

FY 2027 Budget Performance Review

185 Oklahoma Corporation Commission

Version Revision 01

Lead Administrator: Jim Marshall, Interim Executive Director/Director of Administration/Appointing Authority

Date submitted 10/1/2025

AMENDED 1/27/2026

Lead Financial Officer: Holly George, CFO

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 and administrative hearings in all OCC jurisdictional areas, 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. PUD also includes the Pipeline Safety program that assures the safe transportation of natural gas, petroleum, and other hazardous materials by pipeline and develops regulations to assure safety in design, construction, testing, operation, maintenance, and emergency response to pipeline facilities.

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 other regulatory activities within the State of Oklahoma. TRN operates Oklahoma's Ports of Entry (POEs) and Weigh Stations.

Information Services

OCC IT personnel, in collaboration with the Office of Management and Enterprise Services- Information Services Division (OMES-ISD), provides technology support and services for the Commission. Responsibilities include: improving online public access to information, reducing response time for public information requests, developing new information systems, enhancing existing database application systems, maintaining disaster recovery efforts of production systems, document imaging and mapping capabilities corresponding to GPS and GIS, coordinating video teleconferencing, maintaining electronic messaging and internet capabilities through the Commission's web page, and supporting all user applications.

FY'26 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
10	Administrative, Judicial & Legal Services	\$4,553,773	\$0	\$10,968,536	\$0	\$0	\$15,522,309
15	Petroleum Storage Tank	\$0	\$1,243,267	\$5,704,299	\$0	\$0	\$6,947,566
20	Oil and Gas	\$7,466,980	\$2,773,518	\$13,244,614	\$0	\$0	\$23,485,112
40	Public Utility	\$0	\$0	\$11,608,956	\$0	\$0	\$11,608,956
60	Transportation	\$3,488,993	\$0	\$17,623,150	\$0	\$0	\$21,112,143
88	Information Technology	\$4,883,805	\$0	\$5,432,039	\$0	\$0	\$10,315,844
Total		\$20,393,551	\$4,016,785	\$64,581,594	\$0	\$0	\$88,991,930

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:

Balances of Appropriated Funds from Prior Fiscal Years

3-digit Class Fund #	Class Fund Name	GA Bill # and Section #	Fiscal Year of Original Appropriation	Original Appropriation Amount (\$)	Total Expended Amount as of 8/31/2025 (\$)	Balance as of 8/31/2025 (\$)
195	General Revenue Fund	SB1125 Section 114	FY 2025	\$20,809,746	\$20,399,141	\$410,605
Total remaining prior year appropriation balance:						\$410,605

Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 194, 195). Do not report carryover class funds separately.

Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.

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What changes did the agency make between FY'25 and FY'26?

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

OCC received a two percent reduction (\$416,195) in general appropriations for FY 2026. To offset, OCC reduced critical IT development impacting oil and gas stakeholders.

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

None- OCC's last major fees increase was in October 2018.

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

None- OCC has actually improved response time for stakeholders through current IT improvements (IMS, ECF, GIS, OKIES, OGIMS, TIMS, and online access to more information) and process improvements. Oil and gas field services will still seek additional funding in FY27 to get closer to funding minimum needs and responding to emergency environmental issues.

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

OCC updated market salary surveys and made appropriate adjustments to salaries to get closer to market minimums. Ongoing raises will be based on performance and increased responsibilities.

Appropriation Increase Review

Appropriation Increase Purpose	Appropriation Increases (Additional to Agency Base Appropriation)			Expenditures	
	FY 2024	FY 2025	Total Amount Received FY 2024-2025	Total Expenditure of Increase as of 6/30/2025	If funds have not been spent, please explain why.
HB1396- Court Reporter stipends	\$25,000		\$25,000	\$25,000	
Oil and Gas- additional FTE and salary adjustments	\$759,000		\$759,000	\$759,000	
Oil and Gas- equipment and auto leases	\$81,000		\$81,000	\$81,000	
OCC- salary adjustments	\$1,000,000		\$1,000,000	\$1,000,000	
OCC- salary adjustments		\$1,120,619	\$1,120,619	\$1,120,619	
Oil and Gas- salary adjustments		\$734,872	\$734,872	\$734,872	
Public information requests		\$125,000	\$125,000	\$125,000	
Total:	\$1,865,000	\$1,980,491	\$3,845,491	\$3,845,491	

List appropriation increases that the agency has received in the prior two years. List amounts received in each year. Include PREP, but not ARPA/SRF, appropriations.

