

ARKANSAS PUBLIC SERVICE COMMISSION

<u>Original</u>	Sheet No. <u>75.0</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>
Part I. Rate Schedule No. <u>LR</u>	
Title: <u>Load Reduction Rider</u>	

PSC File Mark Only

APPLICABILITY: This is a rider applicable to the OG&E standard rate schedules. All provisions of those standard rate schedules apply, except as otherwise amended by this rider. The Company, at its sole discretion, may call for curtailment for any planning, operating, or economic purpose. The use is not limited to emergency conditions.

AVAILABILITY: This rider is available upon application by the customer and acceptance by the Company to all customers served under a standard rate schedule with an annual on-peak period maximum demand of 200 kW or above. This rider shall not apply if a service interruption resulting from system-emergency operating conditions should occur. No resale, breakdown, auxiliary or supplementary service permitted, without approval from the Company.

This rider is available subject to the availability of interval metering equipment at the customer site.

ENROLLMENT PERIOD: The enrollment period will begin on January 1st and end on March 31st each year. The Company, at its discretion, may extend the enrollment period to make this rider available to additional customers. In order to participate, the Customer and Company must execute an agreement, including declaration of the customer’s Subscribed Curtailment Load, selected notification period and curtailment hours. This agreement must be executed during the enlistment period. The Company will post the monthly subscription prices in effect for the contract period prior to the beginning of the enrollment period. The Company reserves the right to limit the number of subscribed customers or amount of subscribed curtailment load. All such limits will be communicated prior to the beginning of the enrollment period.

CONTRACT PERIOD: The Contract Period will be a one-year period beginning April 1 and ending March 31 of the succeeding year. The Company may call for the curtailment of any enrolled customer’s load at any time during the annual Contract Period.

LOAD REDUCTION ON-PEAK AND OFF-PEAK DEFINITIONS:

1. **On-Peak Period:** The LR On-Peak Period is June through September, excluding Saturday, Sunday, observed holidays: Independence Day, Labor Day. From 12 pm to 8 pm.
2. **Off-Peak Period:** The LR Off-peak period is all other times not defined as On-Peak described above.

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<u>Original</u>	Sheet No. <u>75.1</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
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Part I. Rate Schedule No. <u>LR</u>	
Title: <u>Load Reduction Rider</u>	

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CREDITS: Customers enrolled in this tariff will receive billing credits based on their Subscribed Curtailment Load (Subscription Credits) and load reduction (Performance Credits) during Company called curtailment events.

1. **Subscription Credits:** Subscription Credits will be applied to the customer’s bill during the summer season months of June through September. The Company will calculate the monthly Subscription Prices for each year prior to the enrollment period. The credit will be based on the customer Subscribed Curtailment Load and the monthly Subscription Prices calculated and posted by the company prior to the enrollment period.
2. **Performance Credits:** Performance Credits will be applied to the customer’s bill during the billing period in which a curtailment is called by the Company. The credit will be calculated based on the difference of the baseline energy and actual measured energy during each hour of the curtailment event multiplied by the Curtailment Price communicated to the customer in conjunction with the curtailment notification. Minimum Curtailment Prices are posted prior to the enrollment period.

DETERMINATION OF SUBSCRIPTION CREDITS: The monthly subscription credits will be calculated and applied to each of the bills from June – September as follows:

$$SC = SCL * MSP * NPF * CHF * CPF * LAF$$

Where

- SC = Subscription Credit
- SCL = Customer specified Subscribed Curtailment Load.
- MSP = Monthly Subscription Price per kW.
- NPF = Notification Period Factor.

If time = 4 Hours then NPF = 1.0

If time = 30 Minutes then NPF = 1.1

Original Sheet No. 75.2

Replacing _____ Sheet No. ____

OKLAHOMA GAS AND ELECTRIC COMPANY
Name of Company

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CHF = Curtailment Hours Factor.

If Hours = 40 then CHF = 1.0
 If Hours = 80 then CHF = 2.0
 If Hours = 160 then CHF = 2.25

CPF = Customer Performance Factor.

If Customer is First Year then CPF = 1.0
 If Customer is Continuing then CPF = 1.1

LAF = Applicable Service Level Loss Adjustment Factor.

SUBSCRIBED CURTAILMENT LOAD (SCL): The Customer will designate its Subscribed Curtailment Load during the enrollment period. The Subscribed Curtailment Load (specified in kW) is the amount of load the customer expects to reduce during curtailment events. Customer must specify a load ranging from 0 kW to the customer's maximum annual demand occurring during the on-peak period. Only customers that have actual historical measured on-peak period demands are eligible to specify a subscribed load greater than 0 kW. Customers that do not have actual historical metering data must specify a Subscribed Curtailment Load of 0 kW. Customers selecting a Subscribed Curtailment Load of 0 kW will receive only the Performance Credit portion of the curtailment billing credits.

MONTHLY SUBSCRIPTION PRICE: The monthly subscription price is determined and published by the Company based on the expected capacity values for the contract period. The monthly subscription price will be posted prior to the beginning of the enrollment period.

