

**Arkansas Public Service Commission
 Formula Rate Plan Docket Summary Cover Sheet
 Must be filed with each Annual Evaluation Report filed at the Commission
 pursuant to the Formula Rate Plan**

STYLE OF DOCKET: (Style may be changed by Secretary of Commission)	Docket Number:
IN THE MATTER OF THE FORMULA RATE PLAN FILINGS OF OKLAHOMA GAS AND ELECTRIC COMPANY PURSUANT TO APSC DOCKET NO. 16-052-U	18-046-FR

DOCKET DESIGNATOR: <input checked="" type="checkbox"/> FR	LAST RATE CASE DOCKET:	16-052-U
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PETITIONER/INITIATING PARTY	ATTORNEYS' NAME, ADDRESS, PHONE, FAX AND E-MAIL
Oklahoma Gas and Electric Company	Lawrence E. Chisenhall, Jr. Gill Ragon Owen, P.A. 425 W. Capitol Avenue, Ste. 3800 Little Rock, AR 72201 P: 501.376.3800 F: 501.372.3359 E: Chisenhall@gill-law.com

Pursuant to Rule 3.04 of the Commission's Rules of Practice and Procedure, please provide name, address, phone, fax, e-mail of at least one person, but not more than two, to appear on the Service List for this docket

Kimber Shoop, Director of Regulatory Policy and Planning, Oklahoma Gas and Electric Company, 321 N. Harvey Avenue, Oklahoma City, OK 73102. P: 405.553.3406; E: reginfor@oge.com
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1. Retail Revenue requirement authorized in Company's last general rate case: \$102,193,196

2. Company's current cumulative total Formula Rate Recovery Rider revenue (both in dollars and percentage): Per Attachment A-2 line 13, the cumulative total Formula Rate Plan Rider revenue, including annualized Filing Year Formula Rate Plan revenue and the Company's proposed Formula Rate Plan revenue bounded by the constraints, is \$36,544,541 or 31.5448%.

3. Incremental Formula Rate Recovery Rider revenue change requested (both in dollars and percentage): The revenue change from the 2022 Evaluation Report the Company is requesting is \$4,738,358 or 1.88%.

4. Total cumulative Formula Rate Recovery revenue requested, by rate class (both in dollars and percentage): The total cumulative Formula Rate Recovery revenue requested in the Formula Rate Plan, by rate class, is \$13,532,395, or 30.0499%, for the Residential Class, \$4,533,185 or 32.7824%, for the General Service Class, \$17,466,517 or 32.7277%, for the Power and Light Class, and \$1,012,444, or 27.6833%, for the Other Classes.

5. Estimated monthly impact on the incremental Formula Rate Recovery Rider revenue change on an average residential customer (both in dollars and percentage): The average residential customer will see an estimated monthly increase of \$2.58, or 1.88%, due to the Formula Rate Plan revenue change.

6. Identify the major Formula Rate Recovery Rider change drivers, e.g. weather, plant additions/retirements, operating expenses, netting, etc. Please continue on second page if more space is needed.

Since OG&E's last formula rate plan filing in this Docket for the 2022 Evaluation Report, the most significant drivers included in the Company's Formula Rate Plan filing are the variations from the Company's projections in the 2021 Evaluation Report. As a result of Order No. 10 in this Docket, OG&E received no Projected Year FRP revenue for the now-Historic Year included in this filing. The Settlement Agreement approved by Order No. 10 in this Docket requires OG&E to net its Projected Year with its Historic Year, and the Commission affirmed this requirement in Order No. 11 of Docket No. 21-087-U. The Historic Year revenue deficiency in this filing is driven primarily by increased revenues, increased O&M expense primarily attributable to vegetation management and pensions, additional investments in plant, and a change in the proportion of costs allocated to the Arkansas jurisdiction. For further explanation on these drivers, please see the direct testimonies of OG&E witnesses Eveland, Millspaugh, Nguyen, and Quintero.

Form completed by: Lawrence E. Chisenhall, Jr. Date: 10.02.23

Representing: Oklahoma Gas and Electric Company

**BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF THE FORMULA)
RATE PLAN FILINGS OF OKLAHOMA)
GAS AND ELECTRIC COMPANY)
PURSUANT TO APSC DOCKET) DOCKET NO. 18-046-FR
NO. 16-052-U)**

APPLICATION

COMES NOW Oklahoma Gas and Electric Company (“OG&E” or “Company”), and for its Application respectfully states:

1. OG&E files its Application herein pursuant to and in compliance with its Tariff Sheet No. 80, Formula Rate Plan Rider (“FRP Rider” or “Tariff”) which was approved in Docket No. 16-052-U and subsequently amended in Docket No. 19-017-TF. The Application is also filed in compliance with FRP Rider, Attachment F, the Formula Rate Protocols (“Protocols”), Ark. Code Ann. § 23-4-1201, *et seq.*, as amended, (“Act 725”) and the applicable Arkansas Public Service Commission’s *Rules of Practice and Procedure*. Also, attached to the Application is Exhibit B, which is the 2023 OG&E Rider FRP Evaluation Report (“Evaluation Report”) containing the evaluation of the Company’s earnings pursuant to FRP Rider for the Formula Rate Evaluation Period.

2. The Company is a corporation organized and operating under the laws of the State of Oklahoma. It is registered and duly qualified to conduct business in the State of Arkansas as a foreign corporation. It is a public utility as defined by Ark. Code Ann. § 23-1-101, *et seq.* providing electric service in Arkansas. Its principal place of business is located at 321 N. Harvey Avenue, Oklahoma City, Oklahoma 73102. A copy of the Company’s Articles of Incorporation

is on file with the Commission in Docket No. 15-034-U filed on May 8, 2015 and is incorporated herein by reference.

3. Act 725 of 2015, as amended, authorizes utilities to implement a formula rate review mechanism using a historical test year or a projected test year. As a result of an approved Settlement Agreement issued by the Commission in Order No. 10 in this docket, the Company does not project any rate base, expense, or capital amounts in its 2023 Evaluation Report and is not asking for any revenue change for a projected period of time. The only revenue change will be based on the Evaluation Period for the twelve months ending March 31, 2023. This evaluation will be a netting between 2021 Evaluation Report Projected Year and the actuals from the 2023 Evaluation Report Historic Year. The 2023 Evaluation Report is the last FRP Rider filing pursuant to the initial term.

In his Direct Testimony in this proceeding, Company witness Zachary Quintero provides an overview of the FRP Rider, presents the results of the Evaluation Report, including customer impacts, the calculation of the changes in rates resulting from this proceeding (the “Rate Adjustment”), and introduces other Company witnesses filing Direct Testimony who explain that the Rate Adjustment complies with the requirements of FRP Rider and it should be effective April 1, 2024 for implementation on the first billing cycle of April 2024. Additionally, Company Witness Quintero describes the significant drivers of the proposal FRP Rider revenue change and compliance with certain Settlement Agreement terms impacting the 2023 Evaluation Report.

4. The Company’s Application and Evaluation Report comply with the FRP Rider, including its Protocols in Attachment F. The Evaluation Report includes FRP Rider Attachment A that contains OG&E’s proposed Rate Adjustment, and a completed Attachment D, which contains the underlying calculations supporting the Rate Adjustment. These Attachments were prepared

consistent with the descriptions of Historical Year Adjustments included in the FRP Rider Attachment C. FRP Rider Attachment E contains all filing requirements which support the Company's filing. Attachment B has been eliminated per Order No. 10 in docket No. 18-046-FR and as reflected in OG&E's tariff revision approved in Docket No. 19-017-TF, Order No. 3.

5. OG&E's Earned Rate of Return on Common Equity ("ERR"), as defined in Note 1 to FRP Rider Attachment B.6, reflected in the Evaluation Report on Attachment D.6 is 8.31 percent. Consequently, subject to the Rider FRP Revenue Redetermination Formula in Attachment D.6, and specifically the ROE Bandwidth Rate Adjustment in Section 2 of Attachment D.6, OG&E proposes a FRP Rider Revenue Change of approximately \$4.74 million in order to achieve a Target Rate of Return ("TRR")¹ of 9.5 percent. The amount is netted against the Projected Year FRP revenues received as a result of the 2021 Evaluation Report of \$0, which results in a FRP Rider Revenue Change of \$4.74 million. This Rate Adjustment will be allocated to each Rate Class based on the Class Allocation determined in Docket No. 16-052-U. The revenue constraint calculation limits each Rate Class to a plus or minus four percent of Filing Year revenue bandwidth. This constraint allows for a Revenue Change of up to approximately \$11.10 million, which is further explained in the Direct Testimony of Company witness Quintero.

6. The Company requests an order approving its proposed FRP Rider Rate Adjustment by March 11, 2024 for application to bills rendered on and after April 1, 2024. If the Commission does not issue a final order by such date, the proposed Rate Adjustment shall become effective for bills rendered on or after April 1, 2024, by operation of law and subject to refund.²

¹ FRP Rider Attachment B.6 Note 2 defines "TRR" as the Company's cost rate for common equity established by the Commission in Docket No. 16-052-U.

