



Oklahoma Corporation Commission

STRATEGIC PLAN FY21-FY26

OCTOBER 1, 2020

SUBMITTED BY: TIM RHODES, DIRECTOR OF ADMINISTRATION/APPOINTING AUTHORITY

Agency Introduction

The **Oklahoma Corporation Commission (OCC)** is charged with balancing the rights and interests of Oklahoma residents and industries. The Commission regulates a wide range of activities in four core program areas: (1) Oil and gas drilling and production; (2) Public utility and telecommunications; (3) Motor carrier, rail, underground natural gas storage and pipeline transportation and (4) Petroleum storage tanks.

Founded in **1907** by [article 9 of the Oklahoma Constitution](#), this agency now encompasses the following divisions:

1. Oil and Gas Conservation Division
2. Petroleum Storage Tank Division
3. Public Utility Division
4. Transportation Division
5. Administrative, Judicial and Legislative Services Division

The OCC develops and enforces regulations that affect approximately 359 public utilities; 7,900 motor carriers and 4 million trucks; 3,000 oil and gas operators and 4,300 motor fuel facilities. It is responsible for overseeing broadband service funding to approximately 550 school districts, 180 libraries and 484 healthcare providers. Additionally, the agency oversees the operation of approximately 190,000 active oil, gas and underground injection wells; 50,000 miles of natural gas and hazardous liquids pipelines; 13 underground natural gas storage facilities; 170,000 miles of electric distribution lines; 11,000 petroleum storage tanks; 36,000 motor fuel dispensers and 3,800 railroad crossings.

Agency Vision, Mission, and Values

Vision: To be a trusted, effective agency that works collaboratively with industry and consumers to accomplish its Mission in a way that protects people and the environment, ensures responsible development of natural resources, improves quality of life, promotes continued economic development, and holds both itself and the industries it regulates accountable to the residents of Oklahoma.

Mission: Empowering Oklahoma by :

- ensuring responsible development of oil and gas resources, safe and reliable utility services at fair rates, safe and legal operation of motor carriers, pipelines, railroad crossings, and fueling stations and timely licensing and registration of commercial motor vehicles; preventing energy-related pollution of the environment; while
- balancing the rights and interests of the public with those of regulated entities through development and enforcement of regulations in an open, transparent, ethical, and just manner.

Core Values:

- 1. Teamwork:** We strive for diversity and inclusion in all ways. Success depends on all of us. We strive to take care of ourselves, care for those around us, and support others across the agency. We seek to maintain a positive, supportive, balanced, and healthy workplace for all employees.
- 2. Customer Service:** We are all the face of the agency; our actions affect our collective reputation. We are here to serve people – solve problems with service in mind.
- 3. Accountability:** We enforce the rules and statutory mission of the agency. We support our commissioners and empower them to represent all Oklahomans by being accountable. We are good stewards of the resources entrusted to us. We are accountable for our actions and how they affect others. If we see an unsafe or illegal act it is our job to take action.
- 4. Innovation and Improvement:** We are willing to embrace change. We are willing to teach and learn new skills. We learn from our past, embrace the present and innovate for the future. We don't let the perfect become the enemy of progress.

Agency Strategic Goals

	5-Year Agency Goals		1-Year Agency Goals
1	Improve employee satisfaction and engagement by showing ongoing appreciation and support for staff, while continuing to develop their skills.	1.1	Increase employee satisfaction and engagement ratings
2	Place the right people with enhanced skillsets in the right jobs with appropriate technology to provide quicker and more meaningful customer satisfaction.	2.1	Improve customer experience ratings
3	Match revenues and expenses realistically while being responsible and compliant with laws and standards, thereby improving stakeholder confidence and accountability to all served by the OCC.	3.1	Resolve reported audit findings within 180 days of notification
		3.2	Maintain 10% or below variance in revenue projections and budget-to-actuals
4	Proactively communicate internally and externally to promote transparency, improve results and efficiencies, and enhance stakeholders' confidence in OCC.	4.1	Implement and promote a communications mechanism, OCC Homepage, a SharePoint site that replaces the intranet to improve internal communication to employees
		4.2	Increase and improve stakeholder outreach and communication through GovDelivery notices, social media platforms, and other digital tools.
5	Improve employee health and safety so employees feel secure doing their jobs.	5.1	Identify areas of safety concerns agency-wide and resolve the highest priority concerns
6	Manage for the future by investing in information systems as well as business and accounting controls necessary to support transparent, accountable, meaningful and reasonable processes and results.	6.1	Continue to invest in the development of agency-wide enterprise system
		6.2	IMS phased-implementation

