

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR COMMISSION PREAPPROVAL OF NEW) Case No. PUD 2023_____
GENERATION CAPACITY PURSUANT)
TO 17 O.S. SECTION 286(C))

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, alleges, and 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:

321 N. Harvey Avenue
Oklahoma City, Oklahoma 73102

Applicant is represented for the purpose of these proceedings by the following named individuals whose addresses are reflected below:

William L. Humes, OBA No. 15264
Oklahoma Gas and Electric Company
P.O. Box 321, MC 1208
Oklahoma City, Oklahoma 73101
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All correspondence, pleadings and communications with respect to this proceeding should be directed to all named counsel at their respective addresses.

II. FACTS:

A. The Company's most recent Integrated Resource Plan ("IRP"), submitted to this Commission in 2021, demonstrates OG&E's need for additional capacity beginning in 2023 for 145 MWs, and growing to 183 MWs in 2024, 415 MWs in 2025, and 514 MWs in 2026. OG&E evaluated more than one million portfolios that meet the capacity needs utilizing a combination of various technology types, sizes, and availability. This analysis showed the lowest, reasonable cost plan is a balanced portfolio of combustion turbines and solar generation resources. The Company's five-year action plan included plans to issue Requests for Proposal ("RFPs") to solicit bids for available resources, including both combustion turbines and solar generation resources to satisfy the identified capacity need.

B. In accordance with the five-year action plan, the Company prepared and issued a series of RFPs for solar projects and combustion turbines (and other flexible resources). The selection process for these RFPs 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 construct two GE 7F Class combustion turbines for installation at the Horseshoe Lake Power Plant with a summer rated capacity of 448 MWs and an estimated in-service date of late 2026 ("HL CTs").

D. OG&E is filing this application pursuant to Oklahoma law seeking approval of and determination of need for the HL CTs under 17 Okla. Stat. 286(C), after consideration of the reasonable alternatives considered in the IRP and RFPs. OG&E also seeks approval of a recovery rider related to the costs of the HL CTs to become effective after the HL CTs are placed in service and providing power to the benefit of customers.

E. Oklahoma law specifies that this Commission shall enter order in this case within 240 days of the filing of this application. Therefore, OG&E seeks an order in this case before 240 days after the date of this application.

III. LEGAL AUTHORITY:

The Commission has jurisdiction in this proceeding by virtue of Article IX, Sections 18 and following of the Constitution of the State of Oklahoma, the Oklahoma statutes, including 17 Okla. Stat. Sections 152, 153, and 286(C).

IV. RELIEF REQUESTED:

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

- 1) The need for the HL CTs exists and, therefore, they are considered used and useful and subject to this Commission's cost-recovery rules;
- 2) OG&E properly considered reasonable alternatives to the resources evaluated through the IRP and series of RFPs;

- 3) A cost recovery rider should be approved to allow OG&E to recover the costs of the HL CTs after each of those units are placed in service and providing benefits to customers; and
- 4) Granting such other and further relief as the Commission may determine to be fair, just, and reasonable.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "W L Humes", with a horizontal line underneath.

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**ATTORNEY FOR OKLAHOMA
GAS AND ELECTRIC COMPANY**

CERTIFICATE OF MAILING

I hereby certify that on the 31st day of May 2023, a true and correct copy of the foregoing Application was electronically transmitted to the following via email:

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