

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICATION OF OKLAHOMA NATURAL)
GAS COMPANY, A DIVISION OF ONE GAS,)
INC., FOR APPROVAL OF ITS)
PERFORMANCE BASED RATE CHANGE)
PLAN CALCULATIONS FOR THE TWELVE)
MONTHS ENDING DECEMBER 31, 2021,)
ENERGY EFFICIENCY TRUE-UP AND)
UTILITY INCENTIVE ADJUSTMENTS FOR)
PROGRAM YEAR 2021, AND CHANGES OR)
MODIFICATIONS TO ITS TARIFFS)

CAUSE NO. PUD 202200023

FILED
MAR 15 2022

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

DIRECT TESTIMONY

OF

DON'EA MAYBERRY

ON BEHALF OF

OKLAHOMA NATURAL GAS

March 15, 2022

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1 **INTRODUCTION**

2 Q. Please state your name.

3 A. My name is Done'a Mayberry.

4

5 Q. By whom are you employed and in what capacity?

6 A. I am employed by Oklahoma Natural Gas Company ("Oklahoma Natural," or the
7 "Company") as a Rates Analyst in the Rates and Regulatory Reporting
8 Department.

9

10 Q. Please briefly describe your educational and professional background.

11 A. I have a Bachelor of Science in Agricultural Business from Langston University
12 and a Master of Business Administration degree from Southern Nazarene
13 University. I have been employed by the Company since June 2004, working in
14 varying duties and levels of responsibility.

15

16 Q. What are your current responsibilities?

17 A. I am responsible for conducting analyses related to issues brought before the
18 Oklahoma Corporation Commission (the "Commission").

19

20 Q. Have you previously testified before the Commission?

21 A. Yes, I filed testimony in Cause Nos. PUD 201800028, PUD 201900018, PUD
22 20200022 and PUD 202100063.

23

1 **PURPOSE**

2 Q. Ms. Mayberry, what is the purpose of your testimony?

3 A. The purpose of my testimony is to:

- 4 1. Address and sponsor pro forma adjustments: RB-7, RB-10, RB-11, RB-12,
5 R-3, R-4, R-6, E-2, E-3, E-5 and E-11;
- 6 2. Discuss elimination of Oklahoma Natural's Tariff 701 and related
7 modifications to the Tariff Index and Tariff 1191; and
- 8 3. Discuss modifications to Tariff 1031.

9

10 **TRANSITION COSTS – REGULATORY ASSET**

11 Q. Please explain pro forma adjustment RB-7.

12 A. Pro forma adjustment RB-7 removes the transition regulatory asset of \$300,850
13 from rate base. The regulatory asset represents the transition costs from the
14 1997 merger with Western Resources. These transition costs were approved by
15 Commission Order No. 416480 in Cause No. PUD 970000106 dated October 3,
16 1997, to be amortized over a forty-year period and will be fully amortized in
17 December 2037.

18

19 **CUSTOMER DEPOSITS**

20 Q. Please explain pro forma adjustment RB-10.

21 A. Customer deposits are a source of non-investor supplied capital received by the
22 Company in advance of providing natural gas service. Therefore, these deposits
23 must be a deduction for the purpose of calculating net rate base. As required by

1 and identified within Workpaper B-6, the balance of customer deposits is most
2 appropriately based upon the test year end 13-month average. Pro forma
3 adjustment RB-10 in the amount of \$147,916 represents the increase needed to
4 reflect this 13-month average.

5
6 **CONTRIBUTIONS IN AID OF CONSTRUCTION**

7 Q. Please explain pro forma adjustment RB-11.

8 A. Contributions in Aid of Construction (“CIAC”) are a source of non-investor
9 supplied capital received by the Company in the form of reimbursable projects
10 related to governmental entities. Therefore, CIAC must be a deduction for the
11 purpose of calculating net rate base. As required by and identified within
12 Workpaper B-6, the balance of CIAC is most appropriately based upon the test
13 year end 13-month average. Pro forma adjustment RB-11 in the amount of
14 \$801,061 represents the increase needed to reflect this 13-month average.