² Ark. Code Ann. § 23-4-1205(g)(3)(A)

7. The FRP Rider Protocols require that OG&E shall give public notice of its intent to file a FRP Rider Annual Evaluation Report at least thirty (30) days prior to filing. In accordance with this provision, OG&E provided public notice of its intent to file this Application on OG&E’s website, in the Arkansas Democrat-Gazette online, and in the full print version of the Democrat-Gazette. The website notice and Proof of Publication are attached hereto as Exhibit A.

8. The following Company witnesses are filing direct testimony in support of this Application:

<u>Witness</u>	<u>Title</u>	<u>Purpose of Testimony</u>
Marie Eveland	Lead Cost Analyst	Sponsors the Company’s development of the Jurisdictional and Class Cost of Service Study.
Peggy Millsbaugh	Lead Regulatory Coordinator	Sponsors the Company’s rate base and operating expense adjustments.
Johnny Nguyen	Lead Pricing Analyst	Sponsors the Company’s revenue and sales adjustments.
Zachary Quintero	Lead Regulatory Coordinator	Sponsors the Formula Rate Plan Evaluation Report, the drivers of the proposed rate adjustment, and compliance with prior Commission orders impacting this filing.

WHEREFORE, for the reasons set forth in this Application and in the testimony submitted in support thereof, and pursuant to the provisions of FRP Rider, OG&E respectfully requests that the Commission approve the proposed FRP Rider Rate Adjustment, effective for all bills rendered on and after April 1, 2024.

Respectfully submitted,

GILL RAGON OWEN P.A.
425 West Capitol Avenue,
Suite 3800
Little Rock, Arkansas 72201
Phone: (501) 376-3800
Fax: (501) 372-3359

By: /s/ Lawrence E. Chisenhall, Jr.
Lawrence E. Chisenhall, Jr. (#74023)

ATTORNEY FOR OKLAHOMA GAS AND ELECTRIC
COMPANY

BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE FORMULA)	
RATE PLAN FILINGS OF OKLAHOMA)	
GAS AND ELECTRIC COMPANY)	DOCKET NO. 18-046-FR
PURSUANT TO APSC DOCKET)	
NO. 16-052-U)	

OG&E APPLICATION EXHIBIT A

Proof of Publication

WEHCO MEDIA, INC.

Account #: ADCL1042308
Company: GILL RAGON OWEN P.A.
Ad number #: 311846
PO #:
Matter of: Oklahoma Gas & Electric

AFFIDAVIT • STATE OF ARKANSAS • COUNTY OF PULASKI

I, Charles A. McNeice Jr., do solemnly swear that I am the Finance Director of the **Arkansas Democrat Gazette**, a daily newspaper printed and published in said county, State of Arkansas; that I was so related to this publication at and during the publication of the annexed legal advertisement in the matter of :

Oklahoma Gas & Electric

Pending in the court, in said County, and at the dates of the several publications of said advertisement stated below, and that during said periods and at said dates, said newspaper was printed and had a bona fide circulation in said County, that said newspaper had been regularly printed and published in said county, and had a bona fide circulation therein for the period of one month before the date of the first publication of said advertisement; and that said advertisement was published in the regular daily issues of said newspaper as stated below.

And that there is due or has been paid the **Arkansas Democrat Gazette** for publication the sum of \$430.18. (Includes \$0.00 Affidavit Charge).

ADG Arkansas Democrat-Gazette 08/06/23, 08/13/23; ADG.com 08/06/23, 08/13/23; NWA Democrat Gazette 08/06/23, 08/13/23; NWA nwaonline.com 08/06/23, 08/13/23

Charles A. Mc Neice Jr.

Finance Director

Deanna Griffin

NOTARY PUBLIC

OFFICIAL SEAL - #12347408
DEANNA GRIFFIN
NOTARY PUBLIC-ARKANSAS
PULASKI COUNTY
MY COMMISSION EXPIRES: 03-30-26

LEGAL NOTICE

Notice is hereby given that Oklahoma Gas and Electric Company ("OG&E" or "Company") will file with the Arkansas Public Service Commission ("APSC" or "Commission") on or about October 1, 2023, an Application for Approval of a Rate Adjustment and Evaluation Report pursuant to OG&E Rate Schedule No. FRP, Formula Rate Plan Rider ("Rider FRP"). The Company will request an order approving its proposed Rider FRP Revenue Change and Rate Adjustment to become effective by the first billing cycle of April, 2024. OG&E will request that such final order be issued by the Commission twenty (20) days prior to the effective date of the Rate Adjustment. If the Commission does not issue a final order by such date, the proposed Rate Adjustment shall become effective for the first billing cycle of April, 2024, subject to refund.

Information relative to the filing, including the scheduled date and place of the hearing that will be conducted in this matter, can be obtained from Karen Shook, acting Secretary of the APSC, located at 1000 Center Street, Little Rock, Arkansas 72201, who may be reached at Karen.Shook@arkansas.gov or 501-682-5782. A copy of the Application, Evaluation Report, and related filing documents will be available on the APSC Website, http://www.apscservices.info/efilings/docket_search.asp, following the Application filing date. This information may be obtained by selecting "Online Services", "Docket Search", and inserting the docket number.

Interventions by interested persons should be filed in compliance with the provisions of the APSC Rules of Practice and Procedure ("RPP") Rule 4.02(a)(1), related to the contents of the petition to Intervene, and the Rider RFP Formula Rate Protocols, which may be found in Attachment F to Rider RFP, related to filing deadlines. Petitions to intervene must be filed with the APSC within ten (10) calendar days from the Application date unless good cause is shown pursuant to RPP Rule 2.05. Limited appearances should be filed in compliance with the provision of RPP Rule 4.02(b) both as to the contents of the verified statement of position and the filing deadline, which is twenty (20) days prior to the date set for the hearing, except for good cause shown. Interested persons may also submit public comments in writing via the APSC Website or orally at the hearing pursuant to RPP Rule 4.07.

The APSC will conduct a public hearing on or before February 9, 2024 unless waived by OG&E and the other Parties (subject to APSC approval). Following the hearing, OG&E anticipates that the Commission will issue a final order in which it replaces any issues in dispute and approves the proposed Revenue Change and Rate Adjustment along with any revisions ordered by the APSC. If a final order is not issued by March 12, 2024, the proposed Rate Adjustment shall become effective April 1, 2024 for the first billing cycle of April 2024, subject to refund.

Further information regarding this matter may be obtained by contacting the Office of the Secretary to the Commission or view the Commission's website and reference APSC Docket No. 18-046-FR.

BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE FORMULA)
RATE PLAN FILINGS OF OKLAHOMA)
GAS AND ELECTRIC COMPANY) DOCKET NO. 18-046-FR
PURSUANT TO APSC DOCKET)
NO. 16-052-U)

OG&E APPLICATION EXHIBIT B

OG&E FRP RIDER 2023 EVALUATION REPORT

OKLAHOMA GAS AND ELECTRIC COMPANY

FORMULA RATE PLAN

**2023 EVALUATION REPORT
FOR THE EVALUATION PERIOD ENDING MARCH 31, 2023**

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2023 EVALUATION REPORT

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ATTACHMENT E – FILING REQUIREMENTS

Attachment E contains Filing Requirements 1 through 24. Filing Requirements are contained in Volumes II through VII of the Evaluation Report.

FILING REQUIREMENT 1-7	Volume II
FILING REQUIREMENT 8-14	Volume III
FILING REQUIREMENT 15A	Volume IV
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WORKPAPERS

Workpapers that support the Evaluation Report have been provided in electronic format to all parties of record concurrent with this filing.

OVERVIEW

I. Background

In March of 2015, the Arkansas General Assembly enacted Act 725, including the Formula Rate Review Act, Ark. Code Ann. §§ 23-4-1201 et seq., which authorized use of a formula rate review mechanism including a projected year test period. Pursuant to Act 725, in Arkansas Public Service Commission (“APSC” or the “Commission”) Docket No. 16-052-U, Oklahoma Gas and Electric Company (“OG&E” or the “Company”) gave notice of its election to have its rates regulated under a formula rate review mechanism utilizing a Projected Year test period. Additionally, as a result of the Settlement Agreement in Order No. 10 in this Docket, the Company does not include a revenue change related to projected costs in this filing. The Company does not project any rate base, expense, or capital amounts in its 2023 Evaluation report and is not asking for any revenue change for a projected or future time period. The only revenue change will be based on the Evaluation Period, the twelve months ending March 31, 2023. This evaluation will be a netting between the Company’s Projected Year in its 2021 Evaluation Report and the Historic Year from the 2023 Evaluation Report. The APSC approved OG&E’s Tariff Sheet No. 80, Formula Rate Plan Rider Tariff (“FRP Rider”), as part of its final order issued in May 2017, and later approved a modified FRP Rider Tariff in Docket No. 19-017-TF Order No. 3. OG&E’s FRP Rate Adjustments shall be effective with the first billing cycle of April each year. The initial term of the FRP shall not exceed five years and will terminate unless OG&E requests an extension of the initial term. Per the Extension of Term provisions of the Formula Rate Protocols, OG&E requested an extension of its FRP in Docket No. 21-087-U and ultimately the Commission denied the extension request in Order No. 11 of that docket. Under the FRP tariff, if the FRP is not extended, the then-existing Total FRP rates shall continue to be in effect until new base rates reflecting the then-existing Total FRP Revenues are duly approved and implemented and until the Company recovers or returns the remaining Netting of Historical Year Differences Adjustments. This is OG&E’s sixth FRP filing, and it is the final filing pursuant to OG&E’s current approved FRP Rider.

