

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

William H. Wai

on behalf of

Oklahoma Gas and Electric Company

December 30, 2021

TABLE OF CONTENTS

QUALIFICATIONS, EXPERIENCE AND PURPOSE.....	3
INTRODUCTION - RATE DESIGN.....	4
Developing Proposed Rates	4
Unit Costs	6
Marginal Costs	7
Changes to Existing Rates	7
CURRENT VERSUS PROPOSED RATES.....	8
Overall Modification to Rates.....	8
Residential	8
General Service	12
Time-of-Use (“TOU”)	13
Variable Peak Pricing (“VPP”).....	15
Public Schools.....	17
Oil & Gas Producers (“OGP”).....	19
Municipal Pumping (“PM”).....	20
Large Power & Light (“LPL”) TOU.....	21
LPL Standard	24
Municipal Lighting (“LM”), Outdoor Security Lighting (“OSL”), and LED	25
PROOF OF REVENUE	25
ELECTRIC VEHICLE (“EV”) TOU RATE	27
ENERGIZING RENEWABLE CONNECTIONS.....	28
Existing OG&E Renewable Programs.....	28
Large Customer Renewable Desires	28
Energizing Renewable Connections (“ERC” or “Program”)	31
CONCLUSION	37

TABLE INDEX

Table 1. Comparison of Proposed Residential Prices.....	8
Table 3. Comparison of GS Current and Proposed Rates	12
Table 4. Comparison of TOU Rates	13
Table 5. Comparison of VPP Rates	15
Table 6. Comparison of current and proposed Public Schools-SM Rates.....	18
Table 7. Comparison of current and proposed Public Schools-L Rates.....	18
Table 8. Comparison of current and proposed PL SL-5 Rates	20
Table 9. Comparison of current and proposed PL-TOU SL-5 Rates	21
Table 10. Comparison of current and proposed LPL Rates.....	22
Table 11. Comparison of current and proposed LPL Standard Rates.....	25

QUALIFICATIONS, EXPERIENCE AND PURPOSE

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

2 A. My name is William H. Wai. My business address is 321 North Harvey, Oklahoma City,
3 Oklahoma 73102.
4

5 Q. **By whom are you employed and in what capacity?**

6 A. I am currently employed by Oklahoma Gas and Electric Company (“OG&E” or
7 “Company”) as Manager of Pricing. I am responsible for retail electricity pricing, rate
8 design and tariffs. In that capacity, I direct and supervise the Company’s pricing team that
9 develops and supports pricing structures, charges and service provisions of tariffs, product
10 platforms, pilot programs and other retail electricity pricing initiatives. The pricing
11 department collects customer usage and revenue data, analyzes various cost information,
12 researches different regulated retail electricity pricing practices, and studies the impacts of
13 OG&E’s pricing practices on customers. My responsibilities also include overseeing
14 implementation of the Company’s retail electricity rate and pricing plans.
15

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

17 A. I earned my Bachelor of Science in Economics from Guangdong Institute for Nationals in
18 Guangdong, China. I have a Master of Business Administration from the University of
19 Oklahoma and a Master of Science in Risk Management (Finance) from the Stern School
20 of Business at New York University. Prior to assuming my current position in OG&E, I
21 worked with the Company in various positions in Investor Relations, Corporate Risk, and
22 Structured Services. Within Structured Services, I was initially hired as Senior
23 Quantitative Analyst and consequently promoted to be the Director of the department.
24 During the 12 years I worked with the Structured Services group, my responsibilities
25 included valuating and pricing complex commercial transactions across various financial
26 engineering frameworks and quantifying various financial risk measures in the Company’s
27 business management efforts. I am a Financial Risk Manager (“FRM”) and an Energy
28 Risk Professional (“ERP”) both certified by the Global Association of Risk Professionals

1 (“GARP”). I also hold the Chartered Financial Analyst (“CFA”) designation. I am a
2 member of the Global Association of Risk Professionals (“GARP”), and a member of the
3 Chartered Financial Analyst (“CFA”) Oklahoma Society.
4

5 Q. **Have you previously filed testimony before the Oklahoma Corporation Commission**
6 **(“Commission”)?**

7 A. Yes. I testified on behalf of OG&E in Cause Nos. PUD 201500273, 201700496,
8 201800140, 201900065, and 202100072 before the Commission. I have also submitted
9 testimony before the Arkansas Public Service Commission in Docket Nos. 16-052-U, 20-
10 037-U, and 21-050-TF.
11

12 Q. **What is the purpose of your testimony?**

13 A. The purpose of my testimony is to:

- 14 • Describe the process of developing the rates proposed by the Company in this
15 application;
- 16 • Show comparisons between the current and proposed rates and discuss customer
17 impacts associated with these changes and updates;
- 18 • Introduce and support the Electric Vehicle rate and the Energizing Renewable
19 Connections (“ERC”) program; and,
- 20 • Sponsor OG&E’s Proof of Revenue, Schedule M and associated workpapers, as
21 well as Schedule N, the proposed tariffs.
22

23 **INTRODUCTION - RATE DESIGN**

24 Developing Proposed Rates

25 Q. **Please generally describe how the Company develops the rates requested in a general**
26 **rate case.**

27 A. The major steps in updating existing rates or developing new rates are as follows:

28 1) Develop *pro forma* year data - actual test year data (revenues and billing
29 determinants¹) is collected and then adjusted to design rates consistent with the revenues
30 and expenses which are expected to occur in a normal year of operations. The result of
31 these normalizing adjustments is typically referred to as the *pro forma* year data. The
32 specific revenue and billing determinants adjustments made for the test year used in this

¹ Billing determinants are customers’ kWh usage, kW demand, and customer count.

1 application are presented in Schedule H-2 of this filing and addressed in more detail by
2 OG&E Witness Jeremy K. Schwartz.

3 2) Determination of the *pro forma* year revenue from current rates - annual revenue
4 is calculated by applying the rates approved in the Company's previous rate case to the
5 billing determinants contained within the *pro forma* year data. The Proof of Revenue
6 Schedule M-4, which I sponsor, includes the calculation of current rate revenue for each
7 rate class.

8 3) Cost of Service Study ("COSS") - the *pro forma* year data along with other inputs
9 are used in the development of the COSS as described in the direct testimony of OG&E
10 witness Gwin Cash. The resulting COSS serves as the starting point for rate design.

11 4) Rate design – the cost of providing service calculated in the COSS is compared
12 to the *pro forma* revenue from current rates and the differential identifies a revenue
13 deficiency or surplus to be addressed when rates are determined. Proposed rates are then
14 designed to recover the appropriate revenue. The COSS results identify the revenue
15 requirement by class and then may be adjusted through the revenue allocation process.
16 OG&E witness Bryan J. Scott describes the revenue allocation process and presents those
17 results in his Direct Testimony.

18 5) Proof of revenue – the proposed rates are used to calculate the proposed revenue
19 for each rate class. Schedule M-4 shows these calculations, including, the sum of the
20 revenue requested from each rate classes, plus other listed revenue, equaling the total
21 OG&E requested revenue.
22

23 **Q. What are the Company's objectives when designing rates?**

24 **A.** The Company's rate design is driven by the objectives to:

- 25 • Promote efficient consumption of energy;
 - 26 • Provide pricing product choices that meet customers' pricing preferences; and,
 - 27 • Recover authorized revenue requirements.
- 28

29 **Q. How does OG&E develop the proposed rates?**

30 **A.** The proposed rates are designed so that proposed revenues in a normal year will match the
31 *pro forma* revenue requirement, i.e. any deficiency or surplus has been incorporated. Major

steps of the rate design process include determination of the unit costs for each rate class, application of the unit costs and marginal costs to create initial price levels, determination of rate structure and final rates through an iterative process to ensure proper recovery of revenue requirements. The iterative process includes the evaluation of proposed rates against rate design objectives through impact and unit cost analyses.

Unit Costs

Q. What are unit costs?

A. Unit costs are the costs for the attributes of electric service, which are generally categorized as customer, demand, and energy costs. Customer costs are those costs associated with metering, billing, customer care, and local distribution facilities. Demand costs are those fixed costs associated with wires (transmission and distribution system) and can also include fixed production costs. Energy costs are variable costs associated with electricity supply such as fuel and other variable costs. Unit costs are these costs by each category or billing determinant.

Unit costs are developed from the functionalized and classified cost components in the COSS and are calculated by dividing the revenue requirements of these components by the associated billing units (such as demand and time-differentiated kWh) for each class and service level of customers.

