

**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 )  
AUTHORIZING APPLICANT TO MODIFY ITS )  
RATES, CHARGES, AND TARIFFS FOR RETAIL )  
ELECTRIC SERVICE IN OKLAHOMA )

CAUSE NO. PUD 202100164



Direct Testimony

of

Lauren E. Maxey

on behalf of

Oklahoma Gas and Electric Company

December 30, 2021

1 Q. **Please state your name, position, by whom you are employed, and your business**  
2 **address.**

3 A. My name is Lauren Maxey. I am the Lead Cost Analyst in the Cost of Service and Rate  
4 Administration department for Oklahoma Gas and Electric Company (“OG&E”). My  
5 business address is 321 N. Harvey, Oklahoma City, Oklahoma, 73102.  
6

7 Q. **Please summarize your professional qualifications and educational background.**

8 A. I have worked in OG&E’s regulatory department since January 2020 in my current role.  
9 My tariff and rates administration responsibilities include the maintenance of OG&E’s  
10 tariffs on file with the regulatory commissions and ensuring consistent application of these  
11 tariffs in the manner in which they are intended. Additional duties include, but are not  
12 limited to, computing rider factors and monthly retail revenue reporting. My cost of service  
13 responsibilities include responsibility for operating and maintaining the Cost of Service  
14 model. Prior to joining OG&E’s regulatory department, I worked as a Senior Accountant  
15 for three years in OG&E’s Fuel and Revenue Accounting department. My responsibilities  
16 included calculation of the Oklahoma Fuel Adjustment Clause, accounting for OG&E  
17 transactions in the Southwest Power Pool for transmission service, accounting for fuel  
18 purchases and balancing transactions, and other revenue accounting tasks and reporting.

19 Prior to joining OG&E, I was employed by Enable Midstream Partners LP  
20 (formerly Enogex LLC) as a Senior Accountant in the Corporate Accounting department  
21 from 2014 to 2017. I was responsible for consolidations, preparation of financial  
22 statements, external reporting requirements, incentive compensation accounting and  
23 reporting, and general accounting monthly, quarterly, and annual tasks. I began my career  
24 in 2007 at Oklahoma Natural Gas Company as an Accountant in the General Accounting  
25 department where I was responsible for various tasks of increasing complexity, including  
26 accounts receivable and payable analysis, gas purchase accounting, preparation of internal  
27 and external reporting, financial statement preparation and analysis, and general  
28 accounting functions such as monthly journal entries and reconciliations. I earned a  
29 Bachelor of Science degree in Accounting from Southwestern Oklahoma State University  
30 in 2007.

1 Q. **Have you previously testified before this Commission?**

2 A. No, I have not.

3

4 Q. **What is the purpose of your direct testimony?**

5 A. The purpose of my direct testimony is to detail and support the changes that were made to  
6 OG&E's tariffs. These changes may be reviewed in the Company's minimum filing  
7 requirements at Schedule N.

8

9 Q. **Has OG&E updated the revenue and kWh allocators in the tariffs provided in  
10 Schedule N?**

11 A. No. All allocators in OG&E's tariffs and riders will be updated as part of the compliance  
12 filing in this cause.

13

14 Q. **Do any of the changes that you will be discussing result in a substantial update or  
15 change to these tariffs?**

16 A. No, they do not. These changes are to provide consistency between OG&E's tariffs  
17 currently on file and remove language that no longer applies to Company practices.

18

19 **RESIDENTIAL TARIFF UPDATES**

20 Q. **What changes were made to the Residential tariffs?**

21 A. The Company made changes to the Availability section of the tariffs and other minor  
22 language clarifications. The Company also made edits specific to the Residential  
23 Guaranteed Flat Billing ("R-GFB") tariff.

24

25 Q. **What were the changes made to the Availability sections of the tariffs?**

26 A. The Company removed language referencing "applicable technology." This language is  
27 no longer necessary due to the full deployment of the Automated Metering Infrastructure  
28 ("AMI") technology. This section includes language that addresses duplexes and  
29 apartment houses served by one meter and rooming houses. All Residential tariffs  
30 Availability were standardized to utilize the same language with respect to this provision.  
31 There are additional edits specific to the R-GFB tariff.

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**Q. What are the changes to the R-GFB tariff?**

A. The “Early Departure” section previously referenced “credits” but was changed to say a “negative balance” to compliment the use of “positive balance” previously in this section.

The “Offer Calculation” section of the R-GFB tariff now includes a clarification that “usage” includes both energy and demand. There were additional edits to clarify that the Offer will include riders and mechanisms. Finally, the R-GFB tariff offer calculation now includes language addressing the Winter Event Securitization (“WES”) mechanism charges. The WES charges will be over and above the R-GFB offer amount.

There will be an exception for customers who were subscribed to the R-GFB rate during the February 2021 Winter Weather Event and have remained on the tariff. Those customers will not be subject to payment of extraordinary fuel costs included in the securitized balance and collected from customers through the Winter Event Securitization Mechanism (“WES”).

