

An Act

ENROLLED SENATE
BILL NO. 1456

By: Griffin of the Senate

and

Turner, Echols, Jackson,
Newell, Schwartz, Murphey,
Brumbaugh, Pittman,
Rousselot and Fisher of the
House

An Act relating to public utilities; amending 17 O.S. 2011, Section 156, which relates to distributed generation costs; defining terms; modifying prohibition relating to recovery of certain fixed costs from electric customers utilizing certain distributed generation; prohibiting subsidization of certain costs among customer class; requiring rate tariff adjustment by certain date; and providing an effective date.

SUBJECT: Electrical power distribution requirements

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

SECTION 1. AMENDATORY 17 O.S. 2011, Section 156, is amended to read as follows:

Section 156. A. As used in this section:

1. "Distributed generation" means:

a. a device that provides electric energy that is owned, operated, leased or otherwise utilized by the customer,

- b. is interconnected to and operates in parallel with the retail electric supplier's grid and is in compliance with the standards established by the retail electric supplier,
- c. is intended to offset only the energy that would have otherwise been provided by the retail electric supplier to the customer during the monthly billing period,
- d. does not include generators used exclusively for emergency purposes,
- e. does not include generators operated and controlled by a retail electric supplier, and
- f. does not include customers who receive electric service which includes a demand-based charge.

2. "Fixed charge" means any fixed monthly charge, basic service, or other charge not based on the volume of energy consumed by the customer, which reflects the actual fixed costs of the retail electric supplier.

3. "Retail electric supplier" means an entity engaged in the furnishing of retail electric service within the State of Oklahoma and is rate regulated by the Oklahoma Corporation Commission.

B. No ~~public utility~~ retail electric supplier shall increase rates charged or enforce a surcharge on the basis of the use or installation of a solar energy device by a consumer above that required to recover the full costs necessary to serve customers who install distributed generation on the customer side of the meter after the effective date of this act.

C. No retail electric supplier shall allow customers with distributed generation installed after the effective date of this act to be subsidized by customers in the same class of service who do not have distributed generation.

D. A higher fixed charge for customers within the same class of service that have distributed generation installed after the effective date of this act, as compared to the fixed charges of those customers who do not have distributed generation, is a means to avoid subsidization between customers within that class of service and shall be deemed in the public interest.

E. Retail electric suppliers shall implement tariffs in compliance with this act no later than December 31, 2015.

SECTION 2. This act shall become effective November 1, 2014.

Passed the Senate the 12th day of March, 2014.

Presiding Officer of the Senate

Passed the House of Representatives the 14th day of April, 2014.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____