Q. Would it be proper to set prices using only unit costs?

A. No. While unit costs provide an embedded cost basis for each rate and represent the simplest division of costs among customer classes, reliance on these costs alone may not satisfy other rate design objectives. For example, unit cost pricing does little to recognize the variations of costs by time periods (*e.g.* hourly marginal costs) and time-period sensitive pricing can encourage more efficient allocation of resources to customers. OG&E's proposed prices are intended to reflect a balance between embedded cost, marginal cost, customer preference, and recovery of the proposed revenue requirement without undue impacts on customers.

1 Q. **Have you developed a unit cost for each rate category and service level based on the**
2 **component cost revenue requirements?**

3 A. Yes. The unit costs for each rate class and service level contained within the Company's
4 cost of service study were calculated in the manner I have described above. As an example,
5 Direct Exhibit WHW-1 illustrates the unit cost calculations for the Residential classes.
6

7 Marginal Costs

8 Q. **What are marginal costs?**

9 A. Marginal costs are the change in the total cost of production that results from producing
10 one additional unit of energy. Marginal costs are also divided into short-run marginal costs
11 and long-run marginal costs. Short-run marginal costs typically include only the variable
12 costs such as fuel and variable operations and maintenance costs associated with
13 production occurring within the constraints of currently available assets. Long-run
14 marginal costs consider the cost of expanding production capabilities to meet future load
15 growth.
16

17 Q. **How are marginal costs used within the rate design process?**

18 A. Marginal costs are used to set rates that promote more efficient use of resources. One
19 example is the use of marginal costs in setting on-peak period pricing. If consumers are
20 exposed to the marginal cost of energy, the resulting consumption decisions should
21 encourage a more efficient use of production resources and serve to lower the overall
22 production cost to all consumers.
23

24 Changes to Existing Rates

25 Q. **Have you provided the proposed tariff changes to existing rates?**

26 A. Yes. I have provided the proposed tariff changes to existing rates in Schedule N of the
27 MFR package.

CURRENT VERSUS PROPOSED RATES

Overall Modification to Rates

Q. **Please describe the impact proposed by the Company in this case.**

A. OG&E's customers will see an increase in base rates of approximately \$163.5 million annually as compared to the revenue which would be produced in a normal year by the current base rates.

Residential

Q. **What is the overall result of the proposed rate design changes to a standard residential ("R-1") customer?**

A. The average impact to an R-1 customer as compared to current base rates is a monthly increase of approximately 9% or \$9.91 per month per customer.

Q. **Please describe the proposed changes to OG&E's current residential rates.**

A. The price changes to the tariff includes an increase in the monthly customer charge, from \$13.00 to \$22.00, and a lowering of the energy prices paid by those customers. The change in the customer charge will more accurately reflect the fixed cost of providing electric service to a residential customer. The proposed rate changes are presented in Table 1 below.

Table 1. Comparison of Proposed Residential Prices

Residential (R-1) Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$22.00	\$13.00	\$9.00
Energy Charge			
Summer Season	Jun-Oct	Jun- Sept	
<i>First 1,400 kWh</i>	\$0.0665 Per kWh	\$0.0635 Per kWh	\$0.0030 Per kWh
<i>Over 1,400 kWh</i>	\$0.0750 Per kWh	\$0.07090 Per kWh	\$0.0041 Per kWh
Winter Season	Nov-May	Nov-Apr	
<i>First 600 kWh</i>	\$0.0665 Per kWh	\$0.0635 Per kWh	\$0.0030 Per kWh
<i>Over 600 kWh</i>	\$0.0270 Per kWh	\$0.0243 Per kWh	\$0.0027 Per kWh

1 Q. **What is the basis for increasing the monthly customer charge to \$22.00?**

2 A. As shown in Direct Exhibit WHW-1, the unit cost for the customer component is
3 approximately \$22.00 on average. OG&E's current customer charge for R-1 customers is
4 \$13.00 per month, which covers only slightly more than one-half the cost.
5

6 Q. **Why should the customer charge be set at unit cost?**

7 A. Customer charges should be set at the customer unit cost level as it is appropriate, effective,
8 efficient, reasonable, and contributes to bill stability.
9

10 Q. **Why is setting the customer charge at unit cost appropriate?**

11 A. Customer unit cost reflects the cost to serve an average customer regardless of the level of
12 electricity consumption on an embedded cost basis. In other words, the customer unit cost
13 is the cost to provide customers the capability of receiving electric service safely and
14 reliably.
15

16 Q. **How is setting the customer charge at unit cost more effective?**

17 A. In a modern world, access to electrical services is a necessity and a matter of public interest.
18 Customer charges are not intended to incentivize customers entering or leaving a utility;
19 however, the economic efficiency of the rate structure as a whole depends on setting a
20 proper customer charge as other components of the rate structure are residuals from the
21 level of customer charge being set. Setting the customer charge at less than unit cost can
22 lead to the energy charge being artificially high, resulting in less than efficient numbers of
23 kWh being consumed as economic productivity suffers.
24

25 Q. **Why is setting the customer charge at unit cost more efficient?**

26 A. It is more efficient because it reduces the amount of intra-class subsidy. When the price of
27 access to electric service is set at its unit cost, the intra-class subsidies will be reduced
28 between average residential customers and some non-typical residential customers
29 including secondary homes, vacation houses, rarely occupied barns, and neighborhood
30 gates, all of which are paying below their cost to serve due to extremely low use of kWh.

1 Q. **Why is setting the customer charge at unit cost reasonable?**

2 A. It may be counter-intuitive but increasing recovery of customer cost through customer
3 charge itself does not change how much an average customer is paying for electric service
4 as the increase in customer charge will be offset by a decrease in the kWh energy charge.
5 These corresponding changes will result in no additional revenue recovery. Only those
6 customers whose kWh usages are abnormally low will experience a noticeable increase in
7 their bills. These customers are atypical and should not be considered as representative of
8 the Company's average customer.

9
10 Q. **Is a customer charge set below unit cost effective or efficient?**

11 A. No. Maintaining a basic customer charge that is below unit cost to mitigate bill impacts
12 for a small group of low kWh use customers is neither effective nor efficient. A customer
13 charge set at the customer unit cost promotes economic efficiency for the entire residential
14 class and helps to ensure the cost causers are paying their fair share for access to electric
15 service. At the same time, OG&E's Low-Income Assistance Program ("LIAP") and Senior
16 Citizen Discount are more effective and efficient approaches for mitigating the impact to
17 potentially low-use and/or low-income customers. OG&E's rate proposal includes
18 continuing its LIAP that offers qualified Oklahoma low-income customers a fixed \$10 per
19 month bill offset and Senior Citizen Discount that offers qualified Oklahoma senior
20 citizens a fixed \$5 per month bill offset during the summer months.

21
22 Q. **Does setting the customer charge at unit cost provide more stability for both the
23 customer and the Company?**

24 A. Yes. Setting the customer charge at the customer unit cost level can contribute to bill
25 stability for customers and revenue stability for the Company. OG&E's proposed recovery
26 of customer costs through the customer charge properly reduces the portion of the
27 customer's bill that varies with kWh energy used, and as a result, the customer's bill
28 fluctuates less.

1 Q. **Where does OG&E rank among electric utilities and cooperatives in the State of**
2 **Oklahoma regarding its customer charge level?**

3 A. Direct Exhibit WHW-2 attached to this Testimony provides a list of customer charges in
4 Oklahoma for electric utilities that are investor owned, regulated cooperatives, and un-
5 regulated cooperatives.² This Exhibit includes basic customer charges that are associated
6 with serving a standard (non-time of use (“TOU”)) residential customer. Out of the 48
7 different customer charges in this Exhibit, OG&E currently ranks as the 41st lowest. If the
8 Commission were to accept the Company’s proposed modification to the customer charge
9 in this case, OG&E would rank 32nd lowest out of the 48 differing amounts. Further, Public
10 Service Company of Oklahoma (“PSO”) has a residential customer charge level of \$20 that
11 was approved by the Commission³ in 2015. Additionally, Oklahoma’s largest natural gas
12 utility, Oklahoma Natural Gas (“ONG”) has implemented a Commission approved
13 customer charge in excess of \$20 since 2005⁴, in fact, this rate is currently \$34.83.

14 The Company acknowledges that there are varying costs of services for each entity
15 in its Exhibit that correlate to differing customer charges. It is important to recognize that
16 most Oklahoma utilities set their residential customer charges well in excess of the
17 Company’s proposal in this Cause. Residential customers in Oklahoma would, on average,
18 be paying a lower customer charge if they obtained service through OG&E even with
19 OG&E’s requested increase to move toward unit cost.