FY'27 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
10	Administrative, Judicial & Legal Services	\$5,445,773	\$0	\$10,968,536	\$0	\$16,414,309	5.75%
15	Petroleum Storage Tank	\$0	\$1,243,267	\$6,688,866	\$0	\$7,932,133	14.17%
20	Oil and Gas	\$7,757,451	\$3,315,792	\$13,244,614	\$0	\$24,317,857	3.55%
40	Public Utility	\$0	\$0	\$13,448,873	\$0	\$13,448,873	15.85%
60	Transportation	\$3,488,993	\$0	\$17,623,150	\$0	\$21,112,143	0.00%
88	Information Technology	\$4,883,805	\$0	\$5,432,039	\$0	\$10,315,844	0.00%
Total		\$21,576,022	\$4,559,059	\$67,406,078	\$0	\$93,541,159	5.11%

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

FY'27 Top Five Incremental Appropriated Funding Increase Requests

Request by Priority	Request Description	Is this a Supplemental Request? (Yes/No)	Timeframe (One-Time or Recurring)	Appropriation Request Increase Amount (\$)
<p>An interim study was conducted regarding the need for additional funding for our Oil and Gas Conservation Division, including addressing a lengthy orphaned well list exceeding 20,000 wells and administrative court support to address stakeholder concerns. OCC is hopeful legislative efforts will address those needs with existing funding streams and may not require additional appropriations for the upcoming fiscal year; therefore, a separate budget request was not placed in this document due to legislative intent being unknown at this time.</p> <p>OCC has also opened a Notice of Inquiry (NOI) for our Transportation Division to identify and examine issues relating to the adequacy of Commission jurisdiction, partner agency practices, and industry recommendations related to commercial motor carrier enforcement by the Commission's field enforcement officers. OCC is hopeful this NOI will provide clarity into a topic that has been discussed at length for many years within the Legislature. We welcome future legislative discussions on the outcomes of the NOI and how we can best partner with other agencies, better serve our industry stakeholders, while being conservative and responsible with public funds.</p>				
Request 1:	Leasing costs contingent on OMES and/or legislative changes- Return to Jim Thorpe Building (post-renovation)	No	Recurring	\$892,000
Request 2:	Equipment and training related to statutorily mandated duties	No	One-time	\$104,567
Request 3:	OCC exception to purchases vehicles to bring consistency to all divisions- Appropriations only needed for Oil and Gas vehicles	No	One-time	\$185,904
Top Five Request Subtotal:				\$1,182,471
Total Increase above FY-26 Budget (including all requests)				\$1,182,471
Difference between Top Five requests and total requests:				\$0

* Capital requests in the table above should be listed in the next table.

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What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Description of requested increase in order of priority	Total Project Cost (\$)	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)
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.	\$4,497,345	Funded under current appropriations	No
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.	\$440,000	Funded under current appropriations	No

Does the agency have any costs associated with the Pathfinder retirement system and federal employees? If so, please describe the impact.

42 FTE- full and/or partially funded by federal dollars

* Include the total number of federally funded FTE in the Pathfinder system.

How would the agency be affected by receiving the same appropriation for FY '27 as was received in FY '26? (Flat / 0% change)

OCC was able to cover FY26's reduction by reducing IT expenditures and utilizing agency cash reserves. Any future cut or flat budget would result in potential FTE reduction and inability to appropriately implement new mandates.