15
16 **CUSTOMER ADVANCES FOR CONSTRUCTION**

17 Q. Please explain pro forma adjustment RB-12.

18 A. Customer Advances for Construction (“CAC”) are a source of non-investor
19 supplied capital received by the Company in the form of prepayments collected
20 from customers for projects in advance of construction. Therefore, CAC must be
21 a deduction for the purpose of calculating net rate base. As required by and
22 identified within Workpaper B-6, the balance of CAC is most appropriately based
23 upon the test year end 13-month average. Pro forma adjustment RB-12 in the

1 amount of \$362,958 represents the decrease needed to reflect this 13-month
2 average.

3
4 **UNBILLED REVENUE**

5 Q. Why is Oklahoma Natural proposing an adjustment for unbilled revenues in pro
6 forma adjustment R-3?

7 A. For financial reporting purposes, Oklahoma Natural records unbilled revenues
8 monthly due to billing lag, which exists from the time gas is sold or delivered to
9 the customer and until those sales or deliveries are actually billed to the
10 customer. This book adjustment is intended to closely match gas sales with gas
11 purchases monthly. The entry made in any given month is reversed the following
12 month when the actual sales data becomes available. The unbilled revenue
13 adjustment is strictly an estimate to match monthly revenues and expenses. It
14 should be eliminated for regulatory purposes since the gas sales statistic utilized
15 by the Company includes a full 12-month accounting of actual sales activity. For
16 the test year ending December 31, 2021, Oklahoma Natural booked \$1,792,641
17 related to unbilled revenues. This amount should be removed for calculating
18 actual test year revenues.

19
20 **NON UTILITY REVENUE**

21 Q. Ms. Mayberry, please discuss the purpose of pro forma adjustment R-6, removal
22 of non-utility revenue.

1 A. The purpose of pro forma adjustment R-6 is to remove \$602,904 of non-utility
2 related revenue received during the test year. This amount reflects CNG federal
3 excise tax credits and corporate allocated Distrigas credits for the test year
4 ended December 31, 2021.

5
6 Q. Is this treatment consistent with previous CNG excises tax credits?

7 A. Yes, as the CNG excise tax credit is a non-utility item that does not affect utility
8 service and does not recur on an annual basis; this credit has been removed
9 from the 2017 and 2019 PBRC filings and 2021 Rate Case filing, Cause Nos.
10 PUD 201700079, PUD 201900018, and PUD 202100063, respectively.

11
12 Q. Has the CNG excise tax credit been extended?

13 A. No, it has not. The current federal excise tax expired December 31, 2021.

14
15 Q. What would happen to rates if this expired tax credit were to be included?

16 A. Revenue of \$602,904 that is not expected to recur in 2022 forward would be built
17 into base rates causing the Company to earn below its authorized rate of return
18 before it even starts collecting new rates.

19
20 **GAS COST REVENUE AND EXPENSE RELATED ADJUSTMENTS**

21 Q. Ms. Mayberry, several of the pro forma adjustments that you sponsor relate to
22 test year gas cost revenue and expense recoveries. Are the revenues and
23 expenses associated with gas costs at issue in this Cause?

1 A. No, they are not at issue. This Cause relates to the establishment of new rates,
 2 exclusive of commodity cost, that will allow Oklahoma Natural the authorization to
 3 bill customers on a going forward basis. Therefore, all gas cost revenue and
 4 expense related activity must be removed from the test year. The specific gas
 5 cost revenue and expense pro forma adjustments that I sponsor are identified
 6 within the following table. A more detailed discussion for each adjustment can be
 7 found within the workpapers for the respective adjustment, which are included as
 8 part of the Application Package filed in this Cause. PUD Staff annually reviews
 9 commodity costs for prudence in a separate cause.

