

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICATION OF PUBLIC SERVICE COMPANY)	
OF OKLAHOMA, AN OKLAHOMA)	
CORPORATION, FOR AN ADJUSTMENT IN ITS)	CAUSE NO. PUD 202100055
RATES AND CHARGES AND THE ELECTRIC)	
SERVICE RULES, REGULATIONS AND)	
CONDITIONS OF SERVICE FOR ELECTRIC)	
SERVICE IN THE STATE OF OKLAHOMA)	ORDER NO. <u>718289</u>

PRE-HEARING

CONFERENCE: April 15, 29, and May 6, 2021, in Courtroom B (virtual teleconference)
2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105
Before Dustin R. Murer, Administrative Law Judge

APPEARANCES: Jack P. Fite and Joann Stevenson Worthington, Attorneys *representing*
Public Service Company of Oklahoma
Jared B. Haines and A. Chase Snodgrass, Assistant Attorneys General
representing Office of Attorney General, State of Oklahoma
Thomas P. Schroedter, Attorney *representing* Oklahoma Industrial Energy
Consumers
Deborah R. Thompson, Attorney *representing* AARP
Rick D. Chamberlain, Attorney *representing* Walmart Inc.
Michael L. Velez, Deputy General Counsel *representing* Public Utility
Division, Oklahoma Corporation Commission

PRELIMINARY ORDER

The Corporation Commission (“Commission”) of the State of Oklahoma, being regularly in session and the undersigned Commissioners present and participating, there comes on for consideration and action the Preliminary Order recommended by the Administrative Law Judge (“ALJ”).

Public Service Company of Oklahoma (“PSO”, “Company” or “Applicant”) filed its Notice of Intent on March 16, 2021, and filed its Application on April 30, 2021. Pursuant to OAC 165:5-11-2, notices of prehearing conferences were filed of record and sent to all parties of record to this Cause with at least two weeks’ notice. Prehearing conferences were held on April 15, 29 and May 6, 2021.

The ALJ respectfully recommends the following:

I. NOTICE

The ALJ recommends the Notice of Hearing, attached hereto as Exhibit “A”, be approved for publication once each week for two consecutive weeks at least fifteen (15) days prior to the Hearing on the Merits (“Hearing”) in the statewide editions of the *Tulsa World*, *The Oklahoman*, and a newspaper of general circulation in Comanche and Pittsburg Counties. The ALJ also

recommends that direct notice be provided to customers that meets the requirements of OAC 165:5-7-51.

The approved form of direct notice to customers is attached to this order as Exhibit “B”.

II. PROCEDURAL SCHEDULE

The following dates and times are hereby established for the prosecution of this Cause.

May 21, 2021	PUD to file its Response Regarding Applicant’s Compliance with the Minimum Filing Requirements
July 30, 2021	Discovery Cut-off for Direct Testimony
July 30, 2021	Deadline for Intervention
August 3, 2021	Exit Conference (1:30 p.m.)
August 6, 2021	Deadline for filing Responsive Testimony for PUD, AG, and Intervenor to Applicant’s Direct Testimony for all areas except Cost of Service and Rate Design Issues. (Testimony Summaries due three business days after filing)
August 10, 2021	Testimony Summaries for Direct Testimony due
August 13, 2021	Deadline for filing Responsive Testimony for PUD, AG, and Intervenor for Cost of Service and Rate Design Issues (Testimony Summaries due three business days after filing)
August 16, 2021	Statements of Positions filed from all parties not filing Responsive Testimony
August 27, 2021	All Rebuttal Testimony (Testimony Summaries due three business days after filing)
August 27, 2021	Discovery Cut-off for All Responsive Testimony
September 7, 2021	Settlement Conference beginning at 9:30 a.m.
September 17, 2021	Discovery Cut-off for all Rebuttal Testimony
September 17, 2021	Objections to Witness Qualifications filed, Pre-Trial Motions, Briefs filed
September 21, 2021	Exhibit and Witness Lists filed and Exhibits exchanged; Issues Spreadsheet for all parties filed and provided to ALJ; Order of Presentation submitted to ALJ; Order of presentation of witnesses and cross-examination submitted
September 24, 2021	Public Comment beginning at 10:30 a.m. in Courtroom 301
September 23, 2021	Pre-Hearing Conference beginning at 1:30 p.m.; all pre-trial motions heard, Courtroom 301
September 24, 2021	Outline of Surrebuttal Issues filed and exchanged (Witness page and line numbers proposed to be addressed in Oral Surrebuttal Testimony identified)

