

**FY 2025 Budget Performance Review
185 Oklahoma Corporation Commission**

Version Original
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Agency Mission

Ensure responsible and safe development of oil and gas resources; ensure reliable utility service at fair rates; ensure safe and legal operation of motor carriers, pipelines, rail crossings, and fueling stations; and ensure prevention and remediation of energy-related pollution of the environment, while balancing the rights and needs of the people with those of regulated entities through development and enforcement of regulations in an open, transparent, ethical, and just manner.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Administrative, Judicial, and Legal Services

The Administrative, Judicial and Legal Services Division (AJLS) contains the offices of the Commissioners and the Director of Administration, as well as Administrative Services and Judicial and Legal Services. The Director of Administration is appointed by the three elected Commissioners to assist in facilitating necessary actions to ensure the success of the agency's mission. The Director of Administration's staff consists of the public information office and agency counsel. Administrative Services staff has the overall responsibility of providing financial, human resources, technological, and mailing/copying services to the entire agency. Judicial and Legal Services consists of the Commission's court clerk, administrative law judges, attorneys, court reporters, and administrative and support personnel. Judicial and Legal Services is responsible for maintaining all documents filed of record with the Commission and for fulfilling the Commission's constitutional and statutory court of record duties, ensuring the opportunity for fair and open hearings in all legislative and judicial matters. In FY18, this program was created from the consolidation of Administration, Office of Administrative Proceedings, and Office of General Counsel divisions to promote efficiencies and obtain cost savings for the agency.

Petroleum Storage Tank Division

The Petroleum Storage Tank Division (PSTD) administers the federal underground storage tank (UST) program in lieu of federal regulation, including operating requirements and technical standards for storage tank design and installation, leak detection, inspections and enforcement, closure, responding to spills and leaks, and licensing of storage tank professionals. The Division also has environmental oversight of corrective action measures or remediation plans at contaminated sites where a product release from a petroleum storage tank has occurred. PSTD administers the Petroleum Storage Tank Release Indemnity Fund, which ensures funds are available to mitigate environmental, health and safety threats to the public when a release occurs. PSTD also administers the Leaking Underground Storage Tank (LUST) Trust Fund, which provide funding for remediation of pollution caused by product releases from petroleum storage tanks for which there is no owner. PSTD's inspection program provides consumer protection by: checking fuel dispensers (i.e. "gas pumps") for the presence of water and the quality of fuel sold, measuring the octane rating and accuracy of fuel dispensers, verifying the amount advertised is the same amount on the dispenser, verifying that signs are posted to inform motorists which dispensers are designated for ethanol blended fuels, and responding to consumer complaints regarding fuel purchases.

Oil and Gas Conservation Division

The Oil and Gas Conservation Division (OGCD) enforces agency rules, regulations and orders involving oil and gas exploration and production in Oklahoma. OGCD also provides information, permitting, investigation, and compliance services to the oil and gas industry, mineral interest owners, landowners, and the general public to protect correlative rights and prevent waste of the oil and gas resources of the State, while protecting the environment and ensuring public safety.

Public Utility Division

The Public Utility Division (PUD) administers and enforces agency rules, regulations, and orders involving electric, gas, water, and telecommunications service providers, as well as cotton gins, wind energy facilities, and electric vehicle charging stations; promotes efficiency, innovation, and technological growth among regulated utilities and the program area companies; balances the interest of the regulated companies with those of all other stakeholders; administers the Oklahoma Universal Services Fund and Oklahoma Lifeline Fund; recommends designation of eligible telecommunications carriers; regulates providers of lifeline phone services; and supports regulatory decisions that are in the public interest and result in the most reasonable cost for safe and reliable service.

Transportation Division

The Transportation Division (TRN) provides overall management, direction and supervision of the administration and enforcement of motor carrier, passenger carrier, at-grade rail crossing safety, and pipeline safety regulatory activities within the State of Oklahoma. Transportation operates Oklahoma's Ports of Entry (POEs) and Weigh Stations.

Information Services

Office of Management and Enterprise Services- Information Services Division (OMES-ISD) provides technology support and services for the Commission. Responsibilities include: developing new systems and enhancements to existing database application systems; maintaining disaster recovery efforts of production systems; imaging of documents and mapping capabilities corresponding to GPS and GIS; coordinating video teleconferencing; maintaining electronic messaging and internet capabilities through the Commission's web page; and user support.