How would the agency handle a 2% appropriation reduction in FY '27?

OCC was able to cover FY26's reduction by reducing IT expenditures and utilizing agency cash reserves. Any future cut or flat budget would result in potential FTE reduction and inability to appropriately implement new mandates.

Is the agency seeking any fee increases for FY '27?

Description of requested increase in order of priority	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1 None at this time.		

Federal Funds

CFDA	Federal Program Name	Agency Dept. #	FY 26 budget (\$)	FY 25 actuals (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)	FY 25 budgeted FTE (#)
20.700	Gas Grant Program- Hazardous Liquid Program and Underground Gas Storage Program- Transportation Division- Pipeline Safety (202 fund)	FY23-FY25 6000004, 8860460 FY26 4000004, 8840440	\$3,715,758	\$3,269,887	\$2,955,367	\$2,740,813	27
66.804	State Underground Storage Tanks Program (Prevention)- Petroleum Storage Tank Division (405 fund) L00640426-0600GAA	1500003	\$444,926	\$450,030	\$531,160	\$471,305	Varying portions of 15 FTE are charged to this grant
66.805	Leaking Underground Storage Tank Trust Fund Program (Corrective Action)- Petroleum Storage Tank Division (425 fund) LS00651429-06007	1500003, 1500005	\$798,341	\$718,507	\$718,507	\$933,252	Varying portions of 6 FTE are charged to this grant
66.433	Underground Injection Control- Oil and Gas Conservation Division G006224250 (400 fund)	2100001	\$377,618	\$322,585	\$343,262	\$390,266	Varying portions of 4 FTE are charged to this grant
66.817	State & Tribal Response Program- Brownfields- Oil and Gas Conservation Division - RP01F50801, RP02F43301-1 (400 fund)	2000005	\$378,297	\$110,849	\$187,957	\$217,600	3 FTE across all Brownfields grants
66.817	State & Tribal Response Program- Brownfields- Bipartisan Infrastructure Bill - 4W02F23201 (Sub 23) (410 Fund)	2000005	\$440,786	\$232,468	\$443,439	\$71,916	3 FTE across all Brownfields grants
66.818	Brownfields Multipurpose Assessment- Okemah - BF01F88901	2000005	\$0	\$0	\$0	\$23,998	N/A- grant expired in FY23
66.818	Brownfields Assessment- Oklahoma - BF02F16501 (Sub 40) (410 fund)	2000005	\$721,996	\$548,310	\$763,236	\$65,308	3 FTE across all Brownfields grants
15.018	Bipartisan Infrastructure Law- Orphaned well program (initial block grant) - D22AP0016600001 (430 fund)	1000001, 1000003, 2000001, 2000002	\$0	\$2,215,414	\$20,481,939	\$2,302,647	Varying portions of 31 FTE are charged to this grant
15.018	Orphaned Well Site Plugging, Remediation and Restoration (next phase- formula grant) (430 fund)	2000002	\$0	\$0	\$0	\$0	N/A- did not apply for grant until FY26
66.486	Underground Injection Control Class VI Wells BIL (435 fund)	2100002	\$854,821	\$0	\$0	\$0	N/A- did not apply for grant until FY26

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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?

While it is not related to a mandate, OCC has applied for the second phase of IJIA federal funding to address the long list of orphaned wells needing to be plugged. OCC has also applied for a grant to establish a carbon sequestration program at OCC based on recent legislative activity.

