



Dear Customer:

Oklahoma Natural Gas Company, a division of ONE Gas, Inc. has filed an Application with the Oklahoma Corporation Commission requesting review and approval of its calculations under the Performance Based Rate Change Plan.

Public comment on these matters will be heard by the Corporation Commission's Administrative Law Judge at 1:30 p.m. on July 13, 2022, in Courtroom 301, at the Jim Thorpe Office Building, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma. All interested persons may appear and provide comments at that time. Public Comment may also be given on July 13, 2022, at 1:30 p.m. via Zoom at <https://www.zoomgov.com/j/1610504725>. After public comment has concluded, the hearing will be recessed and will resume at 9:30 a.m. on August 4, 2022, and each subsequent business day as necessary for testimony and examination of the parties' witnesses. After the hearing, the Commission will issue such orders and grant such relief as it deems proper, necessary, fair, just and reasonable, whether or not specifically requested in the Application.

In addition to the opportunity to appear and be heard at 1:30 p.m. on July 13, the public may submit written comments by mail to the Clerk, Oklahoma Corporation Commission, 2101 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105, or by email to [CS@occ.ok.gov](mailto:CS@occ.ok.gov). Written comments should be titled as "Public Comment" and clearly reference "PUD 202200023."

Oklahoma Natural Gas is seeking an increase of approximately \$19,668,043 in base rates. The requested increase is necessary to recover increased business costs and natural gas infrastructure investments. Oklahoma Natural Gas invested approximately \$119 million since its last base rate increase, a general rate review with a test year ending December 31, 2020. In addition, the company is requesting approval of the energy efficiency true-up and utility incentive adjustments for program year 2021 and modifications to its tariffs. The proposed increase would raise an average residential customer's service charge by approximately \$1.95 monthly or \$23.40 annually.

Additionally, as part of its compliance with the Tax Cuts and Jobs Act of 2017, Oklahoma Natural Gas will continue to return to customers excess deferred income taxes ("EDIT"), both protected and unprotected. The one-time annual EDIT credit for 2