

**BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA**

TD2020-000007	PUD2024-000013	PUD2024-000045
PUD2005-000425	PUD2024-000023	PUD2024-000047
PUD2022-000073	PUD2024-000029	PUD2024-000048
PUD2023-000056	PUD2024-000032	PUD2024-000057
PUD2023-000086	PUD2024-000038	GD 2023-000005
PUD2023-000087	PUD2024-000039	GD 2024-000006
PUD2024-000010	PUD2024-000040	

**SEPARATE OPINION OF COMMISSIONER BOB ANTHONY**

**“The More Things Change, the More They Remain the Same”  
Reflections on 36 Years at the OCC by Corporation Commissioner Bob Anthony**

When I first took office at the Corporation Commission in January 1989, there was not a single fax machine. People from the farthest corners of the state were having to drive to the state capitol just to file paperwork, and applications and orders were still being hand-posted in red-leather-bound ledger books. Having just served as the CEO of the largest privately-held company headquartered in Oklahoma – the C.R. Anthony Company, with more than 300 clothing stores in 28 western states – these antiquated systems and inefficiencies floored me. I was offered a budget to redecorate my new OCC office and asked for a “PC” (personal computer) instead. This floored my fellow commissioners; they couldn’t imagine what I was going to do with it.

In my first full year as OCC chairman (fiscal year 1990), we under-spent the commission budget by \$1.4 million.<sup>1</sup> My fellow commissioners didn’t understand that either, and successfully appealed to their former colleagues in the state legislature who took direct budgetary control of the OCC away from the commissioners. What was then an \$18 million annual agency budget today exceeds \$85 million, not counting hundreds of millions of pass-through dollars and federal funds the OCC now administers.

**Customer Service**

In the early years, the retail philosophy I had grown up with – serving the customer – guided the questions I asked and the changes I sought to implement. We opened a Tulsa Office in 1990 to facilitate public access to agency services.<sup>2</sup> The OCC also got a fax machine and began computerizing agency records. We quickly became one of the first state agencies to make our daily meeting agendas, dockets, agency rules, annual reports and division phone numbers available on a public website. By 2002, witnesses could offer testimony remotely over the telephone, and the public could access most OCC judicial and administrative case files as well as

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<sup>1</sup> OCC Annual Report, Fiscal Year 1990.

<sup>2</sup> “Corporation Commission to Open Tulsa Office in April” *The Daily Oklahoman* (Mar. 23, 1990): <https://www.oklahoman.com/story/news/1990/03/23/corporation-commission-to-open-tulsa-office-in-april/62571121007/>.

a detailed database of more than 100,000 oil and gas wells online.<sup>3</sup> Today, the public can also pay most licensing, application and other fees and fines electronically.

With support from then-Commissioner Patrice Douglas, a former bank president, in 2011 we contracted with the State Auditor and Inspector to embed licensed, independent CPA auditors in OCC divisions responsible for hundreds of millions of off-balance-sheet, pass-through dollars and conduct audits of these programs on a regularly-scheduled basis.<sup>4</sup> Under both Gary Jones and Cindy Byrd, the SAI's contributions to assuring the legitimacy of the OCC's operations have been invaluable.

Auditing was just one aspect of basic management methods I had sought to bring to state government. Others included leading by example, strategic planning, monthly commissioner meetings in which division directors themselves could tell the commissioners directly about progress and challenges, and performance reviews for employees. I have to give credit to a few of the agency's stellar managers and administrators without whose discernible professionalism, integrity and diligence these new reporting and control practices could not have been implemented. These include Bill Burkett, General Jay Edwards, Clark Musser, Lori Wrotenbery, Michele Anderson, Tim Rhodes, and Holly George. The competence and attention to detail of Matt Skinner and Peggy Mitchell also greatly improved agency operations.

### Regulatory Reform

In addition to updating our internal operations to improve customer service, compliance, openness and transparency, the OCC needed to update its rules and regulations to adapt to changes in market conditions and the operating methodologies of the industries we regulate. In my first year in office, the OCC mandated modern telephone equipment and technology standards statewide, eliminating party lines and dramatically improving rural phone service.<sup>5</sup> In 1991, with my daughter's math class compass, I drew the nation's largest wide-area toll-free calling circles around Oklahoma City and Tulsa, with smaller circles around cities like Lawton and Enid, eliminating long-distance charges for phone customers calling within those metro areas.<sup>6</sup>

Despite some dire predictions for the consequences, the OCC also adopted new rules to introduce competition into Oklahoma's intrastate trucking and natural gas gathering and transportation markets, both of which went smoothly and lowered costs for most customers. In 2000, a form of alternative regulation that Southwestern Bell dubbed "The Anthony Plan" brought customer choice to local phone service and led to the rollout of high-speed DSL internet

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<sup>3</sup> OCC Annual Report, Fiscal Year 2002:

<https://web.archive.org/web/20040426040830/http://www.occeweb.com/Divisions/GAOFFICE/AnnualReport02.pdf>

<sup>4</sup> Anthony, Bob. "A History of Audits at OCC" filed Jun. 26, 2024 in OCC Case No. GD 2023-000005:

<https://public.occ.ok.gov/WebLink/DocView.aspx?id=16789751>.

