

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY) Case No. PUD2025-000084
FOR COMMISSION PREAPPROVAL OF NEW)
GENERATION CAPACITY PURSUANT TO)
17 O.S. § 286(C) AND RIDER COST RECOVERY)

Direct Testimony

of

Kelly M. Riley

on behalf of

Oklahoma Gas and Electric Company

December 19, 2025

Kelly M. Riley
Direct Testimony

1 **I. INTRODUCTION AND SUMMARY**

2 **Q. Please state your name, your employer, and your business address.**

3 A. My name is Kelly M. Riley. I am employed by Oklahoma Gas and Electric Company
4 ("OG&E" or "Company"), and my business address is 321 N. Harvey, Oklahoma City,
5 Oklahoma 73102.

6
7 **Q. What position do you hold with OG&E?**

8 A. I hold the position of Director of Resource Planning. I am responsible for OG&E's resource
9 planning group and for all its activities including the preparation of integrated resource
10 plan submittals and frequent resource planning analyses that are performed on an ongoing
11 basis.

12
13 **Q. Please summarize your professional experience and educational background.**

14 A. I have been employed by OG&E since 2007. I earned a Bachelor of Science Degree in
15 Business Administration from the University of Oklahoma (1991) and a Master of Science
16 in Management - Operations Research (2001) from Case Western Reserve University in
17 Cleveland, Ohio. Since joining OG&E, I have held various risk management and planning
18 positions. I joined OG&E's resource planning team in 2013 and have been in my current
19 role as Director of Resource Planning since 2019. My responsibilities include strategic
20 oversight of the resource planning group including the development and submittal of the
21 Company's Integrated Resource Plans and the analysis of particular capital investments.

22
23 **Q. Have you previously testified or appeared before the Oklahoma Corporation**
24 **Commission ("Commission")?**

25 A. Yes, I have filed testimony in Cause Nos. PUD 2023-000038, PUD 2023-000087, and PUD
26 2025-000038.

27
28 **Q. What is the purpose of your testimony in this proceeding?**

29 A. The purpose of my testimony is to support OG&E's need for additional generating

1 capacity, describe the design and administration of multiple RFPs for generating resources
2 to satisfy the capacity need, as well as the Company's decision to pursue the acquisition of
3 the Deriva Frontier Energy Storage project (hereinafter "Frontier Energy Storage Project"
4 or "Project") after evaluating a large number of offers into the 2024 All Source RFP ("All-
5 Source RFP.") First, I will discuss OG&E's Integrated Resource Planning ("IRP") process
6 that established the Company's need for generating capacity. The 2024 IRP was submitted
7 to the Commission on March 29, 2024.

8 Second, I will describe the RFPs issued pursuant to the 2024 IRP's Action Plan¹ to
9 secure the needed capacity, including their design, the robust response, the evaluation, as
10 well as the involvement of the Commission-appointed Independent Evaluator. My
11 testimony will also address the risks associated with recent federal policy initiatives.

12 Finally, I will discuss OG&E's 2025 IRP, which addressed several updates to
13 Southwest Power Pool ("SPP") policies since the issuance of the 2024 IRP and an updated
14 load forecast. I will explain the projected impact of these changes on OG&E's generation
15 capacity requirements.

16 17 **II. INTEGRATED RESOURCE PLANNING AND CAPACITY NEEDS**

18 **Q. Please briefly describe the Company's approach to the 2024 IRP.**

19 **A.** OG&E submitted the 2024 IRP in compliance with requirements established pursuant to
20 the Commission's Electric Utility Rules (OAC 165:35-347). OG&E's 2024 Integrated
21 Resource Plan is attached as Direct Exhibit KMR-1.

22
23 **Q. Can you generally describe the capacity needs of the Company over the 10-year
24 planning horizon contained in the 2024 IRP?**

25 **A.** Yes. The Company's 2024 IRP showed a need for capacity of 556 MW in 2026, a capacity
26 deficiency of 1,215 MW in 2030 and 2,592 MW by 2034. Later in my testimony I will
27 also discuss how OG&E's capacity needs have changed since the 2024 IRP.

¹ The Action Plan is described in OG&E's 2024 Integrated Resource Plan at pages 57, 62-63.

1 Q. **Did the 2024 IRP include an Action Plan?**

2 A. Yes. To ensure compliance with the Oklahoma Competitive Procurement Rules
3 (OAC 165:35-34), the IRP Action Plan noted OG&E planned to issue multiple RFPs
4 to address near-term capacity needs as well as RFPs to address the capacity needs
5 through 2030.

6

7 Q. **What steps has OG&E taken to satisfy the capacity needs identified in the IRP?**

8 A. Soon after OG&E submitted the 2024 IRP, the Company issued two Bridge Capacity RFPs
9 and the 2024 All Source RFP to solicit resources to meet capacity needs that begin in 2026.
10 The RFPs allowed bidders to offer a variety of contracting structures from all generation
11 technologies available as SPP accredited capacity, so OG&E received a wide variety of
12 options for analysis to begin filling the capacity shortfall.

13

14 **III. RFP DESIGN AND PROCESS**

15 Q. **When did OG&E issue the All Source RFP?**

16 A. OG&E issued the 2024 All Source RFP on May 31, 2024.

17

18 Q. **How did OG&E structure the 2024 All Source RFP?**

19 A. OG&E followed the Commission's competitive procurement rules found at OAC 165:35-
20 34, which detail a specific process for RFPs.

21

22 Q. **Was an Independent Evaluator involved in the RFP processes?**

23 A. Yes. As OG&E prepared the RFP, the Company consulted with the Public Utility Division
24 of the Commission ("PUD") and the Attorney General about the RFP process and the
25 Independent Evaluator ("IE") requirement under OAC 165:35-34-3(b), including the rule's
26 consideration of utility self-bidding. Both PUD and the Attorney General selected Bates
27 White as the IE to monitor the RFP.

28

29 Q. **How was the Independent Evaluator involved in the RFP processes?**

30 A. The IE was involved at the beginning of the RFP process by reviewing the draft RFP
31 document and participating in the technical conference. The IE virtually attended the bid

1 opening and was provided the bid materials from each bidder for their own review. All
2 bidder communication was shared with the IE and OG&E stayed in communication with
3 the IE throughout the evaluation process, including successful bid selection
4 communication with PUD and bidders.

5
6 **Q. Please describe OG&E's approach to the RFP design and process.**

7 A. The Company shared with stakeholders the plan to undertake competitive solicitations for
8 capacity through individual RFPs. After preparing draft RFP solicitations, OG&E formally
9 notified the Commission about the intent to engage in the competitive bidding process and
10 posted the draft RFPs on the OG&E webpage.

11
12 **Q. Was the 2024 All Source RFP limited in scope?**

13 A. No. The RFP allowed bids for virtually all technologies so OG&E could solicit the lowest
14 reasonable cost generation available to support its customers.

15
16 **Q. Please describe the RFP process after the RFP draft document was completed.**

17 A. OG&E provided the draft RFP to interested parties and posted the draft RFP document to
18 OG&E's website. Bidders were given opportunities to ask questions about the draft RFP
19 and to provide feedback during the Technical Conference virtual meeting and through the
20 RFP communication email inbox. All communications received by or sent from the email
21 inbox were provided to the IE and all Bidder questions were posted to OG&E's website so
22 that all bidders had access to the information. This was done to ensure full transparency
23 and compliance with the Commission rules.² After at least 30 days, the RFP document
24 was finalized, updated on the OG&E webpage, and remained open until the bid due date.

25
26 **Q. Please provide an overview of OG&E's All Source RFP specifications.**

27 A. The All Source RFP document presented an overview section containing the quantity,
28 product, contract dates, duration and type, and type of resources as shown in Table 2. The
29 All Source RFP document is provided as Direct Exhibit KMR-3.

² See OAC 165:35-34-3(a)(4).

Table 2 – Overview of All Source RFP specification

Attribute	Requirement
Minimum Capacity	Minimum of 10 MW of nameplate Capacity per Bid. An individual Bid may include multiple Generation Facilities at a Site to sum to the Minimum Capacity.
Maximum Capacity	Maximum of 1,500 MW of nameplate Capacity per Bid. An individual Project, even if comprised of multiple Generation Facilities, cannot exceed the Maximum Capacity.
Capacity Availability Date	OG&E requires Capacity be available to satisfy OG&E’s resource adequacy obligations no later than May 1, 2030, with a preference for Projects to provide Capacity to OG&E as early as possible.
Operating Duration	Project is capable of at least four (4) hours of consecutive run time at Accredited Capacity in accordance with SPP OATT Attachment AA. This requirement does not apply to wind and solar Generation Facilities.
Contract Types Allowed	PSA, CPA, or PPA.
Location	PSA Projects: Within SPP in Oklahoma or Arkansas, with preference for OG&E’s service area. CPA Projects or PPA Projects: Within SPP in Oklahoma, Arkansas, Texas, New Mexico, or South-Central Kansas.
Transmission Interconnection	Plan for securing generator interconnection with SPP prior to the Capacity Availability Date.
Self-Bid	OG&E is expected to self-bid into this RFP.
Technologies Allowed	All generation technologies available as Accredited Capacity. In addition to Bids for any single eligible Generation Facility technology, Combination Bids are allowed.

1 Q. **Did the RFP have other specific requirements?**

2 A. Yes, the RFP document described the RFP schedule and included instructions for
 3 participating in the bidders’ technical conference. The RFP document also explained: (1)
 4 the process for communication between OG&E and the bidders, (2) the requirement for
 5 bidders to provide a notice of intent (“NOI”) to bid into the RFP, (3) provided form
 6 documents for bidders to complete and (4) *pro forma* contract agreements and documents
 7 for bidders to edit in redline, or submit as a requirement as part of their bid.

1 Q. **Describe the communication process between OG&E and the bidders during the**
2 **RFP.**

3 A. OG&E created two separate email addresses 2024AllSourceRFPComm@oge.com
4 (communication inbox) and 2024AllSourceRFPBids@oge.com (bid inbox) dedicated for
5 the RFP. All communication, including questions from prospective bidders were required
6 to be submitted to the communication inbox. The bidders were also asked to submit their
7 NOI to this inbox. The communication inbox could be accessed and monitored by select
8 members of OG&E's Evaluation team and emails from bidders were forwarded to the IE
9 as they were received. OG&E responded to bidders' questions and regularly published a
10 cumulative question and answer document on OG&E's website to ensure all bidders had
11 equal access to pertinent RFP information. When posting the question-and-answer
12 documents, bidder information was not published.

13

14 Q. **How did the bid inbox differ from the communication inbox?**

15 A. The bid inbox was used by bidders to submit their bid materials and any follow-ups from
16 OG&E to the bidders after the bid opening day. Members of OG&E's Evaluation team did
17 not have access to view the inbox prior to the bid opening day.

18

19 **IV. ALL SOURCE RFP EVALUATION**

20 Q. **Please provide an overview of the evaluation methodology for the All Source RFP.**

21 A. As described in the All Source RFP document, there were three parts to OG&E's evaluation
22 process: threshold evaluation, quantitative evaluation, and qualitative evaluation. Each
23 proposal was subjected to the initial threshold review process to determine whether the
24 proposal was complete and technically viable and whether the bidder had the financial
25 viability and capability to deliver the project.

26

27 Q. **Please describe the threshold evaluation.**

28 A. Each proposal into the All Source RFP was subjected to the initial threshold review process
29 to determine whether the proposal was complete including all forms, attachments, and
30 other required information and met the requirements set forth in Table 2 above. Bids into
31 the All Source RFP were also required to be free of any significant contingencies that are

1 reasonably within the control of the bidder, apart from any requested edits to the Form
2 Agreements, have secured site control, have adequate experience and financial capability,
3 and to address risk mitigations.

4
5 **Q. After the threshold evaluation was completed, please describe the next step in the**
6 **evaluation process.**

7 A. Proposals that passed the threshold evaluation were then analyzed based on the qualitative
8 and quantitative evaluation criteria outlined in the RFP document. OG&E and consulting
9 firm ICF collectively conducted the qualitative evaluation which considered categories of
10 (1) Contract Risks, Costs, and Benefits, (2) Overall Project Characteristics and
11 Development Risks, and (3) Community and Environmental Impacts.

12 **Q. Please describe the quantitative evaluation.**

13 A. The quantitative evaluation represents 70 percent (or up to 70 points) of each proposal's
14 overall score and utilizes price and operational performance factors through a simulation
15 of the costs paid and benefits received by OG&E's customers. OG&E calculated the
16 expected Net Present Value of Customer Costs ("NPVCC") for each bid through detailed
17 resource planning simulation modeling and sensitivity analysis. NPVCC is also the central
18 quantitative metric used in OG&E's IRP analysis, which means there is a high degree of
19 consistency between the IRP analysis and the RFP evaluations. A detailed explanation of
20 NPVCC calculations can be found in exhibit KMR-1. For modeling purposes, the
21 Company projected the performance of resources in the SPP Integrated Marketplace over
22 a 30-year time horizon. The modeling application was consistent with the analysis and
23 tools described in OG&E's 2024 IRP. It is difficult to convey in testimony the complexity
24 of the quantitative evaluation given the variety of bids, resource types, and in-service
25 timing received in the All Source RFP.

26
27 **Q. What sensitivities were used in OG&E's RFP quantitative evaluations?**

28 A. As described in the RFP document found in KMR-3, OG&E analyzed all bids under a
29 "Base Case" and three sensitivities (Low Gas, High Gas and Energy Evolution). Consistent
30 with OG&E's 2024 IRP, the Low Gas sensitivity assumed natural gas price forecasts were

1 half of the gas price forecasts used in the Base Case and the High Gas sensitivity assumed
2 natural gas price forecasts were 1.5 times higher than the gas price forecasts used in the
3 Base Case. The Energy Evolution scenario reflected the impact that could potentially be
4 caused by federal policy leading to increased electrification and a region-wide accelerated
5 coal-fired generation retirement schedule, as described in the 2024 IRP.³
6

7 **Q. How did OG&E determine a score for the RFP quantitative evaluation?**

8 A. The Company calculated a weighted NPVCC by assigning weights to the Base Case (40%
9 weight) and the Low Gas (25% weight), High Gas (25% weight) and Energy Evolution
10 (10% weight) sensitivities as described in the RFP document. Collectively, this created a
11 weighted NPVCC for each proposal that was designed to capture the quantitative risks for
12 each proposal over the long-term. CPA costs are not impacted by the resources'
13 performance in the marketplace, therefore, the NPVCC is the same in all cases. The
14 proposal with the lowest weighted NPVCC, meaning lowest customer cost impact,
15 received 70 points. Points were then awarded to the other proposals based on the ratio
16 between the weighted NPVCC for each proposal and the lowest weighted NPVCC.
17

18 **Q. Please describe the RFP qualitative evaluation and scoring.**

19 A. The factors considered in the qualitative evaluation followed the Non-Price scoring
20 approach provided in the RFP document, provided as Exhibit KMR-3.
21

22 V. ALL SOURCE RFP RESULTS

23 **Q. Please describe the participation in the RFP.**

24 A. OG&E received a total of 200 bids in the 2024 All Source RFP from 24 bidder firms.
25 Ninety-three bids passed the threshold evaluation to advance into the qualitative
26 evaluation. Out of the 93 bids, the earliest availability to be counted as capacity was for
27 the year 2027. The 93 conforming bids consisted of 30 Solar only, 26 Storage only, 14
28 Solar and Storage Hybrid, 13 Thermal only, five (5) Wind and Storage hybrid, and five (5)
29 Wind only bids.

³ See 2024 IRP, pp.21–23, for general descriptions of these scenarios.
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1 Q. **Were any offered projects deemed non-conforming or withdrawn during the RFP?**

2 A. Yes. Some bids did not conform to the RFP requirements and were not evaluated because
3 they did not pass or meet the threshold criteria set forth in the RFP. Additionally, some
4 bids were withdrawn by bidders before analysis was complete. Finally, after project
5 selection, three highly ranked bidders selected for contract negotiation withdrew their bid
6 pricing or their entire bid.

7
8 Q. **What were the results of the quantitative evaluation in the All Source RFP?**

9 A. OG&E evaluated and scored the conforming bids that passed the threshold evaluation in
10 the All Source RFP. The quantitative evaluation followed the process outlined in the RFP
11 document. Quantitative scores ranged from 14.7 to 70 points on a 70-point scale. The
12 second highest scoring project was very close to 70 points. However, after the two best
13 scoring projects, there was a marked gap before the remaining proposals.

14
15 Q. **Were owner's costs and contingencies considered in the quantitative evaluation?**

16 A. Yes. Bidders were asked to provide anticipated owner's costs and contingencies.
17 However, very few did. Without data from bidders, OG&E applied a standard estimate of
18 owner's costs and contingencies.

19
20 Q. **What were the results of the qualitative evaluation in the All Source RFP?**

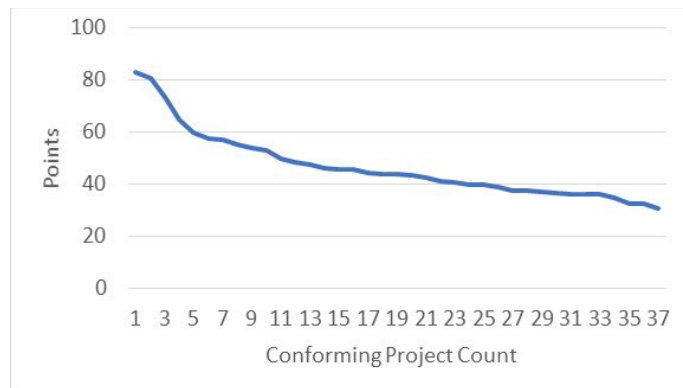
21 A. OG&E evaluated and scored the conforming bids that passed the threshold evaluation in
22 the All Source RFP. The qualitative scores ranged from 6 to 24 points on a 30-point scale
23 and were fairly evenly distributed across that range.

24
25 Q. **What were the results of the combined scoring of the quantitative evaluation and
26 qualitative evaluation in the RFP?**

27 A. The combined scores were calculated by adding together the quantitative and qualitative
28 scores for each bid. The combined scores ranged from 26 to 83 points. The three to six
29 highest scoring bids were grouped together at the top of the range and, as in the quantitative
30 evaluation, combined scores then declined markedly and were more closely grouped
31 together.

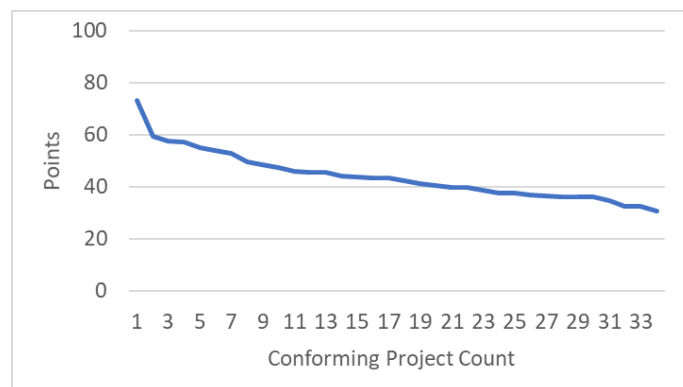
- 1 Q. **After the scoring was completed, how did OG&E select successful bid(s)?**
 2 A. After scoring was completed for the 93 conforming bids, OG&E had to filter the list for
 3 projects that had offered multiple bids. For example, some bidders provided bids for
 4 projects under each of three possible contract structures even though only one resource is
 5 available to be contracted. Multiple bids for a single resource would have been redundant
 6 in the selections. To address this issue, OG&E selected the best scoring bid for each
 7 individual project to include in a final ranked list of 37 projects. Scores in this ranking
 8 ranged from 30 to 83 points as shown in Figure 1.
 9

Figure 1 – Total Score of Individual Projects after Evaluation



- 10 Figure 2 shows the scores after removing the project pricing withdrawn during
 11 negotiation. This graph shows the distribution of the remaining scores and demonstrates
 12 the relatively close grouping of the remaining projects.

Figure 2 – Total Score of Individual Projects after Project Withdrawals



1 Q. **After the RFP evaluation was completed, did OG&E select successful bid(s) and**
2 **notify the Commission?**

3 A. Yes. Pursuant to the Commission's Competitive Procurement Rules, OG&E provided
4 notice of the successful bids along with the results of the evaluation to PUD, the Oklahoma
5 Attorney General, and the IE.

6
7 Q. **Was the timing of resource availability critical in the selection of projects?**

8 A. Yes. In addition to the quantitative and qualitative factors, the practical approach of
9 matching resource availability to the timing of capacity needs was a necessary
10 consideration in project selection.

11
12 Q. **What types of resources were selected as successful bid(s)?**

13 A. OG&E selected the top 3 solar projects identified in the RFP analysis which totaled
14 approximately 900 MWs of nameplate solar capacity (540 MW of accredited capacity), the
15 top 2 battery projects which totaled approximately 500 MWs of nameplate capacity (400
16 MW of accredited capacity), the top ranked existing thermal project with 450 MWs of
17 capacity and the top ranked new build thermal project having approximately 400 MWs of
18 capacity. This balanced selection of resource types is consistent with OG&E's approach
19 to Fuel and Technology Diversity as described in OG&E's 2024 IRP.

20
21 Q. **Why does this selection of resources make sense for OG&E and its customers?**

22 A. Intermittent non-dispatchable resources, as well as energy limited resources including
23 solar, wind and batteries are subject to ELCC accreditation in the SPP. Future ELCC
24 accreditation of the resources is not only impacted by the performance of the resources but
25 also by the amount of those types of resources in the entire SPP. OG&E assumed a value
26 for solar and battery accreditation for the RFP analysis; however, the future accreditation
27 can quickly decline if there is a large increase in these types of resources in the SPP. The
28 portfolio of resources selected as successful bids achieves OG&E's objectives of fuel and
29 technology diversity as well reliability and resiliency by adding additional dispatchable
30 generation near OG&E's largest load area that can be quickly dispatched both on or off in
31 response to the performance or intermittent resources on the system as well as the load

1 needs. All these factors, combined with the timing issue noted above, increase the
2 complexity of the project selections.

3

4 **Q. Has the Commission already pre-approved three of the selected projects?**

5 A. Yes. In Case No. PUD 2025-000038, the Commission approved the Kiamichi CPA, the
6 Black Kettle CPA, and Horseshoe Lake Units 13 & 14.⁴

7

8 **Q. What resources are included in this preapproval case?**

9 A. OG&E is now requesting approval of the fourth project from the 2024 All Source RFP: the
10 Frontier Energy Storage Project.

11

12 **Q. Please describe the Frontier Energy Storage Project.**

13 A. The Frontier Storage Project is a 302 MW Battery Energy Storage System (“BESS”)
14 project located in Kay County, Oklahoma. The project is expected to reach commercial
15 operation by the end of 2027. The Frontier Energy Storage Project was offered by Deriva
16 in two different capacity quantities, 151 MW and 302 MW. In addition, Deriva offered
17 two different contracting structures for each capacity amount, *i.e.*, (i) a Tolling Agreement
18 under which OG&E would purchase the capacity and net energy from the project; and (ii)
19 a Build Transfer Agreement (BTA) under which OG&E would purchase the facility from
20 Deriva. As discussed below, after assessing the benefits of opting out of normalization for
21 the federal investment tax credit (“ITC”), OG&E selected the 302 MW BTA bid as the best
22 option for final contract negotiations.

23

24 **Q. Does the Project fully satisfy OG&E’s remaining capacity need?**

25 A. No, but it does address a significant amount of the remaining capacity shortfall shown in
26 the 2024 IRP, and after the addition of the projects pre-approved in PUD 2025-000038.

⁴ Final Order No. 753440, Case No. PUD 2025-000038.
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1 **Q. Please explain the federal tax incentive benefits available for this Project.**

2 A. Like virtually all the battery energy storage projects bid into the RFP, the Frontier Energy
3 Storage Project is eligible for a federal ITC. During the RFP evaluation process, the IE
4 suggested that OG&E investigate an alternative methodology for utilizing the federal ITCs
5 that involves opting out of normalization of the ITCs. This allowed OG&E to utilize the
6 ITCs to reduce the overall amount of the project included in rate base.

7
8 **Q. Were all battery projects analyzed using the same approach for ITCs?**

9 A. The federal ITC would only be available to OG&E for battery projects offered with an
10 ownership structure. OG&E analyzed all PSA battery projects with the revised method.

11
12 **Q. Did the updated methodology change the ranking of the Frontier Energy Storage
13 Project?**

14 A. No, but OG&E investigated the alternative methodology recommended by the IE as well
15 as the impact to projects offered into the RFP and determined the 302 MW option with an
16 ownership structure provided the lowest NPVCC and highest overall score of the project
17 options.

18
19 **VI. 2025 IRP**

20 **Q. Has OG&E updated its evaluation of capacity needs?**

21 A. Yes, OG&E has prepared and provided the 2025 IRP, which includes an update to planning
22 assumptions and capacity needs and can be found in Exhibit KMR-4.

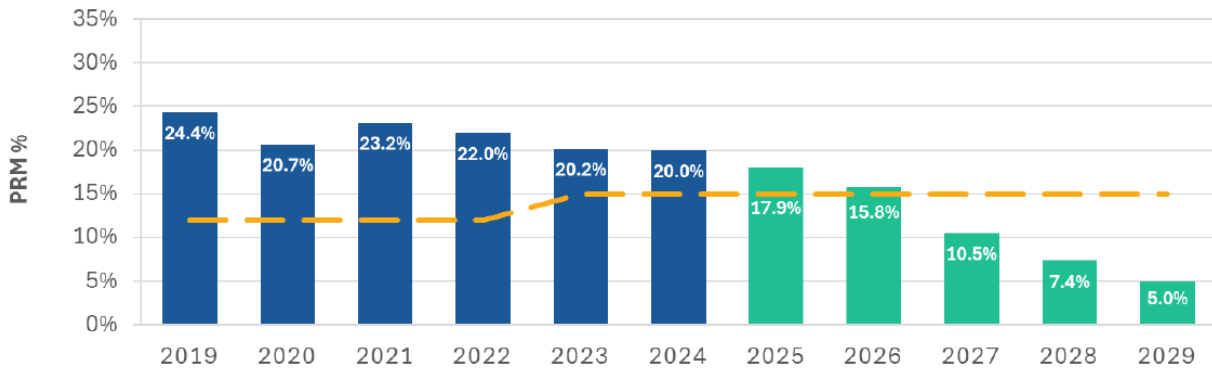
23
24 **Q. What is the consequence if OG&E does not satisfy its Resource Adequacy
25 Requirement for capacity?**

26 A. SPP Tariff Attachment AA defines a Deficiency Payment required from Load Responsible
27 Entities in the event they fail to meet their Resource Adequacy Requirement in any season.
28 The base Deficiency Payment is currently set at \$85.61/kW multiplied by a Cost of New
29 Entry Factor between 125% and 200%, depending on SPP's overall capacity position. SPP
30 is also currently developing an update to the base Deficiency Payment to a higher amount.

1 Q. **Has the SPP recently increased the PRM?**

2 A. Yes, since the 2024 IRP was issued, SPP has finalized some future PRM values. Beginning
 3 in the summer of 2026 SPP's PRM will increase to 16% for the Summer Season and 36%
 4 for the Winter season. Additionally, SPP recently approved a further PRM increase
 5 beginning in 2029 to 17% in the Summer Season and 38% in the Winter Season. The graph
 6 shown below shows SPP's projected capacity position in relation to the current PRM of
 7 15%. As one can see, the gap in required PRM and actual capacity on the SPP system will
 8 get even larger after the implementation of the planned PRM increases in 2026 and 2029.

Figure 3 – Summer Season SPP Planning Reserve Margin Summary⁵



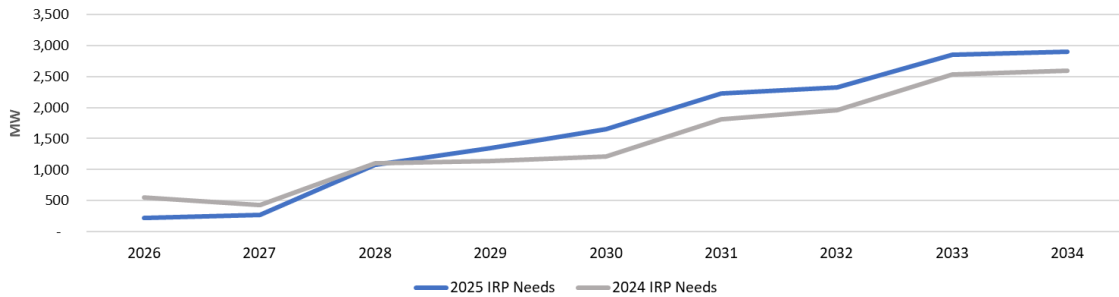
9 SPP's chart above demonstrates the SPP region is projected to be deficient in available
 10 capacity, possibly as early as 2027. This highlights the need for new, incremental capacity
 11 additions.

13 Q. **How are the capacity needs shown in the 2025 IRP different from those shown in the
 14 2024 IRP?**

15 A. The capacity needs shown in the 2025 IRP incorporate adjustments to the load forecast and
 16 the updated PRM. Updated capacity needs are lower than in the 2024 IRP in 2026 and
 17 2027, primarily due to a lower than forecasted future PRM. However, capacity needs are
 18 higher than those shown in the 2024 IRP, due to higher forecasted peak loads.

⁵ <https://www.spp.org/documents/71804/2024%20spp%20june%20resource%20adequacy%20report.pdf>

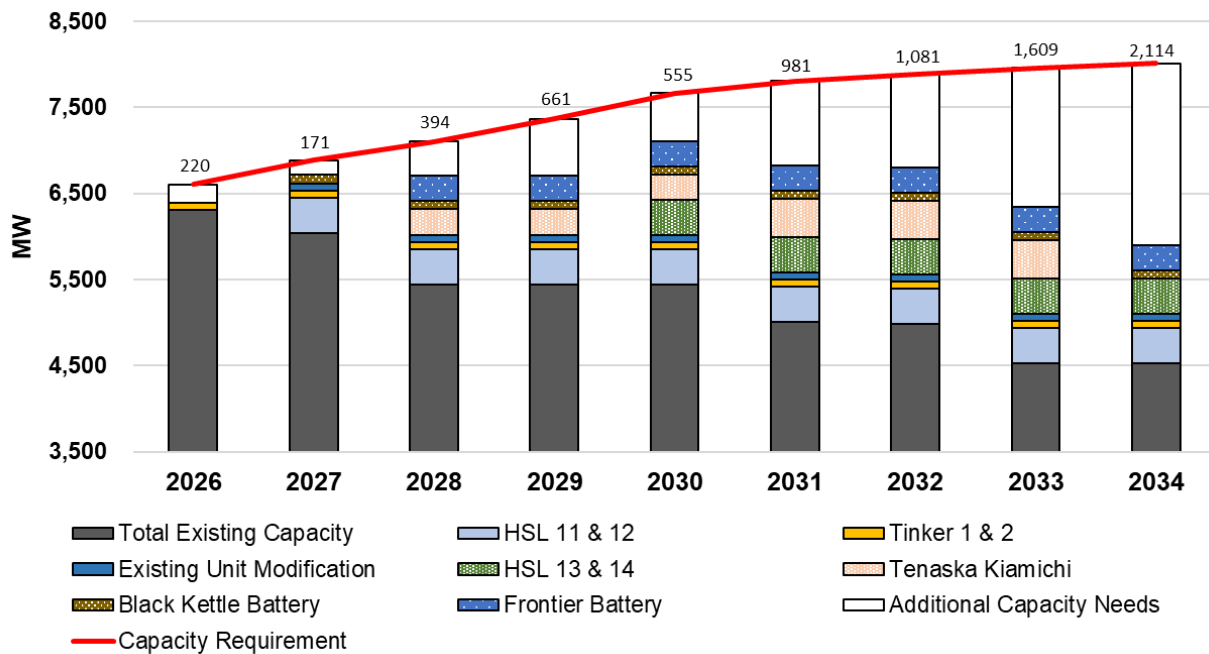
Figure 4 – Projected Capacity Needs in the 2024 IRP and the 2025 IRP



1 **Q. How do the resources in this pre-approval case meet the capacity shortfalls identified**
 2 **by the 2024 IRP?**

3 A. Below is a breakdown of the need under the 2025 IRP *after* the Projects are added to the
 4 system over the next five years. As you can see from Figure 5, the Projects for which
 5 OG&E seeks preapproval in this proceeding are just the first step in addressing OG&E’s
 6 significant needs.

Figure 5 – Adjusted Need by Year



VII. FUTURE RISKS

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Q. Is SPP planning other changes that put pressure on OG&E’s ability to meet PRM requirements?

A. Yes. SPP is refining its demand response policy to ensure accurate accreditation based on availability, performance during events, and capability testing. Precise policy language is still being refined, with a final report and recommendations expected in early 2026 and implementation possibly as early as 2027.

SPP has also approved changes to the rules for planned outages for resources. Currently, resources cannot have a planned outage in the summer season any time between June 15th and September 15th. Going forward, there will be limitations to both the summer and winter seasons for outages. This will force all resources in the SPP to try and plan in the shoulder season or take an outage during one of the seasons in order to perform necessary work to maintain unit reliability. This could result in a unit now being able to be counted towards resource adequacy for that season and a potential need for an LRE to acquire capacity for that season if they are not long in their PRM position. This requirement can increase the volatility of capacity needs for an LRE not only year to year but season to season.

When considering these future SPP changes and the load growth, OG&E’s future capacity needs are only going to continue to increase. This case is a very important step toward meeting that need, and we will continue to evaluate options to satisfy the rest as we move forward.

Q. Are there additional risks that OG&E is currently monitoring ?

A. Yes. Federal import tariffs have the potential to impact new resources. Depending on the development status of the new resources, there may exist supply constraints and, ultimately, pricing risks that may increase customer costs and/or delay resource timing. As discussed by witness Schuermann, federal import tariffs are factored into the contract with Deriva.

VIII. CONCLUSION

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Q. What are your overall conclusions about OG&E's capacity needs and the RFP process?

A. I believe the Company has approached resource planning in a comprehensive and responsible way. Not only has OG&E addressed its short-term needs, but it has also begun to address its growing and evolving future needs through the selected resources from the Commission-approved RFP process.

Based on OG&E's 2024 IRP and confirmed in the 2025 IRP, OG&E continues to have immediate and significant resource capacity needs. OG&E followed its 2024 IRP Action Plan and issued the Bridge Capacity RFPs and the All Source RFP to address its demonstrated capacity needs. OG&E properly applied the RFP criteria, which resulted in the selections of the Frontier Energy Storage Project I describe in my testimony and for which OG&E seeks approval in this case. Finally, it should be noted that the Project will provide 293 MW by 2028. This capacity addition makes progress toward but falls short of the total need identified in the 2025 IRP. OG&E plans to issue one or more RFPs to continue to seek the necessary capacity to cover its growing need.

Q. Does this conclude your direct testimony?

A. Yes, it does.

Direct Exhibits

Direct Exhibit KMR-1	OG&E 2024 Integrated Resource Plan
Direct Exhibit KMR-2	Code of Conduct
Direct Exhibit KMR-3	All Source RFP
Direct Exhibit KMR-4	OG&E 2025 Integrated Resource Plan

CERTIFICATE OF SERVICE

I hereby certify that on the 19th day of December 2025, a true and correct copy of the foregoing was electronically served via the Electronic Case Filing System to those on the Official Electronic Case Filing Service List, or via electronic mail to the following persons:

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INTEGRATED RESOURCE PLAN

OKLAHOMA GAS & ELECTRIC

PREPARED 2024

OGE ENERGY CORP

OG&E submits this Integrated Resource Plan (IRP) in compliance with requirements established pursuant to the Oklahoma Corporation Commission's (OCC) Electric Utility Rules OAC 165:35-37 and the Arkansas Public Service Commission's (APSC) Resource Planning Guidelines for Electric Utilities.

Direct Exhibit KMR-1

EXECUTIVE SUMMARY

OG&E plans to meet future capacity needs through a balanced portfolio of solar resources and hydrogen-capable combustion turbines that provides affordable costs for customers while satisfying IRP objectives. OG&E will also seek market opportunities for immediate capacity needs.

Over the next five years, load growth, unit retirements, and changes in Resource Adequacy policy will result in the need for additional generation capacity to meet OG&E's planning reserve requirements. OG&E has significant generation capacity needs in the near term, as shown in the table below.

OG&E Planning Reserve Margin and Needed Capacity (MW unless noted)

	2024	2025	2026	2027	2028
Total Capacity	7,027	7,002	6,495	6,630	6,030
Net Demand	6,073	6,001	6,229	6,237	6,295
Reserve Margin	16%	17%	4%	6%	-4%
Needed Capacity*	0	0	556	431	1,096
<i>*Indicates the capacity needed to meet planning reserve margin requirements.</i>					

OG&E's prior IRP, prepared in 2021, demonstrated the projected need for additional capacity resources at that time. Since 2021, OG&E's capacity needs have grown further due to increased capacity requirements specified by the Southwest Power Pool (SPP) and load growth in the OG&E service area. Looking forward, the need for investment in generation resources could continue to grow as SPP further enhances policies addressing Resource Adequacy, electrification contributes to expanding load growth in the region, and environmental regulations change.

The IRP analysis contained in this report evaluates a range of potential generation portfolios to meet the capacity needs and determines a balanced portfolio of solar resources and combustion turbines is the preferred plan to satisfy expected capacity needs. This plan helps maintain system resiliency and reliability, advances fuel and technology diversity of the generation fleet, improves operational flexibility, is scalable, and expands OG&E's renewable generation portfolio. Adding zero-emitting technologies along with high-efficiency combustion turbines that enable and support renewable generation growth are important building blocks to meet expectations for cleaner energy in the future. Additionally, advances in combustion turbine technology are expected to further expand the capability to utilize hydrogen as a fuel, providing future emission and fuel diversity benefits.

2024 Integrated Resource Plan



OG&E's 2024 IRP is designed to meet existing environmental obligations while also considering future updates to environmental regulations and addressing, to the extent possible, uncertainties in the environmental regulatory landscape. In particular, OG&E's fleetwide compliance obligations under the recent Good Neighbor Plan, which revises the Cross State Air Pollution Rule (CSAPR) ozone-season Nitrogen Oxides (NOx) trading program for Electric Generating Units (EGUs), are uncertain due to pending litigation. Depending on the outcome of litigation, compliance may require a range of potential modifications to existing units and other necessary actions. OG&E retained the services of 1898 & Co., a part of Burns & McDonnell (1898 & Co.), to assist with the analysis and modeling of the 2024 IRP. OG&E and 1898 & Co. analyzed resource portfolios and various fleet-wide compliance plans consistent with the current understanding of this rule.

OG&E will issue a Request(s) for Proposals (RFP) for resources to meet the capacity requirements and other IRP objectives of the company and to seek future generation that increases efficiency, diversifies our fuel mix by advancing cleaner generation, and maintains affordability and reliability for OG&E's customers. OG&E will also continue to monitor environmental regulation developments, including those from litigation, and take actions if deemed necessary.

OG&E Action Plan

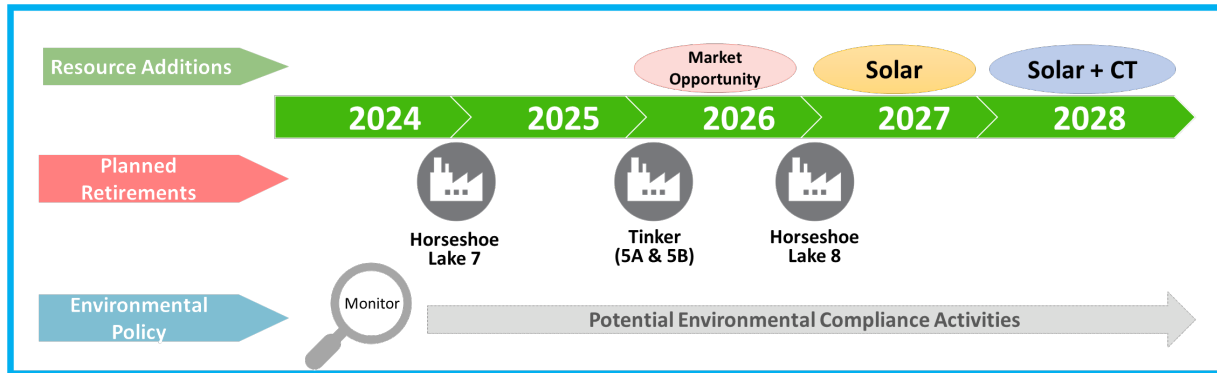


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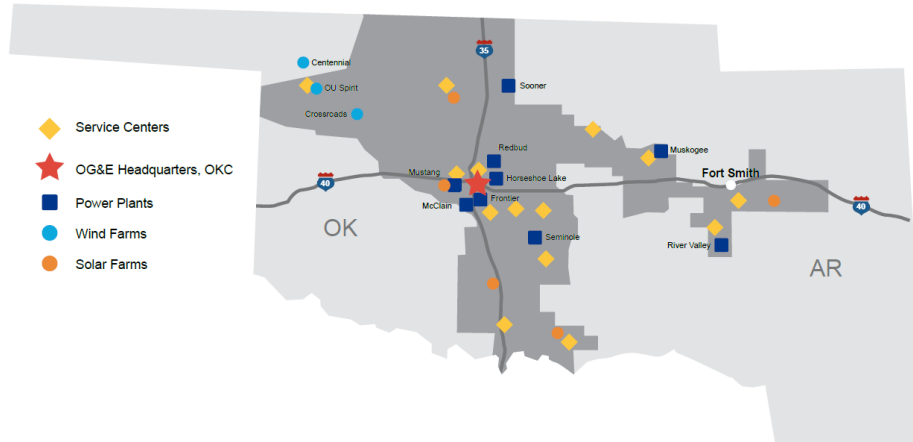
List of Acronyms

Acronym	Phrase Represented	Reference
APSC	Arkansas Public Service Commission	Agency
CAA	Clean Air Act	Environmental
CO ₂	Carbon Dioxide	Environmental
CC	Combined Cycle electricity generating unit	Technology
CSAPR	Cross-State Air Pollution Rule	Environmental
CT	Combustion Turbine electricity generating unit	Technology
DSM	Demand Side Management	Industry
EGU	Electricity Generating Unit	Technology
ELCC	Effective Load Carrying Capacity	SPP
EIA	Energy Information Administration	Agency
EPA	U.S. Environmental Protection Agency	Agency
FERC	Federal Energy Regulatory Commission	Agency
FIP	Federal Implementation Plan	Environmental
IM	Integrated Marketplace	SPP
GHG	Greenhouse Gas	Environmental
HH	Henry Hub	Industry
ITP	Integrated Transmission Planning	SPP
IRP	Integrated Resource Plan	Industry
LMP	Locational Marginal Price	Industry
LOLE	Loss of Load Expectation	SPP
MATS	Mercury and Air Toxics Standards	Environmental
NAAQS	National Ambient Air Quality Standards	Environmental
NO _x	Nitrogen Oxides	Environmental
NPVCC	Net Present Value of Customer Cost	OG&E
NREL	National Renewable Energy Laboratory	Agency
O&M	Operations & Maintenance	General
OCC	Oklahoma Corporation Commission	Agency
ODEQ	Oklahoma Department of Environmental Quality	Agency
OG&E	Oklahoma Gas & Electric	Agency
PBA	Performance Based Accreditation	SPP
PPA	Power Purchase Agreement	Industry
PRM	Planning Reserve Margin	SPP
RFP	Request for Proposal	General
RSC	Regional State Committee	SPP
SCR	Selective Catalytic Reduction	Industry
SIP	State Implementation Plan	Environmental
SMR	Small Modular Reactor	Technology
SNCR	Selective Non-Catalytic Reduction	Industry
SPP	Southwest Power Pool	SPP
STEP	SPP Transmission Expansion Plan	SPP

I. Introduction

OG&E was formed in 1902 and is Oklahoma's oldest and largest investor-owned electric utility. OG&E serves more than 894,000 customers in 267 towns and cities in an approximately 30,000 square mile area of Oklahoma and western Arkansas. OG&E's service area is shown in Figure 1.

Figure 1 – OG&E Service Area



This IRP Report and Appendices have been completed following the Oklahoma Corporation Commission (OCC) Electric Utility Rules and APSC Resource Planning Guidelines for Electric Utilities. Sections I – VII present the IRP objectives and process, assumptions, resource planning modeling and analysis, and five-year action plan. Section VIII concludes the report with the following schedules as prescribed by Oklahoma Corporation Commission rule OAC 165:35-37-4(c):

- A. Electric demand and energy forecast
- B. Forecast of capacity and energy contributions from existing and committed supply- and demand-side resources
- C. Description of transmission capabilities and needs covering the forecast period
- D. Assessment of the need for additional resources
- E. Description of the supply, demand-side and transmission options available to the utility to address the identified needs
- F. Fuel procurement, purchased power procurement, and risk management plans
- G. Action plan identifying the near-term (i.e., across the first five (5) years) actions
- H. Proposed RFP(s) documentation, and evaluation
- I. Technical appendix for the data, assumptions, and descriptions of models
- J. Description and analysis of the adequacy of its existing transmission system
- K. Assessment of the need for additional resources to meet reliability, cost and price, environmental, or other criteria
- L. An analysis of the utility's proposed resource plan
- M. Description and analysis of the utility's consideration of physical and financial hedging to determine the utility's ability to mitigate price volatility

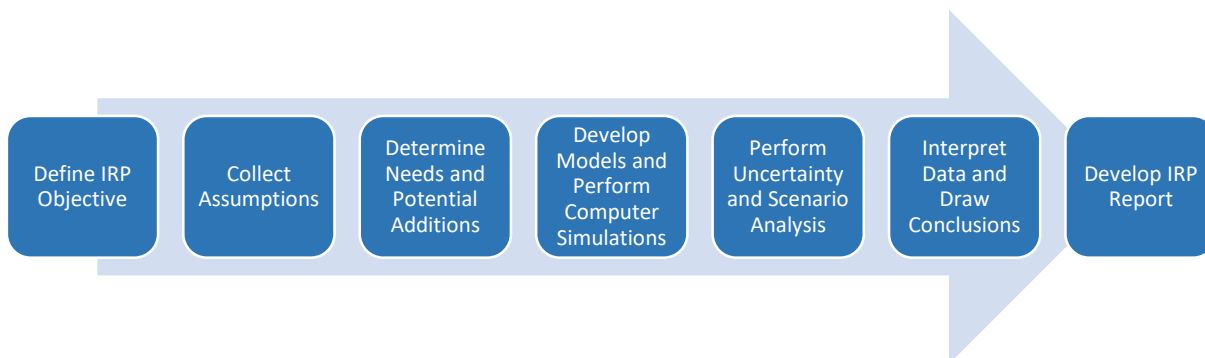
II. IRP Objectives and Process

OG&E strives to develop a resource plan that meets its capacity obligations in the most reasonable and affordable manner over the planning horizon while considering the uncertainties attributable to many of the planning assumptions and other items of value to OG&E customers. The objectives below are relied upon to identify the best future portfolio.

1. Capacity Obligation: satisfy Southwest Power Pool (SPP) Resource Adequacy Requirements to support reliability
2. Expected Cost to Customers: lowest reasonable Net Present Value of Customer Cost (NPVCC) subject to satisfying other IRP objectives
3. Exposure to Risks: consider the sensitivity of NPVCC related to risks that affect customer cost and benefits, including uncertain future prices of fuel and emissions, as well as other potential risks
4. Fuel and Technology Diversity: maintain a reasonable balance among technologies and fuel sources such as natural gas, renewable, coal, energy storage, and demand-side resources
5. Reliability and Resiliency Benefits: maintain generation capability and dispatchability to support SPP system reliability, respond to localized reliability issues, and minimize customer disruptions
6. Adaptability: Consider a range of capacity options with varying degrees of scalability and differing implementation timelines
7. Portfolio Age: maintain a reasonable balance of resources as measured by expected remaining asset life
8. Environmental Stewardship: consistent with OG&E's expectation to reduce CO₂ emissions by 2030

OG&E's seven-step Integrated Resource Planning process remains largely unchanged from previous IRPs and is illustrated in Figure 2.

Figure 2 – Integrated Resource Planning Seven Step Process



III. Current and Future Risks

There are a number of policy and operational risks facing OG&E that are emerging from a rapidly changing landscape. Although they vary in maturity and probability, each has the potential to require substantial investments in new or existing generation resources for the continued support of reliability and compliance. These risks, some of which are created by conflicting policies and regulations, make both compliance and execution timelines challenging and unclear.

III. A. Current Resource Adequacy Policy Risks

III. A. 1. Resource Adequacy Policy Risk Overview

As a member of SPP, OG&E is required to comply with a range of policies and regulations specified by SPP's Open Access Transmission Tariff (OATT), Business Practices, Operating Criteria, and Planning Criteria. Since OG&E's last IRP, SPP has been developing new policies to enhance Resource Adequacy in its footprint. As the Regional Balancing Authority, SPP is required by the Federal Energy Regulatory Commission (FERC) to balance electric supply and demand, ensuring there is sufficient generation to reliably meet the demand for electricity within its region. Two of the most important factors to determining needed capacity are the Planning Reserve Margin (PRM) level set by SPP and the capacity accreditation of resources. SPP is planning changes to both of these important factors within the next three years. These policy changes have been incorporated into the Expected Future Case analysis for this IRP due to their advanced stage of development.

III. A. 1. a) Expected Change to the SPP Planning Reserve Margin (PRM)

SPP performs a biennial study to project the generation needed to reliably serve load. The preliminary results of the most recent study recommend a range of potential increases to the PRM, which are being further evaluated through the SPP stakeholder process. All Load Responsible Entities (LREs) in SPP, including OG&E, are required to maintain generation capacity equal to their forecasted seasonal Net Peak Demand plus the seasonal PRM requirement. SPP's PRM was increased from 12% to 15% starting in the summer of 2023, based on the prior biennial study. In this 2024 IRP, OG&E has assumed an additional incremental increase in the PRM based on the latest study results, which showed summer PRM values ranging from 16% to 21% for studied summer seasons. Details on assumptions are discussed in Section IV.

III. A. 1. b) SPP Resource Accreditation Methodologies

SPP policy changes in this section affect the capacity accreditation of all thermal and renewable generation resources in SPP. SPP will seek FERC approval of these policies in 2024 and plans to make them effective in 2026. Implementation of these policies could further impact OG&E capacity needs.

III. A. 1. b) (i) Performance Based Accreditation (PBA) for conventional resources
SPP's Regional State Committee (RSC) and Board of Directors approved the PBA policy¹ in October 2023. This policy was submitted to FERC for approval on February 23, 2024. With this policy, generating resources will be required to perform periodic capability tests, just as they are currently, then SPP will adjust the accredited capacity of each thermal generation resource by the unit's historical performance. Although, the net impact of PBA on OG&E's capacity position is not known with clarity. OG&E believes implementation of the PBA policy will result in an increase to OG&E's generation capacity needs. In this 2024 IRP, OG&E has assumed PBA is implemented as planned in 2026. Specific details on assumptions are discussed in Section IV.

III. A. 1. b) (ii) Effective Load Carrying Capability (ELCC) for renewable resources
In October 2023, SPP's RSC and Board of Directors approved the ELCC policy, which will utilize annual ELCC studies to calculate the accredited capacity of renewable resources within SPP, based on the amount of incremental load these resources can reliably serve. SPP projects that, as more renewable resources come onto the SPP system, the percentage of accredited capacity compared to nameplate capacity of renewable resources will decrease². The ELCC policy also requires approval by FERC. In this 2024 IRP, OG&E has assumed ELCC is implemented as planned in 2026. Specific details on assumptions are discussed in Section IV.

III. B. Future Resource Adequacy Policy Risks

Future Policy Risks identified in this section are not currently incorporated into the analysis in this IRP, however, these policies have the potential to further expand capacity needs or other investments in OG&E's generation fleet.

III. B. 1. Winter Resource Adequacy Requirement

SPP's RSC and Board of Directors has approved policy implementing a Resource Adequacy Requirement (RAR) similar to the Summer RAR, which would require deficiency payments for non-compliance. OG&E's winter peak demand is substantially below its summer peak demand, therefore, a Winter PRM equal to the Summer PRM does not increase total generation capacity needs. SPP filed the Winter RAR policy with FERC on September 8, 2023³ and it was rejected on November 30, 2023⁴. With the rejection, FERC recommended SPP prioritize the development of a robust Winter Resource Adequacy requirement. SPP has begun studying the winter season specifically to determine the appropriate Winter PRM. Initial study results indicate the Winter PRM

¹ <https://www.spp.org/Documents/69255/RR554.zip>

² SPP (2019), *Solar and Wind ELCC Accreditation*,
<https://www.spp.org/documents/61025/elcc%20solar%20and%20wind%20accreditation.pdf>

³ SPP (2023), *Submission of Tariff Revisions to attachment AA to Add the Winter Season Resource Adequacy Requirement*,

https://www.spp.org/documents/70094/20230908_revisions%20to%20add%20winter%20season%20resource%20adequacy%20requirement_er23-2781-000.pdf

⁴ FERC (2023), *Order Rejecting Tariff Revisions re Southwest Power Pool, Inc. under ER23-2781*,
https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20231130-3093&optimized=false

could be set higher than the Summer PRM and could result in incremental capacity needs for OG&E, as well as for other SPP members.

III. B. 2. Demand Response Program Accreditation

SPP's RSC and Board of Directors approved a policy in October 2023 that is expected to lead to adjustments in the capacity accreditation for Demand Response programs in SPP. SPP Staff and members are currently developing detailed tariff revisions. OG&E's current Load Reduction Program is tested annually and is considered a reduction to the peak load forecast for Resource Adequacy planning purposes. OG&E will continue to participate in tariff language development discussions related to the details of this policy.

