

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) CASE NO. PUD 2023-000087
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)



RESPONSIVE TESTIMONY

OF

HANNAH R. HUBLER

APRIL 26, 2024

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

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EXECUTIVE SUMMARY

1 On December 29, 2023, Oklahoma Gas and Electric (“OG&E” or “Company”) filed an
2 Application for adjustments and modifications to its rates, charges, and tariffs for electric
3 utility service in the State of Oklahoma. The Public Utility Division (“PUD”) of the
4 Oklahoma Corporation Commission (“Commission”) reviewed the Application,
5 workpapers and testimony filed by Company witnesses, and prior Commission Orders.
6 PUD issued data requests and reviewed the responses provided by OG&E, as well as
7 responses to data requests issued by other parties in this Case. Additionally, PUD
8 conducted multiple onsite and virtual audit conferences with the Company personnel
9 discussing test year and post-test year adjustments.

10 After review, PUD recommends the Commission approve the following recommendations:

- 11 • The Company’s proposed name change to SmartHours Overnight because
12 changing the name of the tariff helps clarify the purpose of the tariff for the
13 customer. PUD believes that updating the customer charges for all customer classes
14 is prudent. The cost for this voluntary program is based on the price of energy and
15 time of use. This program also helps with the reduction of load on the grid by
16 encouraging customers to charge during off-peak hours
- 17 • An increase in revenues and a decrease in kWh for the Special Contracts. These
18 Special Contracts were approved in Final Order No. 588610 in Cause No. PUD
19 201000194, and Final Order No. 599558 in PUD Cause No. 201100087.
- 20 • The Renewable Energy Certificates to remove revenues as presented by the
21 Company. PUD believes with the wholesale market sales always changing the
22 RECs are better recovered through the Fuel Adjustment Clause (“FAC”). With the
23 REC factors changing and flowing through the FAC it still provides benefits to
24 customers.
- 25 • The Energy Efficiency Programs as presented by the Company because these
26 changes provide great benefits to customers by delaying the need for additional
27 capacity, saving energy, and ensuring that these savings are lowering the demand
28 on the grid. The energy efficiency programs were approved in Case PUD NO.
29 2021000164 and Final Order No.728277.

- 1 • The Variable Peak Pricing name revision as proposed by the Company. PUD
2 believes this will help to clarify for customers and help marketing for this program.
- 3 • PUD recommends the Commission approve the Municipal Lighting and LIAP
4 Programs. The LIAP program provides benefits for lower-income ratepayers. The
5 Silver Energy program provides a discount for all customers age 65 and older. The
6 Municipal Free Service allows free lighting while spreading the costs to all class so
7 that the Municipal class does not bear the entire cost.

INTRODUCTION

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

9 A: My name is Hannah R. Hubler. My business address is Oklahoma Corporation
10 Commission, Public Utility Division, Will Rogers Memorial Office Building, Suite 414,
11 P.O. Box 52000, 2401 North Lincoln Boulevard, Oklahoma City.

12 **Q: Have you previously testified before the Commission and were your qualifications**
13 **accepted?**

14 A: Yes. I have previously testified before the Commission and my qualifications were
15 accepted at that time.

16 **Q: Who employs you and what is your position?**

17 A: I am employed by the Oklahoma Corporation Commission's PUD as a Regulatory Analyst.
18 My work focuses on reviewing annual reporting, notice of intent to construct, and
19 decommissioning for Wind Energy facilities. For a complete list of my work history and
20 educational background, please review the attached curriculum vitae.¹

¹ Exhibit HRH-1.

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

2 A: I have been employed by the Commission since May 2021.

3 **Q: What are your duties and responsibilities with PUD?**

4 A: I conduct research and perform comparative analysis of utility applications, reports,
5 financial records, and workpapers to ensure that PUD can make accurate recommendations
6 that are fair, just, reasonable, and in the public interest.

7 **PURPOSE**

8 **Q: What is the purpose of this Responsive Testimony in Case No. PUD 2023-000087?**

9 A: The purpose of my Responsive Testimony is to present PUD's recommendations to the
10 Commission regarding OG&E's Electric Vehicle Tariff changes, Special Contracts,
11 Renewable Energy Certifications, Energy Efficiency Programs Savings, Variable Peak
12 Pricing, Municipal Free Service and Discount Programs.

