BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF OKLAHOMA GAS AND ELECTRIC	)	
COMPANY, FOR APPROVAL OF A	)	DOCKET NO. 16-052-U
GENERAL CHANGE IN RATES,	)	
CHARGES, AND TARIFFS	)	

DIRECT EXHIBITS

OF

MATTHEW S. KLUCHER
DIRECTOR, RATES AND DEMAND RESOURCES

ON BEHALF OF THE GENERAL STAFF OF THE
ARKANSAS PUBLIC SERVICE COMMISSION

JANUARY 31, 2017

Line No.	Description	Total Company	Other Jurisdiction	Arkansas Jurisdiction	Residential Service	General Service	Power & Light	Power & Light TOU	Municipal Pumping	Athletic Field Lighting	Lighting
1	**RATE BASE**										
2	GROSS PLANT IN SERVICE	9,727,014,287	8,947,434,174	779,580,113	311,945,674	89,672,608	217,527,447	135,444,854	667,438	865,765	23,456,327
3	ACCUMULATED DERPRECIATION	3,903,115,525	3,588,534,804	314,580,721	126,572,512	36,443,568	85,835,672	55,599,443	236,645	294,938	9,597,943
4	NET PLANT	5,823,898,762	5,358,899,370	464,999,392	185,373,163	53,229,039	131,691,775	79,845,411	430,793	570,827	13,858,384
5	WORKING CAPITAL ASSETS	432,959,295	388,830,490	44,128,804	16,425,380	4,842,087	12,562,069	9,266,344	30,141	28,683	974,100
6	OTHER RATE BASE ITEMS	100,222,430	91,717,308	8,505,122	3,339,495	972,378	2,312,061	1,814,217	2,687	2,366	61,918
7	**TOTAL RATE BASE**	**6,357,080,486**	**5,839,447,168**	**517,633,318**	**205,138,037**	**59,043,505**	**146,565,905**	**90,925,972**	**463,621**	**601,876**	**14,894,403**
8	**NON-FUEL OPERATING REVENUES**										
9	RETAIL PRESENT RATE SCHEDULE REV	1,258,531,324	1,173,364,971	85,166,353	30,786,853	9,511,996	24,649,782	17,095,630	59,162	50,450	3,012,480
10	OTHER OPERATING REVENUES	16,435,643	16,115,648	319,995	166,523	34,966	74,052	38,280	373	393	5,408
11	**TOTAL OPERATING REVENUE**	**1,274,966,967**	**1,189,480,619**	**85,486,348**	**30,953,376**	**9,546,962**	**24,723,833**	**17,133,911**	**59,535**	**50,843**	**3,017,888**
12	**EXPENSES**										
13	OPERATION & MAINTENANCE EXPENSE	390,762,386	352,355,171	38,407,215	17,236,267	4,691,998	9,957,320	6,035,069	37,162	38,348	411,052
14	DEPRECIATION & AMORTIZATION EXPENSE	293,487,296	271,426,598	22,060,698	8,749,434	2,506,909	5,864,851	3,778,553	18,527	22,132	1,120,292
15	TAXES OTHER THAN INCOME TAXES	88,293,795	80,857,216	7,436,579	2,945,965	841,628	2,077,241	1,372,684	6,253	7,583	185,225
16	**TOTAL OPERATING EXPENSES**	**772,543,478**	**704,638,986**	**67,904,492**	**28,931,666**	**8,040,535**	**17,899,412**	**11,186,306**	**61,942**	**68,062**	**1,716,569**
17	INCOME TAXES	115,752,096	115,477,484	274,613	(1,831,231)	(164,424)	801,922	1,169,769	(6,875)	(14,454)	319,904
