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 APPROVING THE COMPANY'S 2025 DEMAND PORTFOLIO; AUTHORIZING RECOVERY OF PROGRAM COSTS, LOST NET REVENUES AND INCENTIVES THROUGH THE ENERGY EFFICIENCY PROGRAM RIDER; AND FOR WAIVER OF OAC 165:35-41-4(B)(5), OAC 165:35-41-4(B)(7), AND OAC 165:35-41-5(D)(2)	)	CASE NO. PUD 2024-000048

Direct Testimony

of

Ian Metzger

on behalf of

Oklahoma Gas and Electric Company

July 1, 2024

Ian Metzger
Direct Testimony

QUALIFICATIONS, INTRODUCTION, AND PURPOSE

Q. **Would you please state your name, occupation, and business address?**

A. My name is Ian Metzger. I am a Senior Director of Program Development and Innovation with TRC Companies Inc. My business address is 21 Griffin Road North, Windsor, CT 06095.

Q. **Please describe your professional education and experience.**

A. I have worked for TRC Companies for more than nine years and in that time, I have continuously worked on various aspects of program planning and design, including cost-effectiveness analysis, forecasting, measure development, scenario and sensitivity analysis, and incentive structure strategy for utilities across the United States. I have built program models including financial forecasts and results for demand-side management (DSM) portfolios across several states. I have been responsible for developing and maintaining the *ModelMaster* Program Design Tool, TRC Companies' program planning and cost-effectiveness model, and the methodologies within it. I frequently advise on the implementation of the California Standard Practice Manual and National Standard Practice Manual for cost-effectiveness methodology for utility clients and my colleagues at TRC Companies. In addition, I manage the Strategic Deployment Team at TRC Companies, which is responsible for regulatory support, program planning and design, new program launches, and operational excellence consulting for existing programs.

Prior to TRC Companies, I was a Senior Engineer at the National Renewable Energy Laboratory (NREL) for more than six years and in that time, I conducted energy and water efficiency assessments and renewable energy screenings for high-profile buildings across the United States and internationally. I developed and delivered an assessment training to over 500 federal energy managers. In addition, I led several measurement and evaluation studies of emerging technology demonstration projects.

My educational qualifications include a Master of Science in Civil, Environmental, and Architectural Engineering with a specialty in Sustainable Building Energy Systems from the University of Colorado. I also have a Bachelor of Science in Mechanical Engineering and a Bachelor of Arts in Liberal Arts from the University of San Diego.

Q. **Are you a member of any professional organizations?**

A. Yes. I am a member of the Association of Energy Engineers ("AEE"). I hold two certifications from AEE including Certified Energy Manager ("CEM") and Certified Measurement and Verification Professional ("CMVP"). In addition, I am a Leadership in Energy and Environmental Design Accredited Professional ("LEED AP") from the U.S. Green Building Council. I am a certified Financial Modeling and Valuation Analyst ("FMVA") from the Corporate Finance Institute. I am also a licensed Professional Engineer ("PE") in the state of Colorado.

In addition to organizations, certifications, and professional license, I have several professional achievements that include thirty-two publications, fifteen software copyrights, one patent, and national awards.

Q. **Have you testified before in regulatory or legislative proceedings, either before the Oklahoma Corporation Commission ("Commission") or another regulatory body?**

A. No, this is my first time providing direct testimony in regulatory or legislative proceedings. However, I have advised, drafted testimony, and provided supporting documentation for utility staff that were providing direct testimony related to our program designs before the Virginia State Corporation Commission, the Public Service Commission of West Virginia, Indiana Utility Regulatory Commission Utility Oversight Board, and the California Public Utilities Commission. All were to support cost effectiveness analyses and program planning scenarios. My work has also been cited in several Technical Reference Manuals ("TRM") that have been submitted in regulatory proceedings including Illinois TRM, Indiana TRM, Mid-Atlantic TRM, and Texas TRM.

Q. On whose behalf are you testifying in this proceeding?

A. I am providing testimony on behalf of Oklahoma Gas and Electric Company ("OG&E" or "Company").

Q. **Are you sponsoring any exhibits and workpapers?**

A. Yes, I sponsor Direct Exhibit IM-1, Oklahoma Gas and Electric Company: 2025-2029 Demand Program Plan for Oklahoma ("OG&E Demand Program Plan"). In addition, once a protective order is executed in this Case, I will provide the confidential TRC Companies *ModelMaster* Program Design Model.

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

A. The purpose of my testimony is to review the cost-effectiveness of the energy efficiency ("EE") and demand response ("DR") measures included in the OG&E Demand Program Plan. Data inputs were developed by OG&E and TRC Companies and applied to the five cost-benefit tests that are required to weigh costs and benefits of demand-side management programs. These five tests are described in the California Standard Practice Manual and National Standard Practice Manual. I will also discuss the ways to measure and verify savings associated with the proposed EE and DR programs. I then describe OG&E's program cost input assumptions and provide the benefit-cost ratio results for each of the programs included in the Company's Demand Portfolio.

Q. **What tool did TRC Companies utilize to perform the cost benefit analysis?**

A. The analysis was conducted with TRC Companies *ModelMaster* Program Design Tool, a model TRC Companies developed specifically for DSM program planning and cost benefit analysis. The TRC Companies *ModelMaster* Program Design Tool is a proprietary, Excel-based model that utilizes information from TRMs and other industry accepted standards for measure attributes, historical participation trends to forecast future participation, avoided costs, and other relevant economic factors to accurately value the costs and benefits. *ModelMaster* has been independently reviewed by various utilities and third-party evaluation firms, including DNV and Applied Energy Group

("AEG"). The cost benefit calculations in the model are consistent with those found in The California Standard Practice Manual, which is utilized within the Commission's Demand Program Rules found at OAC 165:35-41.

FIVE ECONOMIC TESTS

Q. **Please summarize the basic process for assessing the opportunities from programs considered by OG&E.**

A. TRC Companies analyzed EE and DR opportunities for specific programs and employed a quantitative process, in which energy and demand impacts from estimated customer participation in such programs are examined using five cost-benefit tests. The two main tests used for evaluating OG&E's programs are the Total Resource Cost ("TRC") test and the Utility Cost Test ("UCT"). The other three tests are the Rate Impact Measure ("RIM") test, the Participant Cost Test ("PCT"), and the Societal Cost Test ("SCT").

The Rules for Demand Programs set forth a requirement that the portfolio must pass the TRC with a 1.00, and the UCT with a 1.20.[1]

Q. **Does the Commission require that all programs pass both the TRC and UCT?**

A. No, the Demand Program Rules allow for a lower threshold of cost-effectiveness for programs that address low-income and hard-to-reach customers.[2]

Q. **What is the basis for making exceptions when examining the TRC and UCT results?**

A. Educational program impacts are generally less predictable and more difficult, or costly, to measure relative to the savings potential. Education programs are also intended to help overcome market barriers and educate the market for EE and DR technologies.

OG&E is offering a weatherization program targeting income-qualified residential customers, as defined in the OG&E Demand Program Plan found in Direct Exhibit IM-1, in order to ensure that this important segment of customers has a

[1] OAC 165:35-41-8.

[2] OAC 165:35-41-5(3).

reasonable opportunity to participate in OG&E's demand portfolio offerings. Commission rules require the inclusion of programs for low-income and hard to reach customers and due to the higher barriers may have a lower threshold of cost effectiveness.[3] OG&E has worked to develop a program design intended to produce positive net benefits for this program. It is important that the particular barriers and the cost hurdles associated with this market – especially given the inclusion of health and safety measures, as supported by the findings of the Repair to Qualify Pilot, further described in the testimony of Company witness Jessica King – and accept the reality that while net benefits remain positive for both the TRC and the UCT, to ensure demand program adequately serves this residential customer segment, neither benefit-cost ratio is above a 1.0.

Q. **What OG&E data inputs did you use to evaluate OG&E's proposed programs?**

A. I used the same set of data inputs that are commonly required to evaluate and measure impacts and cost-effectiveness, including:

- Measure kW
- Measure kWh
- Number of Participants
- Customer Inducements
- Utility Administration Costs
- Incremental Customer Investment
- Program Measurement and Verification Costs
- Net-to-Gross estimates (free-ridership)
- OG&E operational factors (line losses, discount rates, etc.)

Q. **What was the source of the data for the measure characterization in TRC Companies' cost-effective model?**

A. Each measure was characterized by creating a typical scenario to represent common installations. The expected energy and demand savings, estimated useful life, and incremental cost were determined for each measure in each scenario. In order to provide

[3] OAC 165:35-41-4(b)(10).

a comprehensive assessment, TRC Companies relied upon a variety of sources, including the Arkansas TRM, the Texas TRM, Illinois TRM, and other industry accepted references. TRC Companies also worked with OG&E, DNV, and AEG to obtain evaluated past performance and participation data to include in the model.

Measures were then screened by the project team engineers and analysts using a comprehensive measure screening process that considered each measure's characteristics in order to determine if implementation would be cost-effective for both the utility and the customer. This process culminated in a finalized measure list, which served as the primary input for the participation forecasting process.

Q. **What was the source of data for each program's projected participation and inducement levels?**

A. Using the final measure calculations, TRC Companies developed the overall program forecasts and design. This process takes into consideration the selected measures, TRC Companies' implementation experience with other similar programs, and market profile to establish participation estimates by measure. These estimates were used to calculate the necessary inducement levels expected to achieve appropriate program savings. This work was also screened and revised as necessary, as outlined in the OG&E Demand Program Plan.

TRC Companies then benchmarked the estimated program savings and inducement levels with previously reported program results and potential estimates; this process included review of evaluations, annual reports, market surveys, market characterizations, and other relevant data.

Once all the measure-level and economic analysis was completed, TRC Companies was able to obtain finalized program- and portfolio-level savings estimates and spending requirements for the OG&E Demand Program Plan.

Q. **How was each program's rebate amount determined?**

A. TRC Companies and OG&E separately examined the proposed customer inducements and compared those inducements with those offered by other utilities and those offered

in previous years in OG&E's Demand Program Portfolio. The proposed customer inducements appear reasonable and are capable of motivating customers to invest in EE and DR projects in sufficient numbers to allow OG&E to reach its goals.

Q. **Does this potential effect of the pending Energy Independence and Security Act ("EISA") backstop affect the OG&E Demand Program Plan, particularly around standard lighting technologies and if so, how?**

A. Yes. All General Service Lighting ("GSL") LED measures have been removed from the OG&E Demand Program Plan due to the federal minimum efficiency standards and high market saturation of GSL LEDs. Savings reduction is most visible for the residential programs. TRC Companies and OG&E worked closely with DNV and AEG to accurately forecast the impacts of removing GSL LEDs from the OG&E Demand Program.

Q. **Are there any other modifications to the program plan, relative to prior years, which have significant impacts on proposed energy savings targets?**

A. Yes. The most significant modifications to the program plan in terms of impacts to the energy savings targets, in addition to the removal of GSL LED measures, are the inclusion of SmartHours and Business Demand Response Programs. SmartHours was introduced originally in 2010 to offer residential and small commercial customers the opportunity to combine dynamic pricing with in-home technology to enable customers to better manage their electricity usage and support system peak load management. SmartHours was first incorporated in OG&E's 2013-2025 Demand Portfolio Plan, approved by the Commission in Case No. PUD-201200134 Order No. 605737. In the nine years since SmartHours was last included in the Demand Portfolio, it has remained available to participating customers. The reasoning for the proposal to re-incorporate SmartHours in the Demand Portfolio is included in the Direct Testimony of Witness Jessica King, and a more detailed description of the program can be found in the OG&E Demand Program Plan. The proposed Business Demand Response Program would constitute a new customer offering, designed to provide inducements to medium and

large commercial and industrial customers for their capability to curtail load during periods of high wholesale market prices and/or system emergencies, as further described in the OG&E Demand Program Plan. These constitute the most significant proposed modifications to the Demand Portfolio, relative to the prior Program Cycle.

CONCLUSION

Q. **Do you have any closing remarks?**

A. Yes. In summary, there are a myriad of nuanced improvements and additions to the portfolio which are fully described in the OG&E Demand Program Plan, but the key changes are the removal of GSL LED measures from the 2025-2029 cycle, as well as the inclusion of SmartHours and addition of Business Demand Response, as further described in the testimony of Company witness Jessica King. The OG&E Demand Program Plan adheres to the methodologies for all five cost-benefit tests as outlined in the California Standard Practice Manual. In addition, the OG&E Demand Program Plan describes the delivery strategies and measures offered in each program and the savings characterizations and financial data presented in *ModelMaster* Program Design Tool fully and transparently reflect those details.

Q. **Does this conclude your testimony?**

A. Yes.

AFFIDAVIT

STATE OF Virginia)
)
COUNTY OF Roanoke)

On the 26 day of June 2024, before me appeared Ian Metzger, to me personally known, who, being by me first duly sworn, states that he is a Senior Director of Program Development and Innovation for TRC Companies and acknowledges that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge, and belief.

Print Ian Metzger

Signature Ian Metzger

Subscribed and sworn to before this 26 day of June, 2024.

Jake Edward Frac
Notary Public

My commission expires: 11-30-2027

Seal

JAKE EDWARD FRAC
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #7637136
My Commission Expires Nov. 30, 2027

DIRECT EXHIBIT IM-1

Oklahoma Gas & Electric Company

2025-2029 Demand Program Plan for Oklahoma

In Accordance with the Application Requirements

Title 165: Oklahoma Corporation Commission

Chapter 35. Electric Utility Rules

Subchapter 41. Demand Programs

165:35-41-4. Demand Portfolio Submission and Implementation

DATE June 30, 2024

PREPARED BY TRC

Table of Contents

Executive Summary

Regulatory and Statutory Context

In accordance with the rules established by the Oklahoma Corporation Commission (OCC), Oklahoma Gas and Electric Company (OG&E) with the guidance of a third-party administrator has developed the following Portfolio Plan (Plan) for program years 2025-29. The Plan complies with the requirements of OAC 165:35-41.

Moving Forward and Sustaining Excellence in 2025-2029

The 2025-2029 Plan targets cost-effective demand and energy impacts, with lifecycle energy savings of 8,644,590,174 kWh, culminating in a reduction of 337,472 kW of peak demand in 2029, at a total portfolio cost of $294,619,589.

The Demand Portfolio outlined in this Plan builds on the foundation established in prior program cycles to maintain the offerings that have delivered consistent, cost-effective energy savings to OG&E customers, while advancing these programs with several modifications intended to gain administrative efficiencies through enhanced cross-program coordination, address customers' evolving preferences, and adapt to changing market conditions. A summary of these proposed modifications is provided below:

- Deliver a **consistent approach to comprehensive residential retrofits** by integrating the (market-rate) Home Energy Efficiency Program (HEEP) – Residential Solutions channel with the (income-qualified) Weatherization Residential Assistance Program. With this Plan, these programs retain distinct budgets and energy savings goals to assure stakeholders of OG&E's commitment to achieving impacts with hard-to-reach customers. Income-qualified participants will continue to receive enhanced services and inducement levels for home upgrades; however, both programs will be delivered through an integrated approach, under a single customer-facing umbrella of Home Energy Solutions. This integration of internal processes and market-facing communications is intended to promote consistency in the menu of energy-saving products and services offered to all customers seeking comprehensive home energy improvements, and to ensure that all income-qualified customers receive the enhanced services and inducement levels for which they are eligible. It is also intended to facilitate coordination with the Inflation Reduction Act (IRA) Home Energy Rebate Programs expected to be launched and administered by the Oklahoma Department of Commerce throughout the planned program period. This alignment can be noted in Appendix B. Measure List.
- **Launch an online marketplace** in 2025 to complement the retail (in-store) implementation path for high-efficiency products under the HEEP – Consumer Products and the Commercial Energy Efficiency Program (CEEP) – Midstream Channel. The marketplace is expected to: 1) support customers located in rural and remote areas in accessing high-efficiency products, 2) improve customer satisfaction by accommodating preferences for quick and virtual program engagement, and 3) enable the timely and cost-effective introduction of new measures eligible for point-of-purchase discounts.
- **Expand the LivingWise channel** within HEEP from *Schools* Outreach to *Community* Outreach, enabling the program team to continue meaningful engagement with schools and expand impacts through partnerships with Oklahoma's small businesses and/or community organizations. The positive evaluation results and limited dependence on lighting savings demonstrated by the LivingWise channel in recent years suggests opportunity for expansion.
- **Transition the distinct program channels for HVAC Replacement & Tune-Ups** (HEEP and CEEP), **as well as Network Lighting Controls** (CEEP)**, and instead offer inducements for these measures under the remaining program channels**, as applicable and as reflected in

Appendix B. Measure List. As the program delivery team has gained experience promoting adoption of these measures, distinct program delivery channels are no longer required to encourage market uptake. This adjustment is anticipated to eliminate silos within the portfolio and promote a more holistic customer experience.

- **Further consolidate the CEEP program channels** by transitioning the Retro-Commissioning and Continuous Energy Improvement channels into program pathways under the robust CEEP – Commercial and Industrial (C&I) Solutions (CIS) channel. The former Schools and Government Efficiency (SAGE) channel will likewise retain its impacts under the CIS channel, in the form of a dedicated outreach strategy to deliver no-cost assessments and energy coaching for targeted C&I customer segments, which will include but not be limited to school and government customers. This adjustment is intended to eliminate silos within the portfolio, allow C&I customers to more seamlessly couple low- to no-cost operational savings with capital improvements, and enable flexibility over the program cycle to deliver targeted support to additional under-served or hard-to-reach C&I customer segments.
- To further enhance the CIS channel (CEEP), the **Custom pathway** will enable OG&E to encourage customers with high demand-reduction potential (and their service providers) to pursue **creative and high-impact projects under a reverse auction-style** program offering, described further in this plan.
- **Introduce new energy-saving measures to the portfolio under various program channels.** In an effort to promote continued achievement of cost-effective energy savings despite decreasing potential for high-efficiency lighting, OG&E conducted a thorough assessment of energy efficiency measures adopted across the country and proposes the inclusion of many new measures into the portfolio for the 2025-2029 cycle. Such measures include ENERGY STAR commercial kitchen equipment (e.g., combination ovens, dishwashers, freezers, etc.), advanced controls (e.g., demand-controlled kitchen ventilation, evaporator fan controls, and switched reluctance motors), and more high-efficiency home appliances and equipment (e.g., outlet and switch gaskets, smart plugs, smart switches, solar water heaters, etc.). See Appendix B. Measure List.
- **Most significantly, certain demand response and load modifying programs delivered by OG&E have been re-introduced to the Demand Portfolio with planned expansions.** Given the Company's capacity position detailed in its 2024 Integrated Resource Plan[1], OG&E is undertaking a dedicated effort to coordinate and maximize the impacts of its demand-side resources. Resultantly, the SmartHours Program[2] is incorporated in this Plan, as is a new Business Demand Response Program, designed to provide inducements to medium and large commercial and industrial customers for their capability to curtail load during periods of high wholesale market prices and/or system emergencies.

These enhancements are intended to significantly increase the capability of the Demand Portfolio to achieve avoided capacity, transmission, and distribution costs, while delivering more cohesive and comprehensive offerings to both residential and commercial customers seeking smarter energy solutions.

[1] https://www.oge.com/wps/wcm/connect/8b19b5cd-c985-4cbe-a974-0196f04f05f1/Final+OGE+2021+IRP+-+Oklahoma.pdf?MOD=AJPERES&CVID=nWhjhCN

[2] This program was introduced in 2010 to offer residential and small commercial customers the opportunity to combine dynamic pricing (Critical Peak Pricing and Time of Use) with in-home technology to enable customers to better manage their electricity usage and support system peak load management (described further in this Plan). Launched under the smart grid infrastructure investments approved by the Commission in 2010, SmartHours was first incorporated in OG&E's 2013-2015 Demand Portfolio Plan, approved by the Commission in Cause No. PUD-201200134 Order No. 605737. In the nine years since SmartHours was last included in the Demand Portfolio, it has remained available to participating customers.

Introduction

Core Goals for 2025-2029

This document includes descriptions of how each program design will help meet OG&E's goals as follows:

- Achieve energy and demand savings directly attributable to program activities
- Encourage long-term and permanent changes in behavior, attitudes, awareness, and knowledge about energy savings and use of energy efficient technologies
- Induce energy cost savings for the participants and do so cost-effectively
- Minimize the long-term cost of utility service

Program Offerings

The 2025-2029 Plan consists of six customer programs:

- Home Energy Efficiency Program (HEEP)
- Weatherization Residential Assistance Program (WRAP)
- SmartHours
- Commercial Energy Efficiency Program (CEEP)
- Business Demand Response (BDR)
- Energy Education

The CEEP, HEEP, and SmartHours programs contain program channels designed to address the specific and unique needs of certain customer segments within each sector.

OG&E and their third-party implementer(s) will devote dedicated program management and staff, as necessary, to successfully implement each Demand Program. Additionally, OG&E has a formal process to review the administration and the efficiency of each program and channel, including a monthly assessment of the performance, attainment of participation goals, and maintenance of budget for each program and channel.

Any amendments to the proposed Demand Programs made throughout the 2025-2029 cycle will be implemented in accordance with the rules as stated in OAC 165:35-41-5(e) regarding amendments.

OG&E proposes to recover program costs, lost net revenue, and performance-based incentives through the Energy Efficiency Program Rider (EEP).

Home Energy Efficiency Program (HEEP)

HEEP is a multipronged program that induces OG&E's Oklahoma residential customers to reduce energy consumption by implementing energy-efficient upgrades in their homes. Multiple participation channels provide residents with targeted pathways to take advantage of the program's offerings, aimed at improving customer engagement, measure adoption, and program savings. The program consists of the following channels:

- **Residential Solutions:** As the market-rate component of the Home Energy Solutions channel, Residential Solutions promotes energy efficiency (EE) by providing residents with low-cost home assessments, direct-install measures, community and educational outreach, and inducements for home retrofits. The channel also provides technical resources to contractors and other trade allies, who are integral to delivery. The inducements encourage participation by decreasing the upfront costs of assessments and EE upgrades to the envelope and mechanical systems in customers' homes.

- **Consumer Products:** This program channel offers rebates and point-of-purchase discounts for the purchase of efficient products, including lighting, power strips, and home appliances. To help customers offset a portion of the incremental cost associated with higher efficiency appliances and products, the program utilizes midstream and downstream inducements.
- **Positive Energy – New Home Construction (PE-NHC):** The New Construction program channel is designed to work with builders and contractors and induce them to include EE practices and measures when constructing new homes within the OG&E Oklahoma territory.
- **Community Outreach Program (LivingWise):** This program channel consists of direct outreach through partnerships with local schools. Energy saving kits and educational materials are provided to students explaining how they can improve EE at home. Teachers work directly with the program team to use the teaching aids and distribute the direct-install kits to their students. Students take the kits home and install the measures with the assistance of their parents while completing the accompanying educational materials. This program channel will retain a focus on 5th grade students while pursuing additional partnerships to enable expanded education and distribution of low-cost EE technologies.