13 **PUD'S REVIEW PROCESS**

14 **Q: Please explain PUD's review process in this Case.**

15 A: PUD reviewed the Direct Testimony and associated workpapers filed by the Company
16 witnesses. PUD issued data requests and reviewed the responses provided by OG&E, as
17 well as responses to data requests issued by other parties in this Case. Additionally, PUD
18 conducted multiple onsite and virtual audit conferences with the Company personnel
19 discussing test year and post-test year adjustments

ELECTRIC VEHICLE CHARGING STATIONS TARIFFS

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Q: What are the Residential and Commercial Electric Vehicle Time-of-Use tariffs?

A: The Residential Electric Vehicles Time-of-Use tariff is a voluntary tariff that is available to residential customers. The classes for Commercial customers are General Service Electric Vehicle Time-of-Use Pilot, Power and Light Electric Vehicle Time-of-Use Pilot, and Public School Electric Vehicle Time-of-Use Pilot. These tariffs have provided customers with a Winter and Summer season of on-peak and off-peak pricing to charge their vehicles. The tariff helps customers and the Company by encouraging the customer to charge electric vehicles during off-peak for a lower cost and helps the Company reduce capacity needs. The tariffs were approved in Final Order 728277 in PUD case No. 2021-000164, and Final Order 736780 in PUD case No. 2023-000045.

Q: What does the Company propose for all customer classes for the Electric Vehicle Time-of-Use tariff?

A: The Company is proposing to change the names of the tariffs from Electric Vehicle Time-of-Use to SmartHours Overnight.² The second change is updating the customer charges to all SmartHours Overnight customers.

Q: What is PUD’s recommendation regarding the Company’s Electric Vehicle tariffs?

A: PUD recommends the Commission approve the SmartHours Overnight name revision because changing the name of the tariff helps clarify the purpose of the tariff for the customer. PUD believes that updating the customer charges for all customer classes is

² Direct Testimony of James Alexander Page 4 line 13.
Responsive Testimony – Hubler
Oklahoma Gas and Electric Company – Case No. PUD 2023-000087
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1 prudent. The cost for this voluntary program is based on the price of energy and time of
2 use. This program also helps with the reduction of load on the grid by encouraging
3 customers to charge during off-peak hours.

4 **SPECIAL CONTRACTS**

5 **Q: What are the Company's Special Contracts?**

6 A: OG&E has three Special Contracts that are discussed in OG&E's Direct Testimony of
7 Johnny Nguyen. They are as follows:

- 8 • Contract T: Revenues from this contract will be allocated to Oklahoma retail customer
9 classes using the distribution demand allocator approved by the Commission in Order
10 No. 588610 in Cause No. PUD 201000194.
11 • Contract O1: Bound to investment and expenses that are not recovered in base rates.
12 • Contract O2: This is mandatory by reason of the Renewable Energy Certificates.³

13 **Q: What did the Company propose for Special Contracts?**

14 A: The Company has one adjustment that impacts revenue and expense for three confidential
15 Special Contracts. In his Direct Testimony, Mr. Nguyen states the adjustment: "Increases
16 net pro forma test year revenues related to these three (3) contracts by \$1,716,333 and
17 decreases proforma test year kWh by 66,571,334."⁴

18 **Q: Does PUD have a recommendation for the Company's Special Contracts?**

19 A: Yes. PUD recommends the Commission approve an increase in revenues and a decrease in
20 kWh for the Special Contracts. These Special Contracts were approved in Final Order No.

³ Direct Testimony of Johnny Nguyen Page 7 lines 1-17.

⁴ Direct Testimony of Johnny Nguyen Page 6 lines 25-29.

1 588610 in Cause No. PUD 201000194, and Final Order No. 599558 in PUD Cause No.
2 201100087.

3 **RENEWABLE ENERGY CERTIFICATES**

4 **Q: What are Renewable Energy Certificates (“RECs”)?**

5 A: RECs are a way to track energy flowing into the power grid from a clean, renewable power
6 source. Some companies and government agencies are mandated to ensure a certain portion
7 of their power comes from renewable or "green" energy. RECs provide a way to
8 accomplish these goals. One REC is awarded upon the generation and delivery of one
9 megawatt-hour (“MWh”) of electricity from renewable energy source to the power grid.⁵

10 **Q: What is the Company proposal for RECs?**

11 A: The company is proposing to remove revenues for RECs totaling in the amount of
12 \$3,630,767.”⁶

13 **Q: Does PUD have a recommendation for the Company’s RECs?**

14 A: Yes. PUD recommends the Commission approve the Renewable Energy Certificates to
15 remove revenues as presented by the Company. PUD believes that since the wholesale
16 market sales are always changing the RECs are better recovered through the Fuel
17 Adjustment Clause (“FAC”) with the REC factors changing and flowing through the FAC
18 they will still provide benefits to customers.