NOTIFICATION TIME FACTOR: The customer will choose the required notification time period of either 4-hour notification or 30-minute notification. Although the Company endeavors to always give as much notice as possible prior to the curtailment period, the Company will provide the notification to a customer with at least the selected notification time. Customers electing to accept a 30-minute notification will receive a 10% premium of the subscription credit.

ARKANSAS PUBLIC SERVICE COMMISSION

<u>Original</u>	Sheet No. <u>75.3</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
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CURTAILMENT HOURS FACTOR: The curtailment factor is based on the curtailment hours selected by the customer. The customer will choose a curtailment limit of 40 hours, 80 hours or 160 hours. This will be the maximum number of hours that the Company will call for a curtailment from the customer. Once the customer has been curtailed for the selected number of hours, the customer is no longer obligated to meet the curtailment commitment and will not be assessed the buy-through provision charges.

CUSTOMER PERFORMANCE FACTOR: Customers enrolling in consecutive years will receive a premium of 10% of the subscription credit in the second and subsequent continuous years of enrollment.

DETERMINATION OF PERFORMANCE CREDITS: The Performance Credit will be calculated and applied to the Customer's bill for the billing period in which a curtailment is called. The Performance Credit is calculated as follows for each curtailment event.

$$PC = \sum_{\text{hour}} (kWh_{\text{base}} - kWh_{\text{actual}}) * Price_{\text{Curtailment}} * LAF$$

Where

PC = Performance Credit, expressed as a credit. If, for any curtailment event, the above calculation results in a negative value (charge), the PC will be \$0.00.

kWh_{base} = Baseline kWh for each hour (or portion of an hour) that the curtailment is called.

kWh_{actual} = Actual kWh for each hour (or portion of an hour) that the curtailment is called.

Price_{curtailment} = Curtailment Price for the event.

LAF = Applicable Service Level Loss Adjustment Factor.

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<u>Original</u>	Sheet No. <u>75.4</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
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Baseline kWh: The baseline kWh is calculated as the average kWh for each of the same hours (or portion of hours) from the previous five work days excluding Saturday, Sunday, previous curtailment periods, and the following Company observed holidays: New Years Day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving (Thursday and Friday), and Christmas (including Christmas Eve Day). With prior notice of at least 48 hours from the customer, the Company may make adjustments to the average kWh for determining the baseline kWh or use an alternative period of time for determining the baseline kWh. Under certain circumstances, a customer's specific operations may require an alternate time period for the determination of the average kWh to be used in the determination of the baseline kWh. The Company will assess these circumstances on a case by case basis.

Actual kWh: The actual kWh metered during each hour (or portion of an hour) during the curtailment event.

Curtailment Price: The Curtailment Price (stated in cents per kWh) for each curtailment event will be communicated to the customer at the time the notification of the event is provided to the customer. The Curtailment Price will reflect current system and Power Pool conditions and will be equal to or greater than the Minimum Curtailment Price.

The Minimum Curtailment Price for a contract period will be published prior to the beginning of the enrollment period.

BUY-THROUGH CHARGE: In the event that a customer, with a Subscribed Curtailment Load greater than 0 kW, fails to provide a reduction of Subscribed Curtailment Load during any interval of a curtailment event, the customer will be assessed a Buy-Through Charge based on the portion of the Subscribed Curtailment Load not reduced during each hour (or portion of an hour) of the curtailment period. Customers that have elected a Subscribed Curtailment Load of 0 kW will not be subject to the Buy-Through Charge. Customers that have met their curtailment obligation (selected curtailment hours) will not be subject to the Buy-Through Charge for any hours in which a curtailment event is called beyond the elected curtailment hours.

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<u>Original</u>	Sheet No. <u>75.5</u>
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DETERMINATION OF BUY-THROUGH CHARGES: The Buy-Through Charges are calculated and assessed on the customer’s bill for the billing period in which the curtailment is called as follows:

$$BTC = BTC_{\text{on-peak hours}} + BTC_{\text{off-peak hours}}$$

Where:

$$BTC_{\text{on-peak hours}} = \sum_{\text{on-peak hour}} kWh_{\text{Buy-Through}} * Price_{\text{Curtailment}} * 2.0 * LAF$$

$$BTC_{\text{off-peak hours}} = \sum_{\text{off-peak hour}} kWh_{\text{Buy-Through}} * Price_{\text{Curtailment}} * LAF$$

Where:

$BTC_{\text{on-peak hours}}$ = Buy-Through Charge expressed as a charge for June 1 through September 30, from 12:00 p.m. until 8:00 p.m. local time, excluding Saturdays, Sundays, Independence Day (as observed) and Labor Day.

$BTC_{\text{off-peak hours}}$ = Buy-Through Charge expressed as a charge for all hours not defined as On-Peak.