II. 2023 Evaluation Report Projected Year, Filing Year, and Historical Year

The 2023 OG&E FRP Rider Evaluation Report (“2023 Evaluation Report”) does not contain a Projected Year. The 2023 Evaluation Report Filing Year is the twelve (12) month period ending March 31, 2024. The 2023 Evaluation Report Historical Year is the twelve (12) month period ended March 31, 2023. The 2023 Evaluation Report contains an evaluation of the Company’s Historical Year earnings compared to the FRP Revenues collected as a result of its 2021 Evaluation Report Projected Year, as well as FRP Attachment A-1 that contains OG&E’s proposed Rate Adjustment.

III. 2023 Evaluation Report Results

The 2023 Evaluation Report reflects an Earned Return Rate (“ERR”) of 8.31% which is below the Target Return Rate (“TRR”) of 9.5% return on common equity as approved by the APSC in Docket No. 16-052-U. OG&E’s FRP includes a plus or minus 50 basis point Rate of Return on Common Equity from the TRR resulting in a Bandwidth from 9.00% to 10.00%. The ERR falls below the Lower Bandwidth limit of 9.00%. Therefore, the Total FRP Revenue level shall be increased by the amount necessary to increase the ERR to the TRR. A projected FRP Revenue Change of \$4.74 million would be necessary to produce a TRR of 9.5%. This amount netted with the FRP revenues collected as a result of the 2021 Evaluation Report of \$0 results in a net Revenue Change of \$4.74 million. This proposed revenue change does not exceed the four percent (4%) revenue constraint for each rate class, which in this filing is \$11.10 million. On Attachment A-2, the proposed FRP Revenue Change has been allocated to each applicable rate class based on the percentage of the base rate revenue used in the development of rates approved by the APSC in Docket No. 16-052-U. All retail base rates and applicable riders would be increased by the applicable percentage of base revenues included in Attachment A-1 and Attachment A-2, Line 16.

For a typical residential customer, the increase in FRP Revenue in this Evaluation Report would result in a corresponding FRP Rate Adjustment increase of \$2.58 per month, or a change of approximately 1.88 percent. The 2023 Historical Year was adjusted to remove rider revenue and expenses, remove amounts, and otherwise make adjustments, consistent with APSC Order No. 8 in Docket No. 16-052-U and with FRP Attachment C. The 2023 Evaluation Report complies with the FRP Protocols in Attachment F. The 2023 Evaluation Report includes FRP Attachment A-1,

which contains OG&E’s proposed Rate Adjustment, and Attachment A-2. It also includes Attachment D, prepared consistent with the description of Rider FRP Adjustments in Attachment C and with each of the applicable 24 FRP Filing Requirements included in FRP Attachment E.

IV. Historical Year Netting of the Projected Year

The Arkansas General Assembly has delegated authority to the Arkansas Public Service Commission (“APSC” or the “Commission”) to regulate public utilities in the State of Arkansas, including OG&E. The Arkansas General Assembly has enacted the Formula Rate Review Act, Ark. Code Ann. §§ 23-4-1201 et seq., which authorizes use of a Formula Rate Plan (“FRP”) Rider tariff.

On May 18, 2017, the Commission issued Order No. 8 in Docket No. 16-052-U – OG&E’s last general rate case – approving an unopposed Joint Stipulation and Settlement Agreement. This Agreement included the adoption of an FRP Rider with a Formula Rate Review Period based upon a Projected Year. The Projected Year is the 12 month period ending March 31 of the second year following the filing of an Evaluation Report. The Filing Year shall be the 12 months preceding the Formula Rate Review Test Period. A Historical Year shall be the 12 month period ended March 31 immediately preceding the filing of an Evaluation Report.

In establishing a five-year term of the FRP Rider tariff, the Commission set a known schedule of FRP Rider Evaluation Report filings with established review periods:

First Evaluation Report, filed October 1, 2018

 Projected Year ending March 31, 2020

 Filing Year ending March 31, 2019

 Historical Year ending March 31, 2018

Second Evaluation Report, filed October 1, 2019

 Projected Year ending March 31, 2021

 Filing Year ending March 31, 2020

 Historical Year ending March 31, 2019

Third Evaluation Report, filed October 1, 2020

Projected Year ending March 31, 2022
Filing Year ending March 31, 2021
Historical Year ending March 31, 2020
Fourth Evaluation Report, filed October 1, 2021
Projected Year ending March 31, 2023
Filing Year ending March 31, 2022
Historical Year ending March 31, 2021

OG&E has complied with the schedule set forth in the FRP Rider through its annual filing of four Evaluation Reports and a true-up adjustment. *See Docket No. 18-046-FR, Document Nos. 29, 124, 186, and 250.* Following discovery, testimony, and settlement, the Commission has approved rate adjustments pursuant to these Evaluation Report filings. *See Docket No. 18-046-FR, Order Nos. 7, 10, 15, and 18.*

Whereas OG&E's First Evaluation Report contained a Projected Year ending March 31, 2020, OG&E's Third Evaluation Report netted this Projected Year against the Historical Year for the same time period. Whereas OG&E's Second Evaluation Report contained a Projected Year ending March 31, 2021, OG&E's Fourth Evaluation Report netted Projected Year against the Historical Year for the same time period. Whereas OG&E's Third Evaluation Report contained a Projected Year ending March 31, 2022, OG&E netted this Projected Year against the Historical Year for the same time period in its filing made on October 3, 2023. Whereas OG&E's Fourth Evaluation Report contained a Projected Year ending March 31, 2023, OG&E has not yet netted this Projected Year against the Historical Year for the same time period.

In Order No. 10 of Docket No. 18-046-FR, the Commission approved a Joint Stipulation and Settlement Agreement as a result of the Company's Second Evaluation Report. In this Agreement are following stipulations:

OG&E agrees not to project Plant, Expenses or Capital Amounts or Rates in the Benchmark Rate of Return on Rate Base (BRORB) for the remaining evaluation report filings in the term of its FRP. For the remaining years of OG&E's FRP filings there will be no revenue change in the FRP related to projected costs (Filing Year or Projected Year) and all costs will be included for recovery for the first time in the historical year, where prudence of cost and action will be determined.

The timing of future FRP filings will remain the same and the effective period of this FRP term remains the same. The Company's 3rd filing on October 1, 2020 will not include a projected year, but will net the first historical year. The Company's 4th filing on October 1, 2021 will not include a projected year, but will net the second historical year. Two more filings will be required to complete the netting of the final two years (ending March 31, 2022, and March 31, 2023).

The Company's rate change for the first two FRP filing revenue rate changes will remain in effect until those respective periods are netted in a future FRP filing.

The Company will file in Docket No. 19-017-TF to revise OG&E's FRP tariff to eliminate any Projected Year Schedules, adjustments, or filing requirements, following an order approving the Agreement.

Staff was a signatory to the unanimous Joint Stipulation and Settlement Agreement approved by the Commission in Order No. 10 of Docket No. 18-046-FR. Staff witness Jeff Hilton filed testimony in support of the Agreement as reasonable and in the public interest. OG&E witness Jason Bailey also filed testimony in support of the Agreement in which he explained, "As with any good compromise, the end product does not result in the attainment of all the results sought by any one party. OG&E supports the Agreement as a reasonable compromise that is in the overall public interest and it is committed to adhere to the obligations pursuant to the Agreement."

The language of the Second Evaluation Report Joint Stipulation and Settlement Agreement is required by the operation of the Formula Rate Review Act, Ark. Code Ann. §§ 23-4-1208(b)(1).

Ark. Code Ann. § 23-4-1208(b)(1) states, "The rate review mechanism shall continue until all historical years have been netted under § 23-4-1206(e)(1) and rates have been adjusted under § 23-4-1207(c)."

Ark. Code Ann. § 23-4-1206(e)(1) states, "If a formula rate review test period utilizes projected data under § 23-4-406 or a projected year, rate changes under § 23-4-1207 shall include an adjustment to net any differences between the prior formula rate review test period change in revenue and the actual historical year change in revenue for that same year."

Ark. Code Ann. § 23-4-1207(c) states, “If a formula rate review test period utilizes projected data under § 23-4-406 or a projected year, rates shall be adjusted by the netting of historical year differences under § 23-4-1206.”

Whereas netting of the Fourth Evaluation Report Projected Year ending March 31, 2023 has not occurred. Whereas netting of Projected Years is required by the Joint Stipulation and Settlement Agreement approved by Order No. 10 of Docket No. 18-046-FR to which Staff was a signatory. The required netting was confirmed by the Commission in Order No. 12 of Docket No. 21-087-U.