**GENERAL SERVICE TARIFF UPDATES**

**Q. What changes were made to the General Service (“GS”) tariffs?**

A. The Company made changes to the Availability section of the tariffs as well as specific edits to the GS Time-of-Use (“GS-TOU”), GS Variable Peak Pricing (“GS-VPP”) and GS Guaranteed Flat Billing (“GS-GFB”) tariffs.

**Q. What are the changes to the Availability section?**

A. First, the Availability section is updated to clarify that this rate is available to non-residential customers. There is also clarifying language addressing customers that are required to be on Municipal Pumping (“PM”) or Oil and Gas Producers (“OGP”) rates.

**Q. What changes did OG&E make to the GS-TOU tariff?**

A. A reference to smart metering in the “Billboard Illumination and Homeowner Association/Housing Addition Illumination” was removed as all standard meters are now smart meters. In addition, the Best Bill Provision section now specifies that Best Bill

1 calculation will now be compared to the GS Standard rate instead of the customer's  
2 previous rate.

3  
4 **Q. What changes did OG&E make to the GS-VPP tariff?**

5 A. Like the GS-TOU tariff, the Best Bill calculation will now be compared to the GS Standard  
6 rate instead of the customer's previous rate. Additionally, the Availability section now  
7 specifies that if a customer has both residential and non-residential usage through a single  
8 meter, the GS rate will apply. This language already exists in the other GS tariff and was  
9 added here for consistency.

10  
11 **Q. What changes did OG&E make to the General Service (GFB) tariff?**

12 A. The Company is making edits to the GS-GFB tariff that are consistent with the R-GFB  
13 tariff. The "Early Departure" section previously referenced "credits" but was changed to  
14 say a "negative balance" to compliment the use of "positive balance" previously in this  
15 section.

16 The "Offer Calculation" section of the GS-GFB tariff now includes a clarification  
17 that "usage" includes both energy and demand. There were additional edits to clarify that  
18 the Offer will include riders and mechanisms. Finally, the GS-GFB tariff offer calculation  
19 now include language addressing Winter Event Securitization ("WES") mechanism  
20 charges. The WES charges will be over and above the GS-GFB offer amount.

21 There will be an exception for customers who were subscribed to the GS-GFB rate  
22 during the February 2021 Winter Weather Event and have remained on the tariff. Those  
23 customers will not be subject to payment of extraordinary fuel costs included in the  
24 securitized balance and collected from customers through the Winter Event Securitization  
25 Mechanism ("WES").

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27 **OTHER TARIFF UPDATES**

28 **Q. Are any other tariffs being updated?**

29 A. Yes. The Company is updating the OGP tariffs, Public Schools tariffs, LED lighting tariff,  
30 and the PM tariffs, which I will discuss below. I will also address an update to the metering  
31 adjustment calculation that exists in several tariffs. Additionally, Company witness Jeremy

1 Schwartz is addressing changes to the Energy Efficiency Program rider, Load Reduction  
2 rider, Day Ahead Pricing tariff, Flex Pricing tariff, Military Base Tariff Credit rider, and  
3 Backup Service tariff. Company witness William Wai is addressing all proposed tariff  
4 price changes. Company witness Kandace Smith is addressing changes to the Grid  
5 Enhancement Mechanism. Company witness Donald Rowlett will also discuss proposed  
6 changes to the Production Tax Credit Rider, the Federal Tax Change Rider, and the  
7 Southwest Power Pool Cost Tracker.

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9 **Q. What changes is OG&E proposing to make to the OGP tariffs?**

10 A. The OGP tariffs were updated to include the new North American Industrial Classification  
11 System (“NAICS”) codes that qualify customers for these OGP rates. This update is  
12 necessary due to an update of the NAICS codes in 2017. OG&E also added a note that  
13 will allow inclusion of any new applicable codes as a result of any future updates to the  
14 NAICS code.

15  
16 **Q. What changes is OG&E proposing to make to the Public Schools tariffs?**

17 A. The Availability section now specifies that these rates are available to primary and  
18 secondary public schools only. The criterion for what defines a school as “small” or “large”  
19 was reformatted to provide consistency between the tariffs. Additionally, the Best Bill  
20 calculation in the PS-SM-VPP tariff will now be compared to the PS-SM Standard rate  
21 instead of the customer’s previous rate.

22  
23 **Q. What changes is OG&E proposing to make to the PS-SM-GFB tariff?**

24 A. OG&E is proposing to withdraw the PS-SM GFB tariff from the standard tariff offerings.

25  
26 **Q. Why is OG&E proposing to remove the PS-SM-GFB tariff?**

27 A. This tariff is being removed due to lack of interest from customers. The PS-SM-GFB tariff  
28 was approved by Order No. 599558 in Cause PUD 201100087. Since that time, OG&E  
29 has had zero customers enroll in this rate.

1 Q. **What changes is OG&E proposing to make to the LED lighting tariff?**

2 A. OG&E removed references within the “Riders” section which referenced the outdoor  
3 security lighting (“OSL”) and municipal and roadway lighting (“LM”) tariffs. This section  
4 is now rewritten to refer to each of the individual riders and mechanisms to determine  
5 applicability to the LED tariff.