<sup>5</sup> Vandewater, Bob. "Panel Orders Rural Phone Upgrading." *The Daily Oklahoman* (Aug. 18, 1989).

<sup>6</sup> Vandewater, Bob. "State Leads in Toll-Free Calling Zones" *The Daily Oklahoman* (May 2, 1993):

<https://www.oklahoman.com/story/news/1993/05/02/state-leads-in-toll-free-calling-zones/62460421007/>.

service to more than 100 Oklahoma towns and cities.<sup>7</sup> This benefited distance learning, telemedicine and economic development, especially in rural areas across the state. As early as 1989, I also tried to deregulate cotton gins, but could never find a second vote.<sup>8</sup> Thirty-six years later, that government-granted monopoly still persists.

Some of the biggest regulatory changes over the years involved the OCC's regulation of Oklahoma's oil and gas industry. When I first got to the agency, pollution caused by old, sometimes abandoned oil wells was a huge problem. We began charging current operators a fee and created a revolving fund the OCC could use to plug "orphan" wells. Subsequently, the legislature and industry leaders created the OERB,<sup>9</sup> funded by an additional, voluntary fee, to clean up polluted oil field sites after OCC had plugged the old wells on a priority basis.

Changes in OCC rules also enabled our oil and gas industry to utilize new or improved technologies like horizontal drilling and hydraulic fracturing to better develop existing resources. That said, additional rules also had to be created when a correlation between saltwater injection wells and "induced seismicity" (i.e. earthquakes) in certain areas of the state became clear.

With the assistance of Commissioner Jim Roth and Secretary of Energy David Fleischaker, the OCC incentivized energy efficiency programs and crafted rules that have enabled Oklahoma to become the nation's third largest intermittent wind power producing state, lowering costs and coordinating with dispatchable gas generation for greater reliability.

### Democracy Dies in Darkness

For decades, the activities of the Corporation Commission received press coverage commensurate with the agency's status as Oklahoma's most economically powerful state agency. There were at least three statewide print reporters and a radio reporter assigned to cover the OCC daily when I arrived, and because the commissioners held a public meeting almost every working day of the year, commission business was open, transparent and straightforward to cover. Each reporter probably averaged at least one OCC story a week, and for significant votes, there were regularly two or more TV cameras present – including Brad Edwards' *In Your Corner* – keeping the public well informed.

Today, only one reporter regularly follows the activities of the OCC – *OKEnergyToday.com*'s Jerry Bohnen. Without robust local news coverage to hold them accountable, in 2023, the OCC averaged less than one public meeting per week at which commissioners conducted business and voted on orders. Consequently, less than 20% of the OCC orders issued in 2023 received an open vote in a posted, open OCC public meeting, let alone anything resembling the regular public commissioner discussions and publicly-filed commissioner deliberations that used to lend the public insight into the forces influencing why the commissioners voted the way they did.<sup>10</sup>

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<sup>7</sup> "New Era of Telephone Service Officially Opens - The 'Anthony Plan'." *The Tulsa Daily Commerce & Legal News* (May 24, 2000).

Bode, Denise. "Oklahoma a leader in regulatory reform." *The Daily Oklahoman* (Jan. 26, 2004).

<sup>8</sup> Vandewater, Bob. "Corporation Commission Chief Backs Changes." *The Daily Oklahoman* (Aug. 18, 1989).

<sup>9</sup> Oklahoma Energy Resources Board.

<sup>10</sup> Anthony, Bob. "Full-Frontal Assault on Public Protections, Open Meetings, Open Records, Transparency

So, in April 2023, when by a 2-1 vote, OCC Commissioners Todd Hiatt and Kim David approved orders declaring more than \$6 billion of OG&E, ONG and PSO's fuel procurement costs and expenses for 2021 to be "fair, just, reasonable and prudent" – costs and expenses that included the historically high natural gas prices paid during the February 2021 Winter Storm – most Oklahomans knew nothing about it. This was the single most expensive vote in the 100+ year history of the OCC, and the only coverage was an article on OKEnergyToday.com and stories totaling two minutes on TV's *KFOR*.<sup>11</sup> I filed the longest dissent of my career – more than 200 pages<sup>12</sup> – detailing how the orders were approved without conducting a lawful prudence review of all the utilities' 2021 fuel costs and expenses as the Constitution, state statutes and commission rules require. Crickets.