Major Initiatives and Reform Efforts for FY21 and FY22

❖ Streamlined customer interactions

- ❖ Renovations complete for a One-Stop Shop to allow customers to complete transactions in a single location on the first floor.
- ❖ The One-Stop Shop will reduce customer foot traffic between floors within the building for a singular transaction.
- ❖ This also improves security for employees.
- ❖ The One-Stop Shop will have a payment window to allow customers who prefer in-person transactions to pay for applications and fees.

❖ Review of existing legislation and agency rules

- ❖ Continued review of all statutes and Commission rules, division by division, to eliminate redundancies, out of date provisions, and improve regulatory efficiency.

❖ Information Management System (IMS)

- ❖ Contractor My Consulting Group is building an agency-wide software system, providing detailed revenue tracking, expediting and streamlining account reconciliation.
- ❖ The project has phases, allowing the most-critical functions to be prioritized for development.
- ❖ Recently added [Laserfiche software](#), systematizing document scanning and automating workflow, particularly from the Court Clerk's office.
- ❖ The system will eventually integrate the agency's court docket system and electronic permitting for oil and gas operators.
- ❖ The software will allow the agency to display on its website financial metrics as dashboards, similar to the [Open Checkbook](#) initiative.

❖ Stabilizing existing technology and improving security

- ❖ CARES Act funding will provide the means to upgrade the agency's 11-year old website.
- ❖ OCC is working with OMES to upgrade its servers to protect critical agency data.

FY20-FY21 Accomplishments and Challenges

TOP ACCOMPLISHMENTS

- 1) Eliminated backlog on drilling permit applications (from 200+).
- 2) Reorganized Oil & Gas district coverage, resulting in increased service to key parts of the state and increased inspection.
- 3) Consolidated efforts to streamline bidding process to plug abandoned oil and gas wells.
- 4) Upgraded equipment to allow for live-streaming court proceedings; began using cloud-based applications (Office 365) facilitating remote work.
- 5) Quickly moved to remote working environment (COVID-19) with minimal impact to many stakeholders.
- 6) Implemented a training program to support staff as the agency progresses with its digital transformation.
- 7) Standardized forms agency-wide as part of the IMS Phase 1 development and implementation to streamline application processing and payment tracking by utilizing barcodes for faster, electronic routing.
- 8) Planning continues on IMS Phases 2, 3 and 4, representing the peak of digital transformation efforts and expenditures.
- 9) Remodeling court clerk area into a One-Stop Shop for customers to improve customer satisfaction and employee safety within Jim Thorpe building.
- 10) Began enforcing the [Underground Damage Prevention](#) Act (Transportation).
- 11) Streamlined processes related to [OUSF Primary support](#) that has resulted in major fiber broadband expansion throughout Oklahoma.

CURRENT AND UPCOMING CHALLENGES

- 1) Expected revenue decline due to falling oil and gas exploration and production.
- 2) Issues with budget, logistics, and staffing related to COVID-19, including managing emergency internet bandwidth requests and utility disconnections.
- 3) Ensuring staff are successfully using remote working tools like Office 365, as well as embracing workflow changes necessary for the agency's digital transformation.
- 4) Serving customers who are not comfortable doing business online.
- 5) Pending legislation or agency consolidation, and possible impact of same on stakeholders.
- 6) Receiving timely resolution to staff's desktop/laptop computer issues.
- 7) Maintaining procedures in OUSF that work with the changes in the [Federal USAC Programs](#).
- 8) Difficulties operating in an old building that requires building management changes to accommodate modern, temperature-sensitive equipment.

