

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

IN THE MATTER OF THE APPLICATION OF )	
OKLAHOMA NATURAL GAS COMPANY, A )	CAUSE NO. PUD 202100063
DIVISION OF ONE GAS, INC., FOR A )	
REVIEW AND CHANGE OR MODIFICATION )	ORDER NO. <u>721916</u>
IN ITS RATES, CHARGES, TARIFFS, AND )	
TERMS AND CONDITIONS OF SERVICE )	

HEARING: October 28, 2021, in Room 301 (virtual teleconference)  
 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105  
*Before* Linda S. Foreman, Administrative Law Judge

APPEARANCES: Curtis M. Long, J. Dillon Curran and Dustin R. Fredrick, Attorneys  
*representing* Oklahoma Natural Gas Company, a division of ONE  
 Gas, Inc.  
 Jared B. Haines and A. Chase Snodgrass, Assistant Attorneys General  
*representing* Office of Attorney General, State of Oklahoma  
 Kyle Vasquez, Assistant General Counsel *representing* Public Utility  
 Division, Oklahoma Corporation Commission  
 Thomas P. Schroedter, Attorney *representing* Oklahoma Industrial Energy  
 Consumers  
 Deborah R. Thompson, Attorney *representing* AARP

**FINAL ORDER APPROVING JOINT STIPULATION  
 AND SETTLEMENT AGREEMENT**

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 Application filed to initiate this Cause and the subsequent Joint Stipulation and Settlement Agreement (“Joint Stipulation”) by and among all the parties to this Cause, to wit: Oklahoma Natural Gas Company, a division of ONE Gas, Inc., (“Oklahoma Natural” or the “Company”), the Public Utility Division of the Commission (“PUD”), the Attorney General of the State of Oklahoma (“Attorney General”), AARP, and the Oklahoma Industrial Energy Consumers (“OIEC”) (collectively, the “Stipulating Parties”). The Joint Stipulation is incorporated herein by reference. It was executed unanimously by the parties and represents a resolution of all disputed issues in this Cause.

**PROCEDURAL HISTORY**

On April 2, 2021, Oklahoma Natural filed its Notice of Intent in this Cause, noticing the Commission of its intent to file an application for a general rate change on or before June 30, 2021.

On April 5, 2021, the Attorney General filed an Entry of Appearance for Jared B. Haines and A. Chase Snodgrass.

On April 16, 2021, a Notice of Hearing was filed setting a Prehearing Conference for the consideration of a Preliminary Order for hearing on May 6<sup>th</sup>, 2021.

On April 20, 2021, AARP filed an Entry of Appearance on behalf of Deborah R. Thompson.

On April 26, 2021, OIEC filed an Entry of Appearance on behalf of Thomas P. Schroedter.

On May 6, the Prehearing Conference was continued by agreement of the parties to May 27, 2021.

On May 25, 2021, FEA filed an Entry of Appearance on behalf of Christopher D. May.

Also on May 25, 2021, FEA filed a Motion to Associate Counsel, along with a Notice of Hearing setting the Motion to Associate Counsel for hearing on June 3, 2021.

On May 27, 2021, the Prehearing Conference was continued by agreement of the parties to June 10, 2021.

On May 28, 2021, Oklahoma Natural filed its Application and Application Package in this Cause.

Also on May 28, 2021, the following documents were filed:

- a) Direct Testimony of Amelia Nguyen on Behalf of Oklahoma Natural Gas
- b) Direct Testimony of Bruce H. Fairchild on Behalf of Oklahoma Natural Gas
- c) Direct Testimony of Chantel Miller on Behalf of Oklahoma Natural Gas
- d) Direct Testimony of Cory Slaughter on Behalf of Oklahoma Natural Gas
- e) Direct Testimony of Done'a Mayberry on Behalf of Oklahoma Natural Gas
- f) Direct Testimony of Dr. Ronald E. White on Behalf of Oklahoma Natural Gas
- g) Direct Testimony of Elizabeth Chandler on Behalf of Oklahoma Natural Gas
- h) Direct Testimony of Jeff Branz on Behalf of Oklahoma Natural Gas
- i) Direct Testimony of Paul H. Raab on Behalf of Oklahoma Natural Gas
- j) Direct Testimony of Robert V. Mustich on Behalf of Oklahoma Natural Gas

On June 3, 2021, the Motion to Associate Counsel was heard and recommended.

