

STANDARD PRICING SCHEDULE: PTC
Production Tax Credit Rider

STATE OF OKLAHOMA

EFFECTIVE IN: All territory served.

PURPOSE: To credit the Oklahoma jurisdictional Federal and State of Oklahoma Production Tax Credits received by the Company.

APPLICABILITY: This rider is applicable to all Oklahoma retail rate classes and customers except those specifically exempted by special contract.

TERM: The PTC factors implementation will coincide with the implementation of new rates as a result of Cause No. PUD 201700496 and shall remain in effect for as long as Production Tax Credits remains in base rates, or until closed by Commission order.

PTC FACTOR CALCULATION: The Company will calculate the FTC Factors using the following formula, on a per kilowatt-hour (kWh) basis, for each of the major rate classes and the combined minor rate classes and will be computed as follows:

$$\frac{\text{Revenue Requirement}_{\text{Class}}}{\text{Sales}_{\text{Class}}} = (A * B + C) / D$$

Where:

A = Estimated Federal and State Production Tax Credits projected to be taken for tax purposes during the applicable calendar year.

B = Oklahoma jurisdictional energy allocator of 87.9779%

C = Revenue Allocator for each class identified above

D = The Base kWh for each Class identified above

And:

- a) **Estimated Production Tax Credits:** The projected Production Tax Credits to be taken for the applicable calendar year shall be based upon the projected production tax credits to be realized from renewable energy projects plus, as applicable, deferred Production Tax Credits from prior years from eligible renewable energy projects.

Rates Authorized by the Oklahoma Corporation Commission:

(Effective)	(Order No.)	(Cause/Docket No.)
October 1, 2019	702531	PUD 201800140
July 1, 2018	679358	PUD 201700496

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APPROVED
September 27, 2019
DIRECTOR
of

PUBLIC UTILITY DIVISION

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- b) **Revenue Allocator:** Determined from the revenues as reflected in the final Schedule H-2 from Cause No. PUD 201800140.

Rate Class	PUD 201800140 Revenue Requirement Allocator Percentage
Residential	49.79%
General Service	10.49%
Power and Light	23.06%
Large Power and Light	11.15%
Other	5.51%

- c) **Base kWh:** The Oklahoma jurisdictional kWh as reflected in the final Schedule H-2 from Cause No. PUD 201800140, adjusted for growth.

Rate Class	PUD 201800140 H-2 kWh
Residential	8,445,434,015
General Service	1,496,763,352
Power and Light	6,992,688,718
Large Power and Light	6,525,384,272
Other	1,058,661,216

- d) **Annual True-Up:** The over/under amount which will be the difference between the Prior Period Actual Production Tax Credits received by the Company less the Prior Period PTC Rider credits issued net of the previous Prior Period True-Up.

RATE CLASSES:

Major Rate Classes = *Residential, General Service, Power and Light, and Large Power and Light*

Combined Minor Rate Classes (Other) = *Oil and Gas Producers + Public Schools (Small and Large) + Municipal Pumping + Municipal Lighting + Outdoor Security Lighting + LED Lighting*

ANNUAL RE-DETERMINATION: On or before November 15 of each year, re-determined PTC rates will be submitted by the Company to the OCC PUD Staff and shall be implemented on the first billing cycle of January.

Rates Authorized by the Oklahoma Corporation Commission:

(Effective)	(Order No.)	(Cause/Docket No.)
January 1, 2020	702531	PUD 201800140
October 1, 2019	702531	PUD 201800140
July 1, 2018	679358	PUD 201700496

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APPROVED
December 11, 2019
DIRECTOR
of
PUBLIC UTILITY DIVISION