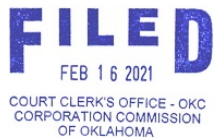


**BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA**

EMERGENCY APPLICATION OF OKLAHOMA )  
NATURAL GAS COMPANY, A DIVISION OF )  
ONE GAS, INC., FOR APPROVAL OF SPECIAL )  
REGULATORY TREATMENT FOR ABNORMAL )  
GAS SUPPLY COSTS ARISING FROM )  
EXTREME WINTER WEATHER AND WAIVER )  
OF APPLICABLE PURCHASED GAS )  
ADJUSTMENT TARIFFS AND RULES UNDER )  
OAC 165:50 SPECIFYING METHODOLOGY FOR )  
RECOVERY OF GAS SUPPLY COSTS )

CAUSE NO. PUD 202100034



**EMERGENCY APPLICATION**

Oklahoma Natural Gas Company, a division of ONE Gas, Inc. (“Oklahoma Natural” or the “Company”) for its Emergency Application represents and states as follows:

**I. PARTIES**

Oklahoma Natural is a natural gas public utility providing local distribution service to approximately 875,000 residential, commercial, and industrial customers throughout the State of Oklahoma. Its rates, charges, and terms and conditions of service are subject to regulation by the Commission. Oklahoma Natural’s principal office is located at 401 North Harvey Avenue, P.O. Box 401, Oklahoma City, Oklahoma 73101.

The names, addresses and telephone numbers of Oklahoma Natural’s counsel of record are stated below.

**II. ALLEGATIONS OF FACT**

1. On February 12, 2021, Governor Still declared a state-wide emergency due to “[e]xtreme freezing temperatures and severe winter weather including snow, freezing rain, and wind beginning February 7, 2021, and continuing.” In his Declaration, the Governor stated, “There is hereby declared a disaster emergency caused by severe winter weather in *all 77*

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*Oklahoma counties* that threatens the public’s peace, health, and safety.” (Emphasis in original).

2. Natural gas markets throughout the region are experiencing a profound crisis due to the unusually cold and unusually persistent winter weather accompanying this crisis. Demand for natural gas has escalated dramatically in area markets because of this weather crisis and prices have risen on the spot and daily index markets accordingly. Oklahoma Natural’s utility customers are no exception; demand on the Company’s local distribution system has escalated dramatically.

3. Oklahoma Natural manages its natural gas supply with a combination of commodity purchases and upstream storage and transportation services acquired through competitive bidding, long-term contracts, and commodity hedging. The prices Oklahoma Natural pays and the process by which it obtains its gas supply are strictly supervised, audited and approved by the Oklahoma Corporation Commission through an annual review of the Company’s purchased gas adjustment mechanism and a prudence review of the process by which the Company obtains its gas supply.

4. The extraordinary demand spike caused by the current weather crisis has affected the Company’s ability to obtain all the natural gas demanded by its customers through established sources for normal winter weather. Consequently, to provide the quantities of natural gas needed by Oklahoma Natural’s utility customers, the Company has been obliged to purchase supplemental quantities of gas supply through the spot and daily index markets. As noted above, the prices for gas available in these markets are now unusually high and expected to adversely affect customers’ utility bills unless extraordinary regulatory measures are applied.

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5. Unless these extraordinary regulatory measures are taken, the higher prices currently prevailing in the market, which Oklahoma Natural is obliged to pay, will be flowed through directly to Oklahoma Natural's customers on a monthly basis as provided by the Company's purchased gas adjustment tariff prescribed by the Commission's rules (OAC 165:50).

6. To avoid the expected adverse impact on customers that would otherwise occur, Oklahoma Natural will present in this Cause specific emergency modifications to existing regulatory requirements for pass-through of gas supply costs during the current weather crisis.

7. Many of the facts supporting Oklahoma Natural's proposed modifications involve sensitive and confidential market pricing, gas supply strategies, and evaluations of cost impacts to the Company's customers if no action is taken. Accordingly, Oklahoma Natural is presenting an Emergency Motion for Protective Order with this Emergency Application, so that the Company will be able to maintain confidentiality of that information it will need to share with the Commission and the Oklahoma Attorney General.

8. Furthermore, the relief Oklahoma Natural will propose in this Cause will require a waiver of the terms of the Company's existing tariff – particularly the purchased gas adjustment clause – along with a waiver of the provisions of the underlying rules found in OAC 165:50.

WHEREFORE, Oklahoma Natural requests that the Commission (1) consider and approve special regulatory treatment of the increased costs arising and expected to arise from the current weather crisis so as to moderate the adverse effects of these unavoidable costs on utility customers; (2) approve a waiver of the terms of the existing purchased gas adjustment clause in the Company's tariff, along with other tariff provisions to accommodate the regulatory treatment

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approved by the Commission; (3) approve a waiver of the provisions of the rules in OAC 165:50 prescribing pass-through procedures for gas supply to accommodate the regulatory treatment approved by the Commission; (4) issue the requested relief on an emergency basis to ameliorate the adverse effects of the current weather crisis on Oklahoma Natural customers; and (5) issue such other relief as the Commission may determine to be just and reasonable.

Respectfully submitted,

OKLAHOMA NATURAL GAS COMPANY

By: /s/ Curtis M. Long

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**ATTORNEYS FOR OKLAHOMA NATURAL  
GAS COMPANY, A DIVISION OF ONE GAS,  
INC.**

**CERTIFICATE OF SERVICE**

I hereby certify that on the 16th day of February, 2021, a full, true, and correct copy of the above and foregoing instrument was served on the following persons by **ELECTRONIC MAIL** to the following:

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