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Senator Micheal Bergstrom  
2300 N Lincoln Blvd, Room 412  
Oklahoma City, Oklahoma 73105

Dear Senator Bergstrom:

As you may expect, I am writing to ask for your support of a change in public policy. But first allow me to thank you for your service to the State of Oklahoma and for your dedication to improving the lives of your constituents and bettering our beloved state. Like you, as a legislator and then state officer, I worked hard every day to better my district and state. I can attest this shared dedication to our citizens and state does not cease once one retires from public service to reenter the private sector. It is for this reason I hope you will give our coalition the opportunity to share information on the policy change we are pursuing in House Bill 4097, also known as the Oklahoma State Transmission Accountability and Reliability Act (“STAR Act”). HB 4097 ensures reliability and affordability of critical infrastructure for Oklahomans through state accountability and will prove beneficial to our citizens and state.

The bill passed the House with a strong margin because representatives saw through the lobby strategy to characterize this bill as anticompetitive by disingenuously arguing it is a true ROFR bill as introduced in other states. It is not. This legislation is an Oklahoma centric solution to a federally created problem and could well become the model for other states. It returns authority to the state while retaining the competitive intent of the federal order. The bill requires a competitive bidding process to ensure the lowest reasonable priced projects are constructed and provides assurance that regulated utilities will be fully accountable to the Oklahoma Corporation Commission (“Commission”) for reliability and performance of the transmission delivery system.

Currently, there is much misinformation about the bill, some of it unintentional as the electric industry can be complex. But while the industry can be complex, this bill does not have to be. The bill is about well understood Oklahoma bedrocks: federalism and state’s rights, market forces and competition, and most important, accountability. This bill simply restores to Oklahoma the state regulatory oversight that was stripped during the Obama-Biden Administration through FERC Order 1000, while retaining the competitive element of that order. Again, much of the misinformation centers around the assertion that HB 4097 will stifle competition. While false because this bill’s competitive bidding process is built upon a proven model already in use at the Commission, it should not be lost that policymakers have long understood that regulated electric companies are the most economically efficient way to produce affordable, reliable electricity. Not to go down the deregulation rabbit hole, but Texas is no role model.

The STAR Act returns oversight authority to the State of Oklahoma by requiring the competitive bidding process for new large electric transmission lines is overseen by the statewide-elected Corporation Commissioners. Today, the competitive bidding process occurs under federal authority with no oversight from the Commission. The results of that process stand to increase

costs for Oklahoma customers. Yet there is currently little Oklahomans and our elected Commissioners, can do at the state level to limit the impact of this federal overreach. The STAR Act takes back control from the federal government through a state-administered competitive bidding process that allows the Commission to make sure the lowest reasonable cost projects are built.

The STAR Act also increases accountability over critical transmission infrastructure and ensures regulated utilities will answer to the Commission and customers for reliability performance instead of trusting out-of-state or foreign transmission companies that have no retail customers or regulatory oversight in Oklahoma. The integrity and reliability of critical electric infrastructure is of paramount concern for customers, especially as we face a growing reliance on electricity to power our vibrant state economy and protect it against significant threats from extreme weather and physical and cyber security concerns. By ensuring the buck stops with regulated utilities like OG&E, the STAR Act avoids a patchwork grid of accountability by closing regulatory loopholes created by the federal process. Instead, the legislation places accountability firmly in the hands of Oklahoma's elected Commissioners, ensuring that regulated utilities are fully accountable to the people of Oklahoma. In my time working with state elected officials and the people they represent, rarely have I found them to believe a federal government solution is better than an Oklahoma one.

I respectfully ask you to support the STAR Act (HB 4097) to protect Oklahoma customers. OG&E is a trusted partner and vital engine of Oklahoma's economic growth. Since 1902, our company has provided customers with safe, reliable energy to power their homes and businesses. Our rates continue to be some of the most affordable rates in the nation. At the end of 2023, Oklahoma's electric rates ranked fourth lowest in the entire country according to data of the U.S. Energy Information Administration. Let's keep our affordable rates and proven reliability by passing the STAR Act to guarantee our customers benefit from competitive bidding while also ensuring our state has the proper oversight of this critical infrastructure – today, tomorrow, and well into the future.

Respectfully,

Ken Miller  
Vice President, Public and Regulatory Affairs