On June 9, 2021, Order No. 718796, Order Granting Motion to Associate Counsel, was issued.

On June 10, 2021, the Prehearing Conference was heard and recommended.

On June 15, 2021, Order No. 718880, Preliminary Order, and Order No. 718881, Order Granting Protective Order, were issued.

On June 21, 2021, PUD filed its Response Regarding Applicant's Compliance with the Minimum Filing Requirements.

On August 12, 2021, FEA filed a Notice of Withdrawal.

On August 26, 2021, a Notice of Withdrawal of Appearance for Johanna Roberts was filed.

On September 10, 2021, the following documents were filed:

- a) Summary of Responsive Testimony of Andrew Scribner;
- b) Responsive Testimony of Andrew Scribner;
- c) Summary of Responsive Testimony of Dillon Platt;
- d) Responsive Testimony of Dillon Platt;
- e) Responsive Testimony of Isaac D. Stroup;
- f) Summary of Responsive Testimony of Isaac D. Stroup;
- g) Responsive Testimony of Linh N. Pham;
- h) Summary of Responsive Testimony of Linh N. Pham;
- i) Responsive Testimony of John Givens;
- j) Summary of Responsive Testimony of John Givens;
- k) Summary Testimony of Hannah Smith;
- l) Responsive Testimony of Hannah Smith;
- m) Responsive Testimony of Todd F. Bohrmann on Behalf of John O'Connor, Oklahoma Attorney General;
- n) Responsive Testimony of Helmuth W. Schultz, III on Behalf of John O'Connor, Oklahoma Attorney General;
- o) Responsive Testimony of Marlon F. Griffing, Ph.D. on Behalf of John O'Connor, Oklahoma Attorney General;
- p) Responsive Testimony of William W. Dunkel on Behalf of John O'Connor, Oklahoma Attorney General;
- q) Responsive Testimony of David J. Garrett; and
- r) PUD Revenue Requirement Exhibit.

On September 15, 2021, the following documents were filed:

- a) Summary of Direct Testimony of Dr. Ronald E. White on Behalf of Oklahoma Natural Gas;
- b) Summary of Direct Testimony of Elizabeth Chandler on Behalf of Oklahoma Natural Gas;
- c) Summary of Direct Testimony of Bruce H. Fairchild on Behalf of Oklahoma Natural Gas Company;
- d) Summary of Direct Testimony of Don'ea Mayberry on Behalf of Oklahoma Natural Gas;
- e) Summary of Direct Testimony of Jeff Branz on Behalf of Oklahoma Natural Gas;
- f) Summary of Direct Testimony of Amelia Nguyen on Behalf of Oklahoma Natural Gas;
- g) Summary of Direct Testimony of Robert V. Mustich on Behalf of Oklahoma Natural Gas Company;
- h) Summary of Direct Testimony of Paul H. Raab on Behalf of Oklahoma Natural Gas;
- i) Summary of Direct Testimony of Cory Slaughter on Behalf of Oklahoma Natural Gas;
- j) Summary of Direct Testimony of Chantel Miller on Behalf of Oklahoma Natural Gas;
- k) Summary of Responsive Testimony of William Dunkel on Behalf of John O'Connor Oklahoma Attorney General;

- l) Summary of Responsive Testimony of Marlon F. Griffing, Ph.D on Behalf of John O'Conner, Oklahoma Attorney General;
- m) Summary of Responsive Testimony of Todd F. Bohrmann on Behalf of John O'Connor, Oklahoma Attorney General;
- n) Summary of Responsive Testimony of Helmuth W. Schultz, III on Behalf of John O'Connor, Oklahoma Attorney General; and
- o) Testimony Summary of David J. Garrett.