Agency Key Performance Metrics

Agency Key Performance Metrics							
Metric	FY16	FY17	FY18	FY19	FY20	FY21 YTD	FY26 Target
1 IT INVESTMENT: Invest in the development of agency-wide enterprise system and agency's IT infrastructure Metric: % of budget dedicated to digital transformation	9%	6%	6%	8%	13%	17%	7%
2 CUSTOMER EXPERIENCE: Improve customer experience ratings Metric: % of stakeholder satisfaction (measured across all divisions)	N/A	N/A	N/A	N/A	N/A	65%	85%
3 STAKEHOLDER INTERACTION: Increase engagement by website visitors, GovDelivery notices opened and number of followers on social media platforms. Metric: % of stakeholder engagement on multiple platforms	N/A	N/A	N/A	10%	17%	25%	50%
4 EMPLOYEE SUPPORT: Increase employee satisfaction and engagement ratings Metric: % of employee satisfaction Metric: % of employee engagement	N/A N/A	N/A N/A	N/A N/A	N/A N/A	79% 82%	82% 85%	95% 95%
5 STATUTE REFORM: Review agency rules and statutes to align with technology updates and market conditions Metric: Number of rulemakings filed for consideration	11	19	15	23	12	15	30

Analysis of Expected Changes in Services

#	Reason for Change in Services (Statute Name & Statute Reference or Brief Description of Circumstance)	Service Changes Expected (Briefly describe expected changes to services and how it will impact residents/customers and the agency.)
1	Statute updates to reflect changes within industry, technology, etc. which may impact OCC services and job descriptions	Statutes may need to be changed to better align with the ongoing needs of both of both OCC stakeholders and agency staff , and ensure job descriptions meet current and future needs.
2	Implement new OCC website	Will enable stakeholders to do their own research and more quickly find needed information.
3	Move to more electronic payments and reduce cash and check payments	Upgrading to electronic payment methods to coincide with the upgrades in our electronic forms and processes. Increased convenience; reduced processing times.
4	One-Stop Shop for customers	Provide easy access to most agency services on the first floor, adding customer convenience and providing additional security to the remaining floors by eliminating the need to go from one floor to another to perform a single transaction. .
5	Upgrade PST licensing and antifreeze database	Provide licensees the ability to use the existing PST Portal to apply for licenses, automate licensee functions and manage continuing education requirements and certification renewals.

Groups of People Served by the Agency

#	Group Served	Services Received by Group	Estimated Changes in Group Served and Services (within next 5 years)
1	Electric and Natural Gas utilities and their customers	Rate-regulated utilities can offer affordable and reliable service while ensuring the company's viability. Disputes between PUD-regulated companies and their customers can often be worked out with PUD staff acting as unofficial intermediaries. Ensure safety compliance.	Alternative energy (wind, solar) and related technologies is expected to continue to grow, posing new challenges for utility companies and customers. New technologies will offer improvements in services provided both utilities and customers.
2	School Districts, Healthcare Providers, Libraries	Oversees the OUSF program providing subsidized high-speed broadband connections. OUSF ongoing audits ensure that the price-per-megabits are dropping while broadband speed and availability are increasing to these groups.	General shift to internet based services will increase demand for OUSF-provided service. As need for broadband grows in under-served areas, partnership between the OCC and Federal authorities to provide broadband service is expected to grow accordingly.
3	Petroleum Storage Tank owners and customers (e.g., retail fuel outlets, customers of same)	Administers the federal underground storage tank program; administers the PST Release Indemnity Fund; compliance inspections; coordinates corrective action or remediation plans when a release occurs; licensing; permitting; ensuring consumer protection.	The emergence of blended fuels stored in underground storage tanks has brought to light compatibility issues causing tank system components to corrode. Corrosion increases the potential for leaks to occur polluting public drinking water supplies, among other environmental, consumer, health and safety concerns.
4	Motor Carriers (commercial cargo, moving services, passenger carriers)	Size and weight enforcement; permitting; intra- and interstate licensing authority; ensure carrier compliance with fuel tax collection and reporting for Oklahoma and partner states; ensure insurance compliance.	Commercial vehicle traffic is expected to grow over the next 5 years in Oklahoma and with it the need for services.
5	Oil and Gas operators	Permitting and compliance services, data services, assistance in field operations, liaison with surface and mineral owners.	Implementing electronic permitting will save operators time and money. Improved information management systems will allow easier data access critical to conducting business. Horizontal well development is expected to account for the majority share of oil and gas activity, while re-working of existing vertical wells is also expected to grow.

