

ARKANSAS PUBLIC SERVICE COMMISSION

<u>Original</u>	Sheet No. <u>72.0</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
Name of Company	
Kind of Service: <u>Electric</u>	Class of Service: <u>All</u>
<b>Part I. Rate Schedule No. <u>EECR</u></b>	
Title: <u>Energy Efficiency Cost Recovery</u>	

PSC File Mark Only

**72.1. PURPOSE**

The purpose of the Energy Efficiency Cost Recovery Rider (“Rider EECR”) Tariff is to establish the EECR Rate(s) by which Oklahoma Gas And Electric Company (“Company”) will recover its energy efficiency program costs approved by the Arkansas Public Service Commission (“Commission”) in Docket No. 07-075-TF; including, but not limited to: (1) incremental energy efficiency program costs (“Incremental Program Costs”); (2) lost contributions to fixed costs (“LCFC”), as described and approved by the Commission in Order No. 14 issued in Docket No. 08-137-U, accrued through the billing month prior to the billing month when new base rates are implemented as a result of final Order in Docket No. 16-052-U; (3) utility incentive as described and approved by the Commission in Order No. 15 issued in Docket No. 08-137-U; and (4) a “true-up” adjustment (collectively, the “Recoverable Costs”). Recovery of Incremental Program Costs is limited to the incremental costs which represent the direct program costs that are not already included in the then current rates of the Company. The Rider EECR Rate(s) will be calculated to recover the Company’s Recoverable Costs over the period in which the Rider EECR Rate(s) will be in effect.

**72.2. INITIAL RATE(S)**

The Rider EECR Rate(s) shall use the EECR Rate Formula set out in Attachment A to this Rider EECR Tariff. The Company shall file the Rider EECR Rate(s) in Docket No. 07-075-TF and shall include a set of workpapers sufficient to document the calculations of the Rider EECR Rate(s). The initial Rider EECR Rate(s) shall reflect the projected Rider EECR Recoverable Costs. The Rider EECR Rate(s) so determined shall be effective on-and-after the first billing cycle of the month following approval by the Commission.

**72.3. ANNUAL REDETERMINATION**

On or before May 1 of each year, re-determined Rider EECR Rate(s) shall be filed by the Company with the Commission in accordance with the provisions of Section 7 of the Commission’s *Rules for Conservation and Energy Efficiency Programs*. The re-determined Rider EECR Rate(s) shall be determined by application of the EECR Rate Formula set out in

<u>Original</u>	Sheet No. <u>72.1</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
Name of Company	
Kind of Service: <u>Electric</u>	Class of Service: <u>All</u>
<b>Part I. Rate Schedule No. <u>EECR</u></b>	
Title: <u>Energy Efficiency Cost Recovery</u>	

PSC File Mark Only

Attachment A to this Rider EECR Tariff. Each such revised Rider EECR Rate shall be filed in Docket No. 07-075-TF and shall be accompanied by supporting testimony and a set of workpapers sufficient to fully document the calculations of the revised Rider EECR Rate(s).

The re-determined Rider EECR Rate(s) shall reflect projected Recoverable Costs for the next calendar year (“Recoverable Year”); including, but not limited to: (1) the approved Incremental Program Costs for the Recoverable Year; (2) the projected LCFC for the Recoverable Year, which shall be inclusive of LCFC for prior reporting years that are not already included within the Company’s most recently established base rate; (3) the incentive earned in the prior calendar year (“Reporting Year”), if any; and (4) a true-up adjustment reflecting the over-recovery or under-recovery of the EECR Recoverable Costs for the Reporting Year. The true-up adjustment will be calculated to include the effect of carrying costs using the company’s most recently approved rate of return on rate base. The Rider EECR Rate(s) so re-determined shall be effective on and after the first billing cycle of January of the Recoverable Year and shall then remain in effect for twelve (12) months (“EECR Cycle”), except as otherwise provided for below.