TABLE DLM-1

Adjustment Number	Description	Amount of Adjustment
R-4	Purchased Gas Costs Billed (PGC) and Unrecovered Purchased Gas Costs Billed (UPGC)	\$(336,374,474)
E-2	Gas Costs Collected by the PGC and UPGC	\$336,374,474
E-3	Gas Costs O&M not Collected through the PGA/UPGC and Transport Over/Under Charges	\$86,549

INTEREST EXPENSE - CUSTOMER DEPOSITS

13 Q. Ms. Mayberry, why is it necessary to make an adjustment to include interest that
 14 Oklahoma Natural pays on customer deposits in pro forma adjustment E-5?

15 A. Oklahoma Natural is required by Commission rule OAC 165:45-11-1 to pay
 16 interest on the deposits it receives from customers. Unlike the deposits
 17 themselves, which are recognized as a source of non-investor supplied capital
 18 and are removed from rate base, the interest the Company pays on deposits is a
 19 legitimate operating cost. Pro forma adjustment E-5 in the amount of \$228,309 is

1 necessary to reflect the total interest expense on the long and short-term
2 customer deposits held by the Company.

3
4 **PAYROLL AND LABOR ATTENDANT**

5 Q. Please explain pro forma adjustment E-11.

6 A. The Company proposes to annualize December 2021 payroll and compare it to
7 actual test year payroll expense. An adjustment is made to payroll and the
8 associated payroll related costs (Labor Attendant costs), in the amount of
9 \$2,266,247. The method of calculating this adjustment is consistent with
10 previous PBRC filings and the most recent rate case, Cause No. PUD
11 202100063. Furthermore, this adjustment is made pursuant to Tariff 1201 (PBRC
12 Plan), Section 6(e)(4). This section of the PBRC tariff states, "Operating
13 Expenses shall also be modified as follows; The level of salaries and wages,
14 savings plans expenses, payroll taxes, and other payroll-related expenses for the
15 last month (December) of the Test Year shall be annualized."

16
17 **REQUEST FOR ELIMINATION OF TARIFF 701**

18 Q. Ms. Mayberry, what is the purpose of Tariff 701?

19 A. Tariff 701 is for CNG customers serviced from Company-owned facilities. This
20 tariff was closed to new customers as of December 31, 2009. The final customer
21 on the tariff has transitioned to Tariff 705 for customers that provide their own
22 CNG facilities in September 2021.

23
24 Q. What is Oklahoma Natural's request related to Tariff 701?

1 A. The Company's request is to eliminate Tariff 701 (see Exhibit DLM-1) as there
2 are no eligible customers remaining.

3

4 Q. Do other modifications need to be made related to the elimination of Tariff 701?

5 A. Yes, references to Tariff 701 were removed within Tariff 1191 and the Tariff Index.
6 The redline version of Tariff 1191 is attached as Exhibit DLM-2 and the Tariff
7 Index is attached as Exhibit DLM-3.

8

9

MODIFICATIONS TO TARIFF 1031

10 Q. Please explain the requested modifications you are sponsoring to Tariff 1031,
11 Special Terms and Conditions.

12 A. The modifications were made to include 291-S in the Company's Order of
13 Curtailment (Rate Schedule 1031), as well as, to correct minor clerical errors
14 within the tariff. Modifications to the tariff's header and footer were also made to
15 comply with current PUD requirements. The redline version of Tariff 1031 is
16 attached as Exhibit DLM-4.

17

18

CONCLUSION

19 Q. In conclusion, are the pro forma adjustments that you are sponsoring in the
20 above testimony being made in compliance with the provisions of PBRC Tariff
21 1201?

22 A. Yes, the proposed adjustments have been made pursuant to Tariff 1201 (PBRC
23 Plan), Section 6(c) and Section 6(e)(4). Section 6(c) states, "Rate Base and cost
24 of service shall be computed in the same manner as in the Company's last
25 Chapter 70 general rate change application." "Section 6(e)(4) states, "Operating

1 Expenses shall also be modified as follows; The level of salaries and wages,
2 savings plans expenses, payroll taxes, and other payroll-related expenses for the
3 last month (December) of the Test Year shall be annualized.”