September 28, 2021	Hearing on the Merits, beginning at 8:30 a.m. in Courtroom 301
7 calendar days after conclusion of HOM	Proposed Findings of Fact and Conclusions of Law
30 calendar days after filing of Proposed Findings and Conclusions	ALJ Report, if issued
7 calendar days after ALJ Report	Exceptions, if any, to the ALJ Report due
4 calendar days after Exceptions	Responses to Exceptions to the ALJ Report due
To be determined	Hearing on Exceptions to the ALJ Report

All times specified herein for filing documents shall be determined to be no later than 4:30 p.m. unless specified otherwise.

The Hearing shall commence on September 28, 2021, at 8:30 a.m. and continue each business day thereafter until the Hearing concludes. The Hearing will be heard before the ALJ in Courtroom 301, located on the 3rd Floor, Jim Thorpe Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma. If the procedural schedule is not met by the parties, or there is not enough time to finish the Hearing, or there is undue delay, then the ALJ may make a recommendation to amend the procedural schedule accordingly.

Order and Presentation of Witnesses:

The following order of witnesses shall be followed unless otherwise directed by the Commission or the ALJ:

1. PSO
2. All Intervenors
3. Attorney General
4. Public Utility Division
5. PSO (sur-sur-rebuttal if allowed)

Pre-filed Testimony:

The order of proof shall be governed by OAC 165:5-13-3(g) which states in part that the applicant who institutes a cause may open and close the proof.

After admittance of the pre-filed testimony (direct, responsive, rebuttal) into the record, each witness shall then be permitted to offer oral sur-rebuttal testimony in response to any new matters raised in the rebuttal testimony of the other parties. Pre-filed testimony may not be read into the record at the Hearing unless leave to do so is granted by the Commission or the ALJ. All pre-filed testimony shall be sworn testimony and notarized reflecting such. All pre-filed testimony shall be submitted to the ALJ in electronic PDF and Word format, or as otherwise requested by the ALJ.

After the pre-filed testimony (direct, responsive, rebuttal) and oral sur-rebuttal testimony of the witness has been submitted into the record, the witness shall be tendered for oral cross-examination and re-direct examination. Any redirect examination will be limited to issues which were raised during cross-examination.

Sur-sur-rebuttal Issues:

Due to Applicant having the burden of proof, after other parties have presented their testimony, statements of position, and sur-rebuttal testimony, Applicant may be allowed to present oral sur-sur-rebuttal testimony provided Applicant can show that other parties have raised new issues. The oral sur-sur-rebuttal shall be strictly limited to the new issues raised in sur-rebuttal testimony.

Once Applicant has presented its oral sur-sur-rebuttal testimony, the witness shall be tendered for cross and redirect examination. Any cross-examination shall be limited to the issues addressed in the sur-sur-rebuttal testimony; likewise, the redirect examination will be limited to issues which were raised during cross-examination.

After Applicant's sur-sur-rebuttal testimony and cross-examination, if any other party(ies) deems it necessary to request of the ALJ to be allowed to present further sur-rebuttal type testimony, the ALJ shall evaluate the request and make a determination based on the following criteria:

- a. Whether or not any new issue(s) has been raised.
- b. Whether or not the party was able to adequately respond to the new issue during cross-examination.
- c. Whether or not additional testimony/evidence is needed as a matter of due process to the requesting party.
- d. Whether or not the additional testimony/evidence is necessary to perfect the record.
- e. Whether or not additional testimony/evidence is cumulative in nature and has been previously and sufficiently addressed.

Testimony Summaries, Statements of Position, Witness Lists, and Exhibits:

The parties shall file of record and exchange summaries of their respective pre-filed testimony (responsive, and rebuttal) within three (3) business days of filing the pre-filed testimony, unless the ALJ directs otherwise. Testimony summaries for Direct Testimony shall be due no later than August 10, 2021. If it is necessary to summarize live testimony given at the Hearing, then the party presenting the witness(es) shall be responsible for filing an additional testimony summary of the live testimony on or before the same date that Proposed Findings of Fact and Conclusions of Law are due. Summaries of testimony shall be used in the preparation of the ALJ Report and Recommendation and shall be transmitted to all parties and the ALJ. The ALJ shall receive such documents in electronic PDF and Word format or as specifically requested by the ALJ.

