

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

*LSB*  
IN THE MATTER OF THE APPLICATION OF )  
**OKLAHOMA GAS AND ELECTRIC COMPANY** ) CAUSE NO. **PUD 200800148**  
FOR AN ORDER OF THE COMMISSION GRANTING )  
PRE-APPROVAL TO CONSTRUCT A )  
TRANSMISSION LINE, AUTHORIZING A ) ORDER NO.  
RECOVERY RIDER AND APPROVING OTHER ) **559353**  
ASSOCIATED TARIFFS IN REGARD TO ITS )  
RENEWABLE PLAN )

HEARING: August 7, 2008  
Before Administrative Law Judge Maribeth D. Snapp

APPEARANCES: William J. Bullard, Patrick D. Shore, and Dustin R. Fredrick  
Attorneys for Oklahoma Gas and Electric Company  
James L. Myles, Deputy General Counsel and Elizabeth J. Stefanik,  
Assistant General Counsel for Public Utility Division,  
Oklahoma Corporation Commission  
Whitney Weingartner and Elizabeth Ryan, Assistant Attorneys General for  
the Office of the Attorney General, State of Oklahoma  
Thomas P. Schroedter, James D. Satrom and J. Fred Gist, Attorneys for  
Oklahoma Industrial Energy Consumers  
Ronald E. Stakem and Jack G. Clark, Jr., Attorneys for OG&E  
Shareholders Association  
Richard K. Goodwin, Attorney for Chermac Energy Corporation  
Cheryl A. Vaught and Deborah R. Thompson, Attorneys for ITC Great  
Plains, LLC  
Cody B. Waddell, Attorney for Invenergy Wind North America, LLC

**FINAL ORDER**

BY THE COMMISSION:

The Corporation Commission of the State of Oklahoma ("Commission") being regularly in session and the undersigned Commissioners being present and participating, there comes on for consideration and action the recommendation of the Administrative Law Judge ("ALJ") for an order of the Commission.

**I. PROCEDURAL HISTORY**

The procedural history of this cause is found in the Report of the Administrative Law Judge filed August 25, 2008, attached hereto as Exhibit A. There were no appeals filed pursuant to OAC 165:5-13-5(a)(2) from the Report of the Administrative Law Judge.

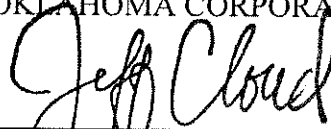
**II. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

THE COMMISSION FINDS that it has jurisdiction over this matter by virtue of Art. IX, Section 18 of the Oklahoma Constitution; 17 O.S. §§ 151 *et seq.*; and the rules and regulations of the Commission. After review of the Report of the Administrative Law Judge, the Commission hereby adopts the Report of the Administrative Law Judge as the Findings of Fact and Conclusions of Law of the Commission.

**ORDER**

IT IS THEREFORE THE ORDER OF THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA that the Report of the Administrative Law Judge attached hereto as Exhibit A is hereby adopted, and incorporated herein as if fully set forth, as the order of this Commission.

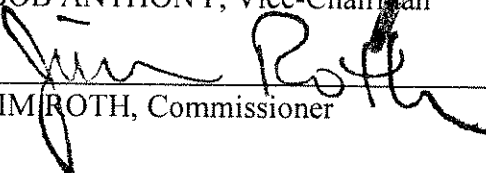
OKLAHOMA CORPORATION COMMISSION



JEFF CLOUD, Chairman



BOB ANTHONY, Vice-Chairman



JIM ROTH, Commissioner

DONE AND PERFORMED THIS

11<sup>th</sup>

DAY OF SEPTEMBER, 2008, BY ORDER OF



PEGGY MITCHELL, Secretary

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CAUSE NO. PUD 200800148

**FILED**  
AUG 25 2008

HEARING: August 7, 2008

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

Before Administrative Law Judge Maribeth D. Snapp

APPEARANCES:

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Cheryl A. Vaught and Deborah R. Thompson, Attorneys for ITC Great  
Plains, LLC  
Cody B. Waddell, Attorney for Invenenergy Wind North America, LLC

**REPORT OF THE ADMINISTRATIVE LAW JUDGE**

Oklahoma Gas and Electric Company ("OG&E" or "Company"), the Public Utility Division of the Oklahoma Corporation Commission ("Staff"), the Attorney General for the State of Oklahoma ("AG"), the Oklahoma Industrial Energy Consumers ("OIEC"), the OG&E Shareholders Association, and Chermac Energy Corporation ("Chermac"), all collectively referred to as the "Stipulating Parties" executed and filed a Joint Stipulation and Settlement Agreement ("Joint Stipulation") as a full, final, and complete settlement of all issues in this proceeding.

**I. PROCEDURAL HISTORY**

On May 19, 2008, OG&E filed its Application initiating this proceeding seeking an Order of the Commission granting pre-approval to construct a transmission line, authorizing a recovery rider, and approving other associated tariffs in regard to its renewable plan. Along with this

Application, OG&E filed the Direct Testimony of Jesse B. Langston, Roger D. Walkingstick, Philip L. Crissup and Leon Howell (Redacted and Unredacted). The AG filed his Entry of Appearance on May 21, 2008. Additionally on May 21, 2008, OG&E filed its Supplement to Direct Testimony of Philip L. Crissup. The OIEC filed its Motion to Intervene on May 22, 2008. On May 23, 2008, the OG&E Shareholders Association filed its Motion to Intervene. On May 28, 2008, Chermac filed its Motion to Intervene. OG&E filed its Motion for Protective Order and Motion to Establish Procedural Schedule on May 30, 2008.

On June 6, 2008, ITC Great Plains, LLC (“ITC”) filed its Motion to Intervene. The Commission issued Order Nos. 555052 and 555053 on June 9, 2008, granting the Motions to Intervene of the OIEC and OG&E Shareholders Association, respectively. The Commission issued Order Nos. 555243 and 555244 on June 12, 2008, granting OG&E’s Motion for Protective Order and the Motion to Intervene of Chermac, respectively. OG&E filed its Motion to Establish Notice Requirements on June 13, 2008. The Commission issued Order Nos. 555652 and 555653 on June 20, 2008, granting OG&E’s Motion to Establish Procedural Schedule and the Motion to Intervene of ITC, respectively. On June 27, 2008, Invenergy Wind North America, LLC (“Invenergy”) filed its Motion to Intervene. The Commission issued Order No. 555989 on June 30, 2008, granting OG&E’s Motion to Establish Notice Requirements.

On July 11, 2008, Staff filed the Responsive Testimony of Marvin Vaughn. Additionally on July 11, 2008, the OIEC filed the Responsive Testimony of Mark E. Garrett and Scott Norwood. The Commission issued Order No. 556566 on July 11, 2008, granting the Motion to Intervene of Invenergy. On July 15, 2008, several Parties filed Statements of Position including Chermac, the AG, Invenergy, the OG&E Shareholders Association and ITC. The OIEC filed its Objections to OG&E’s Second Set of Data Requests on July 21, 2008. On July 24, 2008, OG&E filed the Rebuttal Testimony of Jesse B. Langston, Roger D. Walkingstick and Leon Howell. OG&E filed its Affidavit of Publication from *The Oklahoman* on July 28, 2008. On July 31, 2008, the Stipulating Parties filed an executed Joint Stipulation.

