

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

**IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR AN ORDER OF THE COMMISSION)
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)**

CAUSE NO. PUD 201700496

FILED
MAY 07 2018

**COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA**



SUMMARY TESTIMONY

OF

AMY TAYLOR

MAY 7, 2018

1 Amy Taylor is employed by the Public Utility Division ("PUD") of the Oklahoma
2 Corporation Commission ("Commission") as a Public Utility Regulatory Analyst. On
3 May 2, 2018, Ms. Taylor filed Responsive Testimony to present PUD's recommendation
4 regarding Administrative Expenses, Miscellaneous General Expenses, Employee Medical
5 Benefits, Insurance / Self Insurance Expense, Miscellaneous Revenues, Bad Debt Expense,
6 and Lease / Rent Expense.

7 On January 16, 2018, Oklahoma Gas & Electric Company ("OG&E" or "Company")
8 filed its Application for an adjustment in its rates, charges, and tariffs for retail electric
9 service in Oklahoma. Ms. Taylor reviewed the Application, Testimony of Company
10 witnesses, and Company workpapers. Ms. Taylor also reviewed the data requests issued
11 by intervenors, including the Attorney General, Oklahoma Cogeneration, LLC, and
12 Oklahoma Industrial Energy Consumers, and the associated responses. In addition, Ms.
13 Taylor spoke with Company personnel and conducted multiple onsite audits at the
14 Company's corporate office in Oklahoma City, Oklahoma. During the onsite audits, Ms.
15 Taylor reviewed detailed journal entries, invoices, contracts, insurance policies, requested
16 bids, and other confidential information.

17 Ms. Taylor testified that after conducting its review of OG&E's proposed adjustments and
18 aforementioned documents, Ms. Taylor believed the methodology used by OG&E
19 pertaining to the assigned areas was applied correctly, and the calculations were
20 arithmetically accurate. Ms. Taylor recommended the Commission accept the following
21 proposed adjustments as presented by the Company:

- 1 • Miscellaneous General Expense – decrease of \$564,121;
- 2 • Employee Medical Benefits – increase of \$1,127,539;
- 3 • Insurance / Self Insurance Expense – decrease of \$53,337;
- 4 • Miscellaneous Revenues – decrease of \$1,162,598; and
- 5 • Bad Debt Expense – increase \$33,826.

6 Ms. Taylor testified that with respect to Bad Debt Expense, PUD recommended an
7 additional adjustment of \$18,537 to increase its Bad Debt / Operating Expense. The
8 purpose of this adjustment was to include the six-month post test year data. Ms. Taylor
9 testified that the inclusion of the six-month post test year adjustment recommended by
10 PUD will increase OG&E's Bad Debt Expense in total by \$52,363.

11 Ms. Taylor testified that OG&E did not propose any adjustments to Administrative
12 Expense, or Lease / Rent Expense. Ms. Taylor reviewed supporting documentation for the
13 test year and two years prior. Documents that were reviewed included general ledgers,
14 working copies of all computer model spreadsheets, answers to data requests provided to
15 PUD, answers to data requests made by intervenors, and multiple meetings with Company
16 witnesses regarding confidential information. Ms. Taylor did not uncover any areas that
17 raised concern, and she was able to confirm the arithmetical accuracy. Ms. Taylor testified
18 that PUD recommended no adjustments to these assigned areas in this Cause.

19 Ms. Taylor testified that PUD believes these recommendations are fair, just, reasonable, and
20 in the public interest.

CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that on the 2nd day of May, 2018, a true and correct copy of the above and foregoing was sent **electronically**, addressed to the following:

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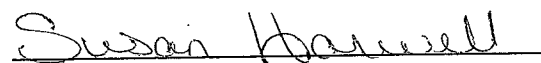
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