

**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

Direct Testimony

of

Roger D. Walkingstick, P.E.

on behalf of

Oklahoma Gas and Electric Company

May 19, 2008 -

FILED
MAY 19 2008

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CORPORATION COMMISSION
OF OKLAHOMA

Roger D. Walkingstick
Direct Testimony

1 Q. **Would you please state your name and business address?**

2 A. My name is Roger Walkingstick. My business address is 321 North Harvey, Oklahoma
3 City, Oklahoma 73102.

4
5 Q. **By whom are you employed and in what capacity?**

6 A. I am employed by the Oklahoma Gas and Electric Company ("OG&E" or "Company") as
7 Director of Costing & Pricing (C&P).

8
9 Q. **Would you please summarize your education and professional background?**

10 A. I have a bachelor's degree in electrical engineering from the University of Oklahoma and
11 a Masters of Business Administration from Oklahoma City University. I am a licensed
12 professional engineer in the State of Oklahoma. I have been employed at OG&E for over
13 25 years, of which over 20 years have been involved with rate design, costing, rate
14 administration, regulatory issues, and pricing functions for the Company.

15
16 Q. **Have you previously testified before the Oklahoma Corporation Commission?**

17 A. Yes. I have testified before this Commission and my qualifications have been accepted.

18
19 Q. **What is the purpose of your testimony?**

20 A. My testimony will focus on proposed modifications to OG&E's current renewable tariffs
21 as well as two new renewable tariffs I am proposing. Also, I will address the estimated
22 impact of OG&E's Renewable Plan on customer bills.

1 RTSA

2 Q. Please describe the RTSA rider.

3 A. This rider, Exhibit RDW-1, charges customers for the Oklahoma jurisdictional share of
4 the revenue requirements for transmission system additions constructed in support of
5 renewable development. Initially, the rider will provide recovery of the costs of the
6 Woodward to Oklahoma City transmission addition that we are requesting to be approved
7 in this application. In the future, the Company may seek Commission approval for other
8 transmission plant additions and ask that the costs be recovered through this rider. Costs
9 collected under the RTSA rider will be offset by revenue credits associated with sales of
10 new transmission service that utilizes the transmission system additions whose cost are
11 recovered through the RTSA. Other offsets that will be credited through the RTSA rider
12 will include a portion of the proceeds from applicable REC sales each year (50%) as well
13 as additional GPWR revenues that result from an increase to the GPWR pricing for 2009
14 and 2010. Both of these offsets will be discussed in more detail later in my testimony.
15 Finally, the RTSA rider will also credit 80% of the Oklahoma jurisdictional share of the
16 Southwest Power Pool (SPP) transmission service revenue. Previously, the customers'
17 80% share of the transmission revenues was credited through the rider for the Off-System
18 Sales of Electricity (OSSE). Company witness Phil Crissup will further discuss
19 transmission revenues in his testimony.

1 Q. Are any other changes proposed for the OSSE?

2 A. Yes. In addition to transferring transmission revenues to the RTSA rider, the Company
3 proposes to remove the language in the OSSE, Exhibit RDW-2, for recovery of the 2002
4 Ice Storm expense. This expense has been fully recovered and the provision is no longer
5 applicable.

6
7 Q. How is the revenue requirement for the 345 kV line calculated for purposes of the
8 RTSA?

9 A. The revenue requirement calculation for a given year begins with the plant investment
10 cost including AFUDC. In his testimony, Philip Crissup estimates the plant investment
11 cost for the proposed transmission line to be approximately \$211 million. From this
12 amount, accumulated depreciation and accumulated deferred income tax are subtracted.
13 The return on the adjusted rate base is calculated using the tax adjusted rate of return
14 approved in the Company's most recent rate case, Cause No. PUD 200500151. Expenses
15 including O&M, depreciation and property tax are added to the total return on rate base
16 and the sum equals the total revenue requirement for that year. Table 1 illustrates this
17 calculation for 2010, the first year the transmission line is expected to be in service. The
18 2010 estimated revenue requirement shown in the table can also be found on Page 1 of
19 Exhibit RDW-7.

