BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA, AN OKLAHOMA CORPORATION, FOR AN ADJUSTMENT IN ITS RATES AND CHARGES AND THE ELECTRIC SERVICE RULES, REGULATIONS AND CONDITIONS OF SERVICE FOR ELECTRIC SERVICE IN THE STATE OF OKLAHOMA AND TO APPROVE VARIOUS COST RECOVERY MECHANISMS AND TARIFFS	CASE NO. PUD 2025-000075

HEARINGS: July 1, 2, 7 and 8, 2026, in Concourse Theater, Suite C50 (live and video teleconference), Will Rogers Memorial Office Building, 2401 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105 *Before* Ken Behrens, Administrative Law Judge

APPEARANCES: Michael S. Ryan, E.J. Thomas, Natasha Scott, and Kyle Vazquez, Attorneys *representing* Public Utility Division, Oklahoma Corporation Commission
Thomas Grossnicklaus, Ashley N. Youngblood, Meghan Wan, and Michael Velez, *representing* Office of the Attorney General, State of Oklahoma
Jack P. Fite, Attorney *representing* American Electric Power
Kenneth A. Tillotson, Attorney *representing* Public Service Company of Oklahoma
Adam Singer, Attorney *representing* AARP
Thomas P. Schroedter and Eric C. Money, Attorneys *representing* Oklahoma Industrial Energy Consumers
Tyler D. Davis and John J. McNutt *representing* The Department of Defense and All Other Executive Agencies
Rick D. Chamberlain, Attorney *representing* Walmart Inc.
J. David Jacobson, Attorney *representing* The Petroleum Alliance of Oklahoma
Kenneth E. Wagner, Nikhil Vijaykar, and Gonzalo Rodrigues, Attorneys *representing* Data Center Coalition
James A. Roth, Lindsey Pever, Niles Stuck, and Cole Peters, Attorneys *representing* GOOGLE
A. Chase Snodgrass *representing* Oklahoma Gas and Electric Company

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW OF OKLAHOMA INDUSTRIAL ENERGY CONSUMERS (LARGE LOAD TARIFF PHASE)

Oklahoma Industrial Energy Consumers ("OIEC") submits these Proposed Findings of Fact and Conclusions of Law. These Proposed Findings of Fact and Conclusions of Law address PSO's proposed Large Load Tariff filing and the non-unanimous Joint Stipulation and Settlement Agreement relating to the Large Load issues filed on June 30, 2026 (the "Stipulation").

PROPOSED FINDINGS

This Case comes before the Corporation Commission ("Commission") of the State of Oklahoma on the above-styled and numbered Application of Public Service Company of Oklahoma, an Oklahoma corporation ("PSO" or "Company") filed on January 2, 2026.

I. Procedural History

II. Summary of Evidence

Documents filed in this case are contained in the records maintained by the Court Clerk of the Commission. Testimony was offered at the hearing. The entirety of the oral testimony and arguments offered is contained in the transcripts of these proceedings. Incorporated as if fully set forth herein is the pre-filed testimony summary of the testimony of OIEC witness Mark Garrett concerning Large Load issues that is attached to the ALJ Report as Attachment "A",

III. Findings of Fact and Conclusions of Law

Based on a review of the entire record in this Case, including a thorough review of all the evidence, the Exceptions and responses thereto, the ALJ Report, and all arguments of counsel, and upon a full consideration thereof, the Commission hereby adopts the Stipulation as modified herein.

Jurisdiction

1. PSO is an Oklahoma corporation authorized to do business in the State of Oklahoma. The Commission finds that PSO is a public utility, with plant, property, and other assets dedicated to generation, transmission, distribution, and sale of electric power and energy within the State of Oklahoma. This Commission has jurisdiction over this Case by virtue of the provisions of Article IX, § 18 of the Constitution of the State of Oklahoma, and 17 O.S. §§ 151, *et seq.*

Notice

2. Due and proper notice of these proceedings was given as required by law, Commission rules, and Order No. 754614.

House Bill 2992

3. In the 2026 Oklahoma Legislative Session, the Oklahoma Legislature enacted House Bill 2992, otherwise known as the Data Center Ratepayer Protection Act of 2026 ("HB 2992").

4. HB 2992 became effective on July 1, 2026.

5. HB 2992 defines a large load customer as a new data center, new crypto currency mining operation, and other new facilities whose primary function is artificial intelligence computing facilities and applies to facilities that contract with an electric supplier to add

75 MW or greater electric load per facility or in the aggregate behind a single point of interconnection. 17 O.S. § 901(4).