Whereas netting of Projected Years is required by Ark. Code Ann. § 23-4-1208(b)(1). OG&E files this Application to properly net the Projected Year of its Fourth Evaluation Report to the Historical Year included in this Sixth Evaluation Report. No further Evaluation Report filings are authorized pursuant to OG&E’s current Formula Rate Plan Rider.

V. Proposed Rate Adjustment Effective Date

The Company requests an order approving its proposed FRP Rider Rate Adjustment by March 11, 2024. An evidentiary hearing, which may be waived by OG&E and the other Parties subject to Commission approval, shall be conducted at least fifty days before the date on which the Rate Adjustment shall become effective. As a result, OG&E recommends that the Parties support a hearing date on or before February 9, 2024. Following the hearing, the APSC shall issue a final order in which it resolves any issues in dispute and approves the proposed Rate Adjustment at least twenty days before the date on which the Rate Adjustment shall become effective. If a final order is not issued by March 11, 2024, the proposed Rate Adjustment shall become effective April 1, 2024 for the first billing cycle of April 2024, subject to refund.

OKLAHOMA GAS AND ELECTRIC COMPANY
FORMULA RATE PLAN ATTACHMENTS
DOCKET NO. 18-046-FR

ATTACHMENT E ITEM 1
Formula Rate Plan - 2023 Evaluation Report

Attachment A-1

Formula Rate Plan Rate Adjustment

All retail base rates and applicable riders on file with the APSC will be increased or decreased by a percentage of base revenues listed below, except those specifically excluded below:

Rate Class	FRP Rate (%)
Residential	30.0499%
General Service	32.8724%
Power and Light	32.7277%
Other*	27.6833%

*Other includes Municipal Water Pumping, Municipal Roadway and Area Lighting, Outdoor Security Lighting, Athletic Field Lighting, and the LED lighting rates

Excluded Schedules:

- Energy Cost Recovery Rider (ECR)
- Energy Efficiency Cost Recovery Rider (EECR)
- Transmission Cost Recovery Rider (TCR)
- Environmental Compliance Plan Rider (ECP)
- Day-Ahead Pricing (DAP) (DAP energy component only)
- Flex Pricing (FP) (FP energy component only)
- Rider for Municipal Tax Adjustment (MTA)
- Renewable Energy Program Rider (REP)
- Load Reduction Rider (LR)
- Tax Adjustment Rider (TA)

Special Rate Contracts: Special Contracted Rates shall be included or excluded pursuant to the terms of the Special Rate Contract.

Attachment A-2
FRP Rider Revenue Change

Line No.	Description	Total	Residential	General Service	Power and Light	Other
A	B	C	D	E	F	G
1	Base Rate Revenues: Docket No. 16-052-U	\$ 102,193,196	\$ 38,919,157	\$ 11,861,458	\$ 48,208,613	\$ 3,203,968
2	Rate Class Allocation:(Percent of total calculated from L1)	100%	38.08%	11.61%	47.17%	3.14%
3	FRP Constraint Calculation [1]					
4	Total Annualized Filing Year Revenues by Rate Class	\$ 277,590,694	96,091,703	29,819,665	146,277,374	5,401,952
5	FRP Revenue Change = ±4% per Rate Class	4.00%	4.00%	4.00%	4.00%	4.00%
6	+Projected Year upper Rider FRP Revenue Constraint	11,103,628	3,843,668	1,192,787	5,851,095	216,078
7	-Projected Year lower Rider FRP Revenue Constraint		(3,843,668)	(1,192,787)	(5,851,095)	(216,078)
8	Net Change in Req. FRP Revenue Calc [2]					
9	ROE Bandwidth Rate Adjustment (D-6 L13 * L2)	4,738,362	1,804,553	549,977	2,235,275	148,557
10	Cumulative FRP Revenue Calculation [3]					
11	Maximum Inc/Dec in FRP Revenue calculated on L9 bounded by the constraint defined on L6 and L7.	4,738,362	1,804,553	549,977	2,235,275	148,557
12	Annualized Filing Year FRP Rider Revenue [4]	31,806,183	11,727,843	3,983,209	15,231,244	863,887
13	Cumulative Total FRP Rider revenue (L11+L12)	36,544,545	13,532,396	4,533,186	17,466,519	1,012,444
14	FRP Rate Development Calculation [5]					
15	Adjusted Projected Year Base Rate Revenue	115,849,810	45,033,038	13,790,237	53,369,290	3,657,245
16	FRP Projected Year Rate Change (L13 ÷ L15)	31.5448%	30.0499%	32.8724%	32.7277%	27.6833%
17	For Informational Purposes Only					
18	Incremental FRP Base Rate Change Required (L9 ÷ (L1 + L12))	3.5361%	3.5630%	3.4711%	3.5235%	3.6520%
19	Incremental FRP Base Rate Change Allowed (L11 ÷ (L1 + L12))	3.5361%	3.5630%	3.4711%	3.5235%	3.6520%

NOTES:

- [1] The FRP Constraint Calculation determines the limit of the FRP revenue increase/decrease per rate class, which shall not exceed four percent (4%) of Total Unadjusted Annualized Filing Year (the year in which the Evaluation Report is filed) revenues.
- [2] The Net Change in Required FRP Revenue Calculation takes the Historical Year Netting adjustment (D.6 Line 13) and allocates the amount required to each rate class based on the class allocation approved by the Commission in Docket No. 16-052-U listed on Line 2. The netting adjustment on line 9 shall be zero (0) until there is an actual twelve (12) months of Historical Year data to report.
- [3] The Cumulative FRP revenue calculation adjusts the Required FRP revenue determined on Line 9 to be within the limits of the FRP constraint calculation and adds the Annualized Filing Year FRP Revenues to calculate Cumulative Total FRP Revenue required in the Projected Year.
- [4] The Annualized Filing Year FRP Rider Revenue in the initial Filing Year will be zero (\$0). In subsequent Filing Years, the Annualized Filing Year FRP Rider Revenue will include actual FRP Rider revenues collected in the Filing Year (up to the latest month the Company has actual data for) to calculate the Annualized FRP Rider Revenue amount to be used in the Cumulative FRP Rider Revenue Calculation.
- [5] The FRP Rider Rate Development Calculation determines the percent increase/decrease that will be applied to all base rate components. The Adjusted Projected Year Base Rate Revenue is calculated using the Retail Rate Schedule Revenue (as adjusted pursuant to Attachment C, Section II, A-2) excluding Projected Year Rider FRP Revenue and any revenue pursuant to excluded schedules listed on Attachment A-1.The percent increase/decrease is calculated by taking the Total FRP Rider Revenue listed on Line 13 and dividing it by the Adjusted Projected Year Revenues listed in Line 15.

OKLAHOMA GAS AND ELECTRIC COMPANY
FORMULA RATE PLAN ATTACHMENTS
DOCKET NO. 18-046-FR

ATTACHMENT E ITEM 1
Formula Rate Plan - 2023 Evaluation Report

Attachment D-1

Oklahoma Gas & Electric
Formula Rate Plan
Earned Rate of Return on Common Equity Formula
For the Evaluation Period Ending March 31, 2023

Line No	Description	Source	Adjusted Amount
TOTAL ARKANSAS RETAIL			
1	ARKANSAS RETAIL RATE BASE	D-2, Line 27, Column D	768,409,047
2	ARKANSAS RETAIL RATE SCHEDULE REVENUE	D-3, Line 2, Column D	134,409,352
3	ARKANSAS RETAIL OPERATING REVENUE	D-3, Line 5, Column D	135,263,634
4	ARKANSAS RETAIL OPERATING EXPENSE	D-3, Line 29, Column D	96,423,639
5	ARKANSAS RETAIL OPERATING INCOME	Line 3 – Line 4	38,839,995
6	EARNED RETURN ON RATE BASE	Line 5 / Line 1	5.05%
7	BENCHMARK RATE OF RETURN ON RATE BASE	D-5, Line 12, Column F	5.51%
8	REQUIRED ARKANSAS RETAIL OPERATING INCOME	Line 7 * Line 1	42,356,243
9	ARKANSAS RETAIL OPERATING INCOME DEFICIENCY/(EXCESS)	Line 8 – Line 5	3,516,248
10	REVENUE CONVERSION FACTOR	Note [1]	1.347562
11	ARKANSAS RETAIL REVENUE DEFICIENCY/(EXCESS)	Line 9 * Line 10	4,738,362
12	RETAIL REVENUE REQUIREMENT	Note [2]	139,147,714
13	COMMON EQUITY DEFICIENCY/(EXCESS) (%)	Line 9 / Line 1	0.46%
14	WEIGHTED EVALUATION PERIOD COST RATE FOR COMMON EQUITY (%)	D-5, Line 3, Column F	3.65%
15	WEIGHTED EARNED COMMON EQUITY RATE (%)	Line 14 - Line 13	3.19%
16	COMMON EQUITY RATIO (%)	D-5, Line 3, Column D	38.38%
17	EARNED RATE OF RETURN ON COMMON EQUITY (%)	Line 15 / Line 16	8.31%

Notes:

- [1] Revenue Conversion Factor = $1 / [(1 - \text{Composite Tax Rate} * (1 - \text{Bad Debt} + \text{Forfeited Discounts}))]$. Forfeited discount revenues for Arkansas are determined in accordance with APSC General Service Rule 5.05.
- [2] Arkansas Jurisdictional Revenue Requirement as determined by running the total company Evaluation Period costs through the approved Cost of Service model from Docket No. 16-052-U.