4

5 Q. Ms. Mayberry, does this conclude your testimony?

6 A. Yes, it does.

**RATE SCHEDULE 701
COMPRESSED NATURAL GAS SERVICE
INDIVIDUAL METERING**

Availability

Natural gas service under this rate schedule is available to any individually metered commercial or industrial customer for providing gas service to a compressed natural gas facility, at any point on Company's system, but only where adequate capacity presently exists, or can be provided in accordance with the rules of the Oklahoma Corporation Commission, or the system of another pipeline with respect to which the Company has an agreement with such pipeline or is taking gas pursuant to a tariff for such service but only to the extent that: (1) the meter for such customer exists at December 31, 2009; (2) service is required by law; (3) service is agreed to by such pipeline. The Company will provide, install and maintain all necessary compression facilities except the equipment to be installed on the Customer's vehicles. The Customer is required to provide electrical service and power to the compression facilities.

Customers served under this rate schedule may elect to secure their own gas supply for transportation on the Company's distribution system. Customers electing transportation service will be subject to General Terms and Conditions for Transport Tariff 2000, Line Loss Rider Tariff 1191 and to OGT Transmission Charges on a volumetric basis.

The Company reserves the right to establish minimum levels of annual consumption and other contractual provisions for each customer as the criteria for installing compression facilities and to discontinue gas service under this rate schedule and remove all Company-owned equipment with thirty (30) days written notice to the Customer if, in the Company's opinion, the agreed upon volumes are not being taken or contractual provisions are not being fulfilled to justify the required investment in the Customer's installation.

Gas service under this rate schedule is available only with the Company as the sole supplier or transporter of natural gas for Customer, and is not available for standby or supplemental service or for resale to others in any form except as compressed natural gas for motorized vehicles. Gas sold under this tariff is provided exclusively for compressed natural gas service and shall not be used by Customer for any other purpose. The minimum period for which service under this rate schedule is available is one (1) year.

Rates Authorized By The Oklahoma Corporation

Commission:

Effective	Order No.	Cause/Docket No.
November 30, 2021	721916	PUD 202100063
January 6, 2016	648326	PUD 201500213
August 8, 2014	628742	PUD 201400069
July 5, 2011	586900	PUD 201100034
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

Rate

The charge for recorded consumption of gas at one point of delivery in any month is as follows:

Service Charge
\$51.86

Delivery Fee
\$3.37120 per Dekatherm

The above rates shall be reduced by \$.70 per Dekatherm for deliveries to distributors to the public of compressed natural gas for motorized vehicles.

The Customer shall be responsible for payment of all federal and state road taxes.

NOTE: Meter readings will be recorded in hundreds of cubic feet (0.1 Mcf) or multiples thereof.

Commodity Cost of Gas

The indicated rates do not include the applicable commodity cost of gas which shall be added pursuant to Special Terms and Conditions, Tariff No. 1001.

Subject to:

Special Provisions

	<u>Tariff</u>
Purchase Gas Adjustment Clause	1001
Gross Receipt & Franchise Tax Adjustment	1011
Order of Curtailment	1031
Miscellaneous Special Charges	1041
Miscellaneous Terms and Conditions	1051
Municipal Fees and Taxes	1053
Unrecovered Purchased Gas Cost Adjustment	1071
Line Loss Rider	1191
Performance Based Rate Change	1201
General Terms and Conditions for Transportation	2000

Rates Authorized By The Oklahoma Corporation

Commission:

Effective	Order No.	Cause/Docket No.
November 30, 2021	721916	PUD 202100063
January 6, 2016	648326	PUD 201500213
August 8, 2014	628742	PUD 201400069
July 5, 2011	586900	PUD 201100034
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

Other Conditions

It is recognized that Company has authority without approval from the Oklahoma Corporation Commission or its staff to negotiate and vary from Customer to Customer the Rate and the Additional Charges set forth in this Tariff, and each of the Special Provisions hereof, including but not limited to the fees to be charged there under and the terms and conditions and general provisions of Tariffs 2000 and 2001.