On August 5, 2008, Star C Development, LLC and Star C Land and Cattle Company, LLC (collectively, “Star”) filed its Entry of Appearance and Response and Objection to Application of OG&E for Pre-Approval to Construct Transmission Line and Motion to Intervene. Chermac filed the Direct Testimony of Jaime L. McAlpine in support of the Joint Stipulation on August 6, 2008. The Commission issued Order No. 557701 on August 6, 2008, resolving the OIEC’s Objections to OG&E’s Second Set of Data Requests.

The Hearing on the Merits for this Cause commenced pursuant to the Notice of Hearing on August 7, 2008. After hearing arguments regarding the Motion to Intervene and the Objection filed by Star, Star withdrew its Motion to Intervene and Objection. Thereafter, the ALJ accepted evidence and testimony of witnesses sworn and examined in connection with the Joint Stipulation. The ALJ then took the matter under advisement.

## II. SUMMARY OF THE EVIDENCE

Roger D. Walkingstick, Director, Costing and Pricing, testified in support of the Joint Stipulation on behalf of the Company in this Cause. Mr. Walkingstick testified that the Joint Stipulation is fair, just and reasonable, and in the public interest.

Marvin Vaughn, Public Utility Regulatory Analyst for the Oklahoma Corporation Commission, testified in support of the Joint Stipulation on behalf of Staff in this Cause. Mr. Vaughn testified that the Joint Stipulation is fair, just and reasonable, and in the public interest.

Jaime L. McAlpine, President of Chermac Energy Corporation, testified in support of the Joint Stipulation on behalf of Chermac in this Cause. Mr. McAlpine testified regarding the importance of the inclusion of a switch station at the approximate midpoint of the Woodward Transmission Line, as well as, its costs and benefits to those that desire to develop additional wind energy projects in the area of the proposed switch station in the future.

### III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commission has jurisdiction with respect to the issues presented in this proceeding by virtue of Article IX, §§ 18 *et seq.* of the Constitution of the State of Oklahoma, 17 O.S. §§151 *et seq.*, and the rules and regulations of the Commission.
2. OG&E's generation portfolio currently includes 170 MW of wind resources, of which 50 MW is from the Sooner Wind Facility pursuant to a power purchase agreement with FPL Energy and 120 MW from its Centennial Wind Facility.
3. The ALJ finds that this wind generation may provide fuel and environmental benefits to OG&E's customers. The ALJ further finds that the expansion of wind as part of the Company's supply portfolio could help protect customers from higher than expected fuel prices and risks associated with future environmental mandates.
4. OG&E seeks to develop up to 600 MW of new wind generation on OG&E's system by 2012. OG&E intends to seek up to 300 MW by 2010 through a Request for Proposals ("RFP") for wind energy and the remaining 300 MW by 2012 through a similar RFP.
5. The ALJ finds that OG&E's plan to add wind resources to its generation portfolio will require expansion of the transmission system in order to take advantage of Oklahoma's wind resources located in the Western part of Oklahoma.
6. The ALJ finds that the construction of a 345 kV transmission line from Woodward to Oklahoma City ("Woodward Transmission Line") will provide wind developers greater assurance of transmission availability for wind power created in Western Oklahoma and may increase the participation in OG&E's forthcoming RFP for wind energy.
7. The Stipulating Parties within this proceeding have executed and submitted to the Commission a Joint Stipulation and Settlement Agreement ("Joint Stipulation"), filed with the Commission on July 31, 2008, a copy of which is attached to this ALJ Report as Attachment "A" and incorporated herein by reference. The ALJ finds that the Joint Stipulation reflects a full, final, and complete settlement of all issues pending in this proceeding by the Stipulating Parties.

8. The ALJ finds that OG&E's construction of the Woodward Transmission Line, including the construction of a switch station at the approximate midpoint of such transmission line is prudent, to the extent that such costs do not exceed a capped amount of \$218 million, including an allowance for funds used during construction ("AFUDC").
9. The ALJ finds that OG&E should be authorized to recover up to \$218 million including an allowance for AFUDC of the costs associated with the Woodward Transmission Line, through the Renewable Transmission System Additions ("RTSA") tariff.
10. The ALJ further finds that in the event the construction costs exceed the capped amount of \$218 million, such costs will not be recoverable from ratepayers, unless OG&E obtains Commission approval for recovery of such excess costs in a separate proceeding to be filed by OG&E. OG&E shall bear the burden of proof and persuasion in demonstrating the prudence of such excess costs.
11. The ALJ finds that the RTSA tariff is the appropriate mechanism to initially recover the Oklahoma jurisdictional portion of the Woodward Transmission Line construction costs, with recovery under the tariff commencing when the transmission line is operational and continuing until the conclusion of the next general rate case subsequent to the operation of the Woodward Transmission Line which is expected in 2011 ("2011 Rate Case") and implementation of new rates. The ALJ further finds that the RTSA tariff is the appropriate mechanism to return credits, commencing with approval of the tariff, from: (a) the Green Power Wind Rider ("GPWR"), (b) Renewable Energy Program ("REP") tariff, and (c) transmission service provided to third parties, including Southwest Power Pool ("SPP") transmission revenues.
12. The ALJ finds that the Commission should approve the modifications to the existing GPWR and the Economic Incentive Credit ("EIC") consistent with the Joint Stipulation.
13. The ALJ finds that costs recoverable through the RTSA tariff attributable to the Woodward Transmission Line should be assigned to and among Oklahoma retail rate classes using a Multiple Coincident Peak (12-CP) allocation methodology.
14. The ALJ finds that commencing with the effective date of the RTSA tariff and continuing until the Commission's review of the same in the 2011 Rate Case, 80% of the Oklahoma jurisdictional share of the Company's total revenues from transmission, and other ancillary services as described in the RTSA tariff, provided to third parties should be flowed to Oklahoma jurisdictional customers through the RTSA tariff.
15. The ALJ finds that commencing when the Woodward Transmission Line is operational and continuing until the Commission's review of the RTSA tariff in the 2011 Rate Case, 100% of the Oklahoma jurisdictional share of the Company's transmission revenues derived from the use of the Woodward Transmission Line by

third parties should be flowed to Oklahoma jurisdictional customers through the RTSA tariff.

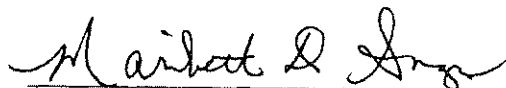
16. The ALJ finds that the Oklahoma jurisdictional portion of any net proceeds attributable to the Company's sale of Renewable Energy Credits ("RECs") associated with renewable resources acquired by the Company after the effective date of the RTSA tariff should be shared such that 80% is credited through the RTSA tariff to Oklahoma ratepayers and OG&E retains the remaining 20% with such sharing to continue until the Commission's review of the same in the 2011 Rate Case. The ALJ further finds that this sharing arrangement does not include RECs associated with OG&E's existing Centennial Wind Facility.
17. The ALJ finds that the Commission should approve the REP tariff consistent with the Joint Stipulation.
18. The ALJ finds that the Commission should approve the amendment and extension of the EIC tariff, which tariff shall continue until the Commission's review of the same in the 2011 Rate Case consistent with the Joint Stipulation.
19. The ALJ finds that the Commission does not have jurisdiction over the choice of location for the proposed 345 kV transmission line from Woodward to Oklahoma City and nothing in this ALJ report is intended to imply that OG&E has selected an appropriate route for the transmission line.
20. The ALJ further finds that the Joint Stipulation as reflected in Attachment "A" to this ALJ Report is fair, just and reasonable, and in the public interest.