Groups of People Served by the Agency

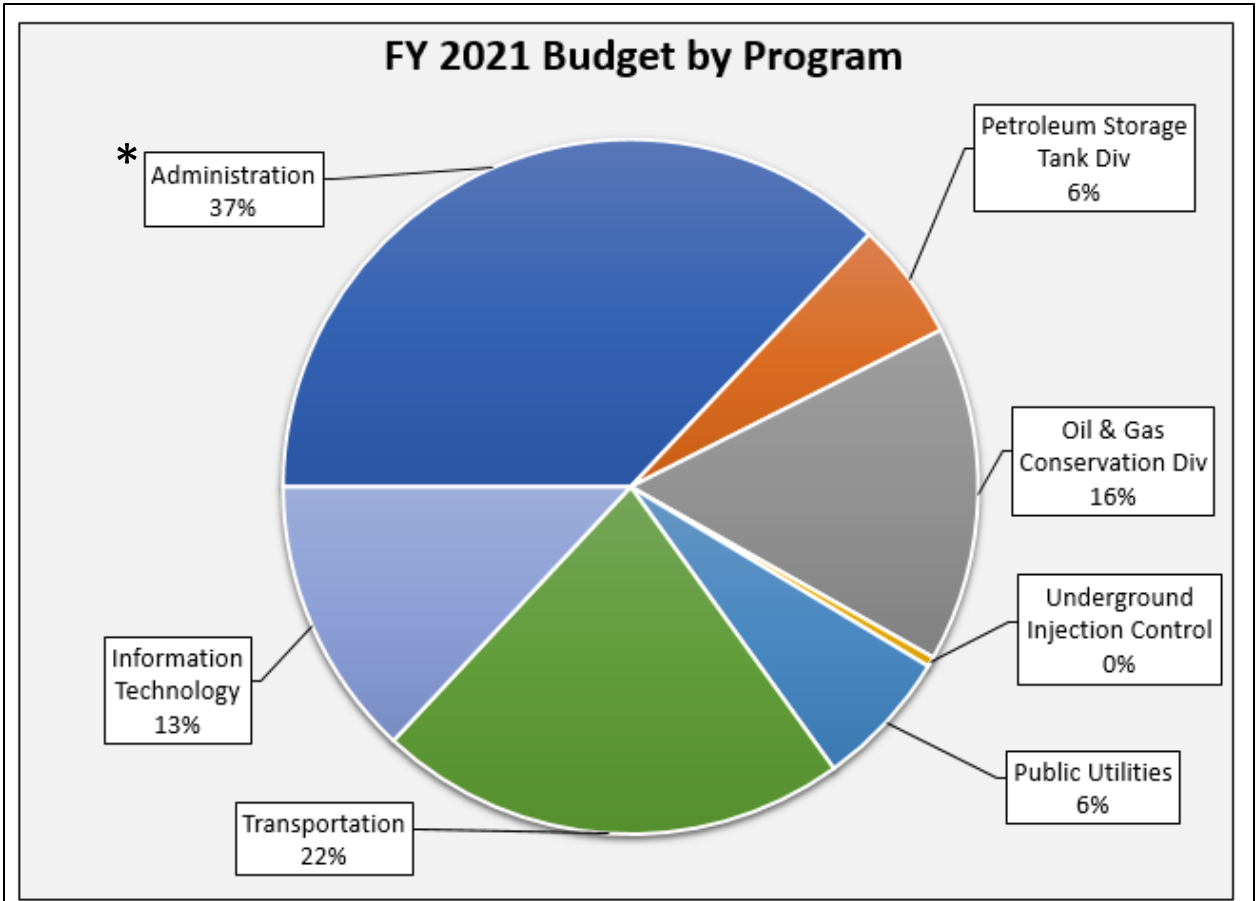
#	Group Served	Services Received by Group	Estimated Changes in Group Served and Services (within next 5 years)
6	Pipeline operators	Safety inspections; operator training; incident investigation; excavation damage prevention liaison to federal pipeline regulators.	Aging pipeline infrastructure in Oklahoma will increase demand for services. Expected increase in small pipeline operators will increase training demand.
7	Mineral Owners	Research and education, explaining documents/rules/statutes, facilitating communication between mineral owners/surface owners and oil and gas industry.	Mineral owners need for assistance is expected to grow as consolidation in the oil and gas industry, horizontal well development, and the reworking old vertical wells continues.
8	Surface owners and others in areas needing remediation.	Investigation and remediation. Well plugging of abandoned wells through state funds well plugging program. Petroleum Storage Tank Division's Indemnity fund program also provides corrective action that includes drinking water supplies when necessary.	Demand on the well plugging fund is expected to increase as industry faces greater challenges. PST Indemnity fund cases are expected to increase with expanded sampling of old, abandoned refined petroleum storage tanks.
9	Railroads	Venue for review, approval and public engagement in crossing changes and closures as well as other issues related to crossings. Mediate disputes between municipalities and railroads.	The expected increase in the length of trains and an expected increase in miles traveled are expected to increase case load and issues related to crossing issues.