III. B. 3. Fuel Assurance Policy

Fuel Assurance policy is being developed by SPP with a focus on fuel security during critical periods in SPP. The precise impacts of this policy have not been fully developed, however, SPP is currently evaluating additional impacts to accreditation in order to address this.

III. B. 4. Ramping Capability Requirement

SPP is developing a potential requirement for LREs to maintain a certain level of rampable, or dispatchable, capacity to reliably serve load under fast changing conditions.

III. C. Environmental Compliance Risk

OG&E's electric generation is subject to a stringent, complex, and interrelated set of existing federal, state, and local laws and regulations, especially those governing environmental protection. These laws and regulations can restrict or impact OG&E's business activities in many ways including requiring remedial action to mitigate certain emissions and discharges, restricting the way OG&E handles or disposes of its wastes, regulating future construction activities to mitigate harm to threatened or endangered species, and requiring the installation and operation of emission control equipment.

Both existing and potential future environmental regulations can impact OG&E's resource plan. OG&E analyzes final environmental regulations as part of its IRP process. OG&E's 2024 IRP is designed to meet the existing environmental obligations while also recognizing future potential environmental regulations. For instance, OG&E's fleetwide compliance obligations under the recent Good Neighbor Plan, which revises the Cross State Air Pollution Rule (CSAPR) for Electric Generating Units (EGUs), are uncertain due to ongoing litigation. Depending on the outcome of litigation, compliance may require a range of potential modifications to existing units and other necessary actions. While the Good Neighbor Plan is not currently in effect for Oklahoma EGUs, the OCC approved a stipulation in OG&E's 2021 Rate Case Final Order (Cause No. PUD 202100164) requiring OG&E to include analysis of the potential impacts of revisions to the CSAPR rule. In accordance with this stipulation, this IRP evaluates various resource portfolios consistent with fleet-wide compliance under the current understanding of the rule.

III. C. 1. Compliance with Current Environmental Regulations

As noted, past IRPs have included important planning elements related to imminent compliance obligations for final federal environmental regulations such as the Mercury and Air Toxics Standards (MATS) and Regional Haze rules. OG&E has complied with these requirements by installing emission control equipment and converting two coal-fired generating units at the Muskogee Power Plant to natural gas, among other measures. OG&E's operations are in substantial compliance with current federal, state, and local environmental standards.

III. C. 2. Potential Environmental Compliance Risk

Environmental regulations are expected to become increasingly stringent, requiring increased expenditures for installing and operating control equipment and to monitor and report compliance. The current administration has targeted a 50 to 52 percent reduction in economy wide net greenhouse gas emissions from 2005 levels by 2030 with full decarbonization of the electric power industry by 2035. Many new, upcoming or potential requirements are focused on coal-fired generation.

OG&E has identified several proposed or anticipated environmental rules and actions by the Environmental Protection Agency (EPA) that, if implemented, could affect OG&E's generation portfolio, including: (i) revisions to the CSAPR program for EGUs; (ii) proposed revisions to the MATS rule; (iii) proposed Effluent Limitation Guidelines under the Federal Clean Water Act; (iv) proposed standards for greenhouse gas emissions from new and existing power plants; (v) anticipated adoption of more stringent standards for pollutants covered by the National Ambient Air Quality Standards (NAAQS); and (vi) review of Oklahoma's State Implementation Plan (SIP), submitted in August 2022, addressing Regional Haze requirements under Section 169A of the Clean Air Act (CAA) for the second planning period. ("A State Implementation Plan (SIP) is a collection of regulations and documents used by a state, territory, or local air district to implement, maintain, and enforce the National Ambient Air Quality Standards, or NAAQS, and to fulfill other requirements of the Clean Air Act."⁵)

III. C. 2. a) CAA Good Neighbor Provision and CSAPR

The EPA revised the NAAQS for ozone in 2015. Section 110(a)(2)(D) of the CAA requires states to submit SIPs for addressing interstate transport of pollutants by prohibiting in-state ozone sources from contributing significantly to nonattainment or interfering with maintenance of the ozone NAAQS in another state. In accordance with this mandate, Oklahoma submitted a SIP addressing these "Good Neighbor" requirements on October 28, 2018. On January 31, 2023, the EPA disapproved in whole or in part the SIPs of 21 states, including Oklahoma. In March 2023, the Oklahoma Attorney General and the Oklahoma Department of Environmental Quality (ODEQ)—joined by several industry petitioners, including OG&E—filed suits challenging the EPA's SIP disapproval for Oklahoma in the U.S. Court of Appeals for the Tenth Circuit (Tenth Circuit). On June 6, 2023, OG&E and the other Oklahoma petitioners jointly filed a motion with the Tenth

⁵ "About Air Quality Implementation Plans," United State Environmental Protection Agency, <https://www.epa.gov/air-quality-implementation-plans/about-air-quality-implementation-plans>

Circuit requesting a stay of the Oklahoma SIP disapproval. The Tenth Circuit granted the stay on July 27, 2023. On February 27, 2024, the Tenth Circuit issued a decision transferring the challenges of the Oklahoma SIP disapproval to the D.C. Circuit court but did not vacate the Tenth Circuit's stay of the disapproval granted on July 27, 2023.

After disapproving the Oklahoma SIP, the EPA finalized a Federal Implementation Plan (FIP) addressing the "Good Neighbor" requirements for Oklahoma, and 22 other states. ("A Federal Implementation Plan (FIP) is an air quality plan developed by EPA under certain circumstances to help states or tribes attain and/or maintain the National Ambient Air Quality Standards (NAAQS) for criteria air pollutants and fulfill other requirements of the Clean Air Act."⁶) The June 5, 2023 FIP includes revisions to the CSAPR ozone-season NOx trading program for EGUs. These changes would result in a revision to the Oklahoma NOx emissions budget for EGUs, including OG&E's units, beginning in May 2023. Under the terms of the FIP, the emissions budget will decline over time based on the level of reductions the EPA has determined is achievable through particular emissions controls. The EPA has published unit-level allowance allocations for the 2023, 2024, and 2025 ozone seasons; starting in 2026, unit-level allowances will be determined based on the rolling average heat input for the previous three years, capped by maximum ozone emissions (referred to as dynamic budgeting).⁷ The FIP also moderates the ability to bank unused allowances. While there is inherent uncertainty in determining the quantity of emission allowances OG&E units will receive after 2025 or the availability of allowances in the market, OG&E anticipates that all future (i.e., new) and existing thermal resources will likely require a high level of emission control with equipment such as Selective Catalytic Reduction (SCR).

After the EPA finalized the FIP, OG&E began evaluating various control strategies to reduce emissions at its generating units. Compliance strategies can range from some combination of installation of selective catalytic reduction or selective non-catalytic reduction controls, conversion of coal-fired units to gas-fired units along with installation of SCRs, retirement and replacement of coal-fired generating resources, or purchase of emission allowances,

On July 7, 2023, the Attorney General of Oklahoma and other petitioners filed a motion with the Tenth Circuit to stay EPA's Final FIP for Oklahoma. Subsequently, on July 27, 2023, the Tenth Circuit granted a stay of EPA's SIP Disapproval for Oklahoma in a related challenge. After the court granted this stay, EPA no longer had authority to enforce the FIP in Oklahoma. Therefore, on July 31, 2023, the petitioners filed a joint, unopposed motion requesting that the court abate further proceedings regarding the FIP pending resolution of the Oklahoma SIP disapproval challenges. The court granted this motion

⁶ *Ibid.*

⁷ Unit-level allowances are allocated based on an overall state-wide allowance budget for each covered state. State budgets are predetermined for the 2023-2025 ozone seasons, using heat input data and known fleet changes at the time the FIP was finalized. Starting in 2026, EPA will also calculate state budgets using dynamic budgeting, based on a rolling average heat input for covered EGUs within each state. For the 2026 – 2029 ozone seasons, the FIP established a pre-set allowance floor for state budgets which could potentially be increased by dynamic budgeting. After the 2029 ozone season there will be no pre-set allowance floor and annual allowance allocations will be determined solely by dynamic budgeting.

on August 2, 2023. The petitioners will be required to notify the court within five days after the SIP disapproval challenge is resolved. EPA issued an Interim Final Rule on September 29, 2023, that prevents its FIP from going into effect in Oklahoma. Enforcement of the FIP will remain stayed until after the SIP disapproval challenge is resolved.

III. C. 2. b) Mercury and Air Toxics Standards (MATS)

On April 24, 2023, the EPA published a proposed revision to the MATS rule in the Federal Register. The proposed rule included an updated technology review and would change certain emission standards and compliance measures for the coal- and oil-fired EGU source category, including lowering the emission limit for filterable particulate matter (fPM), requiring the use of continuous emissions monitoring systems to demonstrate compliance with the filterable particulate matter standard, and lowering the mercury emission limit for lignite-fired EGUs. EPA has indicated it anticipates publishing a final rule by April 2024. It is unknown what potential impacts to OG&E, if any, will result from this action by the EPA.

III. C. 2. c) Federal Clean Water Act

On March 29, 2023, the EPA published a proposed rule to revise the effluent limitation guidelines for flue gas desulfurization wastewater, bottom ash transport water, and combustion residual leachate. The proposed rule would prohibit any discharge from bottom ash transport water systems and has a compliance date of December 31, 2029. OG&E is installing dry bottom ash handling technology that will comply with the rule.

III. C. 2. d) Greenhouse Gas (GHG) Regulations

On May 23, 2023, the EPA proposed several actions to address greenhouse gas emissions from fossil fuel-fired electric generating units under Clean Air Act Section 111. The proposal encompasses both Section 111(b) and 111(d) rulemakings for new units and existing units, respectively. In particular, the proposed rules would (i) strengthen the current New Source Performance Standards for newly built, modified, or reconstructed fossil fuel-fired stationary combustion turbines (generally natural gas-fired); (ii) establish emission guidelines for states to follow in limiting carbon pollution from existing fossil fuel-fired steam electric generating units (including coal and natural gas-fired units); and (iii) establish emission guidelines for large, frequently used existing fossil fuel-fired stationary combustion turbines (generally natural gas-fired). Among other emission reduction measures, EPA proposed the following requirements for certain classes of new and existing units beginning as early as 2030: capacity factor limitations; the use of carbon capture, utilization and storage systems; and/or the combustion of fuel comprised of hydrogen blended with natural gas. EPA has indicated it anticipates finalizing the regulations in April 2024. At this point, it is unknown what the outcome will be from the final action by the EPA.

III. C. 2. e) More Stringent National Ambient Air Quality Standards (NAAQS)

The CAA requires EPA to set NAAQS for six "criteria" pollutants, which are designed to be protective of human health and the environment. EPA must review each NAAQS

every five years, and revise the NAAQS as needed. Based on these reviews, EPA has periodically taken action to adopt more stringent NAAQS for criteria pollutants including ozone and PM. EPA then sets an attainment deadline for states to comply with the NAAQS and make air quality designations for areas in each state based on whether they are attaining the NAAQS for a particular pollutant. Emission sources in areas that have been designated as nonattainment may be required to install additional controls to help the state attain the NAAQS.

As of the end of 2023, no areas of Oklahoma were designated as non-attainment for pollutants likely to affect OG&E's operations. However, in recent years, monitored ozone levels in Oklahoma have been close to a NAAQS exceedance level; ambient monitoring data for NAAQS pollutants is reviewed each year and evaluated against the standard that is currently in effect.

In August 2023, EPA began a review of the ozone NAAQS. EPA has indicated it intends to complete this review as expeditiously as possible. It is unknown at this time what, if any, potential impacts to OG&E may result from final EPA actions.

On February 7, 2024, the EPA issued a final rule resulting from its reconsideration of the primary (health-based) and secondary (welfare-based) NAAQS for PM. The final rule lowers the primary annual PM_{2.5} NAAQS from 12.0 µg/m³ to 9.0 µg/m³. The final rule retains the other PM standards at their current levels, including the 24-hour PM_{2.5} NAAQS. Within two years of the effective date of the rule, ODEQ will evaluate attainment with the revised standard and EPA will then make attainment designations for areas in Oklahoma. If an area in Oklahoma is not in attainment, ODEQ will develop and submit attainment plans no later than 18 months after the EPA finalizes the designation. It is unknown at this time what, if any, potential impacts to OG&E may result from final EPA actions.

III. C. 2. f) Future Requirements under Regional Haze

Section 169A of the Clean Air Act sets a national goal of eliminating anthropogenic impairment of visibility in Class I Federal Areas by 2064. Under the Regional Haze Rule, states are required to develop a SIP for each of several planning periods before the 2064 deadline, assessing sources of visibility impairment and potential controls.

Oklahoma submitted a Regional Haze SIP for the second planning period to the EPA on August 9, 2022, which EPA deemed administratively complete on August 18, 2022. EPA is currently reviewing Oklahoma's SIP. When review of the SIP is completed, EPA will issue a proposed approval or disapproval, which will be available for public comment before being finalized. EPA may call for additional reductions of emissions affecting visibility from sources that were previously regulated or may require reductions from additional sources, beyond those regulated in the first planning period. However, the additional impact on OG&E, if any, cannot be determined until EPA's review of the Oklahoma SIP is final. A response from the EPA is expected in 2024.

III. C. 2. g) Endangered Species Act (ESA) and other Federal Laws

Certain federal laws, including the ESA, provide special protection to certain designated species. These laws and any state equivalents provide for significant civil and criminal penalties for unauthorized activities that result in harm to or harassment of certain protected animals and plants, including damage to their habitats. If such species are located in areas in which OG&E conducts operations or if additional species in those areas become subject to protection, OG&E's operations and development projects could be restricted, delayed, or be required to implement mitigation measures.

IV. Assumptions

OG&E's resource planning process includes collecting information regarding material assumptions used in the modeling and analysis of potential resource additions.

IV. A. Load Forecast

The retail energy forecast is based on retail sector-level econometric models representing weather, growth, and economic conditions in OG&E's Oklahoma and Arkansas service territories. The peak demand forecast relies on an hourly econometric model. Historical and forecast weather-adjusted retail energy sales are the main driver for the peak demand forecast projections. The peak demand forecast is reduced by planned OG&E Demand Side Management (DSM) programs to determine the net demand used for planning purposes. Energy and Peak Demand forecasts are provided in Table 1 and Table 2.

Table 1 – Energy Forecast (GWh)

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Energy Forecast⁸	34,133	35,905	39,768	40,472	41,382	42,307	43,249	44,641	46,087	47,585	47,823
OG&E DSM⁹	185	371	468	565	678	789	889	988	1,094	1,319	1,184
Net Energy	33,947	35,534	39,300	39,908	40,703	41,518	42,360	43,653	44,993	46,266	46,639

Table 2 – Peak Demand Forecast (MW)

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Demand Forecast⁸	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
OG&E DSM⁹	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
Net Demand	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757

The baseline Energy and Demand Forecasts include the impacts of historical programs such as Energy Efficiency and the SmartHours Program. Historically, OG&E's Energy Efficiency programs in Oklahoma and Arkansas have achieved between 30 MW and 40 MW of incremental demand reduction each year. The SmartHours Program integrates technology and pricing to help customers reduce energy usage at peak times. Customers respond to price signals between the non-holiday weekday hours of 2:00 p.m. and 7:00 p.m. over the summer months to help reduce the peak demand on the system by approximately 90 MW and is expected to grow to over 140 MWs.

OG&E DSM programs are shown in the energy and peak demand forecast tables (Table 1 and Table 2). On top of the significant strides made in historical Energy Efficiency and Demand Response programs, OG&E forecasts additional incremental program growth in

⁸ Includes SmartHours and Historical Energy Efficiency programs.

⁹ Represents estimates for incremental Energy Efficiency programs in Oklahoma and Arkansas, incremental growth of SmartHours, and the Load Reduction Program.

the future, which demonstrates its ongoing commitment to engaging customers to reduce energy and demand requirements. OG&E's Energy Efficiency programs in Oklahoma and Arkansas include, but are not limited to, efforts to improve weatherization, lighting, heating, ventilation, and air conditioning systems. OG&E's Energy Efficiency programs are projected to add nearly 40 MW of demand reduction each year. OG&E's Load Reduction Rider offers rate incentives to commercial and industrial customers that can reduce their electrical load when notified by OG&E, which offsets some capacity needs. Table 1 and Table 2 include significant forecasted growth in OG&E's Load Reduction Rider program.

IV. B. Planning Reserve Margin

For purposes of this IRP, OG&E has estimated the PRM will be 18% starting in the summer of 2026 and the revised resource accreditation policies described in Section III. A. 1. b) will also be in place in 2026. The assumed PRM is based on SPP study results that show a range of potential increases to the PRM ranging from 16% to 21% between years 2026 and 2029. The 18% PRM estimate serves to develop capacity needs consistent with a change to the PRM and implementation of other SPP Resource Adequacy policies that are still in development. Section III. A. 1. a) of this report provides a description of study and policy development.

IV. C. Generation Resources

OG&E is obligated to satisfy SPP Resource Adequacy Requirements by maintaining capacity sufficient to serve its peak load plus a planning reserve. This is accomplished through OG&E-owned generation, power purchase agreements (PPAs), and if necessary, potential new resources.

IV. C. 1. Existing Resources

OG&E's existing portfolio of electric generating facilities consists of owned thermal generation, owned renewable resources and PPAs, shown in Table 3 through Table 6.

Table 3 – OG&E Existing Thermal Resources

Unit Type	Unit Name	First Year In Service	Summer Capability (MW)
Gas-Fired Steam (3,085 MW)	Horseshoe Lake 7	1963	211
	Horseshoe Lake 8	1969	375
	Seminole 1	1971	500
	Seminole 2	1973	513
	Seminole 3	1975	509
	Muskogee 4	1977	489
	Muskogee 5	1978	488
Combined Cycle (1,111 MW)	Frontier	1989	121
	McClain ¹⁰	2001	373
	Redbud ¹⁰	2004	617
Combustion Turbine (552 MW)	Tinker (Mustang 5A)	1971	33
	Tinker (Mustang 5B)	1971	31
	Horseshoe Lake 9	2000	45
	Horseshoe Lake 10	2000	43
	Mustang 6	2018	57
	Mustang 7	2018	56
	Mustang 8	2018	58
	Mustang 9	2018	57
	Mustang 10	2018	57
	Mustang 11	2018	58
	Mustang 12	2018	57
	Coal-Fired Steam (1,878 MW)	Sooner 1	1979
Sooner 2		1980	520
Muskogee 6		1984	521
River Valley ¹¹		1990	321

Table 4 – OG&E Existing Renewable Resources

Unit Type	Unit Name	First Year In Service	Nameplate Capacity (MW)	Summer Capability (MW)
Wind (61 MW)	Centennial	2006	120	19
	OU Spirit	2009	101	9
	Crossroads	2012	228	33
Solar (22 MW)	Mustang	2015	3	2
	Covington	2018	9	8
	Chickasaw Nation	2020	5	4
	Choctaw Nation	2020	5	4
	Butterfield	2022	5	2
	Branch	2021	5	3

¹⁰ Represents OG&E owned interest: 77% of McClain and 51% of Redbud.

¹¹ River Valley is primarily a coal-fired steam unit but can also utilize natural gas and tire-derived fuel in the combustion process.

Table 5 – Existing Power Purchase Agreements

	Unit Name	Contract Start date	Nameplate Capacity (MW)	Summer Capability (MW)
Power Purchase (55 MW)	Keenan	2010	152	22
	Taloga	2011	130	14
	Blackwell	2012	60	12
	Southwestern Power Administration	1979	7	7

In early 2023, OG&E conducted an RFP for Bridge Capacity. As a result of that RFP, the Company secured agreements for generation capacity over the summer months (June – September) of the years 2024, 2025, 2026, and 2027. The Bridge Capacity agreements were put in place to address near-term capacity requirements.

Table 6 – Existing Capacity Purchase Agreements

Agreement Type	Name	Contract Year	Summer Capability (MW)
Capacity Purchase	Bridge Capacity	2024	450
	Bridge Capacity	2025	450
	Bridge Capacity	2026	600
	Bridge Capacity	2027	600

IV. C. 2. Resource Changes in the Ten-Year Planning Horizon

Eight units in OG&E’s owned generation resource fleet are planned for retirement over the next 10 years. In addition, two wind PPAs will expire before 2032.

IV. C. 2. a) Resource Retirements and Contract Expirations

IV. C. 2. a) (i) Horseshoe Lake Retirements

Horseshoe Lake Unit 6 was a 170 MW natural gas-fired steam turbine unit originally commissioned in 1958. Unit 6 was the oldest unit in OG&E’s current generation fleet and depreciation studies prepared for OG&E have shown probable retirement dates for Horseshoe Lake 6 as early as 2013. The 2022 EIA-860¹² shows that similarly sized natural gas-fired steam generators have reached retirement after an average of 54 years of operation. OG&E ceased operation of Horseshoe Lake unit 6, as planned, at the end of 2023, after 65 years of operation.

Horseshoe Lake Unit 7 was originally commissioned in 1963 as an early combined cycle unit with a gas turbine and a natural gas-fired steam turbine. Unit 7’s 26 MW gas turbine retired in 2015. OG&E maintained the remaining 211 MW steam unit without the legacy gas turbine. Previous depreciation studies have shown Horseshoe Lake unit 7’s probable retirement date as early as 2019. The 2022 EIA-860 shows that similarly sized natural

¹² EIA. (2023). 2022 EIA-860 3_1_Generator_Y2022.xlsx. U.S. Energy Information Administration (EIA). <https://www.eia.gov/electricity/data/eia860/xls/eia8602022.zip>

gas-fired steam generators have reached retirement after an average of 54 years of operation. Horseshoe Lake Unit 7 is planned for retirement at the end of 2024.

Horseshoe Lake Unit 8 is a 375 MW natural gas-fired steam turbine unit originally commissioned in 1969. Previous depreciation studies have shown a probable retirement date as early as 2024. The 2022 EIA-860 shows that similarly sized natural gas-fired steam generators have reached retirement after an average of 45 years of operation. OG&E plans to retire Horseshoe Lake unit 8 in 2027, after 58 years.

IV. C. 2. a) (ii) Tinker Retirements

Mustang Units 5A and 5B are two aero-derivative simple-cycle combustion turbines (CTs) that were originally installed at OG&E's Mustang power plant site in 1971. In 1990, OG&E moved these two units to Tinker Air Force Base. These units have a net capacity of approximately 64 MW and support all customers while providing islanding and resiliency benefits to Tinker. Previous depreciation studies have shown a probable retirement date as early as 2018 for the Tinker units. The 2022 EIA-860 shows that other natural gas-fired simple cycle combustion turbines in the United States have reached retirement after an average of 38 years of operation. The two units located at Tinker are planned to be retired in late 2025 or early 2026 after 54 years of service.

IV. C. 2. a) (iii) Seminole Retirements

Seminole Units 1, 2 and 3 are natural gas-fired steam generators located at the Seminole power plant in Konawa, Oklahoma. These units were placed in service in the early to mid-1970s. Previous depreciation studies showed these three units' probable retirement dates in 2030. The 2022 EIA-860 shows that similarly sized natural gas-fired steam generators in the United States have historically been retired after an average of 42 years of operation. OG&E currently anticipates retiring Seminole Units 1, 2, and 3 at the end of 2030, 2032, and 2034, respectively, after each unit achieves 59 years of service. The three Seminole units represent approximately 1,500 MWs of OG&E's current generating capacity.

IV. C. 2. a) (iv) Owned Wind Retirements

OG&E's Centennial Wind farm was commissioned in 2006 and is scheduled for retirement in late 2031, after 25 years of service to OG&E's customers. OG&E is exploring alternatives to retirement, including potential repower and life extension.

IV. C. 2. a) (v) Wind Purchase Power Agreements

OG&E entered into 20-year PPAs with the Keenan and Taloga Wind facilities starting in 2010 and 2011, respectively. Those agreements are expected to end on schedule in 2030 and 2031. The Blackwell Wind 20-year PPA began in 2012 and will end in 2032.

IV. C. 2. b) *Planned Resource Additions*

IV. C. 2. b) (i) Horseshoe Lake

Horseshoe Lake Units 11 and 12 are planned to go into service in late 2026. These units include two identical GE 7FA.05 natural gas-fired combustion turbines selected from

OG&E's 2022 Flexible Resource RFP. Horseshoe Lake Units 11 and 12 were unanimously approved by OCC in Order number 738566 in Cause number PUD2023-00038 in October 2023. They will bring a total of 448 MW of accredited capacity, quick starting capability, modernization, and improved reliability to OG&E's generation fleet.

IV. C. 2. b) (ii) Tinker

Tinker units 1 and 2 will be located at Tinker Air Force Base and are planned to go into service in 2026. The Tinker Air Force Base site is close to Oklahoma City, OG&E's largest load center. The proximity to the load center reduces the effect of congestion on the transmission system and provides reliable energy to all OG&E's retail customers. The new Tinker CT units will have the ability to be turned on and off quickly, which allows them to supply power during peak times, to serve changing demand in real-time, and to supply ancillary services to the grid.

The new units are two identical 48 nameplate MW GE LM6000 natural gas-fired combustion turbines. They will bring a total of 88 MW of accredited capacity, quick starting capability, modernization, and improved reliability to OG&E's generation fleet and will be hydrogen capable. The units will not only address part of OG&E's overall capacity need, but they will also be able to be dispatched by SPP to serve all customers and will provide the added benefit of providing islanding and resiliency benefits to Tinker Air Force Base, in the event of a national security emergency.

The new Tinker CTs are aligned with the preferred plan from OG&E's 2021 IRP, which included detailed analysis of different generating technologies and their costs and risks.

IV. C. 3. Future Resource Options

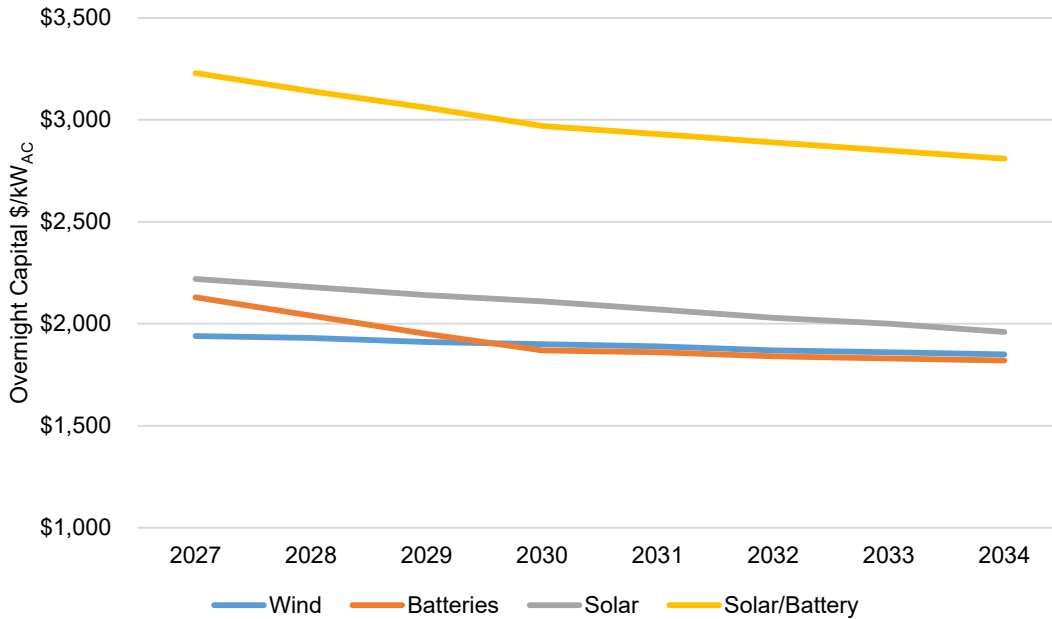
OG&E contracted with the engineering firm Burns & McDonnell to provide cost and performance estimates for Combined Cycle (CC), simple cycle technologies like Combustion Turbines (CT) and Reciprocating Internal Combustion Engines (RICE), Solar, Wind, Battery Storage, and Small Modular Reactor (SMR). Potential additional resource options evaluated are shown in Table 7.

Table 7 – Resource Options in 2023\$

Technology	Model	Nameplate Capacity (MW)	Up-front Capital Cost (\$/kW)	Summer Capability (MW)	Fixed O&M Cost (\$/kW-yr)	Variable O&M Cost (\$/MWh)
Wind	Land-Based	250	\$1,940	50	\$42.40	N/A
Batteries	Lithium Ion	100	\$2,130	100	\$30.00	N/A
Solar	Photovoltaic Single Axis	150	\$2,220	90	\$17.40	N/A
Solar/Battery Combo	Single Axis/Lithium Ion	150	\$3,230	150	\$36.00	N/A
RICE	Reciprocating Engine 3x	55	\$1,800	55	\$15.40	\$4.60
	Reciprocating Engine 6x	110	\$1,420	110	\$15.10	\$4.60
CT Aero	1x LM2500 SCGT	32	\$3,200	29	\$9.10	\$1.70
	12x LM2500 SCGT	389	\$2,660	352	\$9.20	\$1.70
	1x LM6000 SCGT	54	\$2,190	50	\$5.60	\$1.40
	8x LM6000 SCGT	428	\$1,870	399	\$5.30	\$1.40
	1x LMS100 SCGT	102	\$2,200	87	\$3.10	\$1.20
	4x LMS100 SCGT	406	\$1,940	347	\$3.90	\$1.20
CT Frame	1x "E" Class SCGT	86	\$2,030	78	\$7.50	\$7.50
	1x "F" Class SCGT	221	\$1,130	211	\$3.30	\$2.10
	1x "G/H" Class SCGT	280	\$930	264	\$3.70	\$2.20
Combined Cycle (CC)	1x1 J Class	531	\$1,180	503	\$4.10	\$1.50
	1x1 J Class Duct Fired	637	\$990	613	\$4.10	\$2.30
	2x1 G/H Class Duct Fired	1001	\$870	944	\$2.90	\$2.30
	2x1 F Class	729	\$1,130	662	\$2.70	\$1.50
	2x1 F Class Duct Fired	880	\$960	828	\$2.80	\$2.30
	1x1 F Class Duct Fired	441	\$1,250	411	\$4.90	\$2.40
Nuclear	Small Modular Reactor (SMR)	320	\$11,720	320	\$234.40	Unknown

Capital costs for renewable resources have risen in recent years, however, they are expected to decline modestly over the next decade due to expected improvements in technology. OG&E utilized National Renewable Energy Laboratory (NREL)¹³ price projections to develop an estimated price reduction curve for wind, solar and battery resources in the IRP, which is shown in Figure 3.

Figure 3 – Renewables Nameplate Overnight Cost Projections in 2023\$ (\$/kW_{AC})



IV. C. 4. Resource Location Considerations

SPP’s long-term Integrated Transmission Planning (ITP) assessment¹⁴ anticipates continued growth in renewable energy resources throughout the SPP system. Additionally, SPP’s ITP model assumes retiring thermal generators are primarily replaced by combustion turbines at existing generation sites to meet resource adequacy requirements. Existing generation facilities can provide opportunities for re-development of new generation by providing benefits such as land, water rights, and emission permits. Also, these facilities are already strategically connected to the existing electric transmission infrastructure which can minimize both cost and time required to connect to the SPP transmission system. OG&E utilized these opportunities for the future Horseshoe Lake and Tinker Units. Other OG&E sites also have the potential to provide these re-development opportunities. Additionally, locations near OG&E’s load centers offer opportunities to maintain the locational reliability these sites have provided to

¹³ NREL. (2023). *Electricity annual Technology Baseline data download*. NREL.

<https://atb.nrel.gov/electricity/2023/data>

¹⁴ SPP. (2023). *2023 Integrated Transmission Planning Assessment Report*. SPP.

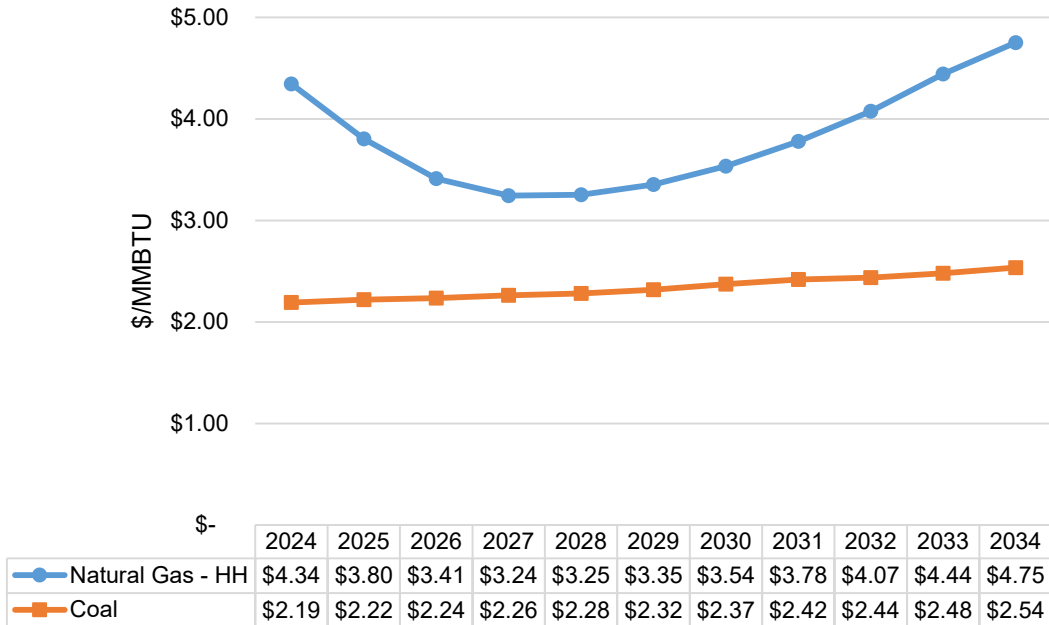
<https://www.spp.org/documents/70584/2023%20itp%20assessment%20report%20v1.0.pdf>

OG&E's system for many years. OG&E will consider these factors for existing sites in the future.

IV. D. Fuel Price Projections

OG&E utilizes fuel price projections provided in the EIA 2023 Annual Energy Outlook (AEO)¹⁵. EIA's models consider macroeconomic conditions, world oil prices, technological developments, and energy policies to provide fuel price projections for the U.S. The AEO "Reference Case" reflects current laws, regulations, and market conditions, and is the foundation for OG&E's Base Case in this IRP. The following figure provides the Henry Hub (HH) Natural Gas price assumption and the projected U.S. average coal price assumption for the next ten years from the 2023 AEO.

Figure 4 – EIA 2023 Annual Energy Outlook Fuel Projections (Nominal \$)



IV. E. Risk Assessment

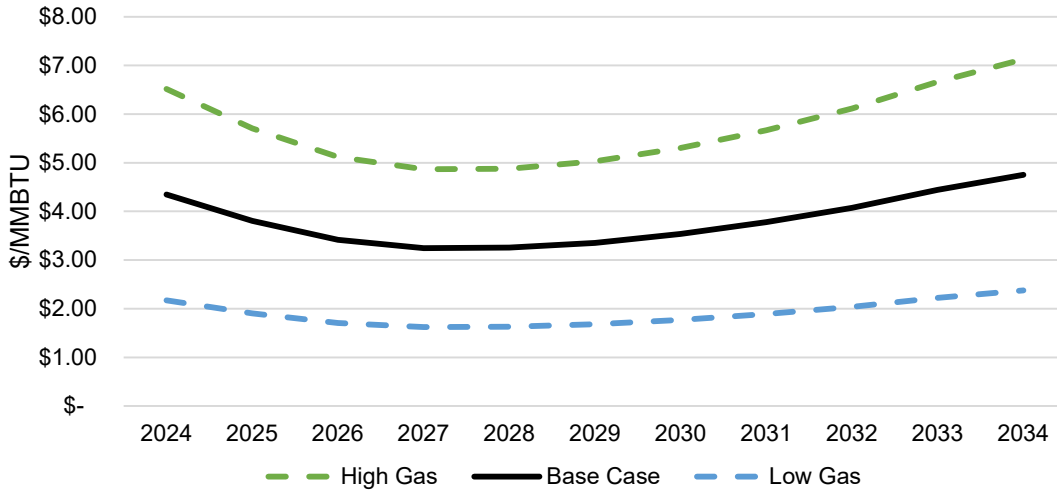
In addition to conducting the resource planning analysis under Base Case conditions, assumptions are varied to develop a range of hypothetical future conditions. Sensitivities involve adjusting a single assumption and measuring the impact of that specific variable on potential resource plans. Scenarios are designed by modifying more than one assumption. The analysis using the sensitivities and scenarios are provided in Section V of this report to assess risk.

¹⁵ EIA. (2023, March 16). U.S. Energy Information Administration. *Annual Energy Outlook 2023*. <https://www.eia.gov/outlooks/aeo/>

IV. E. 1. Sensitivities

The variables considered in the sensitivity analysis are natural gas prices, solar capital costs, and the potential future implementation of a CO₂ tax. The High and Low natural gas prices used in this analysis represent a 50% increase and a 50% reduction, respectively, to the base natural gas price assumptions as shown in Figure 5.

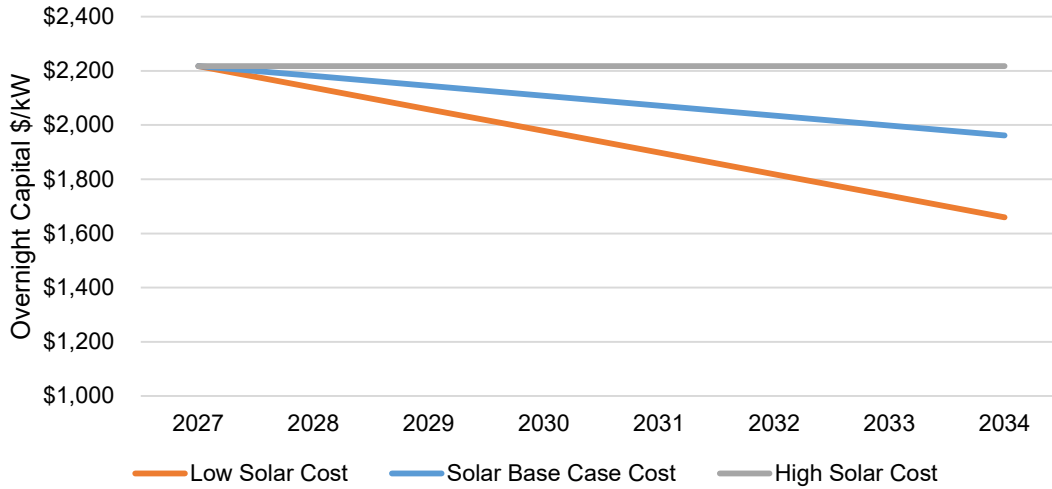
Figure 5 – Natural Gas Sensitivities



NREL provides varying projections for future solar capital costs. Figure 6 illustrates OG&E’s solar capital cost sensitivities based on the current expected capital cost shown in Table 7. Both the base case and the low solar cost sensitivity rely on projected capital cost trajectories provided by NREL¹⁶ while the high solar cost sensitivity assumes solar capital costs remain unchanged through the planning horizon.

¹⁶ NREL. (2023). *Electricity annual Technology Baseline data download*. NREL. <https://atb.nrel.gov/electricity/2023/data>

Figure 6 – Solar Capital Cost Sensitivities

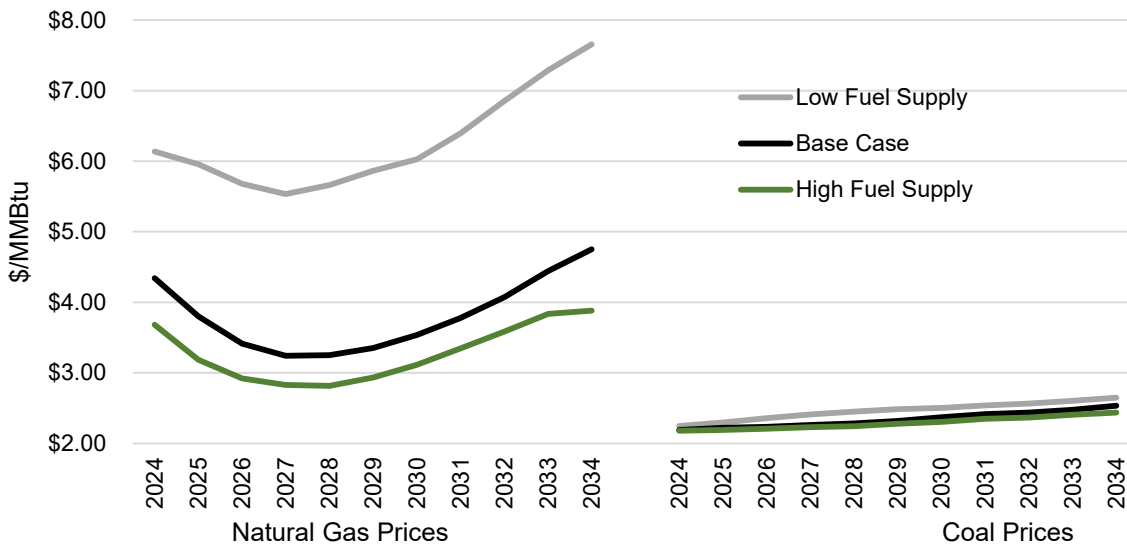


Finally, the CO₂ tax sensitivity assumes a cost of \$15 per ton of CO₂ emissions begins in 2029 and escalates by 2% each year afterward.

IV. E. 2. Scenarios

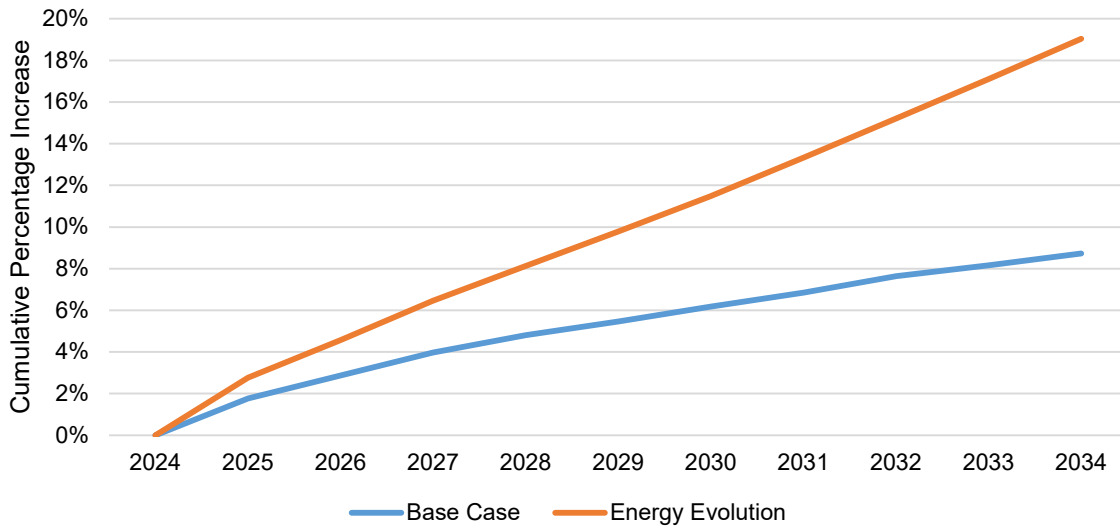
The 2023 AEO provides several scenarios addressing uncertainties in technology improvements, economic performance, commodity prices, legislation, regulation, and energy policies. The Low and High Oil and Gas Resource and Technology cases provide the largest potential variations in commodity prices among scenarios prepared by EIA. These cases also include hypothetical changes to load projections. As a simplification, OG&E labels these cases as Low and High Fuel Supply scenarios. The future commodity prices assumed in these scenarios are provided in Figure 7.

Figure 7 – Scenario Fuel Projections



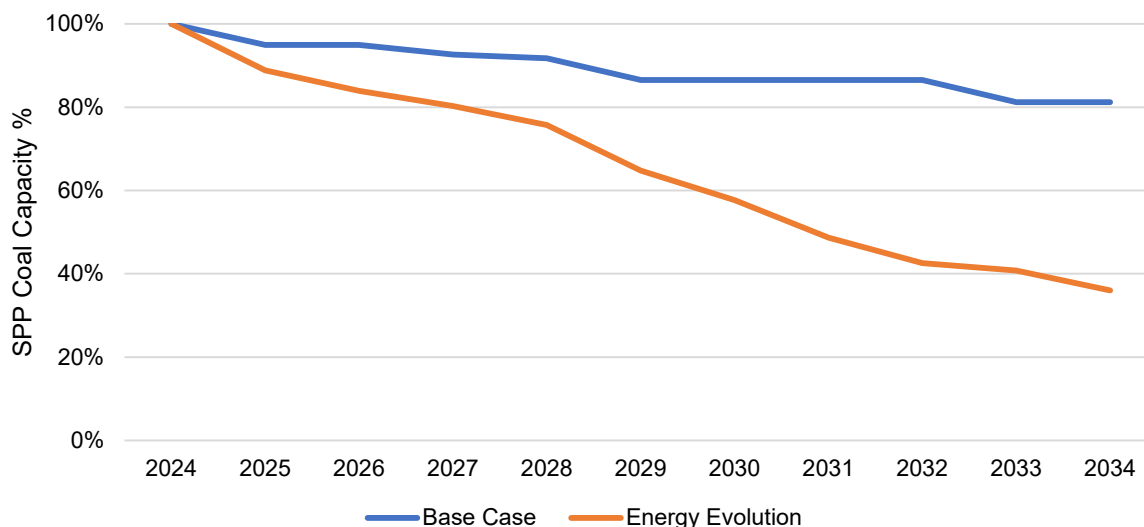
Additionally, OG&E developed an Energy Evolution scenario to analyze the potential impact that could be caused by federal policy leading to increased electrification and a region-wide accelerated coal-fired generation retirement schedule. Increased electrification could involve changes in the residential, commercial, industrial, and transportation sectors resulting in increased load on the power grid. Figure 8 shows the annual SPP load growth percentages for the Energy Evolution case compared to the Base Case.

Figure 8 – Energy Evolution Impact to Load



The Energy Evolution scenario also includes a reduction in SPP coal capacity through accelerated coal unit conversions and retirements. The coal capacity percentage reductions in OG&E's Base Case and the Energy Evolution scenario are provided in Figure 9.

Figure 9 – SPP Coal Capacity Comparison



IV. E. 3. Sensitivity and Scenario Summary

Table 8 provides a summary of the modeling assumptions that were included in the various sensitivities and scenarios.

Table 8 – Sensitivity and Scenario Summary

Case		Description
Base	Base Case	EIA AEO 2023 Fuel Reference Case, Existing Laws and Regulations
Sensitivities	Low Gas	Base Case Natural Gas Prices x 50%
	High Gas	Base Case Natural Gas Prices x 150%
	CO ₂ Tax	\$15/ton starting 2029
	Low Solar Capital Cost	NREL low solar cost trajectory
	High Solar Capital Cost	Solar Prices Remain Flat
Scenarios	High Fuel Supply (EIA)	High Oil & Gas Resource and Technology - Low Fuel Cost, Higher Load
	Low Fuel Supply (EIA)	Low Oil & Gas Resource and Technology - High Fuel Cost, Lower Load
	Energy Evolution	Increased electrification, accelerated coal retirements



IV. F. Integrated Marketplace Locational Marginal Prices

Hourly Locational Marginal Prices (LMPs) for both generation and load are established through the SPP Integrated Marketplace (IM). OG&E utilizes Hitachi Energy PROMOD®, an electric market simulation tool, which incorporates generating unit operating characteristics, transmission grid topology and constraints, to simulate future nodal energy prices in the SPP IM. Forecasted LMPs are applied to electricity generated by OG&E units. Market conditions such as availability of diverse generation resources, fuel pricing and emission costs impact market pricing. The resulting average annual OG&E Load LMPs for the Base Case and all sensitivities are shown in Figure 10. Figure 11 shows the average annual OG&E Load LMPs for the Base Case and all scenarios.

Figure 10 – Base Case and Sensitivity Average Annual OG&E Load LMP Comparison

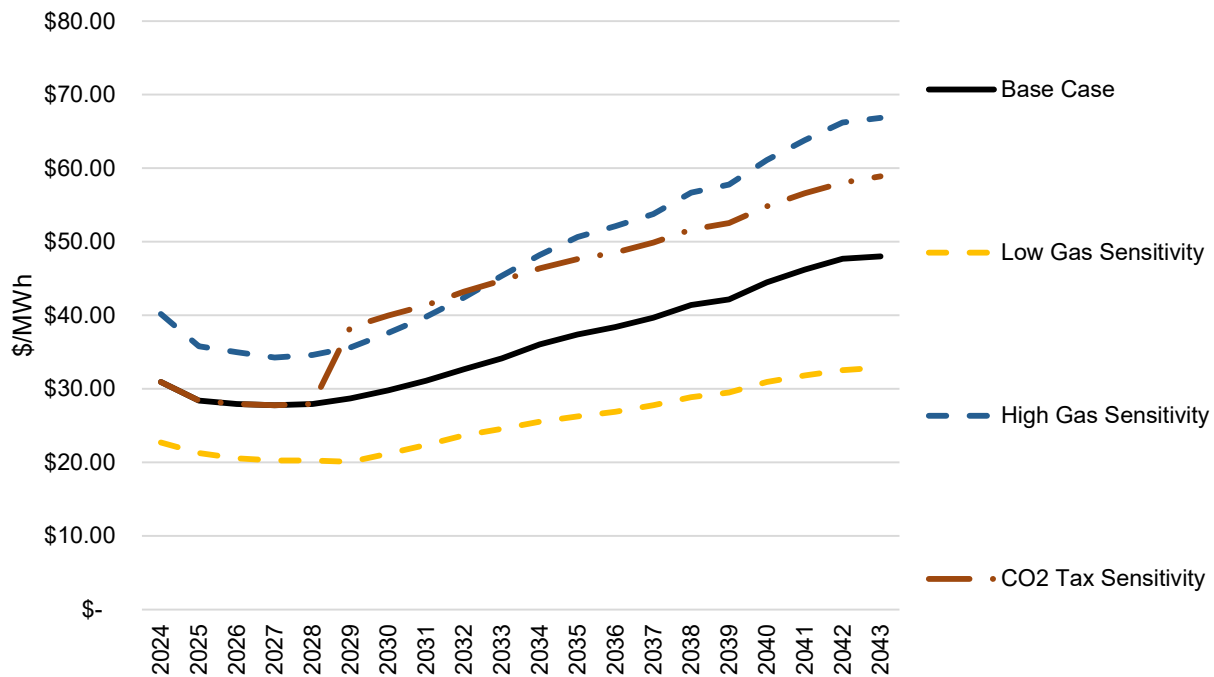
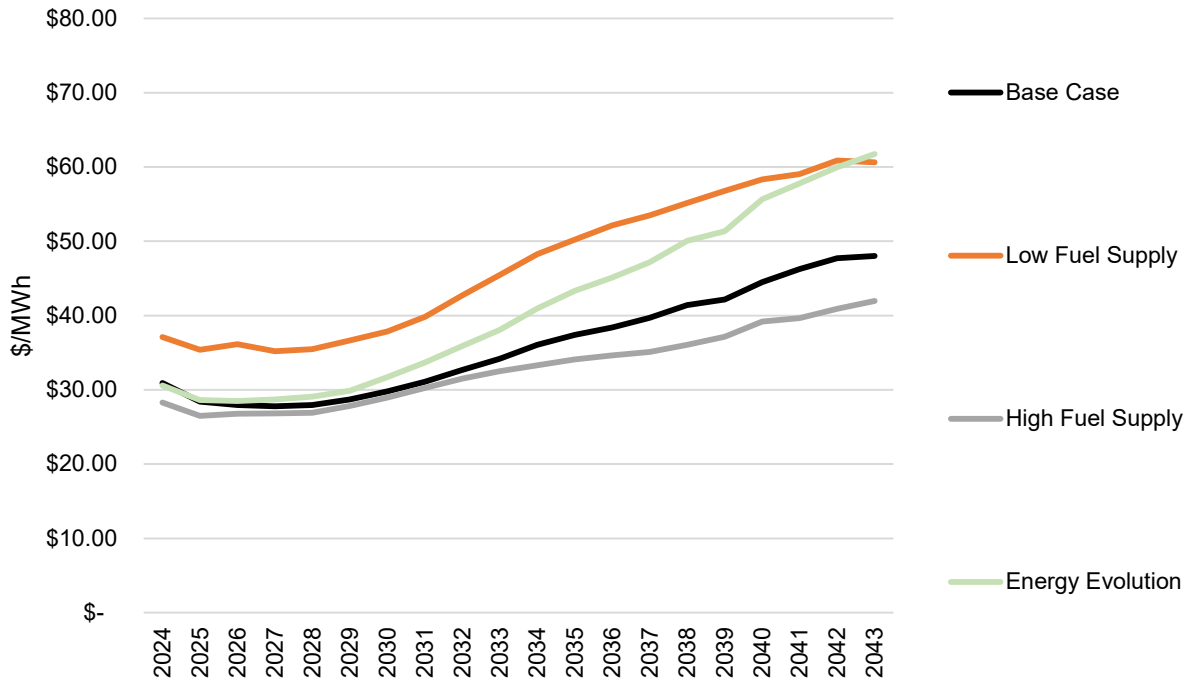


Figure 11 – Base Case and Scenario Average Annual OG&E Load LMP Comparison



IV. G. Alternate Policy Future Cases

As noted above, OG&E has included two alternate Future Cases for analysis in this IRP.