#### IV. RECOMMENDATIONS

Based upon the Administrative Law Judge's review and evaluation of the pleadings, testimony of witnesses, the Joint Stipulation and Settlement Agreement, and evidence contained in the record for this Cause, and upon a full and final consideration thereof, the ALJ recommends that the Joint Stipulation and Settlement Agreement executed and filed by the Stipulating Parties to this proceeding and attached hereto as Attachment "A" should be adopted and approved as the Commission's Final Order in this proceeding in accordance with the findings set forth above.

The ALJ further recommends that the Commission find that the recommendation concerning cost recovery of the proposed 345 kV transmission line does not constitute approval of the location of the proposed transmission line.

Respectfully submitted this 25<sup>th</sup> day of August, 2008.



MARIBETH D. SNAPP  
Administrative Law Judge

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

IN THE MATTER OF THE APPLICATION )  
OF **OKLAHOMA GAS AND ELECTRIC** )  
**COMPANY** FOR AN ORDER OF THE )  
COMMISSION GRANTING PRE-APPROVAL )  
TO CONSTRUCT A TRANSMISSION LINE, )  
AUTHORIZING A RECOVERY RIDER AND )  
APPROVING OTHER ASSOCIATED TARIFFS )  
IN REGARD TO ITS RENEWABLE PLAN )

CAUSE NO. PUD 200800148

**FILED**  
JUL 31 2008

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

**JOINT STIPULATION AND  
SETTLEMENT AGREEMENT**

July 31, 2008

COME NOW the undersigned parties to the above entitled Cause and present the following Joint Stipulation and Settlement Agreement (“Joint Stipulation”) for the Oklahoma Corporation Commission’s (“Commission”) review and approval as their compromise and resolution of all issues presented in this Cause between and among the parties to this Joint Stipulation (“Stipulating Parties”). The Stipulating Parties represent to the Commission that this Joint Stipulation represents a fair, just and reasonable settlement of these issues, that the terms and conditions of the Joint Stipulation are in the public interest, and the Stipulating Parties urge the Commission to issue an Order in this Cause adopting and approving this Joint Stipulation.

It is hereby stipulated and agreed by and between the Stipulating Parties as follows:

**Terms of the Joint Stipulation and Settlement Agreement**

**1. Jurisdiction of the Commission.**

The Stipulating Parties agree that the Commission has jurisdiction with respect to the issues presented in this proceeding by virtue of Article IX, §18 *et seq.* of the Oklahoma Constitution, 17 O.S. §152, the Commission’s Rules of Practice (OAC 165:5), and the Commission’s Electric Utility Rules (OAC 165:35).

**2. Stipulated Facts.**

A. Oklahoma Gas and Electric Company’s (“OG&E” or “Company”) generation portfolio currently includes 170 MW of wind resources, of which 50 MW is from the Sooner Wind Facility pursuant to a power purchase agreement with FPL Energy and 120 MW from its Centennial Wind Facility.

B. This wind generation provides fuel and environmental benefits to OG&E’s customers. The expansion of wind as part of the Company’s supply portfolio could help protect customers from higher than expected fuel prices and risks associated with future environmental

mandates.

C. OG&E seeks to develop up to 600 MW of new wind generation on OG&E's system by 2012. OG&E intends to seek up to 300 MW by 2010 through an RFP for wind energy and the remaining 300 MW by 2012 through a similar RFP.

D. OG&E's plan to add wind resources to its generation portfolio will require expansion of the transmission system in order to take advantage of Oklahoma's vast wind resources.

E. OG&E seeks to construct a 345 kV transmission line from Woodward to Oklahoma City (the "Woodward Transmission Line") in order to provide wind developers greater assurance of wind transmission for the purpose of securing participation in OG&E's forthcoming Request for Proposals ("RFP") for wind energy.

F. On May 19, 2008, OG&E filed this proceeding requesting:

1. an order granting pre-approval to construct a 345 kV transmission line from Woodward to Oklahoma City and a finding that construction of the line for a cost not to exceed a capped amount of \$218 million, including an Allowance for Funds Used During Construction ("AFUDC"), is prudent;

2. recognition that the Company may seek recovery, if necessary, of any prudently incurred costs above this cap in a separate proceeding;

3. approval of a Renewable Transmission System Additions ("RTSA") tariff as the appropriate mechanism to recover these construction costs with recovery under the tariff commencing when the transmission line goes into service; and

4. approval of a Renewable Energy Program ("REP") tariff, modifications to the existing Green Power Wind Rider ("GPWR"), Off-System Sales of Electricity ("OSSE")

tariff and the Economic Incentive Credit (“EIC”) tariff.

**3. Agreements of the Stipulating Parties**

A. The Stipulating Parties agree that OG&E’s construction of a 345 kV transmission line from Woodward to Oklahoma City, including the construction of a switch station at the approximate midpoint of such transmission line, is prudent, subject to the provisions set forth below.

B. The Stipulating Parties further agree that OG&E shall be authorized to recover the costs associated with the construction of the Woodward Transmission Line through the Renewable Transmission System Additions (“RTSA”) tariff attached hereto as Exhibit A.

C. The Stipulating Parties agree that OG&E’s costs to construct the Woodward Transmission Line shall be prudent to the extent that such costs do not exceed a capped amount of \$218 million, including an allowance for funds used during construction (“AFUDC”). In the event that the construction costs exceed the capped amount of \$218 million, the Stipulating Parties acknowledge and agree that such excess costs are not recoverable unless OG&E shall obtain Commission approval for recovery of such excess costs in a separate proceeding to be filed by OG&E. OG&E shall bear the burden of proof and persuasion in demonstrating the prudence of such excess costs.

D. The Stipulating Parties agree that the RTSA tariff is the appropriate mechanism to initially recover the Oklahoma jurisdictional portion of the Woodward Transmission Line construction costs, with recovery under the tariff commencing when the transmission line is operational and continuing until the conclusion of the next general rate case subsequent to the operation of the Woodward Transmission Line (the “2011 Rate Case”) and implementation of new rates. The Stipulating Parties further agree that the RTSA tariff is the appropriate

mechanism to return credits, commencing with approval of the tariff, from: (i) the Green Power Wind Rider ("GPWR"), (ii) Renewable Energy Program ("REP") tariff, and (iii) transmission service provided to third parties, including Southwest Power Pool ("SPP") transmission revenues.

E. The Stipulating Parties further agree to modifications to the existing GPWR and the Economic Incentive Credit ("EIC") tariff as set forth respectively on Exhibits B and C attached hereto.

F. The Stipulating Parties further agree that costs recoverable through the RTSA tariff attributable to the Woodward Transmission Line will be assigned to and among Oklahoma retail rate classes using a Multiple Coincident Peak (12-CP) allocation methodology.

G. The Stipulating Parties further agree that in the 2011 Rate Case, the Stipulating Parties will evaluate and consider the implementation of a 2-CP allocation methodology for OG&E's transmission plant. This allocation methodology will be considered as part of OG&E's continuing efforts to allocate costs on a cost-causation basis and to provide customers with more appropriate electric price signals.

H. The Stipulating Parties further agree that commencing with the effective date of the RTSA and continuing until the Commission's review of the same in the 2011 Rate Case, 80% of the Oklahoma jurisdictional share of the Company's total revenues from transmission, and other ancillary services as described in the RTSA tariff, provided to third parties will be flowed to Oklahoma jurisdictional customers through the RTSA tariff, except as otherwise provided in Paragraph I below.