In 2024, the OCC's meeting record only got worse. This past year, OCC commissioners held fewer public voting meetings than at any time in documented history. The vast majority of OCC business is now conducted behind closed doors; most of the commissioners' nods to "openness and transparency" now occur when they occasionally appear in public to cast in-bulk order-approval votes anachronistically still referred to as the "daily" and "24 hour" signing agendas. The consequences of this behavior for the public and their monthly utility bills are self-evident.

Another consequence of the lack of news coverage has been uncontested OCC elections. Myself excluded, the last three OCC commissioners who have run for re-election have either run unopposed or had only an unfunded Libertarian opponent.<sup>13</sup> (This has not stopped them from raising hundreds of thousands of dollars from those the OCC regulates.) Even when commissioners are theoretically up for re-election, their record in office receives little or no public scrutiny.

### Absolute Power Corrupts

When I won my seat on the OCC in November 1988, Oklahoma's state government was dominated by Democrats. Governor Henry Bellmon and the State Superintendent were the only statewide-elected Republicans, and the Democrats controlled 70% of the State Legislature.<sup>14</sup>

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and Ratepayers' Right to Know the Truth" (attaching memos from Mar. 7, 2024 and Aug. 31, 2023) filed Mar. 7, 2024 in OCC Case No. GD 2023-000005: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=15288990>.

<sup>11</sup> Bohnen, Jerry. "\$6.6 billion in winter storm costs approved by Oklahoma regulators on a split vote" *OKEnergyToday* (Apr. 20, 2023): <https://www.okenergytoday.com/2023/04/6-6-billion-in-winter-storm-costs-approved-by-oklahoma-regulators-on-a-split-vote/>.

Douglas, Kaylee. "'Putrid core of greed, public corruption and regulatory capture,' Bob Anthony slams fellow Corporation Commissioners over 2021 winter fuel costs" *KFOR* (Apr. 20, 2023): <https://kfor.com/news/local/bob-anthony-slams-fellow-corporation-commissioners-over-2021-winter-fuel-costs/>.

<sup>12</sup> Anthony, Bob. "Dissenting Opinion of Commissioner Bob Anthony[, Part I]" filed Apr. 20, 2023 in OCC Case Nos. PUD 2022-000057/77/89: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13594470>.

Anthony, Bob. "Dissenting Opinion of Commissioner Bob Anthony, Part II" filed May 11, 2023 in OCC Case Nos. PUD 2022-000057/77/89: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13648071>.

<sup>13</sup> Patrice Douglas in 2012, Dana Murphy in 2016, and Todd Hiatt in 2020. Whereas personally, I had seven opponents in my 2018 reelection bid: four Democrats, two Republicans and an Independent.

<sup>14</sup> Ward, Lance. "1988 Roster of Oklahoma State and County Officers" (Dec. 1988): <https://oklahoma.gov/content/dam/ok/en/elections/rosters/officer-roster-1988.pdf>.

Not only was I a businessman instead of an attorney or politician, I was also the first Republican elected to the Oklahoma Corporation Commission in sixty years! To say I was a shock to the system is an understatement.

But that one-party system was also a shock to me. I had run saying, “My only special interest is Oklahoma.” Nevertheless, even before I took my oath of office, I started receiving illegal “campaign contributions” in cash from some of those special interests, trying to ensure they had “access” to me; outright trying to buy my vote would come later.

My work assisting the FBI and U.S. Attorney to investigate and prosecute rampant public corruption at the OCC is well-documented and resulted in federal prison time for a fellow commissioner and a former agency general counsel.<sup>15</sup> Although several others – including some high profile utility executives – escaped justice, the message sent by the prosecutions was clear and could not have happened without the dedicated assistance of U.S. Attorney Bill Price and the FBI’s John Hippard, Bob Ricks and Buck Revell. The capability and commitment of attorney David Lee helped me maneuver through the significant blowback against being a cooperating witness and ultimately enabled me to continue my public service.

But the influence peddling went far beyond cash payments to the commissioners themselves. One attorney who represented three of the five largest utility companies in the state literally brought a truckload of hams and turkeys to pass out to Commission employees in the parking lot during the holidays; at other times, he distributed OU football tickets, or paid travels expenses for employees and their spouse.<sup>16</sup> Back then, not only was there no constitutional State Ethics Commission; the OCC didn’t even have an Ethics Policy.<sup>17</sup>

It took a few years to get it and get it right,<sup>18</sup> but for a decade or more, I bragged that the OCC had the strongest Ethics Policy in state government. We prohibited the gifts, required disclosures of conflicts of interest, and slowed the revolution of the revolving door through which employees bounced back and forth between the OCC and the companies we regulate. It took years, but eventually the culture of tolerance for public corruption and regulatory capture changed.