20
21 Q. **Does the Company agree that fixed charges harm customers due to reduced customer**
22 **control?**

23 A. No. When fixed charges are set at cost, customers as a whole benefit the most from
24 improved economic efficiency. As discussed earlier, energy rates can only be set at
25 appropriate levels after customer charges are set properly. Absent any specific
26 considerations in externalities, customer’s control of electricity consumption should follow
27 the guideline of general economic principles. Setting kWh prices too low leads to waste
28 of valuable resource and artificially inflated kWh prices result in an inefficient amount of

² Data was obtained from the OCC Imaging System and is what was publicly available as of December 10, 2021. These rates are based on the service offering of each applicable entity that would apply to residential service.

³ Final Order No. 639314.

⁴ Cause No. PUD 200400610.

electricity being produced. OG&E believes that a fixed customer charge based on the unit cost of giving customers access to the electric system benefits customers as a whole by providing customers with a more efficient level of control.

Under the proposed rates, the vast majority of an average Residential standard customer's bill will be based on the volumetric portion of their bills. For an average Residential standard customer, the change from a \$13 customer charge to \$22 maintains volumetric control of approximately 82% of the total bill.

General Service

Q. What are the proposed changes to the General Service ("GS") tariff?

A. OG&E proposes to increase the customer charge and make some minor modifications to the energy charges. Table 3 below shows the proposed prices and the current prices.

Table 3. Comparison of GS Current and Proposed Rates

General Service (GS) SL - 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$38.90	\$24.70	\$14.20
Energy Charge			
Summer Season	Jun-Oct	Jun-Oct	
<i>First 5,000 kWh</i>	\$0.0890 Per kWh	\$0.0845 Per kWh	\$0.0045 Per kWh
<i>Over 5,000 kWh</i>	\$0.0940 Per kWh	\$0.0897 Per kWh	\$0.0043 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Q. What is the basis for the increased customer charge for the GS class?

A. The change in the customer charge is based on the allocated share of customer component costs for the GS-1, service level 5 class, which is \$40.24 per customer per month.

Q. What is the impact of these changes to GS customers?

A. The average increase on a current GS standard customer bill, service level ("SL") 5, is approximately 9.9% or \$16.28 per month.

Time-of-Use (“TOU”)

Q. What changes are you proposing to the non-demand TOU tariffs?

A. The proposed pricing for most of these tariffs include an increased customer charge relative to the current customer charges. The Company is also adjusting energy charges where appropriate. These changes are shown in Table 4 below.

Table 4. Comparison of TOU Rates

Residential TOU (R-TOU) Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$22.00	\$13.00	\$9.00
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.1940 Per kWh	\$0.1840 Per kWh	\$0.0100 Per kWh
<i>Off- Peak</i>	\$0.0350 Per kWh	\$0.0327 Per kWh	\$0.0023 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 600 kWh</i>	\$0.0665 Per kWh	\$0.0635 Per kWh	\$0.0030 Per kWh
<i>Over 600 kWh</i>	\$0.0270 Per kWh	\$0.0243 Per kWh	\$0.0027 Per kWh

General Service TOU (GS-TOU) SL-2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$38.90	\$24.70	\$14.20
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.2600 Per kWh	\$0.1880 Per kWh	\$0.0720 Per kWh
<i>Off- Peak</i>	\$0.0350 Per kWh	\$0.0321 Per kWh	\$0.0029 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Oil and Gas Producers TOU (OGP-TOU) SL-2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$32.00	\$22.95	\$9.05
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.1900 Per kWh	\$0.1870 Per kWh	\$0.0030 Per kWh
<i>Off- Peak</i>	\$0.0330 Per kWh	\$0.0321 Per kWh	\$0.0009 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0200 Per kWh	\$0.0197 Per kWh	\$0.0003 Per kWh

Public Schools Small - TOU (PS-SM-TOU) SL 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$30.00	\$15.65	\$14.35
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.3000 Per kWh	\$0.3000 Per kWh	\$0.0000 Per kWh
<i>Off- Peak</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Municipal Water Pumping TOU (PM-TOU) SL 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$32.00	\$23.80	\$8.20
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.1900 Per kWh	\$0.1880 Per kWh	\$0.0020 Per kWh
<i>Off- Peak</i>	\$0.0350 Per kWh	\$0.0321 Per kWh	\$0.0029 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0240 Per kWh	\$0.0205 Per kWh	\$0.0035 Per kWh

Variable Peak Pricing (“VPP”)

1 Q. **Are you proposing changes to the VPP program?**

2 A. Yes. The Company proposes to update the customer charge and energy prices to all VPP
3 classes.

5 Q. **How many customers participate in the VPP programs?**

6 A. As of September 2021, 67,915 Residential, 3,942 GS, and 1,284 other customers are
7 enrolled in VPP rates.

9 Q. **What are the proposed rate changes to the VPP rates?**

10 A. The proposed pricing for the VPP tariffs is shown in Table 5 below.

Table 5. Comparison of VPP Rates

Residential Service VPP (R-VPP) Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$22.00	\$13.00	\$9.00
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>Off- Peak</i>	\$0.0350 Per kWh	\$0.0327 Per kWh	\$0.0023 Per kWh
<i>Critical Peak</i>	\$0.4200 Per kWh	\$0.3800 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 1</i>	\$0.0350 Per kWh	\$0.0327 Per kWh	\$0.0023 Per kWh
<i>On Peak tier 2</i>	\$0.0900 Per kWh	\$0.0770 Per kWh	\$0.0130 Per kWh
<i>On Peak tier 3</i>	\$0.1940 Per kWh	\$0.1840 Per kWh	\$0.0100 Per kWh
<i>On Peak tier 4</i>	\$0.4200 Per kWh	\$0.3800 Per kWh	\$0.0400 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 600 kWh</i>	\$0.0665 Per kWh	\$0.0635 Per kWh	\$0.0030 Per kWh
<i>Over 600 kWh</i>	\$0.0270 Per kWh	\$0.0243 Per kWh	\$0.0027 Per kWh

General Service VPP (GS-VPP) SL- 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$38.90	\$24.70	\$14.20
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>Off- Peak</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh
<i>Critical Peak</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 1</i>	\$0.0600 Per kWh	\$0.0321 Per kWh	\$0.0279 Per kWh
<i>On Peak tier 2</i>	\$0.1200 Per kWh	\$0.0800 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 3</i>	\$0.2400 Per kWh	\$0.2230 Per kWh	\$0.0170 Per kWh
<i>On Peak tier 4</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Oil and Gas Producers VPP (OGP-VPP) SL 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$32.00	\$22.95	\$9.05
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>Off- Peak</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh
<i>Critical Peak</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 1</i>	\$0.0600 Per kWh	\$0.0321 Per kWh	\$0.0279 Per kWh
<i>On Peak tier 2</i>	\$0.1200 Per kWh	\$0.0800 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 3</i>	\$0.2400 Per kWh	\$0.2230 Per kWh	\$0.0170 Per kWh
<i>On Peak tier 4</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All</i>	\$0.0200 Per kWh	\$0.0197 Per kWh	\$0.0003 Per kWh

Public Schools Small VPP (PS SM VPP) SL 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$30.00	\$15.65	\$14.35
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>Off- Peak</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh
<i>Critical Peak</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 1</i>	\$0.0600 Per kWh	\$0.0321 Per kWh	\$0.0279 Per kWh
<i>On Peak tier 2</i>	\$0.1200 Per kWh	\$0.0800 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 3</i>	\$0.2400 Per kWh	\$0.2230 Per kWh	\$0.0170 Per kWh
<i>On Peak tier 4</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Municipal Water Pumping VPP (PM-VPP) SL 2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$32.00	\$23.80	\$8.20
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>Off- Peak</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh
<i>Critical Peak</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 1</i>	\$0.0600 Per kWh	\$0.0321 Per kWh	\$0.0279 Per kWh
<i>On Peak tier 2</i>	\$0.1200 Per kWh	\$0.0800 Per kWh	\$0.0400 Per kWh
<i>On Peak tier 3</i>	\$0.2400 Per kWh	\$0.2230 Per kWh	\$0.0170 Per kWh
<i>On Peak tier 4</i>	\$0.4700 Per kWh	\$0.4300 Per kWh	\$0.0400 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0240 Per kWh	\$0.0205 Per kWh	\$0.0035 Per kWh

Public Schools

- 1 Q. **What are the proposed rate changes to the Public Schools-Small (“PS-S”) rates?**
- 2 A. The Company proposes that PS-S base rates be increased in order to move those customers
- 3 closer to their actual cost of service. This includes a proposed increase to the customer

charge portion of the bill and minor modifications to the energy charges. The proposed increase is shown below in Table 6.