Weatherization Residential Assistance Program (WRAP)

WRAP, as the income-qualified component of the Home Energy Solutions channel, promotes EE and helps to improve home comfort and reduce energy costs for qualifying residents by providing no-cost home assessments, direct-install measures, community and educational outreach, and inducements for home retrofits. Residential customers are eligible to receive enhanced services and inducements (including qualifying health and safety repairs) for these energy-saving measures (relative to market-rate offerings) under WRAP if they meet income qualification criteria established in the program guidelines.

SmartHours

SmartHours promotes peak load management and enables customers to better manage their electricity usage by providing residential and small commercial customers with inducements to reduce their consumption during times of high wholesale energy prices and/or system emergencies. Inducements are provided in the form of dynamic pricing for electricity, combined with in-home technology (i.e., smart thermostats and other controllable devices) to support customers' capabilities to curtail and/or shift their consumption to lower-cost times. The SmartHours program includes two primary channels:

- **Daily (formerly, Variable Peak Pricing)**: The SmartHours Daily channel is a multi-level dynamic pricing rate with critical price event (CPE) days offered to both residential and commercial customers. The rate encourages customers to reduce energy use during times of high stress on the electrical grid by increasing prices during defined hours designated as "on-peak." The on-peak window covers a five-hour period on weekdays. Actual prices during on-peak hours vary across established price levels (Low, Standard, High, Critical, or CPE), determined by OG&E based on day-ahead electricity prices, and communicated to customers by 5pm the previous day.
- **Fixed and Overnight (formerly, Time of Use)**: The SmartHours Fixed and Overnight channel similarly encourages residential and commercial customers to reduce their consumption during on-peak periods through higher on-peak prices. The time-based rates for on-peak, off-peak, and super-off-peak windows are established and applicable year-round, without the need for day-ahead notifications.

Commercial Energy Efficiency Program (CEEP)

CEEP is an umbrella-style program approach designed to address the needs of OG&E's commercial and industrial (C&I) customer base. Specifically, the program provides a variety of participation pathways for all C&I customers, which address a variety of unique participation barriers and technology challenges.

- **Commercial & Industrial Solutions (CIS):** This channel offers inducements through various pathways for customers to perform energy upgrades. Technical support is also provided to assist in project identification and development, including targeted assistance for customer segments experiencing unique, high barriers to energy efficiency, which may include but will not be limited to institutional and public sector customers.

- Prescriptive Path: The prescriptive path provides inducements for EE measures with predetermined savings and fixed inducement levels.
- Custom Path: The custom path gives participants an opportunity to achieve their specific EE goals by proposing measures and projects that may be outside of the prescriptive measure list. Proposed measures are evaluated for savings and costs, and an appropriate inducement amount is approved if the project is deemed cost-effective and compliant with program guidelines.
- Continuous Energy Improvement (CEI) Path**:** The CEI path involves deep engagement between program energy coaches and participating, large C&I customers to support participants in identifying and implementing opportunities for low- to no-cost savings, with an ultimate goal of leveraging the customer awareness and cost-savings gained from CEI to achieve deeper savings through the complementary CIS pathways.
- Retro-commissioning (RCx) Path: Like the CEI path, the RCx path supports customers in achieving low-cost energy savings as a gateway to pursue capital upgrades. Through the RCx channel, facilities that meet minimum size and energy consumption requirements work with qualified engineering service providers to holistically examine specific mechanical and production systems and implement cost-effective recommendations, such as compressed air leak repairs or scheduling adjustments to building energy management systems. Additionally, participants may receive recommendations for capital system improvements, which may be induced through the prescriptive and custom pathways.

- **Midstream***:* The Midstream channel offers point-of-sale inducements for qualified products to OG&E business customers through participating local and national retailers and distributors, as well as the online marketplace proposed to launch in 2025. This program aims to mitigate key barriers to adoption of EE products and equipment (including lack of participant awareness of EE alternatives, and high up-front, out-of-pocket costs) through earlier intervention in the supply chain.
- **Small Business Solutions (SBS):** The SBS program channel is targeted to OG&E small business customers that have an annual peak demand of 250 kW or less. The channel drives participation primarily through an extensive contractor network. Contractors may provide facility walk-throughs, direct installation of low-cost energy efficiency measures, and inducements for a suite of prescriptive EE measures. The SBS channel may also utilize kits of low-cost EE technologies and educational materials to expand impacts for rural and hard-to-reach businesses. SBS participants are also eligible to participate in the CIS channel if the customer's needs are beyond the scope of services outlined within this channel.

Business Demand Response (BDR)

The BDR Program is designed to achieve demand savings by providing medium and large C&I customers the resources necessary to identify and take advantage of DR opportunities. The BDR program implementer will conduct facility assessments to support customers in identifying opportunities to curtail and develop customized load reduction plans. This process may involve referral to/from the CIS program channel to leverage EE inducements for the installation of controllable building technologies. Through BDR, participants will commit to curtailing load during specified event periods when called upon by OG&E and will receive inducements for their demonstrated load reduction during times of high wholesale energy prices and/or system emergencies.

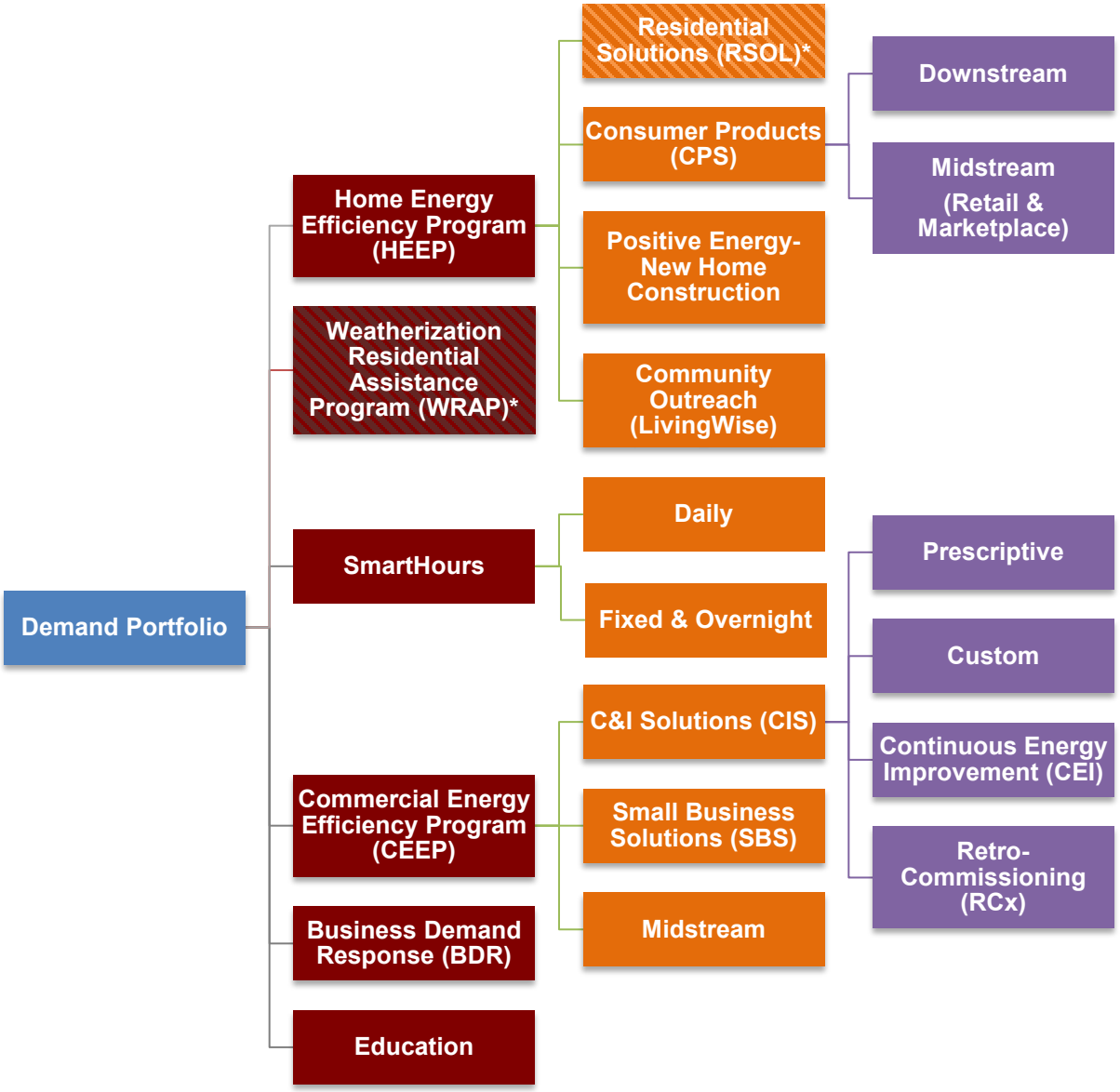
Education Programs

The Education Program is designed to help both residential and C&I customers make informed decisions about their long-term EE and demand management and participate in programs that will help them manage their energy costs. These goals may be achieved through a variety of initiatives that are anticipated to evolve over the course of the program cycle. Present areas of emphasis include:

- ***Continued commitment to creating a culture of energy awareness through sponsorship of high-impact events and organizations*** (e.g., home & garden, Thunder Mobile, trade shows)

- ***Enabling customer insights into their energy usage*** through data analytics, online portal(s), and targeted print and digital messaging.
- ***Development of cross-program promotional resources and tools*** to enhance customer and Trade Ally awareness of complimentary utility, state, regional, and national programs that have the potential to save energy, reduce peak demand, or otherwise reduce customers' bills or OG&E's costs to serve customers.

Figure 1. Portfolio Overview



**Co-delivered*

Summary

The below table summarizes the 2025-2029 Demand Program Plan.

Table 1 2025-2029 Portfolio Summary by Program

Program	Portfolio Cycle Cost	Portfolio Cycle Net Electricity Savings (kWh)	Portfolio Cycle Net Demand Reduction (kW)	Portfolio Cycle Project Participation	TRC	UCT
HEEP	$48,141,874	105,214,487	22,057	334,632	1.6	1.2
WRAP	$54,561,003	42,112,535	11,754	85,692	0.6	0.5
SmartHours*	$38,614,311	19,912,034	110,000	160,655	1.2	1.5
CEEP	$107,883,592	578,602,303	93,661	448,170	1.5	2.0
Business DR*	$26,337,831	0	100,000	100,000	1.3	1.3
Energy Education	$4,000,000					
Planning	$350,000					
R&D	$14,730,978					
Portfolio Total	$294,619,589	745,841,360	337,472	1,129,149	1.3	1.4

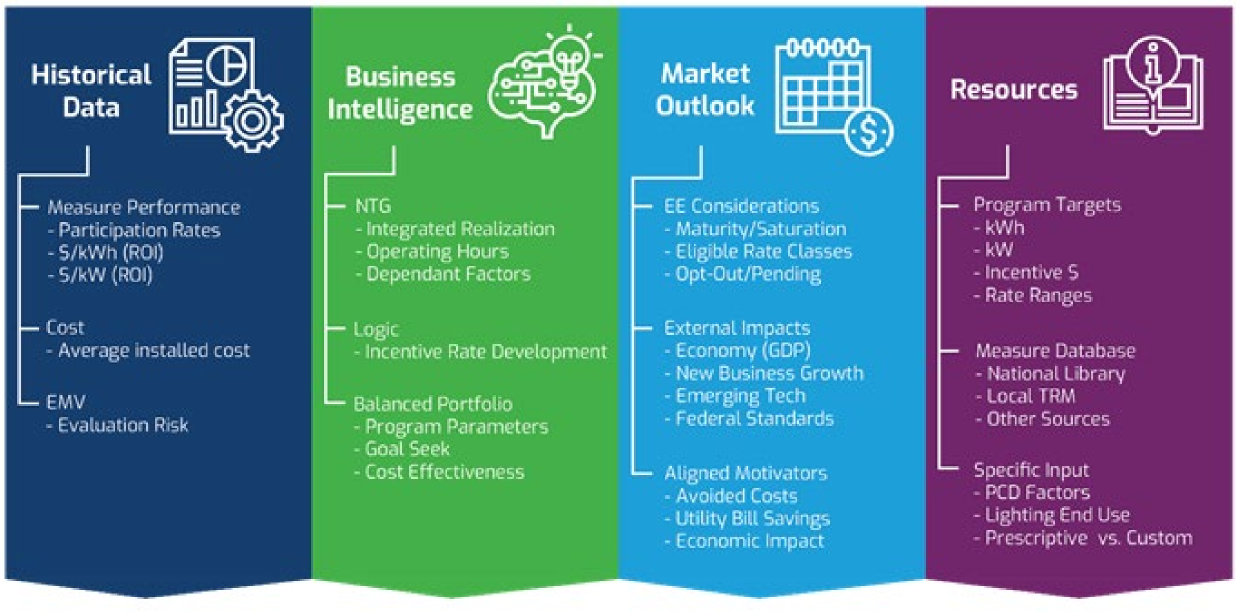
*Demand Response Program kW impacts represent total forecasted impacts in Program Year 2029 (as opposed to the sum of annual kW savings across the cycle), and Business DR participants represent 1 qualifying kW (as opposed to the number of participating customers).

Planning Methodology

OG&E contracted with TRC Companies (TRC) to assist in the development of its 2025-29 Plan. The following section documents the methodology utilized to complete the plan.

Designing a portfolio of demand-side management (DSM) programs capable of addressing the design objectives stipulated by OCC, as well as those identified by OG&E, requires a proven process paired with extensive field and industry experience. Through a collaborative and highly engaged process with OG&E staff, TRC developed this Plan using the methodology described below.

Figure 2 TRC's Approach to Energy Efficiency Program Planning



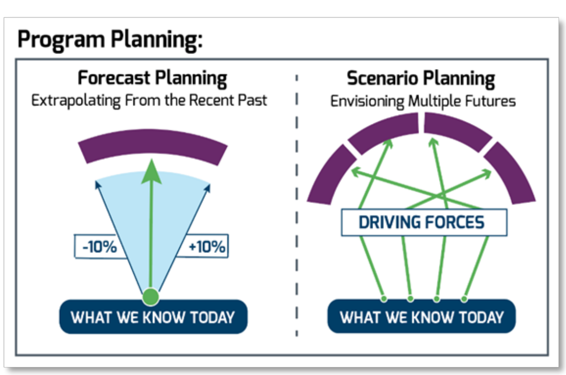
As shown in Figure 2, TRC undertakes the development of the program plan by assessing the best available data from multiple industry standard sources. This approach to program design begins with data collection and establishing a base case model. Industry standard data and modeling techniques are used to establish appropriate savings goals, participation rates, and program budgets. Projections of customer participation and energy and demand savings that serve as the basis for our program designs are realistic, achievable, and can be measured and verified to industry standards.

TRC uses proprietary ModelMaster software to deliver on our clients' program design needs. Utilities across the country use TRC's ModelMaster software to design and track portfolio-level program designs based on a comprehensive measure matrix.

The tool leverages information from Technical Resource Manuals (e.g., Arkansas TRM) for measure attributes and project tracking databases for historical participation trends. ModelMaster uses program goals, budgets, and avoided cost data as inputs to automatically simulate program designs with optimal inducement levels and program forecasts to maximize cost effectiveness results.

Recently implemented programs using* ModelMaster *have been proven to improve quality assurance, expedite processing turnarounds, exceed goals, and operate within budget.

Figure 3 ModelMaster Planning Capabilities



ModelMaster allows stakeholders to perform various analyses for program planning to get a more comprehensive understanding of how historical information and market forces can potentially influence program performance. Forecast planning analysis within ModelMaster uses historical performance data to project future performance with a prescribed confidence level to define uncertainty boundaries.

ModelMaster helps quantify uncertainty and assess risk. During the design process, ModelMaster simulates several iterations and what-if scenarios for comparison and sensitivity analysis. Scenario planning analysis within ModelMaster allows users to envision multiple future potential outcomes depending on assumption ranges defined for various market forces.

This program plan also incorporates local market knowledge, experience implementing similar programs, market baselines and saturations, and Oklahoma-specific references for the modeled portfolio enhancements. Specifically, we reviewed and analyzed the following references to construct measure attributes, program goals, participant forecasts, and cost effectiveness:

- Requirements of OAC 165:35-41
- Oklahoma Corporation Commission (OCC) Cause No. PUD 202100121
- OG&E Integrated Resource Plan
- Energy Efficiency Program and SmartHours Annual M&V Reports
- 2022-2024 Demand Program Plan for Oklahoma
- 2022 AEG Demand Portfolio Market Analysis and supplemental national and regional market potential studies
- Arkansas TRM, Texas TRM, Illinois TRM, and DEER Workpapers for additional measure attributes
- TRC's workflow management system—Captures measure attributes and participation trends for custom measures
- EIA Form 861 and FERC Form 1 for historical customer counts, usage, energy sales, peak demand, and program impacts
- National Oceanic and Atmospheric Administration weather data for Oklahoma weather stations
- Business Demand Response Program plans and evaluation reports of regional peers
- 2023 Berkeley Lab Policy Brief: The use of price-based demand response as a resource in electricity system planning

Proposed measures were screened by TRC's project team engineers and analysts using a comprehensive measure screening process that considered each measure's characteristics to gauge their cost-effectiveness on behalf of both the utility and the customer.

Historical total measure level savings are based on 2022 and 2023 measure-level ex ante kWh and kW savings from OG&E's tracking database. Savings estimates conform to the AR TRM and a minority of

measures cite other sources for the respective ex-ante expected savings estimates. Historical number of participants are also based on OG&E's 2022 and 2023 measure level tracking data. For new measures, the plan used assumptions based on the historical participation rates for similar measures. Historical net-to-gross ratios were based on previous evaluations. Effective useful life assumptions are primarily based on the AR TRM and other appropriate sources for the minority of measures that are not included in the AR TRM.

Program budgets were developed with separate and distinct inducement levels, consultant administrative costs, utility administrative costs, evaluation costs, marketing costs, and other categorized costs, as necessary.

Inducement structures can vary widely depending on the market sector, application, delivery type, or technology. ModelMaster has built-in capabilities to compare multiple inducement models, such as:

Table 2 ModelMaster Inducement Models

Inducement Strategy	Driving Metric
Maximize 1st Year Savings	$/kWh
Prioritize Lifecycle Savings	$/kWh & EUL
Overcome Cost Hurdles	% of incremental cost
Customer Centric	Simple payback target
Market Transformation	Tiers based on system efficiency
Net Benefits	Return on investment

TRC's national implementation experience and market research were used to establish participation estimates by measure. These estimates were used to calculate the necessary inducement levels expected to achieve appropriate program savings. This work was also screened for cost-effectiveness and revised as necessary. Once all measure-level and economic analyses were completed, TRC ascertained final program and portfolio-level savings estimates and spending requirements for the Plan.

ModelMaster cost effectiveness test calculation methodology follows the National Standard Practice Manual for Assessing Cost-Effectiveness of Energy Efficiency Resources and the California Standards Practice Manual for Economic Analysis of Demand-Side Programs and Projects. This methodology provides the calculations of benefits and costs for five different tests, including: Participant Cost Test (PCT), Ratepayer Impact Measure (RIM), Program Administrator Cost (PAC) which is also known as Utility Cost Test (UCT), Total Resource Cost (TRC), Societal Cost Test (SCT), and more general Resource Value Test (RVT). All tests are calculated at the measure-level, program-level, and portfolio-level to ensure the highest level of transparency and confidence in the program design. Detailed program implementation strategies are recommended for the most cost-effective staffing levels to oversee successful implementation of the plan and provide a strategy for using Oklahoma-based resources with relevant expertise. TRC reviewed regulatory evaluation strategies to analyze, identify, and recommend energy and demand savings for each program based on existing evaluation, measurement, and verification (EM&V) results, or accepted engineering practices. TRC has also worked closely with OG&E to ensure that the required documentation and supporting testimony complies with all components stipulated in OAC 165:35-41, sections 4-6, and other relevant EE rules.

Programs

Home Energy Efficiency Program (HEEP)

The HEEP program offering is a multi-channel approach that is designed to induce residential customers to reduce the energy consumption of their homes, through educational opportunities and financial inducements. It provides customers with multiple avenues for participation, including home assessments, HVAC replacement and tune-ups and consumer product offerings, resulting in increased customer engagement, greater measure adoption, and increased program savings.

Channels

Channel Name
Residential Solutions
Objective
The objective of this channel is to provide comprehensive home energy solutions including home energy assessments, direct-install measures, and inducements for equipment retrofits. This channel will be implemented by a qualified service provider or service providers to promote a consistent and high-quality customer experience.
General Services Description
The channel promotes energy efficiency by offering low-to-no-cost home assessments to both detached single family and individually metered multifamily residential customers. The channel will help residents achieve electric savings through a consultation with a qualified service provider. The service provider will analyze the customer's energy use, directly install certain energy saving measures at the participant's home, identify further EE and DR opportunities that may be eligible for inducements, and guide the customer to appropriate program resources to pursue opportunities of interest. Key elements of the HEEP Residential Solutions channel include: • *Customer engagement*: A variety of customer intake channels will be made available, including phone, email, and web, in addition to proactive customer outreach activities including mass-marketing and community outreach. • *Service providers*: These individuals will be available to participants and potential participants in the channel to provide information on the benefits and costs of EE upgrades. They will have the knowledge to discuss the potential options customers have and assist in defining the best path for them to take based on their individual needs. • *Inducement application*: Applications will be developed for the customer by the service provider and submitted to the channel implementer for installed eligible measures. The implementer will conduct a QA/QC review of all applications to ensure that all required information and documentation has been provided and is compliant with program guidelines. • *Inducement payment*: Service providers will receive inducement payments for approved applications of completed, eligible measures. Customers may receive inducement payments on a case-by-case basis if it is deemed necessary and compliant with program guidelines. • *Project verification & quality assurance*: A detailed QA/QC protocol will be established to ensure compliance by participating service providers.
Target Markets and Barriers
This channel is targeted at the roughly 700,000 residential households within the OG&E Oklahoma territory – specifically those that are just beginning their EE journey and/or seeking comprehensive support to make home improvements and achieve energy savings. This channel is intended to assist in overcoming the major barriers commonly encountered when implementing EE for residential customers. These barriers include: • *Limited customer understanding of EE opportunities and associated benefits* - This channel will inform participants of the opportunities and benefits of pursuing EE projects specific to their home and individual needs. By engaging with customers at every step of the process, OG&E will promote customer satisfaction and education throughout participation. • *Perceived high initial cost to EE* - OG&E will provide measure-based inducements to lower the upfront investment required from customers. The channel will also provide the direct installation of a subset of EE measures at no out-of-pocket cost to the customer. • *Limited contractor knowledge or experience in EE* - OG&E will identify, engage, train, qualify, and continuously support select service providers, as a subset of the broader Trade Ally (TA)

Network, in order to promote awareness and availability of EE opportunities and inducements through OG&E programs. These efforts will promote skilled and program-compliant delivery of projects, increase overall EE knowledge within the contractor community, and drive additional business opportunities for participating contractors. • *Increased work for customers and contractors due to complicated participation processes* - The implementation team will provide a simple and accessible application submission and processing solution to improve the efficiency and visibility of project inducement processing.
New Enhancements and Stakeholder Feedback
• *Cross-Program Coordination* – Beginning in 2025, the Residential Solutions channel will be delivered in close coordination with WRAP in order to promote consistency in the menu of energy-saving products and services offered to all customers seeking comprehensive home energy improvements, and to ensure that all income-qualified customers receive the enhanced services and inducement levels for which they are eligible. Further, the program implementer will provide training and resources to service providers participating in the Residential Solutions channel to enable them to support customers in enrolling in SmartHours and leveraging complementary rebate opportunities that may be available through the Oklahoma Department of Commerce or other implementers. • *New Measures* – In order to continue to provide customers with a diverse suite of EE opportunities, the measure list has been expanded to include ENERGY STAR residential freezers and refrigerators, occupancy sensors, smart home appliances, and more.
Eligible Measures and Inducements
For eligible measures list please see appendices.