1

Table 1
Revenue Requirement – 345 kV Line Investment

Description	2010 (\$000)
Plant Investment	211,423
Less Accumulated Depreciation	2,114
Less Accumulated Deferred Income Tax	<u>2,455</u>
Rate Base	206,854
Return on Rate Base	25,526
O&M Expense	493
Depreciation Expense	4,228
Property Tax	<u>2,643</u>
Total Expenses	7,364
Total Revenue Requirement	<u>32,890</u>

2

3 Q. How will the cost of the proposed transmission line be allocated to Oklahoma retail
4 classes?

5 A. I am proposing an energy allocator as an interim treatment until the asset is placed in rate
6 base in the next general rate case for OG&E. I believe this treatment is appropriate since
7 the transmission line is being built almost exclusively to support renewable energy,
8 particularly in the near term, and provides the ability to bring wind energy savings (and
9 eventually other possible renewable savings) to our Oklahoma customers.

10

11 Q. How long will the Company collect the allocated cost of the transmission line
12 through the RTSA?

13 A. The Company will collect the allocated portion of the transmission line beginning when
14 the line is placed into service and continue that recovery until the next OG&E general
15 rate case subsequent to the commercial operation of the transmission line.

1 Q. **Will the RTSA remain in effect after the transmission line has been included in rate**
2 **base?**

3 A. Yes. Although recovery for the transmission line through the RTSA will end, the rider
4 will continue and will include future transmission or renewable related recovery projects
5 approved by the Commission, credits for revenues from designated REC sales, and
6 credits for transmission revenues as previously described.

7
8 Q. **What treatment do you propose for REC sales?**

9 A. The Company proposes that the net proceeds from 50% of the RECs associated with new
10 renewable resources be credited through the RTSA as the RECs are sold. The revenues
11 from the remaining 50% of the RECs will be used to fund research and development
12 regarding technology and mitigation of environmental concerns.

13
14 Q. **Please discuss your second tariff proposal, the Renewable Energy Program (REP)**
15 **rider.**

16 A. The REP rider, shown in Exhibit RDW-3, is an integral part of the total Company
17 package of programs that embrace a comprehensive approach to the entire renewable
18 process. This application includes provisions to sell renewable services that are being
19 requested by customers. Our customers are asking about obtaining renewable energy and
20 appear to be willing to subscribe to an environmental tariff. The Sooner wind facility is
21 fully subscribed and the Company is expected to have 600 MW of new wind farm RECs,
22 but has no tariff in place to sell them to our retail customers. The Company, through the

1 RTSA rider, will return a portion of those revenues to our customers as an offset to the
2 cost of renewable developments.

3
4 **Q. Please discuss how the REP rider functions.**

5 A. The REP provides our customers an opportunity to purchase RECs to reduce what is
6 commonly referred to as their carbon footprint. For example, if a customer consumes
7 10,000 kWhs a year and subscribes for RECs at the 25% subscription level, that
8 percentage would fall into the Level "A" pricing described in the tariff's section: "Annual
9 Subscription Levels and Prices". This would add 9 mills per each subscribed kWh
10 consumed to the customer's bill. Under this example, the customer would pay an
11 additional \$22.50 on their annual bill. Customers can choose to purchase larger quantities
12 of RECs as discussed in Exhibit RDW-3. By October 31 of each year the Company will
13 post the REC pricing for the following calendar year.

14
15 **Q. Will non-subscribing customers benefit from the REP tariff?**

16 A. Yes. A portion of the revenues that are collected under the REP rider will be credited
17 through the RTSA and reduce transmission costs for Oklahoma retail customers.

18
19 **TARIFF MODIFICATION**

20 **Q. Please discuss the modification of the Sooner wind farm portion of the current**
21 **GPWR tariff.**

22 A. I am proposing changes as reflected in Exhibit RDW-4 to the existing GPWR tariff. The
23 proposed GPWR tariff reflects a \$0.0045 per kWh price escalation for 2009 and an

1 additional \$0.0045 increase in 2010. Currently, the revenues above expenses from the
2 subscription to the GPWR are returned to all Oklahoma retail customers as credit to the
3 fuel cost adjustment clause (FCA). I am proposing that the incremental revenues resulting
4 from the tariff price changes (1) the first \$350,000 of the incremental revenues should be
5 utilized to increase the original education and marketing of wind energy expenditures
6 from \$400,000 to \$750,000; and (2) the remaining \$325,000 in 2009 should be credited
7 through the RTSA. In 2010 and beyond, the \$325,000 credited through the RTSA should
8 increase to approximately \$1 million and the education and marketing expense will
9 remain at a \$750,000 level.