⁵ U.S. Environmental Protection Agency. 2018. Guide to Purchasing Green Power: Renewable Electricity, Renewable Energy Certificates, and On-site Renewable Generation.

⁶ Direct Testimony of Johnny Nguyen Page 9 Line 12-17.

1 **ENERGY EFFICIENCY PROGRAMS SAVINGS**

2 **Q: What are the Company's Energy Efficiency Programs ("EEP")?**

3 A: OG&E offers various types of energy efficiency that address different needs of customers:

- 4 • Weatherization Residential Assistance Program ("WRAP")
5 • Home Energy Efficiency Program ("HEEP")
6 • Commercial Energy Efficiency Program ("CEEP")
7 • Education Program ("EP")

8 **Q: What is the Company proposing for EEPs?**

9 A: The Company is requesting a decrease to the demand of 188,993,217 kWh and a
10 corresponding revenue decrease of \$6,802,317.⁷ This decrease is because the EEP
11 calculation is done monthly, adjusted each month through the end of the test year.

12 **Q: Does PUD have a recommendation for the Company's adjustment to the Energy**
13 **Efficiency Programs?**

14 A: PUD recommends the Commission approve the demand and revenue Energy Efficiency
15 Programs as presented by the Company because these changes provide benefits to
16 customers by delaying the need for additional capacity, saving energy, and ensuring that
17 these savings are lowering the demand on the grid. The energy efficiency programs were
18 approved in Case PUD No. 2021000164 and Final Order No.728277.

⁷ Direct Testimony of Johnny Nguyen Page 11 line 22 – Page 12 lines 2.
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1 **VARIABLE PEAK PRICING NORMALIZATION**

2 **Q: What is Variable Peak Pricing (“VPP”)?**

3 A: OG&E has five different customer classes that have monthly prices. These voluntary
4 programs allow customers to shift usage for lower cost during off-peak hours, which
5 benefits both customers and the company. The following are options for VPP:

- 6 • Residential Service VPP (“R-VPP”)
- 7 • General Service VPP (“GS-VPP”)
- 8 • Oil and Gas Producers VPP (“OGP-VPP”)
- 9 • Municipal Water Pumping VPP (“PM-VPP”)
- 10 • Public Schools Small VPP (“PS SM VPP”)

11 **Q: What is the Company proposing regarding VPPs?**

12 A: OG&E is requesting to change the VPP Tariff to “SmartHours Daily”.⁸ The Company is
13 requesting this change to help clarify language from the tariff to what is being marketed to
14 customers.

15 **Q: Does PUD have a recommendation for the Company’s Variable Peak Pricing?**

16 A: Yes. PUD recommends the Commission approve the Variable Peak Pricing name revision
17 as proposed by the Company. PUD believes this will help to clarify for customers and help
18 marketing for this program.

⁸ Direct Testimony of James Alexander Page 4 line 11.

MUNICIPAL FREE SERVICE AND DISCOUNT PROGRAMS

1
2 **Q: What are the Company's Discount Programs and Municipal Free Service?**

3 A: The Company has two programs that help customers. First, is the Low-Income Assistance
4 Program (“LIAP”), for customers who are qualified by the Oklahoma Department of
5 Human Services (“DHS”), which gives customers a \$13.00 credit per month. Second is a
6 Senior Citizen Discount (“Silver Energy”) providing eligible customers, who are at least
7 65 years of age, a discount rate of \$10 for five summer months and a \$5 discount for the
8 remaining seven months. The Company also has a Free Municipal Lighting Program. to
9 the benefit that is conditioned in various franchise agreements.

10 **Q: What is the Company proposing for Municipal Free Service and Discount Programs?**

11 A: The Company is requesting an adjustment to reduce Municipal Lighting revenue by
12 \$1,389,016.⁹

13 **Q: Has the Company proposed any changes to its existing Discount Programs?**

14 A: Yes. OG&E is requesting to change the monthly discount from \$5 to \$10 for five Summer
15 months and introduce a \$5 discount for all other seven months for Silver Energy
16 customers.¹⁰

17 **Q: How are the costs associated with Discount Program allocated?**

18 A: The recovery of these costs will be distributed among all retail customer classes.”¹¹

⁹ Direct Testimony Johnny Nguyen Page 13 lines 4-17

¹⁰ WP N T and C Redline Page 8.

