

BEFORE THE CORPORATION COMMISSION 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 201500273

FILED
MAR 21 2016

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CORPORATION COMMISSION
OF OKLAHOMA



RESPONSIVE TESTIMONY OF

JASON C. CHAPLIN

March 21, 2016

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INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Jason C. Chaplin. My business address is the Jim Thorpe Office Building,
3 Room 580, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105.

4 **Q: Please state briefly your educational background and professional experience.**

5 A: I received dual Bachelor of Science degrees from the University of Nevada, Las Vegas in
6 Hotel Administration and Gaming Management in 2009 and a Master of Science degree
7 in Energy Management from Oklahoma City University in 2015. Prior to working for the
8 Oklahoma Corporation Commission, I worked as an Independent Petroleum Landman
9 chaining title from sovereignty of soil to present in order to verify mineral and surface
10 interests. For a complete list of my work history and educational background, please see
11 the attached Curriculum Vitae listed as Exhibit JCN-1.

12 **Q: What is your occupation and by whom are you employed?**

13 A: I am employed by the Public Utility Division ("PUD") of the Oklahoma Corporation
14 Commission ("OCC" or "Commission") as a Public Utility Regulatory Analyst.

15 **Q: How long have you been so employed?**

16 A: I have been employed with the Commission since October 2013.

1 **Q: What are your duties and responsibilities within the PUD?**

2 A: I work in the Transmission Group for the OCC and my primary area of focus for the PUD
3 is the Southwest Power Pool (“SPP”). The SPP is one of nine Independent System
4 Operators/Regional Transmission Organizations (“ISOs/RTOs”) and one of eight North
5 American Electric Reliability Corporation (“NERC”) Regional Entities. The SPP is
6 mandated by the Federal Energy Regulatory Commission (“FERC”) to ensure reliable
7 supplies of power, adequate transmission infrastructure and competitive wholesale prices
8 of electricity.

9 I serve as the Oklahoma Corporation Commission voting member on the SPP Cost
10 Allocation Working Group (“CAWG”) and as the 2015 CAWG Chairman. The
11 membership of the CAWG, which reports to the SPP Regional State Committee (“RSC”)
12 and assists the RSC in addressing matters for which it has responsibility, consists of a
13 representative from each of several SPP member states, as chosen by each
14 representative’s respective state utility regulatory Commissioner who serves on the RSC.
15 I assist Commissioner Dana Murphy, who serves as the Oklahoma voting member on the
16 SPP RSC, on SPP transmission issues that fall under the SPP RSC purview.

17 I also serve as a voting member on behalf of CAWG for the Capacity Margin Task Force
18 (“CMTF”). The CMTF is responsible for updating SPP Capacity Margin methodology
19 and requirements based upon SPP Stakeholder input. In addition to these voting roles, I
20 also monitor numerous SPP Committees, Working Groups, and Task Forces.

1 **Q: What are some of the groups within SPP that you monitor?**

2 A: I am the voting member on the CAWG and CMTF. In addition, I also monitor and/or
3 attend face-to-face meetings for the RSC, SPP Board of Directors/Members Committee,
4 Markets and Operations Policy Committee, Strategic Planning Committee, Seams
5 Steering Committee, Economic Studies Working Group, Transmission Working Group,
6 Project Cost Working Group, Regional Tariff Working Group, Regional Compliance
7 Working Group, Generation Working Group, Clean Power Plan Task Force and the
8 Regional Allocation Review Task Force.

9 **Q: Have you previously testified before this Commission, and were your qualifications**
10 **accepted?**

11 A: Yes, I have previously testified before this Commission, and my credentials have been
12 accepted.

13 **EXECUTIVE SUMMARY**

14 **Q: Please provide an executive summary of your testimony.**

15 A: The PUD recommends to this Commission the following: Eliminate the SPP
16 Transmission System Additions (“STSA”) rider, eliminate the Renewable Transmission
17 System Additions (“RTSA”) rider with the SPP Transmission Revenue (“SPPTR”), the
18 Transmission Service Revenue Credits (“TSRC”) components credited through the SPP
19 Cost Tracker (“SPPCT”), the New Renewable Energy Credits (“NREC”), and Green
20 Power Wind Rider Revenue (“GPWRR”) components credited through the Fuel
21 Adjustment Clause (“FAC”). PUD recommends this Commission approve the inclusion

1 of Air Quality Control Systems (“AQCS”) consumable costs in the FAC conditioned on
2 this Commission approving any one of OG&E’s Environmental Compliance projects that
3 require AQCS consumables. However, if the Commission does not approve any of
4 OG&E’s Environmental Compliance projects, then PUD does not recommend the
5 inclusion of AQCS consumables in OG&E’s FAC. In addition, PUD recommends this
6 Commission approve modification to the SPPCT tariff.