FY2020 Expenditures by Program, Leader, and People Served

Program/Dept Name	Brief Description of Program/Dept	FY2020 Annual Expenditures	FY2020 % of Total Expenditures	Accountable Leader for Program/Dept	# of People Served by Program/Dept
Executive Leadership-Entire Agency	Overall accountability for agency operations to fulfill constitutional and statutory missions.	\$65,194,974	100.0%	3 Statewide Elected Commissioners – Chair Todd Hiatt; Vice Chairman Bob Anthony; Commissioner Dana Murphy; Director of Administration Tim Rhodes.	All groups mentioned below
Administrative, Judicial and Legislative Services	Administration, Finance, Procurement, A/P and HR providing support services for all agency programs and divisions. Legal arm of the Commission performs administrative court hearings, maintains court records, provides attorney representation for OCC divisions and Commissioners.	\$20,680,133	31.7%	Holly George, Administrative Services; Maribeth Snapp, Judicial & Legislative Services	585 Budgeted FTE
Petroleum Storage Tanks	Consumer, safety and environmental protection at fueling stations and remediating pollution from refined products.	\$4,808,209	7.4%	Robyn Strickland	Approx. 4.0 million
Oil & Gas Conservation	Environmental and correlative rights protection related to the exploration and production of oil and natural gas; preventing waste of and ensuring appropriate development of state's oil and gas resources.	\$14,383,879	22.1%	Robyn Strickland	Approx. 4.0 million
Public Utility	Service reliability, fiscal accountability to ratepayers and/or the state related to electric, gas, private water, cotton gin utilities & telecommunication providers.	\$5,783,264	8.9%	Brandy Wreath	Approx. 3.9 million
Transportation	Safety and infrastructure protection (e.g. weight and insurance enforcement) involving motor carriers, passenger carriers and other commercial vehicles, rail crossings, underground natural gas storage facilities and pipelines.	\$19,539,489	30.0%	Mark Willingham	Approx. 6.0 million

Note: Include Admin expenses not attributable to programs as a separate line item; total of page should equal total annual expenditures.