10
11 **Q. How will the proposed changes associated with the proposed GPWR subscription**
12 **pricing and crediting GPWR revenues through the RTSA affect the billing to**
13 **Oklahoma retail customers?**

14 **A.** If subscription remains high the proposed price increase in the GPWR will increase the
15 revenue credits to all Oklahoma retail customers that flow through the RTSA. If
16 subscription levels drop, additional RECs will be made available for sale and credited
17 through the RTSA rider. Either way, customers will be receiving the benefit.

18
19 **Q. Why are the prices under the GPWR increasing?**

20 **A.** As wind power costs continue to escalate in Oklahoma as well as the rest of the country
21 (see Exhibit RDW-5), the current Sooner wind pricing does not reflect the current value
22 for wind resources. However, OG&E appreciates those customers who supported wind

1 development by subscribing to the Sooner wind farm and believes it is appropriate to
2 gradually transition to market price.

3
4 **Q. Does the proposed GPWR still retain a fuel hedge?**

5 A. Yes. The fuel hedge that was a part of the original Sooner wind subscription program is
6 still retained in the proposed GPWR. The Sooner fuel hedge means that subscribed
7 GPWR wind kWhs are not subject to fuel clause adjustment that occurs under standard
8 tariffs. Please refer to Exhibit RDW-4 to review the modified GPWR rider.

9
10 **Q. Please discuss how you propose to change the LPL-EIC portion of the existing**
11 **GPWR.**

12 A. This LPL-EIC portion of the existing GPWR provides credits to the LPL customer class
13 and expires at the end of 2009. I am proposing that this EIC portion of the GPWR be
14 separated into an EIC rider as shown in Exhibit RDW-6. No other change is currently
15 being proposed.

16
17 **CUSTOMER IMPACTS**

18 **Q. How will customer bills be impacted if OG&E's Renewable Plan, including the**
19 **tariff proposals you have discussed, are approved by this Commission?**

20 A. The customer impacts are best understood by breaking them down into smaller pieces.
21 As discussed earlier in my testimony, the impact of the revenue requirement associated
22 with the building and placing in service of the proposed 345 kV transmission line is
23 estimated to be approximately \$33 million in 2010. Assuming the addition of 320 MW of

1 wind and associated production cost savings, forecasted offsets from REC sales, changes
2 in GPWR pricing, and transmission revenue credits; the net impact for a typical
3 residential customer in 2010 is an increase of approximately \$1.52 a month. Assuming an
4 additional 320 MW of wind are added in 2011, the average increase over the period 2011
5 to 2018 is \$.99. Exhibit RDW-7, page 1 reflects the impacts to the major customer classes
6 based on the assumptions I have described.

7
8 **Q. How would customers be impacted by higher than estimated gas prices?**

9 A. As shown in Exhibit RDW-7, page 2 the \$1.52 per month cost for the average residential
10 customer is reduced to \$0.40 per month, all other variables remaining equal if gas prices
11 are twice as high as the Base Case. Under this scenario, if an additional 320 MW of wind
12 is added in 2011 the impact is positive (or beneficial) for customers beginning in 2011.
13 Over the 2011 to 2018 time period, the average impact under the "high gas" scenario is
14 (\$1.67) per month which is a credit.

15
16 **Q. How would customers be impacted by higher than estimated CO₂ costs?**

17 A. As shown in Exhibit RDW-7, page 3 the \$1.52 per month cost for the average residential
18 customer remains at \$1.52 per month in 2010 (higher CO₂ costs are not expected to
19 diverge from base case estimates until 2012 and after) but will begin a significant
20 decrease of over \$0.40 per month from base case levels in 2012 and beyond under high
21 CO₂ modeling, all other variables remaining equal. Under this scenario, if an additional
22 320 MW of wind is added in 2011 the impact is positive (or beneficial) for residential
23 customers beginning in 2017.