Name
Consumer Products
Objective
The Consumer Products channel provides customers with rebates and point-of-purchase inducements on select efficient products, including lighting, power strips, and home appliances. The goal is to help customers offset a portion of the incremental cost associated with higher efficiency appliances and products, utilizing both downstream and midstream inducements. This channel also seeks to develop and educate a capable network of retail partners and Trade Allies (TAs) to deliver EE products and services to OG&E's residential customers.
General Services Description
The channel aims to influence customers' purchasing decisions toward higher-efficiency equipment and products. Inducements are provided midstream and downstream for a range of technologies. Through the midstream path, marketing collateral on special pricing as well as benefits associated with higher efficiency appliances and products is displayed at the physical or digital location of purchase. Customers can compare options and benefits; and inducements for efficient products are meant to buy down the price to a level that is influential over the purchase decision. Beginning this program cycle, midstream inducements are also planned to be offered through OG&E's online marketplace. Through the downstream path, customers have the option to purchase qualifying equipment from any retailer or contractor of their choice and complete a simple online application process upon project completion to receive their rebate. This pathway promotes flexibility, particularly for customers who may be located remotely, reluctant to provide personal information to retail partners or TAs, or who hold preferences for equipment or service providers that may not yet be engaged in partnership with the program. This channel may also leverage food banks to offer ENERGY STAR products to patrons.
Target Markets and Barriers

This channel is targeted at the roughly 700,000 residential households within the OG&E Oklahoma territory – specifically those who are in the market for a particular home product or products. This channel is intended to assist in overcoming the major barriers commonly encountered when implementing EE for residential customers. These barriers include: • *Limited customer understanding of EE opportunities and associated benefits* - This channel promotes customer awareness of EE opportunities and associated benefits via mass marketing and at the point of purchase through signage at retail or digital locations. The rebate application completed by customers participating in the downstream path also incorporates messaging to educate customers on the benefits of their EE purchase and additional EE and DR opportunities. • *Perceived high initial cost to EE* – Whether applied at the point-of-purchase (midstream) or as a rebate to eligible customers (downstream), the inducements offered through this channel offset a portion of the incremental cost associated with higher efficiency appliances and products, making the purchasing decision more attractive for qualifying products.
New Enhancements and Stakeholder Feedback
• *Online Marketplace* - The Consumer Products channel is planned to expand to include an online store. • *Expand Retail Partner Network* – The program implementer will continue efforts to engage additional retail partners, particularly those serving remote and otherwise hard-to-reach customers. • *TA Network* – The program implementer will continue efforts to engage and qualify contractors and service providers who install EE products and equipment for residential customers. • *Coordination with SmartHours* – The benefits of participation in SmartHours will be promoted to customers engaged via the Consumer Products channel to provide additional inducements toward the purchase of controllable EE technologies. • *Web Enhancements* – Historically, the OG&E HEEP website has primarily guided customers toward participation in the Residential Solutions channel or A/C tune-ups. The program website will continue to encourage customers to pursue home energy assessments and comprehensive retrofits, but it will also enable customers to more easily browse high-efficiency products and equipment, learn about associated benefits and inducements, and identify retailers and contractors qualified to support customers in accessing particular EE technologies of interest.
Eligible Measures and Inducements
For eligible measures list please see appendices.

Name
Positive Energy – New Home Construction (PE-NHC)
Objective
The PE-NHC channel promotes the design and construction of high-efficiency new homes in the OG&E territory through education and financial inducements.
General Services Description
The PE-NHC channel provides inducements for the construction of new ENERGY STAR® certified, Department of Energy (DOE) Zero Energy Ready, and other high-efficiency qualified homes. To qualify for whole-home inducements, homes must achieve measurable energy savings (subject to minimum thresholds) over applicable code baseline using RESNET-approved energy modeling

software. Inducements may also be earned by meeting minimum prescriptive technology requirements such as high-efficiency HVAC systems and other efficient appliances.

Target Markets and Barriers

This channel will target single- and multifamily homes through collaboration with builders and RESNET® HERS® Raters. It will also target new manufactured homes through ENERGY STAR Partner manufactured homes plants.

This channel is intended to assist in overcoming the major barriers commonly encountered in achieving high-efficiency new home construction in a market with similar demographics as displayed within the OG&E territory. The specific barriers addressed include:

- *Limited builder and contractor knowledge of benefits of EE construction*: The program is designed to engage local builders and contractors and provide continual training and educational materials on the benefits of EE, including program inducements, applicable tax credits, and additional benefits.
- *Complicated participation and application requirements*: The implementation team will provide a simple and accessible application submission and processing solution to improve the efficiency and visibility of project inducement processing.
- *Limited knowledge of (and demand for) the benefits of EE homes among residents*: The implementation team will provide builders and contractors with resources to support them in educating potential customers on the benefits of purchasing EE homes. The PE-NHC channel will also showcase high-performing builders in order to foster demand among customers of high-efficiency new homes and to encourage builders to pursue market-leading practices, beyond minimum-qualifying standards.

New Enhancements and Stakeholder Feedback

- *Support and leverage complementary regional initiatives and resources* – The implementation team will deepen efforts to coordinate with local organizations educating builders and other stakeholders on the benefits of EE new construction, including the South-Central Partnership for Energy Efficiency as a Resource (SPEER), as well as any initiatives that the state of Oklahoma may pursue to promote EE workforce development. Such coordination is expected to increase program participation while providing efficiencies in program administration.
- *Increase focus on manufactured homes* – The implementation team will seek out ENERGY STAR Partner manufactured homes plants and distributors to more effectively address this significant segment of OG&E's residential new construction market.
- *Revamp incentive structure to promote market-transformation while maintaining cost-effectiveness* – To address the free-ridership concerns noted in the OG&E Oklahoma Comprehensive Demand Program Portfolio Evaluation 2023, the program implementer will refine the market-facing incentive structure to encourage builders to leverage alternative funding sources (e.g., tax incentives for EE new homes) to maintain the efficient building practices driven by the PE-NHC channel over prior program cycles, while offering enhanced incentives for builders pursuing market-leading EE practices.

Eligible Measures and Inducements

For eligible measures list please see appendices.

Channel Name
Community Outreach (LivingWise)
Objective

This channel is targeted at community institutions that support continued engagement with targeted participants (such as K-12 students) and is designed to provide them with an opportunity to learn about EE opportunities in their homes and to access to select EE products at low to no cost.

General Services Description

This channel includes an established curriculum for K-8 students that teachers use to make their students aware of energy-saving opportunities. In this program cycle, additional educational materials may be deployed to serve participants via alternative institutions such as high schools and community organizations.

Following this targeted educational engagement, participants are provided with a LivingWise kit, including various low-cost and easy-to-install EE products, which may include but will not be limited to specialty LEDs and LED night lights, advanced power strips, faucet aerators, low-flow showerheads, weatherization products, and educational materials on EE for the home and community. Participants take the LivingWise kit home and install the measures with the assistance of their parent or guardian.

After completion of the curriculum, participants may also receive a certificate of achievement and/or limited inducements for participating in the channel and completing a survey.

Target Markets and Barriers

This channel is targeted at the roughly 700,000 residential households in the OG&E Oklahoma territory – specifically, via K-12 schools and other community institutions that can support continued engagement with targeted participants.

The channel looks to overcome barriers in the residential market, including:

- *Limited customer understanding of EE opportunities and associated benefits* - This channel will inform participants of the opportunities and benefits of pursuing EE projects in their homes and enable them to undertake low-to-no-cost, and low-effort first steps in their EE journey. By engaging with students, OG&E seeks to promote long-term engagement with residential customers.

New Enhancements and Stakeholder Feedback

- *Explore expansion opportunities with other community institutions* – Building on the successful engagement in past years and positive recent evaluation results, the implementation team will seek to expand and adapt the LivingWise model to additional community institutions who may be willing and interested, including but not limited to high schools.
- *Incorporate peak load modifying education and initiatives* – As the SmartHours Program is re-incorporated into the Demand Portfolio, the Community Outreach channel presents a high-potential opportunity to educate students about key concepts such as: demand vs energy consumption; peak demand; the benefits of peak load management for the grid, environment, and home; and the capabilities of particular EE technologies to enable DR.

Eligible Measures

For eligible measures list please see appendices.

Tables and Budget

Table 3 - HEEP Budget

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
HEEP	Residential	2025	$2,748,100	$337,500	$248,705	$233,809	$4,193,767	$7,761,882
HEEP	Residential	2026	$3,510,698	$337,500	$273,693	$298,691	$5,357,538	$9,778,120
HEEP	Residential	2027	$3,587,934	$337,500	$279,041	$305,263	$5,475,404	$9,985,140
HEEP	Residential	2028	$3,666,868	$337,500	$287,724	$311,978	$5,595,862	$10,199,933
HEEP	Residential	2029	$3,747,539	$337,500	$293,947	$318,842	$5,718,971	$10,416,799
HEEP	Residential	Total	$17,261,139	$1,687,500	$1,383,109	$1,468,584	$26,341,542	$48,141,874

Table 4 - HEEP Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
HEEP	Residential	2025	17,535,748	3,676	268,207,657
HEEP	Residential	2026	21,919,685	4,595	335,259,572
HEEP	Residential	2027	21,919,685	4,595	335,259,572
HEEP	Residential	2028	21,919,685	4,595	335,259,572
HEEP	Residential	2029	21,919,685	4,595	335,259,572
HEEP	Residential	Total	105,214,487	22,057	1,609,245,944

Table 5 - HEEP Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
HEEP	Residential	55,772	69,715	69,715	69,715	69,715	334,632

Table 6 - HEEP Benefit-Cost Ratios

Program	Rate Class	Program Year	TRC	UCT	RIM	PCT	SCT
HEEP	Residential	2025	1.7	1.3	0.3	7.1	5.6
HEEP	Residential	2026	1.7	1.3	0.3	7.0	5.5
HEEP	Residential	2027	1.6	1.2	0.3	6.9	5.4
HEEP	Residential	2028	1.6	1.2	0.3	6.7	5.3
HEEP	Residential	2029	1.6	1.2	0.3	6.6	5.2
HEEP	Residential	All	1.6	1.2	0.3	6.9	5.4

Evaluation, Measurement & Verification (EM&V) Methodology

OG&E will verify the accuracy and complete installation of measures to ensure projects meet program standards. A sample of participant homes will receive QA/QC inspections from OG&E staff or third-party QA/QC contractors to ensure installation is complete and inputs to energy and demand savings calculations are properly recorded.

OG&E will contract with a third party, independent entity to perform evaluation, measurement, and verification activities. Measurement and verification for HEEP will rely primarily on engineering review and virtual verification for a sample of completed projects. The sample will be designed to allow for an analysis of program level gross impacts with ±10% relative precision at the 90% confidence level. For projects that are sampled, the evaluator will conduct an engineering review of all project documentation and savings estimates. The evaluator will check for the appropriate use of deemed savings values and engineering algorithms. While the primary EM&V activities will include engineering review and verification, other activities could be employed including billing analysis, spot metering or measurement, or building modeling. Regardless of the approach, the evaluator will provide statistically valid estimates of annual energy (kWh) and peak demand (kW) savings estimates at the program level.

In addition to the activities described above for determining program impacts on energy consumption and peak demand, the evaluator will conduct process evaluation activities including surveys with program participants and TAs to assess program processes, customer decision making, and customer feedback. Interviews with program staff will also be conducted to provide input regarding program operations and any potential areas for program improvement.

Prior to the launch of the program cycle, OG&E will facilitate a process for the selected program implementer(s) and evaluator(s) to collaborate on the development of a list – to be approved by OG&E – of prescriptive EE measures, their qualification criteria, and key attributes (e.g., kWh savings, kW savings, effective useful life), drawing primarily from the Arkansas TRM and other defensible technical resources that have been developed and made publicly available, based on technical expertise and engagement of relevant EE stakeholders. Program implementer(s) and evaluator(s) will also recommend channel-level net-to-gross (NTG) ratios for OG&E approval. These approved metrics will govern the impact evaluation of such measures and programs for the program cycle. As EM&V activities are conducted on an ongoing basis throughout the program cycle, the program evaluator(s) will recommend modifications to particular prescriptive measure attributes and NTG ratios, as appropriate, based on their findings and supported by

industry benchmarks and best practices. Such recommendations will be reviewed by OG&E, with opportunity for program implementers and additional program stakeholders to provide comment and supporting information. Any recommendations that are adopted by OG&E in a given program year will be applied proactively to all measures installed and approved for inducement in the following program year, and on a go-forward basis. Adjustments to these guiding materials may also be expeditiously recommended, approved, and applied on a go-forward basis mid-year as deemed appropriate by OG&E. Findings from impact evaluation activities (e.g., desk reviews, field inspections, interviews, etc.) may be applied to the evaluation of reported savings on a retroactive basis only when they reveal deviation from agreed-upon measure characteristics or program processes in implementation. The purpose of this process will be to ensure consistent, high-quality, and transparent evaluation of qualifying projects, with consistent and well-defined opportunities for collaborative enhancement of program delivery and evaluation. The evaluator will work with OG&E to develop a 5-year evaluation schedule and reporting structure for program channels, to ensure that all commission requirements are met, while minimizing the administrative burden on programs and impacts to participants.

Weatherization Residential Assistance Program (WRAP)

WRAP promotes EE and helps to improve home comfort and reduce energy costs for qualifying residents by providing no-cost home assessments, direct-install measures, community and educational outreach, and inducements for home retrofits, including qualifying health and safety repairs. Residential customers are eligible to receive enhanced services and inducements for these energy-saving measures (relative to market-rate offerings) under WRAP if they meet income qualification criteria established in the program guidelines.

Program Name
Weatherization Residential Assistance Program (WRAP)
Objective
The objective of this program is to provide comprehensive home energy solutions including home energy assessments, direct-install measures, and inducements for equipment retrofits. While promoting EE, WRAP seeks to improve home comfort and reduce energy costs for qualifying residents.
General Services Description
The program promotes EE by offering no-cost home assessments to both detached single family and individually metered multifamily income-qualified residential customers. Customers interested in participating in WRAP will undergo pre-screening for income eligibility and location within the OG&E service territory. After review, the customer will schedule an assessment of the home. Through the assessment, an OG&E representative will analyze the customer's energy use and examine the health, safety, economic, and technical requirements necessary to determine the direct-install measures best suited to the participant's home, including those that improve the thermal envelope of the dwelling, thereby decreasing the amount of energy consumed and improving the comfort and safety of the home. The program representative will then identify further EE and DR opportunities that may qualify for inducements, review the recommended action plan for the customer's home with the customer, and guide the customer to appropriate program resources to pursue opportunities of interest. Key elements of WRAP include: • *Customer engagement*: A variety of customer intake channels will be made available, including phone, email, and web, in addition to proactive customer outreach activities including mass-marketing and community outreach. • *Service providers*: These individuals will be available to participants and potential participants in the channel to provide information on the benefits and costs of EE upgrades. They will have the knowledge to discuss the potential options customers have and assist in defining the best path for them to take based on their individual needs. Program service provider(s) who serve WRAP customers will be required to undergo program training and consent to

additional program terms beyond those required of the broader network of TAs, in order to provide an added degree of quality control and program oversight.

- *Inducement application*: Applications will be developed for the customer and submitted to the channel implementer for installed eligible measures. The implementer will conduct a QA/QC review of all applications to ensure that all required information and documentation has been provided and is compliant with program guidelines.
- *Inducement payment*: Service provider(s) will receive payment checks for approved applications of completed, eligible measures. Customers may receive payment checks on a case-by-case basis if it is deemed necessary and compliant with program guidelines.
- *Project verification & quality assurance*: A detailed QA/QC protocol will be established to ensure compliance by participating service provider(s).

Target Markets and Barriers

This program is targeted at the residential households within the OG&E territory who meet the program's income qualification criteria. Presently, residential customers may qualify for WRAP if they own, rent, or lease their single-family home, duplex, or mobile home and who have incomes at or below $60,000, or if they own multifamily units of which 66% are occupied by "hard-to-reach customers" as defined by OAC 165:35-41-3. These qualifications may be revised if deemed advisable to facilitate coordination with other income-qualified home energy rebate programs available in the market or otherwise address market need; any revisions will remain compliance with the EE program rules.

Based on the findings of the Repair to Qualify pilot unconducted under the prior program cycle, WRAP will incorporate limited incentives for qualifying health and safety repairs that are deemed necessary or advisable for WRAP participants to complete EE upgrades. While OG&E seeks to minimize instances in which customers are deferred or deemed ineligible for WRAP participation, there are restrictions that may prevent the implementation team from serving an otherwise-qualifying customer, which may include but are not limited to unvented space heaters or open-flame heaters as a main source of home heat.

This program is intended to assist in overcoming the major barriers commonly encountered when implementing EE for income-qualified residential customers. These barriers include:

- *Limited customer understanding of EE opportunities and associated benefits* - This program will inform participants of the opportunities and benefits of pursuing energy efficiency projects specific to their home and individual needs. By engaging with customers at every step of the process, OG&E will promote customer satisfaction and education throughout participation.
- *Perceived high initial cost to EE and lack of available financing* – Qualifying WRAP participants are often on fixed incomes with limited access to credit. OG&E will provide enhanced measure-based inducements (relative to those available to market-rate customers) to minimize or eliminate the upfront investment required from customers, which may involve layering additional rebates or financing opportunities available through the state or other program implementers. The channel will also provide the direct installation of a subset of EE measures at no out-of-pocket cost to the customer.
- *Limited contractor knowledge or experience in EE* - OG&E will identify, engage, train, qualify, and continuously support select service providers, as a subset of the broader Trade Ally (TA) Network in order to promote awareness and availability of EE opportunities and inducements through OG&E programs. These efforts will promote skilled and program-compliant delivery of projects, increase overall EE knowledge within the contractor community, and drive additional business opportunities for participating contractors.
- *Increased work for customers and contractors due to complicated participation processes* - The implementation team will provide a simple and accessible application submission and processing solution to improve the efficiency and visibility of project inducement processing.

- *Split incentive between landlords and tenants:* In cases where a participant does not own their home, they have no equity stake in upgrades made to the property, while the property owner sees no direct energy benefits from paying for the upgrades. By engaging directly with property owners, WRAP addresses this barrier to provide certain EE upgrades at no cost.

New Enhancements and Stakeholder Feedback

- *Cross-Program Coordination* – Beginning in 2025, WRAP will be delivered in close coordination with the HEEP – Residential Solutions channel in order to promote consistency in the menu of energy-saving products and services offered to all customers seeking comprehensive home energy improvements, and to ensure that all income-qualified customers receive the enhanced services and inducement levels for which they are eligible – including qualifying health and safety repairs. Further, the program implementer will provide training and resources to service providers participating in the WRAP channel to enable them to support customers in enrolling in SmartHours and leveraging complementary rebate opportunities that may be available through the Oklahoma Department of Commerce or other implementers.
- *New Measures* – In order to continue to provide customers with a diverse suite of EE opportunities, the measure list has been expanded to include ENERGY STAR residential freezers and refrigerators, occupancy sensors, smart home appliances, and more.
- *Eligibility for limited use of program funds for fuel-switching* – In this program cycle, OG&E is requesting a limited waiver to Commission rules regarding fuel-switching to allow for the use of limited program funds to support safe and cost-effective replacement of open flame and unvented space heaters. Additional information is provided in the testimony of Company witness Jessica King.

Eligible Measures and Inducements

For eligible measures list please see appendices.

Tables and Budget

Table 7 - WRAP Budget

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
WRAP	Residential	2025	$490,669	$337,500	$248,705	$151,750	$9,181,727	$10,410,350
WRAP	Residential	2026	$501,464	$337,500	$273,693	$193,860	$9,383,725	$10,690,241
WRAP	Residential	2027	$512,496	$337,500	$279,041	$198,125	$9,590,167	$10,917,328
WRAP	Residential	2028	$523,771	$337,500	$287,724	$202,484	$9,801,150	$11,152,629
WRAP	Residential	2029	$535,294	$337,500	$293,947	$206,938	$10,016,776	$11,390,455
WRAP	Residential	Total	$2,563,693	$1,687,500	$1,383,109	$953,157	$47,973,544	$54,561,003

Table 8 - WRAP Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
WRAP	Residential	2025	8,422,507	2,351	133,872,521
WRAP	Residential	2026	8,422,507	2,351	133,872,521
WRAP	Residential	2027	8,422,507	2,351	133,872,521
WRAP	Residential	2028	8,422,507	2,351	133,872,521
WRAP	Residential	2029	8,422,507	2,351	133,872,521
WRAP	Residential	Total	42,112,535	11,754	669,362,603

Table 9 - WRAP Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
WRAP	Residential	17,138	17,138	17,138	17,138	17,138	85,692

Table 10 - WRAP Benefit-Cost Ratios

Program	Rate Class	Program Year	TRC	UCT	RIM	PCT	SCT
WRAP	Residential	2025	0.6	0.5	0.2	2.9	2.7
WRAP	Residential	2026	0.6	0.5	0.2	2.8	2.6
WRAP	Residential	2027	0.6	0.5	0.2	2.8	2.5
WRAP	Residential	2028	0.6	0.5	0.2	2.8	2.5
WRAP	Residential	2029	0.6	0.5	0.2	2.7	2.4
WRAP	Residential	Total	0.6	0.5	0.2	2.8	2.6

EM&V Methodology

OG&E will verify the accuracy and complete installation of measures to ensure projects meet program standards. A sample of participant homes will receive QA/QC inspections from OG&E staff or third-party QA/QC contractors to ensure installation is complete and inputs to energy and demand savings calculations are properly recorded.