This change was especially evident in our regulation of Oklahoma’s monopoly public utility companies – still today the agency’s largest responsibility both in terms of dollars and the number of Oklahoma citizens directly impacted. With the help of capable, tenacious Public Utility Division leaders like Jim Proctor and CPA Mark Garrett, the OCC PUD scrutinized utility

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<sup>15</sup> Jenkins, Ron. “Anthony Planted in Role as Guardian Against Corruption.” Associated Press (Jul. 28, 2003). PBS. “The Fixers.” *PBS Frontline* (Apr. 14, 1997):

<https://www.pbs.org/wgbh/pages/frontline/shows/fixers/etc/script.html>.

Freeh, FBI Director Louis. Remarks before presenting Oklahoma Corporation Commissioner Bob Anthony with the Louis E. Peters Service Award given to a citizen “who at great personal sacrifice, has unselfishly served his community and the nation.” on October 5, 1995: <https://www.bobanthony.com/bob/awards.htm>.

<sup>16</sup> Anthony, Bob. “Dissenting Opinion of Commissioner Bob Anthony to Order No. 413667” filed Jul. 2, 1997 in OCC Case No. PUD 86-000260.

<sup>17</sup> “Anthony Tells Agency Goals.” *The Daily Oklahoman* (Jan. 11, 1990).

<sup>18</sup> Vandewater, Bob. “Corporation Commission Adopts Ethics Policy” *The Daily Oklahoman* (Sep. 8, 1993): <https://www.oklahoman.com/story/news/1993/09/08/corporation-commission-adopts-ethics-policy/62449037007/>.

rate increase applications and fuel costs, finding, among other things, inflated legal bills and inflated natural gas contracts being used to pay bribes and buy political influence.<sup>19</sup> In my first fifteen years at the OCC, customers of utilities like OG&E, ONG, PSO, ARKLA, Southwestern Bell and GTE saw more than \$420 million in refunds and rate reductions.<sup>20</sup> Once, customers even received \$125 checks in the mail.<sup>21</sup>

Later in 2005, with the help of Commissioner Denise Bode, we strengthened the OCC's rules for conducting prudence reviews of utility fuel and purchased power costs, graduating from the old "arithmetic checks" to require robust evaluation of fuel purchases, including the terms of a utility's contracts and competitive bidding practices.<sup>22</sup> If only those rules had not been bypassed during the OCC's cursory, non-compliant "prudence reviews" of the 2021 Winter Storm costs...<sup>23</sup>

Given all the progress that had been made, I cannot tell you how much it broke my heart to learn that – in the midst of one of the biggest scandals this agency has ever faced – in October 2024, the agency's director of administration apparently unilaterally eliminated the language from the OCC's Ethics Policy saying commissioners and OCC employees should maintain "not only the reality, but the appearance of honesty, integrity and impartiality."<sup>24</sup> Maintaining impartiality, both in reality and in appearance, are requirements of both State Ethics Rules<sup>25</sup> and the Code of Judicial Conduct,<sup>26</sup> but today they are no longer requirements of the Oklahoma Corporation Commission's Ethics Policy. If in the last few years it only felt like the OCC was moving

<sup>19</sup> PBS. "The Fixers." *PBS Frontline* (Apr. 14, 1997): <https://www.pbs.org/wgbh/pages/frontline/shows/fixers/etc/script.html>.

<sup>20</sup> Anthony, Bob. "Acceding to the Lessons of History by Corporation Commissioner Bob Anthony" filed Feb. 17, 2023: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13456415>.

Vandewater, Bob. "Natural Gas Firm Owes Refunds, State Officials Say." *The Daily Oklahoman* (Oct. 9, 1990).

Vandewater, Bob. "Bell Customers To Get Refunds, Regulators Say." *The Daily Oklahoman* (Aug. 6, 1992).

Vandewater, Bob. "March Bills To Include OG&E Refund." *The Daily Oklahoman* (Mar. 1, 1995).

Vandewater, Bob. "SW Bell Discusses Refunds." *The Daily Oklahoman* (Oct. 13, 1995).

Vandewater, Bob. "OG&E Refund Order Ruled Valid by Judge." *The Daily Oklahoman* (Jun. 7, 1997).

Vandewater, Bob. "PSO Rate Cut, Refund Unanimously Approved." *The Daily Oklahoman* (Oct. 21, 1997).

Robinson, Rick. "ONEOK to eat cost of disputed gas prices." *The Daily Oklahoman* (Dec. 1, 2001).

"Commission OKs gas credit to schools." *The Daily Oklahoman* (Jan. 24, 2003).

Wilmoth, Adam. "OG&E must repay funds." *The Daily Oklahoman* (Jul. 15, 2005).

<sup>21</sup> Vandewater, Bob. "IRS, Bell May Bite Refunds Late Taxes, Phone Bills To Cut Some Checks" *The Daily Oklahoman* (Dec. 3, 1995): <https://www.oklahoman.com/story/news/1995/12/03/irs-bell-may-bite-refunds-late-taxes-phone-bills-to-cut-some-checks/62371624007/>.