Table 6. Comparison of current and proposed Public Schools-SM Rates

Public Schools Small (PS SM) SL-2 thru 5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$30.00	\$15.65	\$14.35
KW Demand Charge			
<i>All kW</i>	\$0.00 Per kW	\$0.00 Per kW	\$0.00 Per kW
Energy Charge			
Summer Season	Jun-Oct	Jun-Oct	
<i>All kWh</i>	\$0.0910 Per kWh	\$0.0800 Per kWh	\$0.0110 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 1,000 kWh</i>	\$0.0730 Per kWh	\$0.0680 Per kWh	\$0.0050 Per kWh
<i>Over 1,000 kWh</i>	\$0.0340 Per kWh	\$0.0321 Per kWh	\$0.0019 Per kWh

Q. What are the proposed rate changes to the Public Schools Large (“PS-L”) rates?

A. The Company is proposing a modification to the PS-L rate as shown in Table 7 below.

Table 7. Comparison of current and proposed Public Schools-L Rates

Public Schools Large (PS LG)SL -3 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$135.00	\$135.00	\$0.00
KW Demand Charge			
<i>Summer kW</i>	\$8.50 Per kW	\$7.60 Per kW	\$0.90 Per kW
<i>Winter kW</i>	\$4.50 Per kW	\$3.80 Per kW	\$0.70 Per kW
Energy Charge			
Summer Season	Jun-Oct	Jun-Oct	
<i>All kWh</i>	\$0.0165 Per kWh	\$0.0124 Per kWh	\$0.0041 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0165 Per kWh	\$0.0124 Per kWh	\$0.0041 Per kWh

Public Schools Large (PS LG) SL -4 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$95.00	\$95.00	\$0.00
KW Demand Charge			
<i>Summer kW</i>	\$9.50 Per kW	\$9.00 Per kW	\$0.50 Per kW
<i>Winter kW</i>	\$4.25 Per kW	\$3.80 Per kW	\$0.45 Per kW
Energy Charge			
<i>Summer Season</i>	<i>Jun-Oct</i>	<i>Jun-Oct</i>	
<i>All kWh</i>	\$0.0165 Per kWh	\$0.0124 Per kWh	\$0.0041 Per kWh
<i>Winter Season</i>	<i>Nov-May</i>	<i>Nov-May</i>	
<i>All kWh</i>	\$0.0165 Per kWh	\$0.0124 Per kWh	\$0.0041 Per kWh

Public Schools Large (PS LG) SL -5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$80.00	\$70.00	\$10.00
KW Demand Charge			
<i>Summer kW</i>	\$9.75 Per kW	\$9.00 Per kW	\$0.75 Per kW
<i>Winter kW</i>	\$4.50 Per kW	\$3.80 Per kW	\$0.70 Per kW
Energy Charge			
<i>Summer Season</i>	<i>Jun-Oct</i>	<i>Jun-Oct</i>	
<i>All kWh</i>	\$0.0340 Per kWh	\$0.0272 Per kWh	\$0.0068 Per kWh
<i>Winter Season</i>	<i>Nov-May</i>	<i>Nov-May</i>	
<i>All kWh</i>	\$0.0340 Per kWh	\$0.0272 Per kWh	\$0.0068 Per kWh

1 Q. What are the impacts to these SL 5 classes?

2 A. The average impact to PS-S SL-5 customer's current base rate bill is 9.3% or \$34.37 per
3 month per customer.

4

Oil & Gas Producers ("OGP")

5 Q. What is the impact of these changes to OGP customers?

6 A. The average increase on a current OGP standard customer bill, SL-5, is approximately
7 3.7% or \$8.17 per month.

Municipal Pumping ("PM")

1 Q. **What is the impact of these changes to PM customers?**

2 A. The average increase on a current PM standard customer bill, SL-5, is approximately 3.3%
3 or \$16.36 per month.
4

Power & Light ("PL") and PL Time of Use ("PL-TOU")

6 Q. **What are the proposed prices for the PL and PL-TOU rates?**

7 A. The proposed prices and the prices currently in effect are reflected in Tables 8 and 9.

Table 8. Comparison of current and proposed PL SL-5 Rates

Power and Light (PL) SL-5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$79.00	\$79.00	\$0.00
KW Demand Charge			
<i>Summer kW</i>	\$14.95 Per kW	\$14.84 Per kW	\$0.11 Per kW
Winter kW	\$7.80 Per kW	\$7.45 Per kW	\$0.35 Per kW
Energy Charge			
Summer Season	Jun-Oct	Jun-Oct	
<i>All kWh</i>	\$0.0170 Per kWh	\$0.0105 Per kWh	\$0.0065 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0170 Per kWh	\$0.0105 Per kWh	\$0.0065 Per kWh

Table 9. Comparison of current and proposed PL-TOU SL-5 Rates

Power and Light TOU (PL-TOU) SL-5 Monthly Prices			
Customer Charge	Proposed	Current	Change
<i>\$/per Month</i>	\$79.00	\$79.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$7.69 Per kW	\$6.00 Per kW	\$1.69 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.1100 Per kWh	\$0.1014 Per kWh	\$0.0086 Per kWh
<i>Off- Peak</i>	\$0.0150 Per kWh	\$0.0131 Per kWh	\$0.0019 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0150 Per kWh	\$0.0131 Per kWh	\$0.0019 Per kWh

1 Q. **What are the impacts to PL SL-5 customers from the proposed prices?**

2 A. The class impacts results vary based on a division of customers by size and load factor.
3 However, in aggregate, the average impact to PL SL-5 customers current base rate bill is
4 7.7% or \$123.48 per month per customer.

6 Q. **What are the impacts to PL TOU SL-5 customers from the proposed prices?**

7 A. Again, the class impacts results vary based on a division of customers by size and load
8 factor. However, in aggregate, the average impact to PL TOU SL-5 customers' current
9 base rate bill is 8% or \$320.30 month per customer.

Large Power & Light ("LPL") TOU

11 Q. **What changes are proposed for the LPL TOU rates?**

12 A. The proposed prices and the prices currently in effect are reflected in Table 10.

Table 10. Comparison of current and proposed LPL Rates

Large Power and Light TOU (LPL-TOU) SL-1 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/ per Month</i>	\$300.00	\$300.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$7.45 Per kW	\$6.74 Per kW	\$0.71 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
On Peak	\$0.0450 Per kWh	\$0.0443 Per kWh	\$0.0007 Per kWh
Off- Peak	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 2,000,000 kWh</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
<i>Over 2,000,000 kWh</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
Large Power and Light TOU (LPL-TOU) SL-2 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/ per Month</i>	\$300.00	\$300.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$8.55 Per kW	\$7.13 Per kW	\$1.42 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
On Peak	\$0.0466 Per kWh	\$0.0443 Per kWh	\$0.0023 Per kWh
Off- Peak	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
Winter Season	Nov-May	Nov-May	
<i>First 2,000,000 kWh</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
<i>Over 2,000,000 kWh</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh

Large Power and Light TOU (LPL-TOU) SL-3 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/ per Month</i>	\$135.00	\$135.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$9.48 Per kW	\$8.12 Per kW	\$1.36 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.0760 Per kWh	\$0.0758 Per kWh	\$0.0002 Per kWh
<i>Off- Peak</i>	\$0.0045 Per kWh	\$0.0039 Per kWh	\$0.0006 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0045 Per kWh	\$0.0039 Per kWh	\$0.0006 Per kWh
Large Power and Light TOU (LPL-TOU) SL-4 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/ per Month</i>	\$135.00	\$135.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$9.65 Per kW	\$8.15 Per kW	\$1.50 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.0760 Per kWh	\$0.0758 Per kWh	\$0.0002 Per kWh
<i>Off- Peak</i>	\$0.0045 Per kWh	\$0.0039 Per kWh	\$0.0006 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0045 Per kWh	\$0.0039 Per kWh	\$0.0006 Per kWh

Large Power and Light TOU (LPL-TOU) SL-5 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/ per Month</i>	\$77.00	\$77.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$11.75 Per kW	\$11.51 Per kW	\$0.24 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.0850 Per kWh	\$0.0844 Per kWh	\$0.0006 Per kWh
<i>Off- Peak</i>	\$0.0074 Per kWh	\$0.0073 Per kWh	\$0.0001 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0074 Per kWh	\$0.0073 Per kWh	\$0.0001 Per kWh

Q. What are the impacts to these customer classes under the proposed tariffs?

A. Similar to the PL classes, the impacts to the LPL classes vary based on size and load factor. The average impacts to a current SL 2-5 customer bill per customer, per month, is as follows.

- LPL TOU-2 – 8.5% or \$18,794;
- LPL TOU-3 – 5.1% or \$5,605;
- LPL TOU-4 – 5.1% or \$5,656; and,
- LPL TOU-5 – 0.1% or \$142.

