

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 4097

6 By: Caldwell (Trey)

7 COMMITTEE SUBSTITUTE

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

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;

2. "Incumbent electric transmission owner" means any Oklahoma
electric public utility, as recognized by the Commission, or its

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

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

11 4. "Southwest Power Pool" means the Southwest Power Pool or any
12 federally recognized successor entity.

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

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

24

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

3 2. Upgrades to the existing local electric transmission
4 facilities of the incumbent.

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

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

16 2. Upgrades to the existing local electric transmission
17 facilities of the incumbent.

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

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

- 9 1. A new local electric transmission facility that connects to
10 electric transmission facilities owned by the incumbent; and
11 2. Upgrades to the existing local electric transmission
12 facilities of the incumbent.

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

19 ~~C.~~ E. Nothing in this section is intended to affect an
20 incumbent electric transmission owner's use and control of its
21 existing property rights including the incumbent electric
22 transmission owner's ability to assign its rights to construct, own
23 and maintain a local electric transmission facility described in
24 subsection A of this section. The retention, modification or

1 transfer of existing property rights of an incumbent electric
2 transmission owner and the rights described in subsection A of this
3 section shall remain subject to the relevant state law or regulation
4 recognizing the property right.

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

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

22 B. If an incumbent electric transmission owner or owners give
23 notice of intent not to construct the local electric transmission
24 facility or fail to provide notice as required in subsection A of

1 this section, then the Southwest Power Pool may determine whether
2 the incumbent electric transmission owner or owners or other entity
3 will construct, own and maintain the local electric transmission
4 facility.

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

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

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