

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1374

By: Boles of the House

and

Green of the Senate

7
8
9 COMMITTEE SUBSTITUTE

10 An Act relating to utilities; amending 17 O.S. 2021,
11 Section 151, as amended by Section 1, Chapter 67,
12 O.S.L. 2024 (17 O.S. Supp. 2024, Section 151), which
13 relates to public utility defined; deleting certain
14 exception; modifying certain exception to definition;
15 allowing certain entities to receive electricity;
16 authorizing certain refusal to provide electricity;
17 stating certain rights still available; requiring
18 certain use of natural gas; providing an effective
19 date; and declaring an emergency.

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

21 SECTION 1. AMENDATORY 17 O.S. 2021, Section 151, as
22 amended by Section 1, Chapter 67, O.S.L. 2024 (17 O.S. Supp. 2024,
23 Section 151), is amended to read as follows:

24 Section 151. A. 1. The term "public utility" as used in
Sections 151 through 155 of this title, shall be taken to mean and
include every corporation, association, company, individuals, their
trustees, lessees, or receivers, successors or assigns, except as

1 hereinafter provided, and except cities, towns, or other bodies
2 politic, that now or hereafter may own, operate, or manage any plant
3 or equipment, or any part thereof, directly or indirectly, for
4 public use, or may supply any commodity to be furnished to the
5 public.

6 (a) For the conveyance of gas by pipeline.

7 (b) For the production, transmission, delivery or
8 furnishing of heat or light with gas.

9 (c) For the production, transmission, delivery or
10 furnishing electric current for light, heat or power.

11 (d) For the transportation, delivery or furnishing of
12 water for domestic purposes or for power. Provided
13 further that a corporation organized and existing not
14 for profit pursuant to Title 18 of the Oklahoma
15 Statutes, Sections 851-863, but for the purpose of
16 developing and providing rural water supply and sewage
17 disposal facilities to serve rural residents shall not
18 be declared a public utility under this act, and shall
19 be exempt in any and all respects from the
20 jurisdiction and control of the Corporation Commission
21 of this state.

22 2. The term "Commission" shall be taken to mean Corporation
23 Commission of Oklahoma.

24 B. Provided that:

1 ~~1. In Washington County, where any corporation, association,~~
2 ~~company, individuals, their trustees, lessees, or receivers,~~
3 ~~successors or assigns, is engaged in the private business of~~
4 ~~manufacturing any products other than those hereinbefore defined,~~
5 ~~and in the manufacture of such products operate and maintain private~~
6 ~~electric or water plants for its own power and electrical energy or~~
7 ~~water used in its manufacturing plant, without the right of eminent~~
8 ~~domain and without the use of streets, highways or public property,~~
9 ~~it may contract upon terms and prices approved by Corporation~~
10 ~~Commission the sale of a bona fide surplus of electrical energy or~~
11 ~~water developed in such private plants to any public utility engaged~~
12 ~~in manufacturing and distributing electrical energy in Washington~~
13 ~~County, Oklahoma, without becoming a public utility. Provided~~
14 ~~further any city or town within a county having a population of over~~
15 ~~five hundred thousand (500,000) or any county having a population of~~
16 ~~over five hundred thousand (500,000), according to the 1970 Federal~~
17 ~~Census, which is a beneficiary of a public trust that has multiple~~
18 ~~beneficiaries and that includes within any or all of its boundaries~~
19 ~~a water supply and/or distribution system, or any portion thereof,~~
20 ~~shall have the authority to condemn all or any portion of any water~~
21 ~~supply and/or distribution system owned and/or operated and/or~~
22 ~~leased by a public trust within the limits of the condemning city or~~
23 ~~town or within the unincorporated areas of the condemning county;~~
24 ~~provided the power granted hereunder shall not be exercised until~~

1 ~~the condemning city, town or county shall have made provision to pay~~
2 ~~off all outstanding bonded indebtedness incurred by the public~~
3 ~~trust, including interest on the bonds to maturity of the bonds, or~~
4 ~~first call date, and premium, if any, to which the property to be~~
5 ~~condemned or the revenues therefrom has been pledged for security.~~

6 2. ~~The~~ the term public utility shall not include or be taken to
7 mean a corporation, association, company, individuals, their
8 trustees, lessees, receivers, successors, or ~~assigns~~ assignees
9 engaged in the production of ~~green hydrogen~~ electricity, provided
10 that such entity furnishes an electric service or commodity ~~only on~~ on
11 the premises directly to itself, an affiliate, or tenants ~~solely~~
12 ~~engaged in the production of green hydrogen on the premises~~ or
13 indirectly by contracting with a public utility, rural electric
14 cooperative, or municipality for the purpose of furnishing electric
15 service to a specific customer or is an exempt wholesale generator,
16 so long as that service or commodity is not resold as retail
17 electric service or supplied indirectly or directly for public use.
18 Nothing herein shall relieve such an entity of its obligation to
19 comply with state and federal grid interconnection and registration
20 requirements and associated costs from the applicable regional
21 transmission organization or public utility in the state, ~~nor shall~~
22 ~~it limit any party from asserting a right they may otherwise be~~
23 ~~entitled to under Oklahoma law.~~ There shall not be a requirement
24 nor obligation for a public utility to serve any customer receiving

1 electric service from an entity described herein. Further, it shall
2 not limit any party from asserting a right they may otherwise be
3 entitled to under Oklahoma law including filings with the
4 Commission. Additionally, any project pursuant to this act shall be
5 required to utilize a natural gas component in their power
6 generation capacity.

7 SECTION 2. This act shall become effective July 1, 2025.

8 SECTION 3. It being immediately necessary for the preservation
9 of the public peace, health or safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

12

13 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES
14 OVERSIGHT, dated 03/05/2025 - DO PASS, As Amended.

15

16

17

18

19

20

21

22

23

24