OKLAHOMA GAS AND ELECTRIC COMPANY
 FORMULA RATE PLAN ATTACHMENTS
 DOCKET NO. 18-046-FR

ATTACHMENT E ITEM 1
 Formula Rate Plan - 2023 Evaluation Report

Attachment D-2

Oklahoma Gas & Electric
 Formula Rate Plan
 Rate Base

For the Evaluation Period Ending March 31, 2023

Line No	Description	Evaluation Period Per Books A	Evaluation Period Adjustments B [1]	Adjusted Evaluation Period C	Arkansas Retail Adjusted Evaluation Period D [2]
1	PLANT IN SERVICE				
2	Beginning Balance	14,541,593,140	(1,154,957,424)	13,386,635,716	
3	Ending Balance	15,292,557,856	(1,153,113,037)	14,139,444,819	
4	Average Balance	14,917,075,498	(1,154,035,230)	13,763,040,268	1,131,047,214
5	ACCUMULATED DEPRECIATION				
6	Beginning Balance	(5,293,553,206)	85,632,700	(5,207,920,506)	
7	Ending Balance	(5,492,220,038)	120,141,117	(5,372,078,920)	
8	Average Balance	(5,392,886,622)	102,886,909	(5,289,999,713)	(429,395,085)
9	AVERAGE NET UTILITY PLANT (L4 + L8)	9,524,188,876	(1,051,148,322)	8,473,040,555	701,652,128
10	PLANT ACQUISITION ADJUSTMENT				
11	Beginning Balance	151,643,703	(3,341,804)	148,301,899	
12	Ending Balance	151,643,703	(3,341,804)	148,301,899	
13	Average Balance	151,643,703	(3,341,804)	148,301,899	12,810,318
14	AMORTIZATION OF ACQUISITION ADJ				
15	Beginning Balance	(75,111,813)	960,865	(74,150,949)	
16	Ending Balance	(80,679,150)	1,035,538	(79,643,612)	
17	Average Balance	(77,895,482)	998,201	(76,897,280)	(6,642,387)
18	WORKING CAPITAL ASSETS				
19	MATERIALS AND SUPPLIES	206,946,746	(47,785,408)	159,161,339	12,448,046
20	PREPAYMENTS	12,206,524	(2,752,963)	9,453,561	776,894
21	FUEL INVENTORY	128,605,236	(35,234,650)	93,370,586	8,217,078
22	WORKING CASH	1,877,179,846	(1,491,468,614)	385,711,232	39,146,970
23	TOTAL WORKING CAPITAL ASSETS	2,224,938,352	(1,577,241,635)	647,696,717	60,588,988
24	OTHER	0	0	0	0
25	TOTAL RATE BASE:				
26	Ending Balances (L3+L7+L12+L16+L23+L24)	12,096,240,723	(2,612,519,820)	9,483,720,904	
27	Adj Evaluation Period (L9+L13+L17+L23+L24)	11,822,875,450	(2,630,733,559)	9,192,141,891	768,409,047

Notes:

- [1] Adjustments as set out in Attachment C to this FRP.
- [2] Arkansas Retail Jurisdictional Rate Base as determined by running the total company historical costs through the approved Cost of Service model from Docket No. 16-052-U, as adjusted pursuant to Attachment C, Section II, F. .

OKLAHOMA GAS AND ELECTRIC COMPANY
 FORMULA RATE PLAN ATTACHMENTS
 DOCKET NO. 18-046-FR

ATTACHMENT E ITEM 1
 Formula Rate Plan - 2023 Evaluation Report

Attachment D-3

Oklahoma Gas & Electric
 Formula Rate Plan
 Operating Income
 For the Evaluation Period Ending March 31, 2023

Line No	Description	Evaluation Period Per Books A	Evaluation Period Adjustments B [1]	Adjusted Evaluation Period C	Arkansas Retail Adjusted Evaluation Period D [2]
REVENUES					
1	SALES TO ULTIMATE CUSTOMERS				
2	ARKANSAS RETAIL RATE SCHEDULE REVENUE [4]	262,356,077	(127,946,725)	134,409,352	134,409,352
3	ARKANSAS OTHER ELECTRIC REVENUE	3,450,961	(2,596,679)	854,282	854,282
4	OTHER JURISDICTIONAL REVENUE	3,077,688,251	(1,715,022,081)	1,362,666,170	0
5	TOTAL OPERATING REVENUES (Sum of L2 thru L4)	3,343,495,289	(1,845,565,485)	1,497,929,804	135,263,634
EXPENSES					
6	OPERATION & MAINTENANCE				
7	PRODUCTION	1,780,373,114	(1,634,188,030)	146,185,084	15,469,532
8	TRANSMISSION	177,490,140	(157,547,861)	19,942,280	1,393,313
9	REGIONAL MARKET	7,907,650	(4,487,751)	3,419,899	257,915
10	DISTRIBUTION	133,899,637	(34,529,856)	99,369,781	16,325,542
11	CUSTOMER ACCOUNTS	23,369,173	(3,879,698)	19,489,475	1,807,729
12	CUSTOMER SERVICE & INFORMATION	49,002,042	(46,081,357)	2,920,684	227,639
13	SALES	3,847,820	(457,243)	3,390,578	291,055
14	ADMINISTRATIVE & GENERAL	124,130,193	(17,182,386)	106,947,807	14,324,942
15	TOTAL O & M EXPENSE (Sum of L6 thru L14)	2,300,019,769	(1,898,354,181)	401,665,589	50,097,668
16	GAIN FROM DISPOSITION OF ALLOWANCES	0	0	0	0
17	REGULATORY DEBITS & CREDITS	8,734,723	(8,734,723)	0	0
18	DEPRECIATION & AMORTIZATION EXPENSES	427,561,127	(27,126,441)	400,434,686	34,698,651
19	ACCRETION EXPENSES	0	0	0	0
20	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	0	5,492,663	5,492,663	474,456
21	OTHER CREDIT FEES	0	0	0	0
22	TAXES OTHER THAN INCOME	100,529,997	(8,513,692)	92,016,305	7,992,386
23	STATE INCOME TAX [3]	(1,812,666)	6,366,331	4,553,665	(1,165,925)
24	FEDERAL INCOME TAX [3]	73,848,403	(3,145,262)	70,703,140	4,326,402
25	GAIN/LOSS – DISPOSITION OF UTILITY PLANT	0	0	0	0
26	OTHER	0	0	0	0
27	TOTAL UTILITY OPERATING EXPENSE (Sum of L15 thru L26)	2,908,881,353	(1,934,015,306)	974,866,047	96,423,639
28	NET UTILITY OPERATING INCOME (L5 - L27)	434,613,936	88,449,821	523,063,757	38,839,995

Notes:

- [1] Adjustments as set out in Attachment C to this FRP.
- [2] Arkansas Retail Jurisdictional Expenses as determined by running the total company historical costs through the approved Cost of Service model from Docket No. 16-052-U, as adjusted pursuant to Attachment C, Section II, F.
- [3] Reference Attachment D-4
- [4] L2 includes only base rate revenues and prior year FRP revenues.

Attachment D-4

Oklahoma Gas & Electric
 Formula Rate Plan
 Income Tax
 For the Evaluation Period Ending March 31, 2023

Line No	Description	Evaluation Period Per Books A	Evaluation Period Adjustments B [1]	Adjusted Evaluation Period C	Arkansas Retail Adjusted Evaluation Period D [2]
1	TOTAL OPERATING REVENUES	3,507,122,214	(2,009,192,410)	1,497,929,804	135,263,634
2	TOTAL O&M EXPENSE	2,300,019,769	(1,898,354,181)	401,665,589	50,097,668
3	GAIN FROM DISPOSITION OF ALLOWANCES	0	0	0	0
4	REGULATORY DEBITS AND CREDITS	8,734,723	(8,734,723)	0	0
5	DEPRECIATION & AMORTIZATION EXPENSE	427,561,127	(27,126,441)	400,434,686	35,173,107
6	ACCRETION EXPENSE	0	0	0	0
7	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	0	5,492,663	5,492,663	0
8	OTHER CREDIT FEES	0	0	0	0
9	TAXES OTHER THAN INCOME	100,529,997	(8,513,692)	92,016,305	7,992,386
10	GAIN/LOSS – DISPOSITION OF UTILITY PLANT	0	0	0	0
11	OTHER	0	0	0	0
12	INTEREST EXPENSE [3]	0	171,019,800	171,019,800	14,296,250
13	NET INCOME BEFORE INCOME TAXES (L1- (Sum L2-L12))	670,276,597	(242,975,835)	427,300,762	27,704,222
14	ADJUSTMENTS TO NET INCOME BEFORE TAXES [4]	(394,631,490)	347,163,524	(47,467,966)	(3,968,043)
15	TAXABLE INCOME (L12 + L13)	275,645,107	104,187,689	379,832,796	23,736,179
COMPUTATION OF STATE INCOME TAX [5]					
16	TAXABLE INCOME (L15)	275,645,107	104,187,689	379,832,796	23,736,179
17	STATE ADJUSTMENTS [4]	0	0	0	0
18	STATE TAXABLE INCOME (L16 + L17)	275,645,107	104,187,689	379,832,796	23,736,179
19	STATE INCOME TAX BEFORE ADJUSTMENTS (L18 * Tax Rate) [1]	16,263,013	6,147,122	22,410,135	1,400,435
20	ADJUSTMENTS TO STATE TAX [4]	(12,958,615)	(4,897,855)	(17,856,470)	(2,566,360)
21	STATE INCOME TAX (L19 + L20)	3,304,398	1,249,267	4,553,665	(1,165,925)
COMPUTATION OF FEDERAL INCOME TAX [5]					
22	TAXABLE INCOME (L15)	275,645,107	104,187,689	379,832,796	23,736,179
23	STATE INCOME TAX BEFORE ADJUSTMENTS (L19)	3,304,398	6,147,122	22,410,135	1,400,435
24	FEDERAL ADJUSTMENTS [4]	0	0	0	0
25	TOTAL FEDERAL TAXABLE INCOME (L22 - L23 + L24)	272,340,709	98,040,568	357,422,661	22,335,744
26	FEDERAL INCOME TAX BEFORE ADJUSTMENTS (L25 * Tax Rate) [1]	57,191,549	17,867,210	75,058,759	4,690,506
27	ADJUSTMENTS TO FEDERAL TAX [4]	(196,113,245)	191,757,626	(4,355,619)	(364,104)
28	FEDERAL INCOME TAX (L26 + L27)	(138,921,696)	209,624,836	70,703,140	4,326,402