<sup>22</sup> Stafford, Jim. "Commission to review fuel-purchase contracts" *The Daily Oklahoman* (Mar. 17, 2005): <https://www.oklahoman.com/story/news/2005/03/17/commission-to-review-fuel-purchase-contracts/61950586007/>.

<sup>23</sup> Anthony, Bob. "Report Card on Securitization: Anatomy of a State Government Screw-Up" filed Sep. 22, 2022 in OCC Cause Nos. PUD 202100072/76/79: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=12294753>.

<sup>24</sup> Anthony, Bob. "Has the Oklahoma Corporation Commission Tried to Cover Up Todd Hiatt's Alleged Criminal Conduct? You Decide..." filed Nov. 13, 2024 in OCC Case Nos. GD 2023-000005 and PUD 2023-000087: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=17209556>.

<sup>25</sup> State Ethics Rule 4.7.

<sup>26</sup> *Code of Judicial Conduct* Canons 1 and 2.

backwards into the old culture of regulatory capture and wrongdoing, this Ethics Policy change seemingly made it official.

I blame much of this on the re-emergence of a single-party system of government in Oklahoma. No Democrat has held a seat on this Commission since 2009, and because not only all three commissioners but also every Attorney General since 2011 have been of the same party, the tendency is once again toward getting away with whatever you can and looking the other way when the wrongdoing involves someone who is on “the same team.” No less than George Washington warned about this in his 1796 Farewell Address.<sup>27</sup>

Although the language Washington used is now antiquated, the outgoing president warned Americans that political factions might try to obstruct the execution of laws or prevent some agencies of government from exercising the powers provided to them by the Constitution. Even if what we now call political parties claimed to be trying to respond to popular demands or solve pressing problems, Washington warned their true intention was to take power from the people and place it in the hands of unjust men.

“Towards the preservation of your government, and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular oppositions to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretexts,” Washington wrote.<sup>28</sup> In short, blind party loyalty does not engender good government. In an era of so much partisanship and hypocrisy, the willingness of Supreme Court Justices Combs, Rowe and Gurich and former Oklahoma Accountancy Board President David Greenwell to speak up publicly, and even call a spade a spade in writing, has been refreshing and heartening.

#### Failures of Leadership

I also blame this return toward the old culture of regulatory capture and wrongdoing on the conspicuous failures of recent commissioners to lead by example. Why should employees come to work when the commissioners don't? Why should employees abide by State Ethics Rules when the commissioners and some of their office staff don't?<sup>29</sup> If commissioners can hide their activities from the public by simply failing to respond fully to Open Records requests, why can't the agency staff hide their untoward activities too?<sup>30</sup> Recent commissioners' dereliction of duty and disregard for the law has become a cancer that is spreading through the agency.

Commissioner Todd Hiett is the worst offender. He has been openly violating the law and the Constitution with impunity since Day One. Days before he took office, he didn't divest himself

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<sup>27</sup> Washington, George. “Farewell Address” (1796):  
[https://en.wikisource.org/wiki/Washington%27s\\_Farewell\\_Address](https://en.wikisource.org/wiki/Washington%27s_Farewell_Address).

<sup>28</sup> *Ibid.*

<sup>29</sup> Anthony, Bob. Letter to Opinion Coordinator, Office of the Attorney General “Re: Request for Official Attorney General Opinion [#2]” (Jun. 8, 2024) filed Jun. 10, 2024 in OCC Case No. GD 2023-000005:  
<https://public.occ.ok.gov/WebLink/DocView.aspx?id=16734657>.

<sup>30</sup> *Supra* Note 24.

of his mineral interests; he simply transferred them to his wife's name.<sup>31</sup> She has acquired more since.<sup>32</sup> Hiett's continued service on the board of and ownership interest in a bank that does business at the OCC is clearly a violation of the Article IX, § 16 prohibition against commissioners having occupations "inconsistent" with their duties as commissioners.<sup>33</sup> His unlawful acceptance of campaign contributions in violation of 17 O.S. § 48 and ongoing use of some \$100,000 of campaign funds for prohibited personal expenses is sickening.<sup>34</sup>

No fewer than three fellow-Republican Attorneys General have been just as intentionally blind to this unlawful conduct by a "teammate" as the current A.G. has been silent about the devastating impact Hiett's sexual misconduct and failure to disqualify himself is having on the credibility, legitimacy and integrity OCC utility cases – to the clear detriment of the "collective interests of all utility consumers" the Attorney General is statutorily required "to represent and protect."<sup>35</sup>

In my experience, most Oklahoma Attorneys General suffer from "I'm A.G." syndrome – "I'm Almost Governor." Consequently, their statutory duty to utility customers cited above usually takes a back seat to their desire to make friends with the big companies – especially utilities and energy companies – who can help make their further political aspirations a reality. I have written in detail how ratepayers' constitutional due process rights have been repeatedly trampled in recent years at the OCC while their legal representation sits idly by.<sup>36</sup> Justices of the Oklahoma Supreme Court have noted the same.<sup>37</sup>

It wasn't always this way. Attorney Generals Robert Henry and Susan Loving were both vigorous advocates for utility consumers in matters at the OCC and Supreme Court, and took on wrongdoers – even those in their own party. They would never have declined to cross-examine utility company witnesses about possible natural gas market manipulation, or declined to cross-examine OCC Public Utility Division witnesses in detail about what was or was not examined

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<sup>31</sup> Creek County Clerk. "Assignment of Oil and Gas Lease and Bill of Sale." (Jan. 9, 2015) 1-2015-000294, Book 0955, Page 991.