IV. G. 1. *CSAPR Compliance Future Case*

As noted in Section III. C. 2. a), the Good Neighbor Plan’s revisions to the CSAPR program, if implemented in Oklahoma, would require significant reductions in NOx emissions related to OG&E’s generation fleet in the immediate future. Litigation is ongoing and future compliance obligations remain uncertain. Compliance may require a range of potential modifications to existing units and other necessary actions. Despite the uncertainty, this IRP evaluates various compliance pathways based on OG&E’s understanding of the rule, consistent with a stipulation in OG&E’s 2021 Rate Case Final Order (Cause No. PUD 202100164). By 2027, the Good Neighbor FIP requires a 50% reduction from 2021 ozone season NOx emissions levels¹⁷. After 2027, further revisions to the trading program—including dynamic budgeting, a routine recalibration process for banked allowances, and a backstop daily NOx emissions rate for certain coal units—will likely require additional reductions in emissions levels. OG&E is continuing to evaluate compliance options and may need to take significant measures in the near term to meet compliance obligations under the EPA’s Good Neighbor FIP by 2027 depending on the outcome of litigation.

¹⁷ U.S. EPA, “EPA’s “Good Neighbor” Plan Cuts Ozone Pollution – Overview Fact Sheet,” https://www.epa.gov/system/files/documents/2023-03/Final%20Good%20Neighbor%20Rule%20Fact%20Sheet_0.pdf

As noted in Section III. C. 2. a), full implementation of the EPA's Good Neighbor FIP would require additional compliance actions and significant costs for facilities in OG&E's fleet to comply with lowered NOx emissions allowances. In this CSAPR Compliance Future Case, OG&E has analyzed various potential compliance options including full retirement of all OG&E's coal-fired generators. These scenarios incorporate the same input assumptions for the SPP PRM, the existing generation fleet, fuel costs, new resource costs, new resource availabilities, and load forecast as in the Expected Future Case.

OG&E has some latitude in implementing changes to generation resources, including controls to achieve fleet-wide compliance. Compliance options include some combination of installing controls, converting coal-fired units to natural gas, retiring and replacing certain units, and/or purchasing allowances. Two of the most effective control technologies available to reduce NOx emissions are Selective Catalytic Reduction (SCR) and Selective Non-Catalytic Reduction (SNCR). SCRs and SNCRs represent a significant investment into existing resources and construction times are estimated to vary from three to six years, depending on the generator type.

For OG&E's coal-fired resources, OG&E considered three major compliance options: (1) installing SCRs/SNCRs; (2) converting its coal-fired units to natural gas-fired generators and adding SCRs after conversion, where technically feasible; and (3) retiring and replacing certain units. OG&E also considered any site-specific constraints that limit the controls available to effectively reduce NOx emissions at particular facilities. SNCR is the only technology that can be applied to OG&E's River Valley facility because of the unique combustion technology of that facility.

Certain OG&E resources were not considered for modification based on cost-effectiveness concerns, including units currently equipped with control equipment and those very near retirement. All other gas-fired generators assumed installation of SCRs for compliance with EPA's CSAPR FIP. Table 9 below provides compliance options considered for each unit and the associated incremental estimated costs of each.

Table 9 – CSAPR Compliance Options

Unit Type	Compliance Option	Construction Time (years)	Overnight Capital Cost (\$M)	Incremental Fixed O&M Cost (\$M)	Incremental Variable O&M Cost (\$/MWh)
Gas-Fired Steam	SCR	6	\$290	\$1.5-\$2.1	\$1.10-1.30
Combined Cycle	SCR	4	\$5-\$15	\$0.1	\$1.00-\$3.70
Combustion Turbine	SCR	4	\$8-\$10	\$0.15	\$3.50-\$4.70
Coal-Fired Steam (Muskogee 6, Sooner 1 & 2)	SCR	6	\$360	\$2.2	\$1.70
Coal-Fired Steam (River Valley)	SNCR	4	\$16	\$0.2	\$0.10
Coal-Fired Steam (Muskogee 6, Sooner 1 & 2)	Conversion + SCR	3	\$60	varies	varies
		6	\$290	\$1.5-\$2.1	\$1.10-1.30

Costs shown in Table 9 reflect current planning level estimates which will continue to be refined as new information becomes available.

OG&E anticipates allowance purchases will be necessary to remain in compliance during the selected unit modification construction phase(s). Each allowance equates to one ton of NOx. For purposes of this analysis, OG&E assumed allowances would be priced at \$25,000 per allowance. OG&E has assumed initial demand for allowances will be high while affected entities implement compliance measures. This demand is expected to drive up allowance prices in the near term.

IV. G. 2. Status Quo Future Case

The Status Quo Future Case assumes policies currently being developed by SPP result in no implemented policy changes. OG&E views this as highly improbable. This Future Case assumes other input assumptions, including existing generation resources, fuel costs, new resource costs and availabilities and the load forecast remain the same as in the Expected Future Case.

IV. G. 3. Summary of Futures, Scenarios, and Sensitivities

This 2024 IRP will consider the forward-looking environmental compliance and Resource Adequacy risks through a number of alternate cases, intended to reflect alternate potential future developments. Below is a recap of the foundational assumptions for each alternative future case.

Expected Future Case

The Expected Future Case assumes SPP Resource Adequacy Policy changes are implemented as planned. This includes the implementation of PBA and ELCC in 2026, as well as an increase of the PRM Requirement to 18% in 2026, which is aligned with the recommendation of SPP's most recent Loss of Load Expectation (LOLE) Study.

CSAPR Compliance Future Case

The CSAPR Compliance Future Case is included to demonstrate potential methods and incremental costs of compliance. It examines the impact expected if OG&E is ultimately required to reduce fleet-wide NOx emissions in a way that is consistent with the EPA CSAPR FIP requirements currently being litigated.

Status Quo Future Case

The Status Quo Future Case assumes the current SPP PRM level of 15%, current SPP resource accreditation policies and current environmental policies remain constant in the future. The case includes neither the SPP Policy changes included in the Expected Future Case nor the environmental compliance requirements included in the CSAPR Compliance Future Case are implemented.

Each of the Future Cases has been evaluated across the full range of Scenarios and Sensitivities, resulting in a very robust set of analysis of potential future conditions. Table 10 below illustrates the Scenario and Sensitivity analysis conducted in each potential Future Case.

Table 10 – Summary of Futures, Scenarios and Sensitivities

	Expected Future Case	CSAPR Future Case	Status Quo Future Case
PRM	18%	18%	15%
PBA	Yes	Yes	No
CSAPR	No	Yes	No
	Scenarios/Sensitivities	Scenarios/Sensitivities	Scenarios/Sensitivities
Base	Base Case	Base Case	Base Case
Sensitivities	Low Gas	Low Gas	Low Gas
	High Gas	High Gas	High Gas
	CO ₂ Tax	CO ₂ Tax	CO ₂ Tax
	Low Solar Capital Cost	Low Solar Capital Cost	Low Solar Capital Cost
	High Solar Capital Cost	High Solar Capital Cost	High Solar Capital Cost
Scenarios	High Fuel Supply (EIA)	High Fuel Supply (EIA)	High Fuel Supply (EIA)
	Low Fuel Supply (EIA)	Low Fuel Supply (EIA)	Low Fuel Supply (EIA)
	Energy Evolution	Energy Evolution	Energy Evolution

V. Resource Planning Modeling and Analysis

This section explains OG&E’s future incremental capacity needs, the modeling and analysis steps utilized to identify the lowest reasonable customer cost plan for satisfying those needs and the risks considered.

V. A. Planning Reserve Margin

The SPP IM does not operate a capacity market, in contrast to certain other regions. OG&E continues to have responsibility for ensuring that it has sufficient planning capacity to serve its peak load requirements plus a PRM. OG&E’s minimum PRM is established in Section 4 of the SPP Planning Criteria¹⁸. However, as noted in Section IV. B of this document, OG&E’s Expected Future Case capacity position is premised on an 18% PRM, pursuant to SPP’s most recent LOLE study and the resource accreditation impacts of PBA for thermal resources as well as the impacts of ELCC for renewable and energy storage resources. OG&E’s projection of its annual capacity needs in the Expected Future Case is shown in Table 11.

Table 11 – Capacity Position (MW unless noted)

		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Capacity	Owned Capacity	6,497	6,497	5,740	5,463	5,463	5,463	5,463	5,038	5,015	4,558	4,558
	Planned Additions	0	0	81	493	493	493	493	493	493	493	493
	Purchase Contracts	530	505	674	674	74	74	74	20	20	7	7
	Total Capacity	7,027	7,002	6,495	6,630	6,030	6,030	6,030	5,550	5,528	5,057	5,057
Demand	Demand Forecast	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
	OG&E DSM	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
	Net Demand	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757
Margin	Reserve Margin ¹⁹	16%	17%	4%	6%	-4%	-5%	-6%	-15%	-16%	-25%	-25%
Needs	Needed Capacity	-	-	556	431	1,096	1,136	1,215	1,812	1,960	2,529	2,592

V. B. Modeling Methodology

One of the main objectives of OG&E’s IRP modeling is to identify portfolios of new generating resources that satisfy the capacity needs at the lowest reasonable Net Present Value of Customer Cost (NPVCC). A revenue requirement model combines all the cost components into the estimated 30-year NPVCC and is illustrated in Figure 12. This analysis approach allows the comparison of resources with a wide range of capital and operating costs. For instance, some renewable generation resources may have a higher

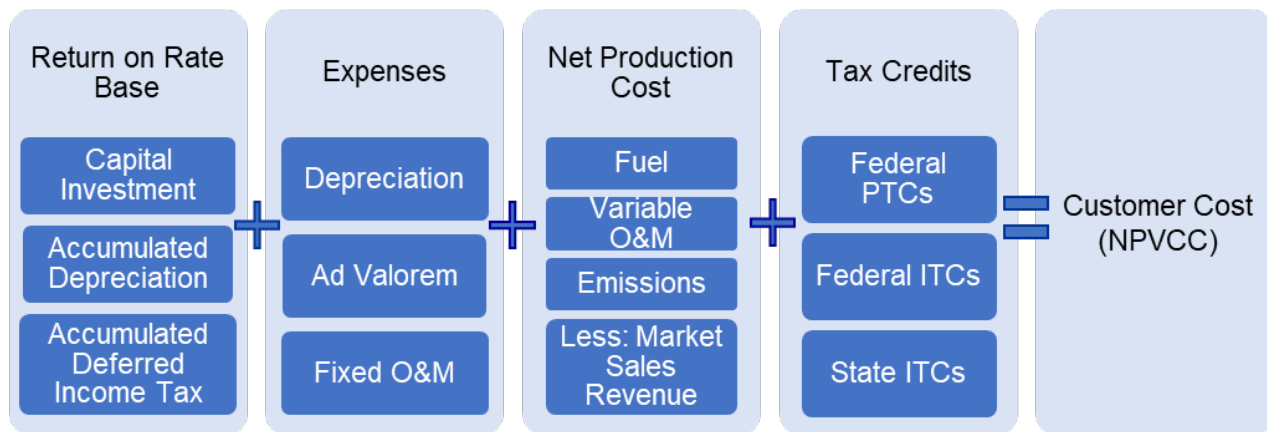
¹⁸ SPP. (2023). *SPP Planning Criteria Revision 4.3*. SPP. 2023.

<https://www.spp.org/documents/70493/spp%20planning%20criteria%20v4.3.pdf>

¹⁹ Reserve Margin % = ((Total Net Capacity) - (Net System Demand)) / Net System Demand

overnight capital cost than conventional generation, however, conventional generation also has ongoing fuel cost over the life of the asset that the renewables do not. This analysis relied on the PROMOD® software to simulate the SPP IM and project hourly nodal LMPs. The EnCompass resource optimization then uses these LMPs to determine ongoing costs and benefits for the generator type. It then selects resources to meet the capacity needs and minimize NPVCC, including the cost components laid out in Figure 12.

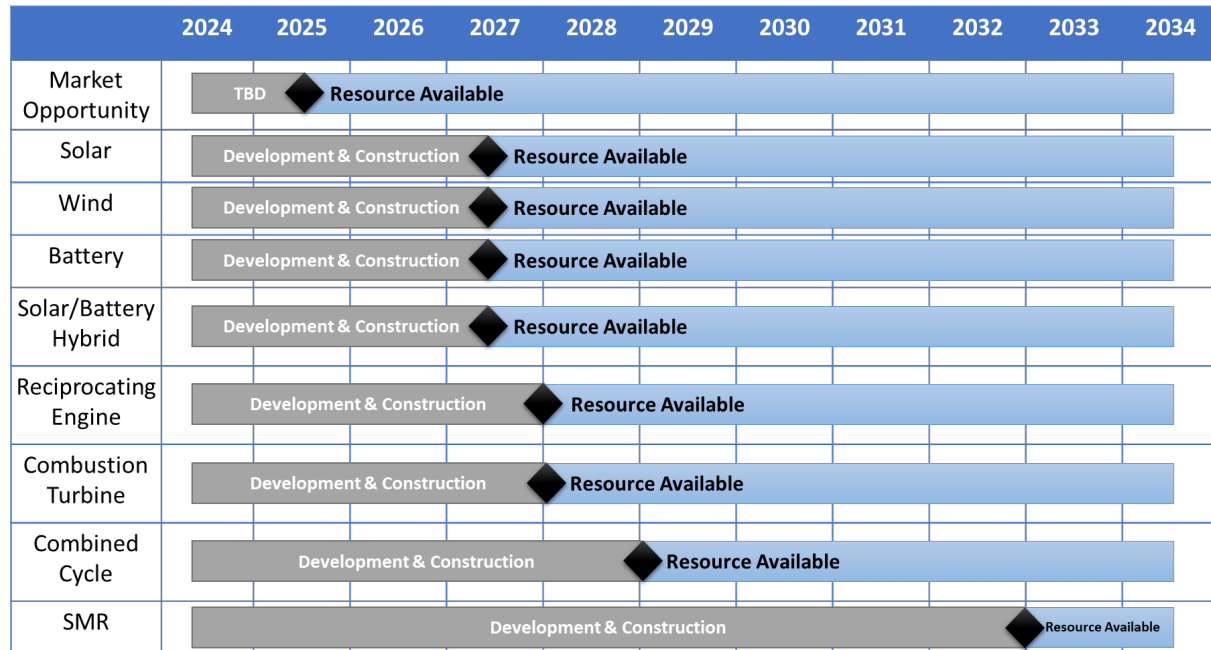
Figure 12 – Customer Cost Components



V. C. Portfolio Development

Potential Portfolios are made up of resources that enable OG&E to meet its forecasted capacity requirements. Assembling portfolios considers the construction time of the resource options to determine the earliest possible in-service date for each resource type. Figure 13 shows the first year that the various resources are available for meeting the PRM requirements based on the expected construction timeframes for each.

Figure 13 – New Resource Option Earliest Availability



◆ Earliest Available Date

V. D. Expected Future Case Analysis

The portfolios analyzed to meet OG&E’s Expected capacity needs have NPVCC values ranging from \$2.4 billion to \$7.2 billion in the Base Case and represent various timing, sizing and combinations of the new resource options shown in Table 7. These portfolios contain a range of technologies and development timelines that address OG&E’s capacity needs identified in Table 11. OG&E’s 2026 capacity need can likely only be met by a market opportunity, which could take the form of a short-term capacity agreement, long-term capacity agreement, or other structure that satisfies the capacity need. OG&E plans to explore and analyze market opportunities through an RFP process. For analysis purposes, the short-term market opportunity is included in all portfolios shown in Table 12 and consists of 556 MW of capacity at zero cost for illustrative purposes.

Table 12 – Portfolios with Base Case, 30-year NPVCC (\$M)

Portfolio	Type	Peak Accredited Capacity (MW)											NMPL. MW**	NPVCC	
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total*			
Market Opportunity		X												\$0	
Solar + CT	Solar			450				90	90	180	270		1,080	1,800	\$2,527
	CT				727					485		242	1,454	1,583	
Wind + CT	Wind			450				50	100		500		1,100	5,500	\$3,776
	CT				727					485	242		1,454	1,583	
Solar + Wind + CT	Solar			360	180				90		450		1,080	1,800	\$3,075
	Wind					100			100	50	150	100	500	2,500	
	CT									485			970	1,055	
Solar + CC	Solar			450	630								1,080	1,800	\$2,375
	CC											911	1,822	1,888	
Wind + CC	Wind			450	650								1,100	5,500	\$3,994
	CC											911	1,822	1,888	
Solar + Wind + CC	Solar			360	540								900	1,500	\$2,697
	Wind					100	100						200	1,000	
	CC											911	1,822	1,888	
Solar + RICE	Solar			450	360	90	90	270	90	630			1,980	3,300	\$2,975
	RICE					304				304			608	661	
Heavy Solar + CT	Solar			450	180	90		180	180	540			1,620	2,700	\$2,581
	CT									485			970	1,055	
Solar Only	Solar			450	720			90	630	180	540		2,610	4,350	\$2,706
Wind + Battery + Solar	Wind				150	50			100				300	1,500	\$3,550
	Battery			100	300					400	300		1,100	1,100	
	Solar			360	180			90	90	180	270		1,170	1,950	
Wind + Battery + CT	Wind			150	150	50	50	400	150	550			1,500	7,500	\$4,206
	Battery												300	300	
	CT									485		242	727	791	
Solar + CT + SMR	Solar			450				90	90	180			810	1,350	\$7,221
	CT									485			1,212	1,319	
	SMR											640	640	640	

*Total = Accredited MW

**NMPL. MW = Nameplate MW

The NPVCC values in Table 12 demonstrate that a combination of solar generation and natural gas-fired resources are the most cost-effective option for OG&E’s needs in the Base Case. The Solar + CT portfolio and the Solar + CC portfolio are the two least cost portfolios identified. Both portfolios contain a combination of solar resources and combustion turbines either in simple cycle or combined cycle configurations. While combined cycle units provide a slightly lower installed cost on a \$/kW basis, they have a longer construction time than simple cycle turbines and provide less flexibility in unit sizing. Additionally, new combined cycle resources may have more extensive modification requirements than combustion turbines in the future based on the proposed EPA GHG rule for new generating units described in Section III. C. 2. d). The risk of

additional costs for environmental compliance will be fully evaluated as conditions supporting environmental compliance with the final GHG rule become clearer.

While wind is an excellent renewable energy source, only a small percentage of an installed nameplate wind resource can be utilized toward meeting the SPP planning reserve requirements. For this comparison, to achieve the same accredited capacity level as solar, much larger amounts of nameplate wind capacity would be needed.

SMRs represent a potential zero-emitting, dispatchable capacity resource. However, this technology is not fully mature. As shown in Table 7, the expected up-front capital cost for an SMR is currently expected to be significantly higher than all other resources listed, making the portfolio including these resources among the worst performing in NPVCC terms, and is multiple times higher than the Solar + CT and Solar + CC portfolios. OG&E will continue to evaluate this technology as it advances.

V. E. Portfolio Risk Assessment

Each portfolio was also assessed under the various sensitivities and scenarios to determine how each portfolio performed when a particular assumption was adjusted. Comparing the NPVCC of the Base Case to the NPVCC of each sensitivity and scenario shows how each portfolio performs under a range of assumptions. The Solar + CT portfolio has the second lowest customer cost in the Base Case and performs well throughout the Risk Assessment.

As explained in Section IV. E, the sensitivity analysis evaluates the impact of changes in a single input assumption. The sensitivities evaluated for risk are future fuel prices, a potential CO₂ tax and variability in solar project capital costs. Table 13 provides a summary of the 30-year NPVCC for each portfolio in each sensitivity.

Table 13 – Sensitivity, 30-year NPVCC (\$M)

Portfolio Name	Base Case	Low Gas	High Gas	CO ₂ Tax	Low Solar Cost	High Solar Cost
Solar + CT	\$2,527	\$2,900	\$2,025	\$2,201	\$2,383	\$2,650
Wind + CT	\$3,776	\$4,620	\$2,818	\$2,584	\$3,776	\$3,776
Solar + Wind + CT	\$3,075	\$3,861	\$2,157	\$2,240	\$2,929	\$3,199
Solar + CC	\$2,375	\$2,601	\$1,814	\$1,905	\$2,338	\$2,407
Wind + CC	\$3,994	\$4,801	\$2,913	\$2,525	\$3,994	\$3,994
Solar + Wind + CC	\$2,697	\$3,036	\$2,035	\$2,037	\$2,665	\$2,724
Solar + RICE	\$2,975	\$3,707	\$2,074	\$2,431	\$2,690	\$3,217
Heavy Solar + CT	\$2,581	\$3,178	\$1,847	\$2,126	\$2,342	\$2,784
Solar Only	\$2,706	\$3,754	\$1,517	\$1,995	\$2,340	\$3,015
Wind + Battery + Solar	\$3,550	\$4,399	\$2,584	\$2,867	\$3,394	\$3,681
Wind + Battery + CT	\$4,206	\$5,372	\$2,905	\$2,651	\$4,206	\$4,206
Solar + CT + SMR	\$7,221	\$7,835	\$6,449	\$6,705	\$7,147	\$7,284

The sensitivity risk ranges shown above are graphically illustrated in Figure 14 through Figure 16. The Solar + CT + SMR portfolio data is not shown in the graphs. The bars show each portfolio's deviation in NPVCC from the Base Case in the sensitivities and scenarios. Narrow ranges indicate smaller risks from changes to assumptions. Wide ranges indicate resource portfolios that are highly impacted by assumption changes. Diversified portfolios mitigate a range of risk factors.

Figure 14 – Natural Gas Price Sensitivity Assessment

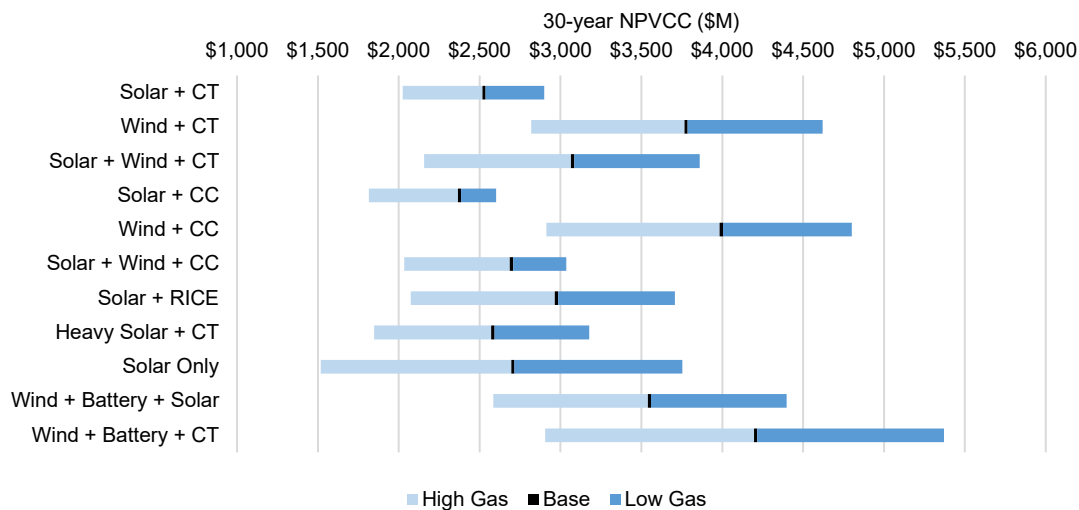


Figure 15 – CO₂ Tax Sensitivity Assessment

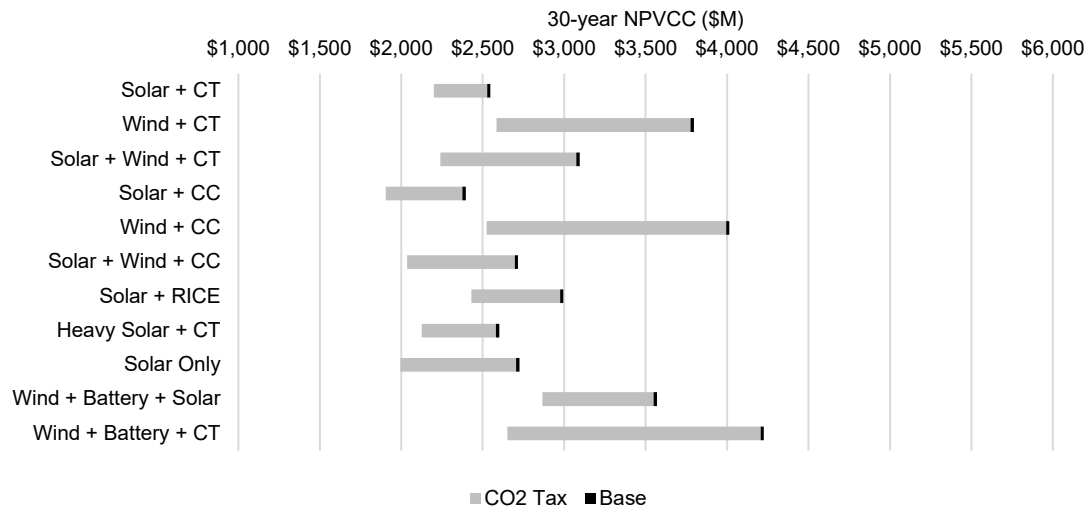
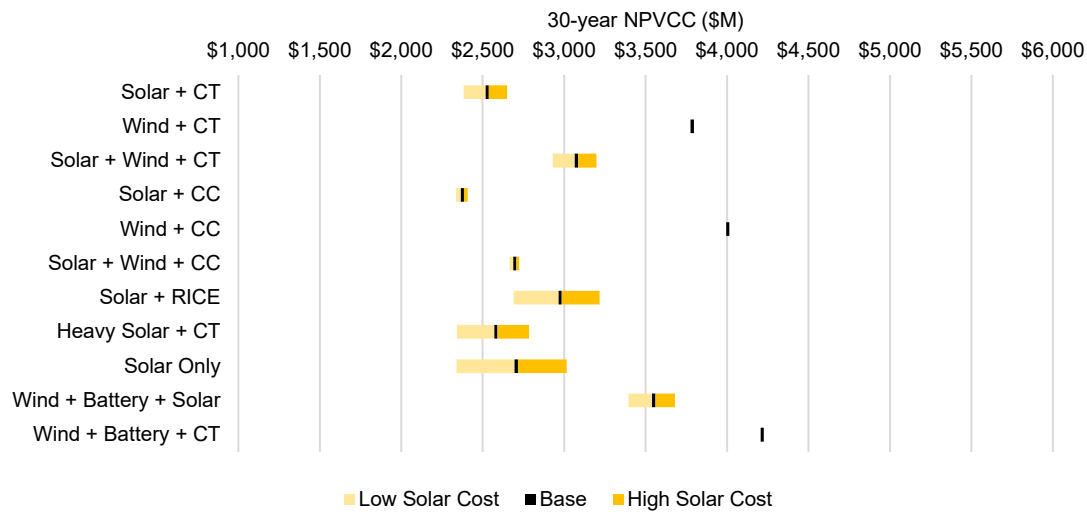


Figure 16 – Solar Capital Cost Sensitivity Assessment



The scenario analysis evaluates the impact of changes to multiple assumptions at the same time. As described in Section IV. E. 2, the three scenarios analyzed are Low Fuel Supply, High Fuel Supply and Energy Evolution. Table 14 provides a summary of the 30-year NPVCC for each portfolio in each scenario.

Table 14 – Scenario, 30-year NPVCC (\$M)

Portfolio Name	Base Case	Low Fuel Supply	High Fuel Supply	Energy Evolution
Solar + CT	\$2,527	\$2,110	\$2,650	\$2,229
Wind + CT	\$3,776	\$3,082	\$3,776	\$2,235
Solar + Wind + CT	\$3,075	\$2,358	\$3,199	\$2,114
Solar + CC	\$2,375	\$1,950	\$2,407	\$1,592
Wind + CC	\$3,994	\$3,237	\$3,994	\$1,891
Solar + Wind + CC	\$2,697	\$2,206	\$2,724	\$1,669
Solar + RICE	\$2,975	\$2,230	\$3,217	\$2,441
Heavy Solar + CT	\$2,581	\$1,972	\$2,784	\$2,172
Solar Only	\$2,706	\$1,712	\$3,015	\$2,090
Wind + Battery + Solar	\$3,550	\$2,757	\$3,681	\$2,871
Wind + Battery + CT	\$4,206	\$3,262	\$4,206	\$2,175
Solar + CT + SMR	\$7,221	\$6,590	\$7,284	\$6,714

The risk range of the scenarios shown above are graphically illustrated in Figure 17 and Figure 18.

Figure 17 – Fuel Supply Scenario Assessment

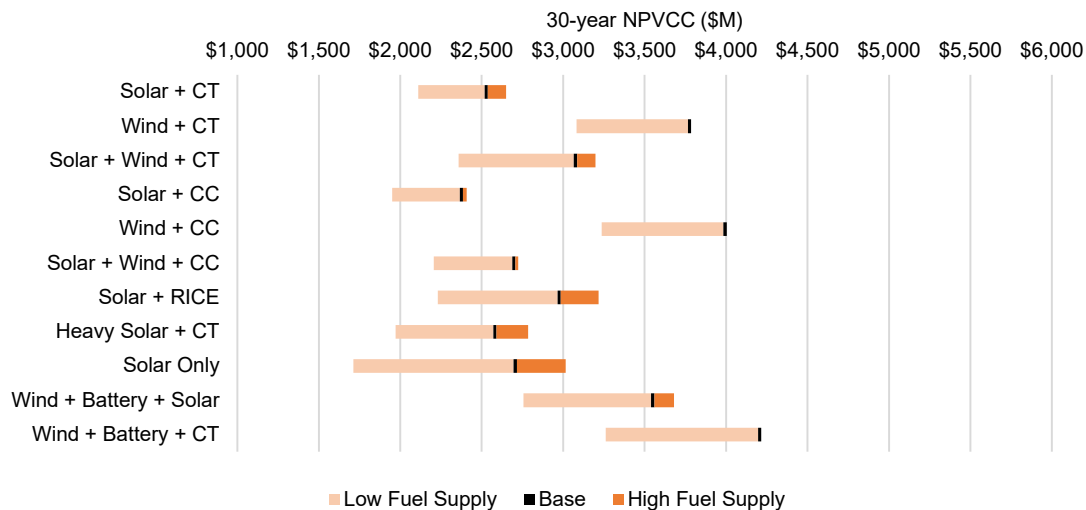
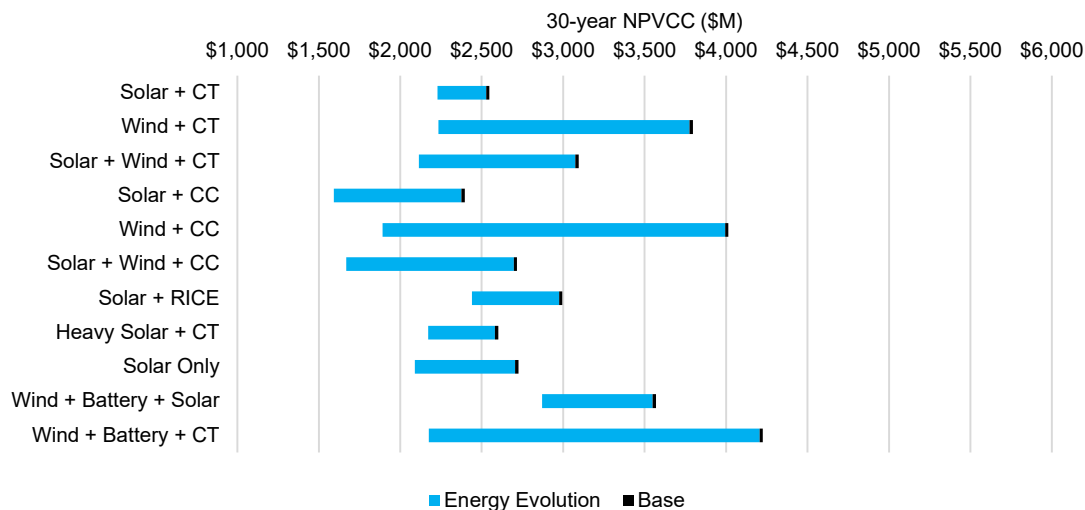


Figure 18 – Energy Evolution Scenario Assessment



The Sensitivity and Scenario analysis shows that OG&E’s preferred plan is the Solar + CT portfolio because it has a low reasonable customer cost in the Base Case and mitigates a variety of potential risks while also providing a diversified portfolio of gas and renewable generation.

Table 15 – OG&E Preferred Plan

Portfolio Name	Type	Accredited Capacity (MW)												Total*	NMPL. MW**	30-year NPVCC (\$M)
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034				
Solar + CT	Solar				450			90	90	180	270			1,080	1,800	\$2,527
	CT					727			485		242			1,454	1,583	
	Mkt. Op.***			556										556	556	

*Total = Accredited MW

**NMPL. MW = Nameplate MW

***Mkt. Op. = One year Market Opportunity

The portfolios focus on the incremental decisions for OG&E’s generation fleet. In addition to the NPVCC of the incremental portfolios, Figure 19 and Figure 20 show the 30-year net present value of OG&E’s load cost, existing generation unit net production costs and fixed operations and maintenance (O&M) expenses under the natural gas and CO₂ Tax sensitivities, and Energy Evolution scenario with base case assumptions.

Figure 19 – Portfolio Cost including Load and Existing Generation Units with Natural Gas Sensitivity

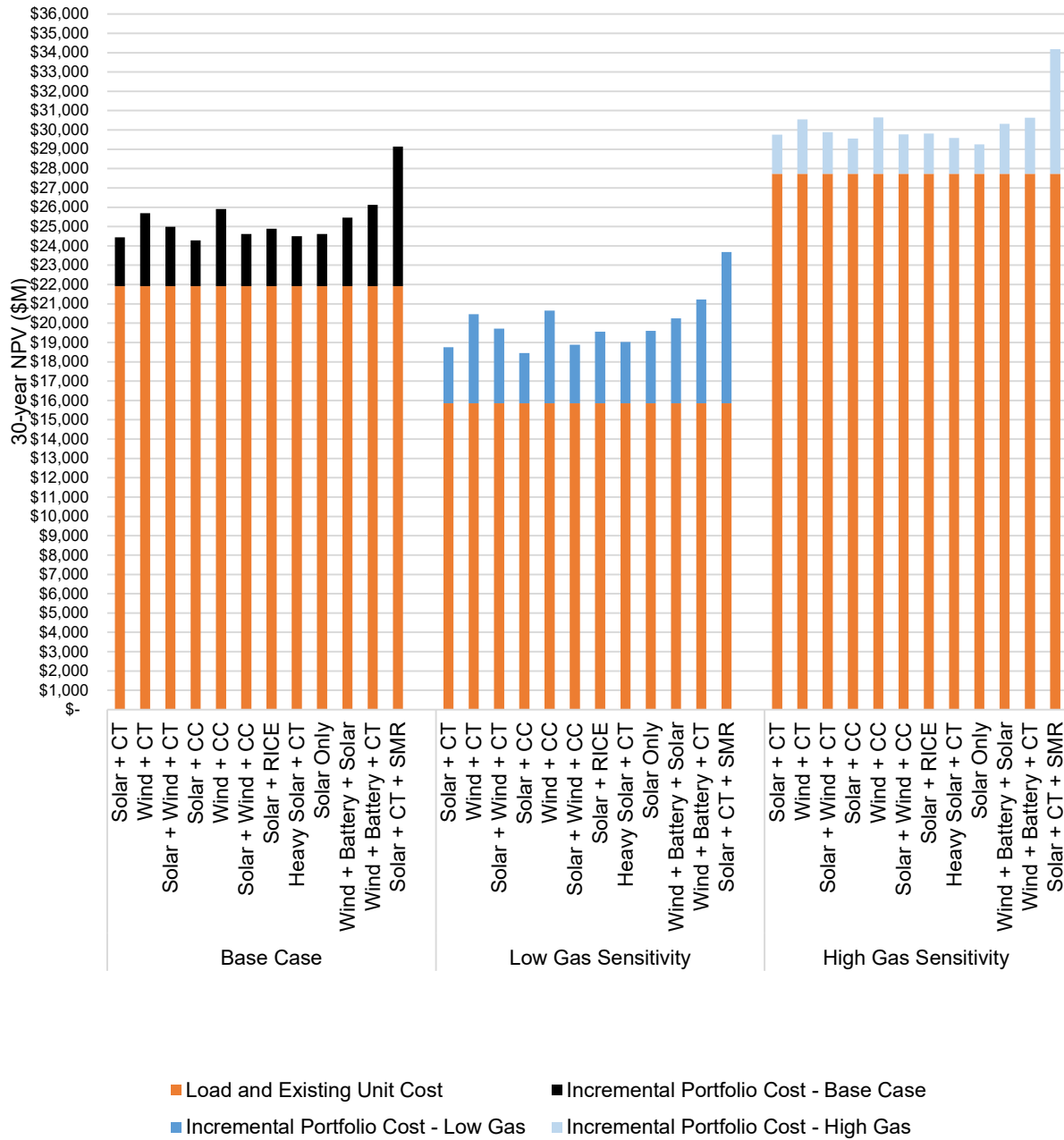
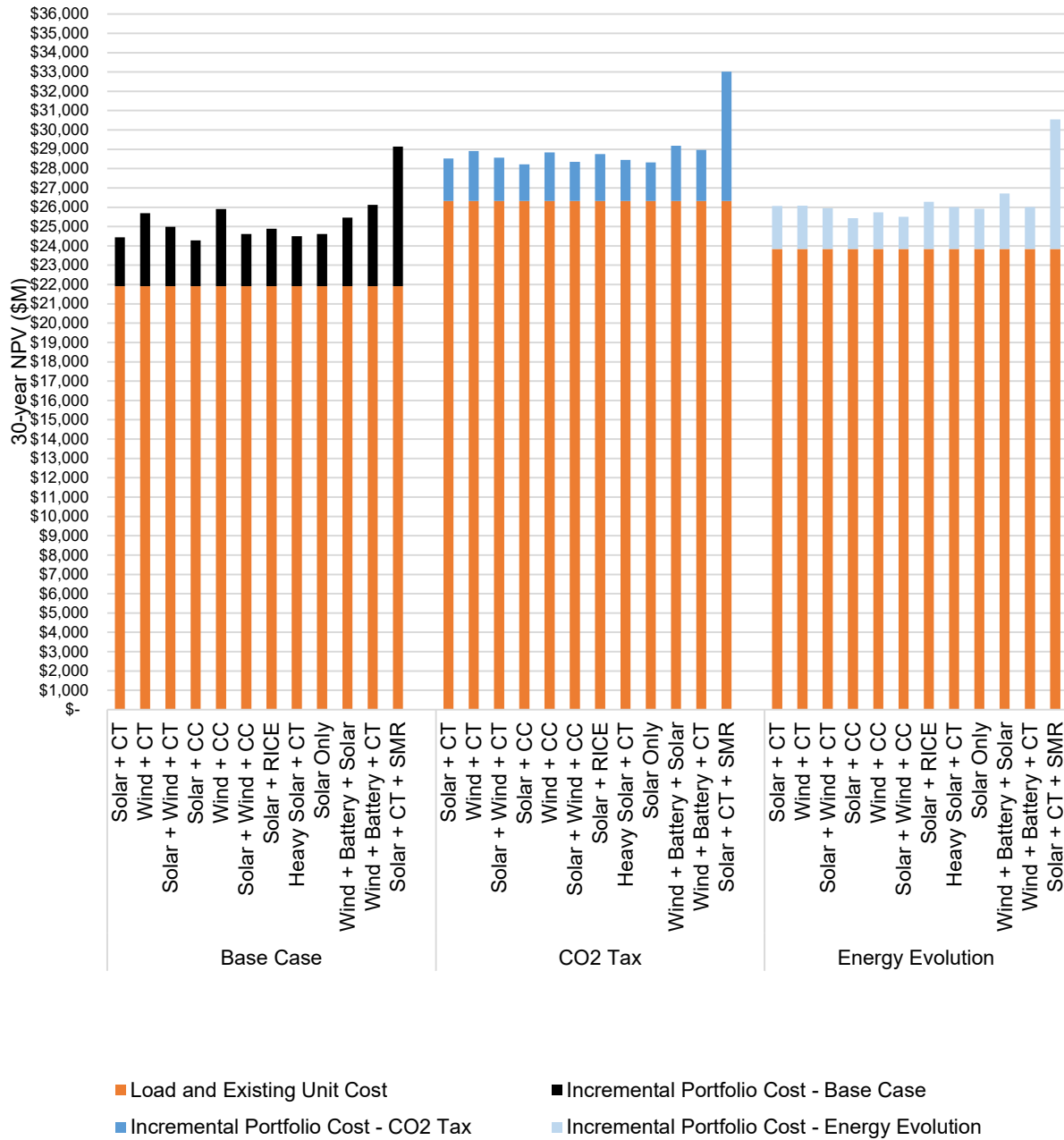


Figure 20 – Portfolio Cost including Load and Existing Generation Units with CO₂ Tax Sensitivity and Energy Evolution Scenario



V. F. CSAPR Compliance Future Case Analysis

With the current litigation surrounding the CSAPR program and Oklahoma's underlying SIP, there is substantial uncertainty concerning the actual timeline and compliance actions needed to meet CSAPR requirements. Despite the uncertainty, this IRP evaluates various compliance plans under the current understanding of the rule to comply with a stipulation in OG&E's 2021 Rate Case Final Order (Cause No. PUD 202100164) requiring OG&E to include analysis of the potential impacts of CSAPR.

The CSAPR Compliance Future Case builds off the capacity needs assumptions in the Expected Future Case and analyzes a variety of potential CSAPR compliance options for OG&E's existing generation resources. All new natural gas-fired resources evaluated in this IRP assume the inclusion of SCRs for NO_x emission control. The CSAPR Compliance Future Case incorporates the Preferred Plan identified in Table 15 under the Expected Future Case as a baseline condition to meet the projected future capacity needs. After this assumption was included, the potential CSAPR compliance options were then studied to show the customer cost resulting from compliance, that is incremental to the costs identified in the Expected Future Case preferred plan. OG&E analyzed a range of Good Neighbor FIP compliance portfolios to assess compliance costs. For existing gas fired generators, OG&E assumed installation of SCRs. For OG&E's coal fired resources, OG&E considered three major compliance options: (1) installing SCRs/SNCRs; (2) converting coal-fired units to natural gas-fired generators and adding SCRs after conversion, where technically feasible; and (3) retiring and replacing certain units.

NO_x allowances can also be purchased in the market as a potential means for compliance, however, the availability and pricing of allowances in the future is uncertain. The CSAPR compliance portfolios analyzed are shown in Table 16 below.

Table 16 – CSAPR Future Case Portfolios with Base Case, 30-year NPVCC (\$M)

Portfolio	Resource	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	NPVCC (\$M)
Retire and Replace All Coal	Sooner 1 & 2	Retire/Replace				Retire						\$ 2,792
	Muskogee 6	Retire/Replace				Retire						
	River Valley 1 & 2	Retire/Replace				Retire						
	Frontier						SCR					
	McClain						SCR					
	Horseshoe Lake 9 & 10						SCR					
	Mustang 6-12						SCR					
	Seminole 3								SCR			
	Muskogee 4 & 5								SCR			
		Solar Additions (Peak Accredited Capacity MW)					720					
	CT Additions (Peak Accredited Capacity MW)					970						
All SCR	River Valley 1 & 2					SNCR						\$ 2,536
	Frontier						SCR					
	McClain						SCR					
	Horseshoe Lake 9 & 10						SCR					
	Mustang 6-12						SCR					
	Seminole 3								SCR			
	Muskogee 4 & 5								SCR			
	Sooner 1 & 2								SCR			
	Muskogee 6								SCR			
Convert and SCR	Sooner 1 & 2					Convert			SCR			\$ 2,386
	Muskogee 6					Convert			SCR			
	River Valley 1 & 2					SNCR						
	Frontier						SCR					
	McClain						SCR					
	Horseshoe Lake 9 & 10						SCR					
	Mustang 6-12						SCR					
	Seminole 3								SCR			
	Muskogee 4 & 5								SCR			

The portfolios in the CSAPR Compliance Future Case were analyzed across the same sensitivities and scenarios as the Expected Future Case.

The portfolios analyzed to comply with CSAPR have NPVCC values that range from \$2.4 billion to \$2.8 billion in the Base Case. The NPVCC values shown below represent only the incremental costs of compliance with CSAPR and do not include the costs to meet OG&E's expected capacity needs. These are customer costs on top of the customer costs identified in the Expected Future Case.

Table 17 – CSAPR Future Case Sensitivity, 30-year NPVCC (\$M)

Case Name	Base Case	Low Gas	High Gas	CO ₂ Tax	Low Solar Cost	High Solar Cost
Retire and Replace All Coal	\$2,792	\$2,490	\$3,616	\$1,877	\$2,749	\$2,828
All SCR	\$2,536	\$2,274	\$2,599	\$2,269	\$2,536	\$2,536
Convert and SCR	\$2,386	\$1,922	\$3,315	\$1,747	\$2,386	\$2,386

The sensitivity risk ranges shown above are graphically illustrated in Figure 21 and Figure 22.

Figure 21 – CSAPR Future Case Natural Gas Price Sensitivity Assessment

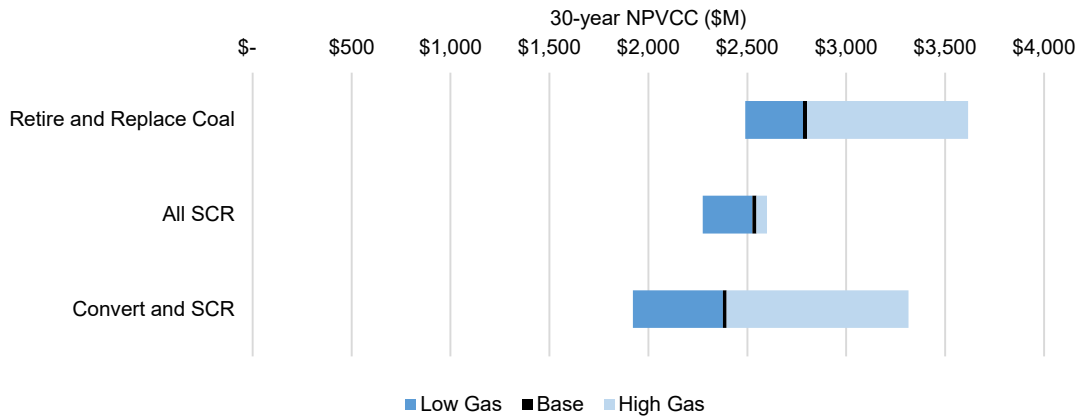


Figure 22 – CSAPR Future Case CO₂ Tax Sensitivity Assessment

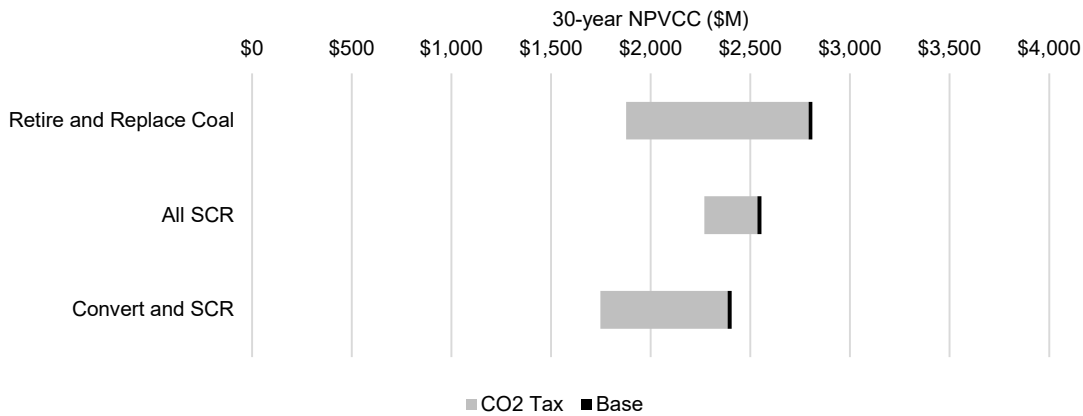


Table 18 – CSAPR Future Case Scenario, 30-year NPVCC (\$M)

Portfolio Name	Base	Low Fuel Supply	High Fuel Supply	Energy Evolution
Retire and Replace All Coal	\$2,792	\$3,546	\$2,631	\$3,076
All SCR	\$2,536	\$2,565	\$2,509	\$2,729
Convert and SCR	\$2,386	\$3,236	\$2,171	\$2,826

The risk range of the scenarios shown above are graphically illustrated in Figure 23 and Figure 24.

Figure 23 – CSAPR Future Case Fuel Supply Scenario Assessment

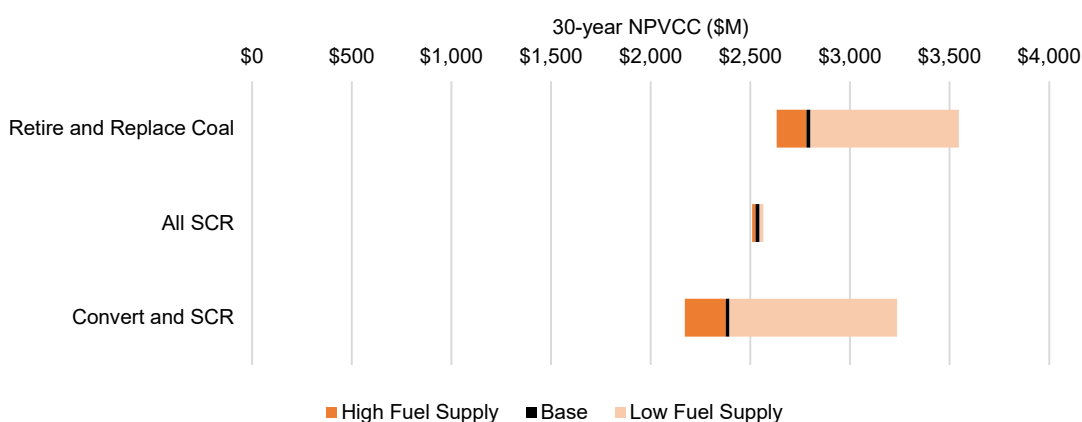
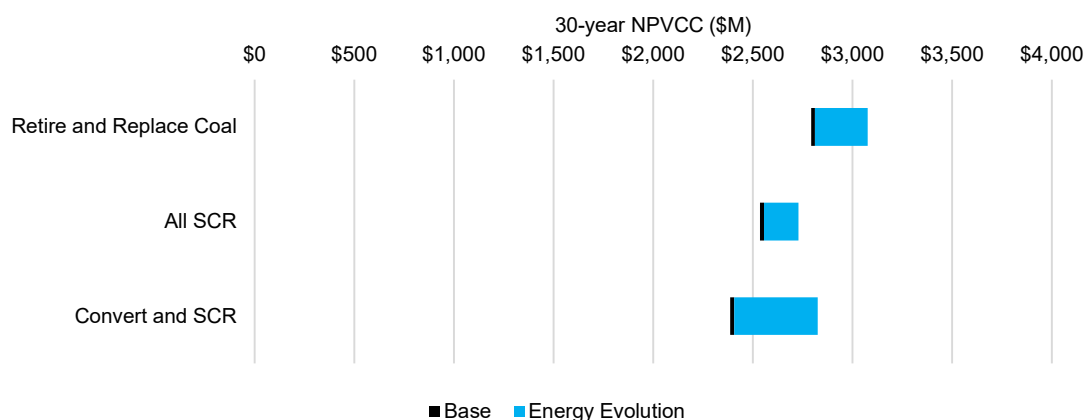


Figure 24 – CSAPR Future Case Energy Evolution Scenario Assessment



Due to the uncertainty relating to the disapproval of the Oklahoma Interstate Transport SIP and implementation of the EPA's Good Neighbor FIP, OG&E cannot determine future compliance costs with certainty. Costs are dependent upon the timing and outcome of

the litigation discussed in Section III. C. 2. a), the particular compliance strategies ultimately selected for each unit, the terms and timing of regulatory approvals sought from the OCC, and the time period necessary to complete the projects. The results of current litigation regarding CSAPR will influence OG&E's path forward for compliance. To avoid unnecessary expenditures for customers, OG&E will continue to monitor legal and regulatory developments related to the EPA's Good Neighbor FIP and take needed compliance actions after final decisions are made through the legal process.

V. G. Status Quo Future Case Analysis

Table 19 below illustrates OG&E projected capacity position if there are no incremental SPP Resource Adequacy policy adjustments in the near term. OG&E considers this case unlikely but includes it in this IRP to provide a complete picture of future capacity needs. Please see Section III. A. 1 for a description of the SPP Policy changes currently in development, including several initiatives that have been approved by SPP for future implementation. OG&E has substantial near-term capacity needs regardless of the expected changes to SPP Resource Adequacy policies, which are projected to further increase capacity needs. Expected capacity needs are shown in Section V. A.

Table 19 – Status Quo Future Case Capacity Position (MW unless noted)

		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Capacity	Owned Capacity	6,497	6,497	6,433	6,058	6,058	6,058	6,058	5,558	5,539	5,026	5,026
	Planned Additions	0	0	88	536	536	536	536	536	536	536	536
	Purchase Contracts	530	505	655	655	55	55	55	19	19	7	7
	Total Capacity	7,027	7,002	7,176	7,249	6,649	6,649	6,649	6,113	6,094	5,569	5,569
Demand	Demand Forecast	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
	OG&E DSM	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
	Net Demand	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757
Margin	Reserve Margin	16%	17%	15%	16%	6%	5%	4%	-6%	-8%	-17%	-18%
Needs	Needed Capacity	-	-	-	-	591	631	712	1,367	1,513	2,138	2,202

The Modeling Methodology and Portfolio Development for the Status Quo Future Case are identical to those used for the Expected Future Case and are described in Sections V. B through V. D. However, the projected capacity needs associated with the Status Quo Future Case are lower than those in the Expected Future Case.