LPL Standard

Q. What changes are proposed for the LPL Standard rates?

A. The Company has priced the LPL Standard rate to recover the classes cost to serve. At the same time, OG&E analyzed the impacts of the proposed rate change on the single customer currently being served under the LPL Standard rate. This analysis shows that this customer would benefit by switching to LPL TOU. The proposed prices and the prices currently in effect are reflected in Table 11.

Table 11. Comparison of current and proposed LPL Standard Rates

Large Power and Light Standard (LPL-STD) SL-2 Monthly Prices			
	Proposed	Current	Change
Customer Charge			
<i>\$/per Month</i>	\$300.00	\$300.00	\$0.00
KW Demand Charge			
<i>All kW</i>	\$10.50 Per kW	\$8.26 Per kW	\$2.24 Per kW
Energy Charge			
Summer Season	Jun- Oct	Jun- Oct	
<i>On Peak</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
<i>Off- Peak</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh
Winter Season	Nov-May	Nov-May	
<i>All kWh</i>	\$0.0040 Per kWh	\$0.0031 Per kWh	\$0.0009 Per kWh

Municipal Lighting (“LM”), Outdoor Security Lighting (“OSL”), and LED

Q. **What are the proposed changes for the lighting classes?**

A. Lighting service consists of two components. The first component is the lighting fixture and can also include a separate pole to position the light at the location desired by the customer. The second component is the energy to power the light. OG&E’s primary objective is to move the proposed prices closer to current costs of providing for lighting service.

PROOF OF REVENUE

Q. **Why must current rate revenues be determined for the pro forma year data?**

A. Current rate revenues are the foundation of the proposed rate design. The proposed rates are determined to ensure that the revenue deficiency—the difference between the current rate revenue and the proposed rate revenue—will be recovered following the implementation of the rate changes approved in the rate case.

Q. **How is current rate revenue determined for the purpose of rate design?**

A. Current rate revenue is calculated by applying the rates approved in the Company’s previous rate case to the billing determinants contained within the pro forma year data.

1 The Proof of Revenue section of Minimum Filing Requirements, Schedule M-4, includes
2 the calculation of current rate revenue for each rate class.

3
4 **Q. Is the current rate revenue shown in the Proof of Revenue equivalent to the *pro forma***
5 **year revenue shown in Schedule H-2?**

6 A. Yes, they are equivalent, but there are some differences which are discussed below. The
7 *pro forma* revenue reflected on Schedule H-2 and Schedule M-4 revenue differ due to the
8 manner in which they are derived. The Schedule M-4 revenue contains adjustments to
9 account for these differences and ensure that rates are designed against the appropriate
10 revenue deficiency.

11
12 **Q. Can you provide examples of specific differences between Schedule H-2 and Schedule**
13 **M-4 revenue?**

14 A. Returned check fees are an example of miscellaneous revenue that is not directly
15 attributable to the billing determinants used to calculate current rate revenue. While the
16 revenue from returned check charges is applicable to the Company's allowed revenue, it is
17 not included in Schedule M-4 revenue calculations based on billing determinants. The
18 difference due to these types of charges is captured in the Schedule M-4 revenue by
19 allocating these to the various classes and adjusting the current revenues by the allocated
20 amount.

21 Cancel and re-bill activities create differences between the revenue within each
22 schedule. When a bill is cancelled and re-billed outside of the accounting period in which
23 the original bill was issued, a mismatch of the determinants and revenues is created in the
24 month containing the cancel/re-bill. The issue is compounded when the rates in the original
25 period are different than those in the current period. If a winter bill is re-billed in a summer
26 period, the cancellation and re-bill results in the removal and addition of the quantities
27 through an adjustment in the current month. While these procedures are appropriate for
28 accounting purposes, for rate design the resulting misalignment of these adjustments
29 creates a difference in the calculation of the revenue within Schedule M current rate
30 revenue. In order to ensure the current rate revenue upon which rate design is based is
31 accurately reflected in the Schedule M-4 revenues, a reconciliation adjustment is made to

1 match the current rate revenue to Schedule H-2 revenue. The same adjustment is made to
2 then adjust the proposed rate revenues in Schedule M-4.

3
4 Q. **Why is it important for the current rate revenues to match the *pro forma* year**
5 **revenues?**

6 A. The Company must ensure that the proposed rate change results in a level of revenue
7 recovery that is consistent with the COSS. See the Direct Testimony of OG&E witness
8 Bryan J. Scott for a detail of the resulting COSS and revenue allocation.

9 Q. **What are the results from the Proof of Revenues?**

10 A. M-4, the Proof of Revenues statement, shows that the proposed prices when applied to the
11 test year *pro forma* billing determinants will produce the revenues requested by the
12 Company as shown in its COSS.

13
ELECTRIC VEHICLE (“EV”) TOU RATE

14 Q. **Is OG&E proposing a new optional rate intended for Residential customers with**
15 **electric vehicles?**

16 A. Yes. With the maturing EV market and increasing availability of vehicle options across
17 the automotive industry, it appears inevitable that EV use in Oklahoma will be increasing.
18 In preparing for the future, the Company is providing a rate option to its customers that
19 encourages charging of EVs in what is being coined “super” off-peak periods.

20
21 Q. **Please discuss the proposed EV TOU rate option.**

22 A. At its core, the EV TOU rate mirrors the implementation of the Residential TOU rate that
23 the Company has offered for over decades. This includes seasonal rates (summer and
24 winter), with the summer season being split into on- and off-peak rate periods. The
25 modification from the existing TOU rate is the inclusion of a window of time, super off-
26 peak (11:00 pm to 6:00 am), that is priced lower than the “normal” off-peak period. The
27 addition of this super off-peak period, paired with it being a lower rate, is intended to
28 encourage EV charging at times when the system load is at its lowest. The Company’s
29 proposed EV TOU tariff is included in the Minimum Filing Requirements as Schedule N.

ENERGIZING RENEWABLE CONNECTIONS

Existing OG&E Renewable Programs

Q. **Does OG&E currently offer programs through which customers can subscribe to energy produced by a renewable resource?**

A. Yes. The Company currently offers three (3) programs that have renewable attributes. These programs are (1) Utility Solar Program (“USP”), (2) Green Power Wind Rider (“GPWR”), and (3) Renewable Energy Program (“REP”). Through these programs, customers can procure a portion of their use from wind/solar and to support renewable energy through the purchase of Renewable Energy Credits (“REC”).

Q. **Are there renewable market desires that the programs currently offered by OG&E cannot satisfy?**

A. Yes. While the current programs support some level of customer desires, there is an increasing desire from larger corporations to procure larger portions of their energy from renewable resources. To support the burgeoning large renewable desires, OG&E is proposing a new renewable program.

Q. **Could the State of Oklahoma benefit from OG&E offering an additional renewable program that meets the increasing needs of customers?**

A. Yes. The possible benefits of expanded renewable offerings are multifaceted for the State of Oklahoma. Aside from the benefits to OG&E’s customers from expanded opportunities, the possible benefits to the State of Oklahoma include, but are not limited to, (1) increasingly diverse electric generation portfolio, (2) job growth, (3) economic growth, and (4) increased ad valorem tax revenue.

Large Customer Renewable Desires

Q. **Does OG&E have direct knowledge of customer desire for a program that would allow for larger amounts of renewable energy procurement?**

A. OG&E is aware that many of its large corporate customers have sustainability goals. Additionally, the Company has heard directly from existing and prospective customers that

1 there is a desire for a renewable offering to the level which OG&E does not currently
2 provide.

3
4 **Q. What additional information can the Company provide the Commission that**
5 **supports the increasing desires of customers towards renewable energy?**

6 A. The World Resource Institute (“WRI”) has historically published/updated reports on
7 Emerging Green Tariffs in U.S. Regulated Electricity Markets. Updates to this report are
8 now an initiative of the Renewable Energy Buyers Alliance (“REBA”).⁵ The 2019 REBA
9 report states in part, “Since the first green tariff was proposed by NV Energy in 2013, 31
10 green tariffs in 18 states have been approved or are pending approval.” According to the
11 Retail Industry Leaders Association (“RILA”), “As of January 2020, nearly half of Fortune
12 500 companies have made public renewable energy, greenhouse gas (“GhG”), or energy
13 efficiency commitments. Among Fortune 100 companies, 63% have adopted a public
14 [Renewable Electricity] RE commitment. Additionally, RE100—a global corporate
15 leadership initiative bringing together businesses committed to 100% RE—now includes
16 over 200 companies (including many retailers) with 100% RE commitments, with 2028 as
17 the average target date for companies to achieve their goals. One in three RE100
18 companies have already achieved at least 75% RE.”⁶

19 As part of its report, WRI established The Corporate Renewable Energy Buyers’
20 Principles⁷ to establish the framework for what customers are seeking from electricity
21 providers regarding renewables. According to the 2019 REBA report, 78 companies have
22 signed on to these principles. The principles and the elements that help address the
23 principles are as follows.