<sup>32</sup> Creek County Clerk. "Assignment of Oil and Gas Lease." (Sep. 13, 2017) 1-2017-010969, Book 1104, Page 755.

<sup>33</sup> Plaintiff's *Brief in Support of Application* (filed Jun. 30, 2021) in OSC Case No. PR-119686: <https://www.oscn.net/dockets/GetDocument.aspx?ct=appellate&bc=1049900633&cn=PR-119686&fmt=pdf>.  
*Bond v. Phelps* 1948 OK 76, 200 Okl. 70, 191 P.2d 938, ¶24:  
<https://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=58459>.  
*State ex rel Blankenship v. Freeman* 1968 OK 54, 440 P.2d 744, ¶0, 1, 49, 54, and 62-63:  
<https://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=41489>.

<sup>34</sup> "Protest of Mike Reynolds, Part III" filed Mar. 23, 2022 in OSC Case No. 120,106:  
<https://www.oscn.net/dockets/GetDocument.aspx?ct=appellate&bc=1051912071&cn=MA-120106&fmt=pdf>.  
 "EXHIBITS" accompanying "Protest of Mike Reynolds, Part III" filed Mar. 23, 2022 in OSC Case No. 120,106:  
<https://www.oscn.net/dockets/GetDocument.aspx?ct=appellate&bc=1033041118&cn=MA-120106&fmt=pdf>.

<sup>35</sup> 74 O.S. § 18b(A)(21).

<sup>36</sup> Anthony, Bob. "Utility Regulation at the Oklahoma Corporation Commission is Broken" filed Nov. 29, 2023 in OCC Case Nos. PUD 2022-000093 and GD 2023-000005:  
<https://public.occ.ok.gov/WebLink/DocView.aspx?id=14213148>.

<sup>37</sup> Combs, Doug. "Concurring Opinion of Justice Combs with Justice Gurich" filed May 3, 2022 in OSC Case No. 120,106: <https://www.oscn.net/dockets/GetDocument.aspx?ct=appellate&bc=1052220291&cn=MA-120106&fmt=pdf>.

during the so-called “prudence reviews” in the 2021 Fuel Cost and Prudence Review cases for OG&E, ONG and PSO, the way that Gentner Drummond did.<sup>38</sup>

That unmistakable dereliction of duty by a fellow military veteran who unquestionably understands the meaning of the word “duty” still astonishes me. Drummond not only came into office talking like an unabashed apologist for the utility companies and Oklahoma’s oil and gas producers after the 2021 Winter Storm,<sup>39</sup> even after being confronted with glaring evidence of wrongdoing<sup>40</sup> (including lawsuits in Kansas and Texas against the same companies that did business in Oklahoma<sup>41</sup>), he showed he was not willing to walk the walk when it came time to protect Oklahoma utility consumers – even with a historic \$6 billion at stake.

The 2021 Winter Storm bond scheme and its aftermath are certainly the most egregious and expensive OCC failures of recent years, but they are not without peers. Other huge black marks on the history of this agency include: Commissioners Hiatt and Dana Murphy’s fatal delay of the \$4.5 billion Windcatcher application to accommodate Murphy’s unwillingness to take a stand during her failed 2018 run for Lt. Governor; Hiatt and Murphy’s contrived dismissal of the application to overturn the bribed Southwestern Bell order in 2015;<sup>42</sup> and Hiatt and Murphy’s failure to adequately assist Fort Sill to meet a 2020 Directive from the U.S. Secretary of the Army involving the security, resilience and reliability of the fort’s power supply.

As a former Air Defense Artillery officer, I am personally anxious every time I see news reports about the Army’s ongoing air defense operations in support of our allies in Ukraine and the Middle East. I know those operations utilize assets at Fort Sill for training, support and deployment, and it distresses me that the OCC was unwilling to help ensure both our men and women in uniform and our allies’ have the resources they need for mission-essential readiness. Will lives be lost on the battlefield if the power goes out at Fort Sill? The OCC can still correct this failure. New commissioners may bring a new willingness to act. I pray they do – soon.

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<sup>38</sup> *Supra* Note 36.