PURPOSE

7 **Q: What is the purpose of your testimony in this application filed by Oklahoma Gas
8 and Electric Company?**

9 A: The purpose of my testimony is to provide the PUD's recommendations and analysis
10 pertaining to the request by Oklahoma Gas and Electric Company (“OG&E” or
11 “Company”) to adjust the recovery of certain SPP transmission costs through its
12 transmission riders and base rates. I also reviewed OG&E’s proposed adjustments to
13 wind power expense and underground vault expense.

PUD’S REVIEW PROCESS

14
15 **Q: What was the PUD’s review process in this cause?**

16 A: The PUD reviewed OG&E’s application, testimonies of OG&E witnesses Donald R.
17 Rowlett, Gwin Cash, and Jason Thenmadathil, OG&E workpapers, Commission rules,
18 SPP schedules, all data responses related to transmission and OG&E riders, and
19 performed multiple on-site audits at OG&E headquarters. The SPP schedules that were
20 reviewed include: Schedule 1 – Scheduling, System Control, and Dispatch Service,

1 Schedule 1-A – Tariff Administration Service, Schedule 2 – Reactive Supply and Voltage
2 Control, Schedule 7 – Long-Term and Short-Term Firm Point-to-Point Transmission
3 Service, Schedule 8 – Non-Firm Point-to-Point Transmission Service, Schedule 9 –
4 Network Integration Transmission Service, Schedule 11 – Base Plan Zonal Charge and
5 Regionwide Charge, and Schedule 12 – FERC Assessment Charge.

PUD'S ANALYSIS

6 **Q: Is OG&E proposing any adjustments to its rate base or operating income related to**
7 **OG&E's SPP expenses?**

8 **A:** Yes, OG&E is proposing one rate base adjustment and four operating income
9 adjustments related to SPP expenses.

10 **Q: Did the PUD review OG&E's W/P H-2-30, showing the Company's operating**
11 **income adjustment to its SPP-related expenses?**

12 **A:** Yes. This adjustment is from updated SPP Schedules 1, 1-A, 9, 12, the SPP annual fee,
13 and NERC fees. OG&E proposes an increase to operating expenses of \$628,295. The
14 majority of this adjustment comes from an SPP administration fee adjustment of
15 \$368,605 from SPP Administrative Fee Schedule 1-A, and a Federal Energy Regulatory
16 Commission assessment charge adjustment of \$178,557 from SPP Schedule 12, which
17 brings the total for those two adjustments to \$547,162. The remaining adjustments
18 pertaining to SPP Schedule 1, SPP schedule 9, the SPP annual fee and a North American
19 Electric Reliability Corporation annual fee combine for a total additional adjustment of
20 \$81,133. These adjustments are based on calendar year 2015 where OG&E uses actual

1 expenses other than for schedules one and nine for August through December; these
2 expenses are estimated based on 2014 for the respective months. I have reviewed and
3 verified this amount and I have no adjustment to what the company is requesting.

4 **Q: Did the PUD review OG&E's W/P H-2-33, operating income adjustment to**
5 **transmission expenses recovered from load serving entities ("LSEs")?**

6 A: Yes, this proposed adjustment is for transmission operations and maintenance
7 ("O&M"), administrative and general ("A&G"), depreciation expenses and total taxes
8 other than income recovered from LSEs. This adjustment coincides with OG&E rate
9 base adjustment from its W/P B-3-12. This adjustment was calculated from the FERC
10 Transmission Formula Rate True-Up Adjustment for the 2014 and removes \$33,006,737
11 from OG&E's revenue requirement/cost of service. I have reviewed OG&E's FERC
12 Transmission Formula Rate True-Up Adjustment for 2014, SPP Revenue Requirements
13 and Rates ("RRR") file, and OG&E's Base Plan Annual Transmission Revenue
14 Requirement ("ATRR") and have no adjustment to the Company's proposal.