1 Q. **Did you also model a high gas cost and high CO₂ case?**

2 A. Yes. If both gas prices and CO₂ costs are higher than estimated, the impact is \$0.40 per
3 month in 2010 as shown in Exhibit RDW-7, page 4, which is the same as the high gas
4 case but begins to diverge to being more beneficially than just the high gas case to
5 customers in 2012 and beyond. Under this scenario, if an additional 320 MW of wind is
6 added in 2011 the impact is positive for customers beginning in 2011 and remains
7 positive for the remaining life of the analysis.

8 As Exhibit RDW-7 demonstrates, a long-term benefit of renewables and wind resources
9 in particular, is as a hedge against extreme fossil fuel costs. If fuel costs continue to
10 escalate, or CO₂ costs increase dramatically, renewables will provide needed resource
11 diversity for our system and that diversity will help offset the impact of dependency on
12 fossil fuels in our generation mix.

13

14 Q. **Does this conclude your testimony?**

15 A. Yes it does.

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

SHEET NO. xx.0
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 SPPTR 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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OKLAHOMA GAS AND ELECTRIC COMPANY
P.O. Box 321
Oklahoma City, OK 73101

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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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OKLAHOMA GAS AND ELECTRIC COMPANY

P.O. Box 321

Oklahoma City, OK 73101

SHEET NO. xx.2

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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 50% 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.

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OKLAHOMA GAS AND ELECTRIC COMPANY
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SHEET NO. 64.0
 DATE ISSUED _____

STANDARD PRICING SCHEDULE STATE OF OKLAHOMA
RIDER FOR OFF-SYSTEMS SALES OF ELECTRICITY (OSSE)

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: This rider, through the OSSE factor, credits to the customer a portion of the Oklahoma jurisdiction net earnings associated with non-jurisdictionally allocated firm sales, and spot-market off-system sales of electricity. The net earnings (or profits) derived from such sales will be the difference between the sales price of the electricity and ancillary services delivered and all costs associated with such sales of electricity and services excluding variable production operation and maintenance expenses.

OFF-SYSTEM SALES OF ELECTRICITY CREDIT (OSSE): The monthly bill as calculated under the stated rates shall be decreased for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor:

OSSE = Off-System Sales of Electricity (OSSE) will begin with the effective date of this rider. All net profits from off-system sales of electricity will be credited to OG&E's customers with customers receiving 80% and the Company retaining 20% of the net profits. A monthly factor, expressed in dollars per kWh, will be computed to reflect 80% of the net earnings from off-system sales of electricity (as detailed above) during the second calendar month preceding the end of the billing period for which the kWh usage is billed. This factor shall be applied to the Fuel Cost Adjustment before application to the customer's bill.

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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.

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OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO. _____
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 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.

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OKLAHOMA GAS AND ELECTRIC COMPANY SHEET NO _____
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STANDARD PRICING SCHEDULE: GPWR STATE OF OKLAHOMA
GREEN POWER WIND RIDER

EFFECTIVE IN: All territory served.

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.

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:

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)

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

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 GPWR blocks are available. Residential customers choosing the 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 2,000 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.

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 EXEMPTION: 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.

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: GPWR STATE OF OKLAHOMA
GREEN POWER WIND RIDER

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.

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.

Effective _____

Rates Authorized
by _____
(Order No.) (Cause/Docket No.) (Date of Order)

National Wind Pricing Comparison

Program	DTE Green Currents	We Energies Energy for Tomorrow	Xcel Energy Windsorce	PECO Wind	Puget Sound Energy	PacifiCorp Blue Sky	FPL Sunshine Energy
Cost	\$.025 per kWh Res \$.02 per kWh Comm \$.02 per kWh for 100%	25%, 50%, 100% options \$.0137 per kWh \$.01 per kWh for business purchases over 70,000 kWh per month	\$.03 to \$.04 per kWh Yes, current net cost is \$.00909 per kWh	\$.0254 per kWh, includes 100% option	\$.0125 per kWh, includes 100% option	\$.0195 per kWh \$.0078 per kWh for 100% option	\$.00975 per kWh
FCA Credit	None Apparent	Based upon purchase level		None Apparent	None Apparent	None Apparent	None Apparent
Term	None Apparent	None for Res or small Comm 1 year for Ind	1 year contract Res 3 year contract Comm	None Apparent	None Apparent	None Apparent	None Apparent
REC's	Purchased by DTE on behalf of customers	Purchased by WE to meet customer demand	Unknown	Purchased by PECO from Pennsylvania wind farms	Purchased by PSE to meet customer demand	Purchased by PacifiCorp to meet customer demand	Purchased by FPL to meet customer demand
MWh/Year	Unknown	Unknown	237,000	168,000	132,000	300,000	303,000
Participants	7,500	16,000	63,000	38,000	19,500	51,297	29,000