**72.4. INTERIM ADJUSTMENT**

Should a cumulative over-recovery or under-recovery balance arise during any EECR Cycle, which exceeds ten (10) percent of the EECR Recoverable Costs determined for the EECR Cycle included in the most recently filed rate re-determination under this Rider EECR Tariff, then either the Commission General Staff or the Company may propose an interim revision to the then currently effective Rider EECR Rate(s).

**72.5. TRACKING AND MONITORING PROGRAM COSTS AND BENEFITS**

The Company shall develop and implement appropriate accounting procedures, subject to the review of the Commission General Staff, which provide for separate tracking, accounting, and reporting of all program costs incurred by the Company. The procedures shall enable

ARKANSAS PUBLIC SERVICE COMMISSION

<u>Original</u>	Sheet No. <u>72.2</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
Name of Company	
Kind of Service: <u>Electric</u>	Class of Service: <u>All</u>
<b>Part I. Rate Schedule No. <u>EECR</u></b>	
Title: <u>Energy Efficiency Cost Recovery</u>	

PSC File Mark Only

energy efficiency program costs to be readily identified and clearly separated from all other costs. The Company shall secure and retain all documents necessary to verify the validity of the program costs for which it is seeking recovery. Such documents shall include, but not be limited to, vouchers, journal entries, and the date the participant’s project was completed.

The Company shall develop and implement appropriate accounting procedures, subject to the review of the Commission General Staff, which provide for separate tracking, accounting, and reporting of revenues collected through the Rider EECR Tariff. The procedures shall enable the Rider EECR revenues to be readily identified and clearly separated from all other revenues. The Company shall secure and retain all documents necessary to verify the accuracy of the Rider EECR revenues. Such documents shall include, but not be limited to, billing determinants, journal entries, and summary revenue reports.

For the purpose of assessing the benefits and effectiveness of the programs, the Company shall develop and implement appropriate procedures, subject to the review of the Commission General Staff, which provide for separate tracking of the benefits and the effectiveness of the programs. The data that shall be tracked shall include, but not be limited to, information that will enable the Commission to assess the effectiveness of the programs. The Company shall secure and retain all documents necessary to verify its assessments.

**72.6. Tracking and Monitoring LCFC and Incentive**

The Company shall track and monitor LCFC and Incentives in accordance with Orders issued in Docket No. 08-137-U. After a final Order is issued in Docket No. 16-052-U the Company will no longer track and monitor LCFC for subsequent periods.

**72.7. TERM**

This Rider EECR Tariff shall remain in effect until modified or terminated in accordance with the provisions of the Rider EECR Tariff or applicable regulations or laws.

ARKANSAS PUBLIC SERVICE COMMISSION

<u>Original</u>	Sheet No. <u>72.3</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
Name of Company	
Kind of Service: <u>Electric</u>	Class of Service: <u>All</u>
<b>Part I. Rate Schedule No. <u>EECR</u></b>	
Title: <u>Energy Efficiency Cost Recovery</u>	

PSC File Mark Only

If this Rider EECR Tariff is terminated by a future order of the Commission, the Rider EECR Rate(s) then in effect shall continue to be applied until the Commission approves an alternative mechanism by which the Company can recover its energy efficiency costs inclusive of approved program-related capital costs and the return of, and on, the investment. At that time, any cumulative over-recovery or under-recovery resulting from application of the just terminated Rider EECR Rate(s) shall be applied to customer billings over the twelve (12) month billing period beginning on the first billing cycle of the second month following the termination of the Rider EECR Tariff in a manner prescribed by the Commission.

**72.8. APPLICABLE RATE SCHEDULES**

The EECR shall be applied to all Arkansas jurisdictional rate classes.

**72.9. ENERGY EFFICIENCY COST RECOVERY (EECR) Rate Formula**

The Company will use the following template to calculate the EECR rate. The Company will file a revised “Attachment A” annually to establish the re-determined EECR rate