

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

**COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA**

APPLICATION OF **OKLAHOMA GAS AND** )  
**ELECTRIC COMPANY** FOR AN ORDER OF )  
THE COMMISSION GRANTING THE )  
RECOVERY OF COSTS ASSOCIATED WITH )  
ITS QUICK START DEMAND PROGRAMS )  
AND AUTHORIZING A RECOVERY RIDER )

CAUSE NO. PUD 200 800059

**APPLICATION**

COMES NOW Oklahoma Gas and Electric Company ("OG&E", "Company" or "Applicant") and shows to the Commission as follows:

**1. Parties.**

OG&E is an investor owned electric public utility with plant, property and other assets dedicated to and for the production, transmission, distribution and sale of electric power and energy to wholesale and retail customers within the states of Oklahoma and Arkansas. The Company is incorporated within the State of Oklahoma and is subject to the regulatory jurisdiction of this Commission. Applicant's principal place of business is located at 321 North Harvey, Oklahoma City, Oklahoma 73102. OG&E is represented in these proceedings by William J. Bullard, OBA #1302, Patrick D. Shore, OBA #8205 and Kimber L. Shoop, OBA #19571, Oklahoma Gas and Electric Company, P.O. Box 321, Oklahoma City, Oklahoma 73101 and Dustin R. Fredrick, OBA #19095, Rainey, Ross, Rice & Binns, P.L.L.C., 735 First National Center West, Oklahoma City, Oklahoma 73102.

**2. Facts.**

A. On October 11, 2007, the Commission issued Order No. 545240 wherein the Commission approved "the Demand Side Management programs, as set forth in Attachments B and C to this Order. However, any cost recovery for said programs must be justified by OG&E

as being cost effective, prior to recovery of said costs. The Commission directs that such programs be fully implemented in a timely fashion.”

B. On October 12, 2007, the Commission issued a notice of proposed rulemaking (“NOPR”) in Cause No. RM 200700007 proposing a new subchapter, Subchapter 41, to its regulations affecting electric utilities in the State of Oklahoma, OAC 165:35. This new subchapter, entitled "Demand Programs," was designed to promote energy efficiency and conservation and establish demand program requirements for electric utilities. While the Commission is still considering the content and scope of such Demand Program rules, the Commission has indicated its desire that OG&E move forward with implementing a series of “Quick Start” programs. Therefore, while the Commission continues to work with interested parties to develop its final rules on Demand Programs, OG&E herein submits a series of programs that can be implemented immediately.

C. The Quick Start Demand Programs proposed herein can be implemented on a relatively short notice and have been shown in other jurisdictions to have a high probability of providing aggregate customer benefits. These Quick Start Demand Programs focus on strategic efforts to educate the end user on energy efficiency technologies and practices. These Quick Start Demand Programs will collectively launch awareness of energy efficiency and demand response issues and create a platform for more robust future programs and initiatives. Additionally, these Quick Start Demand Programs represent the energy efficiency programs reflected in Attachment C to Order No. 545240.

D. OG&E proposes to fully implement a package of seven (7) Quick Start Demand Programs by July 1, 2008. This package is comprised of the following seven (7) Quick Start Demand Programs:

- a. Weatherization Program
- b. Energy Efficiency Education Program
- c. LivingWise® Program
- d. Customized Energy Report Program
- e. Compact Fluorescent Lights (“CFL”) Program
- f. Commercial Lighting Program
- g. Motor Replacement Program

E. The Weatherization Program is open to all residential customers and provides energy efficiency improvements to hard-to-reach customers thereby decreasing demand and energy usage.

F. The Energy Efficiency Education Program provides energy efficiency information to all customers.

G. The LivingWise® Program provides grade school teachers and their students with a LivingWise® kit (includes CFL, air filter, aerator, low-flow shower head, and night light energy efficiency measures) and a corresponding curriculum so that the teachers may educate their students on energy efficiency. The students may then take the LivingWise® kit home and install the energy efficiency measures with the assistance of their parents.