Notes:

- [1] Adjustments and applicable tax rate as set out in Attachment C to this FRP.
- [2] Arkansas Retail Jurisdiction as determined by running the total company historical costs through the approved Cost of Service model from Docket No. 16-052-U, as adjusted pursuant to Attachment C, Section II, F.
- [3] Interest Expense is Per Books for Column A, Weighted Cost Of Debt (COD) Rate as derived from COD elements reflected in Attachment D-5 x Rate Base per Attachment D-2, Column C.
- [4] List all adjustments including descriptions in a supporting schedule.
- [5] Computation of Income Tax includes both current and deferred income taxes

Attachment D-5

Oklahoma Gas & Electric
Formula Rate Plan
Benchmark Rate of Return on Rate Base
For the Evaluation Period Ending March 31, 2023

(A)	(B)	(C)	(D)	(E)	(F)
Line No.	Description	Capital Amount (\$) [1]	Capital Ratio (%) [2]	Cost Rate (%) [3]	Benchmark Rate Of Return On Rate Base [4]
1	Long-Term Debt	4,212,394,663	35.82%	4.82%	1.73%
2	Preferred Stock		0.00%		0.00%
3	Common Equity	4,513,770,761	38.38%	9.50%	3.65%
4	Accumulated Deferred Income Taxes	1,119,938,341	9.52%	0.00%	0.00%
5	Pre-1971 ADITC	-	0.00%	0.00%	0.00%
6	Post-1970 ADITC	13,600,671	0.12%	7.18%	0.01%
7	Customer Deposits	86,439,243	0.74%	1.57%	0.01%
8	Short-Term/Interim Debt	261,798,704	2.23%	5.25%	0.12%
9	Current Accrued, and Other Liabilities	1,547,240,399	13.16%	0.00%	0.00%
10	Capital Leases	-	0.00%	0.00%	0.00%
11	Other Capital Items	5,180,630	0.04%	6.43%	0.00%
12	Total	11,760,363,413	100.00%		5.51%

Notes:

- [1] The capital balances for Long-Term Debt, Capital Leases, Preferred Equity, Common Equity and Other Capital shall be mid-year (September 30) balances adjusted to reflect any intercompany payables balances using any 13 month average, if applicable, consistent with Commission Order in Docket No. 16-052-U. Support for the 13 month average of the money pool calculations shall be provided. The total DTE for external capital, including the short-term debt percentage of 2.9%, shall be fixed at 50/50, consistent with Commission Order in Docket No. 16-052-U. Capital amounts shall include mid-year (September 30) balances for Post-1970 Investment Tax Credits, Customer Deposits, and Short-Term debt balances, beginning and ending year average for ADIT, and 13-month average balances for CAOL, if applicable. A September 30 balance sheet should be provided as well as a reconciliation between the balance sheet and Column (C) amounts. Support for the CAOL balances shall include the same format and detail as required by the Filing Requirements in Attachment E, Item No. 15.
- [2] Capital amounts each divided by the Total Capital Amount.
- [3] The cost rates shall be calculated in accordance with the calculation applied by the Commission in Docket No. 16-052-U. Support for the cost of Long-Term debt and cost of Preferred Stock shall be provided in the same format and level of detail required by the Filing Requirements, respectively. Support for the Short-Term debt cost rate and DOE Obligation cost rate, if applicable, should include a general description of how the interest rate is determined and the same level of detail provided in the Filing Requirements in Attachment E, Item No. 15. The cost rate for Customer Deposits shall be the Commission-approved rate in effect during the year. The cost rate for Common Equity shall be that approved by Commission Order in Docket No. 16-052-U.
- [4] The components in Column F are the corresponding Cost Rates multiplied by the associated Capital Ratio.

Attachment D-6

Oklahoma Gas & Electric
 Formula Rate Plan
 FRP Revenue Redetermination Formula
 For the Evaluation Period Ending March 31, 2023

SECTION 1			
BANDWIDTH DEVELOPMENT			
Line No	DESCRIPTION	REFERENCE	
1	Earned Rate of Return on Common Equity ("ERR") [1]	D-1, Line 17	8.31%
2	Target Return Rate ("TRR")	D-5, Line 3, Column E	9.50%
3	Upper Bandwidth Limit	Line 2 + 0.50%	10.00%
4	Lower Bandwidth Limit	Line 2 - 0.50%	9.00%
5	ROE Adjustment	If L1 < L4, then L2 - L1; If L1 > L3, then L2 - L1, but no adjustment if L1 ≥ L4 and L1 ≤ L3	1.19%
SECTION 2			
ROE BANDWIDTH RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
6	ROE Adjustment	Per Line 5	1.19%
7	Common Equity Capital Ratio	D-5, Line 3, Column D	38.38%
8	Retail Rate Base	D-1, Line 1	768,409,047
9	Revenue Conversion Factor	D-1, Line 10	1.347562
10	Total Rate Change in Rider FRP Revenue	Line 6 * Line 7 * Line 8 * Line 9	4,738,362
SECTION 3			
TOTAL BANDWIDTH RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
11	(Reduction) / Increase in FRP Revenue	Line 10	4,738,362
12	Incremental Evaluation Period FRP Rider Revenue	Note [3]	0
13	Netting of Evaluation Period Differences Adj. [4]	Line 11 - Line 12	4,738,362

Notes:

- [1] The ERR is the Earned Rate of Return on Common Equity, calculated by dividing the weighted earned common equity rate by the common equity ratio percentage.
- [2] The TRR is the Company's cost rate for common equity as established by the Commission in Docket No. 16-052-U.
- [3] Incremental Evaluation Period FRP Rider revenue is the total FRP Rider revenue received in the Evaluation Period not including any previous year FRP Rider revenue.
- [4] Netting shall not begin until there is an actual twelve (12) months of Historical Year to report.

Attachment E

OKLAHOMA GAS & ELECTRIC FORMULA RATE PLAN FILING REQUIREMENTS

Item No.	Filing Requirements
1	OG&E shall file all FRP Attachments supporting the Historical Year.
The following information shall be provided to the Parties:	
2	Comparative Balance Sheet for the Historical Year, and as of March 31 for the four (4) years preceding the Historical Year. Reconcile to the Trial Balances and the Attachment D Schedules that it supports, and reconcile to the FERC Form 1 and FERC Form 3-Q, as applicable.
3	Operating statement of revenues and expenses for the Historical Year, and for twelve months ending March 31 for the four (4) years preceding the Historical Year. Reconcile to the Trial Balances and the Attachment D Schedules that it supports, and reconcile to the FERC Form 1 and FERC Form 3-Q, as applicable.
4	Trial Balance by detail general ledger subaccount number for the Historical Year and as of March 31 for the four (4) years preceding the Historical Year. Reconcile to the Balance Sheets and the Attachment D Schedules that it supports.
5	Monthly Trial Balances (FERC and Natural accounts) by detail general ledger subaccount number for the beginning of the Historical Year and each of the monthly balances for the Historical Year. Reconcile to the Balance Sheet, Income Statement, and the Attachment D Schedules that it supports. Also, provide the monthly Trial Balance information for the Filing Year to date.
6	Monthly balances for the "300" series plant accounts for the beginning of the Historical Year and at each month-end of the Historical Year (13 months). In additional columns, the accumulated depreciation balances, the removal of securitized amounts (plant and accumulated depreciation) and asset retirement obligations and any other adjustments by each "300" series plant amount for the beginning of and each month-end of the Historical Year (13 months). Reconcile to the utility plant accounts in the Trial Balance and the Attachment D Schedules it supports.
7	Monthly plant and accumulated depreciation balances by account and plant and unit, if applicable, for the Historical Year showing the additions and retirements and any adjustments. Provide the cost of removal and salvage amounts by plant account for the year. Reconcile all amounts to the monthly Trial Balances for the "300" series plant accounts.
8	Identify all construction projects or purchases that closed to plant during the Historical Year. Include the project number, project description, start date, completion date, date closed to plant, cost to complete, and plant accounts where it was closed. Provide the detailed costs, including the AFUDC calculation, included in the five (5) largest projects completed during the year.
9	Plant balances by subaccount and plant/unit, as applicable for the ten (10) calendar years preceding the Filing Year showing the additions and retirements. Include the 10-year average of each and explain any amount that deviates from the average by more than thirty percent (30%). Provide the cost of removal and salvage amounts by plant subaccount and plant/unit, as applicable for the same ten (10) years. Determine the 10-year average percentage of plant additions, by plant account, for retirements, and the 10-year average percentage of retirements by plant (accumulated depreciation) account for cost of removal and salvage.

