

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 HOUSE BILL NO. 3970

By: McBride

6  
7 COMMITTEE SUBSTITUTE

8 An Act relating to renewable gas energy; making  
9 certain declaration; declaring legislative intent;  
10 defining terms; establishing Renewable Natural Gas  
11 Option; requiring the Oklahoma Corporation Commission  
12 to promulgate certain rules; providing for  
13 codification; and providing an effective date.

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

15 SECTION 1. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 801.8 of Title 17, unless there  
17 is created a duplication in numbering, reads as follows:

18 A. The Legislature declares that renewable natural gas is a  
19 complement to our state's vast natural gas and renewable energy  
20 resources that can be carbon-neutral or carbon-negative.

21 B. It is further declared the intent of the Legislature to give  
22 Oklahoma energy consumers freedom to choose renewable natural gas  
23 for their fueling, heating, and power needs, and that natural gas  
24 utilities play a unique and necessary role in procuring,

1 transporting and delivering gas, including renewable natural gas, to  
2 Oklahoma energy consumers.

3 C. For purposes of this section:

4 1. "Biogas" means a mixture of carbon dioxide and hydrocarbons,  
5 primarily methane gas, released from the biological decomposition of  
6 waste, including but not limited to, animal manure, wastewater,  
7 municipal solid waste, landfilled waste, fats, oils and greases and  
8 food waste; and

9 2. "Renewable natural gas" means:

10 a. biogas-derived methane gas that is interchangeable  
11 with geologic natural gas,

12 b. hydrogen gas or carbon oxides derived from renewable  
13 energy sources, or

14 c. methane gas derived from any combination of hydrogen  
15 gas or carbon oxides derived from renewable energy  
16 sources, biogas and waste carbon dioxide.

17 D. There is hereby established a Renewable Natural Gas Option.

18 The Oklahoma Corporation Commission shall promulgate rules allowing  
19 natural gas utilities to procure, transport and deliver renewable  
20 natural gas. The rules shall allow natural gas utilities to procure  
21 and transport renewable natural gas, and deliver renewable natural  
22 gas to customers that choose it in full or in part as their energy  
23 option. The rules may allow natural gas utilities to develop  
24 necessary and prudent gas infrastructure and recover the associated

1 investment costs to further the intent of this section. The rules  
2 shall update the state's renewable fuel standard to more proactively  
3 promote biogas, renewable natural gas and hydrogen as solutions for  
4 reducing methane emissions and other environmental problems. In  
5 addition, the rules shall provide for the production of educational  
6 materials to provide Oklahoma residents with information regarding  
7 renewable natural gas and its positive environmental impacts and  
8 benefits.

9 SECTION 2. This act shall become effective November 1, 2020.

10

11 57-2-11521 MAH 02/27/20

12

13

14

15

16

17

18

19

20

21

22

23

24