OG&E will contract with a third party, independent entity to perform evaluation, measurement, and verification activities. Measurement and verification for WRAP will rely primarily on engineering review and virtual or on-site verification for a sample of completed projects. The sample will be designed to allow for an analysis of program level gross impacts with ±10% relative precision at the 90% confidence level. For projects that are sampled, the evaluator will conduct an engineering review of all project documentation and savings estimates. The evaluator will check for the appropriate use of deemed savings values and engineering algorithms. While the primary EM&V activities will include engineering review and verification, other activities could be employed including billing analysis, spot metering or measurement, or building modeling. Regardless of the approach, the evaluator will provide statistically valid estimates of annual energy (kWh) and peak demand (kW) savings estimates at the program level. In addition to the activities described above for determining program impacts on energy consumption and peak demand, the evaluator will conduct surveys with program participants and TAs to assess program processes, customer decision making, and customer feedback. Interviews with program staff will also be conducted to provide input regarding program operations and any potential areas for program improvement.

Prior to the launch of the program cycle, OG&E will facilitate a process for the selected program implementer(s) and evaluator(s) to collaborate on the development of a list – to be approved by OG&E – of prescriptive EE measures, their qualification criteria, and key attributes (e.g., kWh savings, kW savings, effective useful life), drawing primarily from the Arkansas TRM and other defensible technical resources that have been developed and made publicly available, based on technical expertise and engagement of relevant EE stakeholders. Program implementer(s) and evaluator(s) will also recommend channel-level net-to-gross (NTG) ratios for OG&E approval. These approved metrics will govern the impact evaluation of such measures and programs for the program cycle. As EM&V activities are conducted on an ongoing basis throughout the program cycle, the program evaluator(s) will recommend modifications to particular prescriptive measure attributes and NTG ratios, as appropriate, based on their findings and supported by industry benchmarks and best practices. Such recommendations will be reviewed by OG&E, with opportunity for program implementers and additional program stakeholders to provide comment and supporting information. Any recommendations that are adopted by OG&E in a given program year will be applied proactively to all measures installed and approved for inducement in the following program year, and on a go-forward basis. Adjustments to these guiding materials may also be expeditiously recommended, approved, and applied on a go-forward basis mid-year as deemed appropriate by OG&E. Findings from impact evaluation activities (e.g., desk reviews, field inspections, interviews, etc.) may be applied to the evaluation of reported savings on a retroactive basis only when they reveal deviation from agreed-upon measure characteristics or program processes in implementation. The purpose of this process will be to ensure consistent, high-quality, and transparent evaluation of qualifying projects, with consistent and well-defined opportunities for collaborative enhancement of program delivery and evaluation. The evaluator will work with OG&E to develop a 5-year evaluation schedule and reporting

structure for program channels, to ensure that all commission requirements are met, while minimizing the administrative burden on programs and impacts to participants.

The evaluator will work with OG&E to develop a 5-year evaluation schedule and reporting structure for program channels, to ensure that all commission requirements are met, while minimizing the administrative burden on programs and impacts to participants.

SmartHours

SmartHours promotes DR and enables participants to better manage their electricity usage and costs by providing residential and small commercial customers with inducements to reduce their consumption during times of high wholesale energy prices and/or system emergencies. Inducements are provided in the form of dynamic pricing for electricity, combined with in-home technology (i.e., smart thermostats and other controllable devices), targeted insights, and additional promotional activities to support customers' informed choices and capabilities to curtail usage and/or shift their consumption to lower-cost times. The SmartHours program includes two primary channels, providing participation options for customers with different degrees of interest and capability to manage their usage.

Channels

Channel Name

SmartHours Daily

Objective

This channel is designed to support residential and small commercial customers with relatively high interest and capability to manage their energy consumption to: 1) understand the differentiated costs associated with energy consumption at different time periods throughout the day and year, 2) adopt technology and behavior to manage those costs, and 3) respond to meaningful price signals by reducing demand during peak times. The primary goal of this program is to achieve demand reduction.

General Services Description

This channel includes a multi-level dynamic pricing rate with critical price event (CPE) days offered to both residential and small commercial customers. The rate encourages customers to reduce energy use during times of high stress on the electrical grid by increasing prices during defined hours designated as "on-peak." The on-peak window covers a five-hour period on weekdays. Actual prices during on-peak hours vary across established price levels, as shown in the table below.

Summer Season Price Level	**Residential VPP Price**	**Commercial VPP Price**
Off-Peak	$0.046 per kWh	$0.044 per kWh
Low	$0.07 per kWh	$0.06 per kWh
Standard	$0.13 per kWh	$0.012 per kWh
High	$0.25 per kWh	$0.22 per kWh
Critical	$0.49 per kWh	$0.44 per kWh
CPE	$0.51 per kWh	$0.46 per kWh

Prices shown here reflect those proposed in OCC Case PUD 2023-000087 Entry No. 50 pending approval before the Commission at time of filing this plan and are subject to change in future rates approved by the Commission throughout the program cycle.

In addition to the retail rate offering, Demand Portfolio inducements are provided to SmartHours participants and potential participants in the form of educational resources and tools to understand the purpose, benefits, and risks of enrolling in SmartHours – Daily, including an online rate comparison tool and targeted promotions for controllable home technologies available under the Home Energy Solutions and Small Business Solutions program channels.

Target Markets and Barriers
This channel is targeted at residential and small commercial customers with relatively high interest and capability to curtail their energy usage and/or shift their consumption to lower-cost times, including those with smart thermostats, electric vehicles (EVs), and other substantial, controllable loads. The channel looks to overcome barriers to DR in the residential and small commercial market, including: • *Lack of customer exposure to price signals that reflect utilities' differentiated costs to serve customers at various times throughout the day and year* – This channel will provide customers with the foundational education to understand the distinctions between energy consumption (kWh) and demand (kW), on-peak and off-peak times, and other foundational concepts, as well as direct communication of energy price levels that reflect OG&E's costs to serve these customers at high- vs low-demand times. This information will enable and motivate customers to make choices to consume energy that are in greater alignment with the costs of supplying that energy, resulting in market efficiencies and reduced system costs for all customers. • *Limited ability or high degree of effort required for customers to manage their energy consumption* – This channel – delivered in coordination with the EE portfolio – will provide customers with information regarding equipment and technology that can enhance their capabilities to respond to DR signals and to automate those responses, as well as financial inducements to adopt these measures or better leverage technologies that they have already adopted.
New Enhancements and Stakeholder Feedback
• *Expand capabilities for additional controllable devices to receive direct price signals* – Building upon the R&D activities conducted under the 2022-2024 portfolio, OG&E aims to expand the equipment types and participating device manufacturers that can support customers' automated responses to differentiated price levels, in line with their comfort and economic preferences, including but not limited to water heaters, battery storage, and EV chargers. • *Promote greater integration with residential and small business EE programs* – By re-introducing SmartHours to the Demand Portfolio and implementing enhancements of internal processes, OG&E intends to better promote SmartHours education and enrollment to customers via EE program channels and pathways, including education provided by TAs conducting assessments and/or equipment installations on customer premises, DR pre-enrollment functionality on the OG&E marketplace for EE products, and other opportunities for cross-promotion.
Eligible Measures
For eligible measures list please see appendices.

Channel Name
SmartHours Fixed & Overnight
Objective
This channel is designed to support residential and small commercial customers with interest and capability to manage their energy consumption to 1) understand the differentiated costs associated with energy consumption at different time periods throughout the day, 2) adopt technology and behavior to manage those costs, and 3) respond to price signals by reducing demand during peak times. The primary goal of this program is to achieve demand reduction.
General Services Description
This channel includes two distinct and fixed time-based rate structures, which encourage customers to reduce their consumption during on-peak periods through higher on-peak prices and provides inducements in the form of lower off-peak prices, as shown in the tables below.

SmartHours Fixed

Summer Season Price Level	**Residential**	**Commercial**
Off-Peak	$0.046 per kWh	$0.044 per kWh
On-Peak	$0.284 per kWh	$0.22 per kWh

SmartHours Overnight (for use in conjunction with the charging of electric vehicles)

Price Level	**Residential**	**Commercial**
Summer Super-Off-Peak	$0.027 per kWh	$0.022 per kWh
Summer Off-Peak	$0.054 per kWh	$0.044 per kWh
Summer On-Peak	$0.284 per kWh	$0.22 per kWh
Winter Super-Off-Peak	$0.027 per kWh	$0.022 per kWh
Winter All Other Hours	$0.083 per kWh (first 600 kWh per month)	$0.077 per kWh (first 1,000 kWh per month)

Prices shown here reflect those proposed in OCC Case PUD 2023-000087 Entry No. 50 pending approval before the Commission at time of filing this plan and are subject to change in future rates approved by the Commission throughout the program cycle.

In addition to the retail rate offering, Demand Portfolio inducements are provided to SmartHours participants and potential participants in the form of educational resources and tools to understand the purpose, benefits, and risks of enrolling in SmartHours – Fixed, including an online rate comparison tool and targeted promotions for controllable home technologies available under the Home Energy Solutions and Small Business Solutions program channels.

Target Markets and Barriers

This channel is targeted at residential and small commercial customers with some interest and capability to curtail their energy usage and/or shift their consumption to lower-cost times, but that are not willing or interested in accepting the higher degree of responsibility for load management to achieve cost savings that would be advisable under the more advanced SmartHours – Daily channel.

The channel looks to overcome barriers to DR in the residential and small commercial market, including:

- *Lack of customer exposure to price signals that reflect utilities' differentiated costs to serve customers at various times throughout the day and year* - This channel will provide customers with the foundational education to understand the distinctions between energy consumption (kWh) and demand (kW), on-peak and off-peak times, and other foundational concepts, as well as direct communication of energy prices that reflect OG&E's costs to serve these customers at high- vs low-demand times. This information will enable and motivate customers to make choices to consume energy that are in greater alignment with the costs of supplying that energy, resulting in market efficiencies and reduced system costs for all customers.
- *Limited ability or high degree of effort required for customers to manage their energy consumption* – This channel – delivered in coordination with the EE portfolio – will provide customers with information regarding equipment and technology that can enhance their capabilities to respond to DR signals and to automate those responses, as well as financial inducements to adopt these measures or better leverage technologies that they have already adopted.

New Enhancements and Stakeholder Feedback

- *Expand capabilities for additional controllable devices to receive direct price signals and enact automated responses* – Building upon the R&D activities conducted under the 2022-2024

portfolio, OG&E aims to expand the equipment types and participating device manufacturers that can receive price signals and support customers' automated responses in line with their comfort and economic preferences, including but not limited to water heaters, battery storage, and EV chargers.

- *Promote greater integration with residential and small business EE programs* – By re-introducing SmartHours to the Demand Portfolio and implementing enhancements of internal processes, OG&E intends to better promote SmartHours education and enrollment to customers via EE program channels and pathways, including education provided by TAs conducting assessments and/or equipment installations on customer premises, DR pre-enrollment functionality on the OG&E marketplace for EE products, and other opportunities for cross-promotion.

Eligible Measures

For eligible measures list please see appendices.

Tables and Budget

Table 11 SmartHours Budget

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
SmartHours	Both	2025	$1,000,000	$2,780,451	$308,844	$250,000	$2,181,681	$6,520,977
SmartHours	Both	2026	$1,022,000	$3,023,647	$336,238	$250,000	$3,291,805	$7,923,690
SmartHours	Both	2027	$1,044,484	$3,266,845	$344,087	$250,000	$3,436,071	$8,341,487
SmartHours	Both	2028	$1,067,463	$2,994,160	$355,373	$250,000	$3,219,611	$7,886,607
SmartHours	Both	2029	$1,090,947	$2,945,858	$364,302	$250,000	$3,290,443	$7,941,549
SmartHours	Both	Total	$5,224,893	$15,010,961	$1,708,844	$1,250,000	$15,419,612	$38,614,311

Table 12 SmartHours Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
SmartHours	Both	2025	15,369,077	84,903	15,369,077
SmartHours	Both	2026	16,977,220	93,787	16,977,220
SmartHours	Both	2027	18,585,363	102,671	18,585,363
SmartHours	Both	2028	19,912,034	110,000	19,912,034
SmartHours	Both	2029	19,912,034	110,000	19,912,034
SmartHours	Both	Total*	19,912,034	110,000	19,912,034

*Unlike energy efficiency program savings with multi-year impacts and cumulative totals, SmartHours kW and kWh impacts represent 1-year impacts, with the Program Cycle Total aligned with the 1-year impacts achieved in Program Year 2029.

Table 13 SmartHours Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
SmartHours	Both	124,001	136,976	149,951	160,655	160,655	160,655

Table 14 SmartHours Benefit-Cost Ratios

Program	Rate Class	Program Year	TRC	UCT	RIM	PCT	SCT
SmartHours	Both	2025	1.2	1.5	1.2	1.0	1.5
SmartHours	Both	2026	1.1	1.4	1.1	1.0	1.3
SmartHours	Both	2027	1.1	1.4	1.1	1.0	1.4
SmartHours	Both	2028	1.2	1.6	1.2	1.0	1.5
SmartHours	Both	2029	1.2	1.6	1.2	1.0	1.5
SmartHours	Both	Total	1.2	1.5	1.2	1.0	1.4

EM&V Methodology

OG&E will use a simple baseline approach to estimate impacts for the program after each critical day or CPE event. The baseline methodology will leverage one of the many industry standard baselines for mass market demand response programs including comparison days and adjustments.

OG&E will contract with a third-party, independent entity to perform EM&V activities. EM&V of the SmartHours program will rely primarily on regression-based approaches leveraging AMI data, customer program tracking data, DR events and times, weather data, and system load data. The evaluator will estimate impacts for each individual combination of rate and sector. In addition, the evaluator will conduct regression analyses using an appropriate methodology and specification to estimate ex-post load reductions for each price day (including CPE days) on average, and for each individual CPE event. The evaluator will also produce an ex-ante weather normal impact for each price day that can be used to develop an ex-ante forecast over time. The evaluator will assess the performance of the regression models for accuracy and bias using an appropriate methodology that includes in and out of sample testing, plus estimates of mean absolute percent error (MAPE), mean percent error (MPE), and comparisons of root mean squared errors for candidate models. The regression-based approaches will target analysis of program level impacts with ±10% relative precision at the 90% confidence level.

In addition to the activities described above for determining program impacts on peak demand, the evaluator will conduct surveys with program participants and implementation staff to assess program processes, customer decision making, and customer feedback. Responses will be analyzed to identify potential areas for program improvement.

Commercial Energy Efficiency Program (CEEP)

CEEP is a portfolio-style program approach with three channels and various participation pathways designed to address the needs and unique participation barriers of OG&E's C&I customers.

Channels

Name
C&I Solutions (CIS)
Objective
The C&I Solutions channel provides technical resources and direct assistance to participants in order to quantify the savings and financial metrics of EE measures and process improvements. The channel offers a wide range of eligible measures and various pathways to participate, each with inducements to help customers achieve their energy savings goals and overcome barriers to investing in EE for their businesses. This channel also seeks to develop and educate a capable network of TAs to deliver EE technologies and services to OG&E's C&I customers.
General Services Description
The channel aims to influence customers' operations and purchasing decisions toward energy efficient processes and equipment. Through various participation pathways, the channel offers financial inducements for pre-defined EE upgrades, custom capital improvements, and hands-on support to identify and implement low-to-no-cost energy-saving opportunities. Through the prescriptive path, OG&E provides C&I customers with an extensive option set of pre-defined energy-saving measures, for which they can earn inducements on a per-unit basis. These prescriptive measures are promoted to C&I customers through marketing, direct outreach, and via qualified TAs who sell or install eligible measures. Through the custom path, OG&E provides technical assistance to customers in identifying efficiency opportunities that may be outside of the prescriptive measure list, determining corresponding energy savings, and analyzing associated costs and savings. Projects incentivized through the custom path require pre-approval to verify measure costs and savings, with inducements provided upon completion on a $/kWh saved-basis, with rates varying by end use category (e.g., lighting, HVAC, refrigeration, etc.). Bonus opportunities may be available at specified times throughout the program

cycle, as announced by OG&E, to allow customers to earn enhanced inducements for EE projects with high potential for energy savings. These opportunities may take the form of a reverse auction style, where OG&E would request competitive bids for large energy-saving projects with limited-time enhanced inducement rates tailored to each facility's needs and benefits.

While the prescriptive and custom pathways provide an opportunity for all C&I customers to benefit from CIS, the Continuous Energy Improvement (CEI) path is targeted at specific, large C&I customers who experience unique barriers to EE such as conflicting organizational goals, outdated procurement specifications, limited technical resources, and rigid energy budgeting. The CEI path involves deep engagement between program energy coaches and participants to support the identification and implementation of opportunities for low- to no-cost savings, with an ultimate goal of leveraging the customer awareness and cost-savings gained from CEI to achieve deeper savings through the complementary CEI pathways.

Like the CEI path, the retro-commissioning (RCx) path supports customers in achieving low-cost energy savings as a gateway to pursue capital upgrades. Through the RCx path, facilities that meet minimum size and/or energy consumption requirements work with qualified engineering service providers to holistically examine specific mechanical and production systems and identify opportunities for low-cost improvements, such as compressed air leak repairs or scheduling adjustments to building energy management systems. The energy-savings potential of these improvements is then calculated and submitted to the implementation team for pre-approval before the measures are implemented and inducements paid upon completion. RCx studies may result in recommendations for capital system improvements, which may be addressed through the prescriptive and custom pathways. The RCx path will enable participation through both the full RCx track or an express "find-and-fix" track which enables select, qualified TAs to identify and implement low-cost measures below an established savings threshold in a single site visit (i.e., without pre-approval).

Target Markets and Barriers

This channel primarily targets customers with sites that have a demand of over 250 kW. Small business customers are not precluded from participating, but often find the Small Business Solutions and Midstream channels to be better suited to their needs.

This channel is intended to assist in overcoming barriers common to C&I customers. These barriers include:

- *Limited available capital for improvements or competing capital expenditure priorities* – This channel provides resources and training to support contractors and customers in understanding and quantifying financial benefits resulting from energy and non-energy impacts of EE projects. It will also promote awareness and facilitate coordination with third-party financing/funding opportunities for C&I EE projects, including state and federal loan and grant programs.
- *Lack of engineering and technical skills to manage complex EE projects* – This channel will recruit, qualify, and oversee a network of TAs and specialized service providers to support C&I customers in completing advanced EE projects. The implementation team will also retain technical staff to provide direct support to customers and contractors and review complex projects.

New Enhancements and Stakeholder Feedback

- *Channel Consolidation* – As the C&I portion of the Demand Portfolio expanded over time to provide targeted EE opportunities, tailored to address various market barriers, program delivery channels proliferated. As an unintended result, customers who approached the program through a particular channel have not always been made aware of complementary program offerings, such as custom inducements to implement capital measures identified via participation in CEI or RCx. To address this unintended consequence, the implementation team is implementing processes to cross-train staff and ensure that participating TAs and customers are aware of the breadth of available program offerings. In line with this effort, various complementary channels are being brought together under the CIS channel, while maintaining diverse participation pathways to continue to address key market barriers.

• *Coordination with Alternative Energy Financing / Funding Opportunities* – As a result of recent federal energy and infrastructure legislation, various opportunities are now available to C&I customers to complete EE and other advanced energy projects. The implementation team is committed to coordinating with the state, federal, and other agencies and organizations charged with the implementation of these programs to cross-promote opportunities to CIS participants, as appropriate. • *New Measures* – In order to continue to provide customers with a diverse suite of EE opportunities, the prescriptive measure list has been expanded to include ENERGY STAR commercial kitchen equipment, switched reluctance motors, and more.
Eligible Measures and Inducements
For eligible measures list please see appendices

Name
Small Business Solutions (SBS)
Objective
The objective of the SBS channel is to promote energy saving opportunities and help alleviate the market barriers faced by small businesses in making EE upgrades to their establishments.
General Services Description
The SBS channel may offer facility energy assessments, direct installation of EE measures, enhanced inducements (relative to the CIS prescriptive pathway) for a suite of EE upgrades, and kits of low-cost EE technologies that are coupled with educational materials. The channel provides additional educational opportunities for small business owners to become more informed on the positive effect EE investment decisions and DR program participation can have on their operations. Education and training opportunities will also be provided for select TAs, to promote program channel awareness and increase participation. TAs actively participating in the channel will be trained on inducements, processes, requirements, and eligible measures. The implementation team will recruit customers primarily through integration in TAs' sales processes, mass marketing, community engagement, and referrals from OG&E's business advantage group.
Target Markets and Barriers
The channel is designed to minimize market barriers to EE implementation for owners and/or operators of commercial facilities under 250 kW. These barriers include: • *Small business owners' lack awareness of EE and the associated benefits*: The channel will perform outreach to eligible small business owners through trusted information outlets. It will also provide small business owners with targeted materials that include recommendations for EE measure upgrades and the associated costs and energy savings. These efforts will help to inform the small business owner and allow them to make more knowledgeable decisions. • *Small businesses have limited available capital for improvements and/or alternative projects that compete with EE projects for funding:* This channel will allow contractors to receive inducement payments directly, which allows them to provide the cost savings upfront and reduce initial the cash outlay for businesses. It is also designed to provide low-to-no-cost kits of EE technologies, direct install of low-cost measures, and increased inducements for higher cost energy efficiency measures. • *Contractors lack knowledge about or benefits of EE equipment:* Ongoing contractor training will be conducted as part of maintaining the contractor network, to ensure the channel receives ongoing feedback from contractors and maintains high participant satisfaction.
New Enhancements and Stakeholder Feedback
• *Continued measure diversification* – In addition to a continued focus on refrigeration measures initiated under the prior program cycle, the implementation team will dedicate increased administrative resources to promoting weatherization, A/C tune-ups, and

commercial kitchen inducements though the SBS portfolio. This effort will take the form of increased outreach and education with TAs, simplified inducement processes, and targeted marketing toward small business customers with the greatest opportunity to benefit from identified measures. • *Kits + education* – Opportunities for the expansion of key elements of the residential Community Outreach (LivingWise) channel to serve small business customers will be explored in this program cycle and implemented, where determined to be beneficial.
Eligible Measures and Inducements
For eligible measures list please see appendices

Name
Midstream
Objective
The objective of the Midstream channel is to promote energy-saving opportunities and help alleviate market barriers by providing discounted efficient products to contractors and business customers.
General Services Description
The midstream channel offers point-of-sale rebates for pre-qualified products to OG&E business customers through participating local and national distributors and retailers. Midstream partners can offer a wide range of rebates across multiple product lines, to both contractors and end users. Partners will provide project information to the program administrator to verify customer eligibility and receive inducements via discounted product prices.
Target Markets and Barriers
The channel is designed to minimize market barriers to EE implementation for all business customers. These include: • *Limited customer understanding of EE opportunities and the associated benefits*: This channel promotes customer awareness of EE opportunities and associated benefits via mass marketing and at the point of purchase through distributor/retail partner training and signage at retail or digital locations. • *Limited available capital for improvements and/or alternative projects that compete with EE projects for funding:* By enabling distributors, retailers, and contractors to reduce the price charged to business customers at the point of purchase for eligible measures, the inducements offered through this channel offset a portion of the incremental cost associated with higher-efficiency products and equipment, making the purchasing decision more attractive.
New Enhancements and Stakeholder Feedback
• *Online Marketplace* – The Midstream channel will be expanded to include online purchase options. • *Expanded partner network* – This channel has steadily expanded its eligible measures and sources of savings from lighting to include HVAC and commercial kitchen equipment. In this program cycle, the implementation team will focus on expanding the network of HVAC and commercial kitchen distributor and retail partners and promoting increased participation among active partners. This effort will be pursued through increased outreach, streamlined inducement processing tools, and coordination with equipment manufacturers.
Eligible Measures and Inducements
For eligible measures list please see appendices

Tables and Budget

Table 15 - CEEP Budget

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
CEEP	Non-residential	2025	$6,972,300	$337,500	$941,158	$494,652	$9,211,976	$17,957,585
CEEP	Non-residential	2026	$8,550,829	$337,500	$966,844	$631,918	$11,297,567	$21,784,658
CEEP	Non-residential	2027	$8,738,947	$337,500	$972,918	$645,820	$11,546,113	$22,241,298
CEEP	Non-residential	2028	$8,931,204	$337,500	$982,356	$660,028	$11,800,128	$22,711,216
CEEP	Non-residential	2029	$9,127,691	$337,500	$989,364	$674,548	$12,059,731	$23,188,834
CEEP	Non-residential	Total	$42,320,972	$1,687,500	$4,852,640	$3,106,965	$55,915,514	$107,883,592

Table 16 - CEEP Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
CEEP	Non-residential	2025	99,759,018	16,148	1,094,149,930
CEEP	Non-residential	2026	119,710,821	19,378	1,312,979,916
CEEP	Non-residential	2027	119,710,821	19,378	1,312,979,916
CEEP	Non-residential	2028	119,710,821	19,378	1,312,979,916
CEEP	Non-residential	2029	119,710,821	19,378	1,312,979,916
CEEP	Non-residential	Total	578,602,303	93,661	6,346,069,593

Table 17 - CEEP Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
CEEP	Non-residential	77,271	92,725	92,725	92,725	92,725	448,170

Table 18 - CEEP Benefit-Cost Ratios

Program	Rate Class	Program Year	TRC	UCT	RIM	PCT	SCT
CEEP	Non-residential	2025	1.5	2.0	0.3	8.6	8.1
CEEP	Non-residential	2026	1.5	2.0	0.3	8.4	8.0
CEEP	Non-residential	2027	1.5	2.0	0.3	8.3	7.9
CEEP	Non-residential	2028	1.5	1.9	0.3	8.1	7.7
CEEP	Non-residential	2029	1.4	1.9	0.3	7.9	7.5
CEEP	Non-residential	Total	1.5	2.0	0.3	8.2	7.8

EM&V Methodology

OG&E will verify the accuracy and complete installation of measures to ensure projects meet program standards. A sample of participant facilities will receive QA/QC inspections from OG&E staff or third-party QA/QC contractors to ensure installation is complete and inputs to energy and demand savings calculations are properly recorded.

