

**BEFORE THE**  
**CORPORATION COMMISSION OF THE STATE OF OKLAHOMA** COURT CLERK'S OFFICE - OKC  
**CORPORATION COMMISSION**  
**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 200 800148

**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 and Patrick D. Shore, OBA #8205, 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. OG&E's portfolio currently includes 170 MW of wind resources: 50 MW 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 will help protect customers from higher than expected fuel prices and the risks associated with future environmental mandates.

C. OG&E is initiating the "OG&E Renewable Plan" to significantly expand delivery of the benefits associated with western Oklahoma's vast wind resources to its customers. This initiative 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. Oklahoma's existing transmission infrastructure in western Oklahoma will not support meaningful wind development. Thus, expansion of the transmission system is necessary to take advantage of Oklahoma's vast wind resources.

E. Accordingly, OG&E is proposing the construction of a 345 kV transmission line from Woodward to Oklahoma City. The Company is seeking pre-approval for the construction of this transmission line on or before July 31, 2008 to provide wind developers the assurance necessary to participate in OG&E's forthcoming Request for Proposals ("RFP") for wind energy. The construction of this transmission line is fundamental to obtaining the best value for OG&E's customers.

F. In this application, OG&E is 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 \$211 million, including an Allowance for Funds Used During Construction ("AFUDC"), is prudent;

2. recognition that to 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.

G. In support of this Application, OG&E submits to the Commission the following Direct Testimony:

1. Jesse B. Langston is OG&E’s Vice President, Utility Commercial Operations. Mr. Langston will describe the relief OG&E is seeking and detail the Company’s Renewable Plan including its components, benefits and timing aspects;

2. Roger D. Walkingstick is OG&E’s Director, Costing and Pricing. Mr. Walkingstick will describe the various tariffs including the RTSA, REP, modifications to the existing GPWR, OSSE, and the EIC, as well as, the projected customer impact;

3. Philip L. Crissup is OG&E’s Director, Regional Transmission Affairs. Mr. Crissup will explain transmission development efforts and the necessity for the proposed 345 kV transmission line from Woodward to

Oklahoma City. Mr. Crissup will also discuss the necessary approvals, construction cost estimate, and development of the revenue requirement associated with this transmission line;

4. Leon C. Howell is OG&E's Manager, Resource Planning. Mr. Howell will detail the Company's resource planning analysis supporting the Renewable Plan.

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), all relevant case law, and the United States Constitution.

4. **Relief Sought.**

WHEREFORE, premises considered, OG&E requests that the Commission issue an Order on or before July 31, 2008 in regard to its Renewable Plan:

A. granting pre-approval to construct a 345 kV transmission line from Woodward to Oklahoma City and finding that the construction of the transmission line subject to the construction cost cap of \$211 million, including AFUDC, is prudent;

B. authorizing OG&E to seek recovery, if necessary, of any prudently incurred costs above the construction cost cap in a separate proceeding;

C. approving a Renewable Transmission System Additions tariff as the appropriate mechanism to recover the construction costs, recovery to commence when the transmission line goes into service;

D. approving a Renewable Energy Program tariff as well as modifications to the existing Green Power Wind Rider, Off-System Sales of Electricity tariff, and the Economic Incentive Credit tariff; and

E. 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



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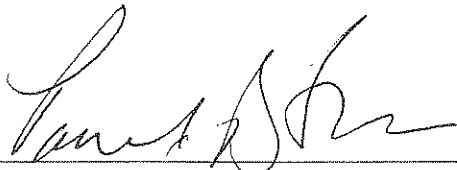
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CERTIFICATE OF MAILING

I hereby certify that on the 19th day of May, 2008, a true and correct copy of the foregoing instrument was placed in the U.S. Mail, postage prepaid, addressed to the following:

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