Exhibit RDW-5

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, 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 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, and 2008. 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 2008 through 2010. 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

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

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 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

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.

Effective _____

Rates Authorized

By _____
(Order No.) (Cause/Docket No.) (Date of Order)

OG&E RENEWABLE PLAN
BASE CASE

	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018
REVENUE REQUIREMENT (000)									
Transmission Revenue Requirement 345 kv line from OKC to Woodward	32,890	31,618	30,443	29,353	28,341	27,400	26,493	25,585	24,677
Wind Generation Revenue Requirement 2008 RFP : 320 MW 2009 RFP: 320 MW	47,210	48,273	49,359	50,469	51,605	52,766	53,953	55,167	56,408
	49,937	51,061	52,210	53,385	54,586	55,814	57,070	58,354	59,642
Total Customer Cost	\$ 80,100	\$ 129,828	\$ 130,862	\$ 132,032	\$ 133,331	\$ 134,752	\$ 136,260	\$ 137,822	\$ 139,439
REVENUE REQUIREMENT OFFSETS (000)									
REC SALES	\$ 5.00	\$ 5.50	\$ 6.00	\$ 6.50	\$ 7.00	\$ 7.50	\$ 8.00	\$ 8.50	\$ 9.00
2010 and beyond	(2,663)	(5,859)	(6,391)	(6,924)	(7,457)	(7,989)	(8,522)	(9,054)	(9,587)
Transmission Credits	(5,276)	(10,437)	(10,240)	(10,043)	(9,846)	(9,649)	(9,453)	(9,256)	(9,059)
Production Cost Savings 640 MW of Wind	(33,897)	(63,461)	(76,581)	(75,481)	(83,838)	(98,758)	(97,890)	(107,350)	(117,522)
Total Customer Benefits	\$ (41,836)	\$ (79,756)	\$ (93,212)	\$ (92,449)	\$ (101,141)	\$ (116,396)	\$ (115,865)	\$ (125,660)	\$ (136,168)
Illustrative Net Customer Impact: Cost/(Benefit)	\$ 38,264	\$ 50,072	\$ 37,651	\$ 39,584	\$ 32,190	\$ 18,356	\$ 20,395	\$ 12,162	\$ 3,271
Cumulative Cost / (Benefit)	\$ 38,264	\$ 88,336	\$ 125,987	\$ 165,571	\$ 197,761	\$ 216,116	\$ 236,511	\$ 248,673	\$ 251,944
OKLAHOMA ALLOCATION	84.5%								
Additional GPWR Credit (Based on 150,000 MWh subscribed)	\$ 32,333	\$ 42,311	\$ 31,815	\$ 33,448	\$ 27,201	\$ 15,511	\$ 17,234	\$ 10,277	\$ 2,764
	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total Revenue Requirement	\$ 31,333	\$ 41,311	\$ 30,815	\$ 32,448	\$ 26,201	\$ 14,511	\$ 16,234	\$ 9,277	\$ 1,764
OKLAHOMA RETAIL SALES MWH (Estimated)	23,726,478	24,135,998	24,551,131	24,949,845	25,425,994	25,958,450	26,425,702	26,901,365	27,385,589
Average Retail Monthly RES Incr/(Decr) (1152 kWh*)	\$ 1.52	\$ 1.97	\$ 1.45	\$ 1.50	\$ 1.19	\$ 0.64	\$ 0.71	\$ 0.40	\$ 0.07
Average Retail Monthly GS Incr/(Decr) (1858 kWh*)	\$ 2.45	\$ 3.18	\$ 2.33	\$ 2.42	\$ 1.91	\$ 1.04	\$ 1.14	\$ 0.64	\$ 0.12
Average Retail Monthly PL Incr/(Decr) (46,802 kWh*)	\$ 62	\$ 80	\$ 59	\$ 61	\$ 48	\$ 26	\$ 29	\$ 16	\$ 3
Average Retail Monthly LPL Incr/(Decr) (4,721,887 kWh*)	\$ 6,236	\$ 8,082	\$ 5,927	\$ 6,141	\$ 4,866	\$ 2,639	\$ 2,901	\$ 1,628	\$ 304