15 **Q: Did the PUD review OG&E's W/P B-3-12, rate base adjustment for transmission**
16 **expenses recovered from other LSEs?**

17 A: Yes. This proposed adjustment removes from rate base those OG&E transmission-related
18 items that will be assigned to other load serving entities in the SPP and will not be
19 recovered from OG&E customers. The rate base items include transmission investment,
20 accumulated depreciation, net plant total, land held for future use, and total working
21 capital. The net impact to rate base is a decrease of \$655,558,467. This adjustment was

1 also calculated from the FERC Transmission Formula Rate True-Up Adjustment for the
2 2014 Rate Year. I have reviewed OG&E's FERC Transmission Formula Rate True-Up
3 Adjustment for 2014, SPP Revenue Requirements and Rates ("RRR") file, and OG&E's
4 Base Plan Annual Transmission Revenue Requirement ("ATRR") and have no
5 adjustment to the Company's proposal.

6 **Q: Did the PUD review W/P H-2-34, operating income adjustment to remove SPP costs**
7 **recovered through the SPPCT?**

8 A: Yes. This proposed adjustment removes SPP costs that are recovered outside of base rates
9 through OG&E's SPPCT rider. These SPP costs are Schedule 11 third-party, non-
10 affiliate costs. This adjustment results in a decrease to O&M of \$38,870,067. SPP fees
11 directly charged to certain customers were also removed. These amounts were \$171,658
12 and \$302,577, which result in directly-assigned charges of \$474,235. The total
13 adjustment is a decrease of \$39,344,302. These are actual costs based on the test year that
14 were derived for the SPP RRR file. I reviewed the SPP RRR file and OG&E's general
15 ledger ("G/L") to verify these amounts; I have no adjustment to OG&E's request.

16 **Q: Did the PUD review W/P H-2-38, operating income adjustment to remove**
17 **intracompany SPP expenses?**

18 A: Yes. This adjustment eliminates expenses in the amount of \$125,735,155 received by
19 OG&E from SPP related to network transmission service provided by OG&E. While
20 these intra-company charges are normally eliminated in accordance with Generally
21 Accepted Accounting Principles, FERC requires the charges be reflected in FERC Form

1 1. The removal of the associated revenues is accounted for in W/P H-2-16 for the same
2 amount. These expenses are based on actual amounts for the test year. I have reviewed
3 OG&E's G/L for SPP schedules 1, 2, 9, 11 and transmission fees for direct assigned
4 facilities and verified this amount and have no adjustment to the company's proposal.

5 **Q: Did the PUD review, W/P H-2-44, operating income adjustment to remove wind**
6 **power expenses recovered through the FAC and through the GPWRR component of**
7 **the RTSA rider?**

8 A: Yes. This adjustment removes \$886,310 of wind power expense incurred during the test
9 year. Of this total, \$750,000 of wind power costs was recovered through the FAC and the
10 GPWRR component of the RTSA, which is \$400,000 and \$350,000 respectively. The
11 FAC and RTSA allow for annual educational, advertising, and ancillary expenses of
12 \$750,000. The remaining balance of \$136,310 in the test year is not being requested for
13 recovery. I have reviewed the FAC, RTSA, and OG&E's G/L to verify each amount in
14 spent per month and have no adjustment to OG&E's proposal.

15 **Q: Did the PUD review W/P H-2-50, operating income adjustment to recover O&M**
16 **expenses related to a new proposed underground vault and manhole maintenance**
17 **program?**

18 A: Yes, the PUD reviewed W/P H-2-50 and the proposed new program, which is a proposal
19 for a new Underground Vault and Manhole Maintenance Program. OG&E proposes this
20 program will be implemented in two phases. Phase 1, for which approval will be
21 requested in this 2015 general rate proceeding, includes startup costs for IT, Asset

1 Management, and Construction, as well as a "pilot" program for one maintenance crew to
2 perform maintenance on all metro-area underground vaults. During the pilot, data will be
3 collected on assets in each vault and a more detailed estimate of costs and benefits of
4 maintenance activities will be developed. The pilot will run until the next OG&E general
5 rate proceeding. With approval in OG&E's next general rate proceeding, Phase 2 will
6 include adding two additional maintenance crews (bringing the total to three crews) and
7 beginning maintenance on all OG&E vaults and manholes, including all manholes at
8 Tinker Air Force Base.

