BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

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APPLICATION OF BRANDY L. WREATH,) DIRECTOR OF THE PUBLIC UTILITY) DIVISION, OKLAHOMA CORPORATION) CAUSE NO. PUD 202100035 COMMISSION, FOR AN EMERGENCY ORDER OF) THE COMMISSION TO ASSIST IN STABILIZING) THE ELECTRIC AND NATURAL GAS GRIDS) ORDER NO. 716952 THAT ARE NECESSARY FOR PUBLIC HEALTH,) WELFARE, SAFETY, AND SECURITY)

EMERGENCY ORDER TO ASSIST IN STABILIZING THE ELECTRIC AND NATURAL GAS GRIDS THAT ARE NECESSARY FOR PUBLIC HEALTH, <u>WELFARE, SAFETY, AND SECURITY</u>

This cause was heard by the Oklahoma Corporation Commission ("Commission") *en banc* at 3:00 p.m. as continued and reconvened at 7:00 p.m. on February 16, 2021, pursuant to §§ 25 O.S. 307.1(C), 304(5), 311(A)(9)(c) and 311(A)(13) by teleconference and by Scopia audio, Courtroom 301, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma. Michael Velez, Deputy General Counsel, Public Utility Division ("PUD") of the Commission, appeared for the Applicant.

The Commission, being well and fully advised in the premises and have considered the filing and evidence, finds as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. On February 16, 2021, Brandy Wreath, Director of PUD of the Commission, filed an Application requesting the Commission issue an Emergency Order to assist in stabilizing the electric and natural gas systems that are necessary for public health, welfare, safety, and security.

2. The Commission has jurisdiction of the subject matter and has authority pursuant to Article IX, § 18, of the Oklahoma Constitution and 17 O.S. § 152.

3. On February 12, 2021, Governor J. Kevin Stitt issued Executive Order 2021-06, declaring a disaster emergency caused by severe winter weather in all seventy-seven Oklahoma Counties, recognizing such weather is expected to cause damage to utilities, including electric and gas systems within the State of Oklahoma causing undue hardship on the citizens of this State ("2021 Winter Weather Event").

4. On February 14, 2021, the Southwest Power Pool ("SPP"), the regional transmission organization and independent system operator whose territory includes Oklahoma, issued a notice of an Energy Emergency Alert Level 1 to be effective beginning February 15, 2021, due to restraints on the system to meet firm load obligations and the potential to be unable to sustain its required contingency reserves.

5. Also on February 14, 2021, the SPP issued a statement addressing its efforts to prepare for worsening conditions due to extreme cold—noting coordination with its members and market participants to respond to high demand for electricity and inadequate supply of natural gas.

6. Since February 14, 2021, the SPP has been required to issue Energy Emergency Alert Levels 2 and 3. During Level 3, SPP requested member utilities to take appropriate load shedding measures necessitating interruptions of service to customers on short notice.

7. As a result of the 2021 Winter Weather Event, Oklahoma gas and electric utilities have experienced increased commodity prices along with problems related to commodity acquisition, line pressure, and supply shortages.

8. Due to the 2021 Winter Weather Event, the Commission recognizes that an emergency exists such that utilities may have a need to prioritize electric and natural gas service as practicable in the interest of public health, welfare, safety, and security.

9. The 2021 Winter Weather Event has caused SPP to direct its members to take action in an effort to reduce energy consumption for non-essential service to life and welfare, including directing load shedding.

10. The 2021 Winter Weather Event also requires additional energy conservation efforts to assist with the energy supply shortages.

11. This matter is of an emergency nature and time sensitive, and any delay would be impractical and would increase the likelihood of injury, damage, and immediate financial loss.

ORDER

IT IS THEREFORE ORDERED BY THE OKLAHOMA CORPORATION COMMISSION AS FOLLOWS:

In response to the 2021 Winter Weather Event, the Commission orders that, to the extent practicable, natural gas and electric utilities shall, in a manner consistent with Commission rules, prioritize the delivery of natural gas to their customers as follows:

- 1. Deliveries of natural gas and electricity services necessary for life, health, and public safety.
- 2. Deliveries of natural gas to electric generation facilities that serve human needs customers.

THE COMMISSION FURTHER ORDERS that to assist in stabilizing the electric and natural gas systems that are necessary for public health, welfare, safety, and security, the Commission directs utilities to:

- 1. Coordinate and communicate with all Oklahoma utility customers to reduce non-essential energy consumption. This should include, but is not limited to, the following:
- Reduce thermostat settings and unplug all non-essential electronic devices to avoid passive energy consumption.
- Turn off all office and workplace lighting, including exterior illumination, when not necessary for protection of life and safety.

- Turn off all exterior lighting not used for active public safety. This would include lighting to unused parking, exterior beautification, outdoor advertising not of a safety nature, etc.
- 2. Coordinate with commercial and industrial consumers in an effort to reduce load in a safe and reasonable manner.

This order shall terminate on February 20, 2021 at 11:59 p.m. unless the SPP has issued an Energy Emergency Alert Level 3 for February 20, 2021. In the event of a Level 3 designation, this order shall stay in effect until 24 hours after the SPP designation is lifted unless otherwise ordered by the Commission.

IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA

DD HIETT, CHAIRMAN

BOB ANTHONY, VICE CHAIRMAN

DANA L. MURPHY, COMMISSIONE

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this <u>16th</u> day of <u>February</u> , 2021.



BY ORDER OF THE COMMISSION:

PEGGY ELL, Commission Secretary