The portfolios analyzed to meet OG&E's Status Quo capacity needs have NPVCC values ranging from \$1.7 billion to \$6.5 billion in the Base Case and represent various timing, sizing, and combinations of the new unit options. The two lowest customer cost portfolios identified in the Base Case were consistent with the lowest cost portfolios identified in the

Expected Future Case, which were a combination of solar resources and either combined cycle resources or combustion turbine resources.

Table 20 – Status Quo Future Case Portfolios with Base Case, 30-year NPVCC (\$M)

Portfolio Name	Type	Accredited Capacity (MW)											Total*	NMPL. MW**	NPVC C
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033				
Solar + CT	Solar					90		90	450	90	360	1,080	1,800	\$1,848	
	CT								264		264	1,056	1,056		
Wind + CT	Wind					100	50	50	400	150	350	1,100	5,500	\$2,952	
	CT								264		264	1,056	1,056		
Solar + Wind + CT	Solar					270		90	180	90	360	990	1,650	\$2,562	
	Wind					100			200	50	300	650	3,250		
	CT								264			528	528		
Solar + CC	Solar					630		90			540	1,260	2,100	\$1,733	
	CC								944			944	944		
Wind + CC	Wind					600	50	100			450	1,200	6,000	\$3,078	
	CC								944			944	944		
Solar + Wind + CC	Solar					270					360	630	1,050	\$2,448	
	Wind					350	50	50			150	600	3,000		
	CC								944			944	944		
Solar + RICE	Solar					270	90	90	270	180	630	1,530	2,550	\$2,302	
	RICE					330			330			660	660		
Heavy Solar + CT	Solar					360		90	450	90	630	1,620	2,700	\$1,925	
	CT					264			264			528	528		
Solar Only	Solar					630		90	720	90	630	2,160	3,600	\$2,033	
Wind + Battery + Solar	Wind					400	50	100	50		50	650	3,250	\$3,185	
	Battery					100			300		300	700	700		
	Solar					90			270	180	270	810	1,350		
Heavy Wind + CT	Wind					350	50	50	400	150	600	1,600	8,000	\$3,540	
	CT					264			264			528	528		
Solar + CT + SMR	Solar					90		90	450	90		720	1,200	\$6,479	
	CT					528			264			792	792		
	SMR										640	640	640		

*Total = Accredited MW

**NMPL. MW = Nameplate MW

Table 21 – Status Quo Future Case Sensitivity, 30-year NPVCC (\$M)

Portfolio Name	Base Case	Low Gas	High Gas	CO ₂ Tax	Low Solar Cost	High Solar Cost
Solar + CT	\$1,848	\$2,203	\$1,384	\$1,555	\$1,624	\$2,038
Wind + CT	\$2,952	\$3,742	\$2,047	\$1,820	\$2,952	\$2,952
Solar + Wind + CT	\$2,562	\$3,400	\$1,602	\$1,653	\$2,381	\$2,715
Solar + CC	\$1,733	\$2,091	\$1,159	\$1,320	\$1,540	\$1,897
Wind + CC	\$3,078	\$3,937	\$2,030	\$1,697	\$3,078	\$3,078
Solar + Wind + CC	\$2,448	\$3,067	\$1,631	\$1,531	\$2,337	\$2,541
Solar + RICE	\$2,302	\$2,811	\$1,642	\$1,903	\$2,001	\$2,556
Heavy Solar + CT	\$1,925	\$2,508	\$1,225	\$1,501	\$1,614	\$2,188
Solar Only	\$2,033	\$2,859	\$1,086	\$1,468	\$1,652	\$2,355
Wind + Battery + Solar	\$3,185	\$4,123	\$2,159	\$2,216	\$3,013	\$3,330
Heavy Wind + CT	\$3,540	\$4,753	\$2,213	\$1,894	\$3,540	\$3,540
Solar + CT + SMR	\$6,479	\$7,047	\$5,779	\$6,016	\$6,349	\$6,590

The sensitivity risk ranges shown above are graphically illustrated in Figure 25 through Figure 27. The Solar + CT + SMR portfolio data is not shown in the graphs. The bars show each portfolio's deviation in NPVCC from the Base Case in the sensitivities and scenarios. Narrow ranges indicate smaller risks from changes to assumptions. Wide ranges indicate resource portfolios that are highly impacted by assumption changes. Diversified portfolios mitigate a range of risk factors.

Figure 25 – Status Quo Future Case Natural Gas Price Sensitivity Assessment

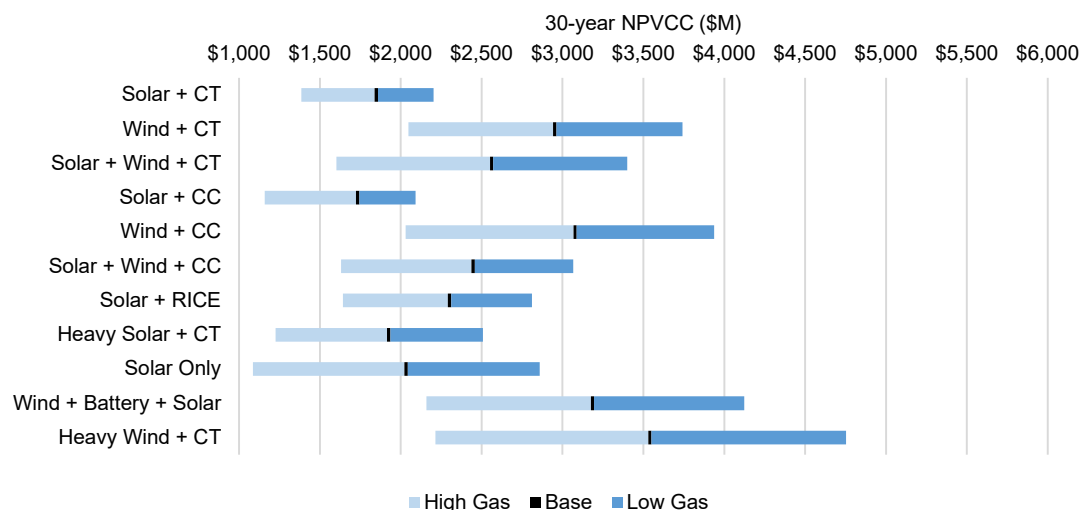


Figure 26 – Status Quo Future Case CO₂ Tax Sensitivity Assessment

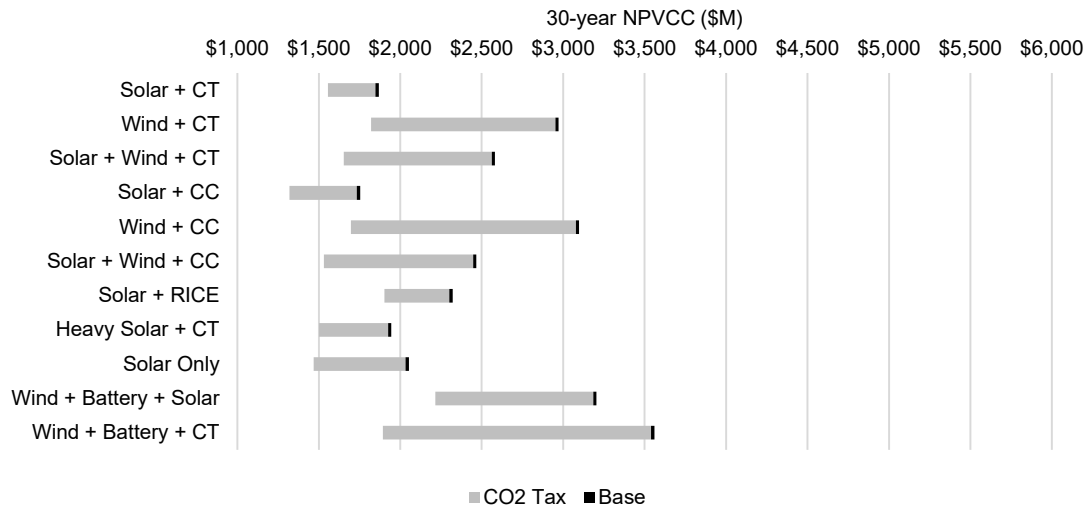


Figure 27 – Status Quo Future Case Solar Capital Cost Sensitivity Assessment

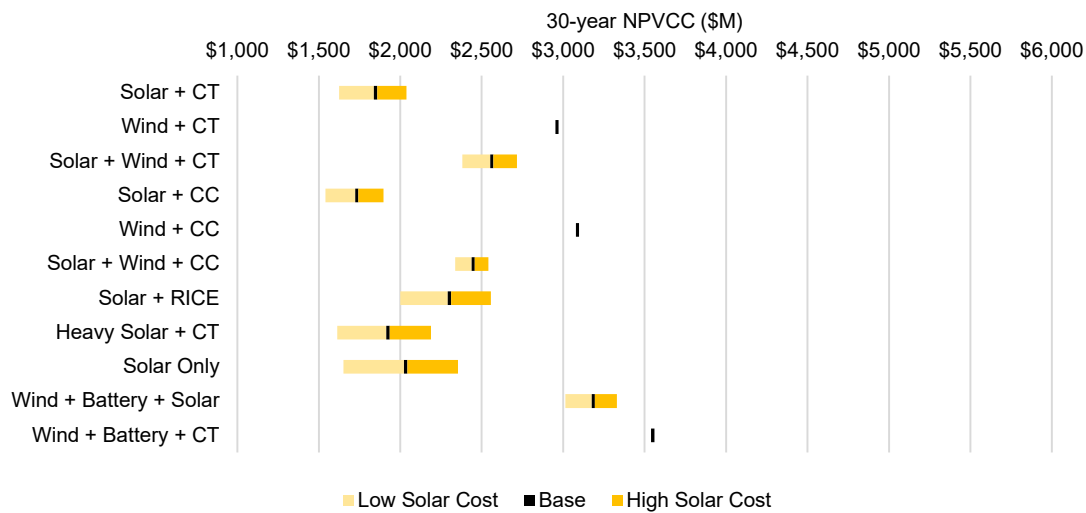


Table 22 – Status Quo Future Case Scenario, 30-year NPVCC (\$M)

Portfolio Name	Base Case	Low Fuel Supply	High Fuel Supply	Energy Evolution
Solar + CT	\$1,848	\$1,474	\$2,033	\$1,570
Wind + CT	\$2,952	\$2,308	\$3,234	\$1,452
Solar + Wind + CT	\$2,562	\$1,833	\$2,895	\$1,454
Solar + CC	\$1,733	\$1,285	\$1,889	\$1,176
Wind + CC	\$3,078	\$2,344	\$3,328	\$1,172
Solar + Wind + CC	\$2,448	\$1,852	\$2,650	\$1,206
Solar + RICE	\$2,302	\$1,770	\$2,548	\$1,878
Heavy Solar + CT	\$1,925	\$1,354	\$2,199	\$1,534
Solar Only	\$2,033	\$1,252	\$2,398	\$1,528
Wind + Battery + Solar	\$3,185	\$2,389	\$3,524	\$2,094
Heavy Wind + CT	\$3,540	\$2,590	\$3,948	\$1,377
Solar + CT + SMR	\$6,479	\$5,918	\$6,758	\$6,012

The risk range of the scenarios shown above are graphically illustrated in Figure 28 and Figure 29.

Figure 28 – Status Quo Future Case Fuel Supply Scenario Assessment

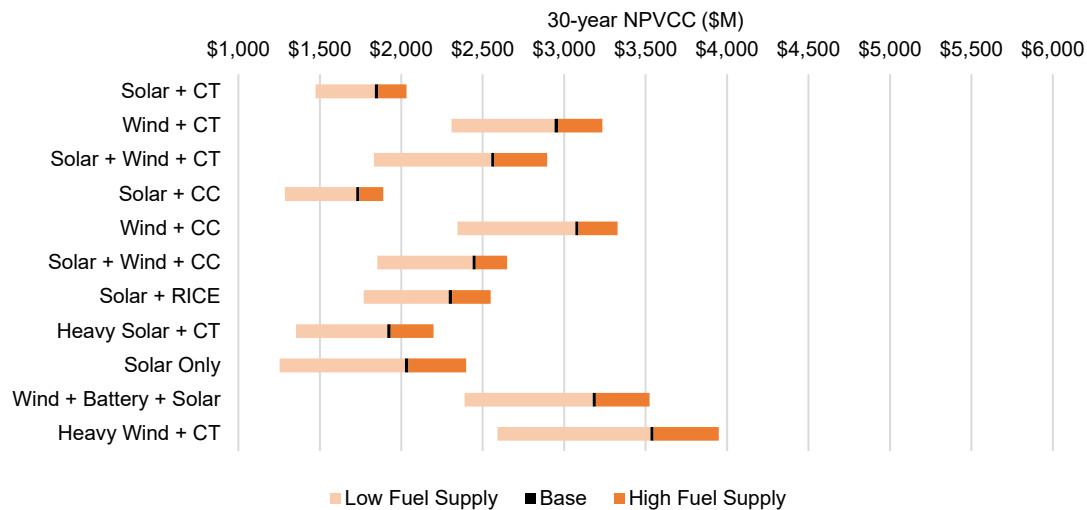
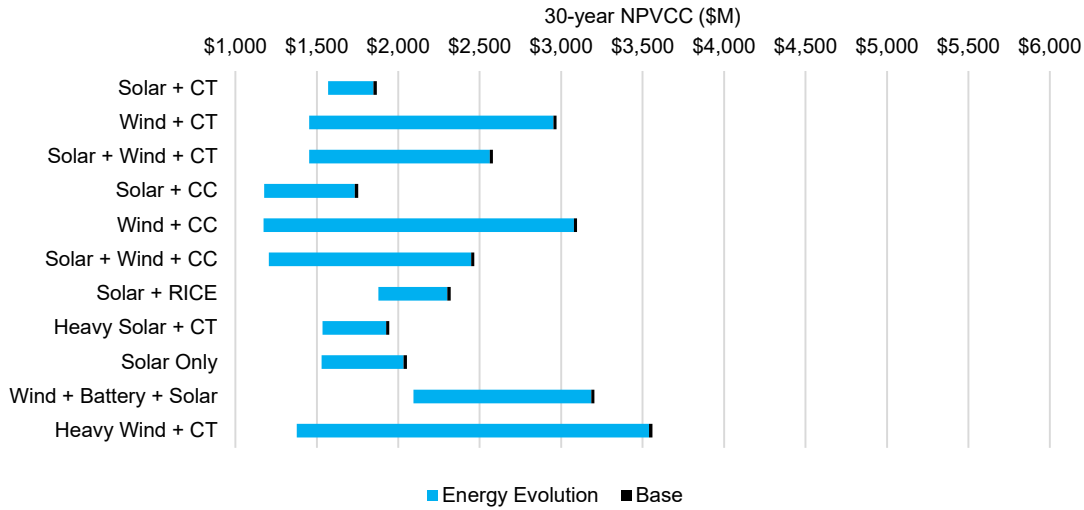


Figure 29 – Status Quo Future Case Energy Evolution Scenario Assessment



The Sensitivity and Scenario analysis shows that OG&E’s Preferred Plan under the Status Quo Future Case is the Solar + CT portfolio because it has a low reasonable customer cost in the Base Case compared to other portfolios, and it mitigates a variety of potential risks while also providing a diversified portfolio of renewable and natural gas-fired generation.

Table 23 – OG&E Status Quo Future Case Preferred Plan

Portfolio Name	Type	Accredited Capacity (MW)												NMPL. MW**	30-year NPVCC (\$M)
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total*		
Solar + CT	Solar					90		90	450	90	360		1,080	1,800	\$1,848
	CT					528			264		264		1,056	1,056	

*Total = Accredited MW

**NMPL. MW = Nameplate MW

The portfolios focus on the incremental decisions for OG&E’s generation fleet. In addition to the NPVCC of the incremental portfolios, Figure 30 and Figure 31 show the 30-year net present value of OG&E’s load cost, existing generation unit net production costs and fixed O&M expenses under the natural gas and CO₂ Tax sensitivities, and Energy Evolution scenario with Base Case assumptions.

Figure 30 – Status Quo Future Case Portfolio Cost including Load and Existing Generation Units with Natural Gas Sensitivity

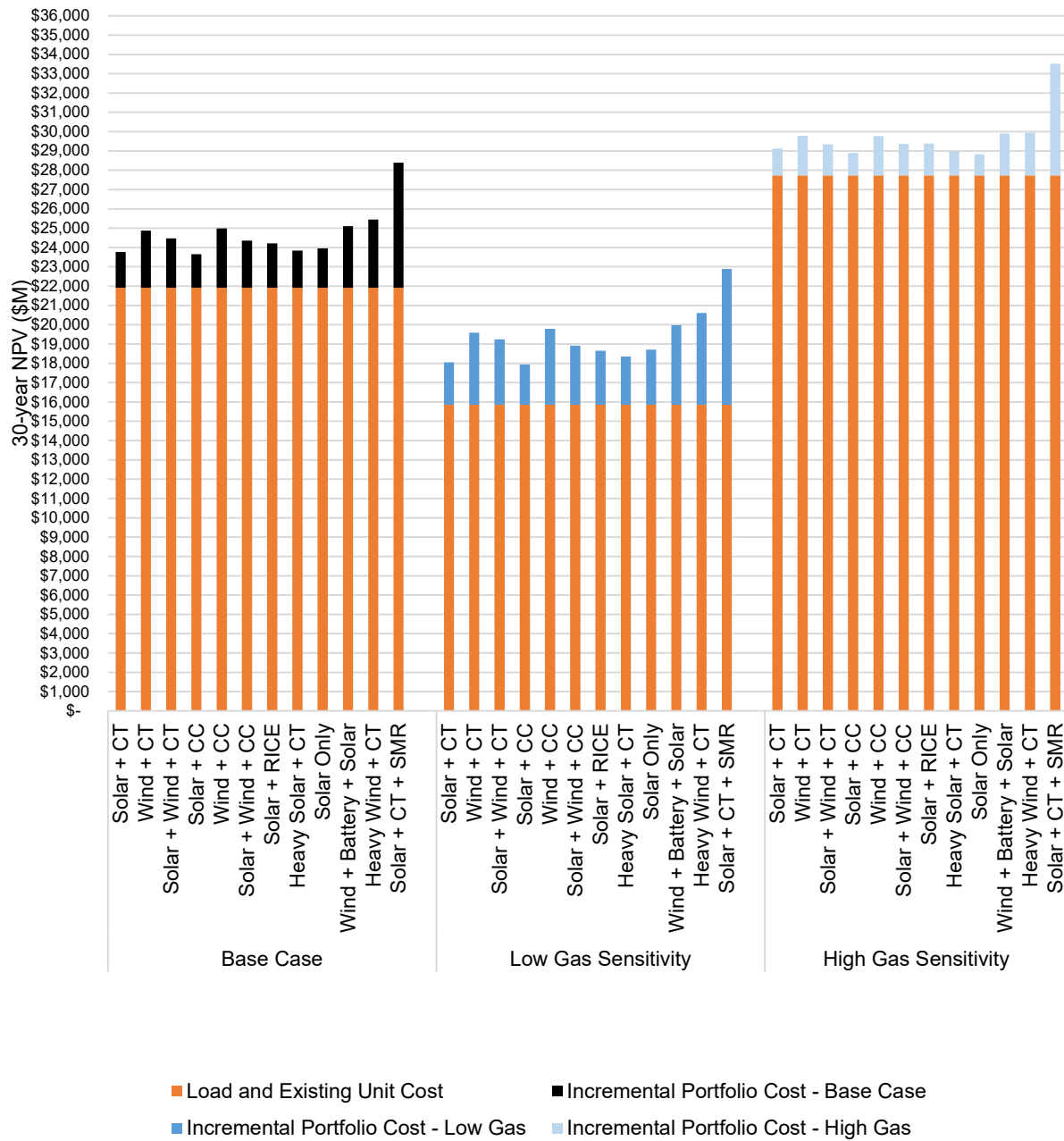
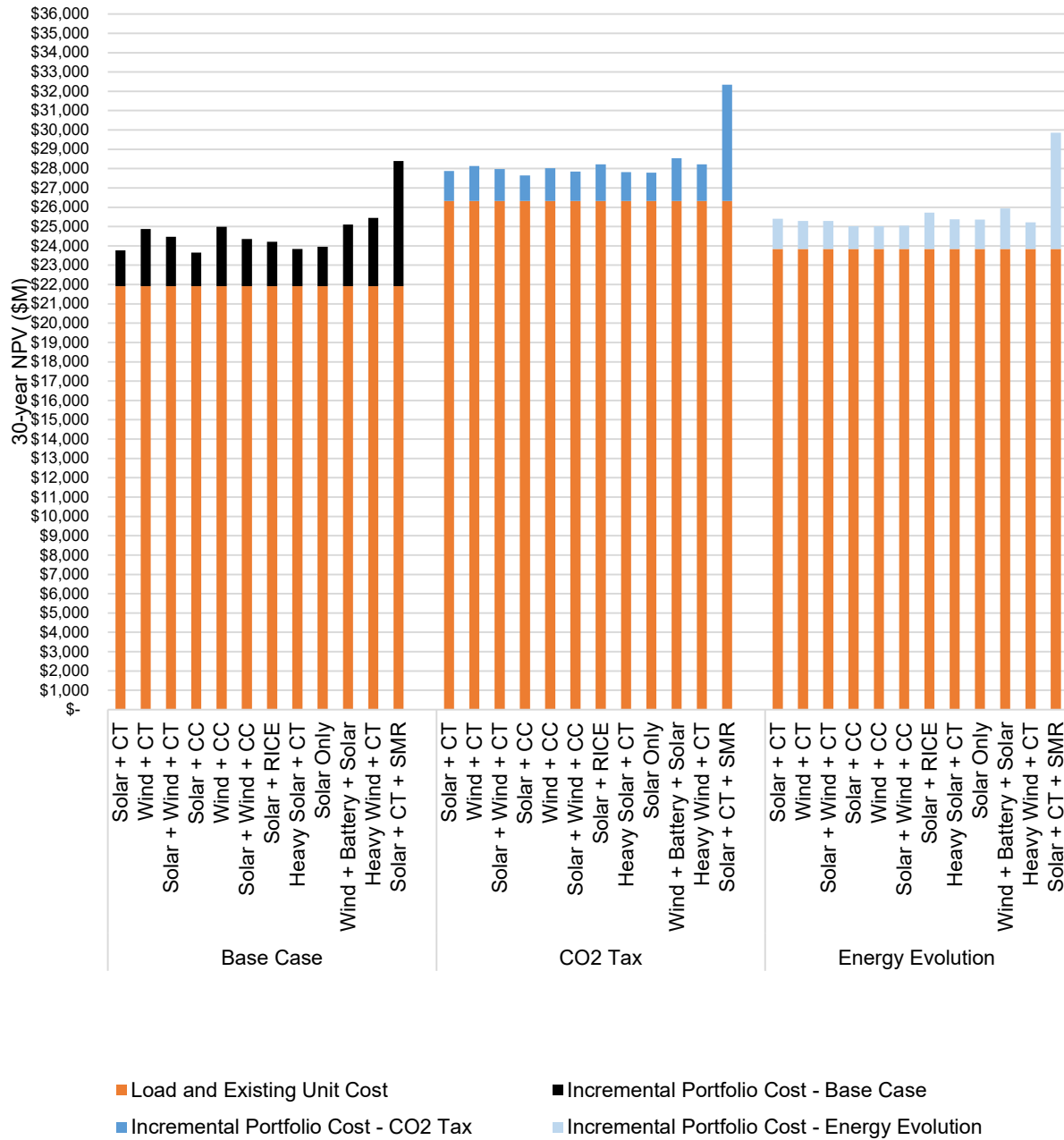




Figure 31 – Status Quo Future Case Portfolio Cost including Load and Existing Generation Units with CO₂ Tax Sensitivity and Energy Evolution Scenario



V. H. Qualitative Considerations

OG&E's preferred Solar + CT plan provides several qualitative benefits.

V. H. 1. Operational Flexibility and Resiliency Benefits

Wind generation capacity in SPP has grown significantly over the past five years to approximately 33 GW²⁰ as of the end of August 2023 and wind generation growth in SPP is expected to continue in the future. SPP also expects growth in solar generation resources and energy storage resources over the next decade²¹. Combustion turbines complement the intermittency of renewable generation to support reliability during renewable output fluctuations and can respond quickly in the SPP Integrated Marketplace.

SPP recognizes the need for and importance of resources with ramping capability to support reliability. Within the past year, SPP has presented options to address ramping flexibility. "...ramp is critical to serving load under fast-changing conditions; more than adequate capacity is needed; the capacity must be rampable when intermittent resources rapidly reduce²²."

In an April 8, 2021 article by S&P Global Platts, Lanny Nickell, SPP Executive Vice President and Chief Operating Officer, addressed the need for quick-start resources in SPP.

In addition to a robust transmission system, Nickell said geographic diversity and a diverse resource portfolio, including 14 GW of quick-start, fast-ramping gas resources, have helped to reliably integrate renewables resources in the region. "And we're not done," he said, pointing to a little over 35 GW of solar and a little less than 35 GW of wind in SPP's generator interconnection queue. "I do expect we're going to continue to see growth in renewables, so we're going to have to make sure that we continue to have the right resources that are available when we need them and that can respond quickly," he said.²³

V. H. 2. Fuel and Technology Diversity and Reduced Environmental Footprint

The preferred plan adds solar which expands the Company's renewable resources and enhances Fuel and Technology Diversity. In addition, the Solar + CT plan contributes to OG&E's technology diversity by replacing legacy steam gas resources with modern quick-start combustion turbines. Combustion turbines have the flexibility to utilize hydrogen as a fuel. Using hydrogen as a fuel is currently being anticipated by the electric industry for

²⁰ SPP. (2024). *Annual State of the Market Report, Summer 2023*. SPP.

<https://spp.org/documents/70355/spp%20mmu%20qsom%20summer%202023.pdf>, page 2.

²¹ SPP. (2023). *2023 Integrated transmission planning assessment report*. 2023. SPP.

<https://www.spp.org/documents/70584/2023%20itp%20assessment%20report%20v1.0.pdf>

²² SPP. (2024). SPP Resource and Energy Adequacy Leadership Team July 19, 2023 meeting minutes.

<https://spp.org/documents/69816/real%20draft%20minutes%2007192023.pdf>.

²³ "In SPP, preparation, proper valuing of resilience seen as key to energy transition." S&P Global Platts, April 8, 2021, www.spglobal.com/platts/en/market-insights/latest-news/electric-power/040821-in-spp-preparation-proper-valuing-of-resilience-seen-as-key-to-energy-transition. Accessed 07/15/2021.

its potential ability to reduce emissions. The proposed EPA GHG rule also includes requirements for new thermal resources to utilize hydrogen as a fuel for emissions reduction. The balance of solar and hydrogen-capable combustion turbines supports OG&E's expectation to reduce CO₂ emissions to 50 percent below 2005 levels by 2030.

VI. OG&E 2024 IRP Conclusion

OG&E has immediate and material capacity needs beginning in 2026 as shown in the Expected Future Case.

MW unless noted	2024	2025	2026	2027	2028
Total Capacity	7,027	7,002	6,495	6,630	6,030
Net Demand	6,073	6,001	6,229	6,237	6,295
Reserve Margin	16%	17%	4%	6%	-4%
Needed Capacity*	0	0	556	431	1,096
<i>*Indicates the capacity needed to meet planning reserve margin requirements.</i>					

The results of the IRP analyses demonstrate that, regardless of future conditions, OG&E expects to have significant and near-term generation capacity needs. The assumptions and analysis shown in the Expected Future Case represents the most likely projection of capacity needs.

In this 2024 IRP, OG&E analyzed a variety of potential resource portfolios to determine the best generation portfolio that satisfies OG&E's "Capacity Obligation" objective of the IRP in the Expected Future Case. The portfolio analysis shows the preferred plan is a combination of solar and combustion turbine resources. In addition to achieving the "Capacity Obligation" IRP objective, the preferred plan also meets the other objectives of the IRP. The preferred plan is one of the lowest reasonable NPVCCs and, therefore, meets the objective for "Expected Cost to Customers." The risk analysis performed by OG&E and presented in this IRP supports a blend of natural gas-fired and solar resources and therefore mitigates "Exposure to Risks" across the range of sensitivities and scenarios analyzed. The balanced approach of solar and natural gas-fired resources fulfills the IRP objective of "Fuel and Technology Diversity," enhances "Reliability and Resiliency Benefits," and improves the "Portfolio Age" of OG&E's generation fleet. The preferred plan also achieves the "Adaptability" objective by retaining the flexibility to adjust the scale of projects and the implementation timetables, depending on changing assumptions in the future.

The solar resources in the preferred plan expand OG&E's renewable generation fleet. Combustion turbines can respond quickly in SPP to enable and support the growth of renewable generation resources into the region. Combined cycle resources are efficient and cost-effective resources, although the risks of future environmental requirements must be considered. The Solar + CT plan allows OG&E to cost-effectively meet capacity needs going forward with newer technology, including hydrogen-capable combustion turbines and zero-emitting resources, consistent with OG&E's environmental stewardship objectives.

The earliest in-service date for newly constructed generation identified in the IRP is 2027, therefore, capacity needs in 2026 must be addressed by a Market Opportunity. OG&E

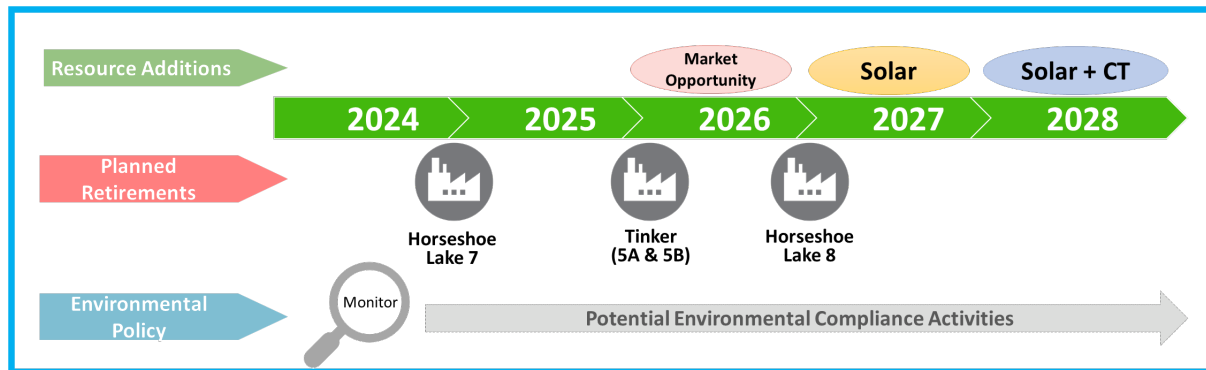
will issue an RFP(s) for Market Opportunities to address near-term capacity needs. Additionally, OG&E will issue RFP(s) for resources to meet the 2027 and later capacity requirements and other IRP objectives. The RFP(s) will recognize and incorporate applicable environmental regulations.

Finally, OG&E is participating in litigation related to EPA's disapproval of the Oklahoma Interstate Transport SIP, which is a statutory prerequisite for EPA's Good Neighbor FIP and CSAPR revisions for Oklahoma. The Oklahoma SIP disapproval is currently under a stay order from the U.S. Tenth Circuit Court, and the EPA has issued an Interim Final Rule preventing implementation of the FIP in Oklahoma while the stay is in effect. To avoid unnecessary expenditures for customers, OG&E will continue to monitor legal and regulatory developments related to the EPA's Good Neighbor FIP and take needed compliance actions after final decisions are made through the legal process.

VII. Action Plan

The Five-Year Action Plan is outlined below.

- 1) OG&E plans to retire Horseshoe Lake unit 7 in 2024.
- 2) OG&E plans to retire Tinker units 5A and 5B in 2025.
- 3) OG&E plans to retire Horseshoe Lake unit 8 in 2027.
- 4) OG&E will issue multiple RFPs for resources to satisfy the capacity needs identified in this IRP.
- 5) OG&E will continue to monitor environmental regulation developments and take actions, if deemed necessary.





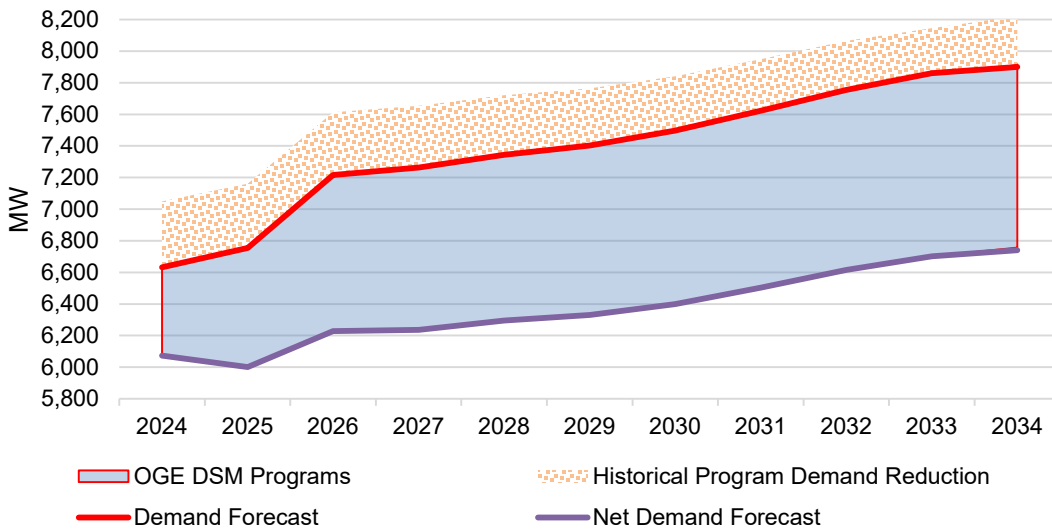
VIII. Schedules

This section is intended to provide a summary of each section as described in the OCC’s Electric Utility Rules, Subchapter 37 of Chapter 35, Section 4 (c).

VIII. A. Electric Demand and Energy Forecast

The retail energy forecast is based on retail sector-level econometric models representing weather, growth and economic conditions in OG&E’s Oklahoma and Arkansas service areas. The peak demand forecast relies on an hourly econometric model. Historical and forecast weather-adjusted retail energy sales are the main driver for the peak demand forecast projections. Historical DSM programs implemented by OG&E since 2007 are incorporated into the load forecast. The peak demand forecast is further reduced by planned future OG&E DSM program implementations to determine the net demand used for planning purposes, as shown in the figure below.

OG&E DSM Impact on Demand Forecast



Energy Sales Forecast (GWh)

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Energy Forecast²⁴	34,133	35,905	39,768	40,472	41,382	42,307	43,249	44,641	46,087	47,585	47,823
OG&E DSM²⁵	185	371	468	565	678	789	889	988	1,094	1,319	1,184
Net Energy	33,947	35,534	39,300	39,908	40,703	41,518	42,360	43,653	44,993	46,266	46,639

²⁴ Includes SmartHours and Historical Energy Efficiency programs.

²⁵ Represents estimates for incremental Energy Efficiency programs in Oklahoma and Arkansas, incremental growth of SmartHours, and the Load Reduction Program.

Peak Demand Forecast (MW)

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Demand Forecast²⁶	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
OG&E DSM²⁷	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
Net Demand	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757

VIII. B. Existing Generation Resources

This schedule provides a summary of existing resources.

OG&E Existing Thermal Resources

Unit Type	Unit Name	First Year In Service	Summer Capability (MW)
Gas-Fired Steam (3,085 MW)	Horseshoe Lake 7	1963	211
	Horseshoe Lake 8	1969	375
	Seminole 1	1971	500
	Seminole 2	1973	513
	Seminole 3	1975	509
	Muskogee 4	1977	489
	Muskogee 5	1978	488
Combined Cycle (1,111 MW)	Frontier	1989	121
	McClain ²⁸	2001	373
	Redbud ²⁸	2004	617
Combustion Turbine (552 MW)	Tinker (Mustang 5A)	1971	33
	Tinker (Mustang 5B)	1971	31
	Horseshoe Lake 9	2000	45
	Horseshoe Lake 10	2000	43
	Mustang 6	2018	57
	Mustang 7	2018	56
	Mustang 8	2018	58
	Mustang 9	2018	57
	Mustang 10	2018	57
	Mustang 11	2018	58
	Mustang 12	2018	57
	Coal-Fired Steam (1,878 MW)	Sooner 1	1979
Sooner 2		1980	520
Muskogee 6		1984	521
River Valley ²⁹		1990	321

²⁶ Includes SmartHours and Historical Energy Efficiency programs.

²⁷ Represents estimates for incremental Energy Efficiency programs in Oklahoma and Arkansas, incremental growth of SmartHours, and the Load Reduction Program.

²⁸ Represents OG&E owned interest: 77% of McClain and 51% of Redbud.

²⁹ River Valley is primarily a coal-fired steam unit but can also utilize natural gas and tire-derived fuel in the combustion process.

OG&E Existing Renewable Resources

Unit Type	Unit Name	First Year In Service	Nameplate Capacity (MW)	Summer Capability (MW)
Wind (61 MW)	Centennial	2006	120	19
	OU Spirit	2009	101	9
	Crossroads	2012	228	33
Solar (22 MW)	Mustang	2015	3	2
	Covington	2018	9	8
	Chickasaw Nation	2020	5	4
	Choctaw Nation	2020	5	4
	Butterfield	2022	5	2
	Branch	2021	5	3

OG&E Existing Power Purchase Contracts

	Unit Name	Contract Start date	Nameplate Capacity (MW)	Summer Capability (MW)
Power Purchase (55 MW)	Keenan	2010	152	22
	Taloga	2011	130	14
	Blackwell	2012	60	12
	Southwestern Power Administration	1979	7	7

OG&E Existing Capacity Purchase Contracts

Agreement Type	Name	Contract Year	Summer Capability (MW)
Capacity Purchase	Bridge Capacity	2024	450
	Bridge Capacity	2025	450
	Bridge Capacity	2026	600
	Bridge Capacity	2027	600

VIII. C. Transmission Capability and Needs

OG&E's transmission system is directly interconnected to seven other utilities' transmission systems at over 50 interconnection points. Indirectly, OG&E is connected to the entire Eastern interconnection through the SPP regional transmission organization. The SPP footprint covers 552,000 square miles, serves over 19 million customers, and has members in 14 states across all of Kansas and Oklahoma and parts of Arkansas, Colorado, Iowa, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Texas, and Wyoming. In compliance with FERC Order 890 for transmission planning, SPP performs annual expansion planning for the entire SPP footprint. OG&E provides input to the SPP planning process, and SPP is ultimately responsible for the planning of the OG&E system.

Each year, SPP produces the SPP Transmission Expansion Plan³⁰ (STEP) which provides a comprehensive listing a of all transmission projects in the SPP. These projects are derived from several SPP analysis efforts including upgrades required to satisfy requests for Transmission Service or Generator Interconnection, approved projects for the annual ITP assessments, sponsored upgrades from each SPP member if applicable, and any remaining approved projects from previous studies. The purpose of the ITP process is to maintain reliability, provide economic benefits and meet public policy needs in both the near and long-term to create a cost-effective, flexible, and robust transmission grid with improved access to the SPP region's diverse resources. The reports for each SPP study are provided on the SPP website³¹. SPP also provides a comprehensive tracking spreadsheet for all projects³². The projects located on the OG&E system are provided in Schedule J.

VIII. D. Needs Assessment

This schedule provides the needs assessment for new generating resources for the next 10 years.

Planning Margin (MW unless noted)

		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Capacity	Owned Capacity	6,497	6,497	5,740	5,463	5,463	5,463	5,463	5,038	5,015	4,558	4,558
	Planned Additions	0	0	81	493	493	493	493	493	493	493	493
	Purchase Contracts	530	505	674	674	74	74	74	20	20	7	7
	Total Capacity	7,027	7,002	6,495	6,630	6,030	6,030	6,030	5,550	5,528	5,057	5,057
Demand	Demand Forecast	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
	OG&E DSM	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
	Net Demand	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757
Margin	Reserve Margin ³³	16%	17%	4%	6%	-4%	-5%	-6%	-15%	-16%	-25%	-25%
Needs	Needed Capacity	-	-	556	431	1,096	1,136	1,215	1,812	1,960	2,529	2,592

³⁰ SPP. (2023). 2023 SPP Transmission Expansion Plan Report. SPP.

<https://www.spp.org/documents/56611/2023%20spp%20transmission%20expansion%20plan%20report.pdf>

³¹ SPP. Integrated Transmission Planning. ITP reports: <https://www.spp.org/engineering/transmission-planning/>

³² SPP. (2023). 2023 SPP Transmission Expansion Plan Report, Appendix 1.

<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.spp.org%2Fdocuments%2F56610%2F2023%2520spp%2520transmission%2520expansion%2520plan%2520project%2520list.xlsx&wdOrigin=BROWSELINK>

³³ Reserve Margin % = ((Total Net Capacity) - (Net System Demand)) / Net System Demand

VIII. E. Resource Options

This schedule provides a description of the resource options available to OG&E to address the needs identified in Schedule D.

New Generation Resources (2023\$)

Technology	Model	Nameplate Capacity (MW)	Up-front Capital Cost (\$/kW)	Summer Capability (MW)	Fixed O&M Cost (\$/kW)	Variable O&M Cost (\$/MWh)
Wind	Land-Based	250	\$1,940	50	\$42.40	N/A
Batteries	Lithium Ion	100	\$2,130	100	\$30.00	N/A
Solar	Photovoltaic Single Axis	150	\$2,220	90	\$17.40	N/A
Solar/Battery Combo	Single Axis/Lithium Ion	150	\$3,230	150	\$36.00	N/A
RICE	Reciprocating Engine 3x	55	\$1,800	55	\$15.40	\$4.60
	Reciprocating Engine 6x	110	\$1,420	110	\$15.10	\$4.60
CT Aero	1x LM2500 SCGT	32	\$3,200	29	\$9.10	\$1.70
	12x LM2500 SCGT	389	\$2,660	352	\$9.20	\$1.70
	1x LM6000 SCGT	54	\$2,190	50	\$5.60	\$1.40
	8x LM6000 SCGT	428	\$1,870	399	\$5.30	\$1.40
	1x LMS100 SCGT	102	\$2,200	87	\$3.10	\$1.20
	4x LMS100 SCGT	406	\$1,940	347	\$3.90	\$1.20
CT Frame	1x "E" Class SCGT	86	\$2,030	78	\$7.50	\$7.50
	1x "F" Class SCGT	221	\$1,130	211	\$3.30	\$2.10
	1x "G/H" Class SCGT	280	\$930	264	\$3.70	\$2.20
Combined Cycle (CC)	1x1 J Class	531	\$1,180	503	\$4.10	\$1.50
	1x1 J Class Duct Fired	637	\$990	613	\$4.10	\$2.30
	2x1 G/H Class Duct Fired	1001	\$870	944	\$2.90	\$2.30
	2x1 F Class	729	\$1,130	662	\$2.70	\$1.50
	2x1 F Class Duct Fired	880	\$960	828	\$2.80	\$2.30
	1x1 F Class Duct Fired	441	\$1,250	411	\$4.90	\$2.40
Nuclear	Small Modular Reactor	320	\$11,720	320	\$234.40	Unknown

VIII. F. Fuel Procurement and Risk Management Plan

On May 15, 2023, OG&E submitted its annual Fuel Supply Portfolio and Risk Management Plan to the OCC as part of Cause No. PUD 200100095. The submitted document can be found at the OCC.

VIII. G. Action Plan

The Five-Year Action Plan is outlined below.

- 1) OG&E plans to retire Horseshoe Lake unit 7 in 2024.
- 2) OG&E plans to retire Tinker units 5A and 5B in 2025.

- 3) OG&E plans to retire Horseshoe Lake unit 8 in 2027.
- 4) OG&E will issue multiple RFPs for resources to satisfy the capacity needs identified in this IRP.
- 5) OG&E will continue to monitor environmental regulation developments and take actions, if deemed necessary.

VIII. H. Requests for Proposals

As noted in the Action plan, OG&E will conduct an RFP(s) for resources to satisfy the capacity needs identified in this IRP. The RFP(s) will be issued subsequent to the final IRP, pursuant to the OCC’s Electric Utility Rules OAC 165:35-37.

VIII. I. Modeling Methodology and Assumptions

This schedule is a technical appendix for the data, assumptions, and descriptions of models needed to understand the derivation of the resource plan. The table below explains the source of each assumption and provides a reference for where this information is found in the IRP.

Assumption	Source	Reference
Load Forecast	OG&E	Page 11
Existing Generation Resources	OG&E	Page 12
Resource Changes	OG&E	Page 14
Future Resource Options	Burns & McDonnell, NREL	Page 16
Fuel Price Projections	EIA	Page 19
Risk Assessment	OG&E, EIA, NREL	Page 19
Integrated Market Prices	OG&E, 1898 & Co.	Page 24
Planning Reserve Margin	OG&E	Page 30
Modeling Methodology	OG&E, 1898 & Co.	Page 30
New Resource Earliest Availability	OG&E, Burns & McDonnell	Page 32

For this IRP, OG&E collaborated with 1898 & Co. to utilize two software programs for production cost modeling.

First, PROMOD® - Fundamental Electric Market Simulation software from Hitachi Energy, incorporates generating unit operating characteristics, transmission grid topology and constraints, unit commitment/operating conditions, and market system operations to model the SPP IM.

Second, the resource optimization tool EnCompass was utilized for expansion planning and production cost modeling. EnCompass is owned by Anchor Power Solutions, a Yes Energy Company, and is an industry standard chronological unit commitment and dispatch model with extensive presence throughout the power industry. The capacity expansion mode of EnCompass determines the recommended mix of generation resources expected to achieve a least cost dispatch of existing and new generating assets to meet electric load along with regulatory and reliability requirements. The

Production Cost Model then utilizes a detailed economic dispatch mode on an hourly basis for each year of the study period to deliver the optimized result.

VIII. J. Transmission System Adequacy

As described in Schedule C, OG&E is a member of and provides input to SPP, who is ultimately responsible for the planning of the OG&E system. SPP evaluates system adequacy and develops a transmission expansion plan to determine what improvements are necessary to ensure reliable transmission service. The planned projects located on the OG&E system needed to meet the transmission needs are provided in the following table.

Year	Description	Type of Upgrade	Project Type	Current Cost Estimate (\$M)	STEP Upgrade Type	Notice to Construct _ID
2024	West Oak 138 kV Breakers	Substation Upgrade	Regional Reliability	\$0.92	ITP	210713
2024	Cherry Creek 138 kV Breaker	Substation Upgrade	Regional Reliability	\$0.46	ITP	210713
2024	Indian Hill 138 kV Breaker	Substation Upgrade	Regional Reliability	\$0.46	ITP	210713
2024	Turner 138 kV Breaker	Substation Upgrade	Regional Reliability	\$0.46	ITP	210713
2024	West Oaks - Council - Classen 138 kV Reconductor	Substation Upgrades, Line Upgrade	Regional Reliability	\$3.18	DPA-2021-March-1296	210664
2024	Cushing Tap - Shell Cushing Tap - Pipeline	Line Upgrade	Regional Reliability	\$5.36	ITP	210589
2024	Rocky Point - OG&E Marietta - WFEC Marietta 138 kV Rebuild	Substation Upgrades, Line Upgrade	Regional Reliability	\$15.80	ITP	210656
2024	Norman Hills - Minco - Pleasant Valley - Draper 345 kV	New Substation, Substation Upgrades	Economic	\$45.05	ITP	210616
2026	Sooner - Wekiwa 345 kV and Sand Springs - Sheffield 138 kV	Substation Upgrade, New Line	Economic	\$4.14	ITP	210540

Transmission system expansion provides benefits to members throughout the SPP; therefore, the costs of all projects constructed in the SPP are shared through various cost allocation methods, depending on the type of project.

VIII. K. Resource Plan Assessment

This IRP assessed the need for additional resources to meet reliability, cost and price, environmental, and other criteria established by state and federal laws and regulations. All criteria were met by all portfolios considered in this IRP. These criteria were also met in scenarios and uncertainties which included variations in load growth, fuel prices, emissions prices, environmental regulations, technology improvements, and fuel supply, among others. This plan provides a comprehensive analysis of the proposed options.

VIII. L. Proposed Resource Plan Analysis

This IRP demonstrates that all proposed alternatives meet all planning criteria as outlined in Schedules D and K. The proposed action plan outlined in Schedule G best meets these criteria. Documentation of the planning analysis and assumptions used in preparing this analysis are described in Schedule I.

VIII. M. Physical and Financial Hedging

OG&E's diverse mix of generation assets and its Fuel Cost Adjustment tariff help mitigate customer exposure to price volatility of a single fuel type. Additionally, OG&E's participation in the SPP IM with these generation assets assures OG&E customers the lowest reasonable cost due to the economic commitment and dispatch of the market.

OG&E also has physical fuel storage of both coal and natural gas. In 2022, OG&E expanded its physical hedging of natural gas by expanding its natural gas storage and implementing monthly fixed price gas contracts for a portion of its gas supply. Both of these measures provide a high level of price and volume certainty, further reducing exposure to volatility often seen in the natural gas market.

Financial Hedging of a commodity such as power plant fuel is aimed at reducing the volatility in price. Financial hedging comes at a cost in the form of transaction costs, margin calls, and premiums required to lock in pricing. OG&E's customers have been protected to a large extent from the historic volatility in natural gas prices by OG&E's diversified portfolio approach to fuel and purchased power. OG&E has submitted a three-year trial financial hedging plan for natural gas that is currently being reviewed by the Public Utility Division and awaiting approval by the Oklahoma Corporation Commission prior to implementation.

IX. Appendices

Appendix A – Demand Forecast Range and Energy by Class

PEAK DEMAND FORECAST

OG&E's load forecasting framework relies on independently produced forecasts of service area economic and population growth, actual and normal weather data, and projections of OG&E electricity prices for price-sensitive customer classes. The peak demand forecast is based on an hourly econometric model of weather and economic effects on OG&E's hourly load responsibility series. A probabilistic range of outcomes is produced to show how often peak demands could reach each level. The *1 out of 2 years* or "expected" forecast shows the peak demand level given the 50th percentile of the load forecast distribution, using all available historical weather data. In this case, there is a 50% probability the peak load will reach this load level or higher. OG&E is required by SPP to plan for this 50% probability in the PRM calculation.

Peak Demand (MW) Forecasts by Weather Probability before OG&E DSM

Event of Occurrence	Occurrence Probability	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
1 out of 30 Years	3%	7,185	7,314	7,806	7,855	7,933	7,992	8,086	8,220	8,358	8,460	8,564
1 out of 10 Years	10%	6,931	7,055	7,535	7,582	7,661	7,721	7,816	7,946	8,079	8,186	8,294
1 out of 4 Years	25%	6,760	6,886	7,353	7,403	7,482	7,541	7,633	7,762	7,898	7,999	8,100
1 out of 2 Years	50%	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,968
3 out of 4 Years	75%	6,501	6,622	7,078	7,125	7,205	7,265	7,358	7,483	7,614	7,719	7,825
9 out of 10 Years	90%	6,335	6,458	6,901	6,950	7,030	7,090	7,180	7,304	7,437	7,536	7,636
29 out of 30 Years	97%	6,335	6,458	6,901	6,950	7,030	7,090	7,180	7,304	7,437	7,536	7,636

ENERGY FORECAST

The energy forecast is generated from a regression analysis of historical energy, economic growth patterns and annual weather. OG&E's energy is divided into six market segments (Residential, Commercial, Industrial, Oil Field, Street Lighting and Public Authority). Within each segment, a variety of different models is prepared and tested against actual historical sales to determine which model provides the highest quality forecast for that market segment.

