

# OG&E FUEL FAQs

Updated March 2024

## Frequently Asked Questions

### Why is my bill decreasing?

- Every monthly customer bill includes the direct cost of fuel.
- The price of natural gas has decreased considerably in the past several months. Most electric companies, like OG&E, use natural gas to power their generation fleets. The cost of fuel makes up approximately 30 percent of a customer's bill. When natural gas prices drop, we are able to adjust the fuel factor and lower your total monthly cost for electricity. When gas prices increase, it becomes more expensive to generate electricity and electric bills rise.

### When will I see the decrease on my bill?

- The fuel factor change goes into effect on **April 1**. Customers will see a reduction on their May bills.

### How does OG&E help customers manage their bill and energy usage?

- We know the financial impact on our customers and remain committed to our long track record of providing program offerings to help customers manage both their monthly bill and energy usage such as [SmartHours®](#) and [Levelized Billing](#).
- We offer a variety of home Energy [Efficiency Programs](#) that provide energy-saving tools, services and incentives to all customers. Call **844-413-3065** for more information or to sign up.

### Do you offer payment assistance?

- We continue to provide payment assistance programs to customers who need help and offer programs to help customers manage their energy bills and usage. If you need payment assistance, please contact Customer Service at **800-272-9741**.

## Why is this happening now?

- Regulated electric companies like OG&E are required to notify the Arkansas Public Service Commission of adjustments to the Energy Cost Recover (ECR) factor.
- On April 1, 2024, OG&E's regular annual ECR factor update will go into effect. At that time, the company had an over-recovered fuel balance as of December 2023 of approximately \$5.2 million, and OG&E's projected energy costs for 2024 were based upon an average projected natural gas cost of \$2.37/MMBtu.

## When was the last time fuel costs were adjusted?

- Fuel factors were last changed in April 2023. At that time, the average natural gas price used to calculate the fuel factor was \$3.12/MMBtu.

## Does the Arkansas Public Service Commission review fuel costs?

- Yes. The Arkansas Public Service Commission (PSC) has a thorough and transparent process to review fuel costs of electric companies.
- The changes to the ECR are subject to ongoing compliance and/or prudence audits conducted by the PSC.

## What is OG&E doing to limit the impact to customers of the high cost of fuel?

- OG&E uses a variety of strategies when purchasing fuel to mitigate the impact on customers like:
  - » "First of Month" pricing, where a portion of fuel is purchased at a set price at the first of the month to address volatility over a specific time period.
  - » Pursuing additional fuel storage options to provide certainty in the price and amount of fuel on hand.
  - » As a participant in the wholesale market of the Southwest Power Pool, our customers enjoy the lowest-cost fuel available from a 14-state region every day.

Visit [OG.E.com/fuel](https://www.oge.com/fuel) to learn more about what this means for you.

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