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OG&E RENEWABLE PLAN
HIGH GAS

REVENUE REQUIREMENT (000)	1	2	3	4	5	6	7	8	9
Transmission Revenue Requirement	2010	2011	2012	2013	2014	2015	2016	2017	2018
345 kv line from OKC to Woodward	32,890	31,618	30,443	29,353	28,341	27,400	26,493	25,585	24,677
Wind Generation Revenue Requirement	47,210	48,273	49,359	50,469	51,605	52,766	53,953	55,167	56,408
2008 RFP : 320 MW	49,937	49,937	51,061	52,210	53,385	54,586	55,814	57,070	58,354
2009 RFP: 320 MW									
Total Customer Cost	\$ 80,100	\$ 129,828	\$ 130,862	\$ 132,032	\$ 133,331	\$ 134,752	\$ 136,260	\$ 137,822	\$ 139,439

REVENUE REQUIREMENT OFFSETS (000)	1	2	3	4	5	6	7	8	9
REC SALES	2010	2011	2012	2013	2014	2015	2016	2017	2018
2010 and beyond	5.00	5.50	6.00	6.50	7.00	7.50	8.00	8.50	9.00
Transmission Credits	(2,663)	(5,859)	(6,391)	(6,924)	(7,457)	(7,989)	(8,522)	(9,054)	(9,587)
Production Cost Savings	(5,276)	(10,437)	(10,240)	(10,043)	(9,846)	(9,649)	(9,453)	(9,256)	(9,059)
640 MW of Wind	(61,293)	(112,459)	(135,061)	(129,547)	(147,504)	(177,491)	(174,601)	(194,765)	(215,364)
Total Customer Benefits	\$ (69,233)	\$ (128,755)	\$ (151,692)	\$ (146,514)	\$ (164,807)	\$ (195,129)	\$ (192,575)	\$ (213,075)	\$ (234,010)

Illustrative Net Customer Impact: Cost/(Benefit)	1	2	3	4	5	6	7	8	9
Cumulative Cost / (Benefit)	2010	2011	2012	2013	2014	2015	2016	2017	2018
OKLAHOMA ALLOCATION	10,868	1,074	(20,830)	(14,482)	(31,476)	(60,377)	(86,316)	(115,225)	(144,134)
Additional GPWR Credit (Based on 150,000 MWh subscribed)	10,868	11,941	(8,889)	(23,371)	(54,847)	(115,225)	(171,540)	(246,794)	(341,365)
Total Revenue Requirement	84.5%	84.5%	84.5%	84.5%	84.5%	84.5%	84.5%	84.5%	84.5%

OKLAHOMA RETAIL SALES MWH (Estimated)	1	2	3	4	5	6	7	8	9
Average Retail Monthly RES Incr/(Decr) (1152 kWh*)	2010	2011	2012	2013	2014	2015	2016	2017	2018
Average Retail Monthly GS Incr/(Decr) (1858 kWh*)	23,726,478	24,135,998	24,551,131	24,949,845	25,425,994	25,988,450	26,425,702	26,901,365	27,385,589
Average Retail Monthly PL Incr/(Decr) (46,802 kWh*)	0.40	(0.00)	(0.87)	(0.61)	(1.25)	(2.31)	(2.12)	(2.77)	(3.40)
Average Retail Monthly LPL Incr/(Decr) (4,721,887 kWh*)	0.64	(0.01)	(1.41)	(0.99)	(2.02)	(3.72)	(3.42)	(4.46)	(5.49)
*Assumes cust size remains constant, but juris kWh grows	16	(0)	(35)	(25)	(51)	(94)	(86)	(112)	(138)
	1,629	(18)	(3,578)	(2,505)	(5,125)	(9,462)	(8,682)	(11,337)	(13,951)