10	Detailed chart of accounts, including subaccounts and detailed description (i.e. MFR E-9). List of Source Object Codes, including cost center, order, and work breakdown structure and a detailed description for each.
11	OG&E internal and external audit reports for the Historical Year and any proposed auditor's adjustments.
12	The most recently filed State and Federal Income Tax Returns for OG&E and OGE Energy Corp.
13	Web access for the period of time between filing and a final order in the formula rate review process to OG&E's database containing all general ledger accounting activity for the Historical Year and Filing Year to date.
14	Rules of Practice and Procedure, Appendix 8-1 Minimum Filing Requirements (MFR) Schedules, as modified to substitute the Historical Year for the test year, B-1, B-2, B-4, B-5, B-10, C-4, C-5, C-8, C-9, C-10, C-11, C-12, D-2, D-3, D-5, D-6.1, D-6.2, D-6.3, D-7, F-1, G-1, G-2, G-3 and G-4, including the supporting cost of service study (Jurisdictional Only). These schedules shall be used to support the adjustments described in Item 17 below. Note, C-5 shall be used to recalculate the revenue conversion factor. Note, D-2 and D-3 shall be modified to substitute the Historical Year as of September 30 for the test year.
15	Schedule of the expenses paid to each vendor for the Historical Year and Filing Year to date sorted by vendor name.
16	Web access for the period of time between filing and a final order in the formula rate review process to invoices for all vendors, regardless of originating company (OG&E and OGE Energy Corp.) included in Item 15.
17	Separate schedules of proposed adjustments to the actual financial statement amounts in determining the Adjusted Historical Year by general ledger subaccount for 1) rate base, 2) revenues and expenses (excluding current and deferred income taxes), 3) current and deferred income taxes, 4) CAOL, 5) ADIT and 6) other capital components. Within each schedule, the adjustments should be in separate columns, but grouped by 1) adjustments to remove rider revenue and expenses, 2) those consistent with adjustments ordered by the Commission in Docket No. 16-052-U (such as removal of disallowed expenses such as charitable contributions, or exclusion of temporary accounts from WCA), or 3) or other adjustments. The adjustments within each schedule (rate base, revenues and expense, income taxes, cost of capital components) shall directly support and reconcile to the appropriate Attachment D Schedules.
18	For the Historical Year, by rate class and rate schedule, provide a statement showing customer count, kWh, weather adjusted kWh, base rate revenues, and rider revenues.
19	Provide expense totals for the Historical Year and the four (4) years preceding the Historical Year by Source Object Code. Each year should include separate columns for expenses included in the determination of base rates and other riders (non-base rates) expenses. Reconcile to Trial Balance.
20	Schedule of total payroll and related costs supporting base rates (excluding riders) by FERC subaccount (expense and non-expense accounts) for the Historical Year and four (4) years preceding the Historical Year. The costs should be shown in separate groups of columns for each company (OG&E and OGE Energy Corp.). Within each company, for full-time employees only, include separate columns for: base pay, overtime, STI, LTI, other bonuses (identify each separately), and payroll taxes. Provide part-time pay and payroll taxes. Include a separate column for reductions for any payroll costs paid by other affiliates or other companies per loaned labor/mutual assistance programs.

21	Non-payroll balances supporting base rates (excluding riders) by FERC subaccount for the twelve (12) months ending March 31 for the Historical Year and four (4) years preceding the Historical Year. Either in a separate analysis or in separate columns, identify the expense amounts in each subaccount, by company (OG&E and OGE Energy Corp.). Identify and explain all significant changes in accounting procedures during the five (5) years. For any accounting reclassifications identified in the accounting changes, align and reconcile accounts that reflect accounting changes in order to consistently track the accounting change through the five-year period. Identify and explain changes between the twelve (12) months ending March 31 of the Historical Year costs and the five-year average by FERC Account for all variances greater than thirty percent (30%) and five hundred thousand dollars (\$500,000). The explanation and work papers shall include the specific underlying reason for the variance.
22	Provide an analysis of non-payroll, non-rider expenses and plant amounts using the historical data and results of Items 9 and 21. In addition to the averages developed in the other Items, determine a trended average, or average of annual changes, for each FERC subaccount balance for the five years of historical expense data and ten years of historical plant data, ending with the Historical Year (Plant in Service will be presented at the 300 FERC subaccount and plant/unit level). Summarize the results, showing a comparison of the Historical Year balances, averages, and trended averages, by FERC subaccount or plant subaccount and plant/unit, if applicable.
23	Affiliate transaction analysis of OG&E expense account and project code shown in separate columns for the following: a) amounts billed, segregated between direct and allocated, from each affiliated company with separate columns for each affiliate; b) amounts directly incurred by OG&E for its own operations; c) all other amounts in the account not corresponding to (a) or (b); and d) the sum of columns (a) through (c) which would equal the account's general ledger balance at the end of the Historical Year. Provide an explanation of all items in (c). Provide copies of all allocation manuals used in allocating common costs among and between the Company and its affiliates, and billing method tables for all affiliates which have direct-billed or allocated charges to OG&E.
24	The Company will provide a fully-functioning cost of service model as approved by the Commission in Docket 16-052-U and pursuant to Attachment C, Section II. F. The Cost of Service model should be able to replicate the Company's determination of the jurisdictional revenue requirement for the 1 Evaluation Period, containing links to the supporting accounting schedules which contains the level of detail (e.g., subaccounts or detailed plant information) commensurate with the detail required by the cost of service model.

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Attachment F

FORMULA RATE PROTOCOLS Section I. General Provisions

1. Applicability and Scope

- A. The following protocols shall apply to the annual Evaluation Report filings made pursuant to the Formula Rate Plan Rider Tariff (FRP) approved by the Commission in Docket No. 16-052-U.
- B. The Rules of Practice and Procedure (RPPs) shall apply to all annual Evaluation Report filings, except the following for which the Commission has granted an exemption by approving the FRP:
- Rule 3.08;
 - Rule 4.02 (a)(2)(A);
 - Rule 4.02 (a)(3);
 - Rule 4.02 (a)(4);
 - Rule 4.03 (c);
 - Rule 4.04 (a)(2);
 - Rule 4.10 (a)(2) & (3); and
 - Rule 5.05(b), (c), & (d).
- C. Any proposed modification of the FRP Tariff, including these protocols, is outside the scope of an annual Evaluation Report filing and as such, no Party shall seek to modify the FRP Tariff, including these protocols, as part of any annual Evaluation Report filing. Proposed modifications to the FRP Tariff, including these protocols, shall be brought in a separate docket.
- D. The filing of an annual Evaluation Report is a Formal Application. The filings of an annual Evaluation Report are not to be construed as a General Rate Change Application, nor are adjustments to rates that result from the filings of an annual Evaluation Report to be construed as a general change in rates pursuant to any provision of the Arkansas Code that references a general change in rates.
- E. The Commission may grant an exemption from compliance with these Protocols if the exemption is found to be in the public interest and for good cause shown.

2. Public Notice

- A. At least thirty (30) days prior to filing an annual Evaluation Report, OG&E shall give public notice of its intent to file.
- B. The notice shall indicate that it is from OG&E and shall include: the docket number, if known; the date on or about which the annual Evaluation Report is to be filed; the effective date of FRP rates; reference to the RPPs and these protocols for persons interested in intervening, making a limited appearance, or submitting public comments in writing or orally at the hearing; deadlines for intervention as provided herein; the name, address, phone number and email address of the Secretary of the Commission and the URL address of the Commission website; and that further information may be obtained by contacting the Secretary of the Commission or viewing the Commission's website.

- C. Public notice shall be given by any method including but not limited to: bill notation, direct mail, email exploder list, publication on OG&E's website, through social media, or publication in a newspaper of general circulation in OG&E's service area.
- D. An annual Evaluation Report filing shall include a declaration that these notice provisions have been complied with.