FY'24 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
10	Administrative, Judicial & Legal Services	\$607,298	\$189,431	\$13,144,027			\$13,940,756
15	Petroleum Storage Tank		\$1,441,758	\$4,732,970			\$6,174,728
20	Oil and Gas	\$9,277,777	\$21,879,962	\$9,203,700			\$40,361,439
40	Public Utility			\$6,213,756			\$6,213,756
60	Transportation	\$3,644,180		\$20,932,654			\$24,576,834
88	Information Technology	\$5,300,000		\$8,560,490			\$13,860,490
Total		\$18,829,255	\$23,511,151	\$62,787,597	\$0	\$0	\$105,128,003

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department:

FY'23 Carryover by Funding Source

Class Fund #	Carryover Class Fund Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
57901	General Revenue Fund - Duties	\$20,518					\$20,518

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

What changes did the agency make between FY'23 and FY'24?

1.) Are there any services no longer provided because of budget cuts?

OCC has not received any budget cuts during these fiscal years and was supported by the legislature in a partial appropriations award to properly fund our Oil and Gas Division.

2.) What services are provided at a higher cost to the user?

None- OCC's last fee increases were in October 2018, except for 2 fees added to the Public Utility Division in FY23 for electric vehicle charging stations and renewable energy recycling facilities.

3.) What services are still provided but with a slower response rate?

None- OCC has actually improved response time for stakeholders. Oil and gas field services will still seek additional funding for FY25 to meet their need.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Yes, OCC provided increases for our Oil and Gas Division that were supported by the appropriation increase of the legislature. OCC has also completed market salary surveys and made appropriate adjustments to salaries to get closer to market minimums.

FY'25 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
10	Administrative, Judicial & Legal Services	\$1,492,028	\$189,431	\$13,144,027	\$0	\$14,825,486	6.35%
15	Petroleum Storage Tank	\$199,712	\$1,441,758	\$4,732,970	\$0	\$6,374,440	3.23%
20	Oil and Gas	\$10,747,521	\$21,879,962	\$9,203,700	\$0	\$41,831,183	3.64%
40	Public Utility	\$273,550	\$0	\$6,213,756	\$0	\$6,487,306	4.40%
60	Transportation	\$4,777,426	\$0	\$20,932,654	\$0	\$25,710,080	4.61%
88	Information Technology	\$5,300,000	\$0	\$8,560,490	\$0	\$13,860,490	0.00%
Total		\$22,790,237	\$23,511,151	\$62,787,597	\$0	\$109,088,985	3.77%

1. Please describe source(s) and % of total of "Other" funding for each department:

FY'25 Top Five Operational Appropriation Funding Requests

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:	Properly funding the Oil and Gas Division	\$1,469,744
Request 2:	Provide adequate and competitive salaries for OCC Personnel	\$2,241,238
Request 3:	Provide sufficient funding for the weigh station improvement fund to properly maintain facilities ***(\$6,000,000 appropriation on behalf of ODOT)***	\$0
Request 4:	Request for additional personnel to assist with the significant increase in public information requests	\$250,000
Request 5:	N/A	
Top Five Request Subtotal:		\$3,960,982
Total Increase above FY-24 Budget (including all requests)		\$ 3,960,982
Difference between Top Five requests and total requests:		\$0

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

N/A

How would the agency be affected by receiving the same appropriation for FY '25 as was received in FY '24? (Flat/ 0% change)

OCC will maintain critical services and cover most new or arising issues through efficiencies gained by agency modernization.

How would the agency handle a 2% appropriation reduction in FY '25?

OCC would prioritize ongoing projects that would reduce efforts to impact stakeholders as little as possible.

Is the agency seeking any fee increases for FY '25?

	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	\$50	No
Increase 2		
Increase 3		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		
Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
<p>Priority 1 Energy Permitting: Improve Oil & Gas digital permitting, including stakeholder portals, search functionality, real time updates and customer notifications, historical record search on modern website platform, electronic filing/payments of reports and orders.</p>	<p>Current technology projects are being supported with the increased appropriation level the agency has received since FY20. OCC is requesting no additional funding, but that the same baseline appropriations be maintained.</p>	
<p>Priority 2 Infrastructure Improvements: Hardware and software upgrades, OMES data compliance and standardization, Cloud Computing, agency data security, disaster recovery, business continuity planning, safety training and future needs assessment planning.</p>		

