

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

FILED
JUN 01 2018

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR AN ORDER OF THE COMMISSION)
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA
CAUSE NO. PUD 201700496



SUMMARY REBUTTAL TESTIMONY

OF

ZACHARY QUINTERO

JUNE 1, 2018

1 Zachary Quintero is employed by the Public Utility Division ("PUD") of the Oklahoma
2 Corporation Commission ("Commission") as a Public Utility Regulatory Analyst. On
3 January 16, 2018, Oklahoma Gas and Electric Company ("OG&E" or "Company"), filed
4 its Application for an order of the Commission authorizing the Company to modify its rates,
5 charges, and tariffs for retail electric service in Oklahoma. Mr. Quintero testified that PUD
6 reviewed the Application, as well as the testimony and sponsored exhibits of Company
7 witnesses. In addition, Mr. Quintero testified that PUD reviewed data requests and responses
8 between all parties in this Cause and conducted onsite audits at the Company's corporate
9 office in Oklahoma City, Oklahoma.

10 On May 2, 2018, Mr. Quintero filed Responsive Testimony explaining PUD's review of
11 Accumulated Deferred Income Taxes ("ADIT"), Cash Working Capital ("CWC"),
12 Property / Ad Valorem Tax Expense, Interest Synchronization, and Current Income Tax
13 Expense. Mr. Quintero also prepared and filed PUD's Accounting Exhibit, which
14 demonstrates the impact of all PUD adjustments on the Company's requested Revenue
15 Requirement.

16 On May 29, 2018, Mr. Quintero filed Rebuttal Testimony in response to Attorney General
17 ("AG") witness Edwin C. Farrar's recommendation concerning OG&E's Ad Valorem Tax
18 Expense. Mr. Farrar recommends an adjustment to the Company's Ad Valorem Tax Expense
19 based upon actual booked amounts as of March 31, 2018 since the Company's ad valorem
20 adjustment in its original Application was based on a projected plant balance. Mr. Quintero
21 testified that using actual booked amounts fails to consider known and measurable changes in

1 the Company's plant in service which will result in an increase to OG&E's Ad Valorem Tax
2 Expense. Mr. Quintero testified that he recommends the Commission accept PUD
3 Adjustment No. H-9, which is based upon the updated actual plant in service amounts
4 multiplied by the Company's average ad valorem tax rate and then netted against the Ad
5 Valorem Tax Expense level included in the Company's original Application. PUD's
6 adjustment will allow the Company to recover its full Ad Valorem Tax Expense based on
7 known and measurable information.

8 PUD believes this recommendation is fair, just, reasonable and in the public interest.

CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that on the 1st day of June, 2018, a true and correct copy of the above and foregoing was sent **electronically**, addressed to the following:

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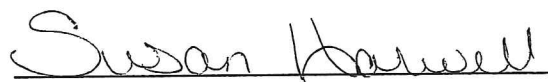
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