9 The rationale for the Underground Vault & Manhole Maintenance Program is that
10 in 2013, OG&E members recognized a gap in the safety, maintenance and inspection of
11 underground vaults and manholes. After a fault current study showed there was no
12 available flame resistant ("FR") clothing rated high enough to protect OG&E members
13 from fault energy, network protectors were installed at several locations throughout the
14 OG&E system. As a result of the study and an understanding of the risks, a team of
15 subject-matter experts was established to review any additional safety concerns and to
16 determine the maintenance required for existing equipment and the new network
17 protection equipment for underground vaults and manholes.

18 Previous equipment failures have also contributed to the proposal of the
19 underground vault and manhole maintenance program. Through onsite audits at OG&E,
20 PUD found over the last two years expenses for equipment failures of the underground
21 vault and manhole assets have totaled approximately \$618,000 in capital costs. In

1 addition, several other locations have been identified during the course of normal
2 business that will require maintenance in the near future.

3 **Q: Does the PUD have an adjustment to OG&E's W/P H-2-50?**

4 A: No. I have reviewed the adjustment for the Underground Vault & Manhole Maintenance
5 Program, which increases operating expenses by \$455,873, and have no adjustment to
6 OG&E's proposal.

7 Based on the fault current study and recent equipment failures, the PUD
8 recommends that OG&E start Phase 1 of the Underground Vault & Manhole
9 Maintenance Program. PUD recommends that OG&E provide this Commission with
10 yearly updates on the progress and expenses incurred in Phase 1 for the next three years
11 and be in place until OG&E returns to this Commission for its next general rate case
12 proceeding. During OG&E's next general rate proceeding or three years for the start of
13 Phase 1, whichever occurs first, Phase 1 of OG&E's Underground Vault & Manhole
14 Maintenance Program will be fully reviewed and, based on PUD's review, the PUD will
15 recommend whether OG&E should proceed with Phase 2 of the program or discontinue
16 the program.

17 **RIDER CHANGES**

18 **Q: Does OG&E propose any changes to riders in this cause that you reviewed?**

19 A: Yes, OG&E witness Gwin Cash states in his filed testimony on page 15, lines 30-31, and
20 on page 16, lines 1-4:

21 The Company's goal is to both reduce and simplify its riders. In
22 accordance with these goals, the Company is proposing to discontinue the
23 following riders: Renewable Transmission System Additions ("RTSA"),

1 SmartGrid, SPP Transmission System Additions rider ("STSA"), System
2 Hardening Program Rider, Security, and Crossroads. The Company is also
3 re-computing the Military Base Tariff Credit ("MBTC") rider, and is
4 resetting the Cogen Credit Rider ("CCR") to zero. Additionally, OG&E is
5 proposing to credit all Renewable Energy Credit ("REC") revenue through
6 the FAC rider.

7 **Q: Did you review all of the items mention in statement presented above?**

8 A: No. I reviewed OG&E's proposed changes to the STSA and the RTSA.

9 **Q: Please explain STSA?**

10 A: The STSA rider established rates by which OG&E will recover from its Oklahoma retail
11 ratepayers the Oklahoma jurisdiction share of revenue requirement for SPP-approved
12 transmission projects, Sooner to Rose Hill and Sunnyside to Hugo, which were
13 constructed by OG&E, the costs of which are allocated throughout the SPP region.
14 OG&E is proposing to roll the revenue requirement for Sooner to Rose Hill and
15 Sunnyside to Hugo into base rates and has no plans to accumulate additional plant
16 associated with revenue from this rider.

17 **Q: Does PUD agree with the proposed elimination of the STSA?**

18 A: Yes, the PUD agrees with OG&E that the revenue requirement for the Sooner to Rose
19 Hill and Sunnyside to Hugo projects should be rolled into base rates and the STSA rider
20 discontinued.