OG&E will contract with a third party, independent entity to perform evaluation, measurement, and verification activities. Measurement and verification for CEEP will rely primarily on engineering review and on-site verification for a sample of completed projects. The sample will be designed to allow for an analysis of program level gross impacts with ±10% relative precision at the 90% confidence level. For

projects that are sampled, the evaluator will conduct an engineering review of all project documentation and savings estimates. The evaluator will check for the appropriate use of deemed savings values and engineering algorithms. While the primary EM&V activities will include engineering review and verification, other activities could be employed including billing analysis, spot metering or measurement, or building modeling. Regardless of the approach, the evaluator will provide statistically valid estimates of annual energy (kWh) and peak demand (kW) savings estimates at the program level.

On-site M&V visits will also be conducted for a sample of projects. The EM&V contractor will stratify the sample based on measure type, project size, installing contractor, or another industry standard stratification variable. For some channels it is possible that more than one stratification variable may be used. The on-site visits will be used to verify measure installation, measure counts, facility characteristics, and any specific inputs to deemed or partially deemed savings calculations. During the on-site visits data will be collected through interviews with facility staff; review of any pertinent documents, records, or equipment schedules; visual inspection of measures and measure attributes; and, where appropriate, direct measurement of energy usage or operating characteristics relevant to the project energy savings calculations. Data collected on-site will be used to verify or recommend updates to assumptions used for reported project savings.

In addition to the activities described above for determining program impacts on energy consumption and peak demand, the evaluator will conduct process evaluation activities including surveys with program participants and trade allies to assess program processes, customer decision making, and customer feedback. Interviews with program staff will also be conducted to provide input regarding program operations and any potential areas for program improvement.

Prior to the launch of the program cycle, OG&E will facilitate a process for the selected program implementer(s) and evaluator(s) to collaborate on the development of a list – to be approved by OG&E – of prescriptive EE measures, their qualification criteria, and key attributes (e.g., kWh savings, kW savings, effective useful life), drawing primarily from the Arkansas TRM and other defensible technical resources that have been developed and made publicly available, based on technical expertise and engagement of relevant EE stakeholders. Program implementer(s) and evaluator(s) will also recommend channel-level net-to-gross (NTG) ratios for OG&E approval. These approved metrics will govern the impact evaluation of such measures and programs for the program cycle. As EM&V activities are conducted on an ongoing basis throughout the program cycle, the program evaluator(s) will recommend modifications to particular prescriptive measure attributes and NTG ratios, as appropriate, based on their findings and supported by industry benchmarks and best practices. Such recommendations will be reviewed by OG&E, with opportunity for program implementers and additional program stakeholders to provide comment and supporting information. Any recommendations that are adopted by OG&E in a given program year will be applied proactively to all measures installed and approved for inducement in the following program year, and on a go-forward basis. Adjustments to these guiding materials may also be expeditiously recommended, approved, and applied on a go-forward basis mid-year as deemed appropriate by OG&E. Findings from impact evaluation activities (e.g., desk reviews, field inspections, interviews, etc.) may be applied to the evaluation of reported savings on a retroactive basis only when they reveal deviation from agreed-upon measure characteristics or program processes in implementation. The purpose of this process will be to ensure consistent, high-quality, and transparent evaluation of qualifying projects, with consistent and well-defined opportunities for collaborative enhancement of program delivery and evaluation.

The evaluator will work with OG&E to develop a 5-year evaluation schedule and reporting structure for program channels, to ensure that all commission requirements are met, while minimizing the administrative burden on programs and impacts to participants.

Business Demand Response (BDR)

The BDR Program is designed to achieve demand and energy savings by providing medium and large C&I customers the resources necessary to identify and take advantage of DR opportunities. The BDR program implementer will support customers in identifying opportunities to curtail and developing customized energy reduction plans. Through BDR, participants will commit to curtailing load during

specified event periods when called upon by OG&E and will receive inducements for their demonstrated load reduction during times of high wholesale energy prices and/or system emergencies.

Name
Business Demand Response
Objective
The objective of the BDR program is to achieve cost-effective reduction in demand during peak periods and to maintain and improve overall system reliability. OG&E business customers will receive inducements for their measurable and verifiable contributions toward this goal and will be provided with resources to better manage their energy usage and costs.
General Services Description
The BDR program will engage customers to participate by offering assessments to support customers in identifying their capabilities to curtail and developing customized load curtailment plans. This process may involve referral to/from the CIS program channel to leverage EE inducements for the installation of controllable building technologies. Energy loads such as lighting, HVAC, chillers, motors, production/process equipment, refrigeration systems, pumps, water heating, generation, and electric vehicles may be utilized to curtail during a DR event. Upon program enrollment, customers will commit to curtailing load by a nominated kW value in exchange for an inducement equal to $/kW x kW enrolled x % average performance across the program year or curtailment season. OG&E will monitor system conditions and associated wholesale energy costs to determine when to call an event. During an event day, customers will receive notifications via phone call, text, and/or email with instructions to enact their curtailment plans at a minimum of 1 hour before the event window. Following an event, interval meter data will be used to calculate each participant's performance relative to a pre-determined, site-specific "baseline" methodology, applied to best reflect what the customer's load would have been, absent an event. OG&E has budgeted $50 per verified kW/year for inducements, though inducement amounts will be subject to change during the program cycle to continue to ensure cost-effectiveness and incentivize customer participation, in response to changing market conditions and policy environments.
Target Markets and Barriers
The program is designed to minimize market barriers to DR for medium and large C&I customers with capability to curtail load on relatively short notice. These include: • *Insufficient economic signals to encourage medium and large C&I customers to curtail usage during system peak or other high-cost times*: The program will overcome this barrier by providing customers with financial inducements to supplement their retail rate structure and motivate customer curtailment during events designated by OG&E. • *Limited understanding among customers of curtailable load and efficient processes for achieving curtailment via technology enablement:* This program will provide one-on-one coaching to customers to support their development of load curtailment plans and improve event performance, as needed.
New Enhancements and Stakeholder Feedback
• *New program* – This program is new to OG&E's DR portfolio, and feedback will be collected from participants and other program stakeholders throughout the early years of the program to contribute to continuous improvement. • *Increase Automated Demand Response (AutoDR)* – Upon program launch, it is anticipated based on benchmarking of similar BDR programs that most customers will choose to participate through manual responses to program dispatch notifications. Throughout the program cycle, the implementation team will work with customers and their service providers to enable automated responses to OG&E's dispatch signals where desired by customers to improve program performance.

- *Leverage third-party aggregators as program partners* – Provide a pathway for service providers acting as aggregators of C&I customers' DR loads to enroll their customers in the program and receive inducements for their participation.
- *Enable dual-participation in BDR and Southwest Power Pool (SPP)'s Integrated Marketplace without double-counting of services* – Over the course of the program cycle, OG&E seeks to refine tariff language and participation guidelines to work toward enabling customers interested in participating in SPP Integrated Marketplace to do so while participating in BDR, with any necessary agreements and procedures in place to guard against inappropriate double-counting of services.

Eligible Measures and Inducements
For eligible measures list please see appendices

Tables and Budget

Table 19 Business Demand Response Budget

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
Business DR	Non-residential	2025	$1,650,000	$35,000	$881,175	$36,081	$661,484	$3,263,740
Business DR	Non-residential	2026	$1,686,300	$35,000	$904,462	$48,108	$1,443,238	$4,117,108
Business DR	Non-residential	2027	$1,723,399	$35,000	$908,040	$83,260	$2,705,944	$5,455,643
Business DR	Non-residential	2028	$1,761,313	$35,000	$914,884	$108,455	$3,524,792	$6,344,444
Business DR	Non-residential	2029	$1,800,062	$35,000	$919,193	$131,422	$4,271,218	$7,156,896
Business DR	Non-residential	Total	$8,621,074	$175,000	$4,527,754	$407,326	$12,606,677	$26,337,831

Table 20 Business Demand Response Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
Business DR	Non-residential	2025	0	20,000	0
Business DR	Non-residential	2026	0	40,000	0
Business DR	Non-residential	2027	0	67,211	0
Business DR	Non-residential	2028	0	85,000	0
Business DR	Non-residential	2029	0	100,000	0
Business DR	Non-residential	Total*	0	100,000	0

*Unlike energy efficiency program savings with multi-year impacts and cumulative totals, Business Demand Response kW impacts represent 1-year impacts, with the Program Cycle Total aligned with the 1-year impacts achieved in Program Year 2029.

Table 21 Business Demand Response Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
Business DR	Non-residential	20,000	40,000	67,211	85,000	100,000	100,000

*Business Demand Response participants represent 1 qualifying kW (as opposed to the number of participating customers).

Table 22 Business Demand Response Benefit-Cost Ratios

Program	Rate Class	Program Year	TRC	UCT	RIM	PCT	SCT

Business DR	Non-residential	2025	0.7	0.7	0.7	1.0	0.7
Business DR	Non-residential	2026	1.0	1.0	1.0	1.0	1.0
Business DR	Non-residential	2027	1.3	1.3	1.3	1.0	1.3
Business DR	Non-residential	2028	1.4	1.4	1.4	1.0	1.4
Business DR	Non-residential	2029	1.5	1.5	1.5	1.0	1.5
Business DR	Non-residential	Total	1.3	1.3	1.3	1.0	1.3

EM&V Methodology

OG&E will use a calculated baseline load (CBL) methodology to determine each participant's kW savings associated with a DR curtailment event. A CBL approach applies an algorithm to develop a site-specific baseline for each day by using historic metered usage data. This model is calibrated to best match recent operational and/or weather patterns. Then, the model is used to calculate facility demand usage for each hour of the event day absent a curtailment event. The CBL is then compared to the actual measured average hourly demand (kW) during the committed curtailment event. The difference between the calculated hourly baseline and the actual measured hourly usage during the event equals the hourly impact kW achieved during the event for each customer.

OG&E will contract with a third-party, independent entity to perform EM&V activities. EM&V of the BDR Program will rely primarily on regression-based approaches utilizing customer billing data, program tracking data, DR events and times, weather data, and system load data. The evaluator will conduct regression analysis at the aggregate or individual participant level to estimate the ex-post (actual) load reductions associated with DR events. The evaluator will also produce an ex-ante weather normal impact for an average event day that can be used to develop an ex-ante forecast over time. The evaluator will assess the performance of the regression models for accuracy and bias using an appropriate methodology that includes in and out of sample testing, plus estimates of mean absolute percent error (MAPE), mean percent error (MPE), and comparisons of root mean squared errors (RMSE) for candidate models. The regression-based approaches will target analysis of program level impacts with ±10% relative precision at the 90% confidence level.

In addition to the activities described above for determining program impacts on peak demand, the evaluator will conduct surveys with program participants and implementation staff to assess program processes, customer decision making, and customer feedback. Responses will be analyzed to identify potential areas for program improvement.

Education Program

The Education Program is designed to help both residential and C&I customers make informed decisions about their energy use and participate in programs that will help them manage their energy costs, by overcoming the primary, prevalent barrier of a *lack of awareness and understanding* of the benefits of EE and DR and the opportunities available for customers to be compensated for grid services that they are capable of providing. This goal may be achieved through a variety of initiatives that are anticipated to evolve over the course of the program cycle. Present areas of emphasis include:

- ***Continued commitment to creating a culture of energy awareness through sponsorship of high-impact events and organizations*** (e.g., home & garden, Thunder Mobile, trade shows)
- ***Enabling customer insights into their energy usage*** through data analytics, online portal(s), and targeted print and digital messaging.
- ***Development of cross-program promotional resources and tools*** to enhance customer and Trade Ally awareness of complimentary utility, state, regional, and national programs that have

the potential to save energy, reduce peak demand, or otherwise reduce customers' bills or OG&E's costs to serve customers.

Portfolio Tables

Table 23 - Program Budgets

Program	Rate Class	Program Year	Program Delivery	OG&E Education & Marketing	OG&E Administrative	EM&V	Customer Inducements	Total Cost
2025 Estimates								
HEEP	Residential	2025	$2,748,100	$337,500	$248,705	$233,809	$4,193,767	$7,761,882
WRAP	Residential	2025	$490,669	$337,500	$248,705	$151,750	$9,181,727	$10,410,350
SmartHours	Both	2025	$1,000,000	$2,780,451	$308,844	$250,000	$2,181,681	$6,520,977
CEEP	Non-residential	2025	$6,972,300	$337,500	$941,158	$494,652	$9,211,976	$17,957,585
Business DR	Non-residential	2025	$1,650,000	$35,000	$881,175	$36,081	$661,484	$3,263,740
Energy Education	Both	2025	$800,000	$0	$0	$0	$0	$800,000
Planning	Both	2025	$0	$0	$0	$0	$0	$0
R&D	Both	2025	$0	$0	$2,197,427	$0	$261,233	$2,458,660
Residential Total	Residential	2025	$4,608,769	$3,372,038	$2,994,415	$628,059	$15,752,957	$27,356,239
Non-residential Total	Non-residential	2025	$9,052,300	$455,914	$1,831,598	$538,233	$9,938,910	$21,816,955
Portfolio Total	Both	2025	$13,661,070	$3,827,951	$4,826,013	$1,166,292	$25,691,867	$49,173,194
2026 Estimates								
HEEP	Residential	2026	$3,510,698	$337,500	$273,693	$298,691	$5,357,538	$9,778,120
WRAP	Residential	2026	$501,464	$337,500	$273,693	$193,860	$9,383,725	$10,690,241
SmartHours	Both	2026	$1,022,000	$3,023,647	$336,238	$250,000	$3,291,805	$7,923,690
CEEP	Non-residential	2026	$8,550,829	$337,500	$966,844	$631,918	$11,297,567	$21,784,658
Business DR	Non-residential	2026	$1,686,300	$35,000	$904,462	$48,108	$1,443,238	$4,117,108
Energy Education	Both	2026	$800,000	$0	$0	$0	$0	$800,000
Planning	Both	2026	$0	$0	$0	$0	$0	$0
R&D	Both	2026	$0	$0	$2,483,753	$0	$415,922	$2,899,675
Residential Total	Residential	2026	$5,403,502	$3,607,938	$1,370,287	$735,052	$18,017,498	$29,134,276
Non-residential Total	Non-residential	2026	$10,667,789	$463,209	$3,868,395	$687,525	$13,172,297	$28,859,216
Portfolio Total	Both	2026	$16,071,291	$4,071,147	$5,238,682	$1,422,577	$31,189,795	$57,993,492
2027 Estimates								
HEEP	Residential	2027	$3,587,934	$337,500	$279,041	$305,263	$5,475,404	$9,985,140
WRAP	Residential	2027	$512,496	$337,500	$279,041	$198,125	$9,590,167	$10,917,328
SmartHours	Both	2027	$1,044,484	$3,266,845	$344,087	$250,000	$3,436,071	$8,341,487
CEEP	Non-residential	2027	$8,738,947	$337,500	$972,918	$645,820	$11,546,113	$22,241,298

Business DR	Non-residential	2027	$1,723,399	$35,000	$908,040	$83,260	$2,705,944	$5,455,643
Energy Education	Both	2027	$800,000	$0	$0	$0	$0	$800,000
Planning	Both	2027	$0	$0	$100,000	$0	$0	$100,000
R&D	Both	2027	$0	$0	$2,621,683	$0	$422,575	$3,044,258
Residential Total	Residential	2027	$5,513,579	$3,843,839	$941,846	$745,888	$18,398,559	$29,443,711
Non-residential Total	Non-residential	2027	$10,893,681	$470,505	$4,562,964	$736,580	$14,777,715	$31,441,444
Portfolio Total	Both	2027	$16,407,259	$4,314,345	$5,504,810	$1,482,467	$33,176,274	$60,885,155
2028 Estimates								
HEEP	Residential	2028	$3,666,868	$337,500	$287,724	$311,978	$5,595,862	$10,199,933
WRAP	Residential	2028	$523,771	$337,500	$287,724	$202,484	$9,801,150	$11,152,629
SmartHours	Both	2028	$1,067,463	$2,994,160	$355,373	$250,000	$3,219,611	$7,886,607
CEEP	Non-residential	2028	$8,931,204	$337,500	$982,356	$660,028	$11,800,128	$22,711,216
Business DR	Non-residential	2028	$1,761,313	$35,000	$914,884	$108,455	$3,524,792	$6,344,444
Energy Education	Both	2028	$800,000	$0	$0	$0	$0	$800,000
Planning	Both	2028	$0	$0	$100,000	$0	$0	$100,000
R&D	Both	2028	$0	$0	$2,616,672	$0	$498,845	$3,115,517
Residential Total	Residential	2028	$5,626,078	$3,579,336	$970,159	$756,962	$18,520,036	$29,452,570
Non-residential Total	Non-residential	2028	$11,124,541	$462,325	$4,574,573	$775,983	$15,920,353	$32,857,776
Portfolio Total	Both	2028	$16,750,619	$4,041,660	$5,544,732	$1,532,945	$34,440,389	$62,310,346
2029 Estimates								
HEEP	Residential	2029	$3,747,539	$337,500	$293,947	$318,842	$5,718,971	$10,416,799
WRAP	Residential	2029	$535,294	$337,500	$293,947	$206,938	$10,016,776	$11,390,455
SmartHours	Both	2029	$1,090,947	$2,945,858	$364,302	$250,000	$3,290,443	$7,941,549
CEEP	Non-residential	2029	$9,127,691	$337,500	$989,364	$674,548	$12,059,731	$23,188,834
Business DR	Non-residential	2029	$1,800,062	$35,000	$919,193	$131,422	$4,271,218	$7,156,896
Energy Education	Both	2029	$800,000	$0	$0	$0	$0	$800,000
Planning	Both	2029	$0	$0	$150,000	$0	$0	$150,000
R&D	Both	2029	$0	$0	$2,573,545	$0	$639,324	$3,212,869
Residential Total	Residential	2029	$5,741,051	$3,532,482	$1,016,266	$768,280	$18,927,477	$29,985,557
Non-residential Total	Non-residential	2029	$11,360,481	$460,876	$4,568,032	$813,470	$17,068,986	$34,271,846
Portfolio Total	Both	2029	$17,101,533	$3,993,358	$5,584,298	$1,581,751	$35,996,463	$64,257,402
Total								
HEEP	Residential	All	$17,261,139	$1,687,500	$1,383,109	$1,468,584	$26,341,542	$48,141,874

WRAP	Residential	All	$2,563,693	$1,687,500	$1,383,109	$953,157	$47,973,544	$54,561,003
SmartHours	Both	All	$5,224,893	$15,010,961	$1,708,844	$1,250,000	$15,419,612	$38,614,311
CEEP	Non-residential	All	$42,320,972	$1,687,500	$4,852,640	$3,106,965	$55,915,514	$107,883,592
Business DR	Non-residential	All	$8,621,074	$175,000	$4,527,754	$407,326	$12,606,677	$26,337,831
Energy Education	Both	All	$4,000,000	$0	$0	$0	$0	$4,000,000
Planning	Both	All	$0	$0	$350,000	$0	$0	$350,000
R&D	Both	All	$0	$0	$12,493,080	$0	$2,237,898	$14,730,978
Residential Total	Residential	All	$26,892,979	$17,935,633	$7,292,973	$3,634,241	$89,616,527	$145,372,353
Non-residential Total	Non-residential	All	$53,098,793	$2,312,829	$19,405,563	$3,551,791	$70,878,261	$149,247,236
Portfolio Total	Both	All	$79,991,772	$20,248,461	$26,698,536	$7,186,032	$160,494,788	$294,619,589

*SmartHours is assumed to be 97% Residential and 3% Non-residential. Energy Education and Planning are split 50%/50% between Residential and Non-residential. R&D is allocated based on the projects and anticipated timelines described in the R&D plan (Direct Exhibit JAK-1).