6. HB 2992 applies to new load after July 1, 2026. *Id.*

7. HB 2992 does not apply to industrial ratepayers, or those entities that build generation for behind-the-meter projects. *Id.*

8. HB 2992 states that "[a]ny applicable governing body responsible for reviewing electric supplier rates shall ensure that the residential, commercial and industrial customers are protected from paying unjust rates resulting directly from electric service to large load customers" and "[t]he applicable governing body shall ensure that all rates are fair, just and reasonably, and costs and revenues are assigned and allocated among customers in accordance with cost causation principles." 17 O.S. § 902.

9. HB 2992 provides that all electric suppliers shall establish and maintain separate terms and conditions of electric service applicable to any large load customer and shall create and maintain separate tariffs applicable to such large load customers. 17 O.S. § 903.

10. HB 2992 provides that tariffs shall include credit requirement terms and other terms necessary to ensure that large load customers reimburse electric suppliers for all costs fairly allocated to them and that the term of service for a large load customer shall be at least 10 years. *Id.*

11. The Oklahoma Corporation Commission has exclusive jurisdiction to enforce HB 2992 as it relates to electric suppliers subject to the Commission's jurisdiction. 17 O.S. § 905.

12. The Oklahoma Corporation Commission is obligated to exercise general supervision of all public utilities and ensure their compliance with the Oklahoma Constitution and laws of this state. *See* 17 O.S. § 152. The Commission will exercise this obligation with respect to all laws and specifically HB 2922.

PSO's Proposed Large Load Tariff

13. In its rebuttal testimony filed on May 29, 2026, PSO proposes a separate tariff for large load customers with contract demands greater than 75 MW. *See* Rebuttal Testimony of Alex E. Vaughn, Entry No. 501.

14. PSO's proposed New Large Load Power ("LLP") tariff is available to any retail customer served at transmission or transmission substation service. PSO's proposed LLP tariff applies to any new load after January 1, 2026 or expansion of existing load after January 1, 2026 that has a contract capacity greater than or equal to 75MW at an individual site or 75 MW on an aggregated basis. *Id.* at Ex. AEV-2R, pg. 42.

15. PSO's proposed LLP tariff contemplates that large load customers' initial contract term, load ramp, load ramp period, contract capacity, and other terms of service will be defined in the contract for electric service between PSO and the large load customer which will be required for customers taking service under the LLP rate schedule. *Id.*

16. Under PSO's proposed LLP tariff, large load customers with a contract capacity equal to or greater than 75MW shall have an initial contract term of not less than ten (10) years the customer may designate a load ramp period which can be no greater than five (5)years. *Id.*at pg. 4, 42. Under PSO's proposed LLP tariff, if a load ramp period is designated by a large load customer, the initial contract term shall commence after the load ramp period ends. Further, the load ramp period is the later period of time from when (a) electric service is available to the large customer; or (b) the large load customer is scheduled to begin taking electric service, until the time the large load customer's capacity is billed. *Id.* at pg. 42.

17. Under PSO's proposed LLP tariff, the contract term is the load ramp period plus the initial contract term and the initial contract term shall evergreen and extend on the anniversary date until written notice of termination is provided. *Id.* at pgs.42-43. Monthly rates under PSO's proposed LLP tariff are identical to rates set forth in PSO's Large Power and Light tariff. Monthly billing demand set forth in PSO's tariff shall not be less than the greater of (a) eighty percent (80%) of the large load customer's contract capacity; or (b) ninety percent (90%) of the large load customer's highest previously established monthly billing demand during the past eleven (11) months. *Id.* at pg. 43.

18. PSO's proposed LLP tariff subjects large load customers to a minimum monthly charge and a system contribution charge of $4.88 per kW month, beginning the first full month following execution of the large load customer's contract for electric service. The billing demand for the system contribution charge is proposed to be the average demand for the first year of the large load customer's future service. *Id.* at pg. 7, 43.

19. PSO's proposed LLP tariff also provides that the large load customer shall provide collateral equal to twenty-four (24) times the large load customer's previous maximum monthly nonfuel bill, plus any additional outstanding direct interconnection investment once the initial contract term has begun. *Id.* at pgs. 6, 43-44. During the first year, or any designate ramp period of the contract, the maximum expected bill shall be based upon the large load customer's ultimate contract capacity and the amount of collateral to be provided will be computed annually and updated if the recomputed value is ten percent (10%) greater than the current amount held. *Id.*

20. PSO's proposed LLP tariff also provides a sixty (60) month notice period for the large load customer (with a capacity of 75 MW or greater) to terminate electric service and that said Notice shall be subject to payment of a termination or exit fee. *Id.* at pgs. 5, 44. PSO's proposed notice period for a large load customer with a contract capacity greater than 10 MW but less than 75 MW is twenty-four (24) months. *Id.* at pg. 5. The proposed exit fee shall be due and payable to PSO on the effective date of the contract termination and calculated as the nominal value of the remaining minimum charge for the terminated capacity for the remaining contract term. The exit fee period is defined as the large load customer's then remaining initial contract term or any agreed extension. *Id.* PSO proposes that it shall use reasonable efforts to mitigate the exit fee amount owed or paid by a large load customer. *Id.* at pg. 44.