I. The Stipulating Parties further agree that commencing when the Woodward Transmission Line is operational and continuing until the Commission's review of the RTSA

tariff in the 2011 Rate Case, 100% of the Oklahoma jurisdictional share of the Company's transmission revenues derived from the use of the Woodward Transmission Line by third parties shall be flowed to Oklahoma jurisdictional customers through the RTSA tariff.

J. The Stipulating Parties further agree that the Oklahoma jurisdictional portion of any net proceeds attributable to the Company's sale of Renewable Energy Credits ("RECs") associated with renewable resources acquired by the Company after the effective date of the RTSA tariff shall be shared as follows:

80% - Oklahoma ratepayers to be credited through the RTSA tariff

20% - OG&E

with such sharing to continue until the Commission's review of same in the 2011 Rate Case.

K. The Stipulating Parties further agree to the REP tariff attached hereto as Exhibit D.

L. The Stipulating Parties further agree to the amendment and extension of the EIC tariff as provided for on Exhibit C, which tariff shall continue until the Commission's review of same in the 2011 Rate Case.

4. **General Reservations.**

The Stipulating Parties represent and agree that, except as specifically provided:

A. Negotiated Settlement

This Joint Stipulation represents a negotiated settlement for the purpose of compromising and resolving the issues presented in this Cause.

B. Authority to Execute

Each of the undersigned counsel of record affirmatively represents to the Commission that he or she has fully advised his or her respective clients(s) that the execution of this Joint

Stipulation constitutes a resolution of issues which were raised in this proceeding; that no promise, inducement or agreement not herein expressed has been made to any Stipulating Party; that this Joint Stipulation constitutes the entire agreement between and among the Stipulating Parties; and each of the undersigned counsel of record affirmatively represents that he or she has full authority to execute this Joint Stipulation on behalf of his or her client(s).

C. Balance/Compromise of Positions

The Stipulating Parties hereto specifically state and recognize that this Joint Stipulation represents a balancing of positions of each of the Stipulating Parties in consideration for the agreements and commitments made by the other Stipulating Parties in connection therewith. Therefore, in the event that the Commission does not approve and adopt all of the terms of this Joint Stipulation, this Joint Stipulation shall be void and of no force and effect, and no Stipulating Party shall be bound by the agreements or provisions contained herein. The Stipulating Parties agree that neither this Joint Stipulation nor any of the provisions hereof shall become effective unless and until the Commission shall have entered an Order approving all of the terms and provisions as agreed to by the parties to this Joint Stipulation.

D. Admissions and Waivers

The Stipulating Parties agree and represent that the provisions of this Joint Stipulation are intended to relate only to the specific matters referred to herein, and by agreeing to this settlement, no Stipulating Party waives any claim or right which it may otherwise have with respect to any matters not expressly provided for herein. In addition, none of the signatories hereto shall be deemed to have approved or acquiesced in any ratemaking principle, valuation method, cost of service determination, depreciation principle or cost allocation method underlying or allegedly underlying any of the information submitted by the parties to this Cause

and except as specifically provided in this Joint Stipulation, nothing contained herein shall constitute an admission by any Stipulating Party that any allegation or contention in this proceeding is true or valid or shall constitute a determination by the Commission as to the merits of any allegations or contentions made in this proceeding.

E. No Precedential Value

The Stipulating Parties agree that the processing of this Cause sets no precedent for any future causes that the Applicant or others may file with this Commission. The Stipulating Parties further agree and represent that neither this Joint Stipulation nor any Commission order approving the same shall constitute or be cited as precedent or deemed an admission by any Stipulating Party in any other proceeding except as necessary to enforce its terms before the Commission or any court of competent jurisdiction. The Commission's decision, if it enters an order approving this Joint Stipulation, will be binding as to the matters decided regarding the issues described in this Joint Stipulation, but the decision will not be binding with respect to similar issues that might arise in other proceedings. A Stipulating Party's support of this Joint Stipulation may differ from its position or testimony in other causes. To the extent there is a difference, the Stipulating Parties are not waiving their positions in other causes. Because this is a stipulated agreement, the Stipulating Parties are under no obligation to take the same position as set out in this Joint Stipulation in other dockets.

F. Discovery


As between and among the Stipulating Parties, any pending requests for information or discovery and any motions that may be pending before the Commission are hereby withdrawn.

WHEREFORE, the Stipulating Parties hereby submit this Joint Stipulation and Settlement Agreement to the Commission as their negotiated settlement of this proceeding with

respect to all issues raised within the Application filed herein by Oklahoma Gas & Electric Company or by Stipulating Parties to this Cause, and respectfully request the Commission to issue an Order approving the recommendations of this Joint Stipulation and Settlement Agreement.

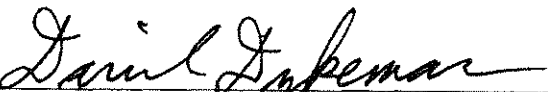
OKLAHOMA GAS & ELECTRIC COMPANY

Dated: 7-31-08

By:   
Patrick D. Shore


PUBLIC UTILITY DIVISION  
OKLAHOMA CORPORATION COMMISSION

Dated: \_\_\_\_\_

By:   
David B. Dykeman  
Director


OKLAHOMA OFFICE OF THE ATTORNEY GENERAL

Dated: \_\_\_\_\_

By:   
Whitney Weingartner

OKLAHOMA INDUSTRIAL ENERGY CONSUMERS

Dated: 7/31/08

By:   
Thomas P. Schroedter

OG&E SHAREHOLDERS ASSOCIATION

Dated: 7/31/08

By:   
Ronald E. Stakem


ITC GREAT PLAINS, LLC

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Deborah R. Thompson

CHEMAC ENERGY CORPORATION

Dated: 7/31/08

By:   
Richard K. Goodwin

INVENERGY WIND NORTH AMERICA, LLC

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Cody B. Waddell

OKLAHOMA GAS AND ELECTRIC COMPANY  
P.O. Box 321  
Oklahoma City, OK 73101

SHEET NO. \_\_\_\_\_  
DATE ISSUED \_\_\_\_\_

STANDARD PRICING SCHEDULE STATE OF OKLAHOMA  
RIDER FOR RENEWABLE TRANSMISSION SYSTEM ADDITIONS (RTSA)

**EFFECTIVE IN:** The Oklahoma Retail Jurisdiction.

**APPLICABILITY:** This rider is applicable to and becomes a part of each Oklahoma retail rate schedule to which the Company's Fuel Cost Adjustment rider (Standard Pricing Schedule FCA) applies. However, this rider is not a part of the FCA rider.

**DESCRIPTION:** The RTSA adjustment is the sum of each of the following factors.

This rider, through the SPPTTR factor, credits to the customer a portion of the Oklahoma jurisdiction share of the Southwest Power Pool (SPP) Point-to-Point (PtP) Transmission Service revenue received by the Company associated with sales pursuant to Schedules 1, 7, and 8 of the SPP Open Access Transmission Tariff (OATT) for PtP transmission service sold into, through and out of the SPP. Schedule 1 is defined as Ancillary Service for Scheduling, System Control and Dispatch Service. The Schedule 1 revenues, for the purpose of this rider, are those that are associated with Schedules 7 and 8 PtP transactions. Schedules 7 and 8 are defined as Firm and Non-Firm PtP Transmission Service.

