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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)
FOR AN ORDER OF THE COMMISSION) **Cause No. PUD 202100164**
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA) **ORDER NO. 723947**

HEARING: January 20, 2019, in Courtroom B (virtual and live)
2101 North Lincoln Blvd., Oklahoma City, Oklahoma 73105
Before Linda S. Foreman, Administrative Law Judge

APPEARANCES: William L. Humes and Kimber L. Shoop, Attorneys *representing*
Oklahoma Gas and Electric Company
Michael L. Velez, Deputy General Counsel, and Kyle Vazquez, Assistant
General Counsel *representing* the Public Utility Division,
Oklahoma Corporation Commission
Jared B. Haines, Deputy Attorney General *representing* Office of the
Attorney General, State of Oklahoma
Ronald E. Stakem and Jack G. Clark Jr., Attorneys *representing* OG&E
Shareholders Association
Thomas P. Schroedter, and D. Kenyon Williams, Attorneys *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
Paul D. Trimble, Attorney *representing*, CMC Steel Oklahoma

PRELIMINARY ORDER

BY THE COMMISSION:

This Cause comes before the Oklahoma Corporation Commission (“Commission”) on the Notice of Hearing issued by this Commission on November 30, 2021, setting a Prehearing Conference for the consideration of a Preliminary Order. The Prehearing Conference was set for December 16, 2021, and heard on that date. During that conference, discussions were had including an overview of the case and the need to develop a procedural schedule. At that time, the Administrative law Judge (“ALJ”) continued the proceeding for further consideration until January 13, 2022. During the January 13th conference, the parties presented a procedural schedule and the ALJ directed the parties to consider alternative dates and continued the proceeding to January 20, 2022. Also, during the January 13th conference, the ALJ considered OG&E’s Motion to Determine Notice Requirements and Approve Form of Notice, filed January 6, 2022, and set for hearing on

January 13, 2022. The ALJ recommended approval of the form of notice for both publication and direct to customer notice. On January 20, 2022, the ALJ recommended that the Procedural Schedule as agreed to by the parties of record be granted. On January 24, 2022, the ALJ informed the parties that she would be unavailable for a hearing beginning June 7, 2022, and suggested the hearing on the merits begin on June 14, 2022. The parties to the Cause agreed to that date and also to move the Prehearing Conference to June 13, 2022. There being no oral exceptions taken to the recommendations of the ALJ, such recommendations become the order of the Commission upon the signature of a majority of the Commission.

PROCEDURAL SCHEDULE

November 15, 2021	Notice of Intent Filed
December 30, 2021	Application Filing Date, Minimum Filing Requirements, Direct Testimony
April 1, 2022	Deadline for Intervention
April 15, 2022	OG&E provides six-month update
April 22, 2022	Exit Conference
April 27, 2022	Discovery cut-off for Direct Testimony, Responsive Testimony for all areas except Cost of Service and Rate Design
May 4, 2022	Responsive Testimony for Cost of Service and Rate Design; Supplemental Responses to six-month update
May 10, 2022	Statements of Position Due
May 16, 2022	Responsive Discovery cut-off; Rebuttal Testimony due
May 18, 2022	Settlement Conference – time and location TBD
May 26, 2022	Hearing on the Merits (“HOM”) opened at 1:30 p.m. for purposes of public comment, to then continue the hearing to June 14, 2022, at 8:30 a.m.
June 1, 2022	Rebuttal Discovery cut-off; Pre-trial Motions due
June 2, 2022	Exhibit Lists, Testimony Summaries, and Witness Lists due
June 13, 2022	Prehearing Conference at 10:00 a.m.
June 14, 2022	HOM reconvenes at 8:30 a.m. and continues until conclusion
10 calendar days after conclusion of Hearing On Merits	Proposed Findings of Fact and Conclusions of Law due. (Word document to be provided to the 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

GENERAL PROVISIONS

I. ORDER AND PRESENTATION OF TESTIMONY

The hearing on the merits shall be heard before the Administrative Law Judge (“ALJ”). The hearing shall commence on **Thursday, May 26, 2022, at 1:30 p.m.** for the taking of public comment, reconvene on **Tuesday, June 14, 2022**, for witness testimony and cross-examination, and continue until the record is closed. The hearing shall be held each business day between 8:30 a.m. and 5:00 p.m., unless otherwise directed by the ALJ. The hearing will be heard in Courtroom 301 located on the third (3rd) floor of the Jim Thorpe Office Building, unless the ALJ directs otherwise.

The following order of witnesses shall be followed unless the ALJ directs otherwise:

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

Direct Examination:

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 are 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 **Tuesday, May 10, 2022**. 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 **Thursday, June 2, 2022**. 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 **Thursday, June 2, 2022**. 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.

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 shall be due within five (5) business days of receipt. Responses to discovery requests on Rebuttal Testimony shall be due within five (5) calendar days of receipt. Responses to discovery requests on the six-month update shall be due within two (2) business days of receipt, no later than 5:00 p.m. on the second day. 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 (including subparts), per party, and responses, must be served by electronic transmission, facsimile, or hand-delivery to all parties of record.

Any objections to the testimony or qualification of any witness shall be made prior to the commencement of the hearing. 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.

NOTICE

1. The relief requested in OG&E's Application includes a general rate increase. As such, OAC 165:5-7-51(a) 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. Direct notice to customers is also required at least fifteen days prior to the hearing on the merits.