6

7 Q. **What changes is OG&E proposing to make to the PM tariffs?**

8 A. The Incidental Lighting section is updated to clarify what qualifies as “Incidental  
9 Lighting,” to correct grammar and to update some terminology to current company use.  
10 The Availability section of the PM-VPP tariff is updated to remove language that is no  
11 longer necessary due to full deployment of AMI technology.

12

13 Q. **What changes is OG&E proposing to the Metering Adjustment calculation?**

14 A. OG&E is proposing to change the Metering Adjustment calculation from a fixed charge  
15 determined by the size of the customer-owned transformer to a volumetric charge  
16 determined by customer energy usage and the Company’s most recent loss study. This  
17 change impacts tariffs that serve service levels 1 and 3 customers and is designed to  
18 increase the accuracy of the adjustment.

19

20 Q. **What mechanical changes is OG&E proposing to the Federal Tax Change rider and  
21 the Production Tax Credit rider?**

22 A. OG&E is proposing a minor change to the references for the calculation of the allocation  
23 factors based upon rate revenues. Currently, these riders reference H-2 revenues; the  
24 change instead has the reference pointing to the compliance Proof of Revenue (WP M-4).  
25 H-2 revenues are current rate revenues and would not include the result of the final order.  
26 The compliance Proof of Revenue would incorporate the Commission’s final  
27 determination and is the appropriate reference for these allocation factors. Other changes  
28 to these riders are discussed by other Company witnesses.

1 Q. **What changes is OG&E proposing to the Renewable Energy Program rider?**

2 A. OG&E is proposing to remove language that restricts Options A, B, and C to smaller  
3 customers. The change allows larger customers to subscribe to these options if they wish.  
4

5 Q. **What changes is OG&E proposing to the QF (CLOSED) and QF (ON-GOING)  
6 tariffs?**

7 A. As directed in Cause PUD 201900065, Order 705867, OG&E is removing the QF  
8 (CLOSED) tariff and merging it with QF (ON-GOING) tariff. The “ON-GOING” moniker  
9 is removed, and the tariff is simply labeled as the QF tariff. Minor administrative edits have  
10 been made to the tariff sheet numbering also.  
11

12 Q. **What changes is OG&E proposing to the Energy Efficiency Program (“EEP”) rider?**

13 A. At the time of filing, OG&E has a pending settlement before the Commission for approval  
14 of its three-year (2022-2024) energy efficiency program. OG&E has included the revised  
15 tariff from the settlement as part of Schedule N. If the settlement tariff is not approved,  
16 the Company will submit the approved tariff as a correction to Schedule N. As discussed  
17 by Witness Jeremy Schwartz, the revised factors will be submitted with the compliance  
18 tariffs and work papers.  
19

#### 20 **TERMS AND CONDITIONS UPDATES**

21 Q. **What changes is OG&E proposing to the Terms & Conditions?**

22 A. OG&E is updating sections 210 Meter Testing Plans and Procedures and section 411  
23 Performance Guaranty Agreement.  
24

25 Q. **What changes is OG&E proposing to the Meter Testing Plan section?**

26 A. OG&E is updating the Selective Testing Plan sub-section to redefine Standard Meter as an  
27 AMI meter. The Periodic Testing Plan sub-section is being updated to change the  
28 requirements for periodic testing. The new requirements will now depend on various  
29 conditions associated with either the metering device or the site at which the metering  
30 device is installed, such as the size of the service, kWh usage of the meter, complexity of the  
31 metering system, reliability of the type of metering device and/or manufacturer’s

1 recommendations. Additionally, new language is added to specify that electronic demand  
2 meters need only be tested for kWh accuracy because demand is a mathematical calculation  
3 relying on the kWh accuracy. Additional testing for demand accuracy is redundant.

4 The Accuracy – Meters sub-section is updated to bring the accuracy standard in  
5 line with American National Standards Institute (“ANSI”) standards. The Instrument  
6 Transformers sub-section is added to the Testing Procedures sub-section and removal of  
7 one portion of the Poly-Phase Meter testing plan which relates to mechanical meters due  
8 to the full deployment of smart metering technology which made this part of the plan  
9 unnecessary.

10 Language in the Complaint Test sub-section that does not specifically address  
11 complaint testing procedures is being removed.

12  
13 **Q. What changes is OG&E proposing to the Performance Guaranty Agreement section?**

14 **A.** OG&E is proposing to remove the Performance Guaranty Agreement contract. This  
15 request is being made to give the Company flexibility to include additional language in the  
16 contract specific to individual customer agreements. Any additional language that could  
17 be added will not override the minimum requirements of the Performance Guaranty  
18 Agreement section as stated in the opening paragraph. Provisions 2.01 and 2.02 of the  
19 contract will remain in the Performance Guaranty Agreement section.

## 20 21 **RECOMMENDATIONS**

22 **Q. What is your recommendation to the Commission?**

23 **A.** I recommend that the Commission approve all changes to the tariffs as proposed in my  
24 testimony.

25  
26 **Q. Does this conclude your direct testimony?**

27 **A.** Yes.