If the Company and Customer elect not to enter into a formal written gas transportation agreement, any transportation service provided by Company to Customer under this Tariff shall be deemed to be provided subject to the terms and conditions of Tariff 2000 and 2001.

Payment

Bills are to be paid within 10 days after the date of Company's bill to Customer.

Request to Eliminate

Rates Authorized By The Oklahoma Corporation

Commission:

Effective	Order No.	Cause/Docket No.
November 30, 2021	721916	PUD 202100063
January 6, 2016	648326	PUD 201500213
August 8, 2014	628742	PUD 201400069
July 5, 2011	586900	PUD 201100034
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

OKLAHOMA NATURAL GAS COMPANY
P. O. BOX 401, OKLAHOMA CITY, OKLAHOMA

2nd 1st-Revised Tariff 1191.1
Replacing 1st Revised Tariff 1191
Date Issued: _____

**RATES SCHEDULE 1191
SPECIAL TERMS AND CONDITIONS
LOST, USED, AND UNACCOUNTED FOR GAS RIDER**

A tariff rider referred as to the “Line Loss and Gas Purchase Expense Tariff Rider” shall be applicable to the Rate Schedules specified below for customers who receive their gas from the Company and shall be calculated in the manner set forth in Section 2 hereof.

Section 1

Applicable Rate Schedules:

255-T	All Non-Residential Customers Transport Only – 1,000 Dth but less than 5,000 Dth annually
291-T	All Customer Transport Only - 5,000 but less than 30,000 Dth
391-T	All Customer Transport Only – 30,000 but less than 450,000 Dth
655-T	Wholesale Customers Transport Only – 1,000 Dth but less than 5,000 Dth annually
691-T	Wholesale Transport - 5,000 Dth and Greater
691-T2	Wholesale Transport Only - Greater than 30,000 Dth but less than 450,000 Dth
901-T	Competitive Class Transport Only - 450,000 Dth and Greater
<hr/>	
705	Compressed Natural Gas - Customer Supplied Facilities

Section 2

The Company shall be allowed to recover the expenses that it incurs for the cost of gas that is lost, used, or unaccounted for in operations (“LUFGE”). This tariff rider shall permit the pass-through of Line Losses in the following manner:

- a. LUFGE on the Company’s distribution and transmission systems;

<u>Rates Authorized By The Oklahoma Corporation</u>		
<u>Commission:</u>		
<u>Effective</u>	<u>Order No.</u>	<u>Cause/Docket No.</u>
July 8, 2020	712938	PUD 202000022
August 9, 2017	666781	PUD 201700079
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

OKLAHOMA NATURAL GAS COMPANY
P. O. BOX 401, OKLAHOMA CITY, OKLAHOMA

2nd Revised Tariff 1191.2
Replacing 1st Revised Tariff 1191.2
Date Issued: July 8, 2020

- b. LUGF delivered or paid to Southern Star Central Gas Pipeline, Inc., or other provider of upstream natural gas transportation service, with the exception of ONEOK Gas Transportation, L.L.C.; and
- c. LUGF on pipeline system of ONEOK Gas Transportation, L.L.C. (including the pipeline system of ONEOK Sayre Storage Company (jointly “OGT”) with respect to (1) gas delivered to the Company prior to the effective date for transmission service rendered pursuant to the Company’s request for competitive bids and (2) gas delivered to the Company where OGT is the default transporter of gas to the Company after a request for competitive bids for transmission service has failed to result in a contract for transmission service, provided that such LUGF shall not exceed the LUGF percentage for OGT set forth below or, after the annual recalculation provided for below, the actual LUGF for OGT based upon an appropriate Line Loss study and data.

With respect to subparagraph (a) above, the annual LUGF for the Company shall be set at level identified within the annual LUGF study performed by the Company and filed with the Oklahoma Corporation Commission (“Commission”). If the annual LUGF study identifies a LUGF percentage greater than the safe harbor of Two Percent (2%), the excess recovery amount may be disallowed through a reduction to the current UPGC level upon express order of the Commission. The Two Percent (2%) safe harbor is only applicable to the Company’s LUGF and does not include any level passed through to customers based upon OGT’s LUGF. The total throughput of the Company and OGT shall be valued at the Company’s weighted average cost of gas for each month.

