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BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY) CAUSE NO. PUD 201800140
FOR AN ORDER OF THE COMMISSION)
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL) ORDER NO. **690985**
ELECTRIC SERVICE IN OKLAHOMA)

**PRE – HEARING
CONFERENCE**

December 13, 2018, and January 17, 2019, in Courtroom B
2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105
Before Linda S. Foreman, Administrative Law Judge

APPEARANCES: William L. Humes, John D. Rhea, Dominic Williams, William J. Bullard,
Curtis M. Long, and Kimber L. Shoop, Attorneys *representing*
Oklahoma Gas and Electric Company
Kyle Vazquez, Assistant General Counsel *representing* Public Utility
Division, Oklahoma Corporation Commission
Jared B. Haines and A. Chase Snodgrass, Assistant Attorneys General
representing Office of Attorney General, State of Oklahoma
Jack G. Clark, Jr. and Ronald E. Stakem, Attorneys *representing* OG&E
Shareholders Association
Thomas P. Schroedter, Attorney *representing* Oklahoma Industrial Energy
Consumers
Deborah R. Thompson, Attorney *representing* AARP
J. Eric Turner and Adam J. Singer, Attorneys *representing* Oklahoma
Association of Electric Cooperatives
Jacquelyn L. Dill, Attorney *representing* Sierra Club

PRELIMINARY ORDER

BY THE COMMISSION:

The Corporation Commission (“Commission”) of the State of Oklahoma, being regularly in session and the undersigned Commissioners present and participating, there comes on for consideration and action the Preliminary Order recommended by the Administrative Law Judge (“ALJ”).

Oklahoma Gas and Electric Company (“OG&E”, “Company” or “Applicant”) filed its Notice of Intent on November 14, 2018. Pursuant to OAC 165:5-11-2, a notice of prehearing conference was filed of record and sent to all parties of record to this Cause with at least two weeks’ notice. A prehearing conference was held on December 13, 2018, and January 17, 2019.

OG&E filed its Application on December 31, 2018. Pursuant to 17 O.S. § 152, if the request for review of rates and charges, such as is the request in this Cause, “has not been

completed and an order issued within one hundred eighty (180) days from the date of filing of such application, some or all of the request for changes in the rates, charges, and regulations made in such application shall be immediately placed into effect and collected through new tariffs on an interim basis at the discretion of the applicant.” However, “should the Commission determine upon the completion of its examination and public hearings that a refund regarding the amount of interim relief is appropriate and necessary, the Commission shall order such refund including reasonable interest at the one-year U.S. Treasury bill rate accruing on that portion of the rate increase to be refunded for a period not to exceed ninety (90) days from the effective date of the rate increase which is being refunded.” See 17 O.S. § 152. One hundred eighty days after December 31, 2018, is June 30, 2019. (It is noted that June 30, 2019, is a Sunday.)

The ALJ is cognizant of the necessity to process this Cause in a thorough yet expeditious manner. To that end, the ALJ respectfully recommends the following:

I. NOTICE

The relief requested in OG&E’s Application will directly alter charges made for service performed. As such, OAC 165:5-7-51(b) applies and requires Notice of Hearing of the Application to be published once each week for two consecutive weeks at least fifteen days prior to hearing in a newspaper of general circulation published in each county in which are located utility customers affected.

2. Newspapers of general circulation are not published in each county in which affected utility customers are located. Applicant requests that the Commission waive said portion of OAC 165:5-7-51(b), and proposes that Notice of Hearing of the Application be published in two newspapers of general circulation within the State of Oklahoma and also in newspapers of general circulation in the following Oklahoma counties: Alfalfa, Bryan, Dewey, Ellis, Grant, Jefferson, Johnston, Love, Major, Marshall, Woods, and Woodward.

3. Applicant proposes that the Notice of Hearing of the Application be published in *The Oklahoman*, *Tulsa World*, *Medford Patriot Star*, *Cherokee Messenger & Republican*, *Alva Review-Courier*, *Enid News & Eagle*, *Woodward News*, *NW Oklahoman & Ellis County News*, *Dewey County Record*, *The Ardmoreite*, *Johnston County Capital-Democrat*, *Durant Democrat*, *Sequoyah County Times*, *Tahlequah Daily Press* and *Poteau Daily News*, once each week for two consecutive weeks at least fifteen days prior to the Hearing on the Merits. The proposed Notice of Hearing is attached to this Motion as Exhibit “A”. Direct notice to OG&E customers will be made in the form attached as Exhibit “B”.