21 **Q: Please explain the RTSA?**

22 A: The RTSA adjustment is the sum of each of the following factors:

1 This rider, through the SPP Transmission Revenue ("SPPTR")
2 factor, credits to the customer a portion of the Oklahoma jurisdiction share
3 of the SPP Point-to-Point ("PTP") Transmission Service revenue received
4 by the Company associated with sales pursuant to Schedules 1, 7, and 8 of
5 the SPP Open Access Transmission Tariff ("OATT") for PTP
6 transmission service sold into, through, and out of the SPP. Schedule 1 is
7 defined as Ancillary Service for Scheduling, System Control, and
8 Dispatch Service. The Schedule 1 revenues, for the purpose of this rider,
9 are those that are associated with Schedule 7 and Schedule 8 PTP
10 transactions. Schedules 7 and 8 are defined as Firm and Non-Firm
11 Transmission Service.

12 This rider, through the Renewable Transmission Surcharge
13 ("RTS") factor, charges the customer for the Oklahoma jurisdiction share
14 of the revenue requirement for transmission system additions in support of
15 renewable assets. The revenue requirement for the Woodward-to-
16 Oklahoma City Windspeed transmission line, for which the RTS portion
17 of the RTSA rider was designed to collect, was rolled into base rates in
18 PUD Cause No. 201100087.

19 This rider, through the Transmission Service Revenue Credits
20 ("TSRC") factor, credits to the customer the Oklahoma jurisdiction share
21 of the transmission service revenue credits received by the Company from
22 the SPP that are associated with sale of new transmission service by the
23 SPP utilizing transmission system additions corresponding with the
24 Woodward-to-Oklahoma City Windspeed transmission line.

25 This rider, through the New Renewable Energy Credits ("NREC")
26 factor, credits to the customer a portion of the Oklahoma jurisdiction share
27 of the net earnings received from the sales of the Renewable Energy
28 Credits ("REC") for any renewable energy sources obtained by the
29 Company subsequent to the effective date of this rider. The net earnings,
30 or profits, derived from such sales will be the difference between the sales
31 price of the REC and all costs associated with such sales.

32 This rider, through the Green Power Wind Rider Revenue
33 ("GPWRR") factor, credits to the customer the revenues received from the
34 GPWR kWh multiplied by \$.009 per kWh. In each calendar year, these
35 revenues shall be reduced by \$350,000 for educational, advertising, and
36 ancillary expenses.

37 **Q: What components of the RTSA does OG&E propose to pass through the SPPCT?**

38 **A:** OG&E proposes to pass the credits associated with the SPPTR component and the TSRC
39 component of the RTSA through the SPPCT rider.

1 **Q: Does the PUD support the proposed changes to the SPPCT?**

2 A: Yes, the PUD agrees that the credits associated with the SPPTR and the TSRC
3 components of the RTSA be passed through the SPPCT. OG&E doesn't have any
4 transmission expenses under Schedules 7 and 8 for PTP transactions, as OG&E's load is
5 all under Schedule 9, Network Integration Transmission Service ("NITS"). With
6 OG&E's goal to reduce the number of its riders and simplify those that remain, the
7 SPPCT is the proper place to credit OG&E customers for PTP transmission service of
8 others over OG&E lines, as these credits will net with the Schedule 11 expenses that
9 OG&E must pay for projects constructed by non-OG&E transmission owners in SPP.

10 The TSRC component credits to customers come from revenue OG&E receives
11 from SPP for transmission service on the OG&E Windspeed line, an OG&E sponsored
12 project, and are referred to as "Z2" credits. SPP is currently working on the Z2 process of
13 crediting and billing members. This has been an issue for SPP as to how to set up the
14 credit/payment design. However, the Z2 process is expected to be in place by the end of
15 2016, at which time OG&E customers would start receiving credits. The SPPCT is the
16 proper place to credit OG&E customers, as these TSRCs will net with the Schedule 11
17 expenses that OG&E must pay for projects constructed by non-OG&E transmission
18 owners in SPP.