FY2021 Budget by Program

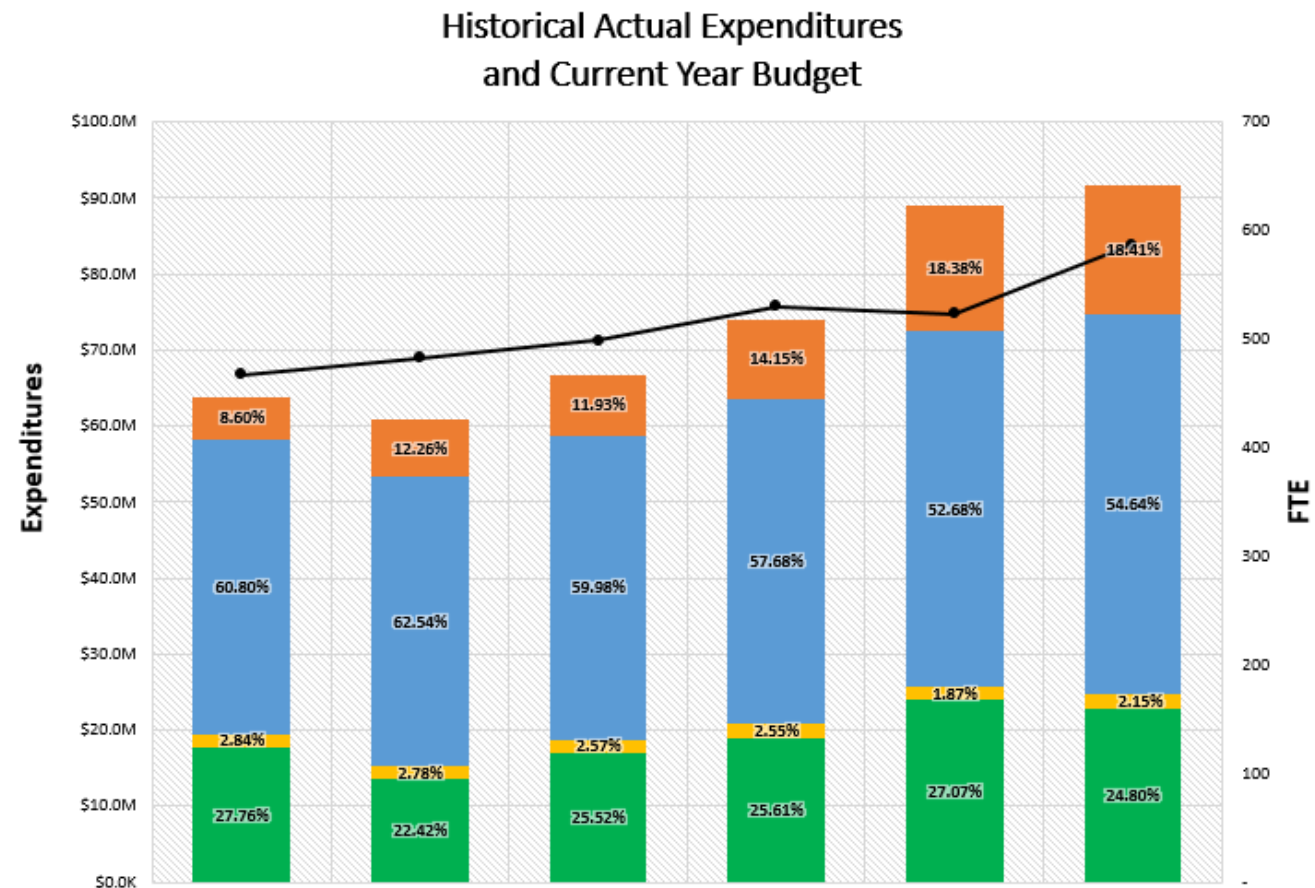


Program	FY 2021 Budget
Administration	\$33,942,079
Petroleum Storage Tank Div	\$5,045,565
Oil & Gas Conservation Div	\$14,311,358
Underground Injection Control	\$428,386
Public Utilities	\$5,880,295
Transportation	\$20,064,526
Information Technology	\$11,950,886

* **NOTE – “Administration” includes:**

- ❖ All support services (Finance, Legal, etc.) for 4 core divisions
- ❖ Also includes Mineral Owner Escrow Account budget, which constitutes \$22M that must be budgeted into PeopleSoft for expenditures from the escrow account – two-thirds of the total shown for “Administration”. These funds cannot be utilized for agency operations.