OG&E RENEWABLE PLAN
HIGH CO2

REVENUE REQUIREMENT (000)

Transmission Revenue Requirement
345 kv line from OKC to Woodward

Wind Generation Revenue Requirement

2008 RFP : 320 MW

2009 RFP: 320 MW

Total Customer Cost

	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018
Transmission Revenue Requirement	32,890	31,618	30,443	29,353	28,341	27,400	26,493	25,585	24,677
Wind Generation Revenue Requirement	47,210	48,273	49,359	50,469	51,605	52,766	53,953	55,167	56,408
	49,937	51,061	52,210	53,385	54,586	55,814	57,070	58,354	59,642
Total Customer Cost	\$ 80,100	\$ 129,828	\$ 130,862	\$ 132,032	\$ 133,331	\$ 134,752	\$ 136,260	\$ 137,822	\$ 139,439

REVENUE REQUIREMENT OFFSETS (000)

REC SALES

2010 and beyond

Transmission Credits

Production Cost Savings

640 MW of Wind

Total Customer Benefits

	\$ 5.00	\$ 5.50	\$ 6.00	\$ 6.50	\$ 7.00	\$ 7.50	\$ 8.00	\$ 8.50	\$ 9.00
2010 and beyond	(2,663)	(5,859)	(6,391)	(6,924)	(7,457)	(7,989)	(8,522)	(9,054)	(9,587)
Transmission Credits	(5,276)	(10,437)	(10,240)	(10,043)	(9,846)	(9,649)	(9,453)	(9,256)	(9,059)
Production Cost Savings	(33,897)	(63,461)	(87,225)	(86,956)	(94,702)	(112,804)	(112,379)	(121,382)	(135,162)
Total Customer Benefits	\$ (41,836)	\$ (79,756)	\$ (103,856)	\$ (103,923)	\$ (112,004)	\$ (130,442)	\$ (130,353)	\$ (139,692)	\$ (153,808)

Illustrative Net Customer Impact: Cost/(Benefit)

Cumulative Cost / (Benefit)

	\$ 38,264	\$ 50,072	\$ 27,006	\$ 28,109	\$ 21,326	\$ 4,309	\$ 5,907	\$ (1,870)	\$ (14,369)
	\$ 38,264	\$ 88,336	\$ 115,343	\$ 143,452	\$ 164,778	\$ 169,088	\$ 174,994	\$ 173,124	\$ 158,755

OKLAHOMA ALLOCATION

Additional GPWR Credit (Based on 150,000 MWh subscribed)

Total Revenue Requirement

	\$ 32,333	\$ 42,311	\$ 22,820	\$ 23,752	\$ 18,021	\$ 3,641	\$ 4,991	\$ (1,580)	\$ (12,142)
	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)
	\$ 31,333	\$ 41,311	\$ 21,820	\$ 22,752	\$ 17,021	\$ 2,641	\$ 3,991	\$ (2,580)	\$ (13,142)

OKLAHOMA RETAIL SALES MWH (Estimated)

Average Retail Monthly RES Incr/(Decr) (1152 kWh*)

Average Retail Monthly GS Incr/(Decr) (1858 kWh*)

Average Retail Monthly PL Incr/(Decr) (46,802 kWh*)

Average Retail Monthly LPL Incr/(Decr) (4,721,887 kWh*)

*Assumes cust size remains constant, but juris kWh grows

	23,726,478	24,135,998	24,551,131	24,949,845	25,425,994	25,958,450	26,425,702	26,901,365	27,385,589
	\$ 1.52	\$ 1.97	\$ 1.02	\$ 1.05	\$ 0.77	\$ 0.12	\$ 0.17	\$ (0.11)	\$ (0.55)
	\$ 2.45	\$ 3.18	\$ 1.65	\$ 1.69	\$ 1.24	\$ 0.19	\$ 0.28	\$ (0.18)	\$ (0.89)
	\$ 62	\$ 80	\$ 42	\$ 43	\$ 31	\$ 5	\$ 7	\$ (4)	\$ (22)
	\$ 6,236	\$ 8,082	\$ 4,197	\$ 4,306	\$ 3,161	\$ 480	\$ 713	\$ (453)	\$ (2,266)