19 **Q: Does the PUD propose any changes to the SPPCT?**

20 A: Yes. As was the case in PUD Cause No. 201500208, the PUD recommends language be
21 added to the SPPCT tariff to require a broader review of the new factors if any annual
22 adjustment exceeds 50 percent from the previous year. During the past several years, SPP

1 has experienced a robust buildout of the region's transmission system, stemming from the
2 SPP's Board's prior approval of the Balanced Portfolio and Priority Projects. With all the
3 SPP Balanced Portfolio projects placed in service and all but one of the SPP Priority
4 Projects placed in service, SPP projects the amount of transmission required in the future
5 will start to decline. PUD is concerned that the costs recovered via this tariff are
6 substantial and current tariff language allows for automatic implementation of rates with
7 annual factor updates. This broader review provides PUD another mechanism to ensure
8 customer protection from a tariff that allows for automatic implementation of rates.

9 **Q: What components of the RTSA does OG&E propose to pass through the FAC?**

10 A: OG&E proposes to pass the credits associated with the NREC and the GPWRR
11 components through the FAC.

12 **Q: Does the PUD support the changes to the FAC?**

13 A: Yes, the PUD does support the changes to the FAC that OG&E is proposing. OG&E is
14 proposing to credit, through the FAC, the Oklahoma jurisdictional customer share of
15 revenue associated with REC sales. Currently the revenue from the REC sales are
16 credited back to OG&E's retail customers through the RTSA rider via the NREC and
17 GPWRR components, the Crossroads rider, and the Fuel Adjustment Clause. OG&E
18 states that consolidating all of the REC revenue credits into one rider simplifies the
19 mechanism and calculation by which RECs are credited to customers. With OG&E's goal
20 to reduce and simplify their riders, OG&E is proposing to eliminate the RTSA and
21 Crossroads riders. With the RTSA and the Crossroads riders proposing to be closed and

1 the fact that some RECs are already credited through the FAC, the FAC is the proper
2 place to consolidate and credit all REC revenue.

3 **Q: Has this Commission previously approved crediting RECs back to customers**
4 **through a FAC?**

5 A: Yes, in Cause No. PUD 201000092, Order No. 580622, this Commission recommended
6 that Public Service Company of Oklahoma ("PSO") credit all RECs, not required through
7 PSO's Green Tariff, to be credited through the FAC.

8 **Q: Is OG&E proposing to include anything else in the FAC?**

9 A: Yes. PUD witness Robert C. Thompson will provide PUD's recommendation concerning
10 OG&E's proposal to include Production Tax Credits ("PTC") in the FAC. OG&E in this
11 general rate proceeding is also requesting recovery of Air Quality Control System
12 ("AQCS") consumables costs through the FAC.

13 **Q: Does PUD support the recovery of AQCS costs through the FAC?**

14 A: Yes, the PUD does support the recovery of AQCS costs with conditions through the FAC
15 because the cost of consumables is unpredictable, a separate rider otherwise would have
16 to be created, and the PUD has supported the recovery of AQCS through a FAC in two
17 prior causes. Consumable costs vary with the amount of energy produced, making these
18 costs directly correlated to the amount of fuel consumed. The prices of some
19 consumables are highly variable, and the amount of consumables utilized with SPP
20 dispatching is not easily predicted or controlled through management efforts. With

1 OG&E's goal to reduce and simplify its riders in this Cause, a goal which PUD supports,
2 creating a new rider to recover the cost of consumables would be counter to that goal. As
3 part of the settlement agreement with Empire District Electric Company in Cause No.
4 PUD 201100082, Order No. 592623, this Commission approved recovery of AQCS
5 consumables through the FAC.

6 PUD's recommendation to recover AQCS costs through the FAC is based on the
7 following conditions. In the event this Commission disallows OG&E's low NO_x burners
8 and Activated Carbon Injection environmental compliance projects, as well as, the relief
9 requested in PUD Cause No. 201600059, then the PUD does not support inclusion of
10 AQCS consumables costs in the FAC. In the event this Commission approves any one of
11 OG&E's Environmental Compliance projects, then the PUD would support inclusion of
12 AQCS consumables costs in the FAC.

