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May 17, 2024

Via eTariff

The Honorable Debbie-Anne Reese
Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Oklahoma Gas and Electric Company, Compliance Filing, Docket Nos. ER24-722-000 and ER24-722-001*

Dear Acting Secretary Reese:

In compliance with the directives of the Federal Energy Regulatory Commission (“Commission”) contained in its Order Accepting Formula Rate Revisions, Subject to Condition, issued on April 19, 2024¹ in the captioned proceeding, Oklahoma Gas and Electric Company (“OG&E”) respectfully submits this compliance filing and requests that the Commission accept the proposed revisions to OG&E’s transmission formula rate template (“Template”) contained in its Open Access Transmission Tariff (“OATT” or “Tariff”) and in the OATT of the Southwest Power Pool, Inc. (“SPP”),² with an effective date of January 1, 2024, consistent with the effective date provided in the April 19 Order.

I. BACKGROUND

On December 20, 2023, in the captioned docket, OG&E filed a request for Commission approval of several ministerial changes to its Template. On January 25, 2024, in response to a protest, OG&E filed an answer which provided more detailed explanations of the proposed ministerial changes. On February 14, 2024, the Commission issued a letter informing OG&E that additional information was necessary to process the filing, and on February 21, 2024, OG&E filed a response to such letter. In the April 19 Order, the Commission accepted OG&E’s proposed Tariff revisions, effective January 1, 2024, subject to condition. Specifically, the

¹ *Oklahoma Gas and Electric Company*, 187 FERC ¶ 61,027 (2024) (“April 19 Order”).

² OG&E is initially submitting only the OG&E OATT sheets in eTariff format. Within thirty (30) days of a Commission order approving the Tariff changes, SPP has agreed to make a “companion” filing in eTariff format consistent with Order No. 714 to ensure that OG&E’s “electronic tariff provisions reflect the Commission’s actions.” See *Pac. Gas & Elec. Co.*, 132 FERC ¶ 61,073, at P 3 (2010).

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Commission conditioned its acceptance of OG&E's proposed Tariff changes on OG&E making several further changes to its Template in a compliance filing.

II. COMPLIANCE FILING

The specific changes the Commission directed OG&E to make in the April 19 Order and OG&E's response to each directive are as follows:

A. Directive 1

- a. Commission Directive: Remove note 1 from lines 44 and 49 on Worksheet C.4a and line 44 on Worksheets C.4b and C.4c.³
- b. OG&E Response: OG&E has made this change as reflected on the enclosed Tariff sheets.

B. Directive 2

- a. Commission Directive: Remove note 1 in section I of Worksheet J, change note 2 to note 1, and change note 3 to note 2.⁴
- b. OG&E Response: OG&E changed note 3 to note 1 and retained note 2 as is. This achieves the same substantive result. This approach aligns the notes to the note references in lines 1, 2 and 5 in Excel column D.

C. Directive 3

- a. Commission Directive: Revise note 2 of Worksheet K, section II to refer to line 67 instead of line 65 of Attachment H-Addendum 2-A.⁵
- b. OG&E Response: OG&E has made this change as reflected on the enclosed Tariff sheets.

³ April 19 Order at P 37.

⁴ *Id.* at P 38.

⁵ *Id.*

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D. Directive 4

- a. Commission Directive: Include column headers for prior year amortization, adjustments, and balances in Worksheet C.5c, similar to how they are included in Worksheet C.5b.⁶
- b. OG&E Response: OG&E has made these changes as reflected on the enclosed Tariff sheets.

E. Directive 5

- a. Commission Directive: Implement the addition of “*-1” to the formulas in Worksheet C.4a lines 54, 55, 56, and 60, columns (a), (b), and (c), consistently across Worksheets C.4a, C.4b and C.4c.⁷
- b. OG&E Response: In the April 19 Order, the Commission directed OG&E to revise the formulas in Worksheets C.4a, C.4b, and C.4c to be consistent across the various worksheets.⁸ Consistent with this directive, OG&E revised these worksheets to reflect the correct sign on the numbers in the Subtotal sections of the worksheets, and lines 54, 55, 56, and 60 now link to cells that have the proper signs, so the “*-1” is not needed in lines 54, 55, 56, and 60. In addition, OG&E has made certain other conforming changes which are reasonable and necessary for the correct operation of OG&E’s Tariff after the implementation of the specific revisions described above and which ensure consistency across

⁶ *Id.* at P 45.

⁷ *Id.* at P 50.

