

1 ENGROSSED HOUSE
2 BILL NO. 1860

By: Osborn (Leslie) of the
House

3 and

4 Fields of the Senate
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8 An Act relating to utility regulation; amending 17
9 O.S. 2011, Section 180.11, as amended by Section 60,
10 Chapter 304, O.S.L. 2012 (17 O.S. Supp. 2016, Section
11 180.11), which relates to assessments; providing for
12 effect of budgetary limits; providing an effective
13 date; and declaring an emergency.

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

15 SECTION 1. AMENDATORY 17 O.S. 2011, Section 180.11, as
16 amended by Section 60, Chapter 304, O.S.L. 2012 (17 O.S. Supp. 2016,
17 Section 180.11), is amended to read as follows:

18 Section 180.11 A. The Corporation Commission is hereby
19 authorized to assess a fee upon each public utility to provide
20 adequate funding to the Public Utility Division of the Corporation
21 Commission for the regulation of public utilities in this state and
22 for providing for timely and expeditious reviews and completion of
23 rate cases, and increased responsiveness to the needs of consumers
24 and the regulated community.

1 B. 1. The assessment authorized by this section may, after
2 excluding the amount allocated to interexchange telecommunications
3 companies, resellers, pay phone service providers and operator
4 service providers in paragraph 2 of this subsection, be borne by the
5 affected public utilities as follows:

6 a. one-half (1/2) shall be allocated based on that
7 proportion which the total regulated Oklahoma
8 jurisdictional gross operating revenues of each public
9 utility bear to the total regulated Oklahoma
10 jurisdictional gross operating revenues of all public
11 utilities, and

12 b. one-half (1/2) shall be allocated based on that
13 proportion which the total number of regulated
14 Oklahoma jurisdictional customers of each public
15 utility bears to the total number of regulated
16 Oklahoma jurisdictional customers of all public
17 utilities.

18 2. For interexchange telecommunications companies, resellers,
19 pay phone service providers and operator service providers, the
20 allocation may be based on the total regulated Oklahoma
21 jurisdictional gross operating revenues that each interexchange
22 telecommunications company, reseller or operator service provider
23 bears in proportion to the total regulated Oklahoma jurisdictional
24 gross operating revenue of all public utilities as applied to the

1 total amount of the assessment to be collected from all public
2 utilities for each year.

3 C. Any assessment levied pursuant to this section shall be
4 recoverable as an operating expense to the public utility and shall
5 be included in a utility's base rates or basic monthly service
6 charge. The Corporation Commission shall take such action necessary
7 to ensure recovery of the assessment by a public utility during the
8 period for which it is levied.

9 D. The Corporation Commission may provide that each public
10 utility shall pay any assessment levied pursuant to this section on
11 a quarterly basis. Notice of the annual assessment shall be sent by
12 certified mail, return receipt requested, to each public utility.
13 Each public utility shall pay the amount assessed to the Commission
14 for deposit to the Public Utility Regulation Revolving Fund created
15 in subsection E of this section. A public utility may, at its
16 discretion, pay its annual assessment prior to the due date of the
17 quarterly payments.

18 E. Any assessment collected by the Commission pursuant to this
19 section shall be deposited in the Public Utility Regulation
20 Revolving Fund hereby created. The fund shall be a continuing fund
21 not subject to fiscal year limitations and shall consist of the
22 monies received by the Commission from any assessment levied
23 pursuant to the provisions of this section. All monies accruing to
24 the credit of the fund are hereby appropriated and may be budgeted

1 and expended by the Commission to pay the costs, both direct and
2 indirect, of the Public Utilities Division incurred to regulate
3 public utilities. Expenditures from said fund shall be made upon
4 warrants issued by the State Treasurer against claims filed as
5 prescribed by law with the Director of the Office of Management and
6 Enterprise Services for approval and payment.

7 F. The Legislature shall establish budgetary limits for the
8 Public Utility Division of the Corporation Commission. Any
9 assessment levied pursuant to this section shall not exceed the
10 amount of the budgetary limits and indirect costs for related
11 support functions established by the Legislature for any fiscal
12 year. Budgetary limits will stay in effect until superseded by
13 further action of the Legislature.

14 G. For purposes of this section, "public utility" means:

15 1. A public utility as defined by Section 151 of this title,
16 excluding those companies encompassed by paragraph (d) of Section
17 151 of this title;

18 2. Any telephone or telecommunications company subject to
19 Section 131 et seq. of this title, including interexchange
20 telecommunications companies or such other telecommunications
21 companies as defined by OCC Rule OAC 165:55-1-4, resellers as
22 defined by OCC Rule OAC 165:56-1-4 and operator service providers as
23 defined by OCC Rule OAC 165:57-1-4; and

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1 3. Any association or cooperative corporation doing business
2 under the Rural Electric Cooperative Act except for generation and
3 transmission associations or cooperative corporations, or
4 transmission associations or cooperative corporations.

5 H. It is the intention of the Legislature that this entire
6 section is an amendment to and alteration of Sections 18 through 34,
7 inclusive, of Article IX of the Constitution of the State of
8 Oklahoma, as authorized by Section 35 of Article IX of said
9 Constitution.

10 SECTION 2. This act shall become effective July 1, 2017.

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

15 Passed the House of Representatives the 7th day of March, 2017.

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Presiding Officer of the House
of Representatives

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Passed the Senate the ___ day of _____, 2017.

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Presiding Officer of the Senate

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