This rider, through the RTS factor, charges the customer for the Oklahoma jurisdiction share of the revenue requirements for transmission system additions in support of renewable assets.

This rider, through the TSRC factor, credits to the customer the Oklahoma jurisdiction share of the transmission service revenue credits received by the Company from the SPP associated with sale of new transmission service by the SPP utilizing transmission system additions corresponding with the RTS factor.

This rider, through the NREC factor, credits to the customer a portion of the Oklahoma jurisdiction share of the net earnings received from the sales of the Renewable Energy Credits (REC) for any renewable energy sources obtained by the Company subsequent to the effective date of this rider. The net earnings (or profits) derived from such sales will be the difference between the sales price of the REC and all costs associated with such sales.

Finally, this rider, through the GPWRR factor, credits to the customer the revenues received from the GPWR kWh multiplied by \$.0045 per kWh for 2009 and GPWR kWh multiplied by \$.009 per kWh for each subsequent year. In each calendar year, these revenues shall be reduced by \$350,000 for educational, advertising, and ancillary expenses.

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Effective \_\_\_\_\_

Rates Authorized

by \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY  
P.O. Box 321  
Oklahoma City, OK 73101

SHEET NO. \_\_\_\_\_  
DATE ISSUED \_\_\_\_\_

**STANDARD PRICING SCHEDULE** **STATE OF OKLAHOMA**  
**RIDER FOR RENEWABLE TRANSMISSION SYSTEM ADDITIONS (RTSA)**

The RTSA adjustment is the sum of the following factors (as defined below) and shall be applied to the Fuel Cost Adjustment before application to the customer's bill:

$$\text{RTSA adjustment} = \text{SPPTR} + \text{RTS} + \text{TSRC} + \text{NREC} + \text{GPWRR}.$$

**SPP TRANSMISSION REVENUE (SPPTR):** The monthly bill as calculated under the stated rates shall be credited for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

SPPTR = SPP Transmission Revenue (SPPTR) will begin with the effective date of this rider and all Oklahoma jurisdiction transmission revenue (as defined above) will be credited to OG&E's customers with customers receiving 80% and the Company retaining 20% of the net revenues. A monthly factor, expressed in dollars per kWh, will be computed to reflect 80% of the net revenues during the second calendar month preceding the end of the billing period for which the kWh usage is billed.

**RENEWABLE TRANSMISSION SURCHARGE (RTS):** The monthly bill as calculated under the stated rates shall be adjusted for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

RTS = Renewable Transmission Surcharge (RTS) will begin with the effective date of this rider and the monthly revenue requirement will be charged to OG&E's customers upon completion of the associated transmission system addition. A monthly factor, expressed in dollars per kWh, will be charged during the second calendar month preceding the end of the billing period for which the kWh usage is billed.

**TRANSMISSION SERVICE REVENUE CREDITS (TSRC):** The monthly bill as calculated under the stated rates shall be adjusted for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

TSRC = Transmission Service Revenue Credits (TSRC) will begin with the effective date of this rider and 100% of any Oklahoma jurisdiction transmission service revenue credits received (as defined above) associated with transmission system additions corresponding with the RTS factor will be credited to OG&E's customers. A monthly factor, expressed in dollars per kWh, will be credited during the second

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Effective \_\_\_\_\_

Rates Authorized

by \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY  
P.O. Box 321  
Oklahoma City, OK 73101

SHEET NO. \_\_\_\_\_  
DATE ISSUED \_\_\_\_\_

**STANDARD PRICING SCHEDULE** **STATE OF OKLAHOMA**  
**RIDER FOR RENEWABLE TRANSMISSION SYSTEM ADDITIONS (RTSA)**

calendar month preceding the end of the billing period for which the kWh usage is billed.

**NEW RENEWABLE ENERGY CREDITS (NREC):** The monthly bill as calculated under the stated rates shall be adjusted for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

NREC = New Renewable Energy Credits (NREC) will begin with the effective date of this rider and 80% of the Oklahoma jurisdiction net earnings received from the sales of the Renewable Energy Credits (REC) for any renewable energy sources obtained by the Company subsequent to the effective date of this rider will be credited to OG&E's customers. In addition, 100% of the net earnings from the sale of any REC for any unsubscribed GPWR kWh associated with the Sooner Wind Farm shall also be credited through this provision. The net earnings (or profits) derived from such sales will be the difference between the sales price of the REC and all costs associated with such sales. A monthly factor, expressed in dollars per kWh, will be credited during the second calendar month preceding the end of the billing period for which the kWh usage is billed.

**GPWR REVENUE (GPWRR):** The monthly bill as calculated under the stated rates shall be credited for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

GPWRR = GPWR Revenue (GPWRR) will begin with the effective date of this rider and credits to the customer the revenues received from the GPWR kWh multiplied by \$.0045 per kWh for 2009 and GPWR kWh multiplied by \$.009 per kWh for each subsequent year. In each calendar year, these revenues shall be reduced by \$350,000 for educational, advertising, and ancillary expenses. A monthly factor, expressed in dollars per kWh, will be computed to reflect the net revenues (as detailed above) during the second calendar month preceding the end of the billing period for which the kWh usage is billed.

Effective \_\_\_\_\_

Rates Authorized

by \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.0  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

**EFFECTIVE IN/DATE:** All territory served, provided however that this rider will not be in effect before the first billing cycle of January, 2007 and until OG&E provides the Commission and the parties to Cause Nos. PUD 200500059 and 200500177 with at least 15 days' written notice that at least 72 of the 80 turbines contemplated for the Centennial Wind Energy Project are operational.

SOONER PURCHASE POWER PORTION (50 MW)

**APPLICABILITY:** The GPWR makes available the Sooner Purchase Power (50 MW) to subscribers through voluntary participation to the following rate classes: Residential; General Service; Oil & Gas Producers; Municipal Pumping; Public Schools-Non-Demand; Public Schools-Demand; and Power and Light. Other classes may subscribe with approval of the Company. All other provisions of the standard pricing schedules shall apply. OG&E reserves the right to limit the amount of energy provided to individual customers under this rider. Should wind power subscriptions exceed available supply, OG&E is not obligated to acquire additional wind power resources. Customers subscribing to GPWR will pay for related educational, advertising, and ancillary expenses. The GPWR is closed to any additional subscription by the Large Power and Light (LPL) class above existing subscription level at the time of rider approval. If an existing LPL GPWR customer vacates their present GPWR usage, those GPWR kWh shall be removed from further LPL subscription and made available to other classes of service.

The Sooner Purchase Power Portion for the GPWR is a rider for voluntary participation to the following rate classes: Residential; General Service; Oil & Gas Producers; Municipal Pumping; Public Schools Non-Demand; Public Schools Demand and Power and Light. Other classes may subscribe with approval of the Company. All other provisions of the standard rate classes apply. OG&E reserves the right to limit the amount of energy provided to individual customers under this rider. Should wind power subscriptions exceed available supply, OG&E is not obligated to acquire additional wind power resources. Only customers subscribing to the Sooner GPWR program will pay for educational advertising and ancillary charges contained in the GPWR. The Sooner Purchase Power Portion of this GPWR is closed to any additional subscription by the Large Power and Light (LPL) class above existing subscription level at the time of rider approval. If an existing LPL GPWR customer under the Sooner Purchase Power Portion vacates their present GPWR usage, those GPWR kWhs shall be removed from further LPL subscription and made available to other classes of service.

