An Act

ENROLLED HOUSE
BILL NO. 2845

By: Caldwell (Trey) of the House

and

Green of the Senate

An Act relating to the Retail Electric Supplier Certified Territory Act; amending 17 O.S. 2021, Section 158.25, which relates to exclusive rights within territory; providing for certain retail electric supplier's ability to extend service under certain circumstances; updating statutory references; and providing an effective date.

SUBJECT: Retail Electric Supplier Certified Territory Act

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

SECTION 1. AMENDATORY 17 O.S. 2021, Section 158.25, is amended to read as follows:

Section 158.25 A. Except as otherwise provided herein, each retail electric supplier shall have the exclusive right to furnish retail electric service to all electric-consuming facilities located within its certified territory, and shall not furnish, make available, render or extend its retail electric service to a consumer for use in electric-consuming facilities located within the certified territory of another retail electric supplier; provided that any retail electric supplier may extend its facilities through the certified territory of another retail electric supplier, if such extension is necessary for such supplier to connect any of its facilities or to serve its consumers within its own certified territory.

B. Except as provided in ~~Section 5~~ subsections C and ~~Section 5~~ E of this section, any new electric-consuming facility located in an unincorporated area which has not as yet been included in a map issued by the Commission, pursuant to Section ~~4C(1)~~ 158.24 of this title, or certified, pursuant to Section ~~4 D~~ 158.24 of this title, shall be furnished retail electric service by the retail electric supplier which has an existing distribution line in closer proximity to such electric-consuming facility than is the nearest existing distribution line of any other retail electric supplier. Any disputes under this ~~Section 5 B~~ subsection shall be resolved by the Commission.

C. If the Commission, after hearing, shall determine that the retail electric service being furnished or proposed to be furnished by a retail electric supplier to an electric-consuming facility is inadequate and is not likely to be made adequate, the Commission may authorize another retail electric supplier to furnish retail electric service to such facility.

D. Except as provided in ~~Section 5~~ subsection C of this section, no retail electric supplier shall furnish, make available, render or extend retail electric service to any electric-consuming facility to which such service is being lawfully furnished by another retail electric supplier on ~~the effective date of this act~~ September 10, 1971, or to which retail electric service is lawfully commenced thereafter in accordance with this section by another retail electric supplier.

E. The provisions of this act shall not preclude any retail electric supplier from extending its service after ~~the effective date of this act~~ September 10, 1971, (1) to its own property and facilities, in an unincorporated area, and (2) subject to ~~Section 5~~ subsection D of this section, to an electric-consuming facility requiring electric service, in an unincorporated area, if the connected load for initial full operation of such electric-consuming facility is to be 1,000 kw or larger.

F. To achieve the purposes of efficient, cost-effective retail electric service without duplication of electric facilities and to avoid unfairly shifting costs to residential consumers, retail electric service providers are required to establish and utilize rate tariffs which are specifically applicable to a rate class of customers composed of electric consuming facilities being served in accord with the 1,000 kw size exception found in subsection E of this section and located outside the retail electric service

provider's certified territory. These tariffs may be for a specific electric consuming facility or for a class of electric consuming facilities taking service under this provision. For retail electric service providers that are rate-regulated by the Commission, the rates supporting this rate class shall be determined in the rate-regulated service provider's most recent rate proceeding. Rates for this rate class shall be designed to recover (i) the costs of extending service to the competitive load of electric consuming facilities of 1,000 kw or larger located outside the retail electric service provider's certified territory; and (ii) the allocated share of other costs associated with providing service to the electric consuming facility. Such tariffs shall be cost-of-service based and shall not subsidize other rate classes or be subsidized by other rate classes. Unless costs of extending service to such a new load are collected from the customer, those costs shall be included in the cost of service study in the next rate proceeding. If the electric service provider, in whose certified territory the competitive load is seeking electric service, chooses in writing not to compete for said competitive load or does not respond within thirty (30) days of receiving written notice by the customer, the terms of this subsection shall not apply.

SECTION 2. This act shall become effective November 1, 2023.

Passed the House of Representatives the 22nd day of March, 2023.

Presiding Officer of the House
of Representatives

Passed the Senate the 19th day of April, 2023.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 20th
day of April, 2023, at 3:15 o'clock p. M.
By: Summer Cerny

Approved by the Governor of the State of Oklahoma this 26th
day of April, 2023, at 1:11 o'clock p. M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 26th
day of April, 2023, at 3:02 o'clock P M.
By: Brian Bingman