On September 17, 2021, the following documents were filed:

- a) Responsive Testimony of Brian C. Collins Regarding Cost of Service Issues on Behalf of Oklahoma Industrial Energy Consumers;
- b) Responsive Testimony of Luis F. Saenz;
- c) Rate Design Responsive Testimony of Todd F. Bohrmann on Behalf of John O'Connor, Oklahoma Attorney General;
- d) Confidential Information Redacted Subject to Protective Order in Oklahoma Corporation Commission Cause No. PUD 202100063 Responsive Testimony of James P. Mosher on Behalf of Oklahoma Industrial Energy Consumers;
- e) Confidential Information Not Redacted Subject to Protective Order in Oklahoma Corporation Commission Cause No. PUD 202100063 Responsive Testimony of James P. Mosher on Behalf of Oklahoma Industrial Energy Consumers; and
- f) Responsive Testimony of Mark E. Garrett Cost of Service and Rate Design Issues on Behalf of Oklahoma Industrial Energy Consumers.

On September 21, 2021, the Summary of Responsive Testimony of Luis F Saenz was filed.

On September 22, 2021, the Summary of Rate Design Responsive Testimony of Todd F. Bohrmann on Behalf of John O'Connor, Oklahoma Attorney General, the Responsive Cost of Service and Rate Design Testimony Summary of Brian C. Collins on Behalf of Oklahoma Industrial Consumers, the Confidential Information Not Redacted Subject to Protective Order in Oklahoma Corporation Commission Cause No. PUD 202100063 Summary of Responsive Testimony of James P. Mosher on Behalf of Oklahoma Industrial Energy Consumers, the Confidential Information Redacted Subject to Protective Order in Oklahoma Corporation Commission Cause No. PUD 202100063 Summary of Responsive Testimony of James P. Mosher on Behalf of Oklahoma Industrial Energy Consumers and the Responsive Cost of Service and Rate Design Testimony Summary of Mark E. Garrett on Behalf of Oklahoma Industrial Energy Consumers were filed.

On September 23, 2021, AARP filed its Statement of Position.

On October 4, 2021, Public Comment was filed.

On October 6, 2021, Public Comment was filed.

On October 8, 2021, the following documents were filed:

- a) Rebuttal Testimony of David J. Garrett on Behalf of Oklahoma Industrial Energy Consumers;
- b) Rebuttal Testimony of Jeffrey J. Husen on Behalf of Oklahoma Natural Gas;

- c) Rebuttal Testimony of Amelia Nguyen on Behalf of Oklahoma Natural Gas;
- d) Rebuttal Testimony of Cathy Hibbard on Behalf of Oklahoma Natural Gas;
- e) Rebuttal Testimony of Dr. Ronald E. White;
- f) Rebuttal Testimony of Jeff Branz on Behalf of Oklahoma Natural Gas;
- g) Redacted Rebuttal Testimony of Mark W. Smith on Behalf of Oklahoma Natural Gas;
- h) Rebuttal Testimony of Joshua Linton on Behalf of Oklahoma Natural Gas;
- i) Rebuttal Testimony of Paul H. Raab on Behalf of Oklahoma Natural Gas;
- j) Rebuttal Testimony of Elizabeth Chandler on Behalf of Oklahoma Natural Gas;
- k) Rebuttal Testimony of Bruce H. Fairchild on Behalf of Oklahoma Natural Gas; and
- l) Rebuttal Testimony of Cory Slaughter on Behalf of Oklahoma Natural Gas.

On October 11, 2021, Public Comment was filed.

On October 13, 2021, the following documents were filed:

- a) Rebuttal Testimony Summary of David J. Garrett on Behalf of Oklahoma Industrial Energy Consumers;
- b) Summary of Rebuttal Testimony of Mark W. Smith on Behalf of Oklahoma Natural Gas;
- c) Summary of Rebuttal Testimony of Dr. Ronald E. White on Behalf of Oklahoma Natural Gas;
- d) Summary of Rebuttal Testimony of Paul H. Raab on Behalf of Oklahoma Natural Gas;
- e) Summary of Rebuttal Testimony of Elizabeth Chandler on Behalf of Oklahoma Natural Gas;
- f) Summary of Rebuttal Testimony of Jeff Branz on Behalf of Oklahoma Natural Gas;
- g) Summary of Rebuttal Testimony of Dr. Bruce H. Fairchild on Behalf of Oklahoma Natural Gas;
- h) Summary of Rebuttal Testimony of Jeffrey J. Husen on Behalf of Oklahoma Natural Gas;
- i) Summary of Rebuttal Testimony of Cathy Hibbard on Behalf of Oklahoma Natural Gas;
- j) Summary of Rebuttal Testimony of Joshua Linton on Behalf of Oklahoma Natural Gas; and
- k) Summary of Rebuttal Testimony of Amelia Nguyen on Behalf of Oklahoma Natural Gas.

On October 14, 2021, the Rebuttal Testimony Summary of David J. Garrett on Behalf of Oklahoma Industrial Energy Consumers was filed.

On October 18, 2021, Public Comment was filed.

On October 19, 2021, Public Comment was filed.

On October 21, 2021, Public Comment was filed.

On October 25, 2021, ONG filed its Proof of Publication.

On October 26, 2021, the Prehearing Conference was heard and recommended. Also, on October 26, 2021, the Public Comment sign-in sheet was filed.

On October 27, 2021, the Joint Stipulation and Settlement Agreement was filed.

Also on October 27, 2021, the Testimony in Support of Joint Stipulation of Cory Slaughter on Behalf of Oklahoma Natural Gas, the Testimony of Todd F. Bohrmann Regarding the Joint Stipulation and Settlement Agreement on Behalf of John O'Connor, Oklahoma Attorney General, the Testimony in Support of Joint Stipulation and Settlement Agreement of Andrew Scribner, an Affidavit of Service and Public Comment were filed.

On October 28, 2021, the Cause came on for hearing and at the conclusion of the hearing, the ALJ recommended the Commission approve the Joint Stipulation in its entirety.

## **THE JOINT STIPULATION AND SUMMARY OF TESTIMONY**

The full record of this Cause includes all items within the definition of "record" as set forth in OAC 165:-5-1-3.

### **Oklahoma Natural**

At the hearing, Oklahoma Natural presented Cory Slaughter to testify in support of the Joint Stipulation. He pointed out that the Joint Stipulation is unanimous, with all parties signing on. Mr. Slaughter then described the terms of the Joint Stipulation.

According to the Joint Stipulation, the Stipulating Parties agree that Oklahoma Natural's revenue deficiency is \$15,252,154, inclusive of federal and state income taxes. This deficiency is based on a total rate base of \$1,726,463,237. Mr. Slaughter described that \$13.5 million or 89% of the \$15.25 million increase is related to the return on rate base. He further testified that Oklahoma Natural has invested \$863 million since the last rate case in 2015 and \$185 million since the last base rate increase. These investments include replacement of vintage pipe, replacement of deteriorating pipe, projects to lower pipeline operating pressures to significantly increase safety, relocations of pipelines due to highways and other government projects, investments in technology, as well as customer growth.

Mr. Slaughter described the customer impact of the \$15.25 million revenue deficiency as set out in Section 3 of the Joint Stipulation. Net of credit for Excess Deferred Income Tax ("EDIT"), the impact to an average residential customer is an increase of \$0.34 per month and the net impact to an average low-income residential customer is \$0.08 per month. The agreement also acknowledges that the revenue requirement is reflective of the lower Oklahoma income tax rate of 4% that is effective January 1, 2022. A summary of requested rates by tariff are attached to the Joint Stipulation as Exhibit "A" and redline and clean versions of the tariffs implementing the agreed rate change are attached as Exhibit "B."

Next, Mr. Slaughter explained compliance with the Tax Cuts and Jobs Act of 2017. A one-time annual EDIT credit in the amount of \$10,822,188, subject to true-up, will be paid in February 2022. The estimated one-time annual credit for a typical residential customer is \$11.15, and \$3.36

for low-income residential customers. He explained that the EDIT credit is subject to true-up because it is an estimate until it can be trued up to the actual federal income tax filing. There is also a true up related to over/under collection of the previous year's EDIT credit.