21. The Commission finds that PSO's proposed LLP tariff is not consistent with Oklahoma law, specifically House Bill 2992, or otherwise is not fair, just and reasonable, or in the

public interest. Examples of these inconsistencies include (1) the applicability of the tariff to large load customers beyond the definition of that term contained in HB 2992 and (2) the inclusion of a system contribution charge to large load customers prior to customers actually receiving electric service.

The Large Load Tariff Stipulation

22. A non-unanimous Joint Stipulation and Settlement Agreement concerning the Large Load Tariff issues was filed on June 26, 2026 (the "Stipulation"). *See* Entry No. 777.

23. The Stipulation was entered into by the Commission's Public Utility Division ("PUD"), the Oklahoma Attorney General ("AG"), The Petroleum Alliance of Oklahoma, and Google ("Stipulating Parties").

24. Subsequently, on July 2, 2026, the AG withdrew from the Stipulation. *See* Entry No. 812.

25. On July 6, 2026, the Data Center Coalition ("DCC") filed a concurrence in response to the Stipulation. *See* Entry No. 814.

26. The Stipulation was opposed by PSO.

27. Updated testimony in support of the Stipulation was filed on the same date as the Stipulation was filed, June 30, 2026. *See* Entry No. 797.

28. The Stipulation provides for a new, separate large load tariff, separate from PSO's existing LPL tariff, eligible for customers with contract demand exceeding 75 MW at a single delivery point. *See* Second Supplemental Testimony of Adrian Kimbrough In Support of the Joint Stipulation and Settlement Agreement and the Large Load Service (LLS) Tariff On Behalf of Google, Entry No. 797 at pg. 9. The Stipulation large load tariff includes three service options:

    a. Option 1: Self-supply or Bring Your Own Generation (BYOG) under which the customer takes no generation service from PSO.

    b. Option 2: A mixed service option under which the customer's load is served from a combination of self-supply and from PSO.

    c. Option 3: An option where the customer takes all of its generation service from PSO.

Id.

29. The Stipulation contains a true-up mechanism whereby the Commission reviews costs incurred to serve large load customers and whether such costs have been under-collected or over-collected. Under all options under the Stipulation, the large load customer is required to fully fund upfront, through Contributions in Aid of Construction (CIAC) or other Commission approved mechanisms, direct connect transmission and interconnection facilities needed to serve the large load customer. *Id.* at pg. 13-14. Further, the Stipulation provides that, for all service options, large load customers shall fully fund upfront a portion

of required network upgrades necessary to prevent impacts to PSO's transmission rates for existing customers. *Id.* at pg. 10.

30. Under Stipulation Option 1, the customer may self-supply up to one hundred percent (100%) of its capacity and energy requirements through a qualified wholesale market counterparty or through behind-the-meter generation. *Id.* at Attachment B, ¶ 5.1. The Option 1 contract term is the minimum required by applicable law, including the ten-year minimum term described in HB 2992. *Id.* at Attachment B, ¶ 5.3. Option 1 billing demand is set at a minimum of 80% of contract demand and there is no collateral requirement. *Id.* at Attachment B, ¶¶ 5.4 and 5.5. Option 1 customers may exit at any time subject to satisfying outstanding obligations for direct connect facilities, network upgrades, and CIAC and Commission approved charges *Id.* at Attachment B, ¶ 5.7. Generation capacity charges, energy charges, fuel adjustment charges and generation-related riders do not apply to the self-supplied portion of a customer's load under Stipulation Option. *Id.* at Attachment B, ¶ 5.8.

31. Under Stipulation Option 2, a qualifying large load customer may elect service under Option 1 for a portion of its load, and Option 3 for the remaining portion of its load. *Id.* at Attachment B, ¶ 6.1. Option 1 terms apply to the Option 1 portion of the load and Option 3 terms apply to the Option 3 portion of the load under the Stipulation. *Id.* at Attachment B, ¶ 6.2. Further, the Stipulation contemplates that PSO shall maintain metering, billing, scheduling, imbalance, standby, settlement and verification provisions to ensure that Option 1and Option 3 portions of the load are separately identified and billed. *Id.* at Attachment B, ¶ 6.3. There shall be no system contribution charge applicable to Option 2 except as expressly approved by the Commission in the large load tariff. *Id.* at Attachment B, ¶ 6.4.