Energy (GWH) Forecast by Customer Revenue Class before OG&E DSM

GWH	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Residential	9,687	9,732	9,847	9,975	10,121	10,279	10,447	10,634	10,843	11,075	11,130
Commercial	10,584	12,180	15,584	16,003	16,584	17,167	17,755	18,745	19,758	20,796	20,900
Industrial	4,033	3,943	3,910	3,892	3,873	3,855	3,837	3,819	3,802	3,786	3,804
Petroleum	4,484	4,595	4,725	4,859	5,004	5,149	5,294	5,439	5,590	5,742	5,771
Street Lighting	53	52	51	49	48	46	45	43	42	40	40
Public Authority	3,079	3,075	3,073	3,072	3,070	3,069	3,068	3,067	3,065	3,063	3,078
Total Retail Sales	31,921	33,578	37,191	37,849	38,700	39,565	40,446	41,748	43,100	44,501	44,723
Losses	2,212	2,327	2,577	2,623	2,682	2,742	2,803	2,893	2,987	3,084	3,099
Energy Forecast	34,133	35,905	39,768	40,472	41,382	42,307	43,249	44,641	46,087	47,585	47,823

Appendix B – Portfolio Annual Cost Components



Portfolio Annual Cost Components

Solar + CT					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$61	\$0	\$0	\$0	\$61
2026	\$161	\$0	\$0	\$0	\$161
2027	\$208	(\$94)	\$82	(\$61)	\$135
2028	\$225	(\$103)	\$124	(\$69)	\$178
2029	\$257	(\$103)	\$125	(\$69)	\$209
2030	\$310	(\$124)	\$141	(\$84)	\$244
2031	\$383	(\$152)	\$187	(\$101)	\$317
2032	\$434	(\$179)	\$221	(\$129)	\$348
2033	\$431	(\$236)	\$285	(\$172)	\$308
2034	\$407	(\$238)	\$286	(\$173)	\$282
2035	\$384	(\$240)	\$287	(\$178)	\$252
2036	\$361	(\$233)	\$289	(\$187)	\$230
2037	\$341	(\$142)	\$290	(\$191)	\$298
2038	\$322	(\$130)	\$289	(\$195)	\$286
2039	\$305	(\$131)	\$291	(\$196)	\$269
2040	\$287	(\$115)	\$292	(\$198)	\$266
2041	\$270	(\$97)	\$293	(\$212)	\$254
2042	\$253	(\$59)	\$295	(\$217)	\$271
2043	\$238	\$0	\$296	(\$216)	\$317
2044	\$223	\$0	\$288	(\$223)	\$288
2045	\$210	\$0	\$285	(\$228)	\$267
2046	\$197	\$0	\$282	(\$233)	\$245
2047	\$184	\$0	\$279	(\$238)	\$224
2048	\$171	\$0	\$276	(\$243)	\$203
2049	\$158	\$0	\$273	(\$248)	\$183
2050	\$146	\$0	\$269	(\$253)	\$162
2051	\$133	\$0	\$266	(\$258)	\$142
2052	\$121	\$0	\$263	(\$263)	\$121
2053	\$109	\$0	\$260	(\$268)	\$101
30-yr NPV	\$2,973	(\$1,122)	\$2,181	(\$1,505)	\$2,527

Wind + CT					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$154	\$0	\$0	\$0	\$154
2026	\$380	\$0	\$0	\$0	\$380
2027	\$453	(\$397)	\$283	(\$165)	\$175
2028	\$462	(\$415)	\$327	(\$172)	\$202
2029	\$510	(\$420)	\$329	(\$173)	\$246
2030	\$567	(\$472)	\$364	(\$202)	\$257
2031	\$748	(\$587)	\$462	(\$251)	\$373
2032	\$965	(\$555)	\$479	(\$260)	\$629
2033	\$988	(\$1,049)	\$825	(\$475)	\$289
2034	\$931	(\$1,064)	\$831	(\$485)	\$212
2035	\$872	(\$1,090)	\$837	(\$494)	\$126
2036	\$818	(\$1,089)	\$845	(\$521)	\$52
2037	\$769	(\$679)	\$851	(\$532)	\$409
2038	\$725	(\$635)	\$856	(\$537)	\$409
2039	\$685	(\$645)	\$863	(\$544)	\$359
2040	\$644	(\$613)	\$870	(\$560)	\$342
2041	\$605	(\$516)	\$877	(\$595)	\$371
2042	\$566	(\$529)	\$885	(\$612)	\$310
2043	\$530	\$0	\$892	(\$611)	\$811
2044	\$498	\$0	\$874	(\$630)	\$742
2045	\$468	\$0	\$867	(\$644)	\$691
2046	\$438	\$0	\$861	(\$659)	\$641
2047	\$409	\$0	\$855	(\$674)	\$590
2048	\$380	\$0	\$849	(\$688)	\$540
2049	\$351	\$0	\$843	(\$703)	\$491
2050	\$322	\$0	\$836	(\$718)	\$441
2051	\$293	\$0	\$830	(\$732)	\$391
2052	\$264	\$0	\$824	(\$747)	\$341
2053	\$235	\$0	\$818	(\$762)	\$291
30-yr NPV	\$6,486	(\$4,911)	\$6,292	(\$4,091)	\$3,776



Portfolio Annual Cost Components

Solar + Wind + CT					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$81	\$0	\$0	\$0	\$81
2026	\$226	\$0	\$0	\$0	\$226
2027	\$300	(\$163)	\$128	(\$86)	\$180
2028	\$340	(\$209)	\$190	(\$114)	\$207
2029	\$414	(\$211)	\$191	(\$114)	\$280
2030	\$520	(\$307)	\$257	(\$158)	\$313
2031	\$680	(\$389)	\$338	(\$198)	\$431
2032	\$798	(\$518)	\$440	(\$265)	\$455
2033	\$793	(\$713)	\$596	(\$380)	\$296
2034	\$747	(\$722)	\$599	(\$389)	\$234
2035	\$701	(\$731)	\$602	(\$398)	\$174
2036	\$659	(\$726)	\$607	(\$417)	\$122
2037	\$620	(\$559)	\$610	(\$426)	\$245
2038	\$584	(\$503)	\$613	(\$432)	\$262
2039	\$551	(\$509)	\$617	(\$435)	\$223
2040	\$518	(\$422)	\$621	(\$449)	\$268
2041	\$487	(\$355)	\$625	(\$476)	\$281
2042	\$456	(\$205)	\$629	(\$488)	\$393
2043	\$429	\$0	\$633	(\$488)	\$574
2044	\$404	\$0	\$615	(\$502)	\$516
2045	\$380	\$0	\$609	(\$514)	\$474
2046	\$356	\$0	\$602	(\$525)	\$433
2047	\$333	\$0	\$595	(\$537)	\$391
2048	\$309	\$0	\$588	(\$548)	\$350
2049	\$286	\$0	\$582	(\$559)	\$308
2050	\$263	\$0	\$575	(\$571)	\$267
2051	\$240	\$0	\$568	(\$582)	\$226
2052	\$217	\$0	\$561	(\$594)	\$184
2053	\$193	\$0	\$555	(\$605)	\$143
30-yr NPV	\$5,150	(\$3,254)	\$4,410	(\$3,230)	\$3,075

Solar + CC					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$58	\$0	\$0	\$0	\$58
2026	\$221	\$0	\$0	\$0	\$221
2027	\$371	(\$94)	\$82	(\$61)	\$298
2028	\$419	(\$227)	\$197	(\$143)	\$246
2029	\$412	(\$238)	\$235	(\$194)	\$214
2030	\$396	(\$241)	\$236	(\$202)	\$189
2031	\$401	(\$246)	\$238	(\$201)	\$191
2032	\$415	(\$233)	\$239	(\$205)	\$216
2033	\$411	(\$221)	\$282	(\$245)	\$227
2034	\$391	(\$213)	\$284	(\$238)	\$224
2035	\$371	(\$218)	\$286	(\$243)	\$196
2036	\$352	(\$221)	\$287	(\$259)	\$159
2037	\$333	(\$136)	\$289	(\$262)	\$223
2038	\$316	\$0	\$291	(\$265)	\$342
2039	\$301	\$0	\$292	(\$267)	\$326
2040	\$288	\$0	\$294	(\$262)	\$320
2041	\$274	\$0	\$295	(\$284)	\$285
2042	\$260	\$0	\$296	(\$293)	\$263
2043	\$246	\$0	\$298	(\$290)	\$254
2044	\$233	\$0	\$295	(\$298)	\$229
2045	\$219	\$0	\$295	(\$304)	\$210
2046	\$205	\$0	\$295	(\$310)	\$190
2047	\$191	\$0	\$295	(\$316)	\$171
2048	\$177	\$0	\$295	(\$321)	\$151
2049	\$164	\$0	\$295	(\$327)	\$132
2050	\$151	\$0	\$295	(\$333)	\$113
2051	\$138	\$0	\$295	(\$339)	\$94
2052	\$125	\$0	\$295	(\$344)	\$75
2053	\$112	\$0	\$294	(\$350)	\$57
30-yr NPV	\$3,417	(\$1,250)	\$2,434	(\$2,226)	\$2,375



Portfolio Annual Cost Components

Wind + CC					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$149	\$0	\$0	\$0	\$149
2026	\$570	\$0	\$0	\$0	\$570
2027	\$919	(\$397)	\$283	(\$165)	\$640
2028	\$985	(\$994)	\$699	(\$395)	\$295
2029	\$960	(\$1,007)	\$705	(\$400)	\$259
2030	\$922	(\$1,031)	\$748	(\$477)	\$163
2031	\$894	(\$1,060)	\$754	(\$488)	\$101
2032	\$879	(\$1,033)	\$760	(\$504)	\$103
2033	\$848	(\$990)	\$809	(\$551)	\$116
2034	\$802	(\$1,005)	\$816	(\$552)	\$60
2035	\$757	(\$1,027)	\$823	(\$560)	(\$6)
2036	\$712	(\$1,043)	\$829	(\$595)	(\$96)
2037	\$669	(\$636)	\$837	(\$606)	\$264
2038	\$631	\$0	\$844	(\$609)	\$866
2039	\$599	\$0	\$851	(\$617)	\$833
2040	\$570	\$0	\$859	(\$625)	\$803
2041	\$540	\$0	\$866	(\$668)	\$739
2042	\$511	\$0	\$873	(\$690)	\$694
2043	\$481	\$0	\$881	(\$688)	\$674
2044	\$452	\$0	\$872	(\$707)	\$617
2045	\$422	\$0	\$874	(\$722)	\$574
2046	\$393	\$0	\$876	(\$738)	\$531
2047	\$363	\$0	\$878	(\$753)	\$488
2048	\$334	\$0	\$880	(\$769)	\$445
2049	\$304	\$0	\$883	(\$785)	\$402
2050	\$275	\$0	\$885	(\$800)	\$359
2051	\$246	\$0	\$887	(\$816)	\$317
2052	\$217	\$0	\$889	(\$831)	\$275
2053	\$189	\$0	\$891	(\$847)	\$233
30-yr NPV	\$7,440	(\$5,543)	\$7,359	(\$5,262)	\$3,994

Solar + Wind + CC					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$79	\$0	\$0	\$0	\$79
2026	\$294	\$0	\$0	\$0	\$294
2027	\$481	(\$163)	\$128	(\$86)	\$360
2028	\$532	(\$370)	\$291	(\$191)	\$262
2029	\$518	(\$383)	\$330	(\$243)	\$222
2030	\$495	(\$388)	\$332	(\$254)	\$185
2031	\$493	(\$398)	\$334	(\$255)	\$175
2032	\$503	(\$381)	\$336	(\$262)	\$197
2033	\$493	(\$363)	\$381	(\$303)	\$207
2034	\$468	(\$359)	\$384	(\$298)	\$196
2035	\$444	(\$369)	\$386	(\$303)	\$158
2036	\$419	(\$374)	\$388	(\$322)	\$112
2037	\$396	(\$214)	\$391	(\$327)	\$246
2038	\$375	\$0	\$394	(\$331)	\$439
2039	\$357	\$0	\$396	(\$334)	\$420
2040	\$341	\$0	\$400	(\$331)	\$409
2041	\$324	\$0	\$402	(\$357)	\$368
2042	\$307	\$0	\$404	(\$369)	\$343
2043	\$290	\$0	\$407	(\$366)	\$331
2044	\$273	\$0	\$403	(\$376)	\$301
2045	\$257	\$0	\$403	(\$383)	\$277
2046	\$240	\$0	\$404	(\$391)	\$253
2047	\$223	\$0	\$404	(\$399)	\$228
2048	\$206	\$0	\$404	(\$406)	\$204
2049	\$190	\$0	\$405	(\$414)	\$181
2050	\$174	\$0	\$405	(\$421)	\$157
2051	\$158	\$0	\$405	(\$429)	\$134
2052	\$142	\$0	\$406	(\$437)	\$111
2053	\$126	\$0	\$406	(\$444)	\$88
30-yr NPV	\$4,195	(\$2,053)	\$3,367	(\$2,812)	\$2,697



Portfolio Annual Cost Components

Solar + RICE					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$59	\$0	\$0	\$0	\$59
2026	\$196	\$0	\$0	\$0	\$196
2027	\$305	(\$94)	\$82	(\$61)	\$232
2028	\$348	(\$175)	\$174	(\$112)	\$235
2029	\$399	(\$196)	\$191	(\$123)	\$271
2030	\$461	(\$218)	\$209	(\$141)	\$311
2031	\$556	(\$288)	\$289	(\$186)	\$370
2032	\$645	(\$296)	\$307	(\$203)	\$453
2033	\$645	(\$422)	\$428	(\$302)	\$348
2034	\$608	(\$423)	\$429	(\$311)	\$304
2035	\$572	(\$429)	\$431	(\$320)	\$253
2036	\$538	(\$419)	\$432	(\$331)	\$221
2037	\$506	(\$334)	\$434	(\$339)	\$267
2038	\$477	(\$242)	\$436	(\$346)	\$325
2039	\$450	(\$224)	\$437	(\$346)	\$317
2040	\$425	(\$211)	\$439	(\$358)	\$295
2041	\$400	(\$155)	\$441	(\$378)	\$307
2042	\$375	(\$138)	\$442	(\$386)	\$293
2043	\$353	\$0	\$444	(\$388)	\$409
2044	\$332	\$0	\$429	(\$398)	\$363
2045	\$312	\$0	\$423	(\$407)	\$329
2046	\$293	\$0	\$417	(\$416)	\$294
2047	\$273	\$0	\$411	(\$424)	\$260
2048	\$254	\$0	\$405	(\$433)	\$226
2049	\$235	\$0	\$399	(\$442)	\$192
2050	\$216	\$0	\$392	(\$450)	\$158
2051	\$197	\$0	\$386	(\$459)	\$124
2052	\$178	\$0	\$380	(\$468)	\$90
2053	\$159	\$0	\$374	(\$477)	\$56
30-yr NPV	\$4,367	(\$1,982)	\$3,210	(\$2,619)	\$2,975

Heavy Solar + CT					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$59	\$0	\$0	\$0	\$59
2026	\$174	\$0	\$0	\$0	\$174
2027	\$254	(\$94)	\$82	(\$61)	\$181
2028	\$279	(\$138)	\$143	(\$90)	\$194
2029	\$307	(\$158)	\$160	(\$101)	\$207
2030	\$366	(\$160)	\$160	(\$105)	\$261
2031	\$466	(\$209)	\$223	(\$137)	\$343
2032	\$550	(\$236)	\$257	(\$166)	\$404
2033	\$550	(\$348)	\$358	(\$250)	\$310
2034	\$519	(\$348)	\$359	(\$255)	\$275
2035	\$488	(\$356)	\$361	(\$263)	\$229
2036	\$459	(\$347)	\$362	(\$274)	\$200
2037	\$432	(\$258)	\$364	(\$280)	\$257
2038	\$408	(\$205)	\$363	(\$286)	\$281
2039	\$385	(\$187)	\$365	(\$286)	\$277
2040	\$363	(\$192)	\$366	(\$294)	\$244
2041	\$341	(\$155)	\$368	(\$311)	\$243
2042	\$320	(\$119)	\$369	(\$318)	\$253
2043	\$301	\$0	\$371	(\$319)	\$353
2044	\$283	\$0	\$358	(\$328)	\$313
2045	\$266	\$0	\$353	(\$335)	\$284
2046	\$250	\$0	\$347	(\$342)	\$255
2047	\$233	\$0	\$342	(\$350)	\$226
2048	\$217	\$0	\$337	(\$357)	\$197
2049	\$201	\$0	\$331	(\$364)	\$169
2050	\$185	\$0	\$326	(\$371)	\$140
2051	\$169	\$0	\$320	(\$378)	\$111
2052	\$153	\$0	\$315	(\$385)	\$82
2053	\$137	\$0	\$309	(\$393)	\$54
30-yr NPV	\$3,678	(\$1,619)	\$2,671	(\$2,148)	\$2,581



Portfolio Annual Cost Components

Solar Only					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$56	\$0	\$0	\$0	\$56
2026	\$223	\$0	\$0	\$0	\$223
2027	\$365	(\$94)	\$82	(\$61)	\$291
2028	\$396	(\$246)	\$214	(\$155)	\$208
2029	\$468	(\$248)	\$214	(\$154)	\$280
2030	\$581	(\$270)	\$232	(\$174)	\$368
2031	\$684	(\$417)	\$350	(\$270)	\$347
2032	\$754	(\$447)	\$385	(\$303)	\$387
2033	\$740	(\$545)	\$488	(\$392)	\$291
2034	\$697	(\$551)	\$489	(\$406)	\$230
2035	\$654	(\$560)	\$491	(\$417)	\$168
2036	\$615	(\$543)	\$492	(\$430)	\$134
2037	\$578	(\$458)	\$493	(\$441)	\$172
2038	\$544	(\$297)	\$495	(\$450)	\$291
2039	\$513	(\$299)	\$496	(\$450)	\$261
2040	\$483	(\$287)	\$498	(\$467)	\$227
2041	\$455	(\$155)	\$499	(\$491)	\$308
2042	\$428	(\$119)	\$501	(\$501)	\$309
2043	\$403	\$0	\$502	(\$505)	\$401
2044	\$380	\$0	\$483	(\$518)	\$345
2045	\$357	\$0	\$474	(\$529)	\$303
2046	\$335	\$0	\$466	(\$540)	\$261
2047	\$312	\$0	\$458	(\$552)	\$218
2048	\$290	\$0	\$449	(\$563)	\$176
2049	\$267	\$0	\$441	(\$574)	\$134
2050	\$245	\$0	\$433	(\$585)	\$92
2051	\$222	\$0	\$424	(\$597)	\$50
2052	\$199	\$0	\$416	(\$608)	\$8
2053	\$177	\$0	\$408	(\$619)	(\$34)
30-yr NPV	\$5,065	(\$2,592)	\$3,659	(\$3,426)	\$2,706

Wind + Battery + Solar					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$52	\$0	\$0	\$0	\$52
2026	\$217	\$0	\$0	\$0	\$217
2027	\$376	(\$77)	\$77	(\$52)	\$324
2028	\$422	(\$257)	\$241	(\$136)	\$271
2029	\$493	(\$305)	\$275	(\$154)	\$309
2030	\$596	(\$329)	\$293	(\$175)	\$385
2031	\$669	(\$460)	\$425	(\$244)	\$390
2032	\$720	(\$493)	\$461	(\$277)	\$410
2033	\$694	(\$537)	\$551	(\$334)	\$374
2034	\$652	(\$539)	\$554	(\$344)	\$323
2035	\$612	(\$549)	\$557	(\$353)	\$266
2036	\$574	(\$535)	\$560	(\$367)	\$231
2037	\$538	(\$469)	\$563	(\$376)	\$256
2038	\$505	(\$277)	\$566	(\$383)	\$411
2039	\$475	(\$230)	\$570	(\$385)	\$430
2040	\$447	(\$217)	\$573	(\$400)	\$402
2041	\$419	(\$97)	\$576	(\$422)	\$477
2042	\$394	(\$59)	\$580	(\$432)	\$482
2043	\$370	\$0	\$583	(\$433)	\$520
2044	\$347	\$0	\$567	(\$446)	\$467
2045	\$324	\$0	\$561	(\$456)	\$429
2046	\$302	\$0	\$555	(\$467)	\$391
2047	\$280	\$0	\$550	(\$477)	\$353
2048	\$257	\$0	\$544	(\$487)	\$314
2049	\$235	\$0	\$539	(\$497)	\$276
2050	\$213	\$0	\$533	(\$508)	\$238
2051	\$190	\$0	\$527	(\$518)	\$200
2052	\$168	\$0	\$522	(\$528)	\$162
2053	\$146	\$0	\$516	(\$538)	\$124
30-yr NPV	\$4,867	(\$2,613)	\$4,283	(\$2,987)	\$3,550

2024 Integrated Resource Plan



Portfolio Annual Cost Components

Wind + Battery + CT					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$74	\$0	\$0	\$0	\$74
2026	\$237	\$0	\$0	\$0	\$237
2027	\$354	(\$138)	\$130	(\$63)	\$283
2028	\$408	(\$283)	\$254	(\$122)	\$258
2029	\$562	(\$332)	\$288	(\$141)	\$378
2030	\$797	(\$383)	\$323	(\$168)	\$569
2031	\$1,087	(\$780)	\$607	(\$334)	\$579
2032	\$1,326	(\$919)	\$712	(\$407)	\$712
2033	\$1,332	(\$1,453)	\$1,096	(\$647)	\$327
2034	\$1,252	(\$1,469)	\$1,103	(\$666)	\$220
2035	\$1,173	(\$1,506)	\$1,112	(\$677)	\$101
2036	\$1,101	(\$1,483)	\$1,121	(\$712)	\$26
2037	\$1,034	(\$1,359)	\$1,130	(\$727)	\$78
2038	\$973	(\$1,173)	\$1,138	(\$735)	\$203
2039	\$916	(\$1,141)	\$1,147	(\$743)	\$178
2040	\$860	(\$1,124)	\$1,156	(\$770)	\$122
2041	\$806	(\$722)	\$1,166	(\$815)	\$434
2042	\$755	(\$582)	\$1,175	(\$838)	\$510
2043	\$709	\$0	\$1,185	(\$838)	\$1,056
2044	\$668	\$0	\$1,154	(\$863)	\$959
2045	\$629	\$0	\$1,143	(\$883)	\$889
2046	\$590	\$0	\$1,132	(\$903)	\$819
2047	\$551	\$0	\$1,121	(\$923)	\$749
2048	\$513	\$0	\$1,109	(\$943)	\$679
2049	\$474	\$0	\$1,098	(\$963)	\$609
2050	\$436	\$0	\$1,087	(\$984)	\$539
2051	\$397	\$0	\$1,076	(\$1,004)	\$469
2052	\$359	\$0	\$1,064	(\$1,024)	\$399
2053	\$320	\$0	\$1,053	(\$1,044)	\$329
30-yr NPV	\$8,036	(\$6,390)	\$7,852	(\$5,292)	\$4,206

Solar + CT + SMR					
(\$M)	Return on Rate Base	Tax Credits	Expenses	Production Cost	Customer Cost
2024	\$0	\$0	\$0	\$0	\$0
2025	\$61	\$0	\$0	\$0	\$61
2026	\$161	\$0	\$0	\$0	\$161
2027	\$208	(\$94)	\$82	(\$61)	\$135
2028	\$225	(\$103)	\$124	(\$69)	\$178
2029	\$257	(\$103)	\$125	(\$69)	\$209
2030	\$308	(\$124)	\$141	(\$84)	\$242
2031	\$339	(\$152)	\$187	(\$101)	\$273
2032	\$331	(\$179)	\$221	(\$129)	\$244
2033	\$1,109	(\$267)	\$616	(\$243)	\$1,215
2034	\$1,071	(\$268)	\$619	(\$245)	\$1,177
2035	\$1,030	(\$269)	\$624	(\$255)	\$1,130
2036	\$991	(\$261)	\$630	(\$266)	\$1,094
2037	\$955	(\$169)	\$635	(\$273)	\$1,147
2038	\$920	(\$74)	\$638	(\$281)	\$1,202
2039	\$887	(\$74)	\$643	(\$283)	\$1,173
2040	\$855	(\$57)	\$648	(\$289)	\$1,156
2041	\$823	(\$39)	\$653	(\$307)	\$1,131
2042	\$792	\$0	\$659	(\$316)	\$1,135
2043	\$762	\$0	\$664	(\$315)	\$1,111
2044	\$733	\$0	\$662	(\$327)	\$1,068
2045	\$704	\$0	\$664	(\$335)	\$1,033
2046	\$675	\$0	\$667	(\$343)	\$998
2047	\$646	\$0	\$669	(\$351)	\$964
2048	\$618	\$0	\$672	(\$359)	\$930
2049	\$589	\$0	\$674	(\$367)	\$896
2050	\$561	\$0	\$676	(\$375)	\$862
2051	\$532	\$0	\$679	(\$383)	\$828
2052	\$504	\$0	\$681	(\$391)	\$794
2053	\$478	\$0	\$684	(\$399)	\$763
30-yr NPV	\$6,105	(\$1,097)	\$4,251	(\$2,037)	\$7,221

Appendix C – OG&E 2024 IRP Oklahoma Technical Conference



• As the OG&E team proceeds through this presentation, there will be time after each section for questions



• To ask a question, please raise your hand from the Teams menu
• Be sure to unmute your microphone after you are recognized by the facilitator to ask your question



• If time does not allow for all questions, you may use the Q&A feature to submit your question for later follow-up



• **Introduction**

- IRP Objectives and Development Process
- OG&E Generation
- SPP Overview and Requirements
- Risks
- Future Cases

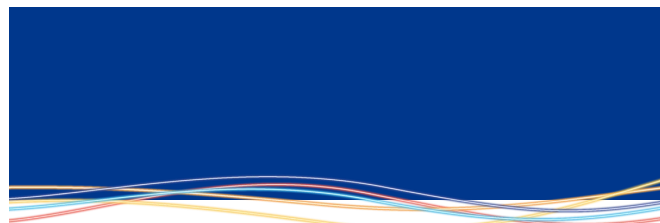
• **Data Inputs**

- Generation Resources considered
- Fuel Price Projections
- Energy Price Projections

• **Analysis – Expected Future Case**

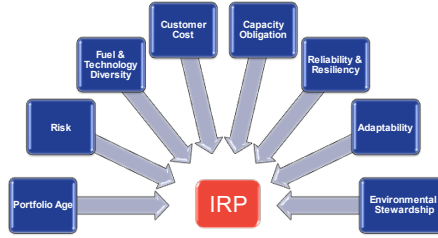
- **Analysis – CSAPR Future Case**
- **Analysis – Status Quo Future Case**

• **Action Plan**



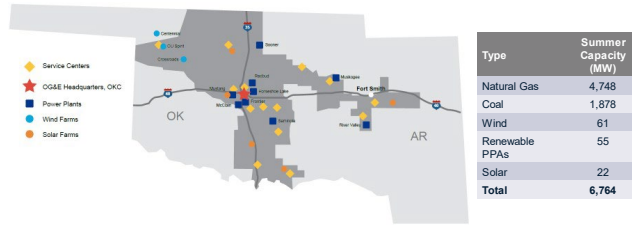
Introduction

OG&E's Resource Planning Process has multiple objectives



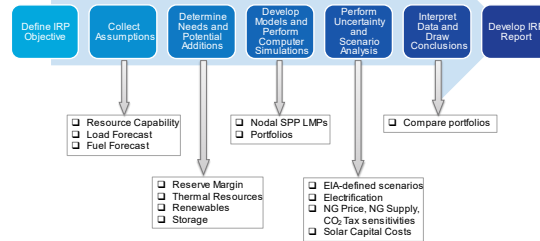
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OG&E's Existing Generation Fleet



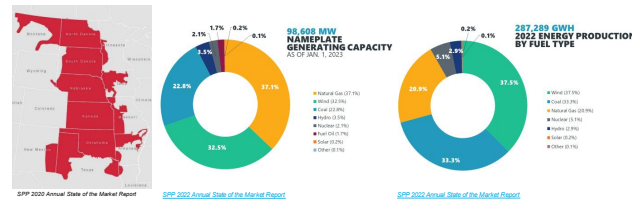
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Resource Planning Process



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Southwest Power Pool



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Policy and Regulation Risks

<p>Resource Adequacy Policy Risks</p> <p>Current Risks:</p> <ul style="list-style-type: none"> • Expected Change to the Planning Reserve Margin (PRM) • Planned Change to Resource Accreditation Methodologies <ul style="list-style-type: none"> • Performance Based Accreditation (PBA) • Effective Load Carrying Capability (ELCC) <p>Future Risks:</p> <ul style="list-style-type: none"> • Winter Resource Adequacy Requirement • Change to Demand Response Program Accreditation • Fuel Assurance Policy • Ramping Capability Requirement 	<p>Environmental Regulation Risks</p> <p>Current Risks:</p> <ul style="list-style-type: none"> • Clean Air Act Good Neighbor Provision and the Cross State Air Pollution Rule (CSAPR) <p>Future Risks:</p> <ul style="list-style-type: none"> • Mercury and Air Toxics Standards (MATS) • Federal Clean Water Act • Greenhouse Gas (GHG) Regulations • National Ambient Air Quality Standards (NAAQS) • Regional Haze • Endangered Species Act (ESA) and other federal laws
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

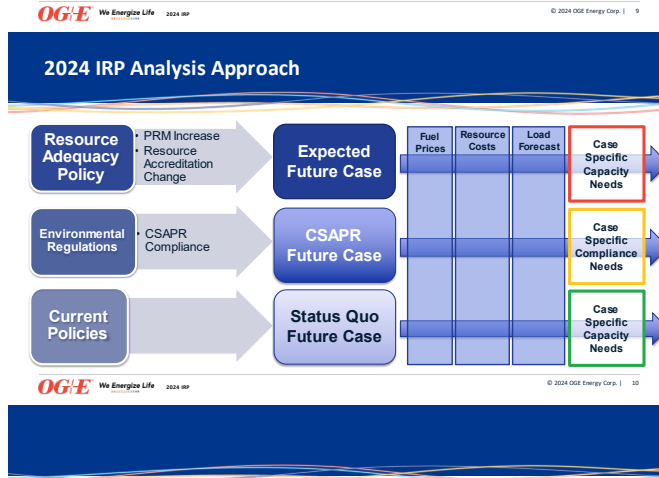
SPP Resource Adequacy Terminology

SPP Resource Policy revisions included in OG&E's Expected Future Case:

Planning Reserve Margin (PRM) = The amount of reserve generation a Load Responsible Entity (LRE) must maintain over its forecasted peak demand

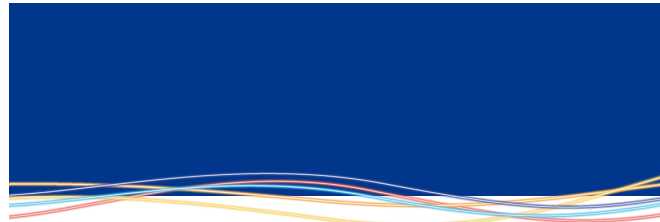
Performance Based Accreditation (PBA) = Revision to accreditation methodology for conventional generation resources in SPP

Effective Load Carrying Capability (ELCC) = Revision to accreditation methodology for renewable generation and energy storage resources in SPP



Questions

2024 Integrated Resource Plan



Data Inputs

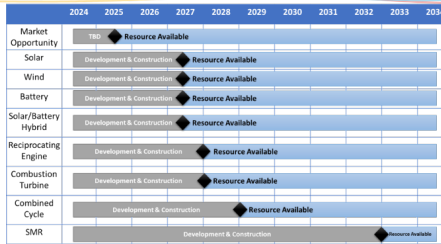
OG&E Load Forecast with DSM Programs

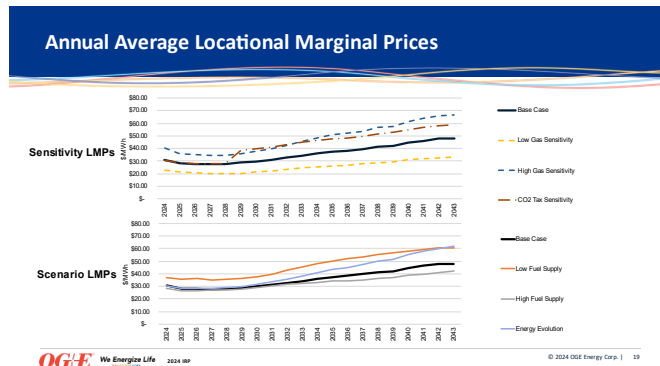
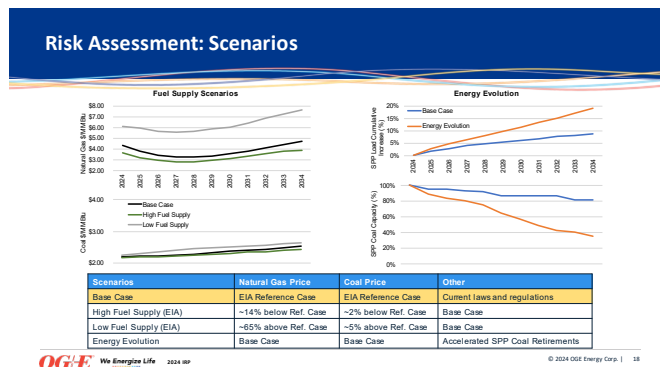
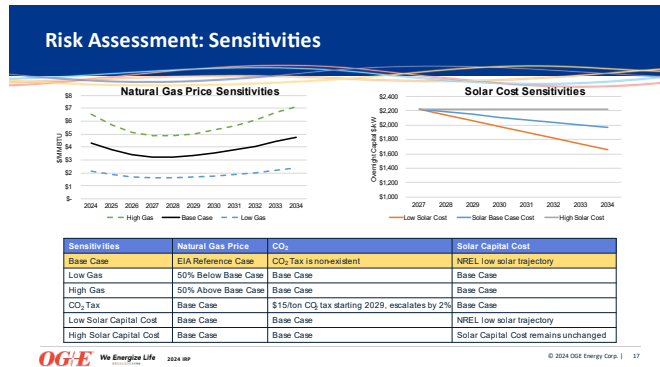
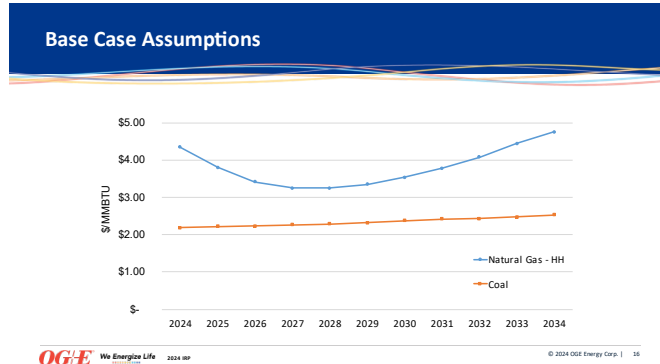
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Gross Peak Demand Forecast	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917
OG&E DSM	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160
Net Peak Demand Forecast	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757

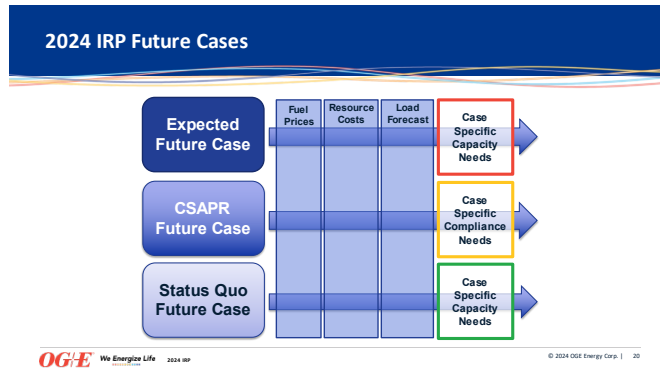
Resource Options Analyzed

Technology	Model	Nameplate Capacity (MW)	Up-front Capital Cost (\$/kW)	Summer Capacity (MW)	Fixed O&M Cost (\$/kW-yr)	Variable O&M Cost (\$/MWh)
Wind	LandsBased	250	\$1,940	50	\$42.40	N/A
Batteries	Lithium Ion	100	\$2,130	100	\$30.00	N/A
Solar	Photovoltaic Single Axis	150	\$2,220	90	\$17.40	N/A
Solar/Battery Combo	Single Axis Lithium Ion	150	\$3,230	150	\$36.00	N/A
RICE	Reciprocating Engine 3x	55	\$1,600	55	\$15.40	\$4.60
	Reciprocating Engine 6x	110	\$1,420	110	\$15.10	\$4.60
	1x LM2500 SCGT	32	\$3,200	29	\$9.10	\$1.70
CT Aero	12x LM2500 SCGT	389	\$2,660	352	\$9.20	\$1.70
	1x LM6000 SCGT	94	\$2,190	50	\$5.60	\$1.40
	6x LM6000 SCGT	426	\$1,670	399	\$5.30	\$1.40
	1x LMS100 SCGT	102	\$2,200	87	\$3.10	\$1.20
CT Frame	4x LMS100 SCGT	408	\$1,940	347	\$3.90	\$1.20
	1x "E" Class SCGT	86	\$2,030	78	\$7.50	\$7.50
	1x "F" Class SCGT	221	\$1,130	211	\$3.30	\$2.10
Combined Cycle (CC)	1x "GH" Class SCGT	280	\$930	264	\$3.70	\$2.20
	1x1 J Class	531	\$1,180	503	\$4.10	\$1.50
	1x1 J Class Duct Fired	637	\$990	613	\$4.10	\$2.30
	2x1 GH Class Duct Fired	1001	\$870	946	\$2.90	\$2.30
	2x1 F Class	729	\$1,130	662	\$2.70	\$1.50
	2x1 F Class Duct Fired	880	\$960	828	\$2.80	\$2.30
Nuclear	1x1 F Class Duct Fired	441	\$1,250	411	\$4.90	\$2.40
	Small Modular Reactor (SMR)	320	\$11,720	320	\$234.40	Unknown

Resource Timing





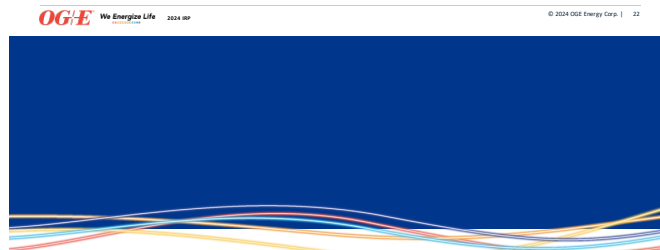


Summary of Futures, Scenarios and Sensitivities

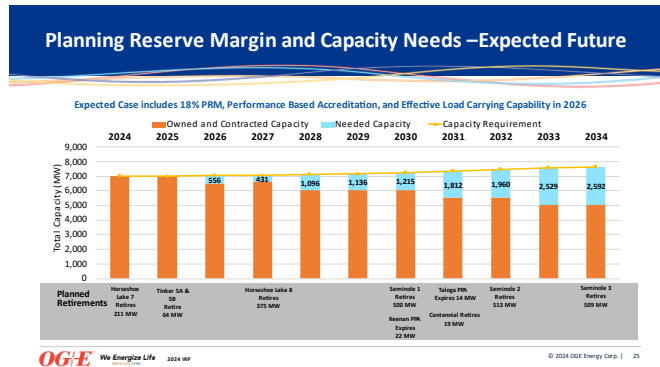
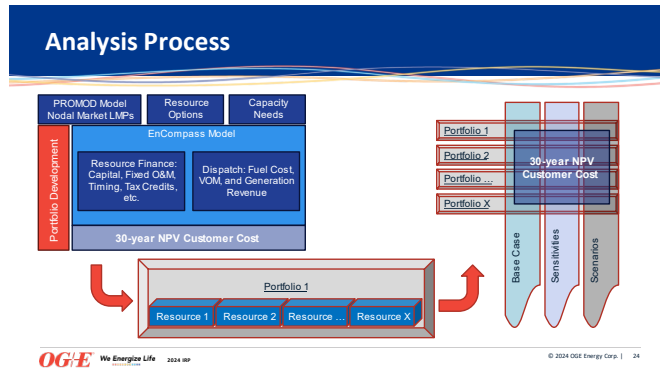
	Expected Future Case	CSAPR Future Case	Status Quo Future Case
PRM Increase	15%	15%	15%
PBA/ELCC	Yes	Yes	No
CSAPR	No	Yes	No
	Scenarios/Sensitivities	Scenarios/Sensitivities	Scenarios/Sensitivities
Base	Base Case	Base Case	Base Case
Sensitivities	Low Gas	Low Gas	Low Gas
	High Gas	High Gas	High Gas
	CO ₂ Tax	CO ₂ Tax	CO ₂ Tax
	Low Solar Capital Cost	Low Solar Capital Cost	Low Solar Capital Cost
Scenarios	High Solar Capital Cost	High Solar Capital Cost	High Solar Capital Cost
	High Fuel Supply (EIA)	High Fuel Supply (EIA)	High Fuel Supply (EIA)
	Low Fuel Supply (EIA)	Low Fuel Supply (EIA)	Low Fuel Supply (EIA)
	Energy Evolution	Energy Evolution	Energy Evolution

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Questions



Analysis – Expected Future Case



Expected Future Case Portfolios

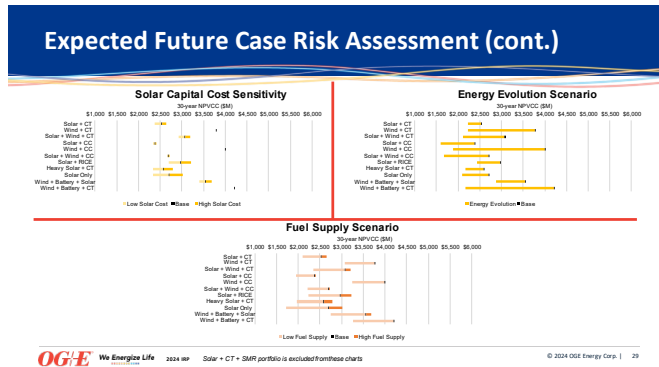
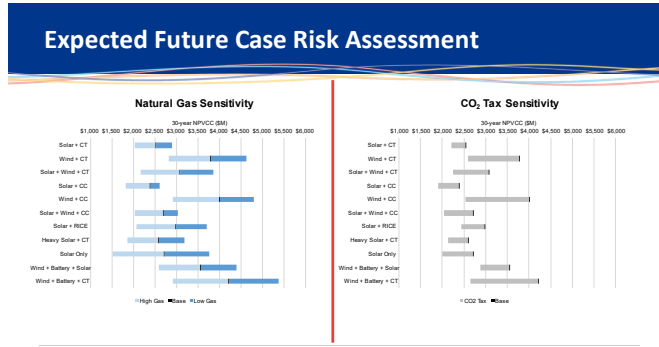
Portfolio	Type	Peak Accredited Capacity (MW)											NMPL (MW)	30-yr NPVCC (\$M)		
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total*				
Market Opportunity															\$0	
Preferred Plan	Solar + CT	Solar	450			50	90	180	270	1,580	1,800					\$2,827
		CT		727					485	242	1,454	1,553				
	Wind + CT	Wind	450	727				100	600	1,100	5,800					\$3,776
		CT							450	242	1,454	1,553				
	Solar + Wind + CT	Solar	380	180				90	450	1,080	1,800					
		Wind	100					100	50	100	500	2,500				
		CT							485	242	1,454	1,553				
	Solar + CC	Solar	450	630							1,580	1,800				
		CC				911					911	1,822	1,888			
	Wind + CC	Wind	450	650							1,100	5,500				
		CC						911			911	1,822	1,888			
	Solar + Wind + CC	Solar	380	540							900	1,500				
	Wind	100	100							200	1,000					
	CC						911			911	1,822	1,888				
Solar + RICE	Solar	450	360	60	90	270	90	630	1,980	3,300						
	RICE						304		304	608	661					

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Expected Future Case Portfolios

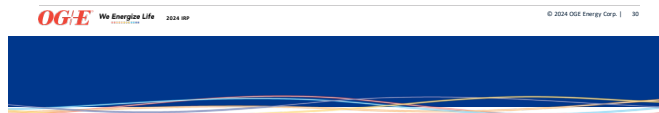
Portfolio	Type	Peak Accredited Capacity (MW)											NMPL (MW)	30-yr NPVCC (\$M)		
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total*				
Market Opportunity															\$0	
Preferred Plan	Solar + CT	Solar	450			50	90	180	270	1,580	1,800					\$2,827
		CT		727					485	242	1,454	1,553				
	HeavySolar + CT	Solar	450	180	90				180	180	540	1,620	2,700			
		CT		485					485			970	1,955			
	Solar Only	Solar	450	720	90			90	630	180	540	2,810	4,950			
	Wind + Battery + Solar	Wind	150	150	50				100		300	1,500	1,500			
		Battery	100	300					400		300	1,100	1,100			
		Solar	380	180	90			90	180	270	1,170	1,950				
	Wind + Battery + CT	Wind	450	150	50				100		550	1,650	7,500			
		Battery	300						400		300	300	300			
		CT		485					242		727	791				
	Solar + CT + SMR	Solar	450					90	180			810	1,350			
	CT		727					485		180	1,212	1,319				
	SMR								640	640	640					

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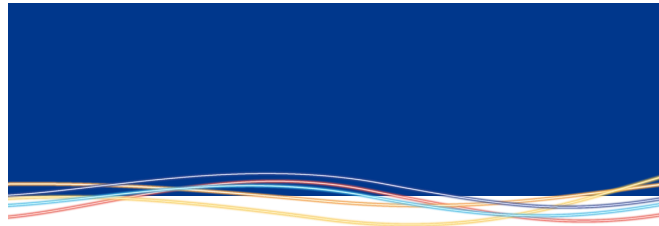


Preferred Plan

Portfolio Name	Type	Accredited Capacity (MW)												Total	Nameplate Capacity (MW)	30-year NPVCC (\$M)
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034				
Solar + CT	Solar				450			90	90	180	270			1,080	1,800	\$2,527
	CT					727			485	242				1,454	1,583	
	Market Opportunity			556										556	556	



Questions



CSAPR Future Case

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CSAPR Compliance

- The State of Oklahoma, including OG&E, is currently under a stay granted by the U.S. Tenth Circuit Court
- At least 60% reduction in Nitrogen Oxides (NOx) emission allotments before the end of the decade
- Modifications required for many units in OG&E's thermal generation fleet, including both coal and natural gas

Alternative NOx Reduction Approaches	
Coal	Natural Gas
<ul style="list-style-type: none"> Retire/Replace Add SCR Convert and SCR 	<ul style="list-style-type: none"> Add SCR

Unit Type	Compliance Option	Construction Time (years)	Overnight Capital Cost (\$/M per unit)	Incremental Fixed O&M Cost (\$/M per unit)	Incremental Variable O&M Cost (\$/MWh)
Gas-Fired Steam	SCR	6	\$290	\$1.5-\$2.1	\$1.10-\$1.30
Combined Cycle	SCR	4	\$5-\$15	\$0.1	\$1.00-\$3.70
Combustion Turbine	SCR	4	\$8-\$10	\$0.15	\$3.00-\$4.70

Unit Type	Compliance Option	Construction Time (years)	Overnight Capital Cost (\$/M per unit)	Incremental Fixed O&M Cost (\$/M per unit)	Incremental Variable O&M Cost (\$/MWh)
Coal-Fired Steam (Muskogee 6, Sooner 1 & 2)	SCR	6	\$380	\$2.2	\$1.70
Coal-Fired Steam (River Valley)	SNCR	4	\$16	\$0.2	\$0.10
Coal-Fired Steam + Conversion (Muskogee 6, Sooner 1 & 2)	SCR	6	\$60	varies	varies

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*Conversion of River Valley is not possible.

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Analysis Process - CSAPR Future Case Portfolios

Portfolio Name	Retire Coal	Replace coal capacity	Convert and SCR	Add SCRs	30-Year NPVCC
Retire and Replace all Coal	Sooner 1 & 2, Muskogee 6, River Valley	Mx of Solar and CTs	N/A	Natural Gas Units	\$2,792M
All SCR	N/A	N/A	N/A	Coal and Natural Gas Units	\$2,536M
Convert and SCR	N/A	N/A	Sooner 1 & 2 and Muskogee 6	Natural Gas Units and River Valley (SNCR)	\$2,386M

CSAPR NPVCC values are incremental to the Expected Future Case preferred plan

All portfolios include the purchase of allowances for compliance during construction time frames

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Risk Assessment – CSAPR Future Case



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Solar + CT + SMR portfolio is excluded from these charts

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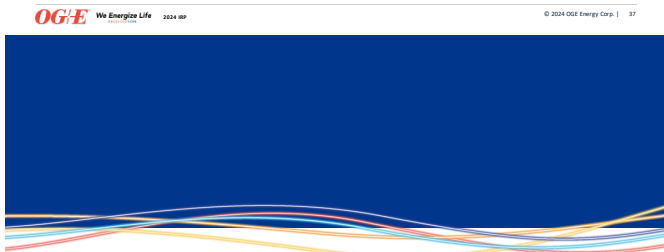


CSAPR Future Case Next Steps

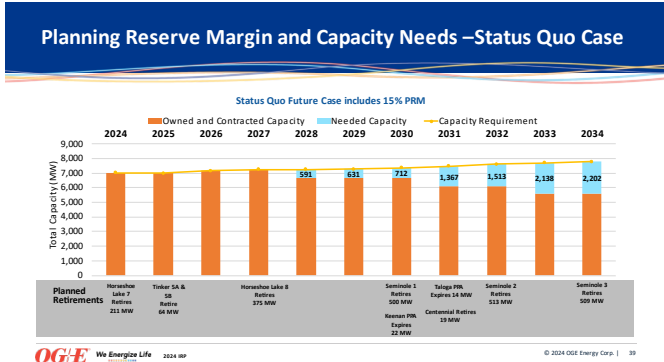
To avoid unnecessary expenditures for customers, OG&E will continue to monitor legal and regulatory developments related to the EPA's Good Neighbor FIP and take needed compliance actions after final decisions are made through the legal process.



Questions



Analysis – Status Quo Future Case





Status Quo Future Case Portfolios

Portfolio	Type	Accredited Capacity (MW)											NMPL MW	30-yr NPVCC (\$M)
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total		
Solar + CT	Solar	90				90	450	90	360	1,080	1,800		\$1,848	
	CT					528	264	264		1,056	1,056			
Wind + CT	Wind	100	50			400	150	350	1,100	5,900		\$2,982		
	CT					528	264	264		1,056	1,056			
Solar + Wind + CT	Solar	270				90	180	90	360	990	1,650	\$2,562		
	Wind	100				200	50	300	650	3,250				
Solar + CC	Solar	630					90		540	1,260	2,100	\$1,733		
	CC									944	944			
Wind + CC	Wind	600	50	100					450	1,200	6,000	\$3,078		
	CC									944	944			
Solar + Wind + CC	Solar	270							360	630	1,050	\$2,448		
	Wind	350	50	50					150	600	3,000			
	CC									944	944			



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Status Quo Future Case Portfolios

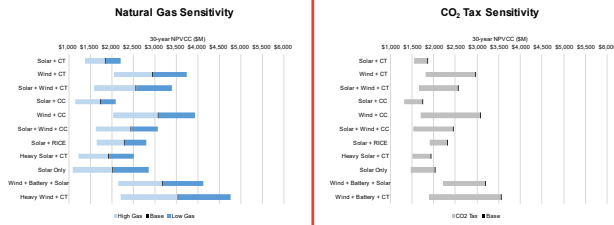
Portfolio	Type	Accredited Capacity (MW)											NMPL MW	30-yr NPVCC (\$M)
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total		
Solar + RICE	Solar	270	90	90		270	180	630	1,530	2,550		\$2,302		
	RICE					330		330		660	660			
Heavy Solar + CT	Solar	360				90	450	90	630	1,620	2,700	\$1,925		
	CT					264	264			528	528			
Solar Only	Solar	630				80	720	90	630	2,160	3,000	\$2,023		
	Wind	400	50	100		50			50	650	3,250			
Wind + Battery + Solar	Battery	100					300	300	700	700		\$3,185		
	Solar	90				270	180	270	810	1,350				
Heavy Wind + CT	Wind	350	50	50		400	150	600	1,600	8,000	\$3,540			
	CT					264	264			528		528		
Solar + CT + SMR	Solar	90				90	450	90		720	1,200	\$6,478		
	CT					528	264			792	792			
	SMR									640	640			



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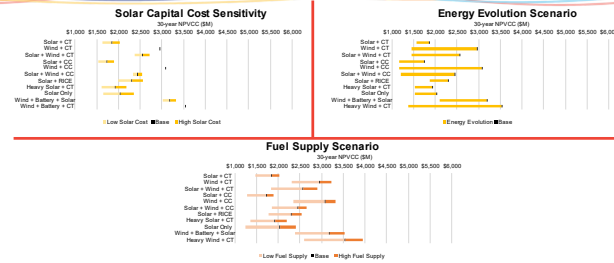
Status Quo Future Case Risk Assessment



We Energize Life 2024 40 Solar + CT + SMR portfolio is excluded from these charts

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Status Quo Future Case Risk Assessment

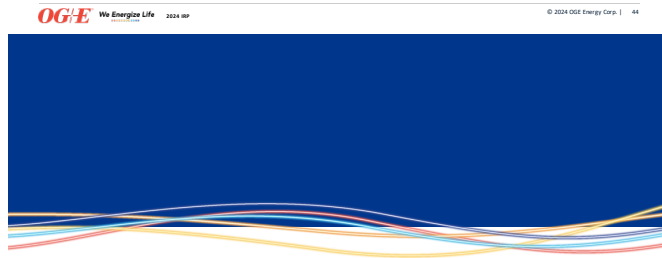


We Energize Life 2024 40 Solar + CT + SMR portfolio is excluded from these charts

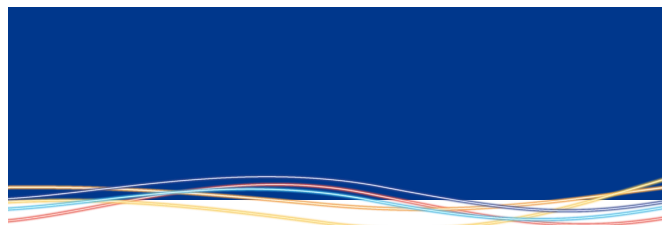
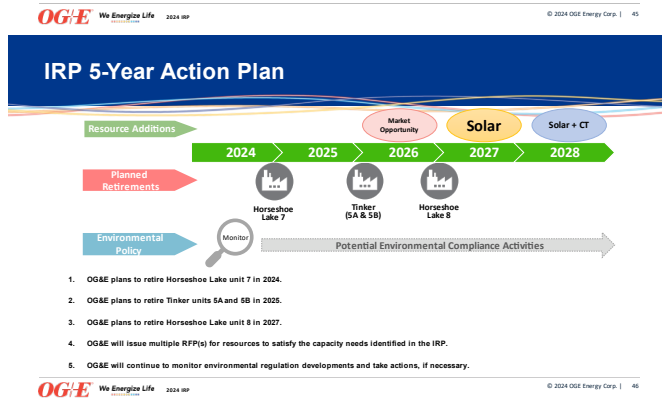
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Questions



IRP Action Plan



Questions and Comments

**OG&E 2024 IRP – Oklahoma Technical Conference
February 22, 2024
Meeting Minutes**

The Oklahoma Technical Conference regarding OG&E's 2024 Integrated Resource Plan (IRP) was held on February 22, 2024, from 10:00 am to 12:00 pm. The meeting was conducted as a webinar and included a presentation provided by members of OG&E's Resource Planning team.