Mr. Slaughter next described the Cost of Capital provisions of the Joint Stipulation. At Sections 8 through 11, the Stipulating Parties agree that the capital structure shall be weighted to the Company's actual equity to debt ratio of 58.55% equity and 41.45% debt as of 12/31/2020. The cost of debt rate will be 4.10% and the return on equity is 9.4%. The parties also agree that the PBRC Tariff 1201 will be modified to reflect this capital structure and ROE. In the PBRC Tariff, the 9.4% ROE will become the mid-point of the 100 basis point dead-band from 8.9% to 9.9%. Per Tariff 1201, earnings below the dead-band result in a base rate increase to the mid-point of 9.4%. Earnings above the dead-band result in a credit to customers of 75% of the earnings above the dead-band.

Mr. Slaughter explained the agreements concerning the PBRC Tariff 1201 as set out in Sections 12 through 17 of the Joint Stipulation. The Stipulating Parties agree that the Company will modify the PBRC tariff to include annual filings beginning March 15, 2022, based on test year ending December 31, 2021, until the next rate case. The parties further agree that the next rate case will be filed on or before June 30, 2027, based on a test year ending December 31, 2026.

At Section 14, the parties agree that, for purposes of calculating the revenue deficiency in PBRC filings, the Company will annualize any base rate revenue increase approved after the beginning of a test year if the Company's earned return, without considering the revenue annualization, falls below the return on equity dead-band. If the Company's earned return, without considering the revenue annualization, falls within or above the dead-band, then the revenue annualization adjustment will not be applied.

At Sections 15 and 16, the parties agree that revenues related to one-time charges for the installation of electronic flow metering ("EFM") and non-recurring revenues including customer co-payments for line extensions should be included in utility operating income when determining the Company's earned return within subsequent PBRC filings until otherwise ordered by the Commission. The modified PBRC Tariff is attached to the Joint Stipulation as Exhibit "C."

Mr. Slaughter also explained the incentive compensation provisions of the Joint Stipulation. At Section 18 and 19, the parties agree that short term incentives will be recovered at the lower of actual incentives paid out or 100% of target and that there will be no recovery of long-term incentives through subsequent PBRC filings unless otherwise ordered by the Commission. He explained these provisions are consistent with the Commission's historical treatment of Oklahoma Natural's short and long-term incentives.

Mr. Slaughter next described that the Stipulating Parties agreed to lower depreciation rates and that those new rates are attached to the Joint Stipulation at Exhibit "D."

Mr. Slaughter next testified that the parties agreed that Oklahoma Natural will perform a cost-of-service study related to large transport customers serviced under the 901-T tariff. That cost-of-service study will be performed and included for review in the 2027 rate case and it will relate to large transportation customers receiving service on Tariff 901-T. The details of information to be provided as part of the study are attached to the Joint Stipulation as Exhibit "E."

At Section 22, the parties agreed that actual rate case expense should be amortized over a four-year period. This amortization period is consistent with previously approved amortizations of rate case expense.

Mr. Slaughter next described that at Sections 23 and 24 of the Joint Stipulation, the parties have agreed that the Company may spend up to \$5 million annually for the purchase of RNG to be used in its gas supply. The parties have also agreed that no later than December 31, 2022, the Company will file a request for approval of a RNG Pilot Program including an opt-in tariff allowing Oklahoma Natural to allocate costs and benefits of RNG to those customers who specifically choose the service.

Mr. Slaughter pointed out other tariff modifications that are covered at Section 25 of the Joint Stipulation and attached as Exhibit "F." These revisions to these tariffs are primarily for clarification purposes.

Finally, Mr. Slaughter explained that Oklahoma Natural believes the compromise embodied in the Joint Stipulation is a fair, just, and reasonable settlement and compromise of all the issues.

### **Attorney General**

At the hearing, the Attorney General presented Mr. Todd F. Bohrmann who discussed his testimony in support of the Joint Stipulation and Settlement Agreement. Mr. Bohrmann testified that the Attorney General is a signatory of the Joint Stipulation. Mr. Bohrmann indicated that he had reviewed the prefiled testimony of Mr. Slaughter and Mr. Scribner in support of the Joint Stipulation and he did not disagree with any of their representations as to what was contained therein.