18	TOTAL EXPENSES	888,295,574	820,116,469	68,179,105	27,100,436	7,876,112	18,701,334	12,356,075	55,067	53,608	2,036,473
19	OPERATING INCOME	386,671,393	369,364,150	17,307,243	3,852,941	1,670,850	6,022,500	4,777,836	4,468	(2,765)	981,415
20	Earned Return on Rate Base	6.083%	6.325%	3.344%	1.878%	2.830%	4.109%	5.255%	0.964%	-0.459%	6.589%
21	**COST OF SERVICE REVENUE REQUIREMENT**										
22	Required Return on Rate Base			5.310%	5.310%	5.310%	5.310%	5.310%	5.310%	5.310%	5.310%
23	Required Operating Income (L7*L22)			27,486,329	10,892,830	3,135,210	7,782,650	4,828,169	24,618	31,960	790,893
24	Income Deficiency/(Surplus) (L23 - L19)			10,179,086	7,039,889	1,464,360	1,760,150	50,334	20,150	34,725	(190,522)
25	Revenue Conversion Factor			1.62738	1.62961	1.62369	1.62123	1.62123	1.62121	1.62121	1.62121
26	Revenue Deficiency/(Surplus) (L24*L25)			16,565,238	11,472,273	2,377,660	2,853,615	81,603	32,668	56,297	(308,877)
27	Rate Schedule Revenue Requirement (L9 + L26)			101,731,591	42,259,126	11,889,656	27,503,397	17,177,233	91,830	106,746	2,703,603
28	Fuel Revenues @ Present Rates			65,433,767	18,537,681	5,673,588	20,011,900	20,393,411	33,117	24,162	759,907
29	Other Riders @ Present Rates			17,227,576	6,033,055	1,822,313	5,361,927	3,814,624	9,074	6,748	179,835
30	Other Riders @ Proposed Rates			10,497,296	3,878,291	1,161,553	3,252,848	2,097,859	5,470	4,119	97,155
31	Expiring Riders @ Present Rates			6,730,281	2,154,764	660,760	2,109,079	1,716,765	3,603	2,629	82,680
32	**% Increase on Present Rate Schedule Revenue (L26 / L9)**			**19.45%**	**37.26%**	**25.00%**	**11.58%**	**0.48%**	**55.22%**	**111.59%**	**-10.25%**
33	% Increase on Present Rate Sch Rev + Fuel Rev (L26 / ((L9+L28))			**11.00%**	**23.26%**	**15.66%**	**6.39%**	**0.22%**	**35.40%**	**75.45%**	**-8.19%**
34	% Increase on Pres Rate Sch Rev + Fuel Rev + Other Riders ((L26-L31) / ((L11+L28+L29))			**5.85%**	**16.78%**	**10.07%**	**1.49%**	**-3.96%**	**28.57%**	**65.65%**	**-9.89%**
35	Total Revenue Requirement (L10+L27+L28+L30)			177,982,649	64,841,622	18,759,762	50,842,197	39,706,783	130,790	135,421	3,566,074
	PROPOSED REVENUE REQUIREMENT										
36	Proposed Base Rate Revenue Requirement			101,731,591	39,552,207	11,889,656	27,986,512	19,061,219	79,559	67,280	3,095,159
37	Total Proposed Revenue Requirement (L10+L36+L28+L30)			177,982,649	62,134,702	18,759,762	51,325,312	41,590,769	118,519	95,954	3,957,630
38	% Increase on Total Revenue Requirement			**5.85%**	**11.91%**	**10.07%**	**2.45%**	**0.60%**	**16.51%**	**17.37%**	**0.00%**