II. PROCEDURAL SCHEDULE

The following dates and times are hereby established for the prosecution of this Cause.

November 15, 2018	Notice of Intent Filed
December 31, 2018	Application Filing Date
March 11, 2019	Exit Conference
April 1, 2019	Deadline for Intervention

April 17, 2019	OG&E to provide six month update information to the Parties
April 22, 2019	Discovery Cut-off for Direct Testimony
April 22, 2019	Deadline for filing Responsive Testimony for PUD, AG and Interveners to Applicant's Direct Testimony for all areas except Cost of Service, and Rate Design
April 29, 2019	Deadline for filing Responsive Testimony for PUD, AG and Interveners for Cost of Service and Rate Design/Supplemental Testimony Due in Response to OG&E's Six Month Update (if necessary)
April 30, 2019	Statements of Position Due from all Parties not filing Responsive Testimony
May 6, 2019	Discovery cut-off for all Responsive Testimony
May 6, 2019	Rebuttal Testimony Deadline for Revenue Requirement
May 13, 2019	Rebuttal Testimony Deadline for Rate Design and Cost of Service
May 15, 2019	Settlement Conference
May 20, 2019	Deadline for Issue List for all Parties to be submitted to PUD for the Issue Spreadsheet
May 20, 2019	Objections to Witness qualifications filed, pre-trial motions and briefs filed
May 24, 2019	Discovery cut-off for Rebuttal Testimony
May 24, 2019	Exhibit Lists filed and Exhibits exchanged Spreadsheet filed and provided to ALJ; Order of Presentation submitted to ALJ; Order of presentation of witnesses & cross-examination submitted to ALJ
May 28, 2019	Prehearing Conference; all pre-trial motions to be heard in Courtroom B at 10:00 am
May 28, 2019	Public Comment beginning at 1:30 pm in Courtroom 301
May 29, 2019, and continuing until completed	Hearing on the Merits in Courtroom 301 at 8:30 a.m.
10 calendar days after conclusion of Hearing On Merits	Proposed Findings of Fact & Conclusions of Law Due. Microsoft Word versions provided to ALJ
30 days following submission of Proposed Findings	ALJ Report filed
10 calendar days following issuance of ALJ Report	Written Exceptions, if any, to ALJ Report due
7 calendar days following filing of written exceptions	Responses to Written Exceptions, if any, to ALJ Report Due

All times specified herein for filing documents shall be determined to be no later than 4:30 p.m. unless specified otherwise.

The Hearing on the Merits shall commence on the date and time specified above and continuing each business day thereafter until the Hearing concludes. The hearing will be heard before the ALJ in Courtroom 301, located on the 3rd Floor, Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma. If the procedural schedule is not met by the parties, or there is not enough time to finish the hearing, or there is undue delay, then the ALJ may make a recommendation to amend the procedural schedule accordingly.

Order and Presentation of Witnesses:

The following order of witnesses shall be followed unless otherwise directed by the Commission or the ALJ:

- a. OG&E
- b. Intervenors
- c. Attorney General
- d. PUD

Prefiled Testimony:

The order of proof shall be governed by OAC 165:5-13-3(f) which states in part that the applicant who institutes a cause may open and close the proof.

After admittance of the pre-filed testimony (direct, responsive, rebuttal) into the record, each witness shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised in rebuttal testimony of the other parties.

After the pre-filed testimony (direct, responsive, rebuttal) and oral surrebuttal testimony of the witness have been submitted into the record, the witness shall be tendered for oral cross-examination and redirect examination.

Any redirect examination will be limited to issues raised during cross-examination.

Sur-surrebuttal and Related Issues:

1. Due to OG&E having the burden of proof, after other parties have presented their testimony, summaries, and statements of position, OG&E may be allowed to present oral sur-surrebuttal testimony if OG&E establishes that the parties have raised new issues that OG&E was unable to adequately address through cross-examination. The oral sur-surrebuttal shall be strictly limited to the new issues.

2. Once OG&E has presented its oral sur-surrebuttal testimony, the witness shall be tendered for cross and redirect examination. Any cross-examination shall be limited to the issues

addressed in the sur-surrebuttal testimony; likewise, the redirect examination will be limited to issues that were raised during cross-examination.

