

BEFORE THE CORPORATION COMMISSION OF OKLAHOMA

APPLICATION OF PUBLIC SERVICE COMPANY OF)
OKLAHOMA FOR COMMISSION AUTHORIZATION)
OF A PLAN AND COST RECOVERY OF ACTIONS)
OF PSO TO BE IN COMPLIANCE WITH CERTAIN)
ENVIRONMENTAL RULES PROMULGATED BY)
THE UNITED STATES ENVIRONMENTAL)
PROTECTION AGENCY; SUCH ACTIVITIES TO)
INCLUDE, BUT NOT BE LIMITED TO, CAPITAL)
EXPENDITURES FOR EQUIPMENT AND)
FACILITIES; CONSTRUCTION OR PURCHASE OF)
AN ELECTRIC GENERATING FACILITY OR ENTER)
INTO A LONG-TERM PURCHASE POWER)
CONTRACT(AND POSSIBLE EARNINGS ON THE)
CONTRACT); CHANGE IN DEPRECIATION RATES)
AND/OR ESTABLISHMENT AND RECOVERY OF A)
REGULATORY ASSET; AND FOR SUCH OTHER)
RELIEF AS THE COMMISSION DEEMS PSO IS)
ENTITLED.

CAUSE NO. PUD 201 **200054**

FILED
APR 16 2012

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

APPLICATION

I. APPLICANT: Public Service Company of Oklahoma ("PSO")
212 E. 6th Street
Tulsa, Oklahoma 74119-1212

II. ALLEGATIONS OF FACT:

A. Introduction.

(1) PSO supplies retail electric service to over 500,000 customers located in over 50 counties in Oklahoma. PSO has approximately 4,000 megawatts ("MW") of generation to provide power and reserves to those customers as required by OAC 165:35-25-3(d).

(2) Currently, there are developing national and regional environmental issues which will have a direct impact on PSO's generation fleet. The United States Environmental Protection Agency ("EPA") is in the process of implementing rules that will have a direct impact on the requirements that PSO will have to meet to continue to operate both coal-fired units at Northeastern Station, 3 and 4 as well as various gas-fired units on PSO's system.

B. Compliance Activity.

(3) PSO is currently in the process of looking at various alternatives to be in compliance with the EPA rules. Some of the alternatives might: (1) require PSO to make capital

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expenditures for equipment or facilities necessary to comply with the rules, (2) cause PSO to construct or purchase electric generating facilities, (3) enter into long-term purchase power contracts (and possibly a request for earnings on the contract), and (4) result in a request for a change in depreciation rates and/or the creation and recovery of regulatory assets, as well as other actions.

(4) PSO is filing this Application at this time to open a docket wherein both the Corporation Commission staff and the Office of Attorney General may file a request to acquire an expert witness, consultants and analytical services as provided at 17 O.S. §286(C)(2) and (3). PSO will file testimony and exhibits once an environmental compliance plan has been determined.

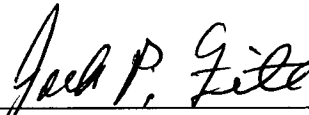
III. LEGAL AUTHORITY:

Okl. Const. Article IX, Section 18; 17 O.S. §§ 152, 153 and 286.

IV. RELIEF REQUESTED:

WHEREFORE, Public Service Company of Oklahoma requests this Commission to issue an Order approving its actions which will allow Public Service Company of Oklahoma to be in compliance with environmental rules and regulations issued by the United States Environmental Protection Agency and for such other relief the Commissions deems appropriate.

Respectfully submitted,



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ATTORNEYS FOR PUBLIC SERVICE
COMPANY OF OKLAHOMA

CERTIFICATE OF MAILING

This is to certify that a true and correct copy of the above and foregoing document was e-mailed to the following:

OKLAHOMA CORPORATION COMMISSION

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