- 24 1. Greater choice in our options to procure renewable energy.
25 • Ability to go beyond the basic portfolio of utility resources in rate base
26 and procure up to 100% of energy from a renewable energy resource of
27 the customer’s choice.

⁵ Bonugli, C. 2019 “U.S. Electricity Markets: Utility Green Tariff Update”. Renewable Energy Buyers Alliance. Available online at <https://rebuyers.org/wp-content/uploads/2019/11/emerging-green-tariffs.pdf>

⁶ “Corporate Clean Energy Procurement Index 2020”. Retail Industry Leaders Association. Available online at <https://www.rila.org/focus-areas/sustainability-environment/corporate-clean-energy-procurement-index-2020>

⁷ Bonugli, C. 2017. “U.S. Renewable Energy Map: A Guide for Corporate Buyers.” Technical Note. Washington, DC: World Resources Institute. <https://files.wri.org/d8/s3fs-public/us-renewable-energy-map-guide-corporate-buyers.pdf>

2. Cost competitiveness between traditional and renewable energy rates
 - Cost reflects fair cost of service for the renewable energy resource; and,
 - Ability to retain the economic benefits if that resource costs less than the utility's standard offer, particularly if the customer has paid the full cost of that resource.
3. Access to longer-term, fixed-price renewable energy
 - Option to enter into a contract over various time periods—for example, 5 years, 10 years, 15 years; and,
 - Certainty of energy cost over that period.
4. Access to projects that are new or help drive new projects to reduce energy emissions beyond business as usual
 - New renewable power generation that directly adds new capacity to the system;
 - Access to bundled renewable energy products—that is, energy and RECs;
 - Ability to claim the consumption of renewable energy through retired RECs; and,
 - Renewable energy delivered from sources that are within reasonable proximity to customer facilities, benefiting local economies and communities and enhancing the resilience and security of the local grid.
5. Increased access to third-party financing vehicles, as well as standardized and simplified processes, contracts, and financing for renewable energy projects
 - Financing vehicles that include financing and/or procurement of renewable energy through PPAs and/or lease arrangements; and,
 - Ability to preserve the company's capital for core businesses.
6. Opportunities to work with utilities and regulators to expand choices for buying renewable energy
 - Continuing relationships between customers and their electric utilities while increasing options for renewable energy procurement; and,
 - Creation of products that reflect the net costs, taking into consideration the actual cost of procurement, and the benefits to the system, while avoiding shifting any cost to other ratepayers.

These reports (among many others across the industry), along with the Company's own experience, make it clear that there is significant desire for additional renewable offerings and now is the time for OG&E to provide an additional option to meet customers' needs.

Energizing Renewable Connections (“ERC” or “Program”)

1 **Q. What is the purpose of the Company’s proposed ERC program?**

2 A. The ERC is an optional program enabling customers to purchase renewable energy of up
3 to 100% of their energy needs through a subscriber agreement, subject to the Program
4 resource quantity limits. Although customers have renewable offerings available today,
5 there is not currently an option that can serve larger customers that have large and
6 expanding renewable goals. The Company’s ERC tariff is included in the Minimum Filing
7 Requirements as Schedule N.

8
9 **Q. Does the Company believe its proposed ERC program considers the WRI/REBA**
10 **principles that customers are seeking from electricity suppliers regarding**
11 **renewables?**

12 A. Yes. OG&E’s proposed program address the principles that are within the Company’s
13 ability to control.

14
15 **Q. Is the Company requesting cost recovery associated with the proposed ERC at this**
16 **time?**

17 A. No. Any cost associated with the ERC will be addressed in a future filing.

18
19 **Q. What are the eligibility criteria for participation in the ERC program?**

20 A. The ERC is available to customers who execute a corresponding agreement to subscribe
21 for renewable resources. The ERC makes available renewable resources through voluntary
22 participation to customers with a monthly maximum demand of 2 MW or greater. If the
23 customer does not have historical usage, the monthly maximum demand may be estimated
24 by the Company. Other customers may subscribe with approval of the Company. All other
25 provisions of the customers standard pricing schedules shall apply. OG&E reserves the
26 right to limit the amount of energy provided to individual customers under this rider.

27 Customers subscribe and receive renewable resources from a designated renewable
28 resource at that resource’s specific price. Subscription is limited to resources offered by
29 OG&E. OG&E is not required to contract for, acquire, or construct any resources to
30 accommodate subscription to this tariff.

1 Q. **Why is this program limited to customers with a monthly maximum demand of 2 MW**
2 **or greater?**

3 A. Unlike the current renewable participation programs on offer by OG&E, the proposed ERC
4 program will have minimum subscription terms and involve larger projects with fewer
5 customers per kW/kWh of project availability. Large installations at required minimum
6 subscription terms can pose too high of a risk for smaller, more fluctuating, customer bases
7 like residential and small commercial.
8

9 Q. **What is the subscription term?**

10 A. The minimum term is 10 years. The term for all subscribers will be subject to individual
11 subscriber agreements. Participation in this program shall be automatically renewed
12 annually at the end the initial subscriber agreement unless termination from the program is
13 specifically requested by the ERC subscriber or the Company no longer has resources
14 available through this program.

15 Prices for renewable resources are priced at initial agreement execution; only
16 limited changes to prices are permitted, contract exit window is opened for 30 days if prices
17 are adjusted with liquidated damage costs assessed based upon prices in effect immediately
18 before the proposed change. Liquidated damages are discussed further in this testimony.
19

20 Q. **Why is the Company proposing a minimum subscription term of 10 years?**

21 A. This program is intended to target customers who can commit long term. Long term
22 commitment is a necessary building block to make a large capital investment, or, prudently
23 and effectively secure a long-term Purchase Power Agreement (“PPA”).
24

25 Q. **What is the minimum subscription term and what criteria was used to determine the**
26 **subscription level?**

27 A. The minimum subscription is 1 MW. Subscription is facility specific and based on the
28 facility listed on this tariff. Customers may subscribe, in increments of 10%, up to 100%
29 of their annual energy. During initial signup the subscriber’s annual energy will be
30 determined in one of two ways. If during initial signup the customer has 12 consecutive
31 months of usage history at the address where the subscription is being requested, then the

1 annual energy will be the energy consumed during that 12-month usage history. If the
2 customer does not have 12 consecutive months of usage history at the address where the
3 subscription is being requested, then 12 months of annual energy will be estimated. A
4 customer may change their subscription level only once in any 12-month period. In the
5 event there is a significant and permanent reduction in customer usage the Company, at its
6 sole discretion, may adjust the subscriber's annual energy on which the subscription level
7 is based.
8

9 **Q. Why is the Company proposing a minimum subscription level of 1 MW?**

10 A. As stated previously, this program is intended to address the needs of large customers that
11 have large and expanding renewable goals.
12

13 **Q. Does the Company have a proposal to allow hourly settlement under the ERC?**

14 A. Yes. Customers who subscribe to the Program shall be billed under all of their respective
15 applicable rate schedules in addition to the amount due from the Program participation.
16 The amount due monthly from the Program participation shall equal to a subscriber's total
17 Purchase Quantity ("PQ") for the month multiplied by the applicable subscription price.
18 Customers who subscribe to the Program shall also be entitled to the monthly credit amount
19 equal to the sum of the hourly purchased quantity multiplied by the corresponding
20 Southwest Power Pool ("SPP") Day Ahead market hourly settlement price for all hours of
21 the month.

22 In lieu of hourly settlement, a customer may elect to pay for an OG&E established
23 risk premium to be added to the ERC purchase rate. This risk premium is intended to
24 account for temporal (time) and spatial (location) difference between the production
25 facility and the point of consumption.
26

27 **Q. Please explain temporal and spatial differences.**

28 A. Temporal differences occur when electricity is used at a different time from when it is
29 produced by the designated resource. Electricity is priced differently at different times: for
30 example, on- and off-peak electricity prices. Spatial differences occur when electricity is
31 consumed at a different location from where it is produced by a designated resource.