Presenters:

Name	OG&E Role
Kelly Riley	Director, Resource Planning
Aaron Castleberry	Expert Resource Planner
Aadarsh Bhetuwal (Facilitator)	Resource Planner

External Stakeholders:

Name	Organization
Samuel McKinney	1898 & Co.
Sarah Terry-Cobo	City of Oklahoma City, Office of Sustainability
Chip Clark	OG&E Shareholders Association
Ron Stakem	OG&E Shareholders Association
Todd Bohrmann	Oklahoma Attorney General (OAG)
Greg Matejcic	Oklahoma Attorney General
Ashley Youngblood	Oklahoma Attorney General
Brice Betchan	Oklahoma Attorney General
Jana Slatton	Oklahoma Corporation Commission (OCC)
Nicole King	Oklahoma Corporation Commission
Trent Campbell	Oklahoma Corporation Commission
Michael Velez	Oklahoma Corporation Commission
Andrew Scribner	Oklahoma Corporation Commission
David Melvin	Oklahoma Corporation Commission
Thomas Schroedter	Oklahoma Industrial Energy Consumers (OIEC)
Scott Norwood	Oklahoma Industrial Energy Consumers (OIEC)
Montelle Clark	Oklahoma Sustainability Network (OSN)
Madison Miller	Oklahoma Sustainability Network
Kate Huddleston	Sierra Club
Ty Gorman	Sierra Club
Kara-Joy McKee	Sierra Club of Oklahoma
Deborah Thompson	Thompson Tillotson
Kenneth Tillotson	Thompson Tillotson
Becca Bean	

Aadarsh Bhetuwal began the meeting at 10:00 am by explaining the meeting structure and process for asking questions in the virtual format.

Questions and Responses:

- Greg Matejic (OAG)
 - *Question:* When you are talking about the potential increases in the PRM and PBA, are those the items the company votes on? Do they put together analyses and studies in support of why they have chosen to go one way or the other?
 - *Response:* The company engages in those conversations with SPP and OG&E subject matter experts sit on working groups and committees in SPP. Those policies are voted on by those working group members. Those voting records can be accessed through SPP.
 - *Question:* Are there analyses and studies that are done by the company supporting their opinion on how those votes should go?
 - *Response:* It depends on the policy and the clarity of the implementation timelines. The PRM is based on the SPP-wide LOLE study and is used as the baseline.
- Scott Norwood (OIEC)
 - *Question:* Can you describe why 18% is the right number for the PRM? For the proposed change in accreditation for capacity, are they also reflected explicitly in the modeling or are they supposed to be addressed through the IRP?
 - *Response:* SPP conducts studies for three-year and six-year planning horizons. The results from the LOLE study from SPP showed PRM values ranging from 16-18% in 2026 and 17-21% in 2029. We believe 18% is the middle of the road approximation for where we expect we are going to end up. As mentioned earlier, the members of SPP working groups get to vote. However, there are other stakeholders at the SPP including RSC and SPP Board that votes to set the PRM. That PRM vote is not final presently.
- Montelle Clark (OSN)
 - *Question:* It is my understanding that SPP recommended a PRM of 16.9% but you chose 18%. Do you have any expectation on when SPP may choose a final number for that?
 - *Response:* Those timelines are uncertain right now, but we expect the final numbers sometime this year. As SPP updates the PRM, we will update our needs and update how that impacts the RFPs that follow.
 - *Question:* Would that same answer apply if they introduced a winter PRM as well?
 - *Response:* Yes, that is correct.
 - *Question:* Do you have any implication of the 50% winter PRM? Would you be already meeting that? Or would that be a substantial difference for you?

than historical annual incremental savings. After that, it slows down to a more typical pace. Can you explain the first couple of years? Is that an expansion of your load reduction rider or is it something else?

- *Response:* Yes, it is an expansion of the load reduction rider, tied to specific projects.
- *Question:* Does that have something to do with bitcoin mining?
 - *Response:* I cannot comment on the industries.
- *Question:* You show the costs of resource options in the table. Does that assume 30% IRA tax credit?
 - *Response:* The costs shown in the table are the upfront capital cost. The analysis includes the application of the IRA production tax credits.
- *Question:* Are you assuming any stacked credits at all that are available in the IRA like the Domestic Content Bonus Credit and Energy Communities?
 - *Response:* To keep our analysis conservative, we assumed Prevailing Wage and Apprenticeship requirements. We did not stack on any adders because the tax credits are so project specific that we did not make assumptions in the analysis about the projects that may be offered. If we go to the market with RFP(s), those project-related credits will be considered.
- *Question:* Large scale centralized solar is running into some challenges with interconnection and siting challenges around the country, particularly in the Midwest. Have you evaluated the costs and benefits of utility scale distributed solar as an option to address these expenses and delays? For example, multiple 20 MW projects connected to the lower voltage distribution grids – something like your Covington facility?
 - *Response:* OG&E is open to all solutions, including the creative ones.
- *Question:* Does that mean you might include those options in your RFP?
 - *Response:* The RFP is under development so I cannot answer definitively today.
- *Question:* Do you plan to include battery energy storage in your RFP?
 - *Response:* Yes.
- *Question:* Beyond the nameplate capacity value, does your model analyze or capture any of the storage value or benefits from components like energy price arbitrage, or congestion management, and renewable energy integration?
 - *Response:* The model is incorporating the energy price arbitrage. It assumes a daily charge and discharge cycle and is consistent with how the last IRP was done as well for those resources.
- *Question:* Is that reflected in your cost listed?
 - *Response:* It is reflected in the analysis.
- *Question:* What about other ancillary services such as fast ramping, voltage control, frequency response? Are you able to capture that with your model or analysis?

- *Response:* No, they are not captured in this analysis.
 - *Question:* Your model is based on hourly resolutions. Is that right?
 - *Response:* Yes, that is correct.
 - *Question:* How does the model account for potential value of storage to provide intra-hourly benefits like sub hourly dispatch? Is that something you are still looking at?
 - *Response:* There are a lot of people looking at sub hourly modeling and trying to figure out how to make them work. The modeling that we have done for this IRP stops at the hourly level and we do not have any sub-hourly analysis.
 - *Question:* To follow up with my previous question, I assume that is something you can look at in the RFP. Is that right?
 - *Response:* Yes, we will take that into consideration.
 - *Question:* On your CO₂ tax sensitivity, at the 2021 IRP Oklahoma Technical Conference, you had indicated that the CO₂ tax sensitivity was used as a proxy for the various policies and measures that may put constraints in carbon emissions. Is that still how it is being used in this IRP?
 - *Response:* Yes, until we have more clarity on either final or proposed rules that will address carbon emissions.
 - *Question:* Is the CO₂ tax not just limited to the potential of a CO₂ tax per se but it is more of a proxy to the policies?
 - *Response:* Yes.
 - *Question:* In your 2021 IRP, you used a cost of \$20/ton starting in 2025. In this 2024 draft IRP, you utilize the cost of \$15/ton starting in 2029. Can you explain that change? Do you consider the risk of carbon constraints to be lower now than they were three years ago?
 - *Response:* No. However, in terms of a tax mechanism, there is not a current proposal for a tax on CO₂. So that is one facet. We do have constraints on CO₂ which we allude to with the proxy. Before we started the modeling effort, we did look at other utilities on what they are using for a CO₂ tax. A \$15/ton CO₂ tax was relatively standard middle of the road assumption.
 - *Question:* I assumed if you had utilized \$20/ton instead of \$15/ton, that would have shifted the outcomes in your scenarios a little bit. Is that correct?
 - *Response:* It may have in the CO₂ tax sensitivity, but I do not know the answer to that exactly because we did not analyze a \$20/ton CO₂ tax.
- Scott Norwood (OIEC)
 - *Question:* On the IRA related tax credits on renewables and energy storage, can you tell me what you assumed on those in terms of stay period, expiration, phasing out?
 - *Response:* They were not phased out. The ITC was applied to batteries at 30% and is normalized over the life of those assets.

- The PTC on wind and solar are in place for the first ten years of operations for each of those resources.
- *Question:* Did you model any scenarios where those tax credits expire, like maybe in five years?
 - *Response:* No.
 - *Question:* On your LMPs, I understand you have a separate modeling done. Is that correct?
 - *Response:* The Base Case and each of the scenarios and sensitivities in general are modeled separately to determine the LMPs. The exception to that is the solar capital cost sensitivity which just has a different up-front cost and no change in fuel cost.
 - *Question:* Is the modelled LMP linked with the assumptions in terms of fuel and other energy costs, such that they are consistent?
 - *Response:* Yes, absolutely. For example, the Base Case included the Base Case assumptions around natural gas prices, coal prices, and the load forecast. Similarly, for the low gas sensitivity, we take the Base Case and lower the gas price by 50% across the entire modeling time horizon and the resulting LMPs are lower. For the high gas sensitivity, we take the Base Case and increase the gas price by 50% across the entire modeling time horizon and the resulting LMPs are higher because it costs more to run the system.
 - *Question:* Are the LMP analysis done on a nodal basis?
 - *Response:* Yes.
 - *Question:* We have seen at Seminole that you had high congestion costs. Would that be reflected in this model?
 - *Response:* Yes, the model is nodal and accounts for localized congestion.
 - *Question:* What is the assumption in the interconnection cost?
 - *Response:* There is interconnection costs baked into the capital costs of the new resources. Can we follow up with you later regarding that?
 - *Follow-up Response:* Interconnection costs are included in the capital costs of the new resources, including \$32 million for transmission lines for greenfield resources and switchyard costs ranging from \$5 million to \$20 million depending on the size and type of resource.
 - *Question:* Did you do any unit disposition analysis or life extension analysis?
 - *Response:* No, we did not do that in this IRP. We assumed the plan that was in the current depreciation study for unit retirements.
 - *Question:* I have seen some recent solar projects that are quite a bit lower costs. I guess that would make solar the better option and will be selected again in your analysis. Is that true?
 - *Response:* Yes.
 - *Question:* Are the resource options shown in the scenario and sensitivity tables in 2023 dollars?

- *Response:* Yes.
 - *Question:* Following up to my previous question, that means that the actual cost in 2027 will be even higher than that. Is that correct?
 - *Response:* Yes, accounting for inflation.
 - *Question:* Were there any hydrogen options evaluated in the modeling?
 - *Response:* We did not model hydrogen as a fuel, but we understand that some of the resources that we are modeling have proposed requirements for burning hydrogen in the future. Hydrogen pricing and supply availability is extremely difficult to estimate today.
 - *Question:* Did you let the model optimize the resources selected or were there restrictions plugged in? For example, for the Solar + CT portfolio, it is only choosing Solar and CT in certain years.
 - *Response:* We can address that further in this presentation after we talk about the analysis.
- Kate Huddleston (Sierra Club)
 - *Question:* How are you counting the capacity contribution of batteries to meet SPP's PRM?
 - *Response:* If a battery is a 4-hour resource, the model assumes the resource as 100% for that 4-hour interval of time to meet the resource adequacy requirement.
 - *Question:* Did you explore the interrelationship of solar, wind, and storage and benefits to both of those resources from connecting them and the interplay between renewables and storage?
 - *Response:* We did include some options for hybrid resources (the combination of solar and batteries) and that is certainly something we would be open to in the RFP process.
 - *Question:* Did the capacity contribution change when you paired renewables with storage?
 - *Response:* We assumed that the solar battery hybrid resource would be able to maintain 100% accreditation for their interconnection amount.
 - *Question:* For your sensitivity analysis, is there analysis of PRM not continuing to increase, or is the assumption that PRM will continue to increase at the rate it is currently at, which is quite high?
 - *Response:* In our Expected Future Case, we assumed that in 2026, the PRM goes to 18% and that it remains there for the planning horizon. The Status Quo Future Case maintains the PRM at the current 15% level and it does not increase throughout the planning horizon.
- Montelle Clark (OSN)
 - *Question:* For your Base Case, you have the Heavy Solar + CT portfolio which comes to be about \$50M more expensive than the Solar + CT portfolio but it looks like it reduces risk significantly under several sensitivities and is less expensive under two of the three scenarios if I am reading this correctly. It seems like it would also further meet your goal of

- providing a diversified fuel portfolio of gas and renewable generation. So, what specifically made you choose the Solar + CT portfolio instead of the Heavy Solar + CT portfolio?
- *Response:* The Solar + CT portfolio has a lower cost for the customer in the Base Case. If you look at the sensitivity analysis, the Heavy Solar + CT portfolio also has a wider risk range than the Solar + CT portfolio. There is more certainty in the preferred plan.
 - *Question:* Would I also assume that it reduces the risk in the Good Neighbor Plan and Greenhouse Gas regulations?
 - *Response:* Yes, we think it would.
 - *Question:* I am a little confused on the numbers. It says that you need almost 2,600 MW by 2034 but the plan shows 3,090 MW of new accredited capacity. Can you explain the extra almost 500 MW of capacity shown?
 - *Response:* The difference there is the market opportunity that is shown for 2026. The market opportunity assumes the MW is not there long-term.
 - *Question:* Your Preferred Plan shows several CTs. Last time I checked the SPP interconnection queue, there were only a few thermal projects and none of them were in Oklahoma. So would this CTs need to apply for new interconnection approval. Do you anticipate they will only be built in existing OG&E sites to replace retiring assets and utilize the current active interconnection?
 - *Response:* As mentioned earlier, OG&E is open to all solutions so those new CTs could certainly progress through the current generator interconnection queue. There are also some retirement/replacement, surplus or interim type interconnection processes available so we will have to evaluate all of those for individual resources.
 - *Question:* So, you think there will be enough time for a non-existing site to be developed in time for your capacity needs?
 - *Response:* We believe the SPP Generation Interconnection queue is the long pole in the tent right now so that is something we will have to evaluate.
 - *Question:* You talked about hydrogen capable combustion turbines. It is my understanding that there are additional updates required for using hydrogen as a fuel. Do you have an estimate for those, and are those costs reflected in your analysis?
 - *Response:* We do not have an estimate for those and therefore, they are not reflected in the analysis.
 - *Question:* When do you expect to release the RFP?
 - *Response:* We will talk about the RFP at the end of the presentation.
 - Scott Norwood (OIEC)
 - *Question:* Is the RFP going to be limited to those resources shown in the Preferred Plan?

- *Response:* No, the RFP will not be limited to those resources shown in the Preferred Plan.
- *Question:* Which of the technologies for the CTs and CCs were included in the analysis?
 - *Response:* The resource options table shows the cost of a variety of models. The decisions on the final selection of the model are based on economics and are generally frame units, which are more efficient.
- *Question:* In the portfolio selection process, for example in the Solar + CT portfolio, did you limit the resources up front to selections of only Solar and CTs?
 - *Response:* OG&E partnered with 1898 & Co. for modelling for this IRP. 1898 & Co. uses EnCompass which is a capacity expansion tool. It is also an optimization tool. So, if we let the model pick the resources, we would get one portfolio as a result, which will be the optimal portfolio. So, to show, in the IRP, the range of technologies, choices, and timing, we did set up the model and allowed it to focus resources based on the portfolios.
- *Question:* So, there was some upfront forcing of portfolios to just look at two options, for example. Is that correct?
 - *Response:* Maybe guidance would be a more appropriate word, but yes.
- *Question:* Explain to me again why the combined cycle portfolio is not the preferred option.
 - *Response:* In the Greenhouse Gas rule that has been approved by the EPA, there are requirements for new combined cycle units to burn a very large percentage of hydrogen as a fuel in the future. There is an early requirement for combined cycle and later the percentage of hydrogen required steps up. Combustion Turbines have a similar requirement, but it does not step up over time. Currently, there is no robust and expansive market for hydrogen as a fuel or hydrogen production. So, we see it as a risk. We will certainly allow combined cycle resources to bid into the RFP and we will evaluate those at that time considering the environmental risks.
- *Question:* In the past our customers have been interested in what the net present value of the study looks like in the near term, first ten years, first fifteen years, and so on so if you had two options that are really close, you could look at near term impact, and evaluate things that are more certain. Did you all develop that, or can you develop that for us?
 - *Response:* Yes, we can. We typically have appended it to the final IRP.
- *Question:* What are you showing under these plans, your renewable energy percentage of total system mix will be by 2030?
 - *Response:* No, we do not have that value at the moment. We can get back to you if you would like.

- *Follow-up Response:* Under the Preferred Plan, OG&E estimates its capacity mix would be approximately 19% renewable, 20% coal, and 61% natural gas in 2030.
 - Kate Huddleston (Sierra Club)
 - *Question:* With regards to CSAPR and the Good Neighbor Plan, my understanding is that EPA has previously regulated, for example with the [unclear audio] NOx SIP call, and in 2014, and has implemented trading programs for over twenty-five years. It seems like this is being phrased in terms of the Good Neighbor Plan, but even if the Good Neighbor Plan in its current form does not go forward, based on its history, it is reasonable to view increased future regulations of future interstate ozone pollution in some form is likely. How are you accounting for environmental and regulatory risk?
 - *Response:* We will follow up with you on this.
 - *Follow-up Response:* The IRP development process considers risks of specific regulations when they become final. The IRP scenario and sensitivity analyses also assess a range of risks in future developments.
 - *Question:* What are the current retirement dates for Sooner 1, Sooner 2, and Muskogee 6?
 - *Response:* It's in the 2040s. We will follow up with you on this.
 - *Follow-up Response:* Sooner 1 – 2044, Sooner 2 – 2045, Muskogee 6 – 2049.
 - *Question:* I know the SCR risk here is framed in terms of the Good Neighbor Plan, but I am wondering if you are accounting for other kinds of SCR risk, particularly the existing CSAPR rule (even if the Good Neighbor Plan does not go forward and poses NOx emissions limits), section 126 of the CAA allows for the states to petition the EPA about sources of pollution that are affecting other states, and then the Regional Haze program as well. How have you thought of those issues?
 - *Response:* This CSAPR analysis is specifically focused on the current FIP. We did not expand outside of that approach.
 - *Question:* So, the IRP does not account for regulatory risk and the likelihood or possibility of SCR due to other CAA provisions. Is that true?
 - *Response:* This CSAPR analysis applies SCRs on virtually all thermal units except to those that are very close to their retirement. So, we believe that we have fully addressed the risk of SCR requirements on thermal units.
 - *Question:* Has the company thought of the fact that SCRs are not just limited just because of the Good Neighbor Plan? There are a number of CAA provisions that may require of additions of SCRs to this unit.
 - *Response:* Once an SCR is installed like it is in this CSAPR Future Case analysis, it would reduce NOx, regardless of what regulation that NOx reduction falls under.
 - *Question:* I was wondering if the units have FGD installed? Or if they would need them installed?

- *Response:* We will follow up with you on this.
 - *Follow-up Response:* Sooner 1 and Sooner 2 have FGD (Scrubbers) installed.
 - *Question:* FGD is often needed in Regional Haze context. Has the company studied the costs associated with it?
 - *Response:* If you look at the draft IRP, those risks around Regional Haze, MATS, and GHG are all things that we are keeping an eye on. We did not study them specifically in this IRP, but we are certainly watching the developments on those regulations and will address them when finalized.
 - *Question:* But the costs for compliance with those regulations are not quantified accounted for here. Is that correct?
 - *Response:* That is correct.
 - *Question:* You state that you are installing dry bottom ash handling technology. What plants are they occurring on, and how much that will cost? I know it has a compliance date of 2029 and that seems like a relevant cost including and considering retirement.
 - *Response:* I know they are going in the Sooner units. I do not know the costs.
 - *Question:* Are those costs accounted for in this IRP?
 - *Response:* They were not included in the analysis, but they will be part of the existing resource going forward.
 - *Question:* Are the costs of compliance for each of these regulations accounted for in evaluation regarding unit retirements and when retirement is economically beneficial to customers?
 - *Response:* The bottom ash handling technology is expected to reduce the cost of operations at those resources because it eliminates some amount of equipment maintenance.
 - *Question:* Does it have an upfront cost?
 - *Response:* I am sure that it does, but I do not know what that is.
 - *Question:* Do you know if cooling water retrofit will be needed at any of the units?
 - *Response:* We cannot address this today but will follow-up.
 - *Follow-up Response:* The precise impact of proposed rules remains unknown unless and until the rules are finalized.
 - *Question:* How have you accounted for the 111D with respect to the coal units, especially if the plan is to retire them in 2040s? It would require 88.4% reduction in emissions and would require CCS which is highly expensive?
 - *Response:* We cannot address this today but will follow-up.
 - *Follow-up Response:* The IRP development process considers risks of specific regulations when they become final.
- Madison Miller (OSN)
 - *Question:* My question is related to PM2.5 in the new NAAQS which came out after OG&E published the draft IRP. The next steps are for the EPA to designate areas of attainment, non-attainment which will take a while.

Looking at the data, it looks like Oklahoma County and Kay County where OG&E currently has facilities that can be impacted. My question is whether OG&E has looked at the possibility of implementation and considered accounting for this regulation in the final IRP.

- *Response:* It is not something we are considering implementing in the final IRP because it is unknown at this time what, if any, potential impacts to OG&E may result, but I appreciate your concern about it.
- Montelle Clark (OSN)
 - *Question:* In the table for compliance and SCR retrofit for the Good Neighbor Plan, I did not see the new Horseshoe Lake units 11 and 12. Would they be additional cost? I also did not see the costs for the Redbud.
 - *Response:* We did not include how the new Horseshoe Lake units 11 and 12 will be impacted in this IRP. Redbud already has SCRs.
 - *Question:* Given the significance of all these potential costs, PRM, and other things going on with SPP, do you anticipate an interim update to the IRP when you have some clearer information on this, or will you go another three years without an IRP? It would be helpful for us given the magnitude of some of these regulations if we could be kept informed.
 - *Response:* OG&E certainly has an interest in keeping the stakeholders informed and up to date. Under the IRP rules, we have a requirement to update with an interim IRP when there is a material change in planning assumptions. We will keep those rules in mind going forward and will have to plan on an interim IRP once certainty develops around some of the various policies.
- Scott Norwood (OIEC)
 - *Question:* On Table 15 of the draft IRP, you are showing that the convert option is the lowest cost option, and you are showing conversion of Sooner 1 & 2 and Muskogee 6 in 2028 if I am correct. Is that what you intend to do?
 - *Response:* We are in a stay in CSAPR, and we will have to see how that litigation plays out. There is still some discussion on the rule. The portfolios we have for CSAPR have sets of assumptions. The results are very close to each other, and we will have to get past the litigation phase and figure out if final implementation aligns with our assumptions and evaluate compliance again.
 - *Question:* Setting aside CSAPR, did you look at converting units in 2028 and compared to how it would look like in the Base Case?
 - *Response:* We looked at unit conversions in the CSAPR Future Case.
- Sarah Terry-Cobo (Office of Sustainability, City of Oklahoma City)
 - *Question:* If I understand it correctly, there are \$80M in planned upgrades to the Transmission system from 2024 to 2026 as part of the SPP planning process. Can you confirm that figure?

- *Question:* Does this draft IRP accounts for the public health costs of each unit, given the documented effects of those ozone particulate matter pollution. How about the economic costs of public health?
 - *Response:* The point of the IRP analysis is to reflect the increased cost to customers for the supply of electricity. We do not include any estimates of public health impact.
- Thomas Schroedter (OIEC)
 - *Question:* When is the date for the public meeting for this IRP? Will that be at the commission, or would it be a virtual meeting?
 - *Response:* The date is March 27, 2024, as of now. It will be at the commission.
 - *Question:* Could you share your PowerPoint slides from today to the participants?
 - *Response:* We typically add these PowerPoint slides to the appendix of the final IRP.
 - *Question:* It would be helpful to have the PowerPoint slides prior to the public meeting. Would you consider that?
 - *Response:* Yes, we will consider sharing the PowerPoint slides after conversation with our regulatory staff.
- Ashley Youngblood (AG)
 - *Comment:* Yes, it would be helpful to have the PowerPoint slides.

**OG&E Code of Conduct
for the
2024 Competitive Bidding Processes**

REQUIREMENTS

The Oklahoma Corporation Commission rules (OAC 165:35-34) specify certain requirements for electric utilities when a utility intends to propose its own self-bid in any competitive solicitation. Specifically, the Commission rules specify:

- The soliciting utility that intends to bid shall disclose publicly, in writing, the names and titles of the members of the affiliate's "Bid Team." The Bid Team develops the utility's own bid and, to assure fairness, is not involved, directly or indirectly, in the evaluation or selection of bids.
- Each soliciting utility shall disclose publicly, in writing, the names and titles of the members of its "Evaluation Team." The Evaluation Team evaluates bids, selects the successful bidder and, to assure fairness, is not involved, directly or indirectly, in the development of the utility's own bid.
- Each soliciting utility shall assure that the Bid Team and the Evaluation Team and any member of either do not engage in any communications, either directly or indirectly, regarding the RFP or the competitive bidding process (unless done as part of the bidding technical conferences open to all bidders).
- The soliciting utility and bidding affiliate shall execute an acknowledgement that the Bid Team and Evaluation Team have not and will not in the future so communicate, other than to submit and receive the bid at the appropriate time. The Bid Team and Evaluation Team may communicate as part of a bidding technical conference of which potential bidders or all actual bidders, if bids have already been submitted, are given adequate notice and opportunity to attend.

BID AND EVALUATION TEAMS

In compliance with the above requirements, OG&E has established Bid and Evaluation Teams. Any non-public communication about the RFP or competitive bidding process between the members of these two teams will be prohibited (unless those communications occur in an open and transparent way through questions and answers on the RFP technical website or as part of the bidding technical conferences open to all bidders). The Bid and Evaluation Teams are:

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<u>BID TEAM</u>	<u>Title</u>
Robert Burch	VP, Utility Tech Services
Chris Lelak	Director, Capital Projects
Tony Shook	Dir, Power Plant Operations
Bobby Lutz	Sr. Mgr. Capital Projects
Casey Fuhrmann	Lead Project Manger
Ben Dickinson	Mgr, Planning and Design Engineering
Jason Mitchell	Lead Commodity Manager
David Bural	Lead Engineer
Sawyer Pehkonen	Engineer
Kali Cosgrove	Planning Engineer
Mary Bubliss	Land Management
Dominic Williams	Sr. Attorney
Gary Boerger	Expert Transmission Planning Engineer

<u>EVALUATION TEAM</u>	<u>Title</u>
Matt Schuermann	VP, Power Supply Operations
Kelly Riley	Director, Resource Planning
Aaron Castleberry	Resource Planner Expert
Aadarsh Bhetuwal	Resource Planner Associate
Ryan Forrest	Resource Planner
Jason Thomas	Senior Manager, Renewable Energy
Dusty Nimmo	Director, Supply Chain
Adam Snapp	Manager, Transmission Planning
Matt Johnson	Director, Corporate Tax
Clayton Churchwell	Lead Tax Accountant
Darrell Buck	Attorney
Brian McQuown	Environmental Regulatory Manager
Shawn McBroom	Senior Manager, Commercial Operation
Robert Doupe	Director, Power Supply Services
Chuck Walworth	Treasurer
Kelly Casey	Mgr. Project Management and Construction Services
Shad Sweeney	Manager Asset Condition
Ryan Salisbury	Mgr. Maintenance Engineering Electrical

ACCESS TO INFORMATION

OG&E shall take steps to ensure that any sensitive information of the Evaluation Team cannot be accessed by the Bid Team. Such sensitive information shall include evaluation criteria, other bidder information or bids, or bid analysis that is not provided to other bidders in an open and transparent way. No Bid Team member shall have access to any Evaluation Team files (electronic or paper) and shall not have access to any web-based data sharing site.

PROHIBITED DISCLOSURES

Evaluation Team members may not disclose to Bid Team members any sensitive information related to the RFP or competitive bid process, including evaluation criteria, other bidder information or bids, or bid analysis that is not provided to other bidders in an open and transparent way.

OUTSIDE CONSULTANTS

Each of the aforementioned teams may seek assistance from outside consultants or attorneys in preparing or evaluating bids. However, in no circumstances may the same individuals provide consulting or legal services to both the Bid Team and Evaluation Team. If the same consulting firm or law firm has separate individuals providing services to each team, the consulting team/law firm is required to maintain strict communication restrictions between those individuals and ensure that each individual cannot access each team's sensitive information or engage in prohibited disclosures.

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2024 OG&E All Source RFP
May 31, 2024

OKLAHOMA GAS AND ELECTRIC COMPANY



2024 ALL SOURCE REQUEST FOR PROPOSALS

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Definitions

Except in those certain instances where the context states another meaning, the following terms, when used in this Request for Proposals ("RFP") document, shall have the meanings below. These RFP definitions do not supplant the definitions used in the Form Agreements or Technical Specifications prepared in conjunction with this Request for Proposals.

"Accredited Capacity" means Capacity that meets the resource adequacy requirements as determined in accordance with SPP Planning Criteria. For reference, the most recent version of SPP Planning Criteria is found here:

<https://www.spp.org/documents/70493/spp%20planning%20criteria%20v4.3.pdf>.

"Ancillary Services" means any of the services identified by SPP as services necessary to support the transmission of Capacity and Energy from resources to loads while maintaining reliable operation of the transmission system.

"APA" means an Asset Purchase Agreement in which OG&E will acquire all or a material portion of the property, rights, and certain assets associated with a Project. OG&E is providing separate Form APAs with this RFP for New Projects using battery Energy Storage system ("BESS") and CT technologies. The CT Form APA is also applicable to CC and RICE technologies. In addition, OG&E has prepared a Form APA with this RFP for Existing Projects that is labeled as "Existing Resource APA." For any Projects using BESS, CT, CC or RICE technologies, the APA will be coupled with an EPC Exhibit pursuant to which the Bidder will, following the closing of the APA, build the Project.

"Balance of Plant" means all other equipment and materials including all the supporting components and auxiliary systems of the Generation Facility needed to deliver electric power, other than power generating units themselves, but which will be completed and transferred to OG&E in PSA transactions. This includes but is not limited to the Project interconnection facilities, control systems, security system, meteorological stations, telemetry system, telecommunications systems, all buildings, Project roads, and fencing.

"Bid" means one offer made in response to the RFP.

"Bidder" means a single legal entity submitting one or more offers in response to the RFP.

"BTA" means a Build Transfer Agreement in which OG&E will acquire a New Project upon mechanical completion thereof from the Bidder developing and constructing the New Project. A BTA transaction will be inclusive of all equipment, Permits, licenses, and contracts. OG&E has prepared separate Form BTAs with this RFP for New Projects using solar and wind technologies. These Form BTAs are also applicable to Combination Bids using any combination of solar, wind, and Energy Storage technologies.

"Capacity" means the quantity of electric power produced by a Generation Facility at a point in time, as measured in kilowatts or megawatts ("MW") in alternating current ("AC"). For Energy Storage, "power capacity" represents the maximum instantaneous electric output that a given Energy Storage system is rated to produce when starting from a fully charged state, while "energy capacity" has an

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elapsed time dimension and represents the cumulative stored electric output potential of the Energy Storage system.

"Capacity Availability Date" means the first date on which a Project within this RFP will provide Capacity to OG&E that meets OG&E's resource adequacy obligations.

"CC" means a Generation Facility technology that is primarily fueled by Natural Gas and that uses a combined cycle configuration with combustion gases from a (Natural Gas) turbine that produce electricity as well as producing additional electricity in another (steam) turbine. A CC can have a back-up fuel.

"Combination Bid" means a Bid that includes more than one Generation Facility technology allowed under this RFP at a single Site. A Combination Bid could include any combination of Generation Facilities technologies allowed in this RFP, including Energy Storage, except that thermal technologies (including CC, CT, and RICE) cannot be combined with renewable or Energy Storage technologies in CPA or PPA Bids due to the differing allowable contract durations of those technologies.

"Commercial Operation" means the status of a Generation Facility that has commenced producing Energy and/or Capacity for sale, excluding Energy produced during trial or test periods.

"Commercial Operation Date" is the first date on which a Generation Facility achieves Commercial Operation.

"Commission" when used in the singular means the Oklahoma Corporation Commission.

"Commissions" means collectively the Oklahoma Corporation Commission and the Arkansas Public Service Commission.

"CPA" means Capacity Purchase Agreement, which is similar to a PPA but wherein the utility purchaser acquires only Capacity. The CPA for this RFP is based on ISDA Power Annex templates.

"CT" means a Generation Facility technology that uses a combustion turbine primarily fueled by Natural Gas to produce electricity. A CT can have a back-up fuel.

"Energy" means an amount of electricity that is bid or offered, produced, purchased, consumed, sold, or transmitted over a period of time, which is measured or calculated in megawatt hours ("MWh").

"Energy Products" means Capacity, Energy, Ancillary Services, Environmental Attributes, and other products that may be required for a utility to meet its load carrying and other supply obligations.

"Energy Storage" means a Generation Facility that can store electrical energy from an electricity transmission grid for up to several days and can then send the stored energy back to the same transmission grid.

"Environmental Attributes" means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil, water, or otherwise arising as a result of the production of Energy from a Generation Facility.

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"EPC Exhibit" means an engineering, procurement, and construction contract that is an exhibit accompanying the APA for a New Project. EPC Exhibits are provided for the BESS APA and CT APA.

"Existing Project" means a Project with a Commercial Operation Date before the Bid Due Date.

"Generation Facility" means a resource capable of supplying electric power along with all existing or to be constructed associated Balance of Plant, components, accessories, and instruments, as well as all equipment necessary to interconnect to SPP.

"Hydrogen-Capable" means a Generation Facility that is designed and engineered at commissioning to have the potential to safely and reliably burn hydrogen directly as a fuel, including the ability to convert the facility to use hydrogen as a fuel.

"Integrated Marketplace" means SPP's Energy and Operating Reserve Markets and the Transmission Congestion Rights Markets.

"IRP" unless otherwise noted, shall refer to OG&E's 2024 Integrated Resource Plan found here: <https://ogenergy.gcs-web.com/static-files/90c180ae-b022-4c8b-902a-30a41506c5ce>.

"ISDA" means International Swaps and Derivatives Association, Inc., a nonprofit organization establishing standard industry contracts and other documents and mechanisms for financial transactions.

"New Project" means a Project with a Commercial Operation Date on or after the Bid Due Date, but no later than May 1, 2030.

"OG&E Surplus Interconnection" means the portion of interconnection service with SPP at three (3) OG&E Generation Facilities OG&E is making available for this RFP in the manner described in Appendix H.

"OG&E Surplus Interconnection Information" means written technical and contractual specifications describing OG&E Surplus Interconnection at the three (3) OG&E Generation Facilities listed in Appendix H.

"Permits" means all permits, exemptions, variances, registrations, licenses, certifications, inspections, approvals, waivers, consents, franchise or other authorizations required from any governmental authorities.

"PPA" means Power Purchase Agreement, a document establishing the terms of an agreement for Capacity, and as pertinent one or more additional Energy Products, between a utility and a power supplier that meets the utility's planning objectives and strikes an appropriate balance between power supply costs and the related risks to which consumers are exposed (e.g., purchased-power cost increases and power supply disruptions).

"Project" means one (1) or more Generation Facility(is) at a Site that will have achieved Commercial Operation and will have completed generator interconnection service as of the Capacity Availability Date.

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“Proposed Operating Period” means the length of time after the Capacity Availability Date during which the Project is proposed to continue producing Capacity for OG&E. For Projects using a PSA Contract Type, the Proposed Operating Period can be of any duration. For Projects using a CPA or PPA Contract Type, see page 5 of this RFP for allowable durations.

“PSA” means a Purchase and Sale Agreement Construct, an acquisition structure in which OG&E will acquire, through either a BTA for a New Project of certain generation technologies, an APA with EPC Exhibit for a New Project of certain other generation technologies, or an APA for an Existing Project, all or a material portion of the property, rights, and certain assets associated with a Project.

“RICE” means a Generation Facility technology that uses a reciprocating internal combustion engine primarily fueled by Natural Gas to produce electricity. A RICE can have a back-up fuel.

“Site” means parcel(s) of real property on which the Project is located having a single generator interconnection position.

“SPP” means the Southwest Power Pool, the nonprofit regional transmission operator providing transmission services to OG&E and other utilities across Midwestern and Southwestern states.

“Technical Specifications” means detailed documentation of engineering, procurement, construction, commissioning, and other requirements for New Projects proposed for a PSA with OG&E. Technical Specifications will be provided, upon request and execution of a Mutual Nondisclosure Agreement, to Bidders for the following technologies: BESS, CT, solar, and wind. The CT Technical Specifications also contain appendices applicable to CC and RICE technologies.

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1. 2024 OG&E All Source Request for Proposals Overview

This document constitutes an RFP from qualified parties to supply SPP Capacity and other Energy Products to Oklahoma Gas and Electric Company ("OG&E" or "the Company"), a subsidiary of OGE Energy Corp. This RFP will be administered in a fair, just, and reasonable manner consistent with rules for competitive procurements in the Oklahoma Administrative Code ("OAC") 165:35-34 ("Commission Rules"). All communications will be governed by the process discussed in Section 2.1 to ensure fair and equitable treatment for all Bidders.

A high-level summary of this RFP is provided in Table 1. A matrix summarizing the Form Agreements and Technical Specifications for various types of Bids is in Appendix G.

Table 1: RFP Summary for OG&E 2024 All Source RFP

Attribute	Requirement
Minimum Capacity	Minimum of 10 MW of nameplate Capacity per Bid. An individual Bid may include multiple Generation Facilities at a Site to sum to the Minimum Capacity.
Maximum Capacity	Maximum of 1,500 MW of nameplate Capacity per Bid. An individual Project, even if comprised of multiple Generation Facilities, cannot exceed the Maximum Capacity.
Capacity Availability Date	OG&E requires Capacity be available to satisfy OG&E's resource adequacy obligations no later than May 1, 2030, with a preference for Projects to provide Capacity to OG&E as early as possible.
Operating Duration	Project is capable of at least four (4) hours of consecutive run time at Accredited Capacity in accordance with SPP OATT Attachment AA. This requirement does not apply to wind and solar Generation Facilities.
Contract Types Allowed	PSA, CPA, or PPA. ¹
Location	PSA Projects: Within SPP in Oklahoma or Arkansas, with preference for OG&E's service area. CPA Projects or PPA Projects: Within SPP in Oklahoma, Arkansas, Texas, New Mexico, or South-Central Kansas. ²
Transmission Interconnection	Plan for securing generator interconnection with SPP prior to the Capacity Availability Date.
Self-Bid	OG&E is expected to self-bid into this RFP. ³
Technologies Allowed	All generation technologies available as Accredited Capacity. In addition to Bids for any single eligible Generation Facility technology, Combination Bids are allowed.

¹ CPA or PPA Bids for thermal Generation Facilities (e.g., CC, CT, or RICE) may be for durations up to 10 years, including Combination Bids using multiple thermal Generation Facilities. CPA or PPA Bids for solar, wind, Energy Storage, or Combination Bids using any of these technologies must be for a minimum duration of 20 years and cannot exceed a maximum duration of 30 years.

²South-Central Kansas means projects that are located in the following Counties: Barber, Butler, Clark, Comanche, Cowley, Ford, Harper, Kingman, Kiowa, Pratt, Sedgwick and Sumner.

³ OG&E may submit Bid(s) in response to this RFP. OG&E Employees working on any such Bid(s) will be designated as the "Bid Team" and will not engage in any direct or indirect communications with any members of the OG&E RFP Evaluation Team (whether OG&E employees or contractors) regarding this RFP or the competitive bidding process, except publicly at the Technical Conference upon notice to other attendees at that conference. OG&E lists the names and titles of all employees who are members of the Bid Team and RFP Evaluation Team on the RFP Website.

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A Technical Conference will be held as part of the process to finalize the RFP. Bidders are encouraged but not required to attend the Technical Conference. Comments and questions on the draft RFP are also encouraged to be submitted to OG&E via email in advance of the Technical Conference. All feedback received through close of business on the day of the Technical Conference will be considered in establishing the final RFP. The Technical Conference will be held from 1:00 PM to 3:00 PM Central Prevailing Time (“CPT”) on May 21, 2024. Interested parties may request meeting details by sending an email to 2024AllSourceRFPComm@oge.com. OG&E will respond with meeting call-in information to requests received by 3:00 PM on May 20, 2024. Meeting materials displayed by OG&E at the Technical Conference will be posted under “Current Opportunities” at <https://www.oge.com/wps/portal/ord/who-we-are/supplierscontractors> (“RFP Website”).

The schedule for this RFP is provided in Table 2; OG&E reserves the right to change the schedule at any time and at its sole discretion.

Table 2: Schedule for OG&E 2024 All Source RFP

Item	Date
RFP Draft Issue Date	May 2, 2024
Technical Conference	May 21, 2024
RFP Final Issue Date	May 31, 2024
Bidder Questions Deadline	September 4, 2024
Notice of Intent to Bid Due Date	September 18, 2024
Bid Due Date	September 25, 2024
Bid Opening Day⁴	September 26, 2024
Selection of Bid(s) for Negotiation (expected)	January 17, 2025
Complete Agreements (expected)	April 18, 2025

The terms and conditions of this RFP may, at any time, be changed, postponed, withdrawn, and/or canceled, including any requirement, term, or condition of this RFP, any and all of which shall be without any liability to OG&E. All changes to the schedule will be posted on the RFP Website. OG&E will endeavor to notify all participants who have filed a timely Notice of Intent to Bid of any such modifications or schedule changes that are made prior to the Bid Due Date. However, it is the Bidder’s responsibility to monitor the RFP Website. OG&E will have no responsibility for failing to notify Bidders of any changes, postponements, withdrawals, and/or cancellations.

2. RFP Process and Requirements

This section outlines the communication requirements and Bidder requirements related to this 2024 All Source RFP.

In addition to this RFP, OG&E is issuing two other RFPs (2026 Bridge Capacity RFP and 2027-2028 Bridge Capacity RFP) at the same time to meet its IRP needs. If a Project meets the eligibility criteria for multiple

⁴ In compliance with the Commission Rules, Bids shall be opened virtually and participants, as indicated in section 165:35-34-3 (d) (1) (B) of the Commission Rules, may attend and monitor the opening of the Bids. Attendees will be required to register in advance.

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RFPs, the same Project can be Bid into multiple RFPs. OG&E will assess Bids to the three RFPs as part of a portfolio in relation to its IRP needs.

2.1 Communication Requirements

All communications regarding the RFP, other than Bid submissions, should be directed to: 2024AllSourceRFPComm@oge.com. Any unsolicited direct contact with employees or representatives of the OG&E RFP Evaluation Team concerning this RFP is not allowed and may constitute grounds for disqualification. See Section 2.2 for instructions regarding Bid submission.

2.1.1 Questions

2.1.1.1 Questions to OG&E

Prospective Bidders are encouraged to submit questions about this RFP on or before the deadline for submission of questions listed in the schedule. All questions, and responses to those questions, will be posted to the RFP Website within five (5) business days after receipt of the question to the best of OG&E's capabilities. Questions submitted will not be treated as confidential, and the question and answer may be shared for the benefit of other interested parties via the RFP Website. However, Bidder names will not be included in question-and-answer material posted to the RFP Website. OG&E's objective in posting these questions and answers is to ensure that all Bidders have equal access to information that may be potentially relevant to their Bids.

Should OG&E determine it is necessary to provide confidential information to provide necessary information for Bidders, then Bidders wishing to receive responses to such questions will be required to sign the Mutual Nondisclosure Agreement (in Appendix B) and receive a counter-signed copy of that agreement from OG&E before receiving the OG&E question response. The determination of whether confidential treatment is required will solely be at the discretion of OG&E.

2.1.1.2 Questions to Bidders

Following the submission of Bids, OG&E may request clarification and additional information from Bidders at any time during the evaluation process. Responses shall be considered part of the Bid and treated in accordance with Section 2.2.8. Bidders that do not respond promptly to such information requests or do not provide adequate information may be eliminated from further consideration or have the information in their Bid(s) modified by OG&E, in its sole discretion, to produce a reasonable and appropriate evaluation. Bidders may not alter their Bid(s) in response to requests for additional information.

2.1.2 Notice of Intent to Bid

Notice of Intent to Bid ("NOI") is mandatory for Bids to be accepted. Submittal of an NOI does not bind Bidders to submit a Bid; however, submittal of a Bid does require that an NOI has been submitted by the NOI due date. Bidders must submit an NOI for each Bid planned to be made by midnight, CPT on the date prescribed on the RFP schedule provided in Table 2. The NOI form is included as Appendix A and is to be submitted via email to 2024AllSourceRFPComm@oge.com. Receipt of the NOI will be confirmed via email from OG&E to the Bidders. After receipt of the NOI, each Bidder will be provided an anonymous identification code for the Bidder to include in the Bid Summary Form which will be shared with authorized parties at the Opening Day for Bids. This identification code should also be used to name all Bid files submitted as detailed in Section 2.2 below.

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There is no fee payable to OG&E for submitting NOI(s) or Bid(s) for this RFP. However, Bidders are solely responsible for all costs and expenses they incur in preparation of their Bid(s) and related to their participation in this RFP process.

2.2 Bid Submittal Requirements

This section outlines the content and form requirements for all Bids submitted in response to this RFP. Bids that do not include all information requested in this section will be ineligible for further evaluation unless the information requested is not applicable or relevant to a given Bid.

2.2.1 Mutual Nondisclosure Agreement

Each Bidder is required to submit a signed Mutual Nondisclosure Agreement (Appendix B) to 2024AllSourceRFPComm@oge.com. The Bidder can do so at any time between release of this Final RFP and ten business days prior to the Bid Due Date. The Bidder can identify the Technical Specifications and/or the OG&E Surplus Interconnection Information they require at the time they return the signed Mutual Nondisclosure Agreement or thereafter.

In addition to setting forth nondisclosure obligations of the Bidder and OG&E with regard to any Bids, execution of the Mutual Nondisclosure Agreement is a precondition to receiving any Technical Specifications and receiving any OG&E Surplus Interconnection Information for this RFP. Receipt of the Technical Specifications, in turn, is a precondition for submission of a Bid if it has all three of these characteristics: (i) New Project; (ii) using a PSA, and (iii) having OG&E Technical Specifications available for its Generation Facility technology(ies). Receipt of the OG&E Surplus Interconnection Information is a precondition for submission of a Bid utilizing OG&E Surplus Interconnection.

Upon receipt of an appropriately executed Mutual Nondisclosure Agreement from a Bidder, OG&E will return by e-mail a counter-signed copy of that agreement and, if requested by the Bidder, the Technical Specifications for technologies identified by the Bidder, and/or the OG&E Surplus Interconnection Information identified by the Bidder to the Bidder within five (5) business days. A single Mutual Nondisclosure Agreement from a Bidder will cover all potential Bids from that Bidder.

Bidders who completed a Mutual Nondisclosure Agreement for the question-and-answer part of this RFP process (per Section 2.1.1.1) will be sent the requested Technical Specifications and/or OG&E Surplus Interconnection Information with their counter-signed agreement and are not required to re-submit the agreement. Execution of a Mutual Nondisclosure Agreement does not obligate a Bidder to submit a Bid under this RFP.

2.2.2 Bid Summary Form

Each Bid must include a summary providing information about the Bid which will be shared and may become public information on Bid Opening Day.

If submitting multiple Bids for an individual Site, please clearly identify and summarize each Bid in a single Bid Summary Form (Appendix C) for the Site. Bidders are limited to six (6) Bids for each individual Site. Those Bids can be comprised of any combination of eligible Generation Facility technologies and Contract Types as long as the Bid requirements of this RFP are met. The Bid Summary Form will require the following information:

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- Generation Facility technology(ies) – Solar, Wind, CC, CT, RICE, Energy Storage, etc. or any eligible combinations thereof
- Capacity (MW_{AC}) for each Generation Facility
- Calculated Value: Total Bid Capacity (in MW_{AC})
- Energy Capacity (in MWh), for Energy Storage Bids only
- Project Location (State)
- Capacity Availability Date

Bidders should utilize the identification code(s) from the NOI confirmation in the appropriate fields on the Bid Summary Form and should further name the file(s) submitted to OG&E using the naming conventions that will be provided in the NOI confirmation. Appendix C will be the only file shared with attendees at the Bid Opening.

2.2.3 Bid Narrative

Each Bid must include a written discussion submitted as an Adobe PDF document that includes responses for each of the following topics. The narrative topics should be organized under the following 12 headings, with each heading beginning on a separate page. The narrative discussion should be as concise as feasible while being thorough.

If multiple Bids are submitted for a single Site, with each Bid using the same individual Generation Facility technology or the same combination of Generation Facility technologies, Bidders can either submit a single narrative covering all Bids or separate narratives for each Bid. This option is offered to reduce administrative burdens on Bidders, and OG&E will not penalize or reward Bidders based on the number of narrative files they submit.

1. Summary of Bid, including overview of proposed technology configuration.
 - This section should include a discussion of the proposed technology including a description of the equipment (e.g., prime mover, fuel, balance of system, Hydrogen-Capable components for CC, CT, or RICE; or storage battery chemistry or other storage medium, storage management system, and power conversion system for Energy Storage), its performance history in similar installations, all major warranties, and any unique features associated with the Project design.
 - Proposed contract length for CPA or PPA Bids.
 - If the Proposed Operating Period for PSA Bids is less than 30 years from the Capacity Availability Date, include a description of any potential actions that would enable the Project to operate up to 30 years from the Capacity Availability Date.
 - Please limit the summary to three (3) pages.
2. Operations and Maintenance (“O&M”) Plan.
 - In the plan write-up for PSA Bids, include a discussion of any existing O&M agreements and other material, existing agreements to be assumed by OG&E.⁵ Services provided under such agreements, including any limitations on the operations of Project equipment should be clearly specified.

⁵ If no formal O&M agreements are in place at the time of Project commissioning and transfer to OG&E, Bidder should explain how O&M responsibilities will be managed at the time of that asset transfer to OG&E.

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a statement regarding the proposed guarantor's willingness to provide a guarantee acceptable to OG&E.

- If the equity contribution is from Bidder's parent company or corporate affiliate, the funding source at the parent or affiliate level (e.g., cash in hand, debt, new equity) should be described.

5. Impact on Local Economic Conditions.

- Summarize how local stakeholders have been, and will continue to be, engaged in operations (for Existing Projects) or development (for New Projects). Indicate historic impacts (for Existing Projects) and expected impacts (for all Projects) on the local economy within OG&E service territories in Oklahoma and/or Arkansas. Factors which may be considered include use of local materials and other resources including fuels, use of local labor and other sources of job creation for the OG&E customer base, tax benefits, or other benefits accruing to OG&E customers.

6. Impact on Environmental Conditions

- Describe the environmental effects of Project construction (for new Projects) and operation (for all Projects) including any fuel delivery and use on wetlands, terrestrial environment (wildlife, including avian protection), aquatic environment (including fish and aquatic organisms), threatened and endangered species protection, agricultural areas, corridors needed to connect to the transmission grid, state-designated scenic byways, visual landscape and visibility impacts, archaeological and historical sites, landmarks and sensitive areas, noise impacts, transportation impacts including Federal Aviation Administration impacts, and any other identified impact.
- Discuss environmental impacts and requirements related to end-of-life equipment disposal and, for Energy Storage, also of intra-life re-powering.
- If available, provide copies of environmental impact statements for the Project.
- If applicable, describe air permitting, including equipment emissions rates, air permit limits, status of air permits, and necessary emissions equipment needed to meet permitting limits. Please include specific descriptions of:
 - How the Project has or will minimize Nitrogen Oxide ("NOx") emissions and what, if any, control technologies have or will be installed in the Project to do so.
 - All applicable environmental control equipment, such as Selective Catalytic Reduction ("SCR"), Carbon Monoxide ("CO") catalyst, etc.
 - How the Project will comply with Phase 1 of the U.S. Environmental Protection Agency Rule for Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants ("GHG Rule").

7. Siting, Permitting, and Fuel Delivery Plan, including operational Permits, land acquisition and site control strategy and status for all necessary uses, and undisturbed access.

- Please include copies of pertinent land lease or other site control agreements with the submission.

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- Also describe all licenses and Permits required to construct (for New Projects) and operate (for all Projects) the Project and the status of acquiring, completing, and/or renewing such licenses and Permits.
 - Include a designation of zoning for the Site and its appropriateness for planned Project operation.
 - As pertinent, include a description of the fuel delivery plan and copies of all agreements related to delivery and use of primary and back-up fuels.
8. Interconnection Plan, including indication of expected network upgrade requirements and new facilities associated with new or upgraded interconnections.
- Describe the location of the proposed point of interconnection, such as the name of an existing substation or switchyard, or the point on an existing transmission line, such as x-miles south of ABC Substation or halfway between ABC and XYZ substation.
 - Include a map showing the location of all major Generation Facility equipment within the Site and the point of interconnection to SPP. For the point of interconnection, label with a name such as an existing substation or switchyard.
 - Indicate and describe if the proposed Project will require a new transmission interconnection, an expansion or modification of an existing interconnection with the SPP system, utilize surplus interconnection service (including OG&E Surplus Interconnection), utilize Generation Facility replacement, or utilize any combination of the interconnection services listed in this paragraph.
 - If the Project will operate under an interim interconnection agreement, describe the nature and status of key contingency factors (e.g., if/how the Project's interconnection service will be limited until the requisite upgrades are completed, including details on identified interconnection facilities and network upgrades and the timeline for completion of those upgrades).
 - If any contingent facilities are included in the generator interconnection agreement, whether interim or not, describe details on the contingent facilities, the timeline for their completion, and any limitation on Project output until they are placed in service.
 - If the Project will use OG&E Surplus Interconnection, identify the associated OG&E Generation Facility, the amount of interconnection capacity to be used, and the assumed physical path for the generation-tie line from the OG&E point of interconnection to the Bidder Site.
 - If the Project will use surplus interconnection service to which OG&E is not a party, indicate the capacity of the original and surplus requests and describe the availability of transmission capacity on a continuous or scheduled basis.
 - For New Projects, describe any specific new electric interconnection facilities and network upgrades that have been included in the Bid price or will be OG&E's responsibility to pay outside of the Bid price (whether directly for PSA Bids or indirectly for CPA or PPA Bids), including the size, length, and location of any transmission line, a list of substation equipment for which the transmission customer (Bidder) will be responsible for building and owning, and identification of specific transmission elements to be upgraded. Please also include a narrative description of the upgrade plan.