3. After OG&E's sur-surrebuttal testimony and cross-examination, if any other party deems it necessary to request of the ALJ to be allowed to present further surrebuttal testimony, the ALJ shall evaluate the request and make a determination based on the following criteria:

- a. Whether or not any new issue(s) has been raised.
- b. Whether or not the party was able to adequately respond to the new issue during cross-examination.
- c. Whether or not additional testimony and/or evidence is required as a matter of due process to the requesting party.
- d. Whether or not the additional testimony and/or evidence is required to perfect the record.
- e. Whether or not additional testimony and/or evidence is cumulative in nature and have been previously and sufficiently addressed.
- f. Whether or not any statutorily imposed time will permit further testimony and/or evidence.

Testimony Summaries, Statements of Position, and Exhibits:

Any party not filing testimony but desiring to cross-examine witnesses at the hearing must file a statement of position on or before April 30, 2019. All filed statements of position must contain a specific statement of position. The Statement of Position shall clearly and concisely provide a party's position regarding all major issues in this Cause.

The parties shall file of record and exchange summaries of their respective filed testimony (direct, responsive, rebuttal) on or before two (2) business days following filing of testimony. Summaries of Testimony shall be used in the preparation of the ALJ's Report and Recommendation and shall be transmitted to all parties and the ALJ in electronic format.

Each party presenting or cross-examining any witness shall file of record and exchange an exhibit list of all potential exhibits that may be utilized at the hearing and any exhibits that have not already been provided or received throughout the course of the proceedings by May 24, 2019. All documents filed in the Court Clerk's office shall be presumed to be exhibits and need not be identified separately on the exchanged exhibit lists.

However, if for good cause shown, a party finds it necessary during the hearing to present an additional exhibit(s) that was not listed on its filed exhibit list, such exhibit(s) shall not be permitted unless submitted to all parties at least twenty-four (24) hours prior to usage and granted by the ALJ.

Exhibits not exchanged on or before the filing deadline in the Schedule, which could have been prepared based upon filed testimony, will be offered only by agreement of all parties, subject to the ruling of the ALJ.

The party offering exhibits at the Hearing on the Merits shall have a sufficient number of copies for all parties of record in attendance and three (3) copies for the ALJ. The three copies for the ALJ include one marked as the exhibit of record, one working copy for the ALJ, and one working copy for the court reporter.

Discovery and Objections:

The parties have agreed that responses to discovery requests on Direct Testimony shall be due within ten (10) business days of receipt. Responses to discovery requests on Responsive Testimony, Rebuttal Testimony, and Six-Month Update shall be due within five (5) calendar days of receipt. Objections to any discovery request will be due within five (5) business days for Direct Testimony and three (3) business days for all other testimony.

Any discovery request received after 3:00 p.m. shall be deemed received the next regular business day as provided for in OAC 165:5-11-1(e)(6).

Unless the parties agree otherwise, the response times for filing objections to discovery requests shall be as stated above, and a hearing on such an objection shall be set on the next motion docket unless specifically set on dates agreed to by the parties and as directed by the ALJ. All times specified herein for filing documents shall be determined to be 4:30 p.m. unless specified otherwise.

Data requests, which are limited to no more than twenty-five (25) per day, per party, and responses, must be served by electronic transmission, facsimile, or hand-delivery to all parties of record.

Any objections to the qualification of any witness shall be made by the date specified above. Any such motion shall be heard on any regularly scheduled motion docket that precedes the commencement of the prehearing conference, or at the prehearing conference, whichever occurs first, unless otherwise directed by the ALJ.

If the parties are able to dispose of the issues of this Cause by way of a negotiated settlement, the dates contained herein may be modified.

Issue Spreadsheet:

The ALJ will gather and compile an Issues Spreadsheet with the cooperation and assistance of all parties of record. Parties are to work together to compile this Issue Spreadsheet. All parties shall submit a comprehensive and complete issue list to the ALJ on or before March 22, 2019. This Spreadsheet shall not contain lengthy testimony that has been cut and pasted into the document. Issues shall be concisely stated with citations to supporting testimony. Each party's spreadsheet shall be submitted to the ALJ electronically. If a party does not take a position on any issue then the party shall so state. A party's information shall not be included in the Spreadsheet if that party fails to timely cooperate and/or assist in the creation of the Spreadsheet.

