

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 4097

By: Caldwell (Trey)

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to public utilities; amending 17 O.S.
10 2021, Section 291, which relates to definitions;
11 modifying definition; amending 17 O.S. 2021, Section
12 292, which relates to rights of electric transmission
13 owners; adding description of certain electric
14 transmission facility; authorizing certain rights to
15 incumbent electric transmission owners for certain
16 facilities; requiring solicitation of competitive
17 bids for construction of certain facilities;
18 requiring certain request for proposal and bid
19 evaluation to be overseen by appointed independent
20 evaluator; authorizing incumbent electric
21 transmission owner to submit certain bid; amending 17
22 O.S. 2021, Section 293, which relates to local
23 electric transmission facility; requiring certain
24 notice of intent; and providing an effective date.

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

SECTION 1. AMENDATORY 17 O.S. 2021, Section 291, is -
amended to read as follows:

Section 291. As used in this act:

1. "Commission" means the Corporation Commission;

1 2. "Incumbent electric transmission owner" means any Oklahoma
2 electric public utility, as recognized by the Commission, or its
3 affiliates, or subsidiaries or any electric cooperative, any
4 municipal power agency or any municipal utility that owns, operates
5 and maintains an electric transmission facility in this state or any
6 public utility, as recognized by the Commission, that is engaged in
7 the development of an electric transmission facility in the state as
8 of the effective date of this act;

9 3. "Local electric transmission facility" means a high-voltage
10 transmission line or high-voltage associated transmission facilities
11 with a rating of greater than sixty-nine (69) kilovolts ~~and less~~
12 ~~than three hundred (300) kilovolts; and~~

13 4. "Southwest Power Pool" means the Southwest Power Pool or any
14 federally recognized successor entity.

15 SECTION 2. AMENDATORY 17 O.S. 2021, Section 292, is
16 amended to read as follows:

17 Section 292. A. ~~An~~ For any local electric transmission
18 facility with a rating greater than sixty-nine (69) kilovolts and
19 less than three hundred (300) kilovolts, an incumbent electric
20 transmission owner has the right to construct, own and maintain a
21 ~~local electric transmission~~ any such facility that has been approved
22 for construction in a Southwest Power Pool transmission plan and
23 will interconnect to facilities owned by that incumbent electric
24

1 transmission owner. An incumbent electric transmission owner has
2 the right to construct, own and maintain:

3 1. A new local electric transmission facility that connects to
4 electric transmission facilities owned by the incumbent; and

5 2. Upgrades to the existing local electric transmission
6 facilities of the incumbent.

7 B. For any local electric transmission facility with a rating
8 greater three hundred (300) kilovolts with a need date within three
9 (3) years, as determined by the Southwest Power Pool, an incumbent
10 electric transmission owner has the right to construct, own, and
11 maintain any such facility that has been approved for construction
12 in a Southwest Power Pool transmission plan and will interconnect to
13 facilities owned by that incumbent electric transmission owner. An
14 incumbent electric transmission owner has the right to construct,
15 own, and maintain:

16 1. A new local electric transmission facility that connects to
17 electric transmission facilities owned by the incumbent; and

18 2. Upgrades to the existing local electric transmission
19 facilities of the incumbent.

20 C. For any local electric transmission facility with a rating
21 greater three hundred (300) kilovolts with a need date greater than
22 three (3) years, as determined by the Southwest Power Pool, an
23 incumbent electric transmission owner has the right to own and
24 maintain any such facility that has been approved for construction

1 in a Southwest Power Pool transmission plan and will interconnect to
2 facilities owned by that incumbent electric transmission owner, if
3 the incumbent electric transmission owner issues a request for
4 proposal which solicits competitive bids for construction of the
5 facility. The request for proposal and associated bid evaluation
6 and selection shall be overseen by an independent evaluator
7 appointed by the Oklahoma Corporation Commission. Nothing herein
8 shall prohibit an incumbent electric transmission owner from
9 submitting its own bid to construct such a facility. An incumbent
10 electric transmission owner has the right to own and maintain:

11 1. A new local electric transmission facility that connects to
12 electric transmission facilities owned by the incumbent; and

13 2. Upgrades to the existing local electric transmission
14 facilities of the incumbent.

15 D. The right to construct, own and maintain a local electric
16 transmission facility that will interconnect to facilities owned by
17 two or more incumbent electric transmission owners belongs
18 individually and equally to each incumbent electric transmission
19 owner, unless otherwise agreed upon in writing by the incumbent
20 electric transmission owners.

21 ~~C.~~ E. Nothing in this section is intended to affect an
22 incumbent electric transmission owner's use and control of its
23 existing property rights including the incumbent electric
24 transmission owner's ability to assign its rights to construct, own

1 and maintain a local electric transmission facility described in
2 subsection A of this section. The retention, modification or
3 transfer of existing property rights of an incumbent electric
4 transmission owner and the rights described in subsection A of this
5 section shall remain subject to the relevant state law or regulation
6 recognizing the property right.

7 SECTION 3. AMENDATORY 17 O.S. 2021, Section 293, is
8 amended to read as follows:

9 Section 293. A. If the Southwest Power Pool has approved a
10 local electric transmission facility in a Southwest Power Pool
11 transmission plan and has formally directed the incumbent electric
12 transmission owner or owners, if there is more than one owner, to
13 construct, own and maintain the local electric transmission
14 facility, the incumbent electric transmission owner or owners shall
15 give notice to the Southwest Power Pool, in writing, within ninety
16 (90) days of receipt of the direction to construct by the Southwest
17 Power Pool, regarding its intent to construct, own and maintain the
18 local electric transmission facility pursuant to subsection A or B
19 of Section 292 of this title or its intent to own and maintain the
20 local electric transmission facility pursuant to subsection C of
21 Section 292 of this title. If notice is not provided, the incumbent
22 electric transmission owner shall surrender its right to construct,
23 own and maintain the local electric transmission facility.

24

1 B. If an incumbent electric transmission owner or owners give
2 notice of intent not to construct the local electric transmission
3 facility or fail to provide notice as required in subsection A of
4 this section, then the Southwest Power Pool may determine whether
5 the incumbent electric transmission owner or owners or other entity
6 will construct, own and maintain the local electric transmission
7 facility.

8 C. Nothing in this section is intended to limit the ability of
9 any person to notify the Southwest Power Pool that it believes an
10 incumbent electric transmission owner with the right to construct,
11 own and maintain a local electric transmission facility originally
12 approved by the Southwest Power Pool has failed to exercise its
13 right to construct, own and maintain the local electric transmission
14 facility within a reasonable period of time and request that the
15 Southwest Power Pool rescind the right to construct, own and
16 maintain the local electric transmission facility and assign the
17 rights to another incumbent electric transmission owner.

18 SECTION 4. This act shall become effective November 1, 2024.

19
20 COMMITTEE REPORT BY: COMMITTEE ON UTILITIES, dated 02/22/2024 - DO
21 PASS, As Amended.

22
23
24