Staff's Direct COS Study Results By Rate Class

Rate Class	COS Rate Schedule Revenue Requirement	Present Rate Schedule Revenues						Total Revenue Requirement			
		Without Expiring Rider Revenues			With Expiring Rider Revenues						
		Current	Net Increase	% Change	Current	Net Increase	% Change	Current	COS	Net Increase	% Change
(a)	(b)	(c)	(d)=(b)-(c)	(e)=(d)/(c)	(f)	(g)=(b)-(f)	(h)=(g)/(f)	(i)	(j)	(k)=(j)-(i)	(l)=(k)/(i)
Residential S/L 5	$38,287,354	$28,568,483	$9,718,871	34.0%	$30,506,790	$7,780,565	25.5%	$50,814,681	$58,595,246	$7,780,565	15.3%
Residential TOU	$665,706	$415,247	$250,459	60.3%	$448,917	$216,789	48.3%	$803,500	$1,020,290	$216,789	27.0%
Residential VPP	$3,306,066	$1,803,123	$1,502,943	83.4%	$1,985,911	$1,320,155	66.5%	$3,905,931	$5,226,086	$1,320,155	33.8%
Total Res	**$42,259,126**	**$30,786,853**	**$11,472,273**	**37.3%**	**$32,941,617**	**$9,317,509**	**28.3%**	**$55,524,113**	**$64,841,622**	**$9,317,509**	**16.8%**
General Service S/L 2	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
General Service S/L 3	$27,995	$22,626	$5,369	23.7%	$24,988	$3,007	12.0%	$47,628	$50,635	$3,007	6.3%
General Service S/L 5	$11,192,766	$9,023,405	$2,169,361	24.0%	$9,635,517	$1,557,249	16.2%	$15,999,885	$17,557,134	$1,557,249	9.7%
General Service TOU	$131,548	$115,855	$15,693	13.5%	$125,862	$5,687	4.5%	$228,942	$234,629	$5,687	2.5%
General Service VPP	$537,347	$350,110	$187,237	53.5%	$386,390	$150,957	39.1%	$766,408	$917,365	$150,957	19.7%
Total GS	**$11,889,656**	**$9,511,996**	**$2,377,660**	**25.0%**	**$10,172,756**	**$1,716,899**	**16.9%**	**$17,042,863**	**$18,759,762**	**$1,716,899**	**10.1%**
Power&Light S/L 1	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
Power&Light S/L 2	$878,705	$1,239,500	($360,795)	-29.1%	$1,315,479	($436,774)	-33.2%	$2,654,141	$2,217,367	($436,774)	-16.5%
Power&Light S/L 3	$7,425,367	$6,735,440	$689,927	10.2%	$7,366,027	$59,341	0.8%	$14,581,844	$14,641,184	$59,341	0.4%
Power&Light S/L 4	$120,456	$162,397	($41,942)	-25.8%	$166,797	($46,341)	-27.8%	$207,210	$160,869	($46,341)	-22.4%
Power&Light S/L 5	$19,078,870	$16,512,445	$2,566,425	15.5%	$17,910,559	$1,168,310	6.5%	$32,654,466	$33,822,776	$1,168,310	3.6%
Total Power&Light	**$27,503,397**	**$24,649,782**	**$2,853,615**	**11.6%**	**$26,758,861**	**$744,536**	**2.8%**	**$50,097,661**	**$50,842,197**	**$744,536**	**1.5%**
PL TOU S/L 1	$6,025,639	$6,762,972	($737,333)	-10.9%	$7,298,650	($1,273,011)	-17.4%	$18,608,304	$17,335,293	($1,273,011)	-6.8%
PL TOU S/L 2	$850,236	$1,040,942	($190,706)	-18.3%	$1,199,017	($348,781)	-29.1%	$2,569,807	$2,221,027	($348,781)	-13.6%
PL TOU S/L 3	$6,788,084	$6,320,140	$467,944	7.4%	$7,050,278	($262,194)	-3.7%	$13,869,743	$13,607,550	($262,194)	-1.9%
PL TOU S/L 4	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
PL TOU S/L 5	$3,513,274	$2,971,576	$541,698	18.2%	$3,264,451	$248,823	7.6%	$6,294,091	$6,542,914	$248,823	4.0%
Total PL TOU	**$17,177,233**	**$17,095,630**	**$81,603**	**0.5%**	**$18,812,395**	**($1,635,162)**	**-8.7%**	**$41,341,946**	**$39,706,783**	**($1,635,162)**	**-4.0%**
MP S/L 4	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
MP S/L 5	$91,830	$59,162	$32,668	55.2%	$62,765	$29,064	46.3%	$101,726	$130,790	$29,064	28.6%
Total MP	**$91,830**	**$59,162**	**$32,668**	**55.2%**	**$62,765**	**$29,064**	**46.3%**	**$101,726**	**$130,790**	**$29,064**	**28.6%**
Ath Field Lighting	$106,746	$50,450	$56,297	111.6%	$53,079	$53,668	101.1%	$81,753	$135,421	$53,668	65.6%
Total AFL	**$106,746**	**$50,450**	**$56,297**	**111.6%**	**$53,079**	**$53,668**	**101.1%**	**$81,753**	**$135,421**	**$53,668**	**65.6%**
Municipal Lighting	$923,952	$1,075,822	($151,871)	-14.1%	$1,101,738	($177,787)	-16.1%	$1,372,220	$1,194,433	($177,787)	-13.0%
Outdoor Lighting	$1,779,651	$1,936,657	($157,006)	-8.1%	$1,993,421	($213,770)	-10.7%	$2,585,410	$2,371,641	($213,770)	-8.3%
Total Lighting	**$2,703,603**	**$3,012,480**	**($308,877)**	**-10.3%**	**$3,095,159**	**($391,556)**	**-12.7%**	**$3,957,630**	**$3,566,074**	**($391,556)**	**-9.9%**
Total Arkansas	**$101,731,591**	**$85,166,353**	**$16,565,238**	**19.5%**	**$91,896,633**	**$9,834,958**	**10.7%**	**$168,147,691**	**$177,982,649**	**$9,834,958**	**5.8%**