Proposed Findings of Fact and Conclusions of Law:

Each party shall file proposed findings of fact and conclusions of law on or before the date specified above. The same shall be provided to the ALJ in Word format at the time Proposed

Findings of Fact and Conclusions of Law are filed. Proposed Findings of Fact and Conclusions of Law shall contain citations to supporting testimony and/or hearing exhibits and/or relevant legal authority.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

THE COMMISSION FINDS that it is vested with jurisdiction in this Cause pursuant to Article IX, Section 18 of the Oklahoma Constitution and 17 O.S. §152.

THE COMMISSION FURTHER FINDS that notice in the form of Exhibit “A,” attached hereto, should be published once each week for two consecutive weeks at least fifteen (15) days prior to the Hearing on the Merits in the statewide editions of the *Tulsa World*, *The Oklahoman*, and a newspaper of general circulation in Alfalfa, Bryan, Dewey, Ellis, Grant, Jefferson, Johnston, Love, Major, Marshall, Woods, and Woodward Counties.

THE COMMISSION FURTHER FINDS that Applicant should serve notice directly to all utility customers of its proposed rate change using the approved form of notice to customers attached hereto as Exhibit “B.”

THE COMMISSION FURTHER FINDS that notice as set forth herein meets the requirements of OAC 165:5-7-51 which sets forth the notice requirements where a general rate increase is sought.

THE COMMISSION FURTHER FINDS that the Procedural Schedule and the general provisions set forth herein are hereby adopted by the Commission.

There being no oral exceptions taken to the oral recommendation of the ALJ, such recommendation becomes the Order of the Commission upon the signature of a majority of the Commission.

ORDER

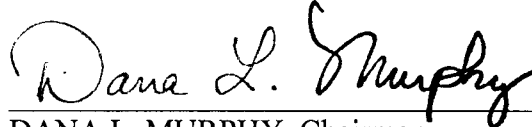
THE COMMISSION THEREFORE ORDERS that Applicant is directed to publish notice in the form of Exhibit “A,” attached hereto, once each week for two (2) consecutive weeks at least fifteen (15) days prior to the Hearing on the Merits, in the statewide editions of the *Tulsa World*, *The Oklahoman*, and in a newspaper of general circulation in Alfalfa, Bryan, Dewey, Ellis, Grant, Jefferson, Johnston, Love, Major, Marshall, Woods, and Woodward Counties. Proof of publication shall be filed herein.

THE COMMISSION FURTHER ORDERS that Applicant is directed to serve notice of its proposed rate change to all affected utility customers using the approved form of notice to customers attached hereto as Exhibit “B.”

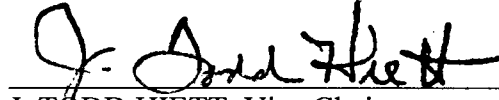
THE COMMISSION FURTHER ORDERS that the Procedural Schedule and general provisions as set forth herein shall be adhered to by and between the parties to this Cause and the same shall become the order of the Commission.

THIS ORDER SHALL BE EFFECTIVE immediately.

OKLAHOMA CORPORATION COMMISSION



DANA L. MURPHY, Chairman



J. TODD HIATT, Vice Chairman

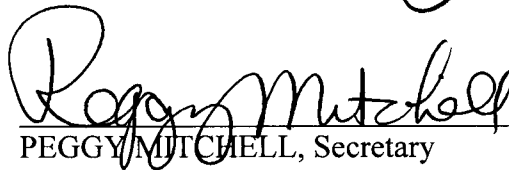


BOB ANTHONY, Commissioner

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, the 6 day of February, 2019.

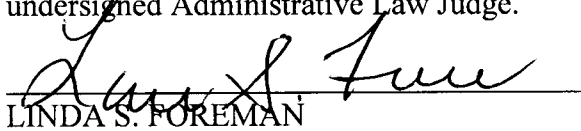
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PEGGY MITCHELL, Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing findings, conclusions and order are the report and recommendation of the undersigned Administrative Law Judge.



LINDA S. FOREMAN

Administrative Law Judge

1.30.19
Date

EXHIBIT “A”

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR AN ORDER OF THE COMMISSION) CAUSE NO. PUD 201800140
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that Oklahoma Gas and Electric Company (“OG&E”) filed an Application with the Oklahoma Corporation Commission (“Commission”) for an adjustment in its rates and charges for electric services in the State of Oklahoma. The increase, as proposed by OG&E, would result in a monthly increase of 7.7 percent for an average residential customer or an increased bill of \$7.55 per month when compared to current rates. As proposed by OG&E, General Service customers would receive a 4.0 percent rate increase. For the industrial rate classes, the average increase would range from 4.6 percent for Power and Light customers (PL) to an increase of 9.8 percent for Large Power and Light customers (LPL).