Any party not filing testimony but desiring to cross-examine witnesses at the Hearing must file a Statement of Position addressing specific issues on or before August 16, 2021. All

filed Statements of Position must contain a specific statement of position. The Statement of Position shall clearly and concisely provide a party's position regarding all major issues in the Cause.

Each party presenting or cross-examining any witness shall, on or before September 21, 2021, file of record and exchange a witness list and an exhibit list of all potential exhibits that may be utilized at the Hearing and shall exchange any exhibits that have not already been provided or received throughout the course of the proceeding. All documents filed in the Court Clerk's office shall be presumed to be exhibits and need not be identified separately on the exchanged exhibit lists.

However, if for good cause shown, a party finds it necessary during the Hearing to present an additional exhibit(s) which was not listed on the exhibit list, such exhibit(s) shall not be allowed unless submitted to all parties at least twenty-four (24) hours prior to the usage and permitted by the ALJ.

Exhibits not exchanged on September 21, 2021, which could have been prepared based upon pre-filed testimony, will be offered only by agreement of all parties, subject to the ruling of the ALJ.

The party offering exhibits at the Hearing shall have a sufficient number of copies for all parties of record in attendance, all three Commissioners, and three (3) copies for the ALJ. The three copies for the ALJ include one marked as the exhibit of record, one working copy for the ALJ, and one working copy for the court reporter.

Discovery and Objections:

Responses to discovery requests for Direct Testimony shall be due within ten (10) business days of receipt, unless agreed otherwise. Objections to discovery requests for Direct Testimony will be due within five (5) business days.

Discovery Responses for Responsive Testimony (except Cost of Service/Rate Design and PBR issues) are due within five (5) business days. Discovery Responses for Cost of Service/Rate Design and Rebuttal Testimony are due within five (5) calendar days. Objections to discovery requests for responsive, rebuttal and sur-rebuttal testimony will be due within three (3) business days.

Any discovery request, discovery objection or discovery response received after 3:00 p.m. shall be deemed received the next regular business day.

Data Requests are limited to no more than twenty-five (25) per day per party, including subparts.

Unless the parties agree otherwise, the response times for filing objections to discovery requests shall be as stated above, and a hearing on such an objection shall be set on the next motion docket unless specifically set on dates agreed to by the parties and as directed by the ALJ. All filed objections shall be accompanied by a filed notice of hearing.

Any objections to the testimony or qualification of any witness shall be made by September 17, 2021. Any such motion, accompanied by a filed notice of hearing, shall be heard on any regularly scheduled motion docket that precedes the commencement of the Prehearing Conference, or at the Prehearing Conference, whichever is sooner, unless otherwise directed by the ALJ.

If the parties are able to dispose of the issues of this Cause by way of a negotiated settlement, the dates contained herein may be modified.

Issue Spreadsheet:

The office of the ALJ will gather and compile an Issues Spreadsheet with the cooperation and assistance of all parties of record. Parties are to work together to compile this Issues Spreadsheet. This Spreadsheet shall be filed and submitted to the ALJ on or before September 21, 2021. This Spreadsheet shall contain issues which shall be concisely stated with citations to supporting testimony. This Spreadsheet shall be submitted to the office of the ALJ electronically. If a party does not take a position on any issue then the party shall so state. A party's information shall not be included in this Spreadsheet if that party fails to timely cooperate and/or assist in the creation of this Spreadsheet.

Proposed Findings of Fact and Conclusions of Law:

Each party shall file proposed findings of fact and conclusions of law within 7 calendar days after the conclusion of the Hearing. The same shall be provided to the ALJ in Word format at the time Proposed Findings of Fact and Conclusions of Law are filed. Findings of fact and conclusions of law shall contain citations to supporting testimony and/or hearing exhibits and/or relevant legal authority.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

THE COMMISSION FINDS that it has jurisdiction in this Cause pursuant to Article IX, § 18 of the Oklahoma Constitution and 17 O.S. § 152 *et seq.*

THE COMMISSION FURTHER FINDS that notice in the form of Exhibit "A", attached hereto, should be published once each week for two consecutive weeks at least fifteen (15) days prior to the Hearing in the statewide editions of the *Tulsa World*, *The Oklahoman*, and a newspaper of general circulation in Comanche and Pittsburg Counties.