¹¹ Direct Testimony of Johnny Nguyen Page 13 Lines 22-24.

1 **Q: Give a brief description of the Company's Municipal Free Service.**

2 A: The Municipal Free Service includes spreading franchise costs of free service to other
3 Oklahoma retail customers so that the Municipal Lighting class is not solely responsible for
4 the costs.

5 **Q: Does PUD have a recommendation for the Company's Municipal Free Service &**
6 **Discount Programs?**

7 A: PUD recommends the Commission approve the Municipal Free Service & Discount
8 Programs. Because some of these Discount Programs provide benefits for lower-income
9 ratepayers, they will help customers who are having financial difficulties and on a set
10 income. The LIAP program provides benefits for lower-income ratepayers. The Silver
11 Energy program provides a discount for all customers age 65 and older. The Municipal
12 Free Service allows free lighting while spreading the costs to all classes so that the Municipal
13 class does not bear the entire cost.

14 **RECOMMENDATION**

15 **Q: What is the Public Utility Division's ("PUD") recommendation to the Oklahoma**
16 **Corporation Commission ("Commission") in Case No. PUD 2023-000087?**

17 A: PUD recommends the Commission approve the following:

- 18 • The Company's proposed name change to SmartHours Overnight because
19 changing the name of the tariff helps clarify the purpose of the tariff for the
20 customer. PUD believes that updating the customer charges for all customer classes
21 is prudent. The cost for this voluntary program is based on the price of energy and
22 time of use. This program also helps with the reduction of load on the grid by
23 encouraging customers to charge during off-peak hours

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2 Special Contracts were approved in Final Order No. 588610 in Cause No. PUD
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6 RECs are better recovered through the Fuel Adjustment Clause (“FAC”). With the
7 REC factors changing and flowing through the FAC it still provides benefits to
8 customers.
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10 changes provide great benefits to customers by delaying the need for additional
11 capacity, saving energy, and ensuring that these savings are lowering the demand
12 on the grid. The energy efficiency programs were approved in Case PUD NO.
13 2021000164 and Final Order No.728277.
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15 believes this will help to clarify for customers and help marketing for this program.
- 16 • PUD recommends the Commission approve the Municipal Lighting and LIAP
17 Programs. The LIAP program provides benefits for lower-income ratepayers. The
18 Silver Energy program provides a discount for all customers age 65 and older. The
19 Municipal Free Service allows free lighting while spreading the costs to all class so
20 that the Municipal class does not bear the entire cost.

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.

Hannah Hubler

Hannah R. Hubler

Oklahoma Gas and Electric Company – Case No. PUD 2023-000087

LIST OF EXHIBITS

HRH-1

Curriculum Vitae

Curriculum Vitae

Exhibit HRH - 1

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Work Experience

Oklahoma Corporation Commission

August 2021 - Present

Regulatory Analyst, Public Utility Division

- Conduct research and perform analysis of utility applications, reports, financial records, and workpapers to ensure that PUD can make accurate recommendations that are fair, just, reasonable, and in the public interest.
- Lead Analyst in the following cases: PUD 202100130, PUD 202100059, PUD 202100158, PUD 2022-000087, PUD 2022-000116, PUD 2022-000128, and PUD 2023-000045.
- Assisted the Lead Analyst on the following case: PUD 2022-000121, PUD 2022-000038, and PUD 2023-000030.

Intern, Public Utility Division

May 2021 – August 2021

- Completed several special research projects for the Director of the Public Utility Division and the Energy Manager
- Drafted Data Requests and testimony for Cause No. PUD 202100130
- Attended all internal meeting and audit meetings from May through August for Cause Nos. PUD 202100055, 202100063, and 202100081
- Conducted two trainings on wind energy and wind turbines for the Oklahoma Corporation Commission staff.

Education

Texas Tech University

- Bachelor of Science in Wind Energy

CERTIFICATE OF ELECTRONIC SERVICE

This is to certify that on the 26th day of April, 2024, a true and correct copy of the above and foregoing was electronically served via the Electronic Case Filing System to those on the Official Electronic Case Filing Service List, or via electronic mail to the following persons:

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