32. Under Stipulation Option 3, customers will take generation service from PSO and shall not self-supply any portion of the customer's generation requirements. *Id.* at Attachment B, ¶ 7.1). Option 3 customers will fund the applicable direct connect facilities and network-grade obligations. *Id.* at Attachment B, ¶ 7.2. Stipulation Option 3 includes a fifteen (15) year initial term with a customer-elected load ramp of up to five (5) years. *Id.* at Attachment B, ¶ 7.3. Stipulation Option 3 billing demand is set at a minimum of eighty percent (80%) of contract demand and collateral is equal to forty-eight (48) months of non-fuel minimum bills. *Id.* at Attachment B, ¶¶ 7.5 and 7.6. Stipulation Option 3 customers may provide notice of exit after sixty (60) months of initial service and said fee shall be based on present value of any remaining reasonably allocable costs incurred to serve or for the benefit of the customer. *Id.* at Attachment B, ¶ 7.7. Stipulation Option 3 customers shall not be charged a system contribution charge except as expressly approved by the Commission in a large load tariff. *Id.* at Attachment B, ¶ 7.8.

33. The Stipulation contains three (3) service options for large load customers, one of which allows the large load customer to bring its own generation. Google Witness Kimbrough testified that this proposal places the risks and costs of self-supply on the participating customer and that market penalties, supply deficiencies, and other costs attributable to a customer's self-supply election are assigned to that customer rather than socialized across other ratepayers. *Id.* at pgs. 6, lns. 14-17. The Commission agrees with Google Witness Kimbrough that the proposal is consistent with the policy objectives of HB 2992 which

was enacted to address large-load customers such as data centers and protect existing customers from costs caused by new high-demand facilities. *Id.* at pg. 7, lns. 7-10.

34. The Stipulation also contemplates a hybrid approach which allows large load customers to combine self-supply and PSO. The Commission agrees with the testimony of OIEC Witness Mark Garrett who testified that a hybrid model allows the supply strategy to evolve as the customer's needs become more certain and reduces the risk of overbuilding, improves timing constraints, and ensures that investments—whether made by the customer or the utility—are based on real, demonstrated demand rather than projections. *See* Responsive Testimony of Mark E. Garrett – Rate Design Phase, Entry No. 174 at pg. 28, lns. 8-12.

35. However, as further discussed below, the Commission finds that certain aspects of the Stipulation, including (1) the applicability to large load customers not contemplated by HB 2992, (2); the fifteen (15) year proposed initial term, and (3) the requirement of forty-eight (48) months of collateral are not consistent with Oklahoma or are otherwise not fair, just or reasonable, or in the public interest.

Non-Severability

36. Notwithstanding the non-severability clause contained in the Stipulation, the Commission may enter an order that adopts some provisions of the Stipulation and modifies or rejects other provisions. This order is based upon a consideration of the entirety of the record and the law. This is a legislative proceeding in which the Commission has broad authority to fix and establish rates that are just and reasonable. OKLA. CONST. art. 9, § 18; 17 Okla. Stat. § 152; *Matter of Application of Oklahoma Gas and Electric Company*, 2018 OK 31,¶¶ 21-22, 417 P.3d 1196, 1204. In the exercise of its legislative, judicial, and executive powers, the Commission is required to reach its own conclusions based upon the evidence before it and that it may adopt, reject, restrict, or expand any or all findings and recommendations of the ALJ. *State ex rel. Cartwright v. Oklahoma Natural Gas Co. and Oklahoma Corporation Commission*, 1982 OK 11, ¶ 8, 640 P.2d 1341, 1343.

During the first day of the hearing, all pre-filed testimony was admitted into the record; therefore, in addition to the oral testimony provided during the hearing, the Commission reviewed the pre-filed testimony and attachments to provide substantial evidence supporting this Final Order.