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- Please include detailed descriptions and timelines for any affected system upgrades required for interconnection of the Project.

9. Schedule.

- For Existing Projects:
 - Provide a detailed transition schedule with milestones for the Project that includes activities from the period of selection as a winning Bidder to the Capacity Availability Date. Please make the schedule consistent with major activities delineated in the relevant Form Agreement, to the extent feasible.
- For New Projects:
 - Provide a detailed schedule with milestones for the Project that includes activities from the period of selection as a winning Bidder to the Commercial Operation Date and Capacity Availability Date, including all testing activities. Please incorporate schedule information from Appendix E Form M.

10. Project Organization and Management. Please include the following in this section:

- For each of the main participating organizations, including the engineering, procurement, and construction provider, brief statements listing specific experience of the firm, other projects of similar nature and size, and any evidence that the participants have worked jointly on other Generation Facilities.
- Indicate if any bankruptcies of the Bidder or additional Project participants or vendors have occurred in the past five (5) years.
- Organizational chart for the Project that lists the participants and consultants and identifies the management structure and responsibilities. That chart or another chart should include the key management personnel, titles, and lines of responsibility or reporting requirements for the Project team. For PSA Bids, if the Bidder will be retaining Majority Ownership of the Project, also describe if and how the organization chart will change after the Capacity Availability Date.
- Resumes of the important management and support staff dedicated to the Project. For Existing Projects, also identify how long these staff have worked on the Project.

11. Ownership/Development Experience.

- For Existing Projects:
 - Bidders are required to demonstrate experience and capability to successfully operate and maintain the Project until the Capacity Availability Date. Bidders submitting CPA or PPA Bids must also demonstrate their capability to operate the Project for the entire Proposed Operating Period. Bidders submitting PSA Bids must also demonstrate how they will transfer the Project or an ownership stake therein in full working order to OG&E on the Capacity Availability Date. If the Bidder will be retaining Majority Ownership of the Project after the Capacity Availability Date, it should describe its experiences working as an equity partner in the operation of similar Generation Facilities.
- For New Projects:

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- Bidders are required to demonstrate experience and capability to successfully develop the Project as proposed. OG&E is particularly interested in a team which has demonstrated success with Generation Facilities of a similar technology, size, operational use, and location and can demonstrate an ability to effectively work together to bring new-build Generation Facilities to Commercial Operation successfully.
 - For all Projects:
 - Provide brief profiles of at least one (1) and no more than three (3) similar Generation Facilities the Bidder has successfully developed to Commercial Operation (for New Projects) or in which it has been an owner/operator (for Existing Projects). Include the following information, as pertinent, within each profile:
 - Name of the Generation Facility
 - Location of the Generation Facility
 - Generation Facility size, technology(ies), and fuel(s)
 - Purchasing utility or other entity
 - Bidder equity ownership share (if retained)
 - Development schedule
 - Commercial Operation Date
 - Fuel acquisition and management summary
 - Average capacity factor of the Generation Facility over its entire term of operation
 - Any environmental violations
 - Describe experience within the SPP Integrated Marketplace that is relevant to this RFP.
 - Provide copies of report material related to safety of operations, including reports on reportable injuries; instances of accidents, injuries, or fatalities; lost workday injuries; loss of operations due to safety issues; etc. at Generation Facilities currently owned or maintained by the Bidder.
 - Describe Bidder's commitment to safety of operations including any operating practices designed to encourage safety commitments.
 - Provide copies of reports summarizing air emissions of Generation Facilities currently owned or maintained by the Bidder.
12. Brief Narrative Summary of any Changes Sought to Form Agreement pertinent to the Bid (i.e., PSA, CPA, or PPA). Where necessary, Bidders should provide a brief explanation of and rationale for changes sought to the Form Agreement. This is in addition to the Bidder's redline mark-ups of the Form Agreement and any relevant attachments or exhibits to the Form Agreement.

To maintain confidentiality of the Bids, Bidders are asked to label their files with the identification code provided in response to the NOI, and the files should be named consistently with the conventions established in the Bid Summary Form. This same naming convention should apply to the appendix forms submitted. No individual file submitted should be larger than 10 MB. If multiple narrative files are

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submitted for a Bid, please separate the files into Volume I, Volume II, etc. to conform to the maximum file size.

2.2.4 Bid Certification and Attribute Forms

Each Bidder must submit a completed Certification and Authorization Form available in Appendix D. Bidder can submit a single Appendix D file identifying all Bids it is offering.

Bidders must complete and submit a set of Microsoft Excel (“MS Excel”) Bid Attribute Forms available in Appendix E and listed in Table 3. These forms will contain essential information about each Bid, and a separate set of forms and related information must be submitted with each Bid. Depending on the characteristics of the Bid, some forms will not be applicable. Appendix E contains an index specifying which forms are applicable to different types of Bids.

Table 3: Bid Attribute Forms for OG&E 2024 All Source RFP

Form ID	Form Title
Form A	Bidder Contact Information
Form B	Project Description
Form C	Generation Facility Technical Description
Form D	SPP Capacity Accreditation
Form E	Historic Monthly Electricity Production
Form F	Expected Annual Electricity Production
Form G	Summer and Winter Historical Equivalent Forced Outage Rate demand (“EFORd”)
Form H	Historic Annual Data for Cost, Performance, and Permitting
Form I	Expected Annual Data for Cost, Performance, and Permitting
Form J	Fuel Plan
Form K	Environmental Impact: Historic Air Emissions Rates
Form L	Environmental Impact: Expected Air Emissions Rates
Form M	Critical Path Schedule: For New Projects
Form N	Financing and Ownership Information
Form O	Bid Pricing: PSA Bids
Form P	Bid Pricing: CPA Bids
Form Q	Bid Pricing: PPA Bids

To maintain confidentiality of the Bids, Bidders are asked to label their files with the identification code provided in response to the NOI, and the Bid files should be named consistently with the conventions established in the Bid Summary Form.

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2.2.5 Additional Required Attachments to Bids

In addition to the Bid narrative and all forms specified in Appendices A through F, please provide the information described in this section. Bidders should use the identification code provided in response to the NOI along with "Attachment" for each item submitted.

If multiple Bids are submitted for a single Site, Bidders can submit a single version of relevant attachments (e.g., financial statements) covering all Bids or separate attachments for each Bid. This option is offered to reduce administrative burdens on Bidders, and OG&E will not penalize or reward Bidders based on the number of attachment files they submit.

- i. To the extent not provided in the Bid Narrative, a U.S. Geological Survey-based map or maps showing the location of the proposed Site and the existing or anticipated placement of all major equipment at the Site including transmission-related facilities.⁷ The included content should highlight (e.g., via a colored legend) the ownership status of land area required for the Project.
- ii. As pertinent and available, copies of Bidder's completed SPP transmission generator interconnection agreement(s) and Bidder's most recent preliminary SPP transmission generator interconnection study.
- iii. If the Project does not have a completed generator interconnection study from SPP at the time of Bid submission, the Bidder must identify the applicable section of the SPP Open Access Transmission Tariff Attachment V that would govern interconnection for the proposed Project. In addition, any proposed Project without a completed interconnection study from SPP must submit the results of a comparable study conducted by an independent engineer at Bidder's expense. This requirement also applies to all Bids using OG&E Surplus Interconnection. If a feasibility study is required, the feasibility study should model North American Electric Reliability Corporation (NERC) TPL-001-4 contingencies P1, P2, and P3. Breaker fault contingencies may be excluded.⁸
- iv. Audited financial statements for the last three (3) years for Bidder and guarantor (if applicable). If audited financial statements are not available, provide unaudited financial statements with Chief Financial Officer ("CFO") attestation. If financial statements are consolidated, provide stand-alone financial statements with CFO attestation for Bidder and any guarantor.

⁷ For Bids using OG&E Surplus Interconnection, include expected new interconnection facilities and network upgrades within the Site and up to the OG&E property line.

⁸ The feasibility study must also show estimated interconnection new facilities and network upgrade costs and the timeline to complete any identified new facilities and upgrades. At a minimum, the feasibility study must include a steady state thermal power flow assessment consistent with SPP's Definitive Interconnection System Impact Study (DISIS) approach. The feasibility study should identify thermal overloads and voltage violations that could occur from operation of the Project, determine new facilities and/or upgrades required to resolve the violations, and provide the estimated costs and timeline to complete the new facilities and upgrades. The feasibility study must model the Project at the interconnection location proposed in the Bid. The feasibility study should utilize the latest SPP power flow cases for the generation interconnection queue cluster in which the Project is located and include all active generator interconnection requests for that queue cluster. The study should also discuss the likelihood that the Project would require an affected system study by a neighboring region.

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- v. Technology re-powering: If a Project technology is Energy Storage, specify the expected timing and cost of re-powering or augmentation of the Project's battery or other Energy Storage medium during the asset life.
- vi. Rating reports from the S&P, Moody's, or Fitch agencies for prior 36 months as attachments.
- vii. For Existing Projects, MS Excel spreadsheet with historical hourly output of electrical energy (in MWh) from the Project for the most recent 12-month period. If the Project has a Commercial Operation Date within 12 months of the Bid Due Date, provide hourly electricity output since Commercial Operation. Please denote periods of planned and unplanned maintenance on a tab of the spreadsheet.
- viii. For all Projects that include solar and wind, an hourly annual electricity output profile. If the Project includes Energy Storage, also provide an hourly charging and discharging schedule if the Energy Storage will be charged from the generator technology. The profiles should be for the first year of the Proposed Operating Period and provided in a single column (8760 x 1 MS Excel format) with values in MWh.

2.2.6 Redline of Form Agreements

Form Agreements will be provided at the Bidder's request. Bidders can request any Form Agreements relevant to a potential Bid through email to: 2024AllSourceRFPComm@oge.com. Bidders are not required to sign the Mutual Nondisclosure Agreement to receive the Form Agreements. A list of Form Agreements is in Appendix G.

Bidders are responsible for reviewing all terms and conditions specified in the Form Agreement(s) relevant to the Contract Type and technologies in their Bid(s) and taking its terms and conditions into consideration in developing their Bids. While Bidders are expected to provide a reasonable redline noting any exceptions for technical aspects of their Bid(s), OG&E has a strong preference and expectation for no to minimal exceptions to the proposed commercial terms and conditions in the Form Agreements.

The file naming conventions used for the Form Agreement redline should follow the same conventions used for other forms. Bidders can provide a single Form Agreement redline covering all of their Bids, unless their redline would differ based on the characteristics (e.g., Generation Facility technology) of their Bids.

2.2.7 Exceptions to Technical Specifications

Bidders submitting PSA Bids for New Projects and using any technology(ies) for which a Technical Specification is available (see list in Appendix G) must obtain the pertinent Technical Specification(s) (see Section 2.2.1) and apply the associated requirements in their Bids. While OG&E has a strong preference and expectation for no to minimal exceptions to the Technical Specifications, Bidders have the opportunity to note exceptions and explain their rationale. Any exceptions to the Technical Specification(s) must be recorded on the form provided in Appendix F and must be submitted with the Bid in MS Excel format.

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The file naming conventions used for the Technical Specification exceptions should follow the same conventions used for other forms. Bidders can provide a single Technical Specification exception form covering all of their Bids, unless its contents would differ based on the characteristics of their Bids.

This section is not relevant to Bidders submitting CPA or PPA Bids. This section is also not relevant to PSA Bids for Existing Projects or for PSA Bids for New Projects using technologies for which a Technical Specification is not available.

2.2.8 RFP Submission

All Bid submissions are required to be sent electronically to: 2024AllSourceRFPBids@oge.com. ***Please note this is a separate email address from that used for other RFP communications.*** OG&E will not accept paper copies of Bids, nor Bids delivered other than through the provided Bid email address. After Bids are opened on OG&E's Bid Opening Day, Bidders will receive a confirmation of receipt from OG&E's Bid email address. Bidders should contact OG&E's bid email if a confirmation is not received within one (1) Business Day after OG&E's Bid Opening Day.

Bidder will bear the risk of any failure of Bidder to submit all required information, including forms and attachments, by the Bid Due Date, as required by this RFP. Bids not delivered in accordance with the schedule requirements of this RFP are untimely and may be eliminated from consideration in this RFP. Bids that do not include all information, forms, and attachments required by this RFP may be considered non-conforming and rejected on that basis. Bids submitted in response to this RFP will become the property of OG&E. At the conclusion of the process, all Bids will either be archived or destroyed.

2.2.9 Confidentiality of Response

Bids submitted in response to this RFP, and any contracts resulting from this RFP, will be treated as confidential. Nonetheless, Bidders should be aware that information received in response to the RFP may be subject to review by applicable regulatory agencies. Information submitted in response to the RFP may become subject to federal or state laws pertaining to public access to information as a result of any reviews conducted by the aforementioned agencies. As such, Bidders should clearly designate all sensitive information as "Confidential." Except as required by regulatory reviews, OG&E will use reasonable efforts to avoid disclosure of such confidential information to persons other than those involved with the evaluation, selection, and any subsequent negotiations.

2.2.10 Regulatory Bid Opening Summary

The Bid Summary Form will be used during virtual Bid Opening, which is scheduled for September 26, 2024. This form will be viewable to the Commission Staff, Attorney General's Office representative, and non-competitive stakeholders in attendance at the Bid Opening.

As discussed in Section 2.2.2, the Bid Summary Form must contain information about the Bid(s) submitted that will be used for tracking and identifying the Bid(s) throughout the evaluation process. To maintain confidentiality, each Bidder submitting the required NOI will be provided a unique identification code for use on the Bid Summary Form. It is the Bidder's responsibility to utilize this identification code on the Bid Summary Form. OG&E will not be responsible for any release of information regarding Bids due to Bidder failure to utilize the identification code provided.

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2.3 Validity of Bids

Bids shall remain valid for the entire evaluation period and, should OG&E elect to seek pre-approval from the Commission or Commissions, through the entire period of proceedings of the Commission or Commissions. During these periods, Bids shall be considered as irrevocable and may not be modified, except as agreed upon in mutual negotiations between the Bidder and OG&E in the post evaluation period.

2.4 Bidder Selection

All Bids will be evaluated as per the Bid evaluation process described in Section 3.⁹ Each Bidder selected to move on to negotiations will be required to provide comprehensive information regarding its selected Project(s). For Existing Projects, examples of such documentation may include real property inventories, additional details on vendor relationships and current staffing, further documentation of Permit renewals and other renewals required prior to the Capacity Availability Date, insurance information, ownership and financing data, and internal and external assessments of the performance of individual Generation Facilities at the Site. For New Projects, examples of such documentation may include topographical surveys, detailed Site plans and drawings, additional interconnection materials, environmental field assessments, permitting applications, and engineering studies.

2.5 Limitation of Liability

Neither this RFP nor any other aspect of this solicitation shall create an agency, partnership, joint venture, or co-tenancy relationship among the members of the OG&E RFP Evaluation Team, or any other entities involved in the development or administration of this RFP, nor any other relationship or liability beyond those (if any) explicitly adopted in writing and executed by authorized representatives of OG&E and/or the appropriate entity. Neither OG&E nor any other persons or entities involved in the RFP administration and evaluation shall be liable for any act or omission. Neither this RFP nor any other aspect of this solicitation creates or is intended to create third-party beneficiaries hereunder. In no event will OG&E or participating RFP entities be liable to any person for special, incidental, punitive, exemplary, indirect, or consequential damages or lost profits, whether by statute, in tort or contract or otherwise.

3. Bid Evaluation

3.1 Introduction

The OG&E RFP Evaluation Team and its authorized agents will evaluate the Bids to determine which, if any, have the potential to provide the most economical, reliable, and viable alternatives for OG&E's customers. OG&E will use an evaluation process with three (3) components including a threshold evaluation, a non-price (qualitative) evaluation, and a price (quantitative) evaluation. Only those Bids found to have satisfied the threshold RFP requirements will be evaluated based on the identified qualitative and quantitative criteria. OG&E may select the top-ranking Bid based on the combined qualitative and quantitative score from among Bids received or may select multiple Bids to comprise a portfolio able to satisfy OG&E's need. Qualitative and quantitative factors will be considered

⁹ No members of the OG&E Bid Team will be involved, directly or indirectly, in the evaluation of any Bids.

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simultaneously. The total weighting of quantitative factors will be 70%, and the total weighting of qualitative factors will be 30%.

3.2 Threshold Evaluation

OG&E will review each Bid to determine whether it satisfies the threshold criteria of compliance, completeness, technical viability, and Bidder financial capability. This completeness review will ensure that the Bid follows the guidelines set forth in the RFP, includes all information required for a more thorough review, and is provided in the required format and sequence.

At OG&E's sole discretion, any Bid deemed materially incomplete, non-compliant, or technically or financially deficient may be excluded from further consideration. OG&E reserves the right to request that any Bidder clarify questions or provide additional information regarding that Bidder's Bid(s) to resolve deficiencies identified in the threshold evaluation.

The criteria to be considered in the threshold evaluation are listed below:

- Capacity: OG&E will consider each of the following capacity requirements:
 - Minimum: 10 MW of nameplate Capacity per Bid
 - Maximum: 1,500 MW of nameplate Capacity per Bid
- Capacity Availability Date: Capacity must be available to satisfy OG&E's resource adequacy obligations starting no later than May 1, 2030.
- Contract Type: PSA, CPA, or PPA.
- Generation Technology: Available as Accredited Capacity.
- Operating Duration: Capable of at least four (4) hours of consecutive run time at the Project's Accredited Capacity, in accordance with SPP OATT Attachment AA. This requirement does not apply to wind and solar Generation Facilities.
- Location: All Projects must interconnect within SPP. PSA Projects must be located within Oklahoma or Arkansas. CPA Projects and PPA Projects must be located within Oklahoma, Arkansas, Texas, New Mexico, or South-Central Kansas.
- Transmission Interconnection: Bidders are required to submit documentation of their plan and steps taken for securing SPP generator interconnection service prior to the Capacity Availability Date. Documentation/plans can include but are not limited to an active interconnection application to the SPP Transmission Grid, an existing interconnection agreement (whether a formal generation interconnection agreement or a predecessor agreement) to the SPP Transmission Grid with ability to expand or modify interconnection rights or use surplus interconnection service (including OG&E Surplus Interconnection) to accommodate Capacity of the Bid, ability to utilize Generation Facility replacement, completed interconnection agreement with SPP effective prior to the Bid Due Date, or

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designation as an Existing Generating Facility within SPP as defined in SPP Open Access Transmission Tariff Attachment V^{10,11}.

- **Property Site Control:**
 - **For all Projects:** Bidders must demonstrate Site control through ownership, executed land leases, options to lease, easements, rights-of-way, and/or other instruments of conveyance to cover the entire Proposed Operating Period.
 - **For New Projects only:** To meet the Site control requirement, each Bidder shall have identified a Site and must provide a copy of documentation establishing that such Bidder has and/or will have control over the Site prior to construction and development. Eligible documentation may include a demonstration of Site ownership, an option to purchase the Site, or a binding letter of intent to sell from the Site landowner(s). This requirement also applies to Bids using OG&E Surplus Interconnection.
- **Experience:** Bidders must have successfully completed at least two (2) Projects similar in technology, Capacity, fuel (as applicable), and Bidder roles across all aspects of project development.
- **Bidder Financial Capability:** Bidders must demonstrate financial strength and credit worthiness as a counter-party consistent with obligations of the pertinent Contract Type.
- **Risk Mitigations:**
 - **For PSA Wind Projects and PSA Solar Projects:** Bids must include robust plans for mitigating the potential impact of severe convective storms.
 - **For PSA BESS Projects:** Bids must include robust plans for mitigating the potential loss from thermal runaway events, including secondary impacts.
 - **For PSA Thermal Projects:** New Projects must meet the Phase 1 requirements of the most recent version of the GHG Rule. Additionally, New Projects must describe how the Project minimizes NOx emissions and what, if any, NOx control(s) are included for the Project. Existing Projects must include a plan for compliance with the most recent version of the GHG Rule and must describe how the Project minimizes NOx emissions and what, if any, NOx control(s) are included for the Project.
- **Completeness:** Bids must be complete, including all forms, attachments, and other required information, and must in all other respects also comply with RFP requirements.

¹⁰ Existing Generating Facility is defined on page 10 of SPP Open Access Transmission Tariff Attachment V: <https://opsportal.spp.org/documents/studies/SPP%20Tariff%20Attachment%20V%20Generator%20Interconnection%20Procedures.pdf>.

¹¹ Any inquiries about generation interconnection, transmission service or transmission adequacy must be directed only to the appropriate party at SPP. SPP will be OG&E's sole point of contact for all questions and requests related to interconnection applications and studies relating to resources connected to the SPP transmission system.

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- **Unconditional:** Bids are not conditioned upon any significant contingencies, apart from any requested edits to the pertinent Form Agreement(s).

Following completion of the Threshold Evaluation described immediately above, OG&E will review the volume of Bids advancing. In the event of a particularly robust response to this RFP, OG&E reserves the right to employ an initial quantitative screening to manage the maximum volume of Bids being advanced to the Non-Price and Price Evaluation described in Sections 3.3 and 3.4.

To expedite the evaluation timeline, the threshold evaluation may, at OG&E's sole discretion, be conducted simultaneously with the qualitative and quantitative evaluations.

3.3 Non-Price (Qualitative) Evaluation Criteria (30% in aggregate)

OG&E will consider the following three (3) qualitative criteria in evaluating each Bid. These are not incorporated into the quantitative evaluation (see Section 3.4 of this RFP) of each Bid.

1. Contract Risks, Costs, and Benefits (8%)
2. Overall Project Characteristics and Risks (17%)
3. Community and Environmental Impacts (5%)

The qualitative criteria and sub-criteria are summarized in Table 4.

Table 4: Summary of Qualitative Evaluation Criteria for OG&E 2024 All Source RFP

Criteria	Sub-Criteria	Maximum Points Available
Contract Risks, Costs, and Benefits (8%)	Firm Price	3
	Contract Assignment	2
	Form Agreement and Technical Specifications Exceptions	3
Overall Project Characteristics and Risks (17%)	Capacity Security	4
	O&M Plan and Protection against Risks	2
	Site Control and Bidder Experience	2
	Schedule	3
	Financing Capability	3
	Technology	1
	Fuel Delivery	2
Community and Environmental Impacts (5%)	Community Impacts	3
	Environmental Impacts	2
Total Points		30

3.3.1 Contract Risks, Costs, and Benefits (8%)

Contract risks, costs, and benefits will be assessed based on the extent to which pricing is firm and without dependencies or contingencies and/or the cost containment measures effectively limit cost risk for OG&E customers. Where non-firm elements are included in pricing, Bidders will be assessed on the rationale for such an inclusion and the extent to which it is the interest of OG&E customers.

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For contract assignment or other obligation transfer of existing Permits, easements, leases, fuel supply agreements, O&M agreements, warranties, or other contracts, OG&E will consider the terms and conditions associated with such assignment. Where applicable, Bidders should provide an indication of such assignments as well as copies of the relevant contracts. Assignment provisions will be assessed in the context of the proposed Project ownership stake, if any, being offered to OG&E and the Proposed Operating Period.

Additionally, Bids will be assessed on the extent to which the Bidder accepts all terms and conditions of the pertinent Form Agreement(s) and all requirements in the Technical Specification(s). OG&E has a strong preference and expectation for no to minimal changes to the proposed terms and conditions in the Form Agreements apart from those applicable to the specific technical characteristics of the Project and for no to minimal changes to the Technical Specifications (if pertinent to Project Generation Facility technologies).

3.3.2 Overall Project Characteristics and Risks (17%)

Each Project will be assessed for its technical characteristics and expected operational performance and safety over its Proposed Operating Period, and the risks associated with successfully developing and/or financing the Project and achieving timely, sound operations.

For this criteria, OG&E will evaluate factors including:

- **Capacity Security:** OG&E will consider security of the Accredited Capacity credit for the Project based on current SPP Planning Criteria and will also consider the potential for changes to SPP Planning Criteria. OG&E will also analyze any uncertainties associated with the Project's SPP transmission interconnection services. Some key sources of Bidder information that will inform OGE's capacity security analysis are described below. On a bid attribute form, Bidders must provide their expected SPP Accredited Capacity for both summer and winter seasons. Where applicable, Bidders should also indicate expected degradation in Accredited Capacity qualification over time and a recommended augmentation schedule and associated costs as well as equipment warranties. On another bid attribute form, Bidders with Existing Projects must provide up to the most recent five (5) years of historical EFORD by season. For the deliverability assessment, all Bidders should provide information regarding the Project's firm transmission rights and any deliverability assessments which have been performed for the Project as well as describe any interconnection modifications, expansions, uses of surplus interconnection service (from OG&E Surplus Interconnection or another source), or conditions for interim interconnection agreements.
- **O&M Plan and Protection against Risks:** Projects will be assessed on projected performance over the Proposed Operating Period. Projects with demonstrable longevity at consistent levels over time are preferred. Projects should provide an O&M plan, an assessment of the peak operational performance of their Project, an assessment of the ability of the Project to continue operation in extreme hot and cold weather temperatures, during hailstorms and other extreme weather events, an assessment of the Project lifetime expectations (i.e., useful asset life), and an estimate of the reasonable capital investment (cost and timing) expected to maintain the Project in sound operational order over time. OG&E's review will consider the Project's impact to OG&E's overall

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resiliency to physical and cyber threats and vulnerabilities. Bidders should provide a risk mitigation plan which specifically addresses all measures and actions taken by the Bidder to minimize risk exposure to such threats and vulnerabilities.

- **Site Control:** Preferences will be given to Bidders with outright ownership of the proposed Site or that have long-term rights under leases or easements that ensure control of the land for all necessary uses, undisturbed access, rights to receive adequate fuel supply (as relevant), and flexibility for Project modifications for the Proposed Operating Period. For New Projects, options to purchase land will also be treated favorably as will binding letters of intent to sell from the current landowner(s).
- **Bidder Experience:**
 - For all Existing Projects: Bidders are required to demonstrate experience, organizational structure, and management capability to successfully operate and maintain the Project until the Capacity Availability Date, including meeting all requirements of SPP and all governmental authorities having jurisdiction.
 - For Existing Projects using a PSA transaction: If OG&E is not acquiring full ownership of the Project at the Closing Date, Bidders will also be assessed on their demonstrated ability to work as a long-term equity partner in the operation of similar Generation Facilities. Bidders must also demonstrate their ability to finance operation of the Project for all periods through which they will retain any ownership stake.
 - For all New Projects: Bidders are required to demonstrate experience and management capability to successfully develop and finance the Project. OG&E is particularly interested in Bidders that have demonstrated success in multiple Generation Facilities of similar size, technology, and operating profile and can demonstrate an ability to work together effectively to bring the Project to Commercial Operation in a timely fashion. In addition, OG&E values experience that Bidders can show in successfully developing Generation Facilities within the SPP footprint.
 - For all CPA and PPA Bids: Bidders must demonstrate their experience and capability to operate the Project for the Proposed Operating Period.
- **Schedule:** OG&E has a strong preference for Projects with earlier Capacity Availability Dates (i.e., first delivery of Project Capacity to OG&E). Bidders must include detailed and realistic schedules with key milestones for Project development and/or ownership transition, as relevant. For PSA Bids, the schedules must identify activities necessary to transition the proposed ownership stake and any associated obligations in the Project to OG&E by the Capacity Availability Date. OG&E will evaluate the respective schedules submitted by Bidders for overall credibility against industry standards and to ensure there is a high likelihood the Project can reach Commercial Operations as proposed (for New Projects) or be efficiently transitioned to OG&E ownership (for Existing Projects using a PSA transaction). This review will include the timing risks of delays in securing any necessary fuel supply and Permits. This review will also include the timing risks of securing transmission interconnection and delivery capabilities. Bidders should identify any rights-of-way that need to be acquired for the construction of supporting facilities (transmission lines, natural gas pipelines, etc.) and provide a plan and schedule for securing the rights-of-way.

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- Financing Capability:
 - For Existing Projects: Bidders must demonstrate their ability to finance operation of the Project for all periods through which they will retain any ownership stake.
 - For New Projects: Bidders must demonstrate their ability to finance development of the Project so it can reach Commercial Operation, including all engineering, procurement, and construction-related and other necessary activities. The financing plan should describe the sources and mechanisms for Project financing, distinctions in financing in different phases of the development process, and the current status of the financing plan.
 - For PSA Bids: If OG&E is not acquiring full ownership of the Project at the Capacity Availability Date, Bidders will also be assessed on their demonstrated ability to work as a long-term equity partner in the operation of the Project.

- Technology: Bidders must provide information about specific technology(ies) proposed for the Project, including a description of the track record of the technology(ies) and associated equipment. Each Bidder should provide a detailed description and specifications for the proposed equipment. OG&E reserves the right to conduct further due diligence on the equipment. OG&E prefers Bids that demonstrate that the design and equipment proposed are technologically mature.

- Fuel Delivery: For Projects requiring a fuel, OG&E prefers Bids demonstrating a secure and reliable fuel supply, including for any back-up fuels to be used. Preferences will be given for Projects able to demonstrate reliable, secure fuel supply for longer periods. For Projects that do not require a fuel such as those powered by solar or wind and for Energy Storage facilities relying on electricity supply, OG&E expects to evaluate this sub-criterion as if there are no fuel delivery risks.

3.3.3 Community and Environmental Impacts (5%)

OG&E has a preference for Projects with a Site location in OG&E's service territory in Oklahoma or Arkansas. OG&E also values several other local and community factors. Bidders will be assessed on expected impacts from the Project on the local economy over the Proposed Operating Period, which may include factors such as jobs for the OG&E customer base, use of local materials and subcontractor firms, tax benefits, or other benefits accruing to OG&E customers. Benefits of longer duration are preferred. Information on how the Project has provided tangible local benefits to date will help substantiate descriptions of expected future benefits to local areas. Bidders should also describe how the environmental, health, and safety interests of communities near the Project have been or will be considered in Bidder decision-making during Project development, construction, and operation.

For environmental impacts, air emissions per MWh of Project Energy output will be evaluated based on data provided by the Bidder and industry standards for comparable technologies as well as adherence to pertinent environmental regulations. Projects will also be assessed for expected ecological impacts from their Sites and the equipment used therein over the Proposed Operating Period.

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3.4 Price (Quantitative) Evaluation Criteria (70%)

Bids that successfully pass the Threshold Evaluation will be evaluated on price and operational performance factors in the quantitative evaluation through simulation of the impact of the Bid on the costs paid by OG&E's customers. OG&E will evaluate Bids based on the expected customer impact resulting from detailed simulation modeling utilizing scenarios and sensitivities similar to those described in the OG&E 2024 IRP.

The analysis will be conducted for a 30-year evaluation time horizon from 2026 through 2055 and will account for the cost, dispatch constraints, and characteristics of the Project's expected energy dispatch of Generation Facilities in the SPP Integrated Marketplace under a range of potential market conditions. When the Proposed Operating Period of an individual Bid differs from the years 2026 through 2055, OG&E will utilize reasonable modeling assumptions for periods prior to and after the Proposed Operating Period. The Net Present Value of Customer Cost ("NPVCC") over a 30-year operating period for the Generation Facilities will be developed using a weighted combination of asset performance in the Base (40%), High Gas (25%), Low Gas (25%), and Energy Evolution (10%) cases.

For CPA Bids and PPA Bids, OG&E will also take into consideration any projected costs of imputed debt. Imputed debt results when credit rating agencies impute or infer an amount of debt associated with a power supply contract and, as a result, take the added debt into account when reviewing OG&E's credit standing.

For PSA Bids, OG&E will include applicable tax credits and other incentives, including those received through Inflation Reduction Act and Infrastructure Investment and Jobs Act provisions, in the quantitative analysis to the extent that Bidders detail their eligibility for such incentives.

As needed and at its sole discretion, the OG&E RFP Evaluation Team will use typical electricity industry data values to substitute for Bidder data that is missing or not satisfactorily explained after Bidder receipt of clarifying questions from OG&E.

4. General Terms and Conditions

4.1 Publicity

Any publicity giving reference to this RFP and any matters related thereto, whether in the form of press releases, brochures, photographic coverage, or verbal announcement, is prohibited and shall not be made without the specific written approval of OG&E.

4.2 Governing Law / Dispute Resolution

In the event of any dispute relating to this RFP, the parties shall make reasonable efforts to resolve any disputes through informal negotiation by first providing a written notice to the other party describing the nature and substance of the dispute and proposing a resolution. Such notice shall be given as soon as practicable, but in no event later than thirty (30) days after the party delivering the notice has actual knowledge of the fact or event from which the dispute arises; provided that failure to provide notice within the foregoing time frames will not relieve the party receiving such notice of liability if such Party

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has or receives knowledge of the dispute by other means, or if the failure to notify does not materially prejudice the receiving Party's ability to respond to such notice.

During the first ten (10) days following the receipt of the notice of dispute, authorized senior representatives of parties shall attempt to negotiate in good faith to resolve the dispute. If such informal negotiations result in an agreement in principle among such informal negotiators to settle the dispute, they shall cause a written settlement agreement to be prepared, signed, and dated, whereupon the dispute shall be deemed settled, and not subject to further action.

If a settlement of the dispute is not achieved, then either party may proceed with filing any suit, claim or other legal proceeding arising out of or relating to this RFP, provided that any such suit, claim or other legal proceeding shall be brought only in the federal or state courts located in Oklahoma County, Oklahoma. The parties hereby submit to venue in such courts and to personal jurisdiction in the State of Oklahoma. Each party irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, claim or other legal proceeding arising out of or relating to this RFP, including, without limitation, the defense of any inconvenient forum of the maintenance of such action or proceeding in any such court. The parties waive their right to a trial by jury to resolve any dispute, suit, claim or other legal proceeding arising out of or relating to this RFP.

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Appendix A: Notice of Intent to Bid Form

Bidder Company Name: _____

Project Name: _____

Contact Person Information	
Name	
Title/Position	
Mailing Address	
Telephone Number	
Email Address	

Bid Information	
Project Nameplate Capacity (MW _{AC})	
Generation Facility Technology(ies)	
If applicable, nameplate Energy Storage power Capacity (MW _{AC}); <i>note: also include in Project Nameplate Capacity above if it is part of Accredited Capacity</i>	
If applicable, nameplate Energy Storage energy capacity (MWh)	
Project Location (city, state)	
SPP Point of Interconnection	
Actual or Estimated Commercial Operation Date (month-day-year)	
Capacity Availability Date (month-day-year)	
If applicable, Proposed Contract End Date (month-day-year)	

Authorized Signature: _____

Printed or Typed Name of Signer: _____

Title: _____ **Date:** _____

Bidders should send the completed Notice of Intent to Bid Form to
2024AllSourceRFPComm@oge.com

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[Appendix B: Mutual Nondisclosure Agreement](#)

Please see attached file. Attachments are viewable when this RFP document is opened in a desktop application. Opening this RFP document through a web browser may limit the ability to see the attached files.

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[Appendix C: Bid Summary Form](#)

Please see attached file. Attachments are viewable when this RFP document is opened in a desktop application. Opening this RFP document through a web browser may limit the ability to see the attached files.

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Appendix D: Certification and Authorization Form

A Bid will be considered incomplete unless all required signatures are provided.

The undersigned certifies that they are an authorized officer or other authorized representative of the Bidder, and further certifies that:

1. The Bidder has reviewed this RFP, and has investigated and familiarized itself with respect to all matters pertinent to this RFP and its Bid(s);
2. The Bidder has obtained all requisite internal approvals from its organization, parent company, and/or affiliates necessary to submit its Bid(s);
3. The Bidder's submission is provided in compliance with all applicable federal, state, and local laws and regulations, including antitrust and anti-corruption laws;
4. The Bidder accepts that confidential information about its Bid(s) might be shared with any members of the OG&E RFP Evaluation Team, negotiation team, or regulatory agencies; and
5. The individual signing below hereby represents and warrants that they are duly authorized to execute and deliver this/these Bid(s).

Violation of any of the above requirements may be reported to the appropriate government authorities and shall disqualify the Bidder from the RFP process.

The undersigned further certifies that the prices, terms, and conditions of the Bidder's Bid(s) are valid and shall remain valid the entire evaluation period and should OG&E elect to seek pre-approval from the Commission or Commissions, through the entire proceedings of the Commission or Commissions. Bids shall be considered as irrevocable and may not be modified, except as agreed upon in mutual negotiations in the post evaluation period.

The undersigned further certifies that they have personally examined and are familiar with the information submitted in this/these Bid(s) and all attachments and appendices thereto, and based on reasonable investigation, including inquiry of the individuals responsible for obtaining the information, the submitted information is true, accurate, and complete to the best of the undersigned's knowledge and belief.

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The undersigned understands that a false statement or failure to disclose material information in the submitted Bid(s) may be punishable as a criminal offense under applicable law. The undersigned further certifies that its Bid(s) is/are on complete and accurate forms as provided without alteration of the text. The undersigned further understands and agrees to the provisions of this RFP related to confidential information, and consents to the limited exchange and sharing of confidential information related to the Bidder's Bid(s) as described in this RFP.

Bidder Company Name

**Signature of Bidder or
Bidder's Authorized Representative**

Print or Type Name of Signer

Title of Signer

Project Name(s)

Date

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Appendix E: Bid Attribute Forms

Please see attached file. Attachments are viewable when this RFP document is opened in a desktop application. Opening this RFP document through a web browser may limit the ability to see the attached files.

Direct Exhibit KMR-3

2024 OG&E All Source RFP
May 31, 2024

[Appendix F: Technical Specification Exception Form](#)

Please see attached file. Attachments are viewable when this RFP document is opened in a desktop application. Opening this RFP document through a web browser may limit the ability to see the attached files.

Direct Exhibit KMR-3

2024 OG&E All Source RFP
May 31, 2024

Appendix G: Matrix of Form Agreements and Technical Specifications

The matrix below describes the eligible Form Agreements, durations, and Technical Specifications for various generation technologies, Contract Types, and Project types (i.e., New Projects versus Existing Projects). Information in the matrix does not supersede descriptions earlier in the RFP.

Generation Technology (see RFP Definitions)	CPA Form Agreement	PPA Form Agreement	Duration of CPA or PPA	PSA Form Agreement	Technical Specification (PSA Bids only)
NEW PROJECTS					
Wind	CPA: Capacity Purchase ISDA Schedule and Confirmation	Renewable PPA	20 to 30 years	Wind BTA	Wind
Solar		Renewable PPA		Solar BTA	Solar
Battery Energy Storage		Battery Tolling PPA		BESS APA with EPC Exhibit	BESS
Non-Battery Energy Storage		Battery Tolling PPA		BESS APA with EPC Exhibit	N/A
CT		Thermal PPA	Up to 10 years	CT APA with EPC Exhibit	Thermal
RICE					Thermal (includes RICE Appendix)
CC					Thermal (includes CC Appendix)
Other eligible thermal technologies					N/A
Other eligible renewable technologies		Renewable PPA	20 to 30 years	Wind BTA (edited)	N/A
EXISTING PROJECTS					
Renewable and Energy Storage technologies	CPA: Capacity Purchase ISDA Schedule and Confirmation	Same agreement as listed above for corresponding technology	20 to 30 years	Existing Resource APA	N/A
CC, CT, RICE, or other thermal technologies			Up to 10 years		

Combination Bids for PPA consisting of renewable and Energy Storage technologies will use distinct PPA Form Agreements for the renewable and Energy Storage portions of their Projects (i.e., they would be required to execute two Form PPAs with OG&E). Due to differences in allowable contract durations, Combination Bids for PPA or CPA are not allowed for combinations of thermal technologies with either: (i) renewable technologies or (ii) Energy Storage technologies.

Direct Exhibit KMR-3

2024 OG&E All Source RFP
May 31, 2024

Combination Bids for PSA Projects consisting of renewable and Energy Storage technologies will use the BTA applicable to the renewable technology (i.e., they will not use the BESS APA with EPC Exhibit). Projects consisting of renewable and thermal technologies (with or without Energy Storage also included) will use the BTA applicable to the renewable technology. Projects consisting of thermal and Energy Storage technologies will use the CT APA with EPC Exhibit.

Existing Projects submitted as Combination Bids for PSA will use the Existing Resource APA.

Combination Bids for PSA will use all Technical Specifications pertinent to the included technologies.

Direct Exhibit KMR-3

2024 OG&E All Source RFP
 May 31, 2024

Appendix H: Overview of OG&E Surplus Interconnection

OG&E Surplus Interconnection service is being made available by the Company for this RFP to expand opportunities for prospective Bidders while adhering to prudent Company practices for management of existing Generation Facilities and property. Bids using OG&E Surplus Interconnection will be evaluated alongside and against the same evaluation criteria as all other Bids. Each of the three (3) OG&E Generation Facilities listed in the table below have OG&E Surplus Interconnection service of between 100 and 300 MW available.

Generation Facility Name	Generation Facility Address
Muskogee	5501 Three Forks Road, Fort Gibson, OK 74434
Seminole	14102 Old Hwy 99, Konawa, OK 74849
Sooner	10800 County Road 230, Red Rock, OK 73061

Additional characteristics and conditions for use of OG&E Surplus Interconnection are:

- Bidders using OG&E Surplus Interconnection must use a PSA; CPA or PPA Bids cannot use OG&E Surplus Interconnection.
- OG&E Surplus Interconnection can only be used for New Projects, not for Existing Projects.
- Bidders can use any portion of the available OG&E Surplus Interconnection capacity.
- Bidders can use any eligible generation technology for a Project with OG&E Surplus Interconnection.
- In the event Bid(s) submitted into this RFP propose to utilize OG&E Surplus Interconnection and are selected as a winning Bid(s), no payments for the rights to OG&E Surplus Interconnection itself must be made to the Company. In that event, OG&E will apply for pertinent Surplus Interconnection Service study(ies) with SPP.
- Bidders using OG&E Surplus Interconnection must demonstrate adequate control of a Site that can utilize OG&E Surplus Interconnection and that Site must be suitable for a Project.
- Under no circumstances can Bidders use or claim rights to use OG&E property for any Bid.
- In all cases, the Bid price must include the costs of using OG&E Surplus Interconnection, including interconnection study costs and the cost of interconnection from the Project to the OG&E Generation Facility property line, in the same manner as interconnection-related costs for any other Bid.
- OG&E will cooperate with any successful Bidder (i.e., receiving an award and negotiating a contract under this RFP) using OG&E Surplus Interconnection for the construction of new interconnection facilities and network upgrades (as applicable) on OG&E property to implement a Project and to obtain necessary interconnection studies and Permits.
- ***Bidders using OG&E Surplus Interconnection in a Bid must obtain the OG&E Surplus Interconnection Information for the relevant OG&E Generation Facilities after signing a Mutual Nondisclosure Agreement. See Section 2.2.1 of the RFP for more information on requesting these specifications.***



INTEGRATED RESOURCE PLAN

OKLAHOMA GAS & ELECTRIC

PREPARED 2025

OGE ENERGY CORP

OG&E submits this Integrated Resource Plan (IRP) in compliance with requirements established pursuant to the Oklahoma Corporation Commission's (OCC) Electric Utility Rules OAC 165:35-37 and the Arkansas Public Service Commission's (APSC) Resource Planning Guidelines for Electric Utilities.

EXECUTIVE SUMMARY

OG&E's 2024 IRP demonstrated the projected need for additional capacity resources at that time. OG&E issued RFPs for generation resources to address the capacity needs identified in the 2024 IRP and is in the process of finalizing contracts for selected projects. Since 2024, OG&E's capacity needs have grown further due to load growth in the OG&E service area. Looking forward, the need for investment in generation resources is likely to grow as SPP further enhances Resource Adequacy policies, regional load growth continues, and environmental regulations evolve. OG&E still has significant generation capacity needs in the near term, as shown in the table below.

OG&E's 2025 IRP is designed to address updated planning assumptions and present the current capacity needs. This 2025 IRP includes the current load forecast, several finalized SPP policy updates, and up-to-date information about environmental policy impacts.

Current OG&E Planning Reserve Margin and Needed Capacity (MW unless noted) in Summer Season

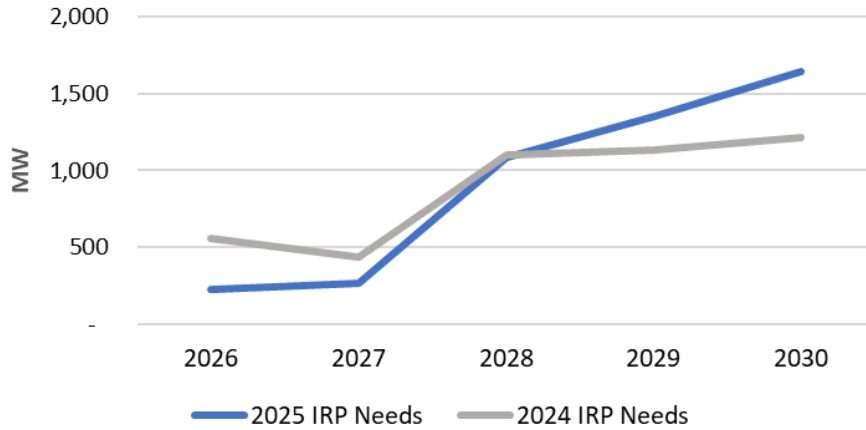
	2026	2027	2028	2029	2030
Total Capacity¹	6,387	6,618	6,018	6,018	6,018
Net Demand	6,210	6,470	6,674	6,847	7,123
Reserve Margin	3%	2%	-10%	-12%	-16%
Base PRM	16%	16%	16%	17%	17%
Est. ACAP PRM	6.4%	6.4%	6.4%	7.6%	7.6%
Needed Capacity*	221	267	1,083	1,349	1,647
<i>*Indicates the capacity needed to meet planning reserve margin requirements.</i>					

Current OG&E Planning Reserve Margin and Needed Capacity (MW unless noted) in Winter Season

	2026	2027	2028	2029	2030
Total Capacity¹	5,340	5,406	5,435	5,439	5,367
Net Demand	4,986	5,125	5,257	5,461	5,566
Reserve Margin	7%	5%	4%	0%	-3%
Base PRM	36%	36%	36%	38%	38%
Est. ACAP PRM	12.7%	12.7%	12.7%	14.7%	14.7%
Needed Capacity*	280	371	490	825	1,017
<i>*Indicates the capacity needed to meet planning reserve margin requirements.</i>					

¹ Total Capacity includes the seasonal impact of Performance Based Accreditation, Effective Load Carrying Capability, and the Resource Availability policy.

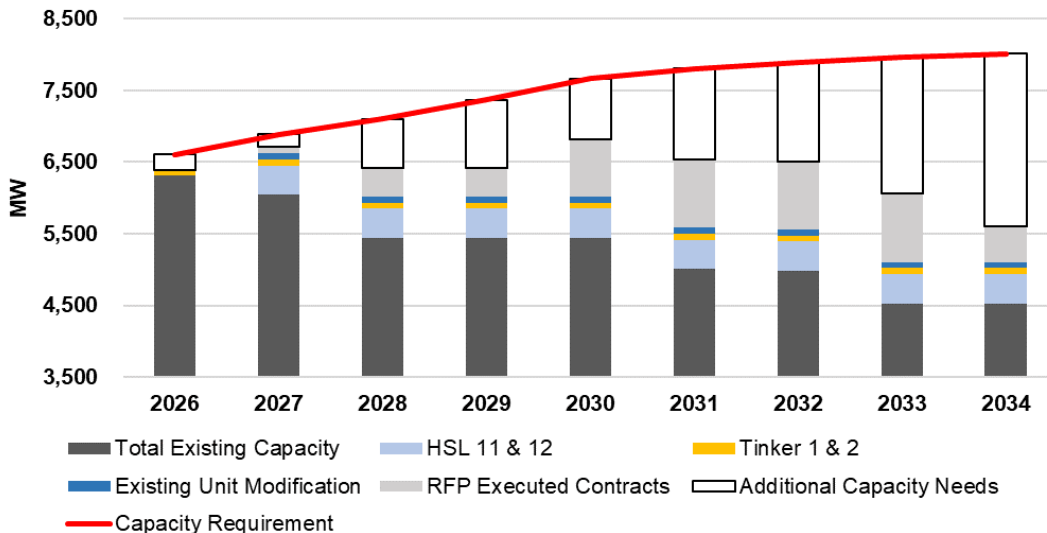
OG&E Updated Summer Capacity Requirements Relative to 2024 IRP



SPP has recently finalized its planning reserve margin requirements between 2026 and 2029, as well as the Winter Resource Adequacy Requirement and revised resource accreditation methodologies. Looking forward, further expected policy development at SPP could increase OG&E’s capacity requirements. Resource Adequacy policies effective starting in 2026 will introduce more volatility in capacity needs from year to year.

The graph below shows OG&E’s summer capacity position including resources from executed contracts from the 2024 All Source RFP in addition to the existing resource capacity and capacity contributions from ongoing and future projects. The executed contracts from the RFP considerably reduce the overall capacity needs and are a significant progression towards OG&E meeting its resource adequacy requirements. OG&E will also continue negotiations with additional resources selected in the 2024 All Source RFP.

OG&E Capacity Position (Summer)



2025 Integrated Resource Plan



On March 12, 2025, the EPA announced that it would begin reconsideration of numerous regulations, including several that apply to OG&E. As potential changes to federal environmental regulations progress, OG&E continues to evaluate its compliance with existing and proposed environmental regulation and take actions if deemed necessary.

In summary, OG&E will complete the current active RFP process and continue to monitor and update planning assumptions including load forecasts, Resource Adequacy policies, and environmental regulations. OG&E will continue to pursue all options available to fully satisfy its remaining capacity needs, including through additional resources selected from the 2024 All Source RFP, future RFPs for resources as necessary to satisfy its capacity requirements, and/or other options for new capacity.

OG&E Action Plan

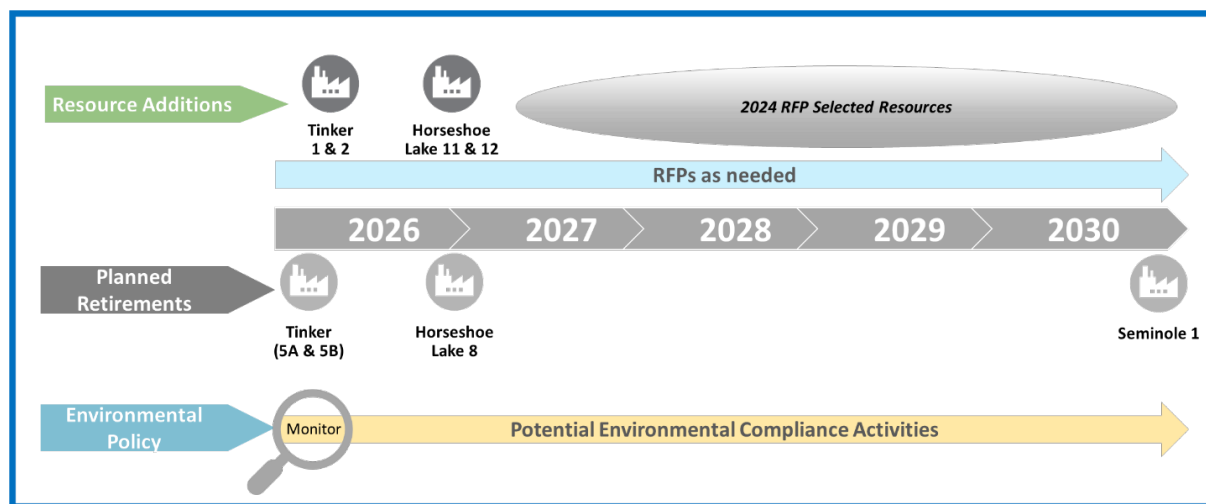




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List of Acronyms

Acronym	Phrase Represented	Reference
ACAP	Accredited Capacity	SPP
APSC	Arkansas Public Service Commission	Agency
CO₂	Carbon Dioxide	Environmental
CC	Combined Cycle electricity generating unit	Technology
CT	Combustion Turbine electricity generating unit	Technology
DSM	Demand Side Management	Industry
EGU	Electricity Generating Unit	Technology
ELCC	Effective Load Carrying Capacity	SPP
EPA	U.S. Environmental Protection Agency	Agency
FERC	Federal Energy Regulatory Commission	Agency
FIP	Federal Implementation Plan	Environmental
IM	Integrated Marketplace	SPP
GHG	Greenhouse Gas	Environmental
ITP	Integrated Transmission Planning	SPP
IRP	Integrated Resource Plan	Industry
LRE	Load Responsible Entity	SPP
NPVCC	Net Present Value of Customer Cost	OG&E
NREL	National Renewable Energy Laboratory	Agency
O&M	Operations & Maintenance	General
OCC	Oklahoma Corporation Commission	Agency
OG&E	Oklahoma Gas & Electric	Agency
PBA	Performance Based Accreditation	SPP
PPA	Power Purchase Agreement	Industry
PRM	Planning Reserve Margin	SPP
RAR	Resource Adequacy Requirement	SPP
RFP	Request for Proposal	General
RSC	Regional State Committee	SPP
SIP	State Implementation Plan	Environmental
SPP	Southwest Power Pool	SPP
STEP	SPP Transmission Expansion Plan	SPP

I. Current and Future Risks

I. A. Load Forecast and Growth

OG&E continues to receive service requests from a diverse set of prospective customers. In recent years, OG&E has observed a significant and unprecedented increase in the size and frequency of these requests, with some individual customers seeking loads in the hundreds or even thousands of MWs. Historically, most large commercial or industrial customers locating in Oklahoma requested service levels of 50 MW or less, primarily within the manufacturing and oil and gas sectors.