Mr. Bohrmann briefly discussed the base rate revenue annualization term in the Joint Stipulation. He testified that if Oklahoma Natural's Earned ROE fell below the deadband and required a rate increase, the Company would be required to annualize any Commission approved base rate increase that became effective after the beginning of the test year. Mr. Bohrmann's testimony indicated that annualization would have no effect on the customer credit mechanism. Annualization of Commission approved base rate increases would only be required if the Company was seeking a rate increase and thus would only mitigate rate increases, not exacerbate credits.

Upon questioning, Mr. Bohrmann testified that the Attorney General is not opposed to PBRC tariffs *per se* as an alternative ratemaking procedure and noted that the Attorney General did not advocate for elimination of the PBRC tariff in this proceeding. Mr. Bohrmann testified that the Attorney General has proposed improvements where he has found the PBRC tariff lacking. Mr. Bohrmann testified that annualizing Commission approved base rate increases was an improvement to Oklahoma Natural's PBRC tariff.

Mr. Bohrmann testified that the Attorney General believed that as a negotiated settlement and to resolve all issues in the cause, the Joint Stipulation was fair, just, reasonable, and in the public interest. The Attorney General recommended that the Commission approve the Joint Stipulation as a final resolution of this cause.



## **Public Utility Division**

At the hearing, PUD presented Mr. Andrew Scribner to testify regarding his filed testimony in support of the Joint Stipulation. Mr. Scribner testified that the Joint Stipulation was unanimous, and a product of a thorough and robust settlement process. Mr. Scribner then testified to PUD's support of the Joint Stipulation and described the terms.

Regarding the first provision, Mr. Scribner testified that the parties agreed to a revenue deficiency of \$15,252,154. He testified that this amount was within the range of filed positions, and resulted from the negotiation process. Additionally, Mr. Scribner testified that the average net residential customer impact of \$0.34 per month was less than half the originally filed position of Oklahoma Natural's application.

Next, Mr. Scribner testified that second provision of the Joint Stipulation which outlined treatment of the EDIT credit from the Tax Cuts and Jobs Act of 2017. Mr. Scribner testified that PUD was supportive of the \$10,822,188 credit and the agreed-to return date of the February 2022 billing cycle.

Mr. Scribner next testified that PUD was supportive of the third provision of the Joint Stipulation which set the Total Rate Base at \$1,726,463,237.

Mr. Scribner next testified about the fourth provision. Mr. Scribner stated the purpose of the fourth provision was to outline the treatment of Capital Structure, Cost of Debt, Return on Equity, Cost-of-Service, and Rate Design. Mr. Scribner testified that the Capital Structure of 58.55% equity and 41.45% debt was within the range of filed positions for the parties. Additionally, Mr. Scribner testified that the ROE of 9.4% was also within the range of filed positions (8.0% - 9.95%). Mr. Scribner testified that even though PUD recommended an ROE of 9.0%, the principles of gradualism and the robust negotiation process allowed the parties to come to the agreed ROE of 9.4% as part of the broader settlement, which PUD fully supports. Mr. Scribner testified that the cost of debt, cost of service, and rate design as proposed in the Joint Stipulation was reasonable and in the public interest.

Next, Mr. Scribner testified about the fifth and sixth provisions of the Joint Stipulation. Mr. Scribner testified that the fifth provision set out the date for the next general rate case to be filed (no later than June 30, 2027) and set forth modifications to the PRBC process for Oklahoma Natural relating to Annualization of revenues, EFM revenues, and non-recurring revenues. The sixth provision dealt with the treatment of Incentive Compensation. Mr. Scribner testified that Annualization, Incentive Compensation, and the treatment of recurring revenues have been areas of continuous litigation in the prior PBRC causes. As part of this settlement, parties have agreed to the proposed modifications as stated which incorporate the filed positions of the different parties to this settlement. Mr. Scribner testified that removing the need to litigate these contentious issues for the future Oklahoma Natural PBRC causes has the potential to streamline the review process for all involved.