THE COMMISSION FURTHER FINDS that Applicant shall serve notice directly to all utility customers of its proposed rate change using the approved form of notice to customers attached hereto as Exhibit "B".

THE COMMISSION FURTHER FINDS that notice as set forth herein meets the requirements of OAC 165:5-7-51 which sets forth the notice requirements where a general rate increase is sought.

THE COMMISSION FURTHER FINDS that the Procedural Schedule and the general provisions set forth herein should be adopted by the Commission.

There being no oral exceptions taken to the recommendation of the ALJ, such recommendation becomes the order of the Commission upon the signature of a majority of the Commission.

ORDER

THE COMMISSION THEREFORE ORDERS that Applicant is directed to publish Notice of Hearing, attached hereto as Exhibit "A", once each week for two (2) consecutive weeks at least fifteen (15) days prior to the Hearing on the Merits, in *The Oklahoman* and the *Tulsa World* and in a newspaper of general circulation in Comanche and Pittsburg Counties. Proof of publication shall be filed herein.

THE COMMISSION FURTHER ORDERS that Applicant is directed to serve notice of its proposed rate change to all affected utility customers using the approved form of notice to customers attached hereto as Exhibit "B".

THE COMMISSION FURTHER ORDERS that the Procedural Schedule and the provisions set forth herein shall be adhered to by and between the parties to this Cause and the same shall become the order of the Commission.

THIS ORDER SHALL BE EFFECTIVE immediately.

CORPORATION COMMISSION OF OKLAHOMA


J. TODD HIETT, CHAIRMAN


BOB ANTHONY, VICE CHAIRMAN


DANA L. MURPHY, COMMISSIONER

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 11th day of May, 2021.

BY ORDER OF THE COMMISSION:




KYNDEL LEATHEROCK, Acting Secretary

REPORT OF ADMINISTRATIVE LAW JUDGE

The foregoing findings, conclusions, and order are the report and recommendation of the undersigned Administrative Law Judge

/s/ Dustin Murer
DUSTIN R. MURER

5-7-2021
Date

Exhibit “A”**BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA**

APPLICATION OF PUBLIC SERVICE)	
COMPANY OF OKLAHOMA, AN)	
OKLAHOMA CORPORATION, FOR AN)	
ADJUSTMENT IN ITS RATES AND)	CAUSE NO. PUD 202100055
CHARGES AND THE ELECTRIC SERVICE)	.
RULES, REGULATIONS AND CONDITIONS)	
OF SERVICE FOR ELECTRIC SERVICE IN)	
THE STATE OF OKLAHOMA)	

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that Public Service Company of Oklahoma has filed an Application with the Oklahoma Corporation Commission for an adjustment in its rates and charges for electric services in the State of Oklahoma. For a Residential Service customer using 1,100 kWh/month, approval of PSO's proposal would result in a total bill increase of approximately 11 percent, or around \$12 per month. For an average Limited Use Residential Service customer, approval of PSO's proposal would result in a total bill decrease of approximately 5.67 percent, or around \$1.54 per month. Commercial customers would have a total bill increase depending upon the class and usage characteristics of the customer. The total bill increase for the commercial class would be 9.27 percent; for the lighting class 5.37 percent; for Large Power and Light (LPL) 3 7.82 percent; LPL 2 14.26 percent; and, LPL 1 6.50 percent.

NOTICE IS FURTHER GIVEN that the proposed increase is not related to the extreme fuel and purchased power costs incurred by PSO during the extremely cold weather event in February of 2021.

NOTICE IS FURTHER GIVEN that the hearing on the merits will be heard before an Administrative Law Judge commencing on the 28th day of September, 2021, at 8:30 a.m., and continuing each business day thereafter until the hearing concludes, in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105.

NOTICE IS FURTHER GIVEN that the Commission shall, after hearing and taking of evidence, issue such orders and grant such relief as it deems reasonable, fair, necessary, proper and equitable in the circumstances, whether or not specifically requested.