Revenue Allocation - Staff's Proposed Revenue Requirement for Rate Design by Rate Class

Rate Class	COS Rate Schedule Revenue Requirement	Proposed Rate Schedule Revenue Requirement	Present Rate Schedule Revenue						Total Revenue Requirement			
			Without Expiring Rider Revenues			With Expiring Rider Revenues						
			Current	Net Increase	% Change	Current	Net Increase	% Change	Current	Proposed	Net Increase	% Change
(a)	(b)	(c)	(d)	(e)=(c)-(d)	(f)=(e)/(d)	(g)	(h)=(c)-(g)	(i)=(h)/(g)	(j)	(k)	(l)=(k)-(j)	(m)=(l)/(j)
Residential S/L 5	$38,287,354	$36,026,947	$28,568,483	$7,458,464	26.1%	$30,506,790	$5,520,158	18.1%	$50,814,681	$56,334,839	$5,520,158	10.9%
Residential TOU	$665,706	$602,724	$415,247	$187,478	45.1%	$448,917	$153,808	34.3%	$803,500	$957,308	$153,808	19.1%
Residential VPP	$3,306,066	$2,922,535	$1,803,123	$1,119,412	62.1%	$1,985,911	$936,624	47.2%	$3,905,931	$4,842,555	$936,624	24.0%
Total Res	**$42,259,126**	**$39,552,207**	**$30,786,853**	**$8,765,354**	**28.5%**	**$32,941,617**	**$6,610,589**	**20.1%**	**$55,524,113**	**$62,134,702**	**$6,610,589**	**11.9%**
General Service S/L 2	$0	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
General Service S/L 3	$27,995	$27,995	$22,626	$5,369	23.7%	$24,988	$3,007	12.0%	$47,628	$50,635	$3,007	6.3%
General Service S/L 5	$11,192,766	$11,192,766	$9,023,405	$2,169,361	24.0%	$9,635,517	$1,557,249	16.2%	$15,999,885	$17,557,134	$1,557,249	9.7%
General Service TOU	$131,548	$131,548	$115,855	$15,693	13.5%	$125,862	$5,687	4.5%	$228,942	$234,629	$5,687	2.5%
General Service VPP	$537,347	$537,347	$350,110	$187,237	53.5%	$386,390	$150,957	39.1%	$766,408	$917,365	$150,957	19.7%
Total GS	**$11,889,656**	**$11,889,656**	**$9,511,996**	**$2,377,660**	**25.0%**	**$10,172,756**	**$1,716,899**	**16.9%**	**$17,042,863**	**$18,759,762**	**$1,716,899**	**10.1%**
Power&Light S/L 1	$0	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
Power&Light S/L 2	$878,705	$1,315,479	$1,239,500	$75,979	6.1%	$1,315,479	$0	0.0%	$2,654,141	$2,654,141	$0	0.0%
Power&Light S/L 3	$7,425,367	$7,425,367	$6,735,440	$689,927	10.2%	$7,366,027	$59,341	0.8%	$14,581,844	$14,641,184	$59,341	0.4%
Power&Light S/L 4	$120,456	$166,797	$162,397	$4,400	2.7%	$166,797	$0	0.0%	$207,210	$207,210	$0	0.0%