Federal Funds							
CFDA	Federal Program Name	Agency Dept. #	FY 24 budgeted	FY 23	FY 22	FY 21	FY 20
20.700	Gas Grant Program- Hazardous Liquid Program and Underground Gas Storage Program- Transportation Division- Pipeline Safety	6000004, 8860460	\$ 3,605,224	\$ 2,732,292	\$ 1,841,673	\$ 1,691,712	\$ 1,738,107
66.804	State Underground Storage Tanks Program (Prevention)- Petroleum Storage Tank Division	1500003	\$ 531,160	\$ 471,305	\$ 514,015	\$ 491,464	\$ 494,719
66.805	Leaking Underground Storage Tank Trust Fund Program (Corrective Action)- Petroleum Storage Tank Division	1500003, 1500005	\$ 910,598	\$ 933,252	\$ 990,726	\$ 712,914	\$ 639,315
66.433	Underground Injection Control- Oil and Gas Conservation Division	2100001	\$ 451,292	\$ 390,266	\$ 168,581	\$ 315,102	\$ 212,784
66.817	State & Tribal Response Program- Brownfields- Oil and Gas Conservation Division - RP01F50801	2000005	\$ 243,006	\$ 234,098	\$ 211,116	\$ 163,626	\$ 185,191
66.817	State & Tribal Response Program- Brownfields- Bipartisan Infrastructure Bill - 4W02F23201	2000005	\$ 454,096	\$ 28,584	N/A	N/A	N/A
66.204	Brown Dolomite UIC Multipurpose Grant- Oil and Gas Conservation Division	2000001	\$ -	\$ -	N/A	\$ 27,905	\$ 37,368
66.204	Brown Assessment Multipurpose Grant	2000001	\$ -	\$ -	\$ 1,217	\$ 28,950	N/A
66.818	Brownfields Multipurpose Assessment- Okemah - BF01F88901	2000005	\$ 133,753	\$ 23,998	\$ 159,947	\$ 1,300	N/A
66.818	Brownfields Assessment- Oklahoma - BF02F16501	2000005	\$ 150,000	\$ 9,813	N/A	N/A	N/A
15.018	Bipartisan Infrastructure Law- Orphaned well program (initial block grant) - D22AP0016600001	2000002	\$ 20,056,664	\$ 2,243,110	N/A	N/A	N/A
15.018	Orphaned Well Site Plugging, Remediation and Restoration (next phase- formula grant)	2000002	\$ -	\$ -	N/A	N/A	N/A

Federal Government Impact	
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?	None.
2.) Are any of those funds inadequate to pay for the federal mandate?	Not applicable.
3.) What would the consequences be of ending all of the federal funded programs for your agency?	This could significantly affect the ability to maintain state oversight for the Underground Injection Control program; monitor and remediate leaking underground storage tanks; provide Universal Service to rural and low-income broadband customers; monitor and inspect pipelines; monitor and inspect underground gas storage facilities; and pose serious potential threats to human health and the environment.
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?	The agency does not know the extent of future cuts at this time.
5.) Has the agency requested any additional federal earmarks or increases?	No.

FY 2024 Budgeted FTE							
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
10	Administrative, Judicial & Legal Services *Includes 3 elected Commissioners	25	83	0	39	48	21
15	Petroleum Storage Tank*	8	31	0	26	11	2
20	Oil and Gas*	23	121	0	71	67	6
40	Public Utility	12	37	0	25	22	2
60	Transportation	45	204	0	209	37	3
* Currently one employee is Director over Division #15 & 20.							
Total		113	476	0	370	185	34

FTE History by Fiscal Year							
Division #	Division Name	FY 2024 Budgeted	FY 2024 YTD	FY 2023	FY 2022	FY 2021	FY 2016
10	Administrative, Judicial & Legal Services *Includes 3 elected Commissioners	108.0	100.0	110.0	107.0	110.0	104.0
15	Petroleum Storage Tank	39.0	36.0	39.0	39.0	41.0	44.0
20	Oil and Gas	144.0	127.0	137.0	137.0	130.0	123.0
40	Public Utility	49.0	47.0	58.0	58.0	58.0	55.0
60	Transportation*	249.0	209.0	253.0	247.0	246.0	160.0
*The delay in opening Bryan County port of entry is the reason for multiple vacancies in this division. Anticipated open date is October 2023.							
Total		589.0	519.0	597.0	588.0	585.0	486.0

Performance Measure Review					
Program Name	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Please reference agency program workbook for key performance measures.					

Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'21-23 Avg. Revenues	FY'21-23 Avg. Expenditures	June '23 Balance
20200 - OCC Revolving Fund			
General operating fund of OCC.	\$9,304,338	\$9,368,840	\$6,005,654
20500 - Indemnity Fund			
To fund the administrative and remediation cost of the Indemnity Fund Program. To fund the payroll cost of the PSTD regulatory fuel inspection function.	\$4,870,731	\$4,869,512	\$86,867
21000 - U.S.T. Revolving Fund			
May be budgeted and expended for the provisions of the Oklahoma Storage Tank Regulation Act, including direct and indirect costs.	\$434,448	\$268,426	\$650,341
21500 - Well Plugging Fund			
To fund the steps it takes to address abandoned wells in need of plugging when discovered by the Oil and Gas Program. This fund is not used for general operations.	\$2,391,044	\$3,117,741	\$1,381,689
22000 - Public Utility Assessment			
To provide adequate funding for the regulation of public utilities. The agency uses these funds for both the direct and indirect costs related to the Public Utility Program.	\$7,581,806	\$6,906,731	\$3,342,275
22500 - L.U.S.T. Trust Revolving Fund			
To provide support to the leaking underground storage tank effort by the Petroleum Storage Tank Program.	\$780,163	\$389,632	\$2,838,085
23000 - Oil and Gas Revolving Fund			
To provide a fund for deposit of monies collected relating to oil and gas industry activities in Oklahoma, which support the expenses related to the regulation of that industry. The fund is allowed to pay both direct and indirect expenses relating to the Oil and Gas Program.	\$6,260,610	\$6,015,673	\$6,295,118
24500 - Trucking One Stop Shop Revolving Fund			
To provide a fund for deposit of monies collected pursuant to the Trucking One Stop Shop Act. These funds aid in the costs related to registration and enforcement of the commercial trucking industry in Oklahoma. The funds can only be used to cover expenditures related to the Trucking One Stop Shop Act.	\$19,159,006	\$19,480,858	\$9,008,556
25000 - Pipeline Enforcement Fund			
To provide a fund for deposit of monies collected relating to pipeline activities in Oklahoma. These funds are collected based on the penalties assessed for willfully and knowingly damaging pipeline transportation systems. The fund was activated in FY17.	\$166,750	\$0	\$505,547

FY 2024 Current Employee Telework Summary						
Agency Location / Address	City	County	Full-time and Part-time Employees (#)			
			Onsite (5 days onsite, rarely remote)	Hybrid (2-4 days onsite weekly)	Remote (1 day or less weekly onsite)	Total Employees
PORT OF ENTRY - BECKHAM COUNTY / 16866 I-40 East	Erick	Beckham	21	0	0	21
PORT OF ENTRY - KAY COUNTY / 12925 N. I-35	Braman	Kay	20	0	0	20
PORT OF ENTRY - SEQUOYAH COUNTY / 480155 I-40	Muldrow	Sequoyah	22	0	0	22
PORT OF ENTRY - LOVE COUNTY / 11453 I-35	Marietta	Love	26	0	0	26
WEIGH STATION / 1100 East Main Street	Boise City	Cimarron	5	0	0	5
WEIGH STATION / 3214 Hwy 6975	Colbert	Bryan	13	0	0	13
WEIGH STATION / 53230 S I-35	Davis	Murray	6	0	0	6
WEIGH STATION / I-40 Mile Marker 140	El Reno	Canadian	10	0	0	10
WEIGH STATION / 1657 US 271 Hwy	Hugo	Choctaw	7	0	0	7
Will Rogers Building & ODOT / 2401 North Lincoln	Oklahoma City	Oklahoma	71	226	2	299
Oil & Gas District 1 / 115 W. 6th Street	Bristow	Creek	17	0	0	17
Oil & Gas District 2 / 101 S. 6th Street	Kingfisher	Kingfisher	21	0	0	21
Oil & Gas District 3 / 1111 W. Willow	Duncan	Stephens	20	0	0	20
Oil & Gas District 4 / 1318 Craddock Road	Ada	Hughes	20	0	0	20
Tulsa Office / 201 W. 5th Street	Tulsa	Tulsa	0	4	3	7
Unspecified Location remote working not at WRB			0	0	4	4
Total Agency Employees						518