NOTICE IS FURTHER GIVEN that members of the public, including individual customers of Public Service Company of Oklahoma, will have an opportunity to provide comments on September 24, 2021, beginning at 10:30 a.m., in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. Members of the public may also provide written comments by mail to P.O. Box 52000, Oklahoma City, Oklahoma 73152 or by email to PUDenergy@occ.ok.gov with "Attention: Public Comment

PUD 201800097" in the subject line. All interested persons may appear and be heard or may provide written comments.

For information concerning this action, contact Ms. Joann Worthington, Attorney for Public Service Company of Oklahoma by phone (405) 841-1302, by mail 1601 North West Expressway, Suite 1400, Oklahoma City, OK. 73118-1116, or PSO by phone toll-free at 1-888-216-3490, or PSO by email at psocustomerservice@aep.com; Michael L. Velez, Deputy General Counsel, by mail Oklahoma Corporation Commission, 2101 North Lincoln Boulevard, Fourth Floor, Jim Thorpe Office Building, Oklahoma City, Oklahoma 73105, by phone at (405) 522-5930, or by email at Michael.Velez@occ.ok.gov; or Mr. Jared B. Haines, Assistant Attorney General, Office of the Attorney General, by mail at 313 NE 21st Street, Oklahoma City, OK 73105, by phone at (405) 521-3921, or utilityregulation@oag.ok.gov.

OKLAHOMA CORPORATION COMMISSION

J. TODD HIETT, Chairman

BOB ANTHONY, Vice Chairman

DANA L. MURPHY, Commissioner

DONE AND PERFORMED THIS ____ DAY OF _____, 2021.

BY ORDER OF THE COMMISSION:

PEGGY MITCHELL, Commission Secretary

Exhibit “B”

Dear Customer:

Public Service Company of Oklahoma (“PSO” or “Company”) is seeking an annual increase of approximately \$172 million or 10.67 percent to recover increased business costs and electric infrastructure investments.

For a Residential Service customer using 1,100 kWh/month, approval of PSO’s proposal would result in a total bill increase of approximately 11 percent, or around \$12 per month. For an average Limited Use Residential Service customer, approval of PSO’s proposal would result in a total bill decrease of approximately 5.67 percent, or around \$1.54 per month. Commercial customers would have a total bill increase depending upon the class and usage characteristics of the customer. The total bill increase for the commercial class would be 9.27 percent; for the lighting class 5.37 percent; for Large Power and Light (LPL) 3 7.82 percent; LPL 2 14.26 percent; and, LPL 1 6.50 percent.

The proposed increase is not related to the extreme fuel and purchased power costs incurred by PSO during the extremely cold weather event in February of 2021.

The Oklahoma Corporation Commission (“Commission”) is scheduled to begin hearings before an Administrative Law Judge on PSO’s request for a rate increase at 8:30 a.m. on September 28, 2021, in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. The hearing will be held each business day and continue until the hearing concludes. After the hearing, the Commission will issue its final order and rate changes will become effective after the final decision is issued.

All members of the public, including individual customers of Public Service Company of Oklahoma, will have an opportunity to provide comments on September 24, 2021, beginning at 10:30 a.m., in Courtroom 301, Third Floor of the Jim Thorpe Office Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. Members of the public may also provide written comments by mail to P.O. Box 52000, Oklahoma City, Oklahoma 73152 or by email to PUDenergy@occ.ok.gov with “Attention: Public Comment PUD 202100055” in the subject line. All interested persons may appear and be heard or may provide written comments.

For information concerning this action, contact Ms. Joann Worthington, Attorney for Public Service Company of Oklahoma by phone (405) 841-1302, by mail 1601 North West Expressway, Suite 1400, Oklahoma City, OK. 73118-1116, or PSO by phone toll-free at 1-888-216-3490, or PSO by email at psocustomerservice@aep.com; Michael L. Velez, Deputy General Counsel, by mail Oklahoma Corporation Commission, 2101 North Lincoln Boulevard, Fourth Floor, Jim Thorpe Office Building, Oklahoma City, Oklahoma 73105, by phone at (405) 522-5930, or by email at Michael.Velez@occ.ok.gov; or Mr. Jared B. Haines, Assistant Attorney General, Office of the Attorney General, by mail at 313 NE 21st Street, Oklahoma City, OK 73105, by phone at (405) 521-3921, or by email at utilityregulation@oag.ok.gov.