1 Treating energy use during high priced periods the same as low priced periods or treating
2 energy use in a congested versus non-congested area as the same creates inequities.
3 Therefore, it is important for the Company to recognize temporal and spatial differences to
4 separate the Program from non-participants.
5

6 **Q. How does OG&E's hourly settlement proposal recognize these differences?**

7 A. OG&E's proposed hourly settlement provision credits the subscribed production from the
8 designated resource at the applicable price when and where the energy is produced. Like
9 all other customers, participants in the Program will pay the applicable FCA rate. The
10 hourly settlement provision will net the applicable FCA against the hourly settlement
11 credit. Effectively, this means participants will only receive the appropriate benefits from
12 the production of the subscribed resource and not impact the overall FCA.
13

14 **Q. How will OG&E calculate the risk premium if a customer subscribed to the ERC
15 program chooses not to settle hourly?**

16 A. OG&E's proposal includes a risk premium for customers who choose not to settle hourly
17 under this program. The risk premium is intended to address the same temporal and spatial
18 differences discussed previously in this Testimony. Once a designated resource has been
19 finalized and included in this Program, the Company will gather the SPP historical hourly
20 locational marginal prices for the resource location, compute the hourly price differences
21 between the resource location and OG&E's aggregated load node, and determine the
22 appropriate premium. On an annual basis, the risk premium will be updated.
23

24 **Q. Will the ERC impact a customer's FCA?**

25 A. Yes. The monthly energy use of a subscribed customer in kWh up to the customer's PQ,
26 whichever is less, are exempt from the Rider for Fuel Cost Adjustment ("FCA"). The
27 monthly energy use of a subscribed customer in kWh in excess of the customer's purchase
28 quantity will be subject to the then current monthly FCA. If a subscribed customer uses
29 less energy in kWh than the customer's purchase quantity, an FCA Exemption credit in
30 kWh shall be made for each kWh of the customer's purchase quantity in excess of energy
31 use of the month. An FCA Exemption credit shall increase the customer's following

1 month's purchase quantity prior to every anniversary date of the customer's subscription.
2 On every anniversary date of the customer's subscription, all FCA Exemption credit on the
3 customer's account shall be exchanged into a monetary credit at the rate of 80% of the
4 customer's last ERC purchase price.

5 If a customer's total kWh usage is less than their subscribed ERC kWh for the
6 month, an FCA credit shall be made on the customer's actual usage not to exceed the
7 maximum subscription limits. If a customer's total usage is more than their subscribed
8 ERC kWh for the month, an FCA credit shall be applied only to the subscribed ERC kWh
9 level. No FCA kWh credit shall be rolled forward or backward to any previous or future
10 month's customer billing.

11
12 **Q. Does the Company's proposal include a minimum bill provision?**

13 A. Yes. The minimum monthly customer bill shall be the customer charge and the amount
14 that equals to purchase quantity multiplied by the applicable subscription price, plus any
15 other applicable fees and taxes. The Company shall specify a larger minimum monthly
16 bill, calculated in accordance with the Company's Allowable Expenditure Formula in its
17 Terms and Conditions of Service on file with and approved by the Commission, when
18 necessary to justify the investment required to provide service.

19
20 **Q. Does the Program have any protections in place in the event that a participant
21 terminates its subscription prior to scheduled expiration?**

22 A. Yes. A Customer choosing to terminate its subscription early, shall be subject to an early
23 termination fee. This fee shall be the average of the Net Cost of Participation in the
24 Program for the preceding 12 months (or all preceding months, if less than twelve (12)
25 times the number of months remaining in the term) multiplied by the remaining term of the
26 original subscription. The Net Cost of Participation shall be equal to the subscription
27 payment minus any allocated credits received from the production from the designated
28 resource. If the calculated Net Cost of Participation is less than or equal to zero, then the
29 Net Cost of Participation is zero. Under no circumstance shall the Customer receive a net
30 credit from Company for terminating service under this Rider.

1 Q. **How does the Company intend to calculate subscription prices?**

2 A. ERC subscription prices shall be based on individual projects and will follow the formula
3 below or will be a Company owned resource with a levelized energy price. The ERC tariff
4 will include a table that shows the pricing information for all projects available for
5 subscription.

6 **ERC PPA Formula:**

7
$$ERC\ PPA = SC + CSR + A$$

8 Where: SC = Cost to OG&E of PPA energy (\$/kWh) adjusted for losses

9
10 CSR* = Congestion and Settlement Rate (\$/kWh) to recover any
11 transmission congestion cost differentials between the customer
12 load node and the ERC project node for delivered energy and
13 settlement timing differentials (updated annually)

14 *not applicable to hourly settlement subscribers

15
16 A = Administration cost of the program (\$/kWh)

17 Pricing of OG&E owned ERC resources shall be based on the levelized energy
18 price of the specific OG&E facility. Applicable line losses will apply in the levelized
19 energy price.

20
21 Q. **Please describe how renewable energy certificates (“REC”) will be handled through
22 the ERC.**

23 A. RECs produced by ERC resources will be tracked by the Company, consistent with the
24 level of ERC subscriptions. The Company will retire the credits on behalf of the subscriber
25 with all costs associated with the registration and retirement borne by the requesting
26 subscriber. Alternatively, if requested, RECs associated with energy obtained through this
27 Program can be transferred to the subscriber annually (any costs associated with this
28 transaction shall be borne by the subscriber).

29
30 Q. **Does the ERC program include a provision for a waiting list?**

31 A. Yes. For the initial ERC project offering, customers will be put on a waiting list on a first-
32 come, first-served basis until customer interest exceeds 100 MW. At that time, the
33 Company will pursue the procurement of a resource(s) to meet the customer need. At any
34 time, if customer interest in the ERC exceeds the currently available limit, these customers

1 will be placed on a waiting list and may be offered the opportunity to subscribe if
2 subscription cancellations or forfeitures occur. Once customer interest exceeds the
3 currently available ERC resources by 100 MW the Company, at its sole discretion, may
4 obtain additional resources to be offered through this Program.
5

6 **Q. Please describe any impact of the proposed Program on non-participating customers.**

7 **A.** While OG&E's proposal ensures non-participating customers will not be assessed the costs
8 of this Program, all customers (participating and non-participating) will enjoy the
9 generation capacity benefit from the resources associated with this Program. At the same
10 time, this Program will increase the renewable share of OG&E's generation mix.
11

12 **CONCLUSION**

13 **Q. What are your recommendations to the Commission?**

14 **A.** I respectfully recommend that the Commission approve the following items as presented
15 in this testimony:

- 16 1. Price changes as proposed by the Company;
- 17 2. Proof of Revenue, Schedule M, and associated workpapers;
- 18 3. Proposed tariffs in Schedule N as fair, just, and reasonable;
- 19 4. EV Rate; and,
- 20 5. Energizing Renewable Connections program.
21

22 **Q. Does this conclude your Direct Testimony?**

23 **A.** Yes.

Direct Exhibit WHW-1

OKLAHOMA GAS AND ELECTRIC COMPANY
COST OF SERVICE UNIT COST CALCULATION
RESIDENTIAL STANDARD S/L-5

TEST YEAR ENDING September 30, 2021
CAUSE NO. PUD 202100164

Unit Cost Components			
Total Customer Component	\$	161,925,592	PD (Peak Component) \$ 152,786,557
Total Energy Component	\$	929,436	PD (Avg Component) \$ 111,125,617
Total Demand Component	\$	470,409,301	Trans Demand \$ 70,806,761
Total of All Components	\$	633,264,329	Dist Demand \$ 135,690,365
Muni/LIAP Adjustment + Reconciliation	\$	(58,936,019)	Total Demand Component \$ 470,409,301
POR tie	\$	692,200,348	

Customer Charge	Annual Billing Units	Miscellaneous Revenue	Customer Component	Rev Req Less Miscellaneous	Calculated New Price
	7,385,232	\$ -	\$ 161,925,592	\$ 161,925,592	\$ 21.93
LIAP Credits	(4,829,160)				\$ (10.00)

		Energy	PD (Peak Component)	PD (Avg Component)	Transmission Demand	Distribution Demand	Energy and Demand Total Revenue Req From Unit Cost	Calculated New Price
Energy Charge								Energy Charge
Summer								Summer
First 1,400 kWh	3,065,838,372	\$ 362,082	\$ 118,943,048	\$ 43,291,470			\$ 162,596,600	\$ 0.0530
Over 1,400 kWh	872,339,589	\$ 103,025	\$ 33,843,509	\$ 12,317,956			\$ 46,264,491	\$ 0.0530
Winter								Winter
First 600 kWh	2,124,977,158	\$ 250,965		\$ 30,005,947			\$ 30,256,912	\$ 0.0142
Over 600 kWh	1,806,598,072	\$ 213,363		\$ 25,510,244			\$ 25,723,608	\$ 0.0142
Total kWh	7,869,753,192						\$ -	
Demand								Demand
Max kW	63,297,957	\$ -		\$ 70,806,761	\$ 135,690,365	\$ 206,497,127		\$ 3.26
		\$ 929,436	\$ 152,786,557	\$ 111,125,617	\$ 70,806,761	\$ 135,690,365	\$ 471,338,737	

