conditions that address the possibility of a
22 delay due to causes within the reasonable control of the parties to
23 the contract.

1 C. A contract, as described under subsection A of this section,
2 may not prevent the Commission from carrying out the Commission's
3 duties under this section or Section 1 of this act.

4 SECTION 4. This act shall become effective November 1, 2026.

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