The Large Load Tariff

37. The Stipulation proposed a large load tariff framework that largely meets the requirement of HB 2922 and complies with all Oklahoma law. OIEC Witness Mark Garrett testified in favor of a model that ensures generation investment is tied to actual customer demand, eliminates the need for speculative utility build-out and protects existing ratepayers from potential stranded asset costs. Responsive Testimony of Mark E. Garrett – Rate Design Phase, Entry No. 174 at pg. 22, lns. 12-16. The Commission also agrees with OIEC Witness Garrett that a model which contemplates consumer-procured power eliminates the timing mismatch between fast-moving customer demand and slower utility planning cycles, which

allows energy-intensive projects to proceed with fewer delays. *Id.* As further noted by OIEC Witness Mark Garrett, such a model is preferable to PSO's proposed LLP tariff because it addresses the underlying risks of large load growth directly, rather than attempt to manage those risks through restrictive and punitive provisions. *Id.* at lns. 19-21. Taking into account the modifications discussed below, the Stipulation meets these objectives, is supported by the evidence, fair, is fair, is just and reasonable, and is in the public interest. With these modifications, the Stipulation also complies with Oklahoma law, specifically, HB 2992.

The Stipulation Provisions Rejected or Modified by the Commission

38. The Commission rejects the Stipulating Parties' proposal in Paragraph 3.1 of the Stipulation that the large-load tariff shall apply to customers with contract demand exceeding 75 MW. HB 2922 specifically defines a large load customer as "new data centers, new cryptocurrency mining operations and new facilities whose primary function is artificial-intelligence computing facilities that contract with an electric suppler to add seventy-five (75) megawatts or greater electric load per facility or in aggregate behind a single point of interconnection to an electric supplier's load after July 1, 2026." Consideration of this law requires that the Schedule set forth in the Stipulation and the tariff proposed therein should be limited to customers who fit this definition. The Commission finds that extension of the definition of large load customers beyond the entities noted in HB 2992 is not fair, just or reasonable and is not in the public interest. Further, PSO's proposed LLP tariff applies to any new load, or expansion of existing load after the effective date that has a contract capacity greater than or equal to 75 MW at an individual site or 75 MW on an aggregated basis. The Commission finds that the Stipulation should be modified to make clear that the "demand" should encompass 75 MW at an individual site or customers with 75 MW of demand on an aggregated basis.

39. The Commission rejects the Stipulating Parties' proposal in Paragraph 7.3 of the Stipulation that Option 3 shall carry a fifteen (15) year initial term. HB 2922 states that the term of service for a large load customer shall be at least ten (10) years. The evidence does not support an increase in this term. The Commission finds that a fifteen (15) year contract term is not fair, just or reasonable and is not in the public interest and that a ten (10) year term is appropriate.

40. The Commission rejects the Stipulating Parties' proposal in Paragraph 7.6 of the Stipulation that Option 3 collateral shall equal forty-eight (48) months of non-fuel minimum bills. PSO's proposed LLP contains recommends collateral requirement of twenty-four (24) months of non-fuel bills and the evidence does not support increasing that period. The Commission finds that a collateral requirement based on forty-eight (48) months of non-fuel minimum bills is not fair, just or reasonable and is not in the public interest and that a collateral requirement based on twenty-four (24) months of non-fuel minimum bills is appropriate.

IV. ORDER

IT IS THEREFORE THE ORDER OF THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA that the Stipulation, **subject to and as amended or superseded by the**

modifications detailed hereinabove, is hereby adopted, and incorporated herein as if fully set forth, as the order of this Commission.

IT IS FURTHER ORDERED that the rates, charges and tariffs reflecting the terms of this Final Order be and the same are hereby approved as fair just and reasonable, and shall become effective July 1, 2026. PSO shall submit a revised large load tariff consistent with the terms and conditions of this order, within 10 days of the issuance of this Order, and the tariffs shall also be reviewed and approved by the Director of PUD.

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing findings, conclusions, and order are the report and recommendation of the undersigned Administrative Law Judge.

_____ _____

KEN BEHRENS, Administrative Law Judge Date

Respectfully Submitted,

Thomas P. Schroedter, OBA #7988
HALL, ESTILL, HARDWICK, GABLE,
GOLDEN & NELSON, P.C.
521 East 2nd Street, Suite 1200
Tulsa, OK 74120
Telephone (918) 594-0400
TSchroedter@HallEstill.com

And

Eric C. Money, OBA#22654
HALL, ESTILL, HARDWICK, GABLE,
GOLDEN & NELSON, P.C.
100 North Broadway, Suite 2900
Oklahoma City, OK 73102
Telephone (405) 553-2872
emoney@hallestill.com
ATTORNEYS FOR OKLAHOMA INDUSTRIAL ENERGY CONSUMERS

CERTIFICATE OF SERVICE

This is to certify that on the 22nd day of July, 2026 a true and correct copy of the above and foregoing document was served electronically on the parties that are listed on the Commission's Electronic Service List.

Thomas P. Schroedter