

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY) Case No. PUD2025-0000____
FOR COMMISSION PREAPPROVAL OF NEW)
GENERATION CAPACITY PURSUANT TO)
17 O.S. § 286(C) AND RIDER COST RECOVERY)

APPLICATION

COMES NOW Oklahoma Gas and Electric Company, hereinafter referred to as “Applicant,” “OG&E,” or “Company,” and in accordance with 17 O.S. §152, 17 O.S. §286(C), and the Commission's rules promulgated thereunder shows as follows:

I. PARTIES:

OG&E is an investor-owned electric public utility with plant, property, and other assets dedicated to and for the generation, production, transmission, distribution, and sale of electric power at retail levels within the states of Oklahoma and Arkansas. OG&E is incorporated within the State of Oklahoma, is subject to the regulatory authority of this Commission with respect to its retail rates and charges within the State of Oklahoma, and has the following address as its principal place of business:

Oklahoma Gas and Electric Company
321 N. Harvey Avenue
Oklahoma City, Oklahoma 73102

Applicant is represented in these proceedings by the below signed counsel. All correspondence, pleadings and communications with respect to this proceeding should be directed to all named counsel.

II. FACTS:

A. The Company’s 2024 Integrated Resource Plan (“IRP”) demonstrates OG&E’s need for additional capacity beginning in 2028 of 1,096 MWs, and growing to 1,215 MWs in 2030, 1,960 MWs in 2032, and 2,592 MWs in 2034. The 2024 IRP contained the Company’s five-year action plan which included plans to solicit bids for available resources to satisfy the identified capacity need.

B. In accordance with the five-year action plan in the 2024 IRP, the Company prepared and issued an All Source Requests for Proposals (“RFP”). The RFP process was conducted with the use of an Independent Evaluator (“IE”) and pursuant to this Commission’s Competitive Procurement Rules, OAC 165:35-34-1 *et seq.*

C. The RFP selection process resulted in the Company’s decision to proceed with the following selections:

- (1) Capacity Purchase Agreement (“CPA”) with Kiamichi (“Kiamichi CPA”) with a term of five (5) years from an existing natural gas fired facility located in Oklahoma for 300 MWs of capacity beginning in 2029 and increasing to 450 MWs of capacity in 2031;
- (2) A CPA with Black Kettle (“Black Kettle CPA”) with a term of twenty (20) years from a newly constructed battery energy storage system facility located in Oklahoma for 95 MWs of capacity beginning in 2027; and
- (3) the addition of two new simple cycle gas-fired combustion turbines at the Horseshoe Lake facility (“HL 13 & 14”) adding 448 MWs of nameplate capacity with an in-service date in 2029.

D. OG&E is filing this Application pursuant to 17 O.S. § 286(C), seeking a determination of need for and approval of three projects selected from the 2024 RFP process and approving a cost recovery rider. OG&E seeks approval of modifications to the previously approved Generation Cost Recovery (“GCR”) rider to provide for: (i) recovery of the costs of the Kiamichi CPA, including a return based on the Company’s weighted average cost of capital; (ii) recovery of the costs of the Black Kettle CPA, including a return based on the Company’s weighted average cost of capital; (iii) recovery of Construction Work In Progress (“CWIP”) for HL 13 & 14; and (iv) recovery of the revenue requirement for HL 13 & 14 after placed in service until included in base rates.

E. In order to meet contractual requirements and deadlines to assure adequate capacity, OG&E will seek an expedited procedural schedule.

III. LEGAL AUTHORITY:

The Commission has jurisdiction in this proceeding by virtue of Okla. Const. Art. IX, § 18 and 17 O.S. §§ 152, 153 and 286(C).

IV. RELIEF REQUESTED:

WHEREFORE, OG&E requests this Commission issue an order finding:

- (1) There is a need for and approval of the Kiamichi CPA, the Black Kettle CPA, and HL 13 & 14 and, therefore, pursuant to 17 O.S. § 286(C), are considered used and useful and subject to the Commission’s cost-recovery rules;
- (2) OG&E properly considered reasonable alternatives as provided for in 17 O.S. § 286(C) through comparison against the resources evaluated in the IRP and RFP; and
- (3) That the existing Generation Cost Recovery (“GCR”) rider be modified to provide for: (a) recovery of the costs of the Kiamichi CPA and the Black Kettle CPA, (b) a return on the CPAs based on the Company’s weighted average cost of capital; (c) recovery of CWIP for HL 13 & 14; and (d) recovery of the annual revenue requirement for HL 13 & 14 after placed in service until included in base rates.

The Commission should also grant any such other and further relief which it may determine to be fair, just, and reasonable.

Respectfully submitted,



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ATTORNEYS FOR OKLAHOMA GAS
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CERTIFICATE OF SERVICE

I hereby certify that on the 19th day of May 2025, a true and correct copy of the foregoing was electronically served via the Electronic Case Filing System to those on the Official Electronic Case Filing Service List, or via electronic mail to the following persons:

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