NOTICE IS FURTHER GIVEN that the Hearing on the Merits will be heard before an Administrative Law Judge commencing on May 29, 2019, at 8:30 a.m., and continuing each business day thereafter until the hearing concludes, in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105.

NOTICE IS FURTHER GIVEN that the Commission shall, after hearing and taking of evidence, issue such orders and grant such relief as it deems reasonable, fair, necessary, proper, and equitable in the circumstances, whether or not specifically requested.

NOTICE IS FURTHER GIVEN that members of the public, including individual customers of Oklahoma Gas and Electric Company, will have an opportunity to provide comments on May 28, 2019, beginning at 1:30 p.m., in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. Members of the public may also provide written comments by mail to P.O. Box 52000, Oklahoma City, Oklahoma 73152 or by email to PUDsubmissions@occemail.com with “Attention: Public Comment PUD 201800140” in the subject line. All interested persons may appear and be heard or may provide written comments.

For information concerning this Cause, please contact William L. Humes, P.O. Box 321, Oklahoma City, Oklahoma 73102, phone 405-553-3062, Attorney for Oklahoma Gas and Electric Company; Kyle Vazquez, Assistant General Counsel, Oklahoma Corporation Commission, Fourth Floor, Jim Thorpe Office Building, Oklahoma City, Oklahoma 73105 405-522-2100; or Jared B.

Haines, Assistant Attorney General, Office of the Attorney General, 313 NE 21st Street, Oklahoma City, OK 73105 405521-3921.

OKLAHOMA CORPORATION COMMISSION

DANA L. MURPHY, Chairman

J. TODD HIETT, Vice Chairman

BOB ANTHONY, Commissioner

DONE AND PERFORMED THIS ____ DAY OF _____, 2019.

BY ORDER OF THE COMMISSION:

PEGGY MITCHELL, Commission Secretary

Exhibit “B”

Dear Customer:

Oklahoma Gas & Electric Company (“OG&E” or “Company”) is seeking an annual increase of approximately \$76.6 million, which reflects a 4.4% increase over rates set in July of 2018, to recover increased business costs and electric infrastructure investments including costs associated with the Sooner Scrubber and the Muskogee Conversion projects.

The increase, as proposed by OG&E, would raise a residential customer’s bill by approximately 7.7% when compared to current rates. This equals about \$7.55 per month on the average residential customer bill. As proposed by OG&E, General Service customers would receive a rate increase of 4.4%. For the industrial rate classes both Power and Light customers (PL) and Large Power and Light customers (LPL) would receive rate increases ranging from 4.6% to 9.8%.

The Oklahoma Corporation Commission (“Commission”) is scheduled to begin hearings before an Administrative Law Judge on OG&E’s request for a rate increase on May 29, 2019, at 8:30 a.m., and continuing each business day thereafter until the hearing concludes, in Courtroom 301 on the 3rd floor of the Jim Thorpe Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. After the hearing, the Commission will issue its final order and any rate changes will become effective after the final decision is issued.

All members of the public, including individual customers of OG&E, will have an opportunity to provide comments on May 28, 2019, beginning at 1:30 p.m. in Courtroom 301, 3rd Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. Members of the public may also provide written comments by mail to OG&E Rate Case Comments, c/o Office of General Counsel, Oklahoma Corporation Commission at P.O. Box 52000, Oklahoma City, Oklahoma 73152 or by email to PUDsubmissions@occcemail.com with “Attention: Public Comment PUD 201800140” in the subject line.

For information concerning this action, contact William L. Humes, Post Office Box 321, MC 1208, Oklahoma City, Oklahoma 73101, Telephone (405) 553-3658, Attorney for Oklahoma Gas & Electric Company; Kyle Vazquez, Assistant General Counsel, Oklahoma Corporation Commission, 4th Floor, Jim Thorpe Office Building, Oklahoma City, Oklahoma 73105 (405) 521-2211; or Jared Haines, Assistant Attorney General, Office of the Attorney General, 313 NE 21st Street, Oklahoma City, OK 73105 (405) 521-3921.