Historical Actual Expenditures (FY16-20) and Current Year Budget (FY21)



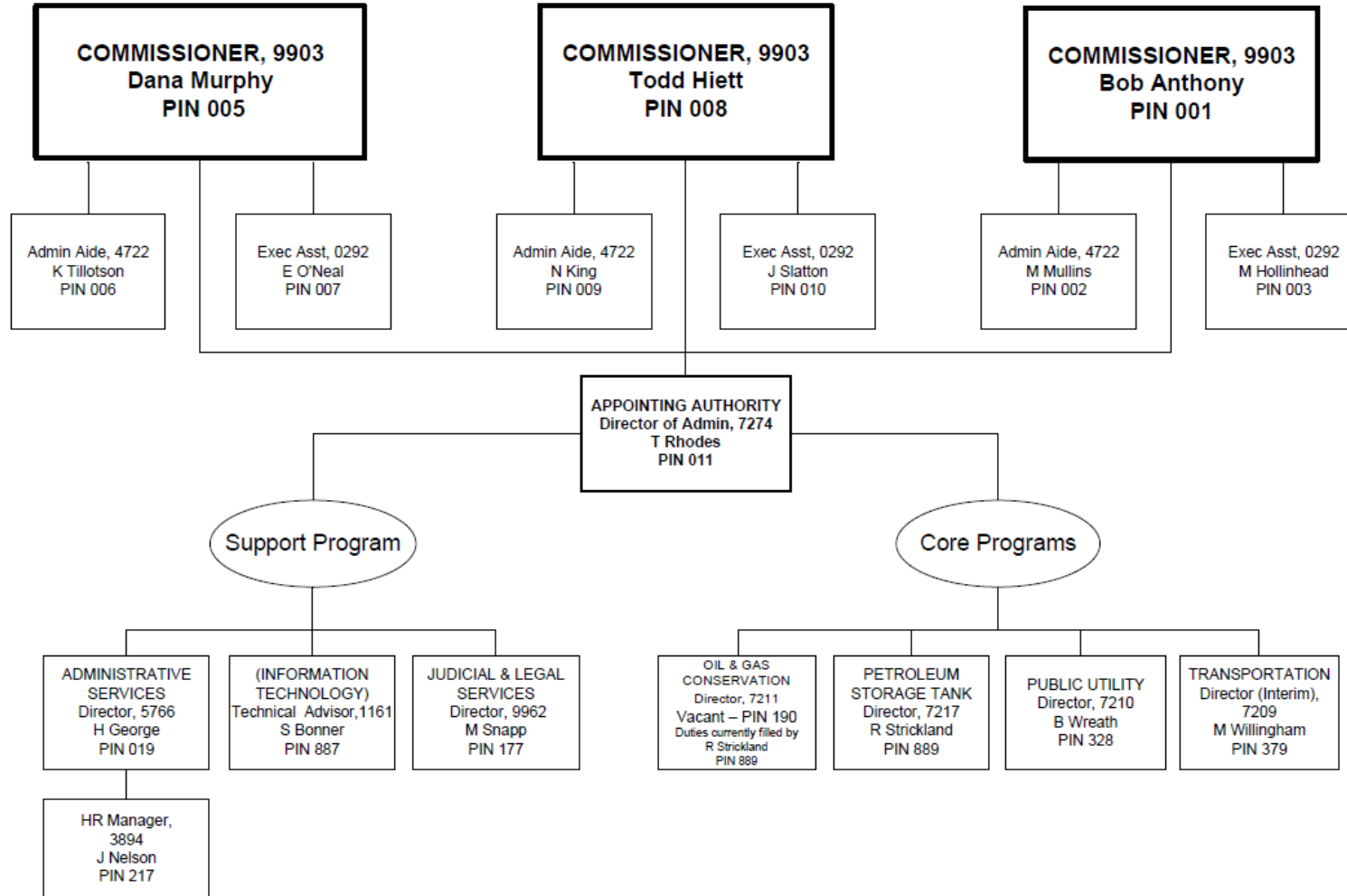
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 Budget
Appropriated	\$5.5M	\$7.5M	\$8.0M	\$10.5M	\$16.3M	\$16.9M
Revolving	\$38.8M	\$38.0M	\$40.0M	\$42.7M	\$46.8M	\$50.1M
Federal	\$1.8M	\$1.7M	\$1.7M	\$1.9M	\$1.7M	\$2.0M
Agency Special Accounts	\$17.7M	\$13.6M	\$17.0M	\$19.0M	\$24.1M	\$22.7M *
Total	\$63.8M	\$60.8M	\$66.7M	\$74.1M	\$88.9M	\$91.6M
FTE	467	483	499	530	524	587