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, Northwest Oklahoman, Dewey County Record, The Daily Ardmoreite, Johnston County Sentinel, Durant Democrat, Sequoyah County Times, Tahlequah Daily Press and The 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 as Exhibit "A". Direct notice to OG&E customers will be made in the form attached as Exhibit "B".

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 the procedural schedule and the General Provisions set forth herein should be adopted by the Commission and adhered to by the parties until modified by subsequent Commission order.

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 shall 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 if the parties are able to dispose of the issues in this Cause by way of negotiated settlement, subsequently approved by the Commission, the dates contained herein may be modified as may be appropriate.

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 the findings of fact and conclusions of law herein shall become the order of the Commission.

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.

CORPORATION COMMISSION OF OKLAHOMA


DANA L. MURPHY, CHAIRMAN


BOB ANTHONY, VICE CHAIRMAN


J. TODD HIATT, COMMISSIONER

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 3rd day of March, 2022.

BY ORDER OF THE COMMISSION:




PEGGY MITCHELL, Commission Secretary

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that on December 30, 2021, OG&E filed its 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 9 percent for an average residential customer or an increased bill of approximately \$9.98 per month when compared to current rates. As proposed by OG&E, General Service standard customers (Service Level 5) would receive a 9.9 percent rate increase, or approximately \$16.28 per month. For the industrial rate classes, the average increase would range from 7.7 percent for Power and Light customers (PL) to an increase of 0.1 percent for Large Power and Light customers (LPL).

NOTICE IS FURTHER GIVEN that Notice of Hearing of the Application shall be published, at OG&E’s expense, in *The Oklahoman, Tulsa World, Medford Patriot Star, Cherokee Messenger & Republican, Alva Review-Courier, Enid News & Eagle, Woodward News, Northwest Oklahoman, Dewey County Record, The Daily Ardmoreite, Johnston County Sentinel, Durant Democrat, Sequoyah County Times, Tahlequah Daily Press and The Poteau Daily News*, once each week for two consecutive weeks at least fifteen days prior to the Hearing on the Merits.

NOTICE IS FURTHER GIVEN that a hearing on the merits will be held on said Application before the Administrative Law Judge commencing on the 26th of May at 1:30 p.m. with public comment only. The hearing will recommence on June 14th at 8:30 a.m. with the examination and cross-examination of witnesses and continue until the record is closed at the Oklahoma Corporation Commission in Courtroom 301, Third Floor, Jim Thorpe Building, 2101 N. 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 public comment may be provided in person during the hearing on the merits or in written form by mail to the Clerk, Oklahoma Corporation Commission, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105, titled “Public Comment” and with reference to “PUD 202100164” clearly marked. Participation by videoconference may be accesses by using link <https://www.zoomgov.com/j/15197358499>.

NOTICE IS FURTHER GIVEN that for further information concerning this Cause, please contact Kimber L. Shoop, P.O. Box 321, Oklahoma City, Oklahoma 73102, phone 405-553-3286, attorney for Oklahoma Gas and Electric Company or Kyle Vazquez, 405-522-2100,

attorney for Public Utility Division, Oklahoma Corporation Commission, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105.

OKLAHOMA CORPORATION COMMISSION

DANA L. MURPHY, Chairman

BOB ANTHONY, Vice Chairman

J. TODD HIETT, Commissioner

DONE AND PERFORMED by the Commissioners participating in the making of this order, as shown by their signatures above this _____ day of January, 2022.

[seal]

PEGGY MITCHELL, Secretary

Dear Customer:

The Oklahoma Corporation Commission is scheduled to begin hearings on OG&E's request for a rate increase at 1:30 p.m., May 26, 2022, in Courtroom 301 on the Third Floor of the Jim Thorpe Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105.

OG&E is seeking an annual increase of approximately \$163.5 million, or 8.4 percent, to recover increased business costs and electric infrastructure investments the Company has made since 2012.

The increase, as proposed by OG&E, would raise a residential customer's bill by 9 percent when compared to current rates. This equals approximately \$9.98 per month on the average residential customer bill. As proposed by OG&E, General Service customers would receive an average 9.9 percent rate increase. For the industrial rate classes the average increase would range from 7.7 percent for Power and Light customers (PL) to a decrease of 0.1 percent for Large Power and Light customers (LPL).

The hearings will be conducted by the Administrative Law Judge and begin at **1:30 p.m. May 26, 2022**, and all interested persons may appear and provide comment at that time. After public comment has concluded, the hearing will be recessed and will resume at **8:30 a.m. June 14** and each subsequent business day as necessary for testimony and examination of parties' witnesses. After the hearing concludes, the Administrative Law Judge will file a recommendation and report for the Commission to consider. The Commission will ultimately issue a final order deciding all issues in the case.

In addition to the opportunity to appear and be heard at 1:30 p.m. on May 26, the public may submit written comments by mail to the Clerk, Oklahoma Corporation Commission, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105. Written comments should be titled as “Public Comment” and clearly reference “PUD 202100164.” Participation by videoconference may be accessed by using link <https://www.zoomgov.com/j/15197358499>

For further information regarding the Application, you may contact Kimber L. Shoop, P.O. Box 321, Oklahoma City, Oklahoma 73102, phone 405-553-3286, attorney for Oklahoma Gas and Electric Company or Kyle Vazquez, 405-522-2100, attorney for Public Utility Division, Oklahoma Corporation Commission, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105.