Table 24 - Program Savings

Program	Rate Class	Program Year	Annual Net Savings - kWh	Annual Net Savings - kW	Lifetime Net Savings - kWh
2025 Estimates					
HEEP	Residential	2025	17,535,748	3,676	268,207,657
WRAP	Residential	2025	8,422,507	2,351	133,872,521
SmartHours	Both	2025	15,369,077	84,903	15,369,077
CEEP	Non-residential	2025	99,759,018	16,148	1,094,149,930
Business DR	Non-residential	2025	0	20,000	0
Energy Education	Both	2025			
Planning	Both	2025			
R&D	Both	2025			
Residential Total	Residential	2025	40,866,259	88,383	416,988,182
Non-residential Total	Non-residential	2025	100,220,090	38,696	1,094,611,002
Portfolio Total	Both	2025	141,086,349	127,079	1,511,599,185
2026 Estimates					
HEEP	Residential	2026	21,919,685	4,595	335,259,572
WRAP	Residential	2026	8,422,507	2,351	133,872,521

SmartHours	Both	2026	16,977,220	93,787	16,977,220
CEEP	Non-residential	2026	119,710,821	19,378	1,312,979,916
Business DR	Non-residential	2026	0	40,000	0
Energy Education	Both	2026			
Planning	Both	2026			
R&D	Both	2026			
Residential Total	Residential	2026	46,810,095	97,920	485,599,996
Non-residential Total	Non-residential	2026	120,220,138	62,192	1,313,489,232
Portfolio Total	Both	2026	167,030,233	160,111	1,799,089,228
2027 Estimates					
HEEP	Residential	2027	21,919,685	4,595	335,259,572
WRAP	Residential	2027	8,422,507	2,351	133,872,521
SmartHours	Both	2027	18,585,363	102,671	18,585,363
CEEP	Non-residential	2027	119,710,821	19,378	1,312,979,916
Business DR	Non-residential	2027	0	67,211	0
Energy Education	Both	2027			
Planning	Both	2027			
R&D	Both	2027			
Residential Total	Residential	2027	48,369,994	106,537	487,159,895
Non-residential Total	Non-residential	2027	120,268,382	89,669	1,313,537,477
Portfolio Total	Both	2027	168,638,377	196,206	1,800,697,371
2028 Estimates					
HEEP	Residential	2028	21,919,685	4,595	335,259,572
WRAP	Residential	2028	8,422,507	2,351	133,872,521
SmartHours	Both	2028	19,912,034	110,000	19,912,034
CEEP	Non-residential	2028	119,710,821	19,378	1,312,979,916
Business DR	Non-residential	2028	0	85,000	0
Energy Education	Both	2028			

Planning	Both	2028			
R&D	Both	2028			
Residential Total	Residential	2028	49,656,865	113,646	488,446,765
Non-residential Total	Non-residential	2028	120,308,182	107,678	1,313,577,277
Portfolio Total	Both	2028	169,965,047	221,324	1,802,024,042
2029 Estimates					
HEEP	Residential	2029	21,919,685	4,595	335,259,572
WRAP	Residential	2029	8,422,507	2,351	133,872,521
SmartHours	Both	2029	19,912,034	110,000	19,912,034
CEEP	Non-residential	2029	119,710,821	19,378	1,312,979,916
Business DR	Non-residential	2029	0	100,000	0
Energy Education	Both	2029			
Planning	Both	2029			
R&D	Both	2029			
Residential Total	Residential	2029	49,656,865	113,646	488,446,765
Non-residential Total	Non-residential	2029	120,308,182	122,678	1,313,577,277
Portfolio Total	Both	2029	169,965,047	236,324	1,802,024,042
Total					
HEEP	Residential	All	105,214,487	22,057	1,609,245,944
WRAP	Residential	All	42,112,535	11,754	669,362,603
SmartHours*	Both	All	19,912,034	110,000	19,912,034
CEEP	Non-residential	All	578,602,303	93,661	6,346,069,593
Business DR*	Non-residential	All	0	100,000	0
Energy Education	Both	All			
Planning	Both	All			
R&D	Both	All			
Residential Total*	Residential	All	166,641,695	140,511	2,297,923,220
Non-residential Total*	Non-residential	All	579,199,664	196,961	6,346,666,954

Portfolio Total*	Both	All	745,841,360	337,472	8,644,590,174

*Unlike energy efficiency program savings with multi-year impacts and cumulative totals, SmartHours and Business Demand Response kW impacts represent 1-year impacts, with the Program Cycle Total aligned with the 1-year impacts achieved in Program Year 2029.

Table 25 - Program Participation

Program	Rate Class	2025	2026	2027	2028	2029	Total
HEEP	Residential	55,772	69,715	69,715	69,715	69,715	334,632
WRAP	Residential	17,138	17,138	17,138	17,138	17,138	85,692
SmartHours	Both	124,001	136,976	149,951	160,655	160,655	160,655
CEEP	Non-residential	77,271	92,725	92,725	92,725	92,725	448,170
Business DR*	Non-residential	20,000	40,000	67,211	85,000	100,000	100,000
Energy Education	Both						
Planning	Both						
R&D	Both						
Residential Total	Residential	193,191	219,720	232,306	242,688	242,688	576,159
Non-residential Total	Non-residential	100,991	136,834	164,435	182,545	197,545	552,990
Portfolio Total	Both	294,182	356,554	396,740	425,233	440,233	1,129,149

*Business DR participants represent 1 qualifying kW (as opposed to the number of participating customers).

Table 26 - Program TRC and UCT

Program	Rate Class	Program Year	TRC	TRC Costs (PV)	TRC Benefits (PV)	UCT	UCT Costs (PV)	UCT Benefits (PV)
2025 Estimates								
HEEP	Residential	2025	1.7	$9,985,827	$16,736,151	1.3	$7,761,882	$9,875,561
WRAP	Residential	2025	0.6	$9,409,144	$5,835,313	0.5	$10,410,350	$5,663,325
SmartHours	Both	2025	1.2	$8,343,770	$9,865,210	1.5	$6,520,977	$9,865,210
CEEP	Non-residential	2025	1.5	$24,165,436	$37,248,574	2.0	$17,957,585	$36,668,893
Business DR	Non-residential	2025	0.7	$3,263,740	$2,138,060	0.7	$3,263,740	$2,138,060
Energy Education	Both	2025						
Planning	Both	2025						
R&D	Both	2025		$2,458,660			$2,458,660	
2025 Total	Both	2025	1.2	$57,626,577	$71,823,309	1.3	$48,373,194	$64,211,050
2026 Estimates								
HEEP	Residential	2026	1.7	$12,619,210	$20,920,189	1.3	$9,778,120	$12,344,451

WRAP	Residential	2026	0.6	$9,667,009	$5,835,313	0.5	$10,690,241	$5,663,325
SmartHours	Both	2026	1.1	$9,981,509	$10,897,457	1.4	$7,923,690	$10,897,457
CEEP	Non-residential	2026	1.5	$29,397,965	$44,698,289	2.0	$21,784,658	$44,002,672
Business DR	Non-residential	2026	1.0	$4,117,108	$4,276,120	1.0	$4,117,108	$4,276,120
Energy Education	Both	2026						
Planning	Both	2026						
R&D	Both	2026		$2,899,675			$2,899,675	
2026 Total	Both	2026	1.3	$68,682,476	$86,627,368	1.3	$57,193,492	$77,184,025
2027 Estimates								
HEEP	Residential	2027	1.6	$12,888,734	$20,920,189	1.2	$9,985,140	$12,344,451
WRAP	Residential	2027	0.6	$9,871,585	$5,835,313	0.5	$10,917,328	$5,663,325
SmartHours	Both	2027	1.1	$10,643,791	$11,929,703	1.4	$8,341,487	$11,929,703
CEEP	Non-residential	2027	1.5	$30,022,099	$44,698,289	2.0	$22,241,298	$44,002,672
Business DR	Non-residential	2027	1.3	$5,455,643	$7,185,077	1.3	$5,455,643	$7,185,077
Energy Education	Both	2027						
Planning	Both	2027						
R&D	Both	2027		$3,044,258			$3,044,258	
2027 Total	Both	2027	1.3	$71,926,109	$90,568,571	1.4	$59,985,155	$81,125,228
2028 Estimates								
HEEP	Residential	2028	1.6	$13,167,405	$20,920,189	1.2	$10,199,933	$12,344,451
WRAP	Residential	2028	0.6	$10,083,879	$5,835,313	0.5	$11,152,629	$5,663,325
SmartHours	Both	2028	1.2	$10,407,521	$12,781,276	1.6	$7,886,607	$12,781,276
CEEP	Non-residential	2028	1.5	$30,663,194	$44,698,289	1.9	$22,711,216	$44,002,672
Business DR	Non-residential	2028	1.4	$6,344,444	$9,086,756	1.4	$6,344,444	$9,086,756
Energy Education	Both	2028						
Planning	Both	2028						
R&D	Both	2028		$3,115,517			$3,115,517	

2028 Total	Both	2028	1.3	$73,781,961	$93,321,822	1.4	$61,410,346	$83,878,479
2029 Estimates								
HEEP	Residential	2029	1.6	$13,449,556	$20,920,189	1.2	$10,416,799	$12,344,451
WRAP	Residential	2029	0.6	$10,298,192	$5,835,313	0.5	$11,390,455	$5,663,325
SmartHours	Both	2029	1.2	$10,517,923	$12,781,276	1.6	$7,941,549	$12,781,276
CEEP	Non-residential	2029	1.4	$31,315,756	$44,698,289	1.9	$23,188,834	$44,002,672
Business DR	Non-residential	2029	1.5	$7,156,896	$10,690,301	1.5	$7,156,896	$10,690,301
Energy Education	Both	2029						
Planning	Both	2029						
R&D	Both	2029		$3,212,869			$3,212,869	
2029 Total	Both	2029	1.2	$75,951,193	$94,925,367	1.4	$63,307,402	$85,482,025
Portfolio Total	Both	All	1.3	$347,968,316	$437,266,437	1.4	$290,269,589	$391,880,807

Table 27 - Program RIM and PCT

Program	Rate Class	Program Year	RIM	RIM Costs (PV)	RIM Benefits (PV)	PCT	PCT Costs (PV)	PCT Benefits (PV)
2025 Estimates								
HEEP	Residential	2025	0.3	$36,121,127	$9,875,561	7.1	$5,517,260	$39,413,603
WRAP	Residential	2025	0.2	$24,577,243	$5,663,325	2.9	$8,180,521	$23,520,607
SmartHours	Both	2025	1.2	$8,516,308	$9,865,210	1.0	$4,004,475	$4,177,013
CEEP	Non-residential	2025	0.3	$139,814,634	$36,668,893	8.6	$15,315,260	$131,648,705
Business DR	Non-residential	2025	0.7	$3,263,740	$2,138,060	1.0	$661,484	$661,484
Energy Education	Both	2025						
Planning	Both	2025						
R&D	Both	2025		$2,458,660				
2025 Total	Both	2025	0.3	$214,751,712	$64,211,050	5.9	$33,679,000	$199,421,412
2026 Estimates								

HEEP	Residential	2026	0.3	$45,227,177	$12,344,451	7.0	$7,046,974	$49,382,332
WRAP	Residential	2026	0.2	$24,857,134	$5,663,325	2.8	$8,360,493	$23,722,605
SmartHours	Both	2026	1.1	$10,127,803	$10,897,457	1.0	$5,349,624	$5,495,918
CEEP	Non-residential	2026	0.3	$168,013,116	$44,002,672	8.4	$18,782,635	$158,221,642
Business DR	Non-residential	2026	1.0	$4,117,108	$4,276,120	1.0	$1,443,238	$1,443,238
Energy Education	Both	2026						
Planning	Both	2026						
R&D	Both	2026		$2,899,675				
2026 Total	Both	2026	0.3	$255,242,013	$77,184,025	5.8	$40,982,964	$238,265,736
2027 Estimates								
HEEP	Residential	2027	0.3	$45,434,197	$12,344,451	6.9	$7,201,903	$49,500,198
WRAP	Residential	2027	0.2	$25,084,221	$5,663,325	2.8	$8,544,423	$23,929,047
SmartHours	Both	2027	1.1	$10,754,382	$11,929,703	1.0	$5,738,375	$5,848,966
CEEP	Non-residential	2027	0.3	$168,469,756	$44,002,672	8.3	$19,195,853	$158,470,188
Business DR	Non-residential	2027	1.3	$5,455,643	$7,185,077	1.0	$2,705,944	$2,705,944
Energy Education	Both	2027						
Planning	Both	2027						
R&D	Both	2027		$3,044,258				
2027 Total	Both	2027	0.3	$258,242,457	$81,125,228	5.5	$43,386,498	$240,454,344
2028 Estimates								
HEEP	Residential	2028	0.3	$45,648,989	$12,344,451	6.7	$7,360,239	$49,620,657
WRAP	Residential	2028	0.2	$25,319,522	$5,663,325	2.8	$8,732,401	$24,140,031
SmartHours	Both	2028	1.2	$10,471,740	$12,781,276	1.0	$5,740,525	$5,804,745
CEEP	Non-residential	2028	0.3	$168,939,674	$44,002,672	8.1	$19,618,162	$158,724,203
Business DR	Non-residential	2028	1.4	$6,344,444	$9,086,756	1.0	$3,524,792	$3,524,792

Energy Education	Both	2028						
Planning	Both	2028						
R&D	Both	2028		$3,115,517				
2028 Total	Both	2028	0.3	$259,839,887	$83,878,479	5.4	$44,976,119	$241,814,427
2029 Estimates								
HEEP	Residential	2029	0.3	$45,865,856	$12,344,451	6.6	$7,522,060	$49,743,766
WRAP	Residential	2029	0.2	$25,557,348	$5,663,325	2.7	$8,924,513	$24,355,656
SmartHours	Both	2029	1.2	$10,526,682	$12,781,276	1.0	$5,866,817	$5,875,576
CEEP	Non-residential	2029	0.3	$169,417,292	$44,002,672	7.9	$20,049,761	$158,983,806
Business DR	Non-residential	2029	1.5	$7,156,896	$10,690,301	1.0	$4,271,218	$4,271,218
Energy Education	Both	2029						
Planning	Both	2029						
R&D	Both	2029		$3,212,869				
2029 Total	Both	2029	0.3	$261,736,943	$85,482,025	5.2	$46,634,370	$243,230,022
Portfolio Total	Both	All	0.3	$1,249,813,011	$391,880,807	5.5	$209,658,951	$1,163,185,940

Table 28 - Program SCT

Program	Rate Class	Program Year	SCT	SCT Costs (PV)	SCT Benefits (PV)
2025 Estimates					
HEEP	Residential	2025	5.6	$9,985,827	$55,467,934
WRAP	Residential	2025	2.7	$9,409,144	$25,169,839
SmartHours	Both	2025	1.5	$8,343,770	$12,176,022
CEEP	Non-residential	2025	8.1	$24,165,436	$196,569,745
Business DR	Non-residential	2025	0.7	$3,263,740	$2,138,060
Energy Education	Both	2025			
Planning	Both	2025			

R&D	Both	2025		$2,458,660	
2025 Total	Both	2025	5.1	$57,626,577	$291,521,601
2026 Estimates					
HEEP	Residential	2026	5.5	$12,619,210	$69,334,918
WRAP	Residential	2026	2.6	$9,667,009	$25,169,839
SmartHours	Both	2026	1.3	$9,981,509	$13,450,060
CEEP	Non-residential	2026	8.0	$29,397,965	$235,883,694
Business DR	Non-residential	2026	1.0	$4,117,108	$4,276,120
Energy Education	Both	2026			
Planning	Both	2026			
R&D	Both	2026		$2,899,675	
2026 Total	Both	2026	5.1	$68,682,476	$348,114,631
2027 Estimates					
HEEP	Residential	2027	5.4	$12,888,734	$69,334,918
WRAP	Residential	2027	2.5	$9,871,585	$25,169,839
SmartHours	Both	2027	1.4	$10,643,791	$14,724,098
CEEP	Non-residential	2027	7.9	$30,022,099	$235,883,694
Business DR	Non-residential	2027	1.3	$5,455,643	$7,185,077
Energy Education	Both	2027			
Planning	Both	2027			
R&D	Both	2027		$3,044,258	
2027 Total	Both	2027	4.9	$71,926,109	$352,297,626
2028 Estimates					
HEEP	Residential	2028	5.3	$13,167,405	$69,334,918
WRAP	Residential	2028	2.5	$10,083,879	$25,169,839
SmartHours	Both	2028	1.5	$10,407,521	$15,775,142
CEEP	Non-residential	2028	7.7	$30,663,194	$235,883,694

Business DR	Non-residential	2028	1.4	$6,344,444	$9,086,756
Energy Education	Both	2028			
Planning	Both	2028			
R&D	Both	2028		$3,115,517	
2028 Total	Both	2028	4.8	$73,781,961	$355,250,349
2029 Estimates					
HEEP	Residential	2029	5.2	$13,449,556	$69,334,918
WRAP	Residential	2029	2.4	$10,298,192	$25,169,839
SmartHours	Both	2029	1.5	$10,517,923	$15,775,142
CEEP	Non-residential	2029	7.5	$31,315,756	$235,883,694
Business DR	Non-residential	2029	1.5	$7,156,896	$10,690,301
Energy Education	Both	2029			
Planning	Both	2029			
R&D	Both	2029		$3,212,869	
2029 Total	Both	2029	4.7	$75,951,193	$356,853,894
Portfolio Total	Both	All	4.9	$347,968,316	$1,704,038,101

Table 29 - Avoided Costs

Year	$/kWh					$/kW
	Summer On-Peak	Summer Off-Peak	Winter On-Peak	Winter Off-Peak	Shoulder	
2025	0.04760	0.03367	0.03072	0.02105	0.02639	98.53250
2026	0.04322	0.03227	0.03010	0.02178	0.02646	100.50315
2027	0.04108	0.03213	0.02905	0.02276	0.02555	102.51322
2028	0.04096	0.03247	0.02953	0.02278	0.02572	104.56348
2029	0.04117	0.03287	0.03006	0.02372	0.02680	106.65475
2030	0.04343	0.03454	0.03087	0.02448	0.02783	108.78785
2031	0.04508	0.03625	0.03181	0.02599	0.02822	110.96360
2032	0.04737	0.03788	0.03358	0.02670	0.02978	113.18288
2033	0.04994	0.03975	0.03502	0.02774	0.03101	115.44653
2034	0.05274	0.04230	0.03655	0.02956	0.03298	117.75546
2035	0.05479	0.04397	0.03765	0.03076	0.03394	120.11057
2036	0.05627	0.04506	0.03905	0.03153	0.03464	122.51278
2037	0.05798	0.04671	0.03999	0.03221	0.03624	124.96304
2038	0.06087	0.04880	0.04190	0.03355	0.03727	127.46230

2039	0.06175	0.04962	0.04238	0.03531	0.03691	130.01155
2040	0.06801	0.05290	0.04472	0.03637	0.03960	132.61178
2041	0.06947	0.05465	0.04642	0.03817	0.04137	135.26401
2042	0.07210	0.05617	0.04782	0.03948	0.04262	137.96929
2043	0.07280	0.05749	0.04731	0.03970	0.04250	140.72868
2044	0.07441	0.05875	0.04835	0.04057	0.04343	143.82471

Table 30 – Cost Periods

Costing Period	Months/Day	Hours
1	June through September – Weekdays	2:01 PM - 7:00 PM
2	June through September – Weekdays	7:01 PM - 2:00 PM
	June through September – Weekends	All Hours
3	November through April – Weekdays	6:01 AM - 10:00 PM
4	November through April – Weekdays	10:01 PM - 6:00 AM
	November through April – Weekends	All Hours
5	May and October	All Hours

Table 31 - Cost Caps

Year	kWh Forecasted	Res Program Costs	C&I Program Costs	Res $/kWh	Res Monthly Customer Impact
2025	9,196,812,862	$27,356,239	$21,816,955	$0.002975	$3.27
2026	9,291,326,364	$29,134,276	$28,859,216	$0.003136	$3.45
2027	9,386,811,160	$29,443,711	$31,441,444	$0.003137	$3.45
2028	9,483,277,231	$29,452,570	$32,857,776	$0.003106	$3.42
2029	9,580,734,661	$29,985,557	$34,271,846	$0.003130	$3.44
Total	46,938,962,279	$145,372,353	$149,247,236	$0.003097	$3.41

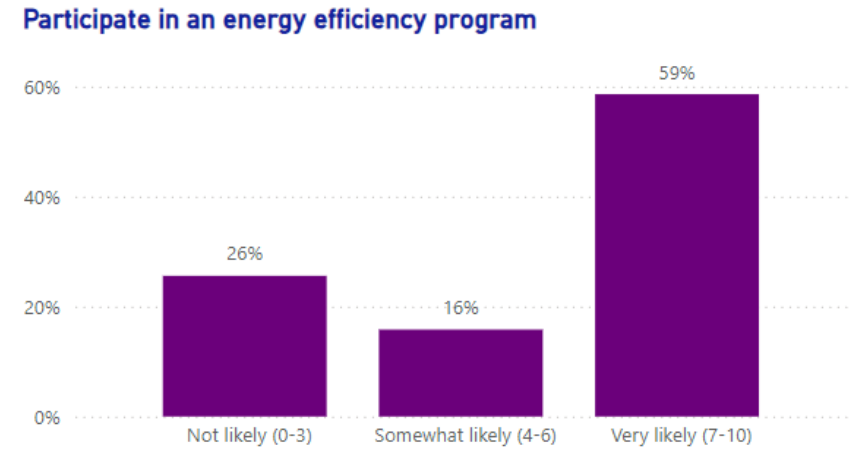
Appendices

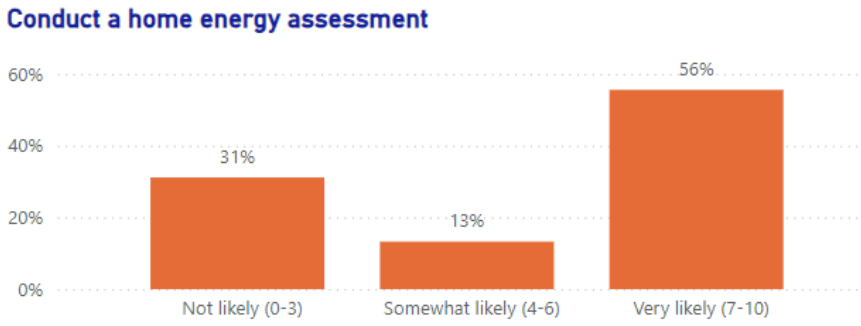
A. Market Characterization

The following report summarizes data gathered by AEG in a study completed in 2022 for OG&E's territory, which assesses customer population baselines characterizing the state of the market that the Demand Portfolio is intended to address, customer needs, customer populations, and how best to address these issues.