With respect to subparagraph(c), the LUGF for OGT shall be set at the percentage authorized by the Commission and shall be valued at the Company’s weighted average cost of gas incurred each month. LUGF for OGT shall not include LUGF incurred with respect to service to customers new to OGT after June 1, 2000. This percentage set for OGT is not included or summed with the Company’s annual LUGF percentage to determine if the LUGF level is in excess of the Two Percent (2%) safe harbor.

With respect to subparagraph (b) above, the cost of the LUGF shall be calculated by multiplying the LUGF volume for the month in question by the weighted average price of gas that the Company

<u>Rates Authorized By The Oklahoma Corporation Commission:</u>		
<u>Effective</u>	<u>Order No.</u>	<u>Cause/Docket No.</u>
July 8, 2020	712938	PUD 202000022
August 9, 2017	666781	PUD 201700079
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

OKLAHOMA NATURAL GAS COMPANY
 P. O. BOX 401, OKLAHOMA CITY, OKLAHOMA

1st Revised Tariff 1191.3
 Replacing Tariff 1191
 Date Issued: August 9, 2017

purchases during the month in question from Southern Star Central Gas Pipeline, Inc., and other upstream natural gas transportation service providers.

LUFG collected from transportation customers on a monthly basis will be credited towards the Company’s overall LUFG calculated in the computation above and shall be valued at the Company’s weighted average cost of gas for each month.

<u>Rates Authorized By The Oklahoma Corporation</u>		
<u>Commission:</u>		
Effective	Order No.	Cause/Docket No.
July 8, 2020	712938	PUD 202000022
August 9, 2017	666781	PUD 201700079
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

OKLAHOMA NATURAL GAS COMPANY TARIFF TAB INDEX

Test Year Ended December 31, 2021

Residential

101	Residential Gas Service
101-V	Residential Gas Service - Voluntary Fixed Price Program
102	Special Low Income Residential Gas Service
102-V	Special Low Income Residential Gas Service - Voluntary Fixed Price Program

Commercial or Industrial

200-LCI	Large Sales - 150 Dth but less than 5,000 Dth annually
200-SCI	Small Sales – Less than 150 Dth annually
200-SCI-V	Small Sales - Voluntary Fixed Price Program less than 150 Dth annually
291-S	All Customers Sales - 5,000 Dth but less than or equal to 30,000 Dth annually

Transport

255-T	All Non-Residential Customers Transport Only - 900 Dth but less than 5,000 Dth annually
291-T	All Customers Transport Only - 5,000 Dth but less than 30,000 Dth annually
391-T	All Customers Transport Only - 30,000 Dth but less than 450,000 Dth annually
655-T	Wholesale Customers Transport Only - 900 Dth but less than 5,000 Dth annually
691-T	Wholesale Transport Only - 5,000 Dth but less than or equal to 30,000 Dth annually
691-T2	Wholesale Transport Only – Greater than 30,000 Dth but less than 450,000 Dth annually
901-T	Competitive Class Transport Only - 450,000 Dth annually and greater AND customers with competitive options
2000	General Terms and Conditions for Transportation
2001	Gas Transportation Agreement and Exhibit A

Other

235	Unmetered Gas Light Service
601-S	Wholesale Sales - Greater than 5,000 Dth but less than 30,000 Dth annually

CNG

705	CNG Individual Metering, Customer Supplied Facilities
707	CNG Compressed Natural Gas Surcharge Incentive Mechanism

OKLAHOMA NATURAL GAS COMPANY TARIFF TAB INDEXTest Year Ended December 31, 2021**Special Provisions**