OG&E RENEWABLE PLAN

HIGH CO2 and High GAS

	1	2	3	4	5	6	7	8	9
	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUE REQUIREMENT (000)									
Transmission Revenue Requirement	32,890	31,618	30,443	29,353	28,341	27,400	26,493	25,585	24,677
Wind Generation Revenue Requirement	47,210	48,273	49,359	50,469	51,605	52,766	53,953	55,167	56,408
2008 RFP : 320 MW	49,937	49,937	51,061	52,210	53,385	54,586	55,814	57,070	58,354
2009 RFP: 320 MW									
Total Customer Cost	\$ 80,100	\$ 129,828	\$ 130,862	\$ 132,032	\$ 133,331	\$ 134,752	\$ 136,260	\$ 137,822	\$ 139,439

	1	2	3	4	5	6	7	8	9
	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUE REQUIREMENT OFFSETS (000)									
REC SALES	\$ 5.00	\$ 5.50	\$ 6.00	\$ 6.50	\$ 7.00	\$ 7.50	\$ 8.00	\$ 8.50	\$ 9.00
2010 and beyond	(2,663)	(5,859)	(6,391)	(6,924)	(7,457)	(7,989)	(8,522)	(9,054)	(9,587)
Transmission Credits	(5,276)	(10,437)	(10,240)	(10,043)	(9,846)	(9,649)	(9,453)	(9,256)	(9,059)
Production Cost Savings	(61,293)	(112,459)	(145,530)	(140,736)	(158,261)	(191,604)	(188,762)	(208,908)	(232,452)
640 MW of Wind									
Total Customer Benefits	\$ (69,233)	\$ (128,755)	\$ (162,161)	\$ (157,703)	\$ (175,564)	\$ (209,243)	\$ (206,736)	\$ (227,219)	\$ (251,098)

Illustrative Net Customer Impact: Cost/(Benefit)	\$ 10,868	\$ 1,074	\$ (31,299)	\$ (25,670)	\$ (42,233)	\$ (74,491)	\$ (70,477)	\$ (89,397)	\$ (111,659)
Cumulative Cost / (Benefit)	\$ 10,868	\$ 11,941	\$ (19,357)	\$ (45,028)	\$ (87,261)	\$ (161,752)	\$ (232,229)	\$ (321,626)	\$ (433,285)
OKLAHOMA ALLOCATION	84.5%	\$ 9,183	\$ 907	\$ (26,447)	\$ (21,692)	\$ (35,687)	\$ (62,945)	\$ (59,553)	\$ (75,540)
Additional GPWR Credit (Based on 150,000 MWh subscribed)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)
Total Revenue Requirement	\$ 8,183	\$ (93)	\$ (27,447)	\$ (22,692)	\$ (36,687)	\$ (63,945)	\$ (60,553)	\$ (76,540)	\$ (95,352)

OKLAHOMA RETAIL SALES MWH (Estimated)	23,726,478	24,135,998	24,551,131	24,949,845	25,425,994	25,958,450	26,425,702	26,901,365	27,385,589
Average Retail Monthly RES Incr/(Decr) (1152 kWh*)	\$ 0.40	\$ (0.00)	\$ (1.29)	\$ (1.05)	\$ (1.66)	\$ (2.84)	\$ (2.64)	\$ (3.28)	\$ (4.01)
Average Retail Monthly GS Incr/(Decr) (1858 kWh*)	\$ 0.64	\$ (0.01)	\$ (2.08)	\$ (1.69)	\$ (2.68)	\$ (4.58)	\$ (4.26)	\$ (5.29)	\$ (6.47)
Average Retail Monthly PL Incr/(Decr) (46,802 kWh*)	\$ 16	\$ (0)	\$ (52)	\$ (43)	\$ (68)	\$ (115)	\$ (107)	\$ (133)	\$ (163)
Average Retail Monthly LPL Incr/(Decr) (4,721,887 kWh*)	\$ 1,629	\$ (18)	\$ (5,279)	\$ (4,294)	\$ (6,813)	\$ (11,632)	\$ (10,820)	\$ (13,435)	\$ (16,441)

*Assumes cust size remains constant, but juris kWh grows