<sup>39</sup> “KRMG In-Depth: Oklahoma Attorney General Gentner Drummond Interview with Russell Mills” *KRMG* (Feb. 21, 2023): <https://rss-cmg.streamguys1.com/player/player230223131711529.html>.

<sup>40</sup> Anthony, Bob. “Report Card on Securitization: Anatomy of a State Government Screw-Up” filed Sep. 22, 2022 in OCC Cause Nos. PUD 202100072/76/79: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=12294753>.  
Anthony, Bob. “Commissioner Bob Anthony Questions Millions in Cost Discrepancies” filed Feb. 24, 2023: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13468654>.

<sup>41</sup> Anthony, Bob. “For Deliberations from Commissioner Bob Anthony: ‘I hate to say it... so instead I’ll ask, ‘Now Do You Believe Me?’ How should the OCC proceed in light of this new evidence?’” filed Mar. 2, 2023: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13479854>.

<sup>42</sup> Clements, et al. “Application to Vacate or Modify Order No. and Redetermine Issues” filed Sep. 14, 2015 in OCC Case No. PUD 201500344: <http://imaging.occweb.com/AP/CaseFiles/occ5228022.pdf>.  
Oklahomans Against Bribery: <http://www.oklahomansagainstbribery.org/>.

### Colleagues

The twelve commissioners with whom I have served fell largely into two categories – attorneys who had worked for industries regulated by the OCC and former members of the legislature. (Patrice Douglas is an exception, and she was essential to establishing legitimate auditing standards and practices at the agency. Although an attorney, she came from banking, and unlike Todd Hiatt, took office without any constitutionally violative interests or occupations. Also an attorney, Jim Roth’s prior experience was with county government.) For all the lawyer jokes out there, and their penchant for hearing themselves talk, the attorneys at least had a sense that they were supposed to follow the law and the evidence, even if their interpretations were sometimes skewed by their industry backgrounds.

The former members of the legislature, on the other hand, have been by far the worst. They seem to think being a commissioner is simply a matter of listening to the various lobbyists – called attorneys and company executives at the OCC – and picking the argument or lobbyist they like the best. They also tend to treat being a commissioner as a part-time job. Legally or illegally, they want to collect slush funds beyond the cost of their political campaigns and find ways to use them for their own personal benefit.

If I were asked what from my tenure at the OCC makes me the most proud, it is probably that in 36 years, no one has accused me of being in the hip pocket of any special interest group. When I ran in 1988, I said, “My only special interest is Oklahoma” and I have stuck to it. In every subsequent campaign, my slogan was “Honesty. Integrity. Anthony.” – later I used “Honesty. Integrity. Ethics and Auditing.” I have endeavored to give every party to every OCC case – even those that once tried to bribe me or took me to the U.S. Supreme Court trying to disqualify me<sup>43</sup> – a fair shake. And I have been my own largest campaign contributor.

I would be remiss if I did not acknowledge and thank my other colleagues, my commissioner office staff – Sherma Dill, Frances Mitchell, Jackie Hollinhead, Skip Nicholson, Sody Clements, Jim Proctor, Larry Lago, Joe Briley, Matt Mullins, and Ben Jackson – whose personal integrity, professionalism, work ethic, and commitment to serving the public interest, not the special interests, has been invaluable. Averaging eight years’ service in my office, in some ways, their longevity is just as, if not more, remarkable than mine.

“The price of freedom is eternal vigilance.”

Whether Thomas Jefferson actually said/wrote it or not, I believe the statement above is true, and my time in public service has reflected that. I learned back in the business world that “People respect what you inspect.” I think Ronald Reagan said, “Trust, but verify.” Any employee who resents extra scrutiny of his job performance when a project he spearheaded cost a billion dollars more than his division estimated, or when an accused sexual predator is allowed to evade accountability, potentially resulting in more victims – that employee needs a reality check.

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<sup>43</sup> *Southwestern Bell Telephone Company v. Oklahoma Corporation Commission* (Supreme Court of the United States, October Term, 1994, No. 94-73).

Let me be clear: Being a Corporation Commissioner is not a part-time job. It is the commissioners, not the agency staff, who swear an oath to support, obey and defend the Constitution and faithfully discharge their duties as Corporation Commissioners to the best of their ability.

The duties of this office are numerous, detailed, and demanding. And as duties, they are required by law; they are not suggestions, and they are not optional. These include “the duty of supervising, regulating and controlling” most energy and monopoly public utility companies doing business in this State “and of correcting abuses and preventing unjust discrimination and extortion by such companies.”<sup>44</sup> Further, every time the Constitution or Statutes say, “the Commission shall,” those too are duties.<sup>45</sup> They are not optional, and the Supreme Court has said they cannot be pawned off on others.<sup>46</sup> At the Oklahoma Corporation Commission, the buck stops with the commissioners. Making sure the laws and the Constitution are followed is ultimately the commissioners’ responsibility.

