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MAY 29 2009

COURT CLERK'S OFFICE — OKC
CORPORATION COMMISSION
OF OKLAHOMA

**BEFORE THE
CORPORATION COMMISSION OF THE STATE OF OKLAHOMA**

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR AN ORDER OF THE COMMISSION)
AUTHORIZING APPLICANT TO MODIFY ITS)
RATES, CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)

Cause No. PUD 200800398

Supplemental Testimony

of

Kenneth Grant

on behalf of

Oklahoma Gas and Electric Company

May 29, 2009

Kenneth Grant
Supplemental Testimony

1 Q. **Would you please state your name and business address?**

2 A. My name is Kenneth Grant. My business address is 321 North Harvey, Oklahoma City,
3 Oklahoma 73102.

4
5 Q. **By whom are you employed and in what capacity?**

6 A. I am employed by the Oklahoma Gas and Electric Company (“OG&E” or “Company”) as
7 Managing Director of Marketing.

8
9 Q. **Have you testified previously before the Commission in this Cause?**

10 A. Yes, on February 27, 2009, I submitted Direct Testimony in this Cause.

11
12 Q. **What is the purpose of your Supplemental Testimony?**

13 A. The purpose of my Supplemental Testimony is to support the Company’s request for a
14 waiver of OAC 165:35-21-21(3), found at page 3, lines 15 and 16 of my Direct
15 Testimony with regard to all locations where OG&E’s SmartPower program is utilized. I
16 will discuss the basis for the waiver request and OG&E’s current practices on disconnect
17 notification.

18
19 Q. **Before you discuss the Company’s request for a waiver of OAC 165:35-21-21(3),
20 please describe OG&E’s current notification procedures for the disconnection of
21 service.**

1 A. OG&E complies with the Commission’s Electric Rules for all notification requirements
2 regarding disconnections. Specifically, OAC 165:35-21-20 provides the notice
3 requirements. For residential customers, OG&E’s notification procedures are to send the
4 ten (10) day notice, required under OAC 165:35-21-20(b), within one week after an
5 account has become delinquent. A second forty-eight (48) hour notice, required under
6 OAC 165:35-21-20(a) and (c), is sent as a part of the next bill assessed after an account
7 has become delinquent. In addition to these required notices, the Company also initiates
8 an automated call four (4) days prior to the date of disconnection and another call by a
9 Customer Service representative one day prior to the date of disconnection.

10

11 Q. **Are the two types of calls you just mentioned required by the Electric Rules?**

12 A. No, this is a policy the Company has adopted to provide as much notice to residential
13 customers as possible prior to effecting a disconnection of service.

14

15 Q. **Are there any other notice requirements under the Electric Rules relating to
16 disconnection of service?**

17 A. OAC 165:35-21-21(3) requires that the utility “shall leave a written statement at the
18 premises that service has been disconnected, the reason for the disconnection, and the
19 telephone number and address where the consumer may arrange to have the service
20 reconnected”.

21

22 Q. **What is the Company requesting in this application with respect to the above
23 mentioned rule?**

1 A. The Company is requesting a waiver of the requirements of OAC 165:35-21-21(3) for all
2 services where “SmartPower” technology is in place (*i.e.*, in the Norman area and in any
3 future location within our system where “SmartPower” is implemented).

4
5 **Q. Please explain the reasons for this request.**

6 A. As described at page 7, lines 17 through 23 of my Direct Testimony, one of the benefits
7 of “SmartPower” technology is that it will allow the Company to remotely disconnect
8 and reconnect service without the expense of dispatching a service vehicle to physically
9 perform a disconnection or reconnection. Because a disconnection will be done remotely
10 there will be no Company personnel at the location to leave the written notice required by
11 OAC 165:35-21-21(3). Dispatching someone to leave this after the fact notice will result
12 in costs that would otherwise not be incurred because of the technology being employed.
13 Since the disconnect notice is left at the door after the disconnection is made, it serves
14 very little purpose and the site visit requirement creates a significant expense for the
15 Company which ultimately is passed on to OG&E’s customers. OG&E believes that its
16 outbound calling program is more effective in reaching customers and preventing the
17 need for disconnection.

18
19 **Q. How will a customer get the information that would have been left on the notice
20 required by OAC 165:35-21-21(3)?**

21 A. The information regarding why the service was disconnected and the telephone number
22 and address where the customer can arrange for a reconnection are part of the two
23 separate notices given to each customer under OAC 165:35-21-20.

1

2 Q. **Is there a revised tariff page?**

3 A. Yes. Please see Exhibit "A" to this testimony. This tariff was submitted by the Company
4 in Cause No. PUD 200800375 in which the Company sought a similar waiver with
5 respect to the demonstration project discussed in my Direct Testimony beginning at page
6 11, line 11 through page 13, line 4.

7

8 Q. **Does this conclude your testimony?**

9 A. Yes, it does.