Mr. Scribner next testified about the seventh and eighth provisions of the Joint Stipulation, Depreciation Rates and Cost of Service Study, respectively. Mr. Scribner testified that PUD took no position regarding these provisions, and did not object to their inclusion in the Joint Stipulation,

as they were the result of the negotiation process and part of the broader settlement reached by the parties.

For the ninth provision, Mr. Scribner testified that the proposed treatment for recovery of rate case expense was consistent with prior Commission rulings and treatment of rate case expense.

Next, Mr. Scribner testified that PUD is supportive of the tenth provision of the Joint Stipulation. Mr. Scribner testified that this provision sets out a framework for the future inclusion of RNG. Mr. Scribner testified that PUD believes RNG will be beneficial to Oklahoma Natural customers, and that the parties are committed to work together to design and implement an RNG Pilot Program, including an “opt-in” tariff allowing Oklahoma Natural to allocate costs and benefits of renewable natural gas to those customers who specifically choose the service.

Lastly, Mr. Scribner testified that PUD has no concerns regarding the eleventh provision of the Joint Stipulation. That provision relates to proposed modifications to various parts of Oklahoma Natural’s tariff. Mr. Scribner testified that the parties agreed to these modifications as part of the negotiation and settlement process.

At the conclusion of his testimony, Mr. Scribner testified that PUD recommends the Commission approve the unanimous Joint Stipulation reached in this cause. It was the result of a thorough and robust settlement process, inclusive of all parties involved. Mr. Scribner testified that PUD believes the Joint Stipulation is fair, just, reasonable, and in the public interest.

## **I. 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, 17 O.S. § 151 *et seq.*

THE COMMISSION FURTHER FINDS that notice of the hearing on the merits in this Cause has been given as required by law, the Commission rules and the provisions of Order No. 718880 issued in this Cause on June 15, 2021.

THE COMMISSION FURTHER FINDS that individual notice to customers was accomplished in compliance with Order No. 718880, and that opportunity for public comment at the hearing (present in the hearing room or participating virtually) and by mail and electronic mail was provided to customers generally. Written public comment was received by the Commission and was filed in the public record of this Cause.

THE COMMISSION FURTHER FINDS that the Stipulating Parties have executed and submitted to the Commission a unanimous Joint Stipulation, filed with the Commission on October 27, 2021, and incorporated by this reference.

THE COMMISSION FURTHER FINDS that the Joint Stipulation should be approved in all respects. In approving the Joint Stipulation, the Commission accepts the settlement as a whole and the facts and circumstances as presented in this Cause. Accordingly, the Commission makes no policy decisions or endorsement of recovery methodologies to be relied upon or to be viewed as binding in future proceedings. The Joint Stipulation does not constitute precedent nor is it an admission by any party thereto. This Order is binding as to the matters described in the Joint

Stipulation but will not be binding with respect to similar issues that might arise in other proceedings not expressly covered in the Joint Stipulation. This Joint Stipulation and Settlement Agreement should not be cited as precedent in other proceedings except to enforce the terms contained therein.

THE COMMISSION FURTHER FINDS that parties to this Cause have signed the Joint Stipulation and support its adoption and approval by the Commission.

THE COMMISSION FURTHER FINDS that the Joint Stipulation is in the public interest and the provisions of the Joint Stipulation are fair, just, and reasonable.

**ORDER**

THE COMMISSION THEREFORE ORDERS that the Joint Stipulation executed by the parties to this proceeding and filed in this Cause on October 27, 2021, is hereby approved in accordance with the findings set forth above.

THIS ORDER SHALL BE EFFECTIVE immediately.

CORPORATION COMMISSION OF OKLAHOMA

  
DANA L. MURPHY, CHAIRMAN

  
BOB ANTHONY, VICE CHAIRMAN

  
J. TODD HIATT, COMMISSIONER

**CERTIFICATION**

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 30th day of November, 2021.

BY ORDER OF THE COMMISSION:



  
PEGGY MITCHELL, Commission Secretary