Data updated on 09/03/2020

*The agency special accounts (25% of budget) include two escrow accounts for mineral owners and surety held for oil and gas operators.

These funds **cannot be utilized for agency operations;** but must budgeted into PeopleSoft to create disbursements.

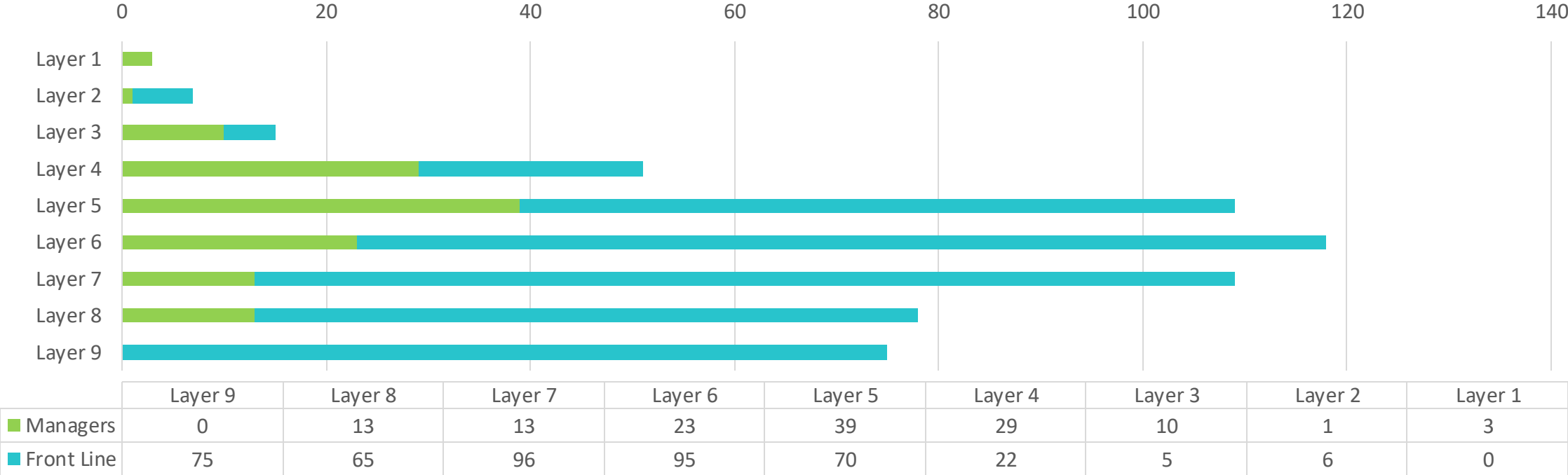
Organizational Chart for FY21: Agency Leader and Executive Team



Staffing by Organizational Chart for FY21

Agency Division by Organizational Chart	Division Leader	# Total Staff	# FTE (filled, classified)	# FTE (filled, unclassified)	# Consultants/Contractors/Galt	# Budgeted Vacancies (classified and unclassified)
Commissioners	3	9	0	9	0	0
Director of Administration	1	14	3	11	0	0
Administrative Services (Human Resources and Finance)	1	32	19	8	3	2
Judicial and Legal Services	1	58	22	31	3	2
Information Technology	1	7	0	3	4	0
Oil and Gas Conservation	1	134	109	19	4	2
Petroleum Storage Tank	1	41	2	38	0	1
Public Utility	1	58	0	58	0	0
Transportation	1	247	188	33	1	25
Totals	11	600	343	210	15	32

Layers of Management



Managers Front Line

Layers of Management by Organizational Chart for FY21