Power&Light S/L 5	$19,078,870	$19,078,870	$16,512,445	$2,566,425	15.5%	$17,910,559	$1,168,310	6.5%	$32,654,466	$33,822,776	$1,168,310	3.6%
Total Power&Light	**$27,503,397**	**$27,986,512**	**$24,649,782**	**$3,336,730**	**13.5%**	**$26,758,861**	**$1,227,651**	**4.6%**	**$50,097,661**	**$51,325,312**	**$1,227,651**	**2.5%**
PL TOU S/L 1	$6,025,639	$7,298,650	$6,762,972	$535,677	7.9%	$7,298,650	$0	0.0%	$18,608,304	$18,608,304	$0	0.0%
PL TOU S/L 2	$850,236	$1,199,017	$1,040,942	$158,075	15.2%	$1,199,017	$0	0.0%	$2,569,807	$2,569,807	$0	0.0%
PL TOU S/L 3	$6,788,084	$7,050,278	$6,320,140	$730,138	11.6%	$7,050,278	$0	0.0%	$13,869,743	$13,869,743	$0	0.0%
PL TOU S/L 4	$0	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
PL TOU S/L 5	$3,513,274	$3,513,274	$2,971,576	$541,698	18.2%	$3,264,451	$248,823	7.6%	$6,294,091	$6,542,914	$248,823	4.0%
Total PL TOU	**$17,177,233**	**$19,061,219**	**$17,095,630**	**$1,965,588**	**11.5%**	**$18,812,395**	**$248,823**	**1.3%**	**$41,341,946**	**$41,590,769**	**$248,823**	**0.6%**
MP S/L 4	$0	$0	$0	$0	-	$0	$0	-	$0	$0	$0	-
MP S/L 5	$91,830	$79,559	$59,162	$20,396	34.5%	$62,765	$16,793	26.8%	$101,726	$118,519	$16,793	16.5%
Total MP	**$91,830**	**$79,559**	**$59,162**	**$20,396**	**34.5%**	**$62,765**	**$16,793**	**26.8%**	**$101,726**	**$118,519**	**$16,793**	**16.5%**
Ath Field Lighting	$106,746	$67,280	$50,450	$16,830	33.4%	$53,079	$14,201	26.8%	$81,753	$95,954	$14,201	17.4%
Total AFL	**$106,746**	**$67,280**	**$50,450**	**$16,830**	**33.4%**	**$53,079**	**$14,201**	**26.8%**	**$81,753**	**$95,954**	**$14,201**	**17.4%**
Municipal Lighting	$923,952	$1,101,738	$1,075,822	$25,916	2.4%	$1,101,738	$0	0.0%	$1,372,220	$1,372,220	$0	0.0%
Outdoor Lighting	$1,779,651	$1,993,421	$1,936,657	$56,763	2.9%	$1,993,421	$0	0.0%	$2,585,410	$2,585,410	$0	0.0%
Total Lighting	**$2,703,603**	**$3,095,159**	**$3,012,480**	**$82,680**	**2.7%**	**$3,095,159**	**$0**	**0.0%**	**$3,957,630**	**$3,957,630**	**$0**	**0.0%**
Total Arkansas	**$101,731,591**	**$101,731,591**	**$85,166,353**	**$16,565,238**	**19.5%**	**$91,896,633**	**$9,834,958**	**10.7%**	**$168,147,691**	**$177,982,649**	**$9,834,958**	**5.8%**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served on all parties of record by electronic means via the Commission's Electronic Filing System this 31st day of January, 2017.

/s/ Justin A. Hinton
Justin A. Hinton