The dereliction of these duties my fellow commissioners have displayed in recent years has been horrifying. This agency’s wholesale failure to investigate the historic prices Oklahoma’s utilities paid for natural gas during the 2021 Winter Storm,<sup>47</sup> and its ongoing failure to provide lawful audits of either those billions in storm costs or the expenses resulting from the billions in

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<sup>44</sup> *Oklahoma Constitution*, Article IX, Section 18.

<sup>45</sup> For example:

17 O.S. § 263(A): In order to assure that the rates charged to their customers by public utilities and electric distribution cooperatives which utilize fuel adjustment clauses or purchased power adjustment clauses are just and reasonable, the Commission shall periodically conduct detailed rate investigations of such utilities and cooperatives. ...

17 O.S. § 252: ... the Commission shall continually monitor and oversee the application of the fuel adjustment clauses. ...

74 O.S. § 9078: ... An audit, as provided in this section, shall be part of any general rate case filed by a regulated utility currently affected by a financing order with outstanding ratepayerbacked bonds. ...

<sup>46</sup> *Hair v. Oklahoma Corp. Com'n* 1987 OK 50, 740 P.2d 13 at ¶ 10:

... none of the provisions contained in Okla. Const. Art. 9 §§ 18-34 granting the Commission its powers, duties and functions confer upon the Commission the power to delegate any part of its discretionary power...

<sup>47</sup> Anthony, Bob. “For Deliberations: Time for Cognitive Behavioral Therapy at the Corporation Commission” filed Apr. 3, 2023 in OCC Case Nos. PUD 2022-000057/77/89:

<https://public.occ.ok.gov/WebLink/DocView.aspx?id=13546644>.

Anthony, Bob. “Dissenting Opinion of Commissioner Bob Anthony[, Part I]” filed Apr. 20, 2023 in OCC Case Nos. PUD 2022-000057/77/89: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13594470>.

ratepayer-backed bonds it authorized to bail out the utilities<sup>48</sup> is literally an impeachable offence.<sup>49</sup>

I make no apologies for my early efforts to root out public corruption at the OCC,<sup>50</sup> or more recently, my ardent attempts to uncover and share the truth about agency failures – especially the 2021 Winter Storm and the \$5 billion ratepayer-backed bond fiasco.<sup>51</sup> I also offer no apology for similar energy I have expended to find and share the truth about Todd Hiatt's sexual misconduct and the devastating impact it is having on the integrity, credibility and legitimacy of the OCC's judicial processes and operations.<sup>52</sup>

Instead of confronting and exposing wrongdoing, it would always have been easier, on myself and my family, to look the other way. Having the unconditional support of my family – especially my parents, Guy and Christine, my wife of 50 years Nancy, and our daughters – has been essential to the rigor and longevity of my public service.

Uncovering the truth is part of my constitutional duty to “correct abuses and prevent unjust discrimination and extortion,”<sup>53</sup> and the attempted coverup of both recent scandals illustrates the cancer-like spread of ongoing unlawful behavior at the OCC. I am only sorry that when it came to these and other issues of critical importance to Oklahoma ratepayers and taxpayers, I could not find a second vote at the commission or convince the Attorney General to resist political pressure from “teammates” and step up to honesty, truth and justice instead.

My record is long and imperfect, but I can say before God and the citizens who elected and reelected me that for thirty-six years I have supported, obeyed, and defended the Constitution of the United States, and the Constitution of the State of Oklahoma, and discharged my duties as an Oklahoma Corporation Commissioner to the best of my ability. After all the opportunities the State of Oklahoma has given me and my family over the last 100+ years, it has been an honor and a privilege to be able to serve.

Corporation Commissioner Bob Anthony  
January 3, 2025

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<sup>48</sup> Anthony, Bob. “Dissenting Opinion of Commissioner Bob Anthony[, Part I]” filed Apr. 20, 2023 in OCC Case Nos. PUD 2022-000057/77/89: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=13594470>.

Anthony, Bob. “Commissioner Bob Anthony asks, ‘WHERE’S THE AUDIT?’ on behalf of utility customers. Spoiler Alert: There aren’t any yet.” filed Mar. 25, 2024 in OCC Case Nos. GD 2023-000005 and PUD 2023-000086/87: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=16486747>.

Anthony, Bob. “Considerations and Dissent of Commissioner Bob Anthony, Part II: Unmasking the So-Called ‘Audit’ Charade” filed Apr. 8, 2024 in OCC Case Nos. PUD 2022-000093 and GD 2023-000005: <https://public.occ.ok.gov/WebLink/DocView.aspx?id=16542008>.

<sup>49</sup> 21 O.S. § 580.

<sup>50</sup> *Supra* Note 15.

<sup>51</sup> *Supra* Note 40.

<sup>52</sup> *Supra* Note 24.

<sup>53</sup> *Oklahoma Constitution*, Article IX, Section 18.