H. The Customized Energy Report Program provides energy surveys to residential customers. Upon completion of the survey, the customer will receive a personalized energy report providing analysis and recommendations on how to save energy.

I. The CFL Program encompasses partnerships with manufacturers and retailers to encourage the use of compact fluorescent lights.

J. The Commercial Lighting Program will educate and offer performance contracting services to commercial and industrial customers to encourage high efficiency lighting replacement.

K. The Motor Replacement Program will educate and offer incentives to commercial and industrial customers to encourage high efficiency motor replacement.

L. OG&E is requesting the recovery of costs associated with its implementation of this package of seven (7) Quick Start Demand Programs in 2008 and 2009. Additionally, OG&E is requesting the recovery of lost revenues associated with any achieved reductions in energy growth or total retail demand and/or performance-based incentives for exceeding targeted reductions in energy growth and total retail demand.

M. OG&E is requesting to recover its program costs through the Demand Program Rider. OG&E will provide further explanation in its Direct Testimony of its Quick Start Demand Programs and its proposed Demand Program Rider. In addition, OG&E will detail in its Direct Testimony the calculation of any lost revenues, the basis of any performance-based incentives and how such lost revenues and/or performance-based incentives will be recovered through the Demand Program Rider.

### 3. Legal Authority.

The Commission has jurisdiction to grant the relief requested herein by virtue of Article IX, Section 18 *et seq.* of the Constitution of the State of Oklahoma, 17 O.S. §151 *et seq.*, the Commission's Rules of Practice (OAC 165:5), the Commission's Electric Utility Rules (OAC 165:35) and all relevant Oklahoma case law.

4. **Relief Sought.**

WHEREFORE, premises considered, OG&E requests that the Commission issue an Order prior to the proposed implementation date of July 1, 2008:

- a. granting the timely recovery of costs associated with the implementation of the package of seven (7) Quick Start Demand Programs in 2008 and 2009;
- b. granting the timely recovery of lost revenues associated with any achieved reductions in energy growth or total retail demand and/or performance-based incentives for exceeding targeted reductions in energy growth and total retail demand;
- c. authorizing the recovery of the Quick Start Demand Program costs through the Demand Program Rider, as well as, any lost revenues and/or performance-based incentives proposed for the Quick Start Demand Programs; and
- d. granting such other and further relief as the Commission may determine to be fair, just and equitable in the premises.

Respectfully submitted,

OKLAHOMA GAS AND ELECTRIC COMPANY



Dustin R. Fredrick, OBA #19095  
Rainey, Ross, Rice & Binns, P.L.L.C.  
735 First National Center West  
Oklahoma City, Oklahoma 73102  
Telephone: (405) 235-1356  
Facsimile: (405) 235-2340

-and-

William J. Bullard, OBA #1302  
Patrick D. Shore, OBA #8205  
Kimber L. Shoop, OBA # 19571  
P.O. Box 321  
Oklahoma City, Oklahoma 73101  
Telephone: (405) 553-3182  
Facsimile: (405) 553-3198

**CERTIFICATE OF MAILING**


I hereby certify that on the 27<sup>th</sup> day of February, 2008, a true and correct copy of the foregoing instrument was placed in the U.S. Mail, postage prepaid, addressed to the following:

David B. Dykeman  
Director, Public Utility Division  
Oklahoma Corporation Commission  
P.O. Box 52000-2000  
Oklahoma City, Oklahoma 73152-2000

Andrew J. Tevington  
Deputy Director, Public Utility Division  
Oklahoma Corporation Commission  
P.O. Box 52000-2000  
Oklahoma City, Oklahoma 73152-2000

Lenora F. Burdine  
Deputy General Counsel  
Oklahoma Corporation Commission  
P.O. Box 52000-2000  
Oklahoma City, Oklahoma 73152-2000

William L. Humes  
Assistant Attorney General  
313 N.E. 21st Street  
Oklahoma City, Oklahoma 73105-4894

  
Dustin R. Fredrick