1001	Purchased Gas Adjustment Clause
1001-V	Purchased Gas Adjustment Clause – Voluntary Fixed Price (VFP) Program
1011	Sales Taxes, Gross Receipts & Franchise Fees
1031	Order of Curtailment
1041	Miscellaneous Special Charges
1051	Miscellaneous Terms and Conditions
1053	Municipal Fees and Taxes
1071	Unrecovered Purchased Gas Cost Adjustment Definitions, Account Descriptions, and Accounting Procedure
1081	Distribution Extension Policy
1083	Residential Multi-Unit Distribution Extension Policy
1141	Temperature Adjustment Clause
1191	Lost, Used, and Unaccounted for Gas Rider
1201	Performance Based Rate Change (“PBRC”) Plan

OKLAHOMA NATURAL GAS COMPANY
 P. O. BOX 401, OKLAHOMA CITY, OKLAHOMA

2nd ~~1st~~ Revised Tariff 1031.1
 Replacing ~~1st Revised~~ Tariff 1031
 Date Issued: _____

**RATE SCHEDULE 1031
 SPECIAL TERMS AND CONDITIONS
 ORDER OF CURTAILMENT**

Whenever, in Company's opinion, it is necessary to curtail gas deliveries and/or withdrawals from all or a part of Company's System, usage of customers included within Rate Schedule 901-T, and in the area affected shall be immediately reduced or totally discontinued in the following order:

Step 1--Customers using or withdrawing in excess of 16,000 Dth per day will be reduced to the amount required by Company in its sole opinion.

Step 2--Customers using or withdrawing in excess of 3,500 Dth per day will be reduced to the amount required by Company in its sole opinion.

Step 3--Customers using or withdrawing in excess of 500 Dth per day will be reduced to the amount required by Company in its sole opinion.

If, after the above curtailment of service to customers under Rate Schedule 901-T, it is necessary to further curtail gas deliveries or withdrawals, then service to customers in the area affected shall be curtailed in the order listed below:

Step 4--Customers using or withdrawing over 500 Dth per day on Rate Schedules 391-T, ~~291-S~~ and 291-T will be reduced to the amount essential to public health and safety.

Step 5--Customers using or withdrawing over 200 Dth per day on Rate Schedules 391-T, ~~291-S~~ and 291-T will be reduced to the amount essential to public health and safety.

Step 6--Customers on Rate Schedules 601-S, 655-T, 691-T, and 691-T2 will be requested to reduce their deliveries to industrial customers to the amount essential to public health and safety.

Step 7--All customers on Rate Schedules 391-T, ~~291-S~~, 291-T, 255-T, 200-SCI, 200-SCI-V, 200-LCI, ~~and CNG 701-T and~~ 705-T, will be reduced to the amount essential to public health and safety.

<u>Rates Authorized By The Oklahoma Corporation</u>		
<u>Commission:</u>		
Effective	Order No.	Cause/Docket No.
August 9, 2017	666781	PUD 201700079
July 19, 2012	599934	PUD 201200029
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110

OKLAHOMA NATURAL GAS COMPANY
 P. O. BOX 401, OKLAHOMA CITY, OKLAHOMA

1st Revised Tariff 1031.2
 Replacing Tariff 1031
 Date Issued: August 9, 2017

Step 8--All customers on Rate Schedules 601-S, 655-T, 691-T, and 691-T2 will be requested to reduce their deliveries of gas to residential customers to the amount essential to public health and safety.

Step 9--All customers on Rate Schedules 101, 101-V, 102, and 102-V will then be requested to reduce their usage to the amount essential to public health and safety.

In the event a customer fails to comply with the request of a Company representative to curtail or totally discontinue gas usage or withdrawal, Company shall have the right to totally discontinue service to the customer without notice during the period of requested curtailment or discontinuance.

The Company shall not be liable for damages of any kind, including direct, indirect, special, or consequential damages, occasioned by the interruption, curtailment, or discontinuance of gas service in accordance with the above.

<u>Rates Authorized By The Oklahoma Corporation</u>		
<u>Commission:</u>		
Effective	Order No.	Cause/Docket No.
August 9, 2017	666781	PUD 201700079
July 19, 2012	599934	PUD 201200029
September 22, 2010	578795	PUD 201000048
December 18, 2009	572180	PUD 200900110