13 **Q: Does PUD support the proposed closing of the RTSA?**

14 A: Yes, the PUD supports OG&E's proposal to discontinue the RTSA transmission rider, as
15 the RTS portion has been rolled into base rates in PUD Cause No. 201100087 and the
16 remaining four components ("SPPTR", "TSRC", "NREC", and "GPWRR") can be
17 appropriately credited through OG&E's other existing riders.

RECOMMENDATION

1 **Q: What is the PUD's recommendation in this Cause?**

2 **A:** The PUD recommends to this Commission the following:

- 3 • Eliminate the STSA transmission rider;
- 4 • Eliminate the RTSA rider with the SPPTTR and TSRC components credited
5 through the SPPCT and the NREC and GPWRR components credited through the
6 FAC;
- 7 • Approve Phase 1 of the Underground Vault & Manhole Maintenance Program
8 with yearly updates on the progress and expenses incurred in Phase 1 for the next
9 three years and be in place until OG&E returns to this Commission for its next
10 general rate case proceeding;
- 11 • Approve the inclusion of AQCS costs in the FAC conditioned on this
12 Commission approving any one of OG&E's Environmental Compliance projects;
13 and
- 14 • Approve modification to the SPPCT tariff for interim review.

15 PUD believes these proposals are fair, just, and reasonable to both the Company and its
16 customers.

I state, under penalty of perjury under the laws of Oklahoma, that the foregoing is true and correct to the best of my knowledge and belief.

Signature

Date

Responsive Testimony - Chaplin
Oklahoma Gas and Electric Company – Cause No. PUD 201500273



Jason C Chaplin

Exhibit JCN-1
2016 Curriculum Vitae

Contact	j.chaplin@occeemail.com Tel: 405-521-4114 Fax: 405-521-2087	580 Jim Thorpe Building P.O. Box 52000 Oklahoma City, OK 73152
Education	<p>Oklahoma City Community College</p> <ul style="list-style-type: none"> A.A., General Studies <p>University of Nevada Las Vegas</p> <ul style="list-style-type: none"> B.S., Hotel Administration B.S., Gaming Management <p>Oklahoma City University</p> <ul style="list-style-type: none"> M.S., Energy Management 	<p>2002-2005</p> <p>2005-2009</p> <p>2013-2015</p>
Work Experience	<p>Oklahoma Corporation Commission 2013-Present</p> <p><u>Public Utility Regulatory Analyst</u></p> <ul style="list-style-type: none"> Research and analysis of Public utility issues; analyzing utility applications, reports, financial records, and cost studies in order to make accurate recommendations Oklahoma Corporation Commission voting member on the Cost Allocation Working Group (CAWG) and the 2015 CAWG Chairman, CAWG voting member on the Capacity Margin Task Force (CMTF), Economic Studies Working Group (ESWG), Gas Electric Coordination Task Force (GECTF), Regional Allocation Review Task Force (RARTF) <p>Independent Petroleum Landman 2011-2013</p> <ul style="list-style-type: none"> Mineral/Surface Title Research Prepare Ownership Reports/Runsheets/Flow Charts Prepare Documents/Closing Packets for Lease Acquisition <p>Westin Hotel Casino Spa, Las Vegas, NV 2005-2011</p> <p><u>Customer Service Professional</u></p> <ul style="list-style-type: none"> Valet Front Desk Catering and Events Barback Bartender 	
Professional Training	<ul style="list-style-type: none"> National Association of Regulatory Utility Commissioners Utilities Rate School Institute of Public Utilities Grid School Witness Preparation Internships: <ul style="list-style-type: none"> Hospitality- Westin Casuarina Hotel Casino Spa Beverage- Westin Casuarina Hotel Casino Spa Gaming- ShuffleMaster Entertainment Energy- Oklahoma Corporation Commission 	

Responsive Testimony - Chaplin
Oklahoma Gas and Electric Company – Cause No. PUD 201500273

CERTIFICATE OF ELECTRONIC SERVICE

I, the undersigned, do hereby certify that on the 21st day of March 2016, a true and correct copy of the above and foregoing was sent electronically, addressed to the following:

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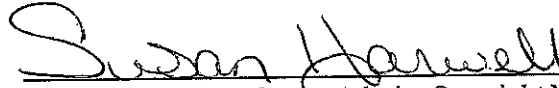
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