**PURCHASE AMOUNT:** Except as specified below for the Residential class, wind energy will be purchased by fixed 100 kWh block increments. The minimum/maximum number of kWh per month allowed to be purchased by a single customer under this rider per rate class is as follows:

Effective January 4, 2007

Rates Authorized

By 524078 200500177 04-28-2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.1  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

Residential	100 kWh to 2,000 kWh	1-20 blocks (Min/Max)
	Or: 100% Monthly Option, Up to 2,000 kWh per month	
General Service	100 kWh to 4,000 kWh	1-40 blocks (Min/Max)
Oil & Gas Producers	100 kWh to 4,000 kWh	1-40 blocks (Min/Max)
Public Schools – Non-Demand	100 kWh to 4,000 kWh	1-40 blocks (Min/Max)
Public Schools – Demand	100 kWh to 16,000 kWh	1-160 blocks (Min/Max)
Municipal Pumping	100 kWh to 16,000 kWh	1-160 blocks (Min/Max)
Power and Light	100 kWh to 16,000 kWh	1-160 blocks (Min/Max)
<del>Residential</del>	<del>100kWhs to 2,000 kWh</del>	<del>1-20 blocks (Min/Max)</del>
	<del>OR 100% Monthly Option Up to 2000 kWh per month</del>	
<del>General Service</del>	<del>100kWhs to 4,000 kWh</del>	<del>1-40 blocks (Min/Max)</del>
<del>Oil &amp; Gas Producers</del>	<del>100kWhs to 4,000 kWh</del>	<del>1-40 blocks (Min/Max)</del>
<del>Public Schools</del>		
<del>– Non-Demand</del>	<del>100kWhs to 4,000 kWh</del>	<del>1-40 blocks (Min/Max)</del>
<del>Public Schools – Demand</del>	<del>100kWhs to 16,000 kWh</del>	<del>1-160 blocks (Min/Max)</del>
<del>Municipal Pumping</del>	<del>100kWhs to 16,000 kWh</del>	<del>1-160 blocks (Min/Max)</del>
<del>Power and Light</del>	<del>100kWhs to 16,000 kWh</del>	<del>1-160 blocks (Min/Max)</del>

Effective January 4, 2007

Rates Authorized

By 524078 200500177 04-28-2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.2  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

**STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHO**  
**GREEN POWER WIND RIDER**

GPWR blocks are available. Residential customers choosing the GPWR option may

The total number of GPWR blocks shall be limited to no greater than 1,480,000 blocks on an annual basis, but may be limited to less than 1,480,000 blocks if wind availability becomes limited. Once the 1,480,000 blocks have been reached for a year, no other customers will be allowed to subscribe until the next calendar year or until additional elect a 100% GPWR subscription option for a cap up to 2,000 kWh a month. Customers that over subscribe to wind will only be charged or credited on their monthly bill at their actual monthly kWh usage level or up to the 2,000 kWh monthly wind cap level.

The total number of Sooner GPWR blocks shall be limited to no greater than 1,480,000 blocks on an annual basis, but may be limited to less than 1,480,000 blocks if wind availability becomes limited. Once the 1,480,000 blocks have been reached for a year, no other customers will be allowed to subscribe until the next calendar year or until additional Sooner GPWR blocks are available. Residential customers choosing the Sooner GPWR option may elect a 100% GPWR subscription option for a cap up to 2,000 kWh a month. Customers that over subscribe to wind will only be charged or credited on their monthly bill at their actual monthly kWh usage level or up to the 2000 kWh monthly wind cap level.

**WIND SELECTION CHARGE (WSC):** The price for each 100 kWh block will be \$3.00 for 2008; \$3.45 for 2009; and \$3.90 for 2010. The price for each individual wind subscribed kWh will be \$0.030 for 2008; \$0.0345 for 2009; and \$0.0390 for 2010. This price is in addition to the applicable standard pricing for each participant's total monthly billing less \$2.90 per 100 kWh for base fuel for each wind subscription block or \$0.029 for each wind subscribed kWh. Annual revenues (less educational, advertising, and ancillary expenses of \$750,000 for each calendar year) shall be credited to customers in the following manner: 1) annual revenues generated by the first \$0.03 per kWh multiplied by subscribed kWh, less \$400,000, will be credited through the FCA rider, and 2) all additional annual revenues less \$350,000 will be credited through the GPWRR factor of the RTSA rider.

The price for each 100 kWh block will be \$0.10 or shall be billed at one mill \$0.001 per Sooner GPWR kWh with corresponding FCA exemptions. This price is in addition to the applicable standard pricing for each participant's total monthly billing. For purpose of FCA exemption, each block shall represent 100 kWh. Revenues generated in excess of the lesser of actual education advertising charges or \$400,000 shall become part of the FCA.

Effective January 4, 2007

Rates Authorized  
By 524078 200500177 04 28 2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY  
P. O. Box 321  
Oklahoma City, Oklahoma 73101

SHEET NO 56.3  
DATE ISSUED 05-01-06

STANDARD PRICING SCHEDULE: GPWR                      STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

**MINIMUM BILL:** The minimum monthly customer bill shall be the Customer Charge plus any other applicable fees or taxes. The Company shall specify a larger minimum monthly bill, calculated in accordance with the Company's Allowable Expenditure Formula in its Terms and Conditions of Service on file with and approved by the Commission, when necessary to justify the investment required to provide service.

**FUEL COST ADJUSTMENT:** All GPWR kWh are exempt from the Rider for Fuel Cost Adjustment (FCA), but any customer's remaining monthly kWh (those other than GPWR kWh) will be subject to the monthly FCA. For purpose of FCA exemption, each block shall represent 100 kWh. If a customer's total kWh usage is less than their subscribed GPWR kWh for the month, an FCA credit shall be made on the customer's actual usage not to exceed the maximum subscription limits. If a customer's total usage is more than their subscribed GPWR kWh for the month, an FCA credit shall be applied only to the subscribed GPWR kWh level. No FCA kWh credit shall be rolled forward or backward to any previous or future month's customer billing. If the base cost of fuel is modified by a subsequent Commission Order, the GPWR will be modified to reflect any changes in the base cost of fuel.

Example of FCA exemption: A Power and Light Customer that has subscribed to sixteen (16) blocks of GPWR shall be exempt from the FCA for 1,600 kWh of usage (or 16 X 100 kWh) for the month.

~~All Sooner subscribed GPWR kWhs are exempt from the Rider for Fuel Cost Adjustment (FCA) but all remaining monthly kWhs (those other than Sooner GPWR kWhs) will be subject to the monthly FCA. See Rider for FCA. Example of exemption: A Power and Light Customer that has subscribed to sixteen (16) blocks of Sooner GPWR shall be exempt from the FCA for 1600 kWh of usage (or 16 X 100 kWh) for the month. If a customer's total kWh usage is less than their subscribed Sooner GPWR kWh for the month, an FCA credit shall be made on the customer's actual usage not to exceed the maximum subscription limits. If a customer's total usage is more than their subscribed Sooner GPWR kWh for the month, an FCA credit shall be applied only to the subscribed Sooner GPWR kWh level. No FCA kWh credit shall be rolled forward or backward to any previous or future month's customer billing. If the base cost of fuel is modified by a subsequent Commission Order, the Sooner GPWR will be modified to reflect any changes in the base cost of fuel.~~

Effective January 4, 2007

Rates Authorized

By 524078 200500177 04-28-2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.4  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

TERM: The term for all non-LPL GPWR subscribers is 3 months. The term for LPL GPWR subscribers is one year. All GPWR subscribers shall provide the Company a thirty (30) day notification for any GPWR changes. Participation on this rider shall be automatically renewed at the end of each subscriber's term unless termination from the program is specifically requested by the GPWR subscriber.