FY 2026 Budgeted FTE

Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
10	Administrative, Judicial (Court System and Court Clerk) & Legal Services *Includes 3 elected Commissioners	23	86.0	0	28	49	32
15	Petroleum Storage Tank	8	30.0	0	3	25	10
20	Oil and Gas	24	121.0	0	18	112	15
40	Public Utility	14	63.0	0	9	49	19
60	Transportation	41	164.0	0	160	42	3
88	Information Technology	2	20.0	0	0	14	8
Total		112	484	0	218	291	87

FTE History by Fiscal Year

Division #	Division Name	FY 2026 Budgeted	FY 2026 YTD	FY 2025	FY 2024	FY 2023	FY 2017
10	Administrative- *Includes 3 elected Commissioners	52.0	51.0	56.0	51.0	59.0	44.0
	Judicial Services and Court Clerk	34.0	33.0	35.0	35.0	32.0	37.0
	General Counsel and Legal Services	23.0	22.0	24.0	22.0	19.0	29.0
15	Petroleum Storage Tank	38.0	37.0	39.0	39.0	39.0	43.0
20	Oil and Gas	145.0	139.0	145.0	144.0	137.0	121.0
40	Public Utility- In FY26, 27 Pipeline Safety positions were transferred to PUD	77.0	71.0	50.0	49.0	58.0	58.0
60	Transportation- In FY26, 27 Pipeline Safety positions were removed from Transportation	205.0	188.0	240.0	249.0	253.0	190.0
88	Information Technology	22.0	17.0	0.0	0.0		0.0
Total		596.0	558.0	589.0	589.0	597.0	522.0

Performance Measure Review

	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Program Name					
Please reference agency program workbook for key performance measures.					

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Revolving Funds (200 Series Funds)			
	FY'23-25 Avg. Revenues	FY'23-25 Avg. Expenditures	June 2025 Balance
20200 - OCC Revolving Fund			
<i>Describe fund purpose and revenue source. Include the statutory citation for the fund if applicable.</i>	\$10,168,835	\$10,234,896	\$7,189,875
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.	\$5,100,252	\$5,120,382	\$91,868
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.	\$472,176	\$291,043	\$1,041,923
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.	\$2,401,581	\$3,577,000	\$1,886,069
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.	\$7,528,971	\$7,004,334	\$2,837,883
22500 - L.U.S.T. Trust Revolving Fund			
To provide support to the leaking underground storage tank effort by the Petroleum Storage Tank Program.	\$1,463,207	\$477,007	\$6,502,897
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.	\$5,890,245	\$6,768,252	\$2,840,547
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.	\$19,960,264	\$21,613,965	\$7,410,538
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.	\$0	\$26,851	\$424,993

FY 2026 Current Employee Telework Summary						
<i>List each agency physical location (not division), then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.</i>			Full-time and Part-time Employees (#)			
Agency Location / Address	City	County	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	18	1	0	19
PORT OF ENTRY - KAY COUNTY / 12925 N. I-35	Braman	Kay	17	1	0	18
PORT OF ENTRY - SEQUOYAH COUNTY / 480155 I-40	Muldrow	Sequoyah	20	1	0	21
PORT OF ENTRY - LOVE COUNTY / 11453 I-35	Marietta	Love	23	1	0	24
PORT OF ENTRY - BRYAN COUNTY / 3214 Hwy 6975	Colbert	Bryan	24	1	0	25
WEIGH STATION / 1100 East Main Street	Boise City	Cimarron	3	0	0	3
WEIGH STATION / 53230 S I-35	Davis	Murray	7	0	0	7
WEIGH STATION / I-40 Mile Marker 140	El Reno	Canadian	13	0	0	13
WEIGH STATION / 1657 US 271 Hwy	Hugo	Choctaw	8	0	0	8
Will Rogers Building & ODOT / 2401 North Lincoln	Oklahoma City	Oklahoma	159	124	31	314
Oil & Gas District 1 / 5100 E Skelly Drive	Tulsa	Tulsa	22	2	0	24
Oil & Gas District 2 / 101 S. 6th Street	Kingfisher	Kingfisher	20	2	0	22
Oil & Gas District 3 / 130 S 9th St	Duncan	Stephens	22	2	0	24
Oil & Gas District 4 / 1318 Craddock Road	Ada	Hughes	20	2	0	22
Tulsa Office / 201 W. 5th Street	Tulsa	Tulsa	2	4	1	7
Out-of-state remote working not at WRB			0	0	7	7
Total Agency Employees						558