3. Intervention

- A. A Petition to Intervene shall be filed within ten (10) calendar days from the date the annual Evaluation Report is filed.
- B. Any Party desiring to file a Response to a Petition to Intervene shall file the Response within five (5) calendar days of the filing of the Petition. No additional responses or replies shall be permitted unless specifically authorized by the Commission.
- C. The Commission shall rule on the Petition to Interveners within seven (7) calendar days from the date the Petition is filed. If the Commission does not rule within that time frame, the Petition to Intervene shall be deemed denied.

4. Discovery

A. Time Within Which to Respond or Object

- 1. The Party upon whom discovery is sought shall serve a written response or objection within ten (10) calendar days after service of the discovery. Responses or objections to requests for admission shall be served within ten (10) calendar days of service of the requests. The Commission may prescribe a shorter or longer time. Any objections shall state the specific reasons for such objection.
- 2. If the response to the discovery request contains protected information for which no Protective Order has been issued, the responsive Party shall apply for a Protective Order as soon as reasonably practicable after receipt of the discovery request so as to avoid any delays in responding to discovery, and to the greatest extent practicable no later than five (5) calendar days after receipt of the discovery request. OG&E shall respond to the discovery request on the next business day after the Protective Order is issued or on the date the discovery response is due.

B. Discovery Initiation

Unless otherwise ordered, a Party may initiate discovery at any time after filling of an annual Evaluation Report so long as responses or objections and depositions shall be completed at least sixty (60) days before the date on which rates determined by the formula rate review mechanism will go into effect for each year or ten (10) days before a hearing on the merits, whichever is earlier.

C. Service and Format

- 1. Service shall be made by electronic mail, facsimile transmission, hand delivery, or overnight delivery service unless unusual circumstances otherwise justify delivery by another method and the Parties agree to the method chosen.
- 2. Attachments to documents shall be provided in native electronic format, with formulae and viable links intact.

3. Any discovery document served electronically or by facsimile after Commission Business Hours but before midnight or received on a non-business day shall be deemed served on Persons on the Official Service List with electronic mail on the next business day. Any discovery document served electronically or by facsimile between midnight and the beginning of Commission Business Hours on a business day shall be deemed served on Persons on the Official Service List on that business day. Any discovery document served by hand delivery or overnight delivery service shall be deemed served pursuant to Rule 3.07 of the RPPs.
4. Parties serving discovery requests shall clearly state the jurisdiction to which a particular data request pertains, if known. Parties shall state in their data request responses to which jurisdiction the response pertains. In light of Order No. 5 in APSC Docket No. 18-046-FR, OG&E will not object to the release under the terms of the Interim Protective Order (Order No. 1 of APSC 18-046-FR) of "specific customer information, or information that would allow the identification of a specific customer." OG&E will endeavor to obtain a thorough understanding of the nature of the inquiry before providing information requested and will timely and accurately provide the information needed for the parties to conduct their reviews.

D. Computation of Time for Performance or Response

In computing the time within which an act must be performed or a response made, the Day of the act from which the designated period of time begins to run shall not be included and the last Day shall be included unless it is a Saturday, Sunday, Legal Holiday, or other Day in which the Commission's office is closed, in which event the period shall extend to the next business Day. Service by mail or commercial delivery service is prohibited; therefore no additional response time as contemplated by the RPPs is necessary.

5. General Filing Matters

- A. Beginning with the initial annual Evaluation Report filing after the FRP is approved by the Commission in Docket No. 16-052-U, a separate docket shall be established by the Secretary of the Commission for the annual Evaluation Report filings with an "FR" docket designation.
- B. The initial and all subsequent annual Evaluation Reports filed in the "FR" docket. OG&E shall submit the annual Evaluation Report with a Commission-approved tariff Docket Summary Cover Sheet. In addition to any other information required by the coversheet, OG&E shall reference Docket No. 16-052-U.
- C. The annual Evaluation Report shall provide a fully functioning Cost of Service model, approved by the Commission in Docket 16-052-U, that is linked to the appropriate accounting adjustment schedules (e.g., MFR B and C Schedules for Rate Base and Expense amounts, respectively) capable of replicating the Company's results, and that allocates all accounting adjustments to Arkansas. In addition, the required accounting schedules shall contain fully adjusted amounts at the same level of detail, e.g., subaccounts, as utilized in the Cost of Service model.
- D. Stipulations or Settlements
 1. Parties shall propose by written motion that the Commission adopt stipulations or settlements. Such motion shall be filed, along with supporting testimony, no later than seven (7) calendar days prior to the hearing scheduled in the annual Evaluation Report filing. If the seventh day falls on a weekend or state holiday such settlement agreement and supporting testimony shall be filed on the last business day prior to the seventh day. The motion shall set forth the factual, legal, policy, and other consideration which form the

basis for the Parties' recommendation that the stipulation or agreement be adopted, and shall be supported by written testimony.

2. A Party not joining a proposed stipulation or settlement may file a response no later than five (5) calendar days prior to the scheduled date of the hearing.
3. Such a response shall set forth the factual, legal, policy, and other consideration which form the basis for the Party's opposition to the proposed stipulation or settlement or portions thereof.

Section II. Filing Requirements

1. Testimony and Exhibits

- A. Testimony with or without Exhibits shall be filed simultaneously with the annual Evaluation Report and address, at a minimum:
 1. A description of the filed schedules and all of the adjustments proposed;
 2. A description of any significant cost drivers;
 3. A description of any changes in accounting policies, practices, and procedures if they affect inputs to the FRP or the rate redetermination to be made under the FRP; and
 4. A narrative explanation of the rate impact.

2. Workpapers and Supporting Documentation

- A. The annual Evaluation Report and any revisions thereto shall include:
 1. Data-populated schedules including fully functioning EXCEL spreadsheet with all formulas and links intact, showing all calculations in the annual Evaluation Report;
 2. Sufficient information to enable the Parties to replicate the calculation of the formula results from the applicable schedules; and
 3. Documentation fully supporting all calculations and adjustments.
- B. Workpapers shall be provided to the Parties simultaneously with the filing of the annual Evaluation Report and any revisions thereto, and shall include:
 1. All supporting calculations and documents that explain the calculations in the annual Evaluation Report;
 2. Both references to and support from detailed source information; and
 3. A complete description of any statistical model used, the data used, and the results of the analysis if not addressed in testimony or exhibits.
- C. With respect to any change in accounting that affects inputs to the FRP or the resulting rate redetermination to be billed under the FRP, OG&E shall identify and provide narrative explanation

of the individual impact of such changes on rate redetermination to be billed under the FRP including:

1. The initial implementation of an accounting standard or policy;
 2. The initial implementation of accounting practices for unusual or unconventional items where the Commission has not provided specific accounting direction;
 3. Correction of errors and prior period adjustments that impact the FRP;
 4. The implementation of new estimation methods or policies that change prior estimates; and
 5. Changes to income tax elections.
- D. OG&E shall identify any reorganization or merger transaction and explain the effect of the accounting for such transaction(s) on the inputs to the FRP or the resulting rate determination to be billed under the FRP.

3. Waiver of Requirements

OG&E may omit specific items of information from the annual Evaluation Report filing only with prior Commission approval.

4. Filing Deficiencies

- A. The Arkansas Public Service Commission General Staff (“Staff”) may review each annual Evaluation Report filing to ascertain whether it complies with the provisions of these Filing Requirements and the FRP, including the provisions of all of the Attachments thereto.
- B. If Staff determines that any deficiencies exist Staff shall file a notice detailing the deficiencies within seven (7) calendar days from the date the annual Evaluation Report is filed.
- C. OG&E shall correct the deficiencies, within seven (7) calendar days of filing of the notification of deficiency, or upon objection being filed by OG&E within that timeframe; the Commission may set a longer period as may be reasonable.
- D. Staff shall review corrections made by OG&E to determine compliance with all information required by the Filing Requirements and the FRP, including the provisions of all of the Attachments thereto.
- E. No more than three (3) business days from the filing of corrections, Staff may file a (1) statement of compliance or (2) a second notice of deficiencies, listing each requirement not met and a brief explanation in support.
- F. The Commission shall resolve any dispute as to deficiencies within seven (7) calendar days of the filing of the second notice of deficiencies by either accepting the corrections made by OG&E or by directing additional corrections to be filed by OG&E.

5. Dispute Procedures

- A. Any Party filing with the Commission a statement of errors or objections to the Evaluation Report shall file Testimony with or without Exhibits simultaneously with the statement of errors or objections and the filing shall:
 1. Clearly identify and explain the error in or objection to the annual Evaluation Report;

2. Make a good faith effort to quantify the financial impact of the error or objection;
 3. State specifically any proposed changes to the annual Evaluation Report that the Party recommends; and
 4. Include all documents and workpapers that support the calculation of the error or the facts supporting the objection.
- B. OG&E shall file a corrected FRP rate or Rebuttal Testimony with or without Exhibits to the errors and objections raised by the Parties.
- 6. Extension of Term**
- A. If OG&E requests an extension of the initial term of the FRP, OG&E shall include such request in a separate docket and filed concurrently with the 4th Evaluation Report.
 - B. The extension of the FRP will utilize a Historical Year Test Period.
 - C. OG&E shall provide a class cost of service study for year-end 2021.
 - D. The Commission shall enter a decision on OG&E's request no later than April 1, 2022.