~~The term for all non-LPL Sooner GPWR customers is for 3 months. All Sooner GPWR customers shall provide the Company a thirty (30) day notification for any Sooner GPWR changes. Participation on this rider shall be automatically renewed at the end of each customer's term unless termination from the program is specifically requested by the GPWR participant. The term for LPL Sooner GPWR is one year.~~

CENTENNIAL WIND RESOURCE SUBSCRIPTION  
BY LARGE POWER & LIGHT (LPL) CLASS  
(50 MW Portion of Centennial Wind Energy Project)

APPLICABILITY: The purpose of this Centennial portion of the GPWR rider is to allow Large Power and Light (LPL) customers the option to subscribe part of their annual kWh consumption from wind resources. OG&E reserves the right to limit the total amount of energy provided to individual customers under the Centennial portion of this rider based upon overall wind availability from the Centennial Wind Energy Project (CWEP). Should demand for wind energy subscriptions exceed available supply, OG&E is not obligated to acquire additional wind energy resources. The Centennial GPWR is voluntary and is applicable only to the LPL class of customers.

SUBSCRIPTION LEVELS: 195 million kWh from the Centennial Wind project have been reserved for use by the LPL class for each of the calendar years 2007, 2008, and 2009. These 195 million kWh represent approximately 3.75% of the total yearly consumption of the LPL class. Each customer in the LPL class shall be given the opportunity for the years of 2007, 2008, and 2009 to subscribe to a portion of their total energy consumption from the Centennial Wind facility. Each customer shall have the opportunity to subscribe up to 3.75% of their most recent 12 months of kWh consumption as calculated in November of 2006, 2007, and 2008. If any LPL customer chooses not to subscribe to Centennial Wind, its unsubscribed wind kWh shall be returned to the LPL class and be subscribed as defined under the Allocation Formula and Percentage section of this rider.

SUBSCRIPTION BENEFITS AND FUNDING FOR THE LPL ECONOMIC INCENTIVE CREDIT (EIC): Subscription Benefits apply to the years 2007 through

Effective January 4, 2007

Rates Authorized  
By 524078 200500177 04-28-2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.5  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

~~2009. The Subscription Benefits and the EIC funding are composed of a three-step process:~~

~~Step One:~~ Reflects the yearly credit that will be available for LPL customers that subscribe to the Centennial Wind project. The EIC will be calculated by multiplying \$.010000 per kWh times the total subscribed Centennial Wind kWhs for the LPL class. The total yearly Centennial Wind kWh for the LPL class shall not exceed 195 million kWh. The expected yearly maximum class credit amounts are specified as follows:

<u>Year</u>	<u>kWh Credit</u>	<u>Total Annual kWh</u>	<u>Credit Amount</u>
2007	\$.010000	195 million	\$1,950,000
2008	\$.010000	195 million	\$1,950,000
2009	\$.010000	195 million	\$1,950,000

~~Step Two:~~ The development of the yearly surcharge is calculated by using the yearly Credit Amount divided by the applicable Oklahoma retail annual kWh (excluding Atoka, LPL class kWhs, and other excludable Special Contract kWhs) from the most current 12 months. This factor shall be calculated in December of 2006, 2007, and 2008 and shall be applied to the next billing year applicable Oklahoma retail kWhs as a surcharge.

~~Step Three:~~ The EIC true up is the over or under amount and is the difference between the actual Credit Amount credited to participating Centennial Wind LPL customers and the actual surcharge amount billed to all applicable non-LPL retail customers within a specified yearly period. All true up amounts for any previous period will be added to or subtracted from, whichever is appropriate, the next year's calculated surcharge amount for the next calendar year implementation.

ALLOCATION FORMULA AND PERCENTAGE: Each LPL customer shall have the option to purchase wind energy through an annual thirty (30) day enrollment period commencing on October 31 and ending November 30 in accordance with the following Parameters:

Annual Wind kWh Available = 195 million kWh unless otherwise limited

Effective January 4, 2007

Rates Authorized

By 524078 200500177 04 28 2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO 56.6  
P. O. Box 321 DATE ISSUED 05-01-06  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA  
GREEN POWER WIND RIDER

~~LPL Customer Wind Allowable Percentage = up to 3.75% of a customer's total annual usage based upon the customer's most current 12 months kWh history.~~

~~If at the end of the annual thirty (30) day enrollment period (November 30) the 195 million wind kWhs are not fully subscribed, participating LPL wind customers who indicated their interest in unsubscribed kWhs will be given the opportunity to subscribe to those unsubscribed kWh using the following formula and conditions:~~

~~$$\text{Customer Additional Wind \%} = \frac{\text{Available Unsubscribed Wind}}{\text{Total Annual kWh of Additional Re questing Customers}}$$~~

~~Customers may request less than the Customer Additional Wind % formula allocates  
Customers may not receive more than 100% of their total annual kWh usage~~

~~**SUBSCRIPTION TERM & LEVEL:** Once the final allocation has been determined, each customer's allocation shall remain fixed for one calendar year until the next year's subscription period. Continued LPL participation for Centennial Wind requires re-subscription each year. Levels of subscription are subject to availability of wind for the next calendar year term and according to the Allocation Formula and Percentage section outlined in this rider.~~

Effective January 4, 2007

Rates Authorized

By 524078 200500177 04-28-2006  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO \_\_\_\_\_  
P. O. Box 321 DATE ISSUED \_\_\_\_\_  
Oklahoma City, Oklahoma 73101

**STANDARD PRICING SCHEDULE: EIC** **STATE OF OKLAHOMA**  
**ECONOMIC INCENTIVE CREDIT RIDER**

**EFFECTIVE IN:** All territory served.

**APPLICABILITY:** The purpose of this rider is to provide a credit to Large Power and Light (LPL) customers if they choose to subscribe part of their annual kWh consumption to the Economic Incentive Credit program.

**SUBSCRIPTION LEVELS:** Economic Incentive Credit program will be capped at 195 million kWh and be reserved for use by the LPL class for each of the calendar years 2007, 2008, 2009, 2010, and 2011. These 195 million kWh represent approximately 3.75% of the total yearly consumption of the LPL class. Each customer in the LPL class shall be given the opportunity for the years of 2007, 2008, 2009, 2010, and 2011 to subscribe to a portion of their total energy consumption from the Economic Incentive Credit program. Each customer shall have the opportunity to subscribe up to 3.75% of their most recent 12 months of kWh consumption as calculated in November of 2006, 2007, 2008, 2009, and 2010. If any LPL customer chooses not to subscribe to Economic Incentive Credit program, its unsubscribed kWh shall be returned to the LPL class and be subscribed as defined under the Allocation Formula and Percentage section of this rider.