Direct Exhibit WHW-1

**OKLAHOMA GAS AND ELECTRIC COMPANY
COST OF SERVICE UNIT COST CALCULATION
RESIDENTIAL TOU S/L-5**

**TEST YEAR ENDING September 30, 2021
CAUSE NO. PUD 202100164**

Unit Cost Components				
Total Customer Component	\$	2,175,055	PD (Peak Component)	\$ 1,227,323
Total Energy Component	\$	11,485	PD (Avg Component)	\$ 1,373,089
Total Demand Component	\$	5,021,674	Trans Demand	\$ 704,102
Total of All Components	\$	7,208,214	Dist Demand	\$ 1,717,159
Muni/LIAP Adjustment + Reconciliation	\$	(255,420)	Total Demand Component	\$ 5,021,674
POR tie	\$	7,463,634		

Customer Charge	Annual Billing Units	Miscellaneous Revenue	Customer Component	Rev Req Less Miscellaneous	Calculated New Price
	92,160	\$ -	\$ 2,175,055	\$ 2,175,055	\$ 23.60
Senior Citizen Discount	(40,200)				\$ (5.00)

		Energy	PD (Peak Component)	PD (Avg Component)	Transmission Demand	Distribution Demand	Energy and Demand Total Revenue Req From Unit Cost	Calculated New Price
Energy Charge								
Summer								
On Peak	6,756,169	\$ 830	\$ 1,227,323	\$ 99,195	\$ 50,866	\$ 124,052	\$ 1,502,266	On Peak \$ 0.2224
Off Peak	40,337,454	\$ 4,954		\$ 592,242	\$ 303,694	\$ 740,647	\$ 1,641,537	Off Peak \$ 0.0407
Winter								
First 1000 kWh	23,372,574	\$ 2,870		\$ 343,161	\$ 175,968	\$ 429,150	\$ 951,149	First 1000 kWh \$ 0.0407
Over 1000 kWh	23,054,528	\$ 2,831		\$ 338,491	\$ 173,574	\$ 423,310	\$ 938,206	Over 1000 kWh \$ 0.0407
Total kWh	93,520,725						\$ -	
Demand								
Max kW	852,479	\$ -					\$ -	Demand 0 \$ -
		\$ 11,485	\$ 1,227,323	\$ 1,373,089	\$ 704,102	\$ 1,717,159	\$ 5,033,159	

Direct Exhibit WHW-1

OKLAHOMA GAS AND ELECTRIC COMPANY COST OF SERVICE UNIT COST CALCULATION RESIDENTIAL VPP S/L-5

TEST YEAR ENDING September 30, 2021
CAUSE NO. PUD 202100164

Unit Cost Components			
Total Customer Component	\$	18,760,298	PD (Peak Component) \$ 13,931,554
Total Energy Component	\$	119,293	PD (Avg Component) \$ 14,262,685
Total Demand Component	\$	52,270,638	Trans Demand \$ 7,620,649
Total of All Components	\$	71,150,229	Dist Demand \$ 16,455,750
Muni/LIAP Adjustment + Reconciliation	\$	(3,780,393)	Total Demand Component \$ 52,270,638
POR tie	\$	74,930,622	

Customer Charge	Annual Billing Units	Miscellaneous Revenue	Customer Component	Rev Req Less Miscellaneous	Calculated New Price
	820,800	\$ -	\$ 18,760,298	\$ 18,760,298	\$ 22.86
Senior Citizen Discount	(562,320)				\$ (5.00)

		Energy	PD (Peak Component)	PD (Avg Component)	Transmission Demand	Distribution Demand	Energy and Demand Total Revenue Req From Unit Cost	Calculated New Price
Energy Charge								
Summer								
On Peak	78,575,867	\$ 9,165	\$ 13,931,554	\$ 1,095,766	\$ 585,475	\$ 1,264,254	\$ 16,886,214	On Peak \$ 0.2149
Off Peak	447,773,163	\$ 52,228		\$ 6,244,344	\$ 3,336,395	\$ 7,204,489	\$ 16,837,455	Off Peak \$ 0.0376
Winter								
First 1000 kWh	253,771,643	\$ 29,600		\$ 3,538,929	\$ 1,890,874	\$ 4,083,083	\$ 9,542,485	First 1000 kWh \$ 0.0376
Over 1000 kWh	242,636,562	\$ 28,301		\$ 3,383,646	\$ 1,807,905	\$ 3,903,924	\$ 9,123,777	Over 1000 kWh \$ 0.0376
Total kWh	1,022,757,234						\$ -	
Demand								
Max kW	7,471,339	\$ -					\$ -	Demand 0 \$ -
		\$ 119,293	\$ 13,931,554	\$ 14,262,685	\$ 7,620,649	\$ 16,455,750	\$ 52,389,931	

Direct Exhibit WHW-2

Data obtained 12/10/2021

Utility Type	Class	Rank	Customer Charge
IOU			
Oklahoma Gas and Electric (Current)	Residential Standard	42	\$ 13.00
Oklahoma Gas and Electric (Proposed)	Residential Standard	32	\$ 22.00
Public Service Company of Oklahoma	Residential Standard	34	\$ 20.00
Empire District Electric	Residential	44	\$ 12.50
	Residential Total Electric	44	\$ 12.50
Regulated Cooperative			
Arkansas Valley Electric Cooperative	Farm and Home - Single Phase Service	33	\$ 21.00
	Farm and Home - Three Phase Service	7	\$ 36.00
Canadian Valley Electric Cooperative	Residential Standard - Single Phase Service	25	\$ 27.50
	Residential Standard - Three Phase Service	14	\$ 32.50
Northeast Oklahoma Electric Cooperative	Residential	30	\$ 23.00
Rich Mountain Electric Cooperative, Inc	Residential Standard - Single Phase Service	48	\$ 8.00
	Residential Standard - Three Phase Service	41	\$ 14.00
Southwest Arkansas Electric Cooperative	Residential Standard - Single Phase Service	47	\$ 10.16
Un-Regulated Cooperative			
Alfalfa Electric Cooperative	Residential	38	\$ 18.00
Central Rural Electric Cooperative	Residential	26	\$ 27.00
Choctaw Electric Cooperative	Residential	37	\$ 19.25
Cimarron Electric Cooperative	Farm and Residential	28	\$ 24.00
	Residential All Electric	28	\$ 24.00
CK Energy	Domestic	13	\$ 33.50
	Domestic Genset	4	\$ 40.00
	Domestic Low Usage	40	\$ 15.00
Cookson Hills Electric Cooperative	Farm and Home	10	\$ 35.00
Cotton Electric Cooperative	General Service (applies to Farm and Home) Single Phase	17	\$ 30.00
	General Service (applies to Farm and Home) Three Phase	10	\$ 35.00
	HD General Service (applies to Farm and Home) Single Phase	27	\$ 25.00
	HD General Service (applies to Farm and Home) Three Phase	17	\$ 30.00
East Central Electric Cooperative	Farm and Residential	39	\$ 17.50
Harmon Electric Association	Residential and Farm	12	\$ 34.00
Indian Electric Cooperative	Residential	17	\$ 30.00
Kay Electric Cooperative, Inc.	Farm and Residential	34	\$ 20.00
Kiamichi Electric Cooperative	Residential	17	\$ 30.00
Lake Region Electric Cooperative	General Service (applies for all uses under 50 kVA Transformer Capacity)		
	200 Amp or less service	14	\$ 32.50
	Over 200 Amp service	3	\$ 42.50
	Three Phase Service	1	\$ 57.50
Northfork Electric Cooperative	Residential, Schools, and Churches	4	\$ 40.00
Northwestern Electric Cooperative	Farm and Residential Single Phase	23	\$ 28.50
	Farm and Residential Three Phase	6	\$ 38.50
People's Electric Cooperative	Residential Single Phase	48	\$ 8.00
	Residential Three Phase	43	\$ 12.95
Red River Valley Electric Cooperative	Year-round Occupancy up to 50 kVA	24	\$ 28.00
	Seasonal Occupancy up to 50 kVA	16	\$ 31.00
Rural Electric Cooperative, Inc.	Farm and Residential	46	\$ 12.00
Southeastern Electric Cooperative, Inc.	Residential	34	\$ 20.00
Southwest Rural Electric Association, Inc.	Single Phase Service	7	\$ 36.00
	Residential All Electric Service	7	\$ 36.00
	Residential Three Phase Service	2	\$ 46.00
Tri-County Electric Cooperative, Inc.	Residential Single Phase Service	31	\$ 22.50
	Residential Three Phase Service	17	\$ 30.00
Verdigris Valley Electric Cooperative, Inc.	Residential	17	\$ 30.00