$kWh_{\text{Buy-Through}}$ = Buy-Through kWh respective to on-peak and off-peak periods for each interval. The Buy-Through kWh value is calculated in the following manner:

$$\text{If } (kWh_{\text{base}} - kWh_{\text{actual}}) < SCL \text{ then} \\ kWh_{\text{Buy-Through}} = SCL - (kWh_{\text{base}} - kWh_{\text{actual}})$$

$$\text{If } (kWh_{\text{base}} - kWh_{\text{actual}}) > SCL \text{ then} \\ kWh_{\text{Buy-Through}} = 0$$

$Price_{\text{curtailment}}$ = Curtailment Price for each event.

LAF = Service Level Loss Adjustment Factor.

<u>Original</u>	Sheet No. <u>75.6</u>
Replacing _____	Sheet No. ____
<u>OKLAHOMA GAS AND ELECTRIC COMPANY</u>	
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FAILURE TO CONSISTENTLY MEET THE SUBSCRIBED CURTAIL LOAD REDUCTION: At the Company’s discretion, Customers that consistently fail to meet the subscribed curtailment load reduction are subject to reductions in the Subscribed Curtailment Load or may be disqualified for renewal during subsequent enrollment periods.

ADDITIONAL HOURS OF CURTAILMENT: The Company may call for additional hours of curtailment beyond those the customers have subscribed. Customers who have met their subscribed hours of curtailment will be under no obligation to respond. If a customer elects to respond to the request for additional hours of curtailment, they will receive the Performance Credit for any reduction, determined as set out in the Determination of Performance Credit section, and will not be subject to any Buy-Through Charge.

DEMONSTRATION OF CURTAILMENT CAPABILITY: The Company reserves the right to execute a curtailment event affecting all enrolled, or a selected group of enrolled, customers during the initial 60 days of the contract period. This event will be for the sole purpose of a demonstration of the customer’s curtailment capability. The demonstration of curtailment capability event shall be treated as if it were an actual curtailment event in all aspects of notification, measurement, billing and Buy-Through Charges. The hours of curtailment during the event will count toward the customer’s total obligation of hours. Following the demonstration event, the customer and Company may agree to increase or decrease the Subscribed Curtailment Load based on the results of the demonstration of capability.

SPECIAL CONDITIONS:

1. Notice for Curtailment: The Company shall always endeavor to give the customer as much notice as possible before the curtailment is to occur and shall never give the customer less than the customer’s elected notification period.

2. Periods of Curtailment: Periods of Curtailment shall be those times when the Company has called for an enrolled customer’s load to be disconnected from the Company's lines. The Company is solely responsible for determining the need for load curtailment requests. The Periods of Curtailment may be called beginning with any 15 minute interval for the duration of not less than four (4) hours. No more than one period of curtailment will be called for any customer in a 24 hour period. Any Period of Curtailment for any customer shall not exceed eight (8) hours in length. Curtailment may be required at any time during the 12 month contract period.

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<u>Original</u>	Sheet No. <u>75.7</u>
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3. Failure to Curtail: During the re-enrollment period, the Company reserves the right to reduce or refuse re-enrollment of a customer’s subscribed curtailment load to any customer who has consistently demonstrated the inability to curtail as called for within the curtailment program. The Company retains the right to monitor loads and assess buy-through provisions for each 15-minute interval to ensure customer’s conformance to curtailment requirements over the entire curtailment period.
4. Customer's Inappropriate Actions: If the Company determines that the customer is manipulating the rider so as to reduce the benefit expected by the Company, the customer is in default and will be removed from this rider without penalty to the Company.
5. Equipment: The Company will install, own, and maintain special metering equipment required for this service. In circumstances where the required metering equipment is not available at a customer location, the Company, at its option, may require a prepayment from the customer to cover such investment.
6. Notification Method: Notification methods include the following: Alphanumeric pager (must be compatible technology to the pager system used by OG&E), voice mail (able to receive an automated curtailment notice), fax, or e-mail. At the Company’s discretion the customer can elect to use an alternative means of electronic notification. A customer can choose up to three of these notification vehicles. These are the only means of notification that a customer will receive. It will be the customer’s responsibility to keep any method of notification “current” either by supplying that updated information to the appropriate Company representative or by maintaining updated notification on the Company’s approved website.

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<u>Original</u>	Sheet No. <u>75.8</u>
Replacing _____	Sheet No. ____
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**SUBSCRIPTION PRICE
AND
MINIMUM PERFORMANCE PRICE NOTIFICATION**

The following prices are applicable to the Contract Period Beginning April 1, 2017 and Ending March 31, 2018

Monthly Subscription Price \$/kW (SCL)	Minimum Curtailment Price \$/kWh
7.17	.17

Prices shall be adjusted by the appropriate Service Level Loss Adjustment Factor. The Demand Loss Adjustment Factor shall apply to all subscription prices and the Energy Loss Adjustment Factor shall apply to all Performance Payments and Buy-through Charges.

Service Level	Demand Loss Adjustment Factor	Energy Loss Adjustment Factor
SL1	1.02326	1.02143
SL2	1.05070	1.02847
SL3	1.08332	1.04045
SL4	1.09857	1.06321
SL5	1.08580	1.07773