An Act relating to renewable gas energy; making certain declaration; declaring legislative intent; defining terms; requiring the Oklahoma Corporation Commission to issue a report and recommendations to the Legislature by a certain date; providing for codification; and providing an effective date.

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

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

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

B. It is further declared the intent of the Legislature to ensure renewable natural gas is allowable in the portfolio of natural gas utilities on behalf of Oklahoma energy consumers for their fueling, heating, and power needs, and that natural gas utilities play a unique and necessary role in procuring,
transporting and delivering gas, including renewable natural gas, to Oklahoma energy consumers.

C. For purposes of this section:

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

2. "Renewable natural gas" means:
   a. biogas-derived methane gas that is interchangeable with geologic natural gas,
   b. hydrogen gas or carbon oxides derived from renewable energy sources, or
   c. methane gas derived from any combination of hydrogen gas or carbon oxides derived from renewable energy sources, biogas and waste carbon dioxide.

D. The Oklahoma Corporation Commission shall, no later than December 1, 2020, issue a report and recommendations to the Legislature regarding the ability and appropriateness of natural gas utilities to procure, transport and deliver renewable natural gas to customers. The report shall address a recommendation for the state's renewable fuel standard or goal to more proactively promote biogas, renewable natural gas and hydrogen as solutions for reducing methane emissions and other environmental problems. The report
shall also discuss the methods for recovery of associated costs from ratepayers, such as transport infrastructure and commodity costs. The report shall also address the production of educational materials to provide Oklahoma residents with information regarding renewable natural gas and its positive environmental impacts and benefits. The report shall also discuss future reporting requirements for all producers so the Commission can report progress annually to the Legislature. The report shall be due to the Legislature no later than December 1, 2020.

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

Passed the House of Representatives the 11th day of March, 2020.

Presiding Officer of the House of Representatives

Passed the Senate the ___ day of _______, 2020.

Presiding Officer of the Senate