⁸ *Id.* (“We find that OG&E’s proposal to add “*-1” to the formulas contained in Worksheet C.4a lines 54, 55, 56, and 60, columns (a), (b), and (c), will make the formulas in Worksheet C.4a inconsistent with the formulas in Worksheets C.4b and C.4c. Specifically, column (c) of C.4a rows 54, 55, 56, and 60, will no longer be consistent with those in Worksheets C.4b and C.4c. We also find that the proposed revisions will make the formulas in line 54 in Worksheets C.4b and C.4c inconsistent with the revised formula in Worksheet C.4a. Therefore, we direct OG&E, in the compliance filing ordered below, to implement the addition of “*-1” to the formulas contained in Worksheet C.4a lines 54, 55, 56, and 60, columns (a), (b) and (c), consistently across Worksheets C.4a, C.4b, and C.4c.”).

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Worksheets C.4a, C.4b, and C.4c. These additional conforming changes are designed to ensure that the Tariff, as revised, will operate correctly and efficiently.⁹ These incremental conforming changes are categorized as follows:

- Several cells on Worksheets C.4a, C.4b, and C.4c, were changed to become input cells – changes which were necessary to these worksheets for them to operate properly and consistently across all three worksheets. Utilizing an input cell structure provides for greater transparency and accuracy when reflecting future changes in inputs to the Formula Rate. For example, if the tax rate decreases in a future rate year, the *-1 is needed for excess accumulated deferred income taxes to be a credit (regulatory liability) and deficient accumulated deferred income taxes to be a debit (regulatory asset). On the other hand, if the tax change is a rate increase, the *-1 is not needed for excess or deficient accumulated deferred income taxes to be a credit or debit, respectively. This primarily impacts formulas within boxes/sections containing subtotals and allocations.
- OG&E corrected the titles in Excel column B, which had brackets around some of the “deficient” words and no brackets around “excess” words, which was the opposite of the correct titles.
- OG&E changed the term “Non-Protected” to “Unprotected” in rows 55, 56, and 60 on Worksheets C.4a, C.4b, and C.4c and in lines 2, 3, and 4 on Worksheets C.5a, C.5b, and C.5c. to be consistent with other cells in these worksheets.

⁹ In similar circumstances, the Commission has accepted as part of a compliance filing tariff revisions that were not explicitly directed by the Commission but which are consistent with or corollary to the specific directives. *Avista Corp.*, 154 FERC ¶ 61,165, at P 14 (2016) (accepting “additional proposed modifications” to the tariff as part of a compliance filing because they were “consistent with the purpose of the compliance directive”); *Southwest Power Pool, Inc.*, 144 FERC ¶ 61,224, at P 39 (2013) (accepting as part of a compliance filing a newly proposed tariff provision “because it provides clarification to the Tariff that is consistent with related compliance directives”); *Midwest Independent Transmission System Operator, Inc.*, 113 FERC ¶ 61,081, at P 127 (2005) (accepting as part of a compliance filing further tariff proposals “that are corollary to the compliance directives”).

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- OG&E changed the term “Total” to “Subtotal” on lines 6, 12, 26, 41, 44, and 49 on Worksheet C.4a and lines 6, 41, and 44 on Worksheets C.4b and C.4c.
- OG&E added missing formulas, removed unnecessary formulas in yellow input fields, and corrected certain incorrect formulas to ensure consistency across all three worksheets. An example is found on Worksheet C.4a on line 51 where the formulas for columns (f)-(l) and (k)-(n) incorrectly included line 26. OG&E discovered several formulas had a link to an older version of the Template. These formulas were updated by removing the link, leaving the correct formula within the Template.

F. Directive 6

- a. Commission Directive: Remove populated values reflecting sponsored upgrades from Worksheet G.II.C.¹⁰
- b. OG&E Response: OG&E has made this change as reflected on the enclosed Tariff sheets.

III. DOCUMENTS SUBMITTED

This filing contains the following attachments:

- Attachment 1 – Clean Version of the Revised OG&E OATT Sheets; and
- Attachment 2 – Redlined Version of the Revised OG&E OATT Sheets.

IV. EFFECTIVE DATE

In the April 19 Order, the Commission granted a January 1, 2024 effective date.¹¹ Consistent with the April 19 Order, OG&E respectfully requests a January 1, 2024 effective date for the Tariff changes described herein.

¹⁰ April 19 Order at P 52.

¹¹ *Id.* at P 1.

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V. POSTING AND SERVICE

Pursuant to Sections 35.1(a) and 35.2(e) of the Commission's regulations,¹² a copy of this filing is being served on the Oklahoma Corporation Commission, the Arkansas Public Service Commission, and all of OG&E's customers under the SPP OATT and the OG&E OATT. In addition, a complete copy of this filing is available on the OG&E OASIS and the SPP website.

VI. CORRESPONDENCE AND COMMUNICATIONS

All correspondence and communications regarding this filing should be directed to the following persons:

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VII. CONCLUSION

For the foregoing reasons, OG&E respectfully requests that the Commission accept this compliance filing, effective January 1, 2024.

¹² 18 C.F.R. §§ 35.1(a) & 35.2(e) (2024).

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Respectfully submitted,

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