**SUBSCRIPTION BENEFITS AND FUNDING FOR THE LPL ECONOMIC INCENTIVE CREDIT (EIC):** Subscription Benefits apply to the years 2007 through 2011. The Subscription Benefits and the EIC funding are composed of a three-step process:

**Step One:** Reflects the yearly credit that will be available for LPL customers that subscribe to the Economic Incentive Credit program. The EIC will be calculated by multiplying \$0.01000 per kWh times the total subscribed kWh for the LPL class. The total yearly Economic Incentive Credit program kWh for the LPL class shall not exceed 195 million kWh. The expected yearly maximum class credit amounts are specified as follows:

<u>Year</u>	<u>kWh Credit</u>	<u>Total Annual kWh</u>	<u>Credit Amount</u>
2007	\$.01000	195 million	\$1,950,000
2008	\$.01000	195 million	\$1,950,000
2009	\$.01000	195 million	\$1,950,000
2010	\$.01000	195 million	\$1,950,000
2011	\$.01000	195 million	\$1,950,000

**Step Two:** The development of the yearly surcharge is calculated by using the yearly Credit Amount divided by the applicable Oklahoma retail annual kWh (excluding

Effective \_\_\_\_\_

Rates Authorized

By \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO \_\_\_\_\_  
P. O. Box 321 DATE ISSUED \_\_\_\_\_  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: EIC STATE OF OKLAHOMA  
ECONOMIC INCENTIVE CREDIT RIDER

Atoka, LPL class kWh, and other excludable Special Contract kWh) from the most current 12 months. This factor shall be calculated each December and shall be applied to the next billing year's applicable Oklahoma retail kWh as a surcharge.

Step Three: The EIC true-up is the over or under amount and is the difference between the actual Credit Amount credited to participating Economic Incentive Credit program LPL customers and the actual surcharge amount billed to all applicable non-LPL retail customers within a specified yearly period. All true-up amounts for any previous period will be added to or subtracted from, whichever is appropriate, the next-year's calculated surcharge amount for the next calendar year implementation.

ALLOCATION FORMULA AND PERCENTAGE: Each LPL customer shall have the option to obtain additional EIC energy through an annual thirty (30) day enrollment period commencing on October 31 and ending November 30 in accordance with the following Parameters:

- o Annual EIC kWh Available = 195 million kWh unless otherwise limited
- o LPL Customer EIC Allowable Percentage = up to 3.75% of a customer's total annual usage based upon the customer's most current 12 months kWh history or demonstrated history.

If at the end of the annual thirty (30) day enrollment period (November 30) the 195 million EIC kWh are not fully subscribed, participating LPL customers who indicated their interest in unsubscribed kWh will be given the opportunity to subscribe to those unsubscribed kWh using the following formula and conditions:

$$\text{Customer Additional EIC kWh \%} = \frac{\text{Available Unsubscribed EIC kWh}}{\text{Total Annual kWh of Additional Requesting Customers}}$$

- o Customers, at their option, may request less than the Customer Additional EIC kWh % the formula allocates
- o Customers may not receive more than 100% of their total annual kWh usage

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Effective \_\_\_\_\_

Rates Authorized

By \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO \_\_\_\_\_  
P. O. Box 321 DATE ISSUED \_\_\_\_\_  
Oklahoma City, Oklahoma 73101

**STANDARD PRICING SCHEDULE: EIC** STATE OF OKLAHOMA  
**ECONOMIC INCENTIVE CREDIT RIDER**

**SUBSCRIPTION TERM & LEVEL:** Once the final allocation has been determined, each customer's allocation shall remain fixed for one calendar year until the next year's subscription period. Continued LPL participation in the Economic Incentive Credit program requires re-subscription each year. Levels of subscription are subject to availability of EIC energy for the next calendar year term and according to the Allocation Formula and Percentage section outlined in this rider.

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Effective \_\_\_\_\_

Rates Authorized

By \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO. \_\_\_\_\_  
P. O. Box 321 DATE ISSUED \_\_\_\_\_  
Oklahoma City, Oklahoma 73101

STANDARD PRICING SCHEDULE: REP STATE OF OKLAHOMA  
RENEWABLE ENERGY PROGRAM Code No.

EFFECTIVE IN: All territory served.

APPLICABILITY: The Renewable Energy Program is available on a voluntary basis to all retail customers. OG&E reserves the right to limit the amount of Renewable Energy Credits ("Credits" or "RECs") provided to individual customers under this rider. Should subscriptions exceed available supply, OG&E is not obligated to acquire additional Credits. These Credits will be provided through either: (a) Resources the Company owns or contracts for; or (b) the purchase of Credits issued by a clearinghouse or other system, provided the Company is able to secure verifiable evidence that there is qualified renewable energy resource available and that the environmental attribute of the renewable energy resource will be available to the Company for purchase by its customers.

TERM: The initial subscription term is one year. Customers may subscribe at any time. After the initial term, Customers may terminate subscription at any time, with the termination effective with the next monthly billing cycle.

PRICING FOR RENEWABLE ENERGY CREDITS: The REC prices for the subsequent year shall be posted annually on or before October 31 and the Company will notify customers of any price changes for the next year in November. Prices are effective for the revenue year of the January billing month to the December billing month.

The total number of Renewable Energy Program kWh shall also be posted each year on or before October 31. The Renewable Energy Program kWh may be limited to less than the posted amount if renewable energy availability becomes limited. Once the posted amount has been subscribed for a year, no other customers will be allowed to subscribe until the next calendar year, or until additional Renewable Energy Program kWh are available. Should additional Renewable Energy become available, adjustments may be made to include those resources. The Company will not make refunds of unused Credits to customers. Credits may not be resold by customers.

Purchase levels and amounts are set forth below, but do not include any additional fees or charges associated with market purchases that may be incurred. Any additional fees or charges incurred with the purchase of RECs in the market shall solely be borne by the customers for whom the RECs were purchased.

Effective \_\_\_\_\_

Rates Authorized

By \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)

OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO. \_\_\_\_\_  
P. O. Box 321 DATE ISSUED \_\_\_\_\_  
Oklahoma City, Oklahoma 73101

**STANDARD PRICING SCHEDULE: REP STATE OF OKLAHOMA**  
**RENEWABLE ENERGY PROGRAM Code No.**

**ANNUAL SUBSCRIPTION LEVELS AND PRICES:**

Residential and other smaller customers may elect to subscribe to one of the following levels.

2008 PRICING		
Level	Percent Of Annual kWh Usage	REC Price Per kWh
A	25%	\$0.009 per kWh
B	50%	\$0.008 per kWh
C	100%	\$0.007 per kWh

Customers who subscribe to Level A or B will receive a fixed price per month based on their previous year's average monthly usage, or:

$$\text{Fixed Monthly Amount} = \text{Average Monthly usage} \times \text{REC } \$/\text{kWh}.$$

Customers who subscribe to Level C will be billed for their current month's usage at the posted price per kWh.

Non-residential customers who agree to a minimum annual purchase of at least 100 MWh may elect to subscribe at the following prices in 1 MWh increments.

2008 PRICING		
Level	Minimum Annual MWh Purchase	REC Price Per MWh
D	100	\$7.00 per MWh

Customers who subscribe to Level D will receive a fixed price per month based on their subscribed average monthly MWh, or:

$$\text{Fixed Monthly Amount} = \text{Subscribed Average Monthly MWh} \times \text{REC } \$/\text{MWh}.$$

The Renewable Energy Program kWh available for subscription in 2008 is 300,000,000 kWh.

Effective \_\_\_\_\_

Rates Authorized

By \_\_\_\_\_  
(Order No.) (Cause/Docket No.) (Date of Order)