This paradigm shift marks a fundamental change in load growth dynamics within OG&E's service area. Recent prospective customers span multiple sectors, including manufacturing, refining, federal facilities, data centers, and cryptocurrency operations. The diversification of these large load requests mitigates the volatility of any single industry, underscoring the need for a flexible and responsive resource planning approach.

Recognizing and planning for these recent changes in load types and size is essential to ensure that OG&E maintains cost-effective and reliable service for its customers while meeting future resource adequacy requirements.

I. B. SPP Resource Adequacy Policy Updates

In July 2025, FERC approved² SPP's proposed Tariff revisions concerning resource accreditation. This revision will implement an Effective Load Carrying Capability (ELCC) accreditation methodology for renewable and battery energy storage resources, and a Performance Based Accreditation (PBA) methodology for conventional resources with a fuel assurance incentive included in the PBA methodology. Resource accreditation, for both ELCC and PBA, including fuel assurance, will apply beginning Summer 2026. In ELCC, the accreditation of resources (or the amount of capacity from a resource that can be used for meeting the SPP PRM requirements) is determined through studies performed by SPP. These studies determine the amount of Load that can reliably be served by the intermittent renewable resources. For PBA of conventional generation, SPP will adjust the accredited capacity of resources by factoring in the unit's historical performance.

While updated assumptions around the impacts of these SPP Tariff revisions to OG&E's resource adequacy requirements have been included in this IRP, the policy will also heighten volatility in OG&E's capacity requirements going forward. With the adoption of PBA and fuel assurance, the accredited capacity for each conventional resource will be recalculated by SPP annually at the conclusion of both the summer and winter capacity seasons. Simultaneously, the corresponding Accredited Capacity (ACAP) PRM value will

²FERC. (2025). *Further Order – ELCC, PBA, and Fuel Assurance Policy (ER24-1317 and ER24-2953)*. SPP. https://www.spp.org/documents/74361/20250718_further%20order%20-%20elcc%20pba%20and%20fuel%20assurance%20policy_er24-1317%20and%20er24-2953.pdf

also be adjusted for each capacity season, i.e. twice each year. The ACAP PRM is calculated by SPP based on the approved Base PRM, which will be 16% in the 2026 summer season and 36% in the winter season and growing to 17% and 38% in 2029, respectively. SPP will determine the updated ACAP PRM based upon the collective seasonal performance of conventional resources in SPP. The process calls for the updated ACAP PRM to be provided to OG&E four (4) months prior to the initial submittal deadline for the corresponding Resource Adequacy season. The implementation will thereby result in more year-over-year volatility in the seasonal and annual capacity needs. Seasonal volatility in both the accredited capacity of resources and associated PRM makes identifying and meeting SPP's long-term resource adequacy requirements more difficult for Load Responsible Entities (LRE) such as OG&E. Going forward, this volatility will introduce risks associated with planning strictly to minimum capacity needs.

SPP's Regional State Committee (RSC) and Board of Directors has approved policy implementing a Winter Resource Adequacy Requirement (RAR) similar to the Summer RAR, which would require deficiency payments for non-compliance. This policy was approved by FERC³ in early 2025. Going forward, all LREs, including OG&E, will have to meet a Winter RAR beginning with the 2025/2026 Winter Season.

SPP has also recently implemented a Resource Availability policy for generation resources. This policy restricts the amount of planned outage time each generation resource can utilize in both the Summer and the Winter Seasons in order to include the resource towards meeting SPP's capacity obligations. The primary change driven by this policy is the restriction of planned outages in the Winter Season, and will likely require all generator owners in SPP to modify outage planning practices.

I. C. SPP Resource Adequacy Policy Future Risks

Future Policy Risks identified in this section are not currently incorporated into this IRP, however, these policies have the potential to further expand capacity needs or other investments in OG&E's generation fleet.

SPP is refining its demand response policy to ensure accurate accreditation based on availability, performance during events, and capability testing. Precise policy language is still being refined, with a final report and recommendations expected in early 2026 and implementation possibly as early as year-end 2026. OG&E will likely be impacted by having to procure additional capacity, specifically due to the expected modification or elimination of treatment of Demand Response Resources as load modifiers, which is a reduction to expected peak load, but instead accounting for them as resources.

The finalized PRM increases between 2026 and 2029 precede another anticipated PRM increase for summer 2030 and winter 2030/2031, which is expected to be approved in

³ FERC. (2025). *Order – Winter Season Resource Adequacy Requirement (RR 605 RR 549)*. SPP. [https://www.spp.org/documents/73507/20250320_order%20-winter%20season%20resource%20adequacy%20requirement%20\(rr%20605%20rr%20549\).pdf](https://www.spp.org/documents/73507/20250320_order%20-winter%20season%20resource%20adequacy%20requirement%20(rr%20605%20rr%20549).pdf)

2026. Changes in PRM values, combined with changes to accreditation methodologies for all resources have the potential to add to OG&E's capacity needs in the future.

I. D. Environmental Compliance

The Environmental Protection Agency (EPA) has begun reviewing its rules in light of the priorities and policies of the current presidential administration. Outcomes include the possibility of the EPA repealing or reconsidering numerous regulations, including some that may impact OG&E's generation portfolio. Several recently promulgated rules are also in the process of judicial review. In particular, the 2023 Good Neighbor Federal Implementation Plan (FIP) and 2024 Greenhouse House Gas (GHG) emissions rules for electric generating units (EGU) are being challenged at the U.S. Supreme Court, the U.S. Court of Appeals for the DC Circuit, and U.S. Court of Appeals for the Tenth Circuit. The FIP is currently not in effect due to a court-ordered stay of the regulation and, separately, EPA has announced its intent to reconsider the regulation. The GHG litigation is being held in abeyance while EPA conducts a new notice-and-comment rulemaking process to reassess the challenged rule.

Under Section 111(d), existing coal units will be required to use carbon capture covering 90 percent of emissions by 2032 if they plan to operate beyond 2039. If coal units plan to operate until 2039, they must co-fire with natural gas at 40 percent by 2030. Coal plants that commit to retire by 2032 are exempt and may continue to operate as is. Existing natural gas-fired boilers are addressed under Section 111(d) with emissions rates based on a unit's annual capacity factor. OG&E's existing gas boilers currently meet the new requirements and therefore no additional compliance steps beyond reporting are expected. Unlike the proposed rules, the final rules do not address existing simple and combined-cycle combustion turbine units.

Under Section 111(b), the EPA finalized standards for new natural gas-fired turbines commencing construction after May 23, 2023, using capacity factor thresholds to differentiate among new units establishing three subcategories: baseload, intermediate load, and low load. All three categories are subject to efficiency standards. Baseload units, those with a capacity factor greater than 40 percent, are also subject to a phase two requirement based on 90 percent capture of CO₂ with a compliance deadline of January 1, 2032.

Although the 2024 GHG regulation for EGUs is in effect and includes requirements for certain classes of new and existing units, on June 17, 2025, EPA proposed to repeal all GHG emission standards for fossil fuel-fired power plants. EPA also included an alternative proposal to repeal specific portions of the 2024 rule based on revised determinations of the best system of emission reduction ("BSER") for existing coal-fired

steam generating units and new base load combustion turbines. EPA has indicated it intends to finalize changes by December 2025⁴.

Regarding EPA's review of the Oklahoma SIP for second Regional Haze implementation period, on June 28, 2024, the EPA entered into a consent decree which requires the EPA to propose action on the Oklahoma SIP no later than December 31, 2025 and take final action no later than December 31, 2026. EPA announced in March 2025 that it intends to restructure the Regional Haze regulation.

OG&E continually evaluates the status of these matters, but at the date of this 2025 IRP, it is not possible to know whether or when these regulations will affect Resource Planning.

⁴ EPA. (2025). *Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants*. EPA. <https://www.epa.gov/stationary-sources-air-pollution/greenhouse-gas-standards-and-guidelines-fossil-fuel-fired-power>



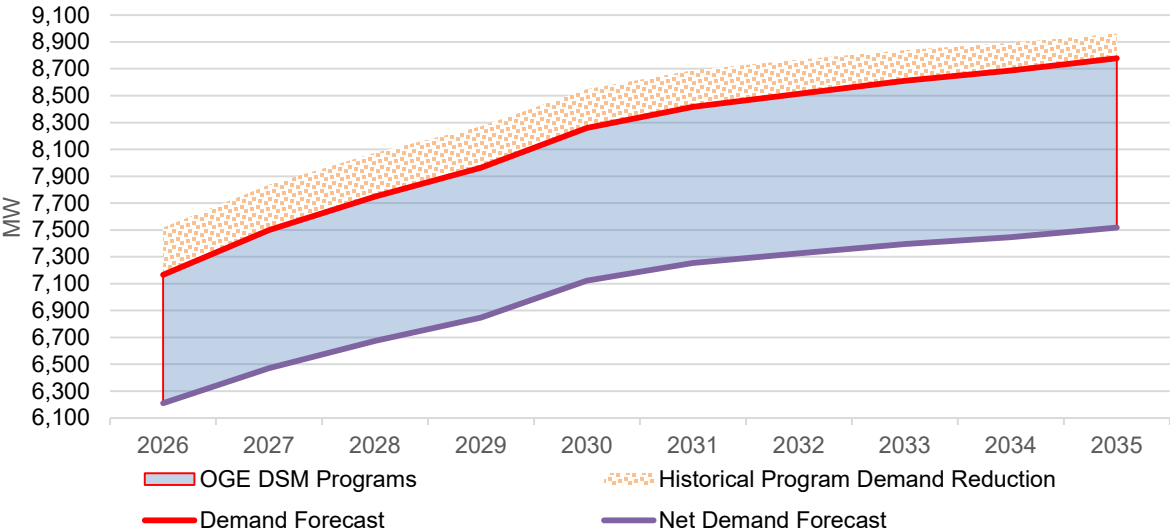
II. Schedules

This section provides schedules and tabular information described in the OCC’s Electric Utility Rules, Subchapter 37 of Chapter 35, Section 4 (c).

II. A. Electric Demand and Energy Forecast

The retail energy forecast is based on retail sector-level econometric models representing weather, growth and economic conditions in OG&E’s Oklahoma and Arkansas service areas. The peak demand forecast relies on an hourly econometric model. Historical and forecast weather-adjusted retail energy sales are the main driver for the peak demand forecast projections. Historical DSM programs implemented by OG&E since 2007 are incorporated into the load forecast. The peak demand forecast is further reduced by planned future OG&E DSM program implementations to determine the net demand used for planning purposes, as shown in the figure below.

OG&E DSM Impact on Demand Forecast



Annual Energy Sales Forecast (GWh)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Energy Forecast⁵	41,300	44,649	46,968	49,140	51,653	52,995	54,088	55,053	56,117	57,198
OG&E DSM⁶	490	641	764	910	1,012	1,168	1,307	1,451	1,595	1,347
Net Energy	40,810	44,007	46,205	48,229	50,641	51,827	52,781	53,602	54,522	55,851

⁵ Includes SmartHours and Historical Energy Efficiency programs.

⁶ Represents estimates for incremental Energy Efficiency programs in Oklahoma and Arkansas, incremental growth of SmartHours, the Load Reduction Program, and Business Demand Response.

Summer Peak Demand Forecast (MW)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Demand Forecast⁷	7,166	7,499	7,749	7,963	8,260	8,418	8,514	8,610	8,687	8,778
OG&E DSM⁸	956	1,028	1,075	1,117	1,136	1,163	1,188	1,214	1,240	1,261
Net Demand	6,210	6,470	6,674	6,847	7,123	7,255	7,326	7,396	7,447	7,518

⁷ Includes SmartHours and Historical Energy Efficiency programs.

⁸ Represents estimates for incremental Energy Efficiency programs in Oklahoma and Arkansas, incremental growth of SmartHours, the Load Reduction Program, and Business Demand Response.

II. B. Existing Generation Resources

This schedule provides a summary of existing resources.

OG&E Existing Thermal Resources

Unit Type	Unit Name	First Year In Service	Tested Capability (MW)
Gas Fired Steam (2,888 MW)	Horseshoe Lake 8	1969	377
	Seminole 1	1971	500
	Seminole 2	1973	513
	Seminole 3	1975	509
	Muskogee 4	1977	498
	Muskogee 5	1978	491
Combined Cycle (1,120 MW)	Frontier	1989	126
	McClain ⁹	2001	375
	Redbud ⁸	2002	619
Combustion Turbine (553 MW)	Tinker (Mustang) 5A	1971	33
	Tinker (Mustang) 5B	1971	31
	Horseshoe Lake 9	2000	45
	Horseshoe Lake 10	2000	46
	Mustang 6	2018	57
	Mustang 7	2018	56
	Mustang 8	2018	58
	Mustang 9	2018	57
	Mustang 10	2018	55
	Mustang 11	2018	58
	Mustang 12	2018	57
	Coal Fired Steam (1,880 MW)	Sooner 1	1979
Sooner 2		1980	519
Muskogee 6		1984	521
River Valley ¹⁰		1990	321

⁹ Represents OG&E owned interest: 77% of McClain and 51% of Redbud.

¹⁰ River Valley is primarily a coal-fired steam unit. It can also utilize natural gas and tire-derived fuel in the combustion process.

OG&E Existing Renewable Resources

Unit Type	Unit Name	First Year In Service	Nameplate Capacity (MW)	Summer Capability (MW)
Wind (81 MW)	Centennial	2006	120	22
	OU Spirit	2009	101	14
	Crossroads	2012	228	45
Solar (24 MW)	Mustang	2015	2.5	2
	Covington	2018	9.7	7
	Chickasaw Nation	2020	5	4
	Choctaw Nation	2020	5	4
	Butterfield	2022	5	4
	Branch	2021	5	3

OG&E Existing Power Purchase Contracts

	Unit Name	Contract Start date	Nameplate Capacity (MW)	Summer Capability (MW)
Power Purchase (69 MW)	Keenan	2010	152	29
	Taloga	2011	130	18
	Blackwell	2012	60	15
	Southwestern Power Administration	1979	7	7

OG&E Existing Capacity Purchase Contracts

Agreement Type	Name	Contract Year	Summer Capability (MW)
Capacity Purchase	Bridge Capacity	2026	600
	Bridge Capacity	2027	600

II. B. 1. Resource Retirements and Contract Expirations

II. B. 1.) (i) Horseshoe Lake

Horseshoe Lake Unit 8 is a 377 MW natural gas-fired steam turbine unit originally commissioned in 1969. OG&E plans to retire Horseshoe Lake unit 8 in 2027, after 58 years of service. Horseshoe Lake Units 9 and 10 are natural gas-fired combustion turbine generators placed in service in 2000. OG&E plans to retire Horseshoe Lake units 9 and 10 in 2035.

II. B. 1.) (ii) Mustang (Tinker)

Mustang Units 5A and 5B are two aero-derivative simple-cycle combustion turbines (CTs) that were originally installed at OG&E's Mustang power plant site in 1971. In 1990, OG&E

moved these two units to Tinker Air Force Base. The existing Tinker units have a combined net capacity of approximately 64 MW and support all customers, while providing islanding and resiliency benefits to Tinker. The two units located at Tinker are planned to be retired in late 2025 or early 2026 after approximately 54 years of service.

II. B. 1.) (iii) Seminole

Seminole Units 1, 2 and 3 are natural gas-fired steam generators located at the Seminole power plant in Konawa, Oklahoma. These units were placed in service in the early to mid-1970s. OG&E currently anticipates retiring Seminole Units 1, 2, and 3 at the end of 2030, 2032, and 2034, respectively, after each unit achieves 59 years of service. The three Seminole units represent approximately 1,500 MWs of OG&E's current generating capacity.

II. B. 1.) (iv) Owned Wind Retirements

OG&E's Centennial Wind farm was placed in service in 2006 and is scheduled for retirement in late 2031. OG&E's OU Spirit Wind farm was placed in service in 2009 and is scheduled for retirement in late 2034. Both of these wind farms will have completed 25 years of service to OG&E's customers. OG&E is exploring alternatives to retirement for its owned wind resources.

II. B. 1.) (v) Wind Power Purchase Agreements

OG&E entered into 20-year PPAs with the Keenan and Taloga Wind facilities starting in 2010 and 2011, respectively. Those agreements are expected to end on schedule in 2030 and 2031. The Blackwell Wind 20-year PPA began in 2012 and will end in 2032.

II. B. 2. Planned Resource Additions

II. B. 2.) (i) Horseshoe Lake

Horseshoe Lake Units 11 and 12 are planned to go into service in 2026. These units include two identical GE 7FA.05 natural gas-fired combustion turbines selected from OG&E's 2022 Flexible Resource RFP. Horseshoe Lake Units 11 and 12 were unanimously approved by OCC in Order number 738566 in Cause number PUD2023-00038 in October 2023. They will bring a total of 448 MW of capacity, quick starting capability, modernization, and improved reliability to OG&E's generation fleet.

II. B. 2.) (ii) Tinker

Tinker units 1 and 2 will be located at Tinker Air Force Base and are planned to go into service in 2026. These new resources replace the retiring Mustang 5A and 5B units. The Tinker Air Force Base site is close to Oklahoma City, OG&E's largest load center. The proximity to the load center reduces the effect of congestion on the transmission system and provides reliable energy to all OG&E's retail customers. The new Tinker CT units will have the ability to be turned on and off quickly, which allows them to supply power to the grid during peak times, to serve changing demand in real-time, and to supply ancillary services to the grid. The new units are two identical GE LM6000 natural gas-fired

combustion turbines. They will bring a total of 88 MW of capacity, quick starting capability, modernization, and improved reliability to OG&E's generation fleet. The units will not only address part of OG&E's overall capacity need, but they will also be able to be dispatched by SPP to serve all customers and will provide the added benefit of providing islanding and resiliency benefits to Tinker Air Force Base, in the event of a national security emergency.

II. B. 2.) (iii) Future Resources

OG&E's evaluation and selection of projects offered into the RFPs issued in 2024 is complete. OG&E has filed Cause No. 2025-000038 in Oklahoma for pre-approval of selected resources after contracts were finalized. The resources included in the Oklahoma pre-approval filing include Horseshoe Lake 13 and 14 combustion turbines, a 20-year Capacity Purchase Agreement with Black Kettle BESS and a 5-year CPA with Tenaska Kiamichi combined cycle. OG&E will also be submitting the appropriate filings for approval of these resources in Arkansas in a timely manner.

II. C. Transmission Capability and Needs

OG&E's transmission system is directly interconnected to seven other utilities' transmission systems at over 50 interconnection points. Indirectly, OG&E is connected to the entire Eastern interconnection through the SPP regional transmission organization. The SPP footprint covers 552,000 square miles, serves over 19 million customers, and has members in 14 states across all of Kansas and Oklahoma and parts of Arkansas, Colorado, Iowa, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Texas, and Wyoming. In compliance with FERC Order 890 for transmission planning, SPP performs annual expansion planning for the entire SPP footprint. OG&E provides input to the SPP planning process, and SPP is ultimately responsible for transmission system planning, including the OG&E system.

Each year, SPP produces the SPP Transmission Expansion Plan¹¹ (STEP) which provides a comprehensive listing of all transmission projects in the SPP. These projects are derived from several SPP analysis efforts including upgrades required to satisfy requests for Transmission Service or Generator Interconnection, approved projects for the annual ITP assessments, sponsored upgrades from each SPP member if applicable, and any remaining approved projects from previous studies. The purpose of the ITP process is to maintain reliability, provide economic benefits and meet public policy needs in both the near and long-term to create a cost-effective, flexible, and robust transmission grid with improved access to the SPP region's diverse resources. The reports for each SPP study are provided on the SPP website¹². SPP also provides a comprehensive

¹¹ SPP. (2025). *2025 SPP Transmission Expansion Plan Report*. SPP.

<https://www.spp.org/Documents/56611/2025%20SPP%20Transmission%20Expansion%20Plan%20Report.zip>

¹² SPP. *Integrated Transmission Planning*. ITP reports: <https://www.spp.org/engineering/transmission-planning/>

tracking spreadsheet for all projects¹¹. The projects located on the OG&E system are provided in Schedule J.

II. D. Needs Assessment

This schedule provides the needs assessment for new generating resources for the next 10 years.

OG&E Summer Capacity Position (MW unless noted)

		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capacity	Owned Capacity	5,632	5,452	5,452	5,452	5,452	5,071	5,048	4,608	4,608	4,131
	Planned Additions	81	493	493	493	493	493	493	493	493	493
	Purchase Contracts	674	674	74	74	74	20	20	7	7	7
	Total Capacity	6,387	6,618	6,018	6,018	6,018	5,584	5,561	5,107	5,107	4,631
Demand	Demand Forecast	7,166	7,499	7,749	7,963	8,260	8,418	8,514	8,610	8,687	8,778
	OG&E DSM	956	1,028	1,075	1,117	1,136	1,163	1,188	1,214	1,240	1,261
	Net Demand	6,210	6,470	6,674	6,847	7,123	7,255	7,326	7,396	7,447	7,518
Base PRM		16%	16%	16%	17%	17%	17%	17%	17%	17%	17%
ACAP PRM		6.4%	6.4%	6.4%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Margin	Reserve Margin ¹³	3%	2%	-10%	-12%	-16%	-23%	-24%	-31%	-31%	-38%
Needs	Needed Capacity	221	267	1,083	1,349	1,647	2,223	2,323	2,851	2,906	3,459

¹³ Reserve Margin % = ((Total Net Capacity) - (Net System Demand)) / Net System Demand

OG&E Winter Capacity Position (MW unless noted)

		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capacity	Owned Capacity	4,793	4,859	4,889	4,893	4,821	4,475	4,458	4,082	4,082	3,610
	Planned Additions	479	479	479	479	479	479	479	479	479	479
	Purchase Contracts	67	67	67	67	67	19	19	7	7	7
	Total Capacity	5,340	5,406	5,435	5,439	5,367	4,973	4,957	4,568	4,568	4,096
Demand	Demand Forecast	5,840	6,016	6,165	6,384	6,489	6,545	6,601	6,641	6,697	6,753
	OG&E DSM	854	890	908	923	923	923	923	923	923	923
	Net Demand	4,986	5,125	5,257	5,461	5,566	5,622	5,678	5,718	5,774	5,830
Base PRM		36%	36%	36%	38%	38%	38%	38%	38%	38%	38%
ACAP PRM		12.7%	12.7%	12.7%	14.7%	14.7%	14.7%	14.7%	14.7%	14.7%	14.7%
Margin	Reserve Margin	7%	5%	3%	0%	-4%	-12%	-13%	-20%	-21%	-30%
Needs	Needed Capacity	280	371	490	825	1,017	1,476	1,556	1,991	2,056	2,592

OG&E anticipates minimal near-term incremental needs in the Winter seasons following implementation of SPP's Winter Resource Adequacy Requirement.

II. E. Resource Options

This schedule provides a description of the resource options available to OG&E to address the needs identified in Schedule D. The information provided below is identical to Schedule E in OG&E 2024 IRP.

New Generation Resources (2023\$)

Technology	Model	Nameplate Capacity (MW)	Up-front Capital Cost (\$/kW)	Summer Capability (MW)	Fixed O&M Cost (\$/kW)	Variable O&M Cost (\$/MWh)
Wind	Land-Based	250	\$1,940	50	\$42.40	N/A
Batteries	Lithium Ion	100	\$2,130	100	\$30.00	N/A
Solar	Photovoltaic Single Axis	150	\$2,220	90	\$17.40	N/A
Solar/Battery Combo	Single Axis/Lithium Ion	150	\$3,230	150	\$36.00	N/A
RICE	Reciprocating Engine 3x	55	\$1,800	55	\$15.40	\$4.60
	Reciprocating Engine 6x	110	\$1,420	110	\$15.10	\$4.60
CT Aero	1x LM2500 SCGT	32	\$3,200	29	\$9.10	\$1.70
	12x LM2500 SCGT	389	\$2,660	352	\$9.20	\$1.70
	1x LM6000 SCGT	54	\$2,190	50	\$5.60	\$1.40
	8x LM6000 SCGT	428	\$1,870	399	\$5.30	\$1.40
	1x LMS100 SCGT	102	\$2,200	87	\$3.10	\$1.20
	4x LMS100 SCGT	406	\$1,940	347	\$3.90	\$1.20
CT Frame	1x "E" Class SCGT	86	\$2,030	78	\$7.50	\$7.50
	1x "F" Class SCGT	221	\$1,130	211	\$3.30	\$2.10
	1x "G/H" Class SCGT	280	\$930	264	\$3.70	\$2.20
Combined Cycle (CC)	1x1 J Class	531	\$1,180	503	\$4.10	\$1.50
	1x1 J Class Duct Fired	637	\$990	613	\$4.10	\$2.30
	2x1 G/H Class Duct Fired	1001	\$870	944	\$2.90	\$2.30
	2x1 F Class	729	\$1,130	662	\$2.70	\$1.50
	2x1 F Class Duct Fired	880	\$960	828	\$2.80	\$2.30
	1x1 F Class Duct Fired	441	\$1,250	411	\$4.90	\$2.40
Nuclear	Small Modular Reactor	320	\$11,720	320	\$234.40	Unknown

II. F. Fuel Procurement and Risk Management Plan

On May 15, 2025, OG&E submitted its annual Fuel Supply Portfolio and Risk Management Plan to the OCC as part of Cause No. PUD 200100095. The submitted document can be found at the OCC.

II. G. Action Plan

OG&E plans to retire existing Tinker units 5A and 5B in late 2025 and will replace those retiring resources with Tinker units 1 and 2 in 2026. New units Horseshoe Lake 11 and 12 will also be placed into service in 2026, while Horseshoe Lake unit 8 will retire in 2027. OG&E plans to retire Seminole unit 1 at the end of 2030. For planning purposes, OG&E will continue to evaluate conditions impacting long-term capacity needs, as required by Commission rules. In the near-term, OG&E will continue to pursue all options available to fully satisfy its remaining capacity needs, including through additional resources selected from the 2024 All Source RFP, future RFPs for resources as necessary to satisfy its capacity requirements, and/or other options for new capacity. OG&E will also continue to monitor environmental regulation developments and take actions, if deemed necessary.

II. H. Requests for Proposals

As noted in Schedule G, OG&E will consider RFPs for capacity resources, as necessary.

II. I. Modeling Methodology and Assumptions

The table below notes the source of each assumption.

Assumption	Source
Load Forecast	OG&E
Existing Generation Resources	OG&E
Resource Changes	OG&E
Future Resource Options	Burns & McDonnell
Planning Reserve Margin	SPP

Future resource options shown, including pricing, are taken from the Technical Assessment prepared by Burns & McDonnell in 2023.

II. J. Transmission System Adequacy

As described in Schedule C, OG&E is a member of and provides input to SPP, who is ultimately responsible for the planning of the OG&E system. SPP evaluates system adequacy and develops a transmission expansion plan to determine what improvements are necessary to ensure reliable transmission service. The planned projects located on the OG&E system to meet the transmission needs are provided in the following table.

Year	Description	Type of Upgrade	Project Type	Current Cost Estimate (\$M)	STEP Upgrade Type	Notice to Construct ID
2026	Osage 138 kV Terminal	Substation Upgrades	Economic	\$1.20	ITP	220774
2026	Webb City Tap - Osage 138 kV Circuit 1 Rebuild	Substations Upgrades, Line Upgrades	Economic	\$28.88	ITP	220774
2026	Tinker 138 kV Breaker	Substation Upgrades	Regional Reliability	\$0.60	ITP	220812
2026	Maud Tap 138 kV Circuit 1 Terminal	Substation Upgrades	Economic	\$0.43	ITP	220812
2027	Gracemont 138 kV Circuit 2	Substation Upgrades	Economic	\$2.18	ITP	220774
2027	Anadarko - Gracemont 138 kV Circuit 3	New Line, Substation Upgrades	Economic	\$10.00	ITP	220774
2027	Anadarko - Gracemont 138 kV Circuit 2	New Line, Substation Upgrades	Economic	\$10.00	ITP	220774
2027	Redbud 345 kV Terminal	Substation Upgrades	Economic	\$3.58	ITP	220772
2027	Matthewson 345 kV Terminal	Substation Upgrades	Economic	\$3.95	ITP	220772

Transmission system expansion provides benefits to members throughout the SPP; therefore, the costs of projects constructed in the SPP are shared through various cost allocation methods, depending on the type of project.

II. K. Resource Plan Assessment

This 2025 IRP assesses the need for additional resources to satisfy the capacity requirements established by state and federal laws and regulations.

II. L. Proposed Resource Plan Analysis

This 2025 IRP provides an update of capacity needs since the 2024 IRP. The information provided in this report confirms the direction set out in the Five-Year Action Plan identified in the 2024 IRP.

II. M. Physical and Financial Hedging

OG&E's diverse mix of generation assets and its Fuel Cost Adjustment tariff help mitigate customer exposure to price volatility of a single fuel type. Additionally, OG&E's participation in the SPP Integrated Marketplace (IM) with these generation assets assures OG&E customers the lowest reasonable cost due to the economic commitment and dispatch of the market.

OG&E also has physical fuel storage of both coal and natural gas. In 2022, OG&E expanded its physical hedging of natural gas by expanding its natural gas storage services and implementing monthly gas contracts that increase price surety for customers. These surety contracts include fixed price, call options, first-of-month pricing, and call cap options. The combination of these expanded actions help to provide a measurable increase in both price and volume surety, further reducing exposure to volatility often seen in the natural gas market.

Financial Hedging of a commodity such as power plant fuel is aimed at reducing the volatility in price. Financial hedging comes at a cost in the form of transaction costs, margin calls, and premiums required to lock in pricing. OG&E's customers have been protected to a large extent from the historic volatility in natural gas prices by OG&E's diversified portfolio approach to fuel and purchased power. OG&E has implemented a three-year financial hedging pilot program for natural gas with December 2024 through February 2025 being the first term of the three year pilot. The pilot, as mentioned, holds costs to implement, and has proven to provide good surety regarding fuel costs in its inaugural debut.

All of OG&E's hedging activities are designed to protect customer costs while simultaneously ensuring that reliability remains strong. The actions taken by OG&E in the last few years have provided great advancements in these objectives while also increasing OG&E's preparedness for future periods when fuel assurance may not be known as of yet.

III. Appendices

Appendix A – Demand Forecast Range and Energy by Class

PEAK DEMAND FORECAST

OG&E's load forecasting framework relies on independently produced forecasts of service area economic and population growth, actual and normal weather data, and projections of OG&E electricity prices for price-sensitive customer classes. The peak demand forecast is based on an hourly econometric model of weather and economic effects on OG&E's hourly load responsibility series. A probabilistic range of outcomes is produced to show how often peak demands could reach each level. The *1 out of 2 years* or "expected" forecast shows the peak demand level given the 50th percentile of the load forecast distribution, using all available historical weather data. In this case, there is a 50% probability the peak load will reach this load level or higher. OG&E is required by SPP to plan for this 50% probability in the PRM calculation.

Peak Demand (MW) Forecasts by Weather Probability before OG&E DSM

Event of Occurrence	Occurrence Probability	2026	2027	2028	2029	2030	2031	2032	2033	2034
1 out of 30 Years	3%	7,761	8,111	8,379	8,602	8,916	9,078	9,180	9,279	9,349
1 out of 10 Years	10%	7,486	7,830	8,088	8,307	8,614	8,775	8,874	8,970	9,046
1 out of 4 Years	25%	7,307	7,641	7,897	8,113	8,413	8,570	8,669	8,769	8,839
1 out of 2 Years	50%	7,166	7,499	7,749	7,963	8,260	8,418	8,514	8,610	8,687
3 out of 4 Years	75%	7,026	7,354	7,600	7,813	8,105	8,261	8,357	8,453	8,530
9 out of 10 Years	90%	6,852	7,170	7,414	7,623	7,910	8,062	8,158	8,257	8,328
29 out of 30 Years	97%	6,736	7,050	7,291	7,498	7,781	7,932	8,027	8,126	8,198

ENERGY FORECAST

The energy forecast is generated from a regression analysis of historical energy, economic growth patterns and annual weather. OG&E's energy is divided into six market segments (Residential, Commercial, Industrial, Oil Field, Street Lighting and Public Authority). Within each segment, a variety of different models is prepared and tested against actual historical sales to determine which model provides the highest quality forecast for that market segment.

Energy (GWH) Forecast by Customer Revenue Class before OG&E DSM

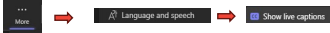
GWH	2026	2027	2028	2029	2030	2031	2032	2033	2034
Residential	9,909	10,051	10,207	10,359	10,515	10,680	10,856	11,043	11,242
Commercial	15,437	18,106	19,827	21,426	23,324	24,128	24,720	25,158	25,611
Industrial	4,250	4,295	4,328	4,356	4,385	4,416	4,450	4,487	4,527
Petroleum	4,643	4,779	4,922	5,058	5,195	5,339	5,489	5,649	5,816
Street Lighting	51	50	49	47	46	45	44	43	42
Public Authority	3,157	3,202	3,253	3,309	3,368	3,441	3,483	3,537	3,644
Total Retail Sales	37,446	40,483	42,586	44,554	46,833	48,050	49,041	49,916	50,881
Losses	3,854	4,166	4,383	4,585	4,820	4,945	5,047	5,137	5,236
Energy Forecast	41,300	44,649	46,968	49,140	51,653	52,995	54,088	55,053	56,117

Appendix B – OG&E 2025 IRP Oklahoma Technical Conference




Meeting Procedures

- As OG&E proceeds through the presentation, there will be a few minutes after each section for questions
- If preferred, you may enable closed captions by selecting



- To ask a question, please raise your hand from the Teams menu
- Be sure to unmute your microphone after you are recognized by the facilitator to ask your question
- If time does not allow for all questions, you may use the Q&A feature to submit your question for later follow-up

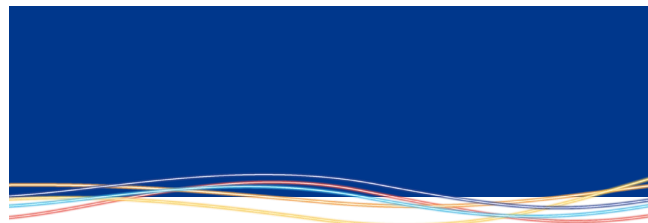


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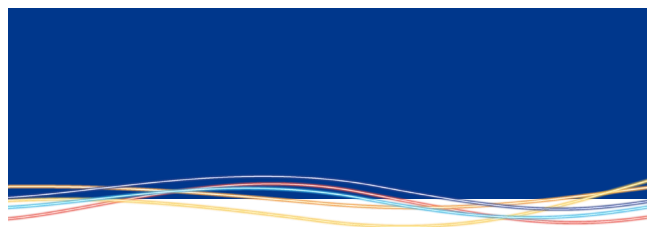
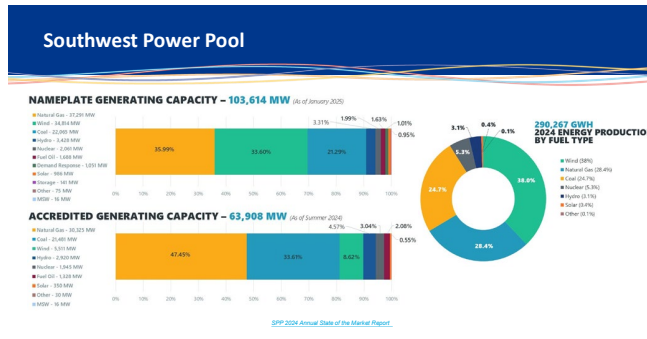
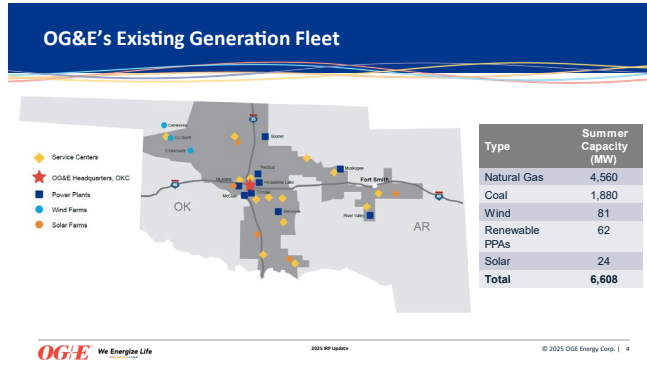
Presentation Agenda

- **Introduction**
 - OG&E Generation
 - Southwest Power Pool
- **IRP Approach and Purpose**
 - Purpose of 2025 IRP Update
 - 2024 IRP Action Plan Status
- **Assumptions**
- **SPP Policy Updates**
 - Resource Adequacy Policy Updates
 - Current and Future SPP Policy Risks
- **Load Forecast**
- **Action Plan**

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Introduction



IRP Approach and Purpose



Progress on the 2024 IRP Action Plan

2024 IRP Action Plan	
<input checked="" type="checkbox"/>	OG&E plans to retire Horseshoe Lake unit 7 in 2024.
On Track	OG&E plans to retire Tinker units 5A and 5B in 2025.
On Track	OG&E plans to retire Horseshoe Lake unit 8 in 2027.
<input checked="" type="checkbox"/>	OG&E will continue to pursue all options available to satisfy the capacity needs identified in this IRP, including RFPs, as needed.
<input checked="" type="checkbox"/>	OG&E will continue to monitor environmental regulation developments and take actions, if deemed necessary.

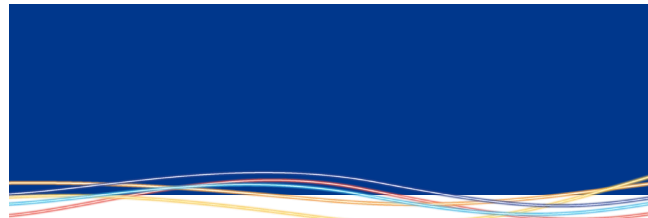
2024 RFPs – Bids, Evaluation, and Selection Complete

Bridge Capacity RFPs All Source RFP

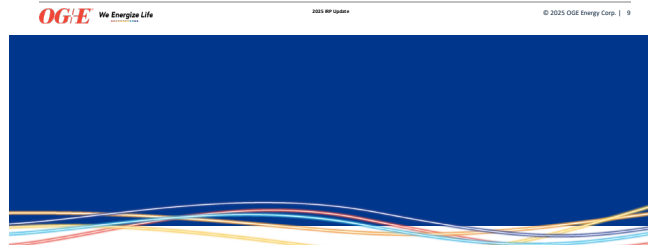
Resource Approval – In Process

All Source RFP

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Assumptions



SPP Policy Changes



SPP Resource Adequacy Terminology

- Planning Reserve Margin (PRM) = The amount of reserve generation a Load Responsible Entity (LRE) must maintain over its forecasted peak demand
- Performance Based Accreditation (PBA) = Revision to accreditation methodology for conventional generation resources in SPP
- Effective Load Carrying Capability (ELCC) = Revision to accreditation methodology for renewable generation and energy storage resources in SPP
- Resource Adequacy Requirement (RAR) = Obligation for LREs to meet minimum resource requirements, with penalty for non-compliance
- Accredited Capacity PRM (ACAP PRM) = The SPP-wide effective PRM after considering the Performance Based Accreditation of all conventional generating resources

SPP Resource Adequacy Policy

Finalized Policies

Planning Reserve Margin (PRM) in 2025 and 2029	Performance Based Accreditation (PBA) and Effective Load Carrying Capability (ELCC)	Winter Resource Adequacy Requirement (RAR)	Outage/Availability Policy
<ul style="list-style-type: none"> • Summer Base PRM set to 16% in 2025 and 17% in 2029 • Winter Base PRM set to 30% in 2025 and 35% in 2029 	<ul style="list-style-type: none"> • Accredited MWs for Resource Adequacy will be updated annually • Based on historical performance of individual resources and fleet within SPP 	<ul style="list-style-type: none"> • Similar to Summer RAR • Requires deficiency payments for non-compliance 	<ul style="list-style-type: none"> • Applies for Summer and Winter capacity seasons • Planned outages limited to < 30 days to be included for Resource Adequacy

Upcoming Policy Changes

- Change to Demand Response Program Accreditation
- 2025 LOLE Study and 2030 PRM

Other Policy Risks

Current Risks

- Federal Import Tariffs
- Tax Policy legislation changes

Future Risks

Environmental Policies:

- Mercury and Air Toxics Standards (MATS)
- Federal Clean Water Act
- Greenhouse Gas (GHG) Regulations
- National Ambient Air Quality Standards (NAAQS)
- Regional Haze
- Endangered Species Act (ESA) and other federal laws



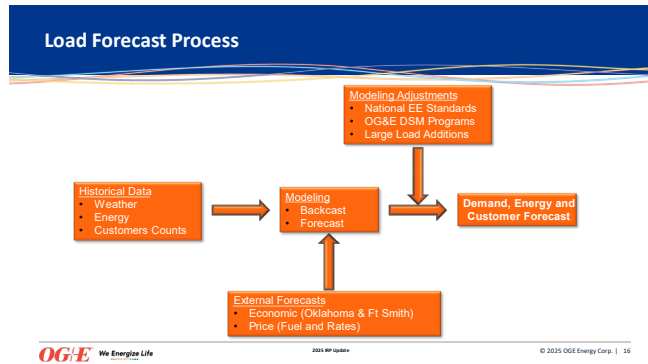
Load Forecast

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OG&E Load Forecast Overview

- Load Forecast**
- 10-year forecast
 - Includes energy (kWh), peak demand (kW), and customers
 - Based on hourly econometric model of weather and economic effects on OG&E's hourly load responsibilities
 - All class levels (residential, commercial, industrial, etc.)
- Inputs**
- Economic variable forecast from OSU
 - Income, unemployment rate, Real GDP, population, etc.
 - 30-year weather data for weather normalization
 - Historic energy and demand
 - Demand side management (energy efficiency, load reduction, etc.)

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Inputs Outside of Base Load Forecast

- Large Load**
 - Anticipated large load exceptions outside of base load growth
 - Anticipated large load removals
- Demand Side Management**
 - Demand programs reduce load requirements
 - These are not included within the base model
 - DSM programs are approved every 3 -5 years

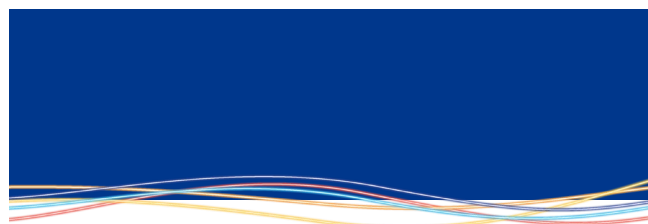
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OG&E Load Forecast with DSM Programs

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
2024 IRP	Gross Peak Demand Forecast											
	6,632	6,754	7,217	7,264	7,343	7,403	7,497	7,623	7,755	7,861	7,917	
	OG&E DSM											
	559	753	988	1,027	1,049	1,074	1,098	1,119	1,141	1,159	1,160	
	Net Demand Forecast											
	6,073	6,001	6,229	6,237	6,295	6,330	6,400	6,504	6,614	6,701	6,757	

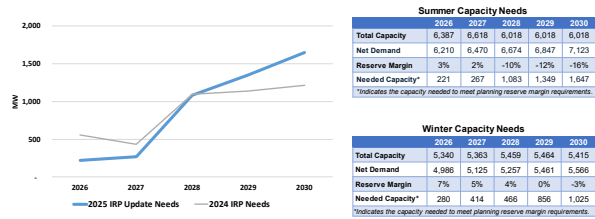
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2025 IRP Update	Gross Peak Demand Forecast									
	7,166	7,499	7,749	7,963	8,260	8,418	8,514	8,610	8,687	8,778
	OG&E DSM									
	956	1,028	1,075	1,117	1,136	1,163	1,188	1,214	1,240	1,261
	Net Demand Forecast									
	6,210	6,470	6,674	6,847	7,123	7,255	7,326	7,396	7,447	7,518

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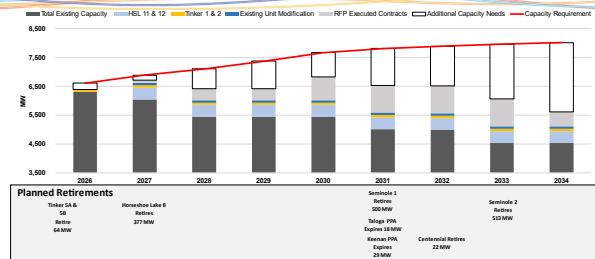
Capacity Needs and Action Plan

OG&E Updated Capacity Requirements Relative to 2024 IRP



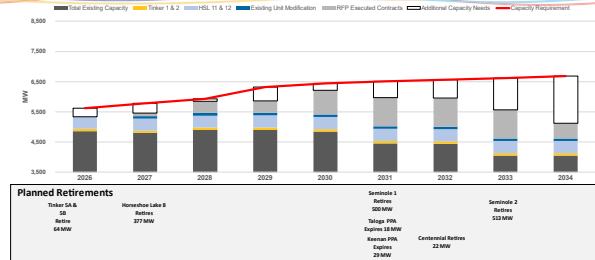
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Summer Capacity Needs



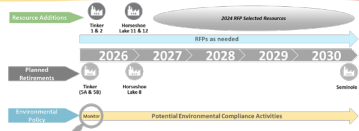
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Winter Capacity Needs



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2025 IRP 5-Year Action Plan



- Retire existing Tinker units SA and SB in late 2025 and replace those retiring resources with Tinker units 1 and 2 in 2026
- Place Horseshoe Lake 11 and 12 in service in 2026 and retire Horseshoe Lake unit 8 in 2027
- Retire Seminole unit 1 at the end of 2030
- Continue to pursue all options available to fully satisfy its remaining capacity needs, including through additional resources selected from the 2024 All-Source RFP and future RFPs for resources
- Continue to monitor environmental regulation developments and take actions, if necessary

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Questions

**OG&E 2025 IRP – Oklahoma Technical Conference
June 24, 2025
Meeting Minutes**

The Oklahoma Technical Conference regarding OG&E's 2025 Integrated Resource Plan (IRP) was held on June 24, 2025, from 1:30 pm to 3:00 pm. The meeting was conducted as a webinar and included a presentation provided by several OG&E members.

Presenters:

Name	OG&E Role
Kelly Riley	Director, Resource Planning
Aaron Castleberry	Expert Resource Planner
Jeremy Schwartz	Manager, Sales Support & Marketing Analytics
Aadarsh Bhetuwal (Facilitator)	Resource Planner

External Stakeholders:

Name	Organization
Lindsey Pever	A New Energy
Sarah Terry-Cobo	City of Oklahoma City
Fairo Mitchell	Oklahoma Corporation Commission (OCC)
Michael Ryan	Oklahoma Corporation Commission
Michael Velez	Oklahoma Corporation Commission
Nicole King	Oklahoma Corporation Commission
Jared Haines	Oklahoma Corporation Commission
Montelle Clark	Oklahoma Sustainability Network (OSN)
C Eric Davis	Phillips Murrah
Deborah Thompson	Thompson Tillotson

Aadarsh Bhetuwal began the meeting at 1:30 pm by explaining the meeting structure and process for asking questions in the virtual format.

Questions and Responses:

- Montelle Clark (OSN)
 - *Question:* The accredited capacity of Crossroads and Centennial compared to the nameplate capacity is significantly lower. Is the capacity being reduced by transmission congestion and curtailment?
 - *Response:* The current SPP resource accreditation methodology for wind resources is based on the actual historic hourly output of that resource. The two units have been in service for some time. Unit degradation, curtailment, and other causes could be among

- the multiple reasons why the accredited capacity of the resources is lower than the nameplate capacity.
- *Question:* Do you have any sense of whether the projects included in SPP's 2024 Integrated Transmission Planning (ITP) model could improve some of the capacity factors?
 - *Response:* As transmission build-out continues to expand, we are hopeful that can reduce the curtailment of wind resources. In the ELCC accreditation methodology to be implemented starting in 2026, SPP will add the curtailed hours as if the unit was operating, which will benefit the accreditation of the resources.
 - *Question:* The 2021 IRP Action Plan included a Solar resource followed by Solar / CT. Similarly, the 2024 IRP Action Plan had Solar followed by Solar + CT. I am wondering why the plans around Solar have not materialized. States around Oklahoma are building hundreds, if not thousands of MWs of solar. We saw proposals to build CTs at Horseshoe Lake and now we are seeing more proposals to build more CTs at Horseshoe Lake. What has happened to the company's goals around solar?
 - *Response:* We do IRPs with a set of data and follow that with RFPs for solicitation of resources. We followed this process in 2021 and 2024. In 2021, after we issued the Solar RFP, we encountered unforeseen Antidumping and Countervailing Duties (AD/CVD) tariffs that had potentially significant cost risk exposure for OG&E's customers. In the more recent 2024 All Source RFP, we received a broad set of resources, and the Company has tried to make the best selections out of that. The Company has continued to add smaller community solar projects. The risks around numerous federal policies including federal import tariffs and tax policy legislation may impact near term solar investments. OG&E is trying to ensure that our customers do not bear all the risks that could come into play for these.
 - *Question:* Are you using the same fuel assumptions as you did in the 2024 IRP?
 - *Response:* The 2025 IRP does not include any resource modeling, but the EIA recently issued a new set of fuel price projections in Spring 2025. We have looked at those and will be utilizing those going forward.
 - *Question:* The new projected prices seem to be higher in comparison to the last forecast you used. How do you consider the difference in fuel projections to impact your action plan going forward?
 - *Response:* When OG&E performs long-term analyses, we include a variety of sensitivities and scenarios in addition to the base case to capture the range of risks.
- Michael Velez (OCC)

- *Question:* In your presentation to the commission a few days ago, you indicated that OG&E only anticipates a small percentage of load growth in comparison to what customers are requesting. Do you have any contractual dealings or fast ramping schedule or is OG&E including loads with just letters of authorization? What is the policy regarding adding a potential customer to the load forecast?
 - *Response:* OG&E's sales process includes customer who have an initial interest, making progress, then ready to sign a contract and contract signed. This can include engineering agreements, investment in long lead items such as transformers and substation equipment, etc. OG&E is seeing interests of large load, for example, 25-30GW but when we look at the needs shown in the IRP, the capacity needed is much lower. OG&E continues to do internal due diligence for realistic load projections.
- *Question:* Is there a written policy that OG&E can share with regards to that? My concern is that companies that may be shopping around in multiple areas of the state and the country may not be as serious about bringing their loads online.
 - *Response:* OG&E has a sales process that is our official practice which guides the process of what is included in the load forecast. As circumstances continue to evolve, there may be limited exceptions regarding the final stage of projects included in the load forecast.
- Montelle Clark (OSN)
 - *Question:* With regards to the passage of S.B. 480, how much of the demand does OG&E anticipate being met by behind the meter generation resource?
 - *Response:* We are engaging in conversations and negotiations with customers who all have varying level of interests. Some are not interested in running their systems, some want to partner with us, and some want to run it themselves. Unless we sign contracts with the customers, we are not able to fully understand the load requirements and their ramp schedule.
 - *Question:* The waitlist for interconnection used to be the topic of discussion in the past, but it seems like in the recent days, the lead times of acquiring combustion turbines has been gathering more headlines. Is that influencing your planning and analysis at all?
 - *Response:* Yes, the lead times of generation resources, regardless of technology types, has changed compared to the past. In the recent 2024 All Source RFP, we have seen elongated timelines for all equipment, including Generator Step-up Transformers (GSUs), which is critical for interconnection to the grid.
 - *Question:* Is the Horseshoe Lake 11 and 12 project on schedule?
 - *Response:* Yes.

- *Question:* Do you anticipate any delays in the proposed Horseshoe Lake 13 and 14 project?
 - *Response:* At present, we are not anticipating any delays with the Horseshoe Lake 13 and 14 project.
- Sara Terry-Cobo (City of Oklahoma City)
 - *Comment:* If I understand it correctly, OG&E does not plan for customers with whom contracts have not been signed. Can you confirm that?
 - *Response:* OG&E continues to have ongoing conversations with customers who have demonstrated interests to understand what their business plan is and how we can serve them while protecting the Company and our customers. However, if a customer wants to sign up for thousands of MWs without demonstrating their interests, we do not add those capacity to our needs.
- Montelle Clark (OSN)
 - *Question:* There's a discussion about how solar combined with 4-hour batteries (sized 25% nameplate capacity of solar) achieve something close to a near firm dispatchable resource. Do you agree with that? And if so, is that something that makes adding batteries a more viable resource for you?
 - *Response:* The SPP capacity accreditation method for co-located resources like the one in your example accredits solar and battery resources separately and will be capped at the limit of interconnection. In the ELCC methodology, each resource receives separate accreditation for the summer and winter seasons. All those factors are considered in the analyses. Co-located solar plus storage resources were analyzed in the 2024 IRP.