Residential

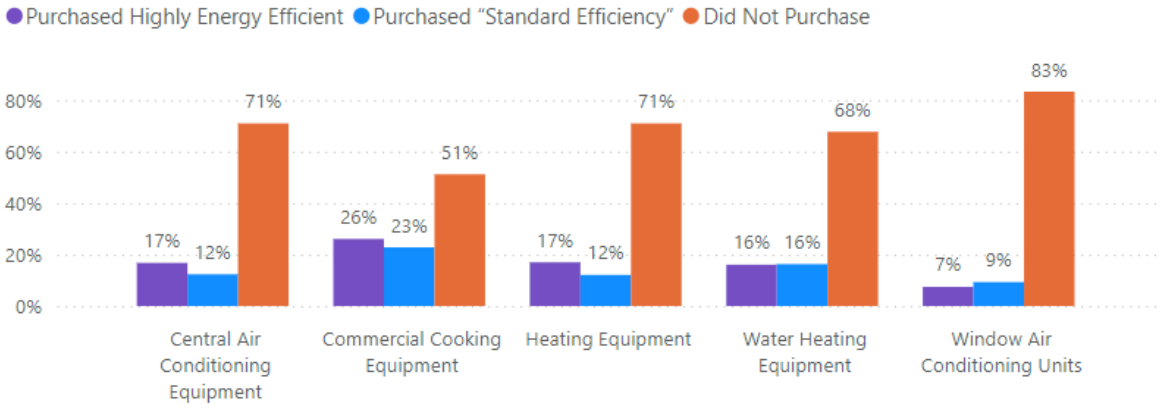
Residential Customer Awareness & Inclination to Participate



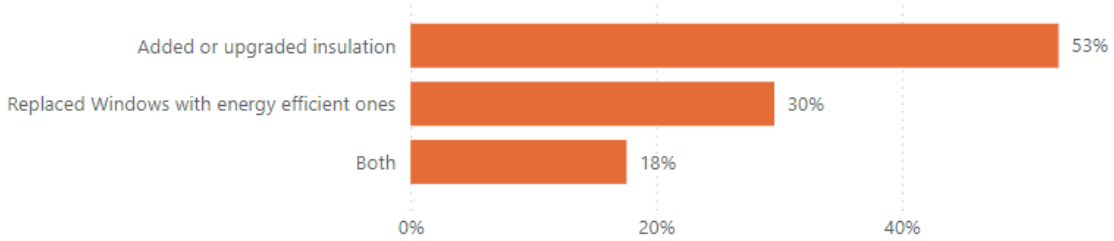


Energy Efficiency Purchases

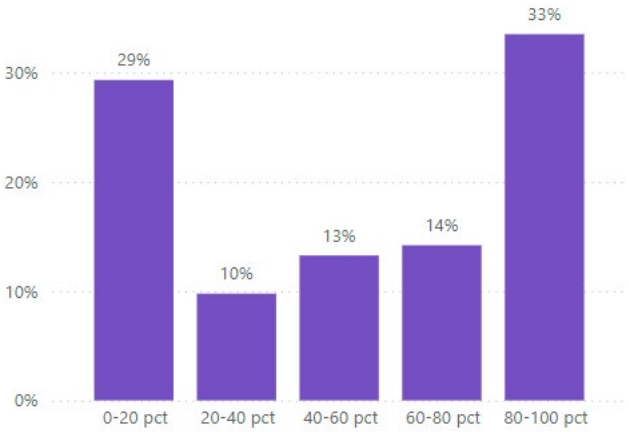
Equipment purchased in last 5 years

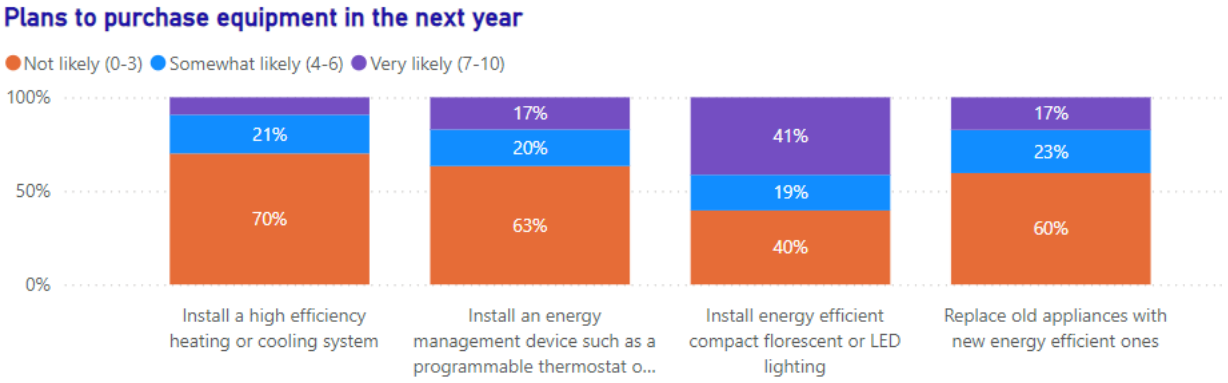


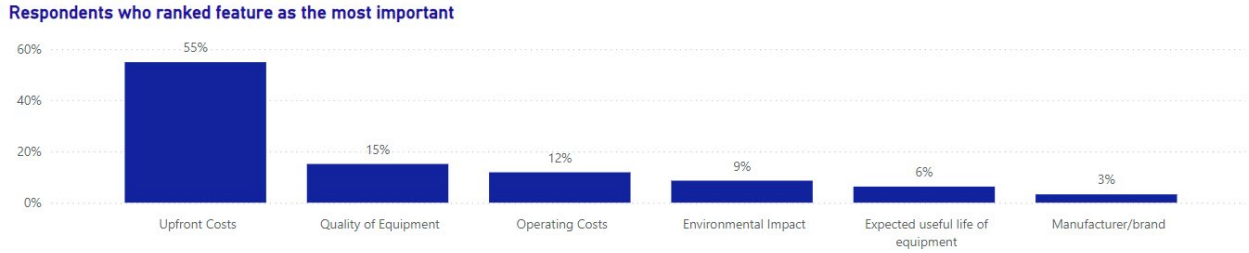
Purchased weatherization measures in the last 5 years



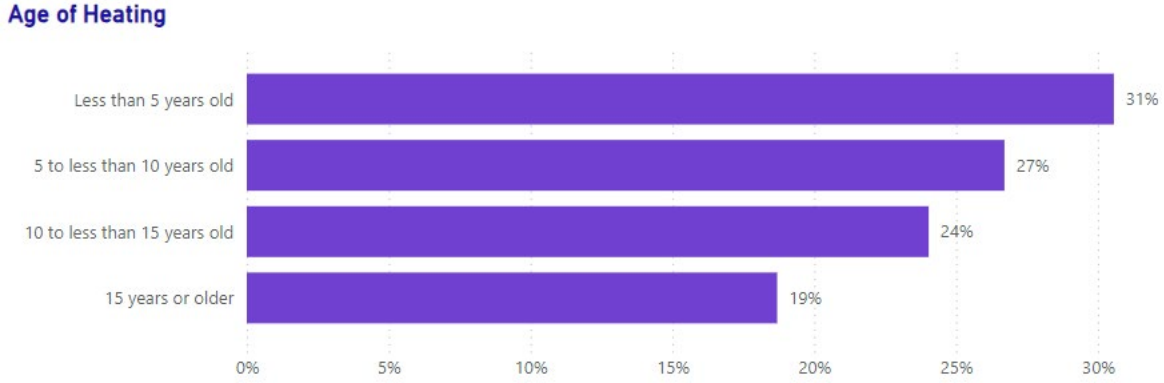
Proportion of LEDs

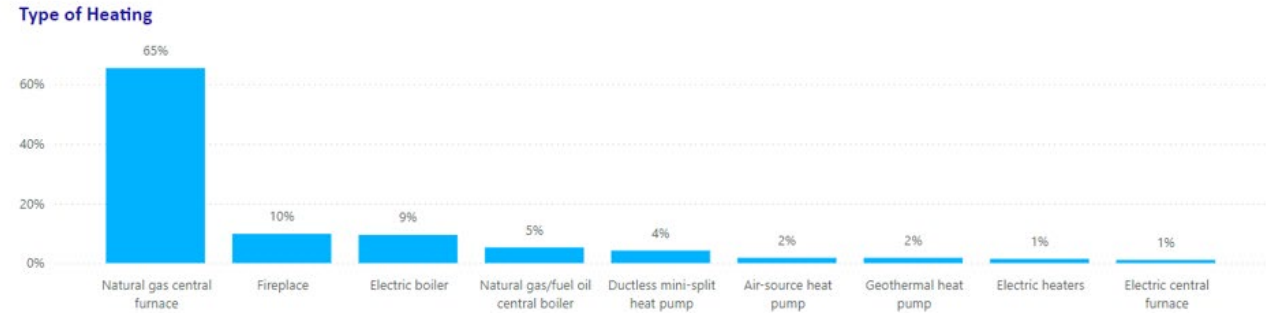




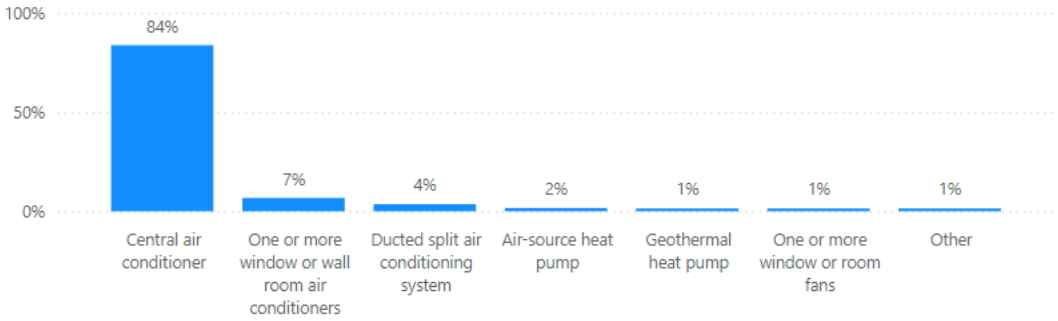


Existing Home Systems

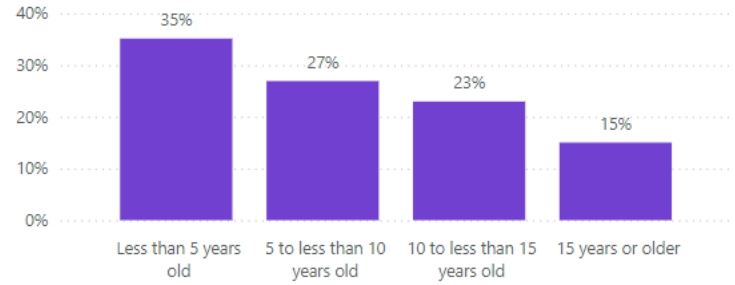




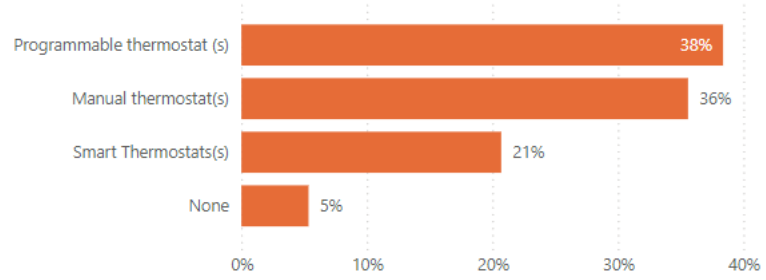
Type of Cooling



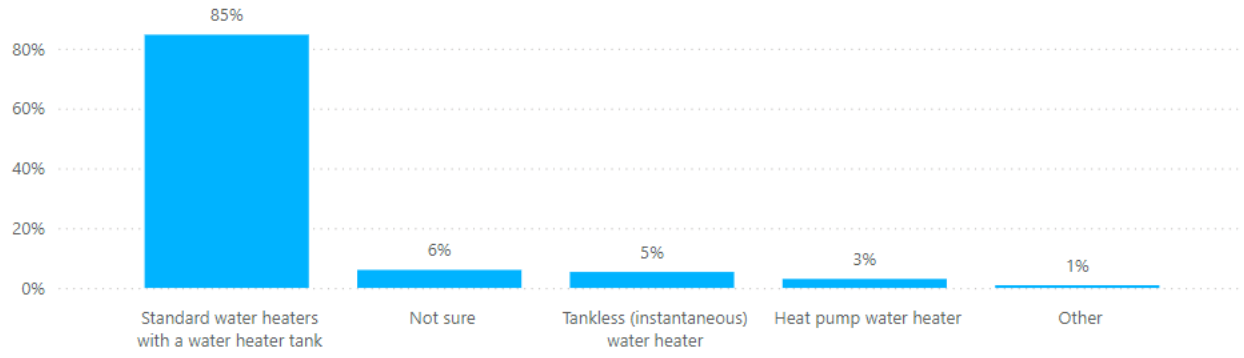
Age of Cooling



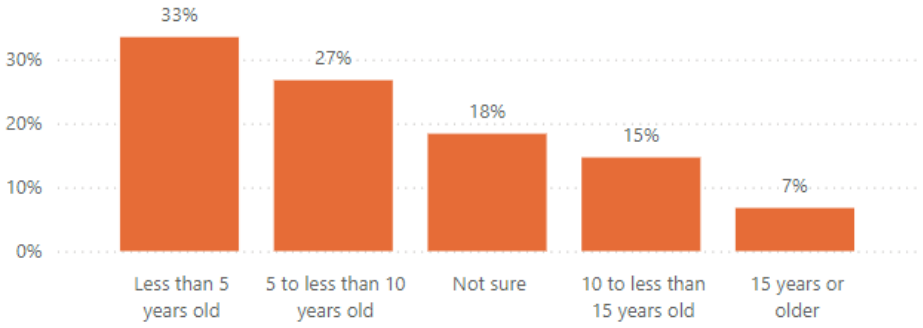
Type of Thermostat



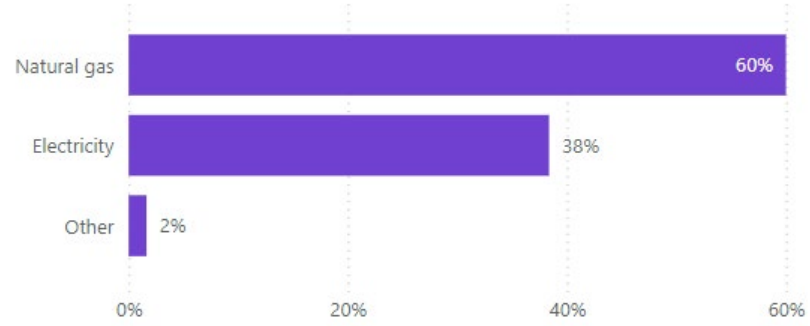
Type of Water Heating



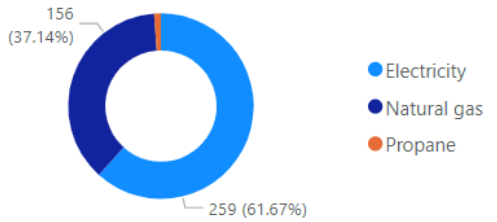
Water Heating Age



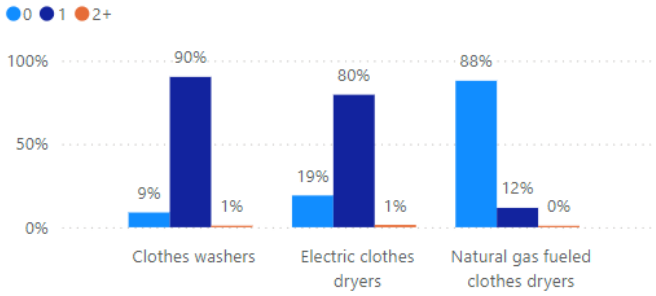
Water Heating Fuel



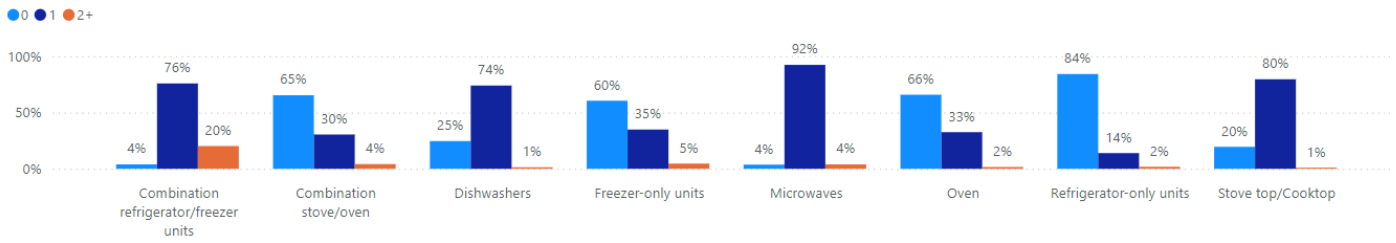
What type of fuel is used in the stove top, cooktop, or oven that you use as your primary cooking appliance?



Number of Laundry Appliances



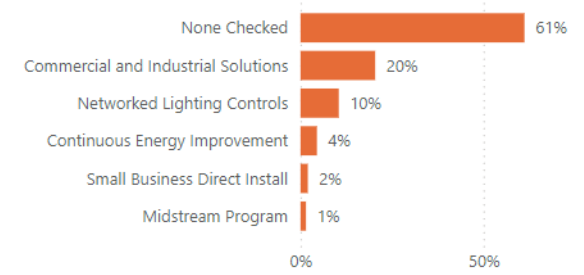
Number of Kitchen Appliances



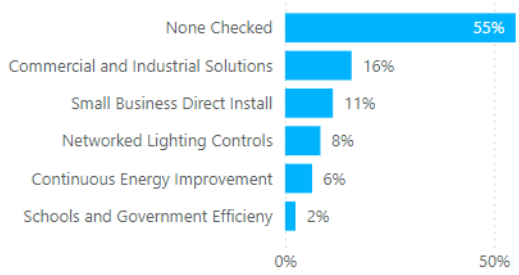
Commercial and Industrial (C&I)

C&I Customer Awareness & Inclination to Participate

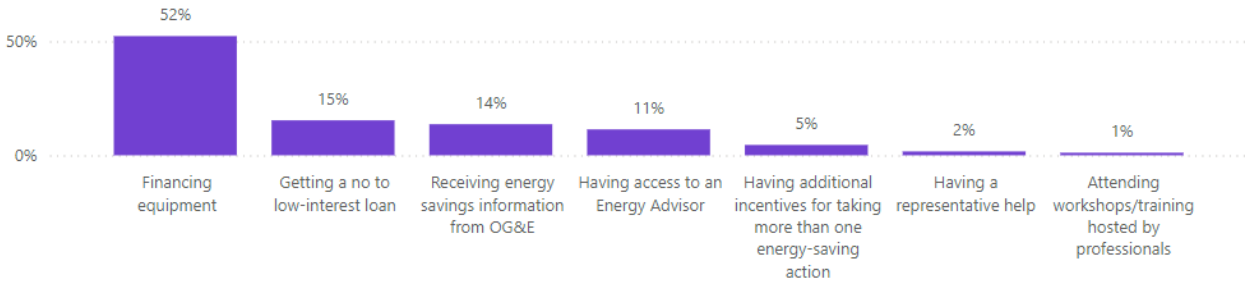
Which of the following are you aware of?



Which of the following are you likely to participate in?

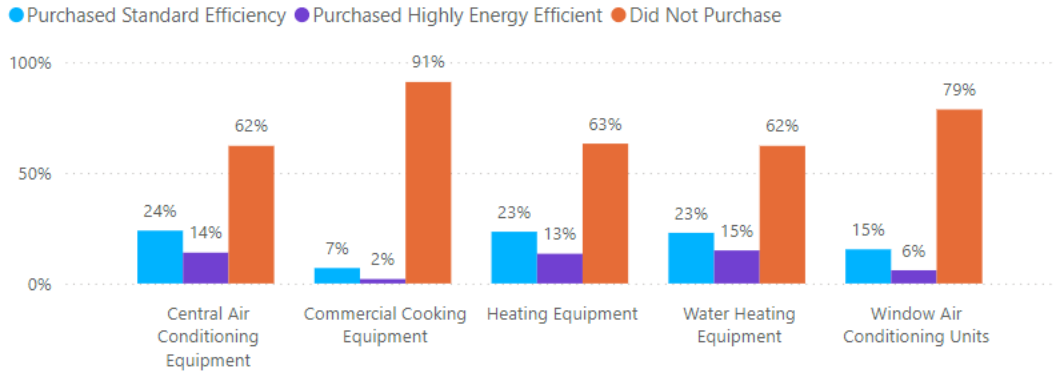


Features that would make customers most likely to participate

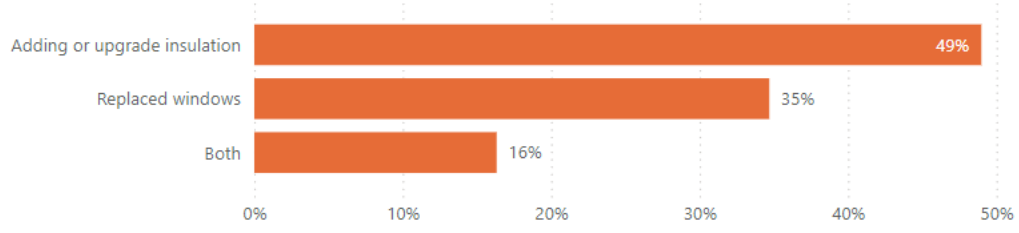


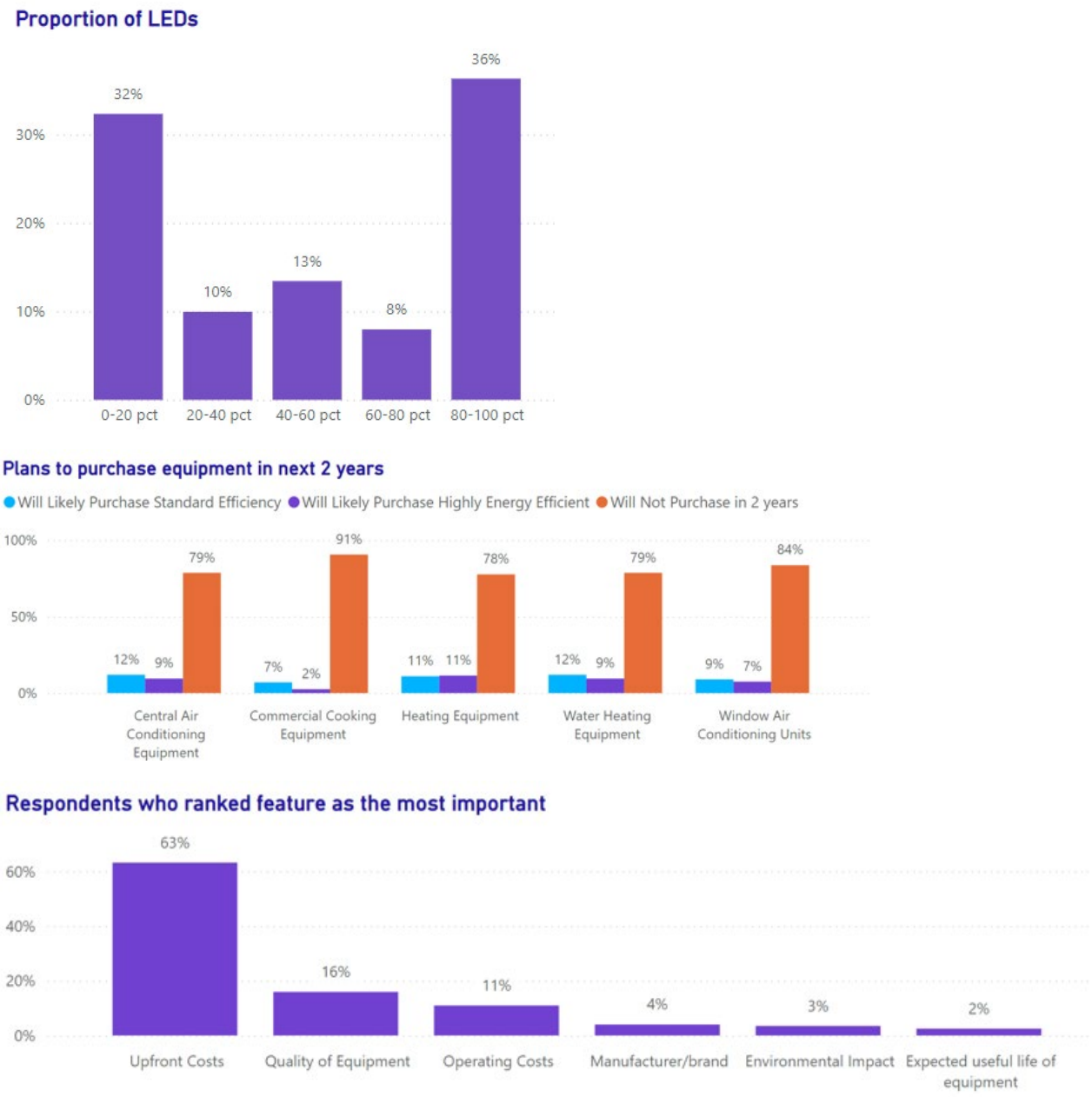
Energy Efficiency Purchases

Equipment purchased in last 5 years



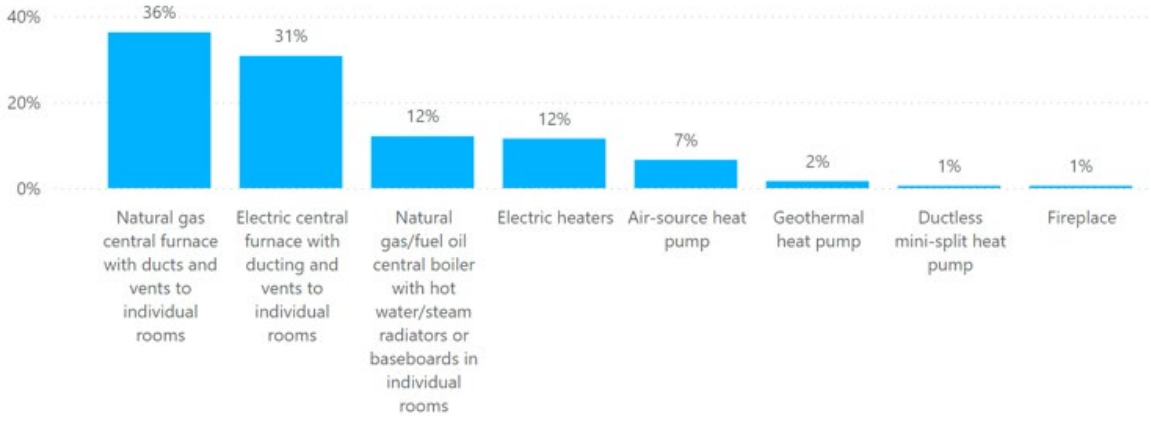
Purchased weatherization measures in the last 5 years



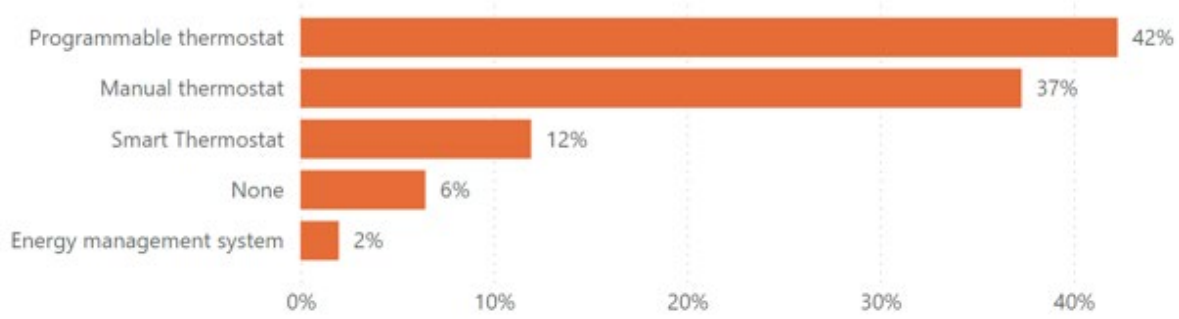

Proportion of LEDs
36%
32%
30%
20%
13%
10%
10%
8%
0%
0-20 pct
20-40 pct
40-60 pct
60-80 pct
80-100 pct
Plans to purchase equipment in next 2 years
Will Likely Purchase Standard Efficiency
Will Likely Purchase Highly Energy Efficient
Will Not Purchase in 2 years
100%
50%
0%
79%
91%
78%
79%
84%
12%
9%
7%
2%
11%
11%
12%
9%
9%
7%
Central Air Conditioning Equipment
Commercial Cooking Equipment
Heating Equipment
Water Heating Equipment
Window Air Conditioning Units
Respondents who ranked feature as the most important
63%
60%
40%
20%
16%
11%
4%
3%
2%
0%
Upfront Costs
Quality of Equipment
Operating Costs
Manufacturer/brand
Environmental Impact
Expected useful life of equipment

Existing Building Systems

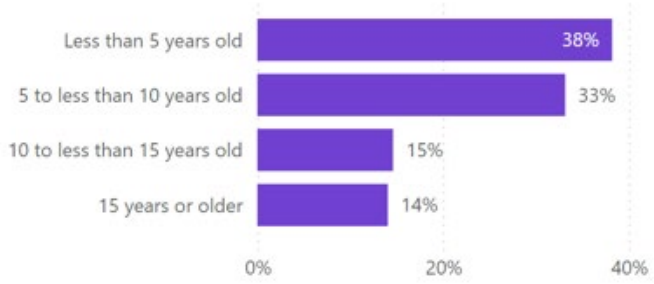
Type of Heating



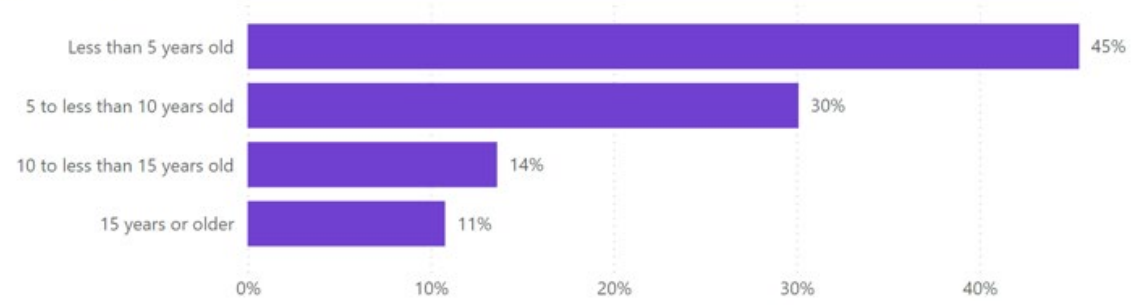
Type of Thermostat



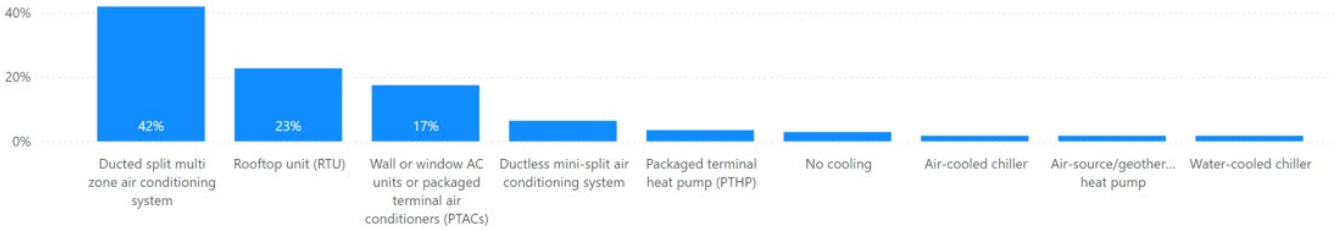
Age of Heating



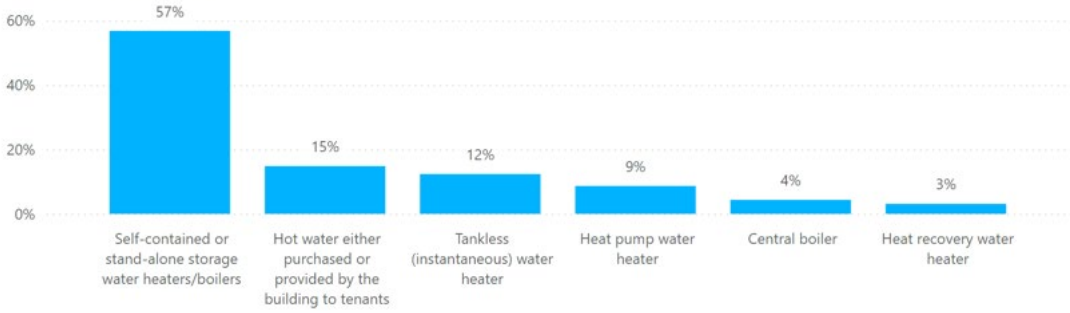
Age of Cooling



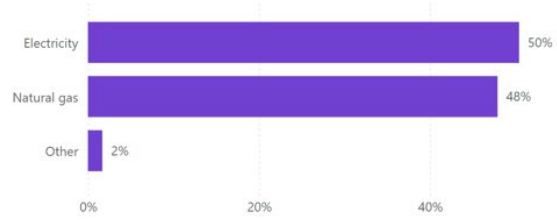
Type of Cooling



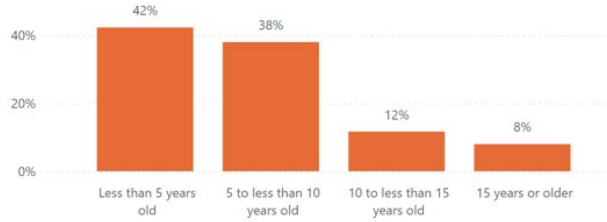
Type of Water Heating



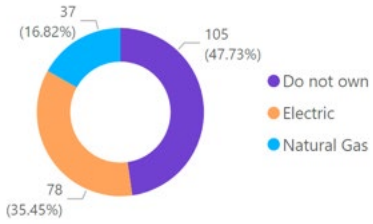
Water Heating Fuel



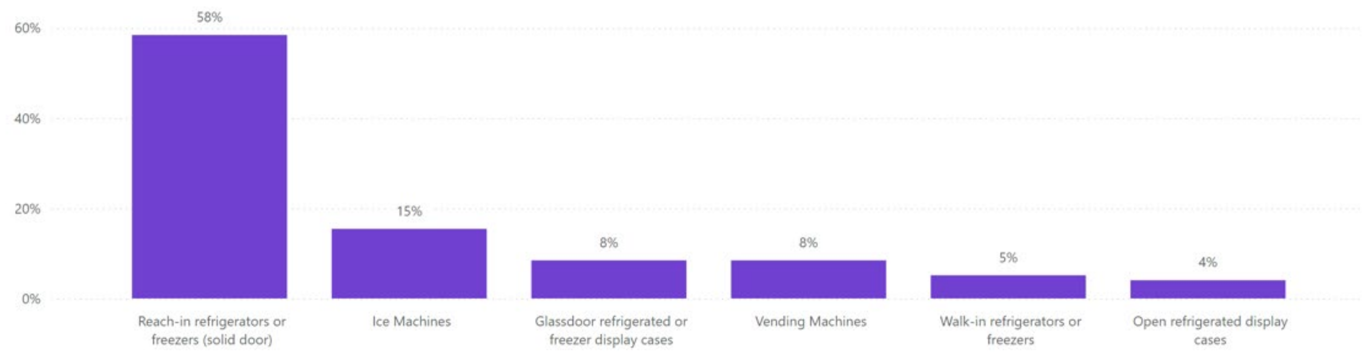
Water Heating Age



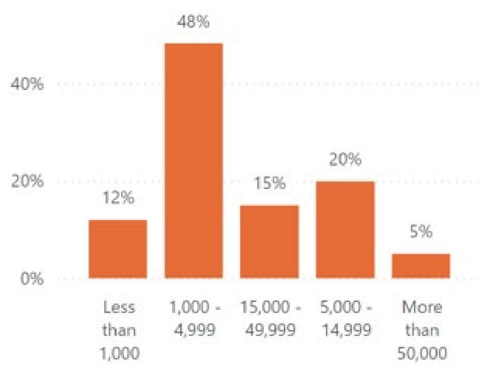
Respondents with Commercial Kitchen Equipment



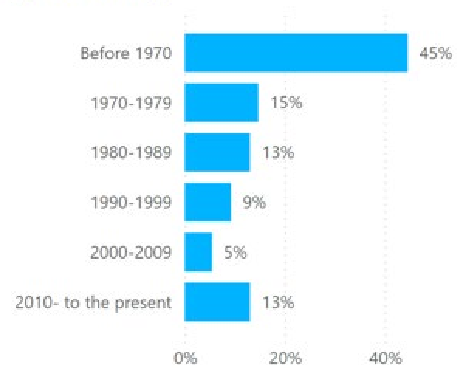
How many of the following types of refrigeration equipment in total do you have anywhere in your facility?



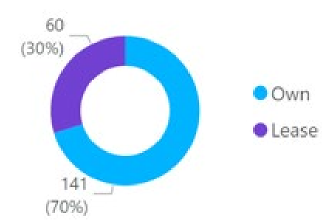
Square Footage



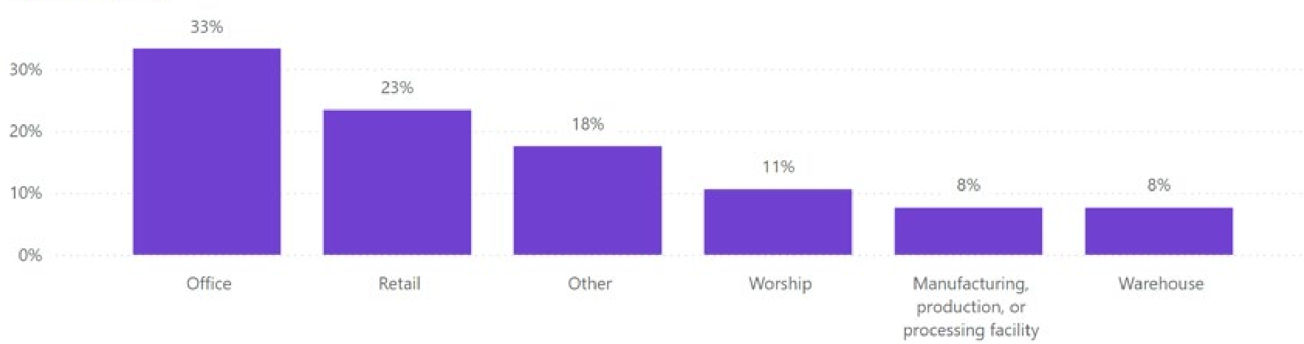
Age of Building



Own or Lease



Type of Facility



B. Measure List

Table 32 Program Measure Lists

CEEP
Custom - Agriculture
Drip Irrigation Sprinkler Nozzles (Pecan Orchard)
Energy Efficient Waterer for Livestock and Horses
Grain Dryer Tune Up
Grain Dryer Tune Up - Low Temperature Electric Bin Dryer
Grain Storage - Temperature and Moisture Management Controller
Heat Mats for Hog Farrowing Facilities
High Efficiency Grain Dryer - Low Temperature Electric Bin Dryer
High Efficiency Ventilation Fans for Hog/Poultry Buildings
Irrigation System Maintenance (Center Pivot/Linear) - Gasket Replacement
Irrigation System Maintenance (Center Pivot/Linear) - Sprinkler Replacement
Irrigation System Maintenance (Wheel) - Gaskets and Drain Repair
Irrigation System Maintenance (Wheel) - Nozzle Replacement
LED Fixtures, Other Animal Housing
LED Horticultural Grow Lighting
LED Horticultural Grow Lighting for Greenhouses
LED Horticultural Grow Lighting Greenhouse - Advanced Controls
LED Horticultural Grow Lighting, LED Tube
LED Lamp, Laying Hen Operation
Low Pressure or Drip Irrigation - Average Farm
Low Pressure Sprinkler Nozzles (Pecan Orchard)
CEI - Commercial Site
CEI - Industrial Site
CEI - School
Compressor Replacement
Custom - Compressed Air
Engineered Nozzles
Engineered Nozzles
No Loss Condensate Drains
System Pressure Reduction
Small Commercial - Ceiling Insulation
Small Commercial - Duct Insulation
Small Commercial - Window Film
Beverage and Snack Machine Controls
Commercial Broilers
Commercial Dishwasher
Commercial Fryers
Commercial Griddles
Commercial Ice Makers
Commercial Oven
Custom - Food Service

Kitchen Demand Control Ventilation Controls
Pre-Rinse Spray Valve - Electric WH
Steam Cooker
Faucet Aerator
Low Flow Showerhead
Water Heater Replacement
Air Conditioner <5.4 tons
Air Conditioner 05.4-11.25 tons
Air Conditioner 11.25-20 tons
Air Conditioner 20-63 tons
Chiller 10 EER, 100 ton
Commercial CoolSaver Post Measurement
Commercial CoolSaver Pre-Clean
Commercial CoolSaver Tune-Up
Commercial Wi-Fi Enabled Smart Thermostat
Cool Roof
Custom - HVAC
Heat Pump <5.4 tons
Heat Pump 11.25-20 tons
Heat Pump 20-63 tons
Heat Pump 5.4-11.25 tons
Occupancy based PTAC/PTHP controls
PTAC/PTHP
Custom - Lighting
Exterior Lighting
LED Lamp
Lighting - 4 Pin-Base Lamp LED (G24)
Lighting - Delamping
Lighting - Downlight Retrofit LED
Lighting - EISA Exempt Lighting
Lighting - Exterior Wall Pack/Flood
Lighting - LED Exit Sign
Lighting - Linear Lamp LED
Lighting - Lowbay/Highbay LED
Lighting - Street Lighting (LED)
Lighting - Troffer and Linear Ambient LED
Parking Structure Lighting
Custom - Lighting Controls
Daylighting Sensors
Dual Occupancy & Daylighting Sensors
Networked Lighting Controls
Occupancy Sensors
Custom - All Other

Electric Vehicle Charging Systems (EV Chargers)
High Efficiency Battery Chargers
High Speed Doors for Cold Storage Facilities
Plug Load Occupancy Sensors
Pool Pumps
Custom - Motors, Drives and Pumps
ECM evaporator fan
ECM Motor for HVAC- SP and PSC
Premium Efficient Motors
Custom - New Construction
New Construction - Lighting (LPD)
Computer Power Management - Conventional Computer
Computer Power Management - Conventional LCD Monitor
Computer Power Management - Conventional Notebook (including display)
Conventional Computer
Conventional LCD Monitor
Conventional Notebook (including display)
Custom - Plug Load
Tier 1 Advanced Power Strip
Vending Misers
Custom - Refrigeration
Door Gasket
Door Heater Controls
ECM Motor for Refrigeration - PSC Motor
ECM Motor for Refrigeration - SP Motor
Electronic Defrost Control
Evaporator Fan Controls
Refrigerated Case Night Covers
Solid Door Reach-ins
Strip Curtains
Zero Energy Doors
RCx Lite
Retro Commissioning (Grocery)
Retro Commissioning (Other)
HEEP & WRAP
ENERGY STAR Clothes Washer
ENERGY STAR Dishwasher
ENERGY STAR Dryer
ENERGY STAR Freezer
ENERGY STAR Refrigerator
Induction Cooktop
Room Air Purifier
Assessments/Apartment Fees

Health & Safety Fees
Promotional Inducement
SEM for Multifamily
Air Sealing - Multifamily
Air Sealing - Single Family
Ceiling/Attic Insulation
ENERGY STAR Doors
ENERGY STAR Windows
Floor Insulation
Low-Emissivity (Low-E) Storm Windows
Tree Planting
Wall Insulation
Window Film
ENERGY STAR Level 2 EV Chargers (Level 1 Baseline)
ENERGY STAR Level 2 EV Chargers (Level 2 Baseline)
Faucet Aerator
Hot Water Pipe Insulation
Low-Flow Showerhead
Thermostatic Restrictor Valve
Water Heater Jackets
Water Heater Replacement
Bathroom Exhaust Fan
Duct Insulation
Duct Sealing - Multifamily
Duct Sealing - Single Family
Residential Air Conditioner RoB/NC
Residential Air Source Heat Pump RoB/NC
Residential CoolSaver HVAC Tune-Up
Residential Geothermal Heat Pump RoB/NC
Room Air Conditioner
Smart Thermostat
Kits
LED Nightlight
Lighting - EISA Exempt Lighting
Smart LEDs
Smart Lighting Controls
ENERGY STAR Residential Pool Pump
Manufactured Homes
New Homes
Advanced Power Strips
Dehumidifier ENERGY STAR
Smart Plugs
Water Dispenser

Whole Home Savings
SmartHours
Residential – Variable Peak Pricing (Only)
Residential – Variable Peak Pricing (BYOT)
Residential – Variable Peak Pricing (Communicating TStat)
Residential – Time of Use
Residential – Time of Use + Solar
Residential – Direct Load Control
C&I – Variable Peak Pricing (Only)
C&I – Variable Peak Pricing (BYOT)
C&I – Variable Peak Pricing (Communicating TStat)
C&I – Time of Use
C&I – Direct Load Control
SmartHours Enrollment
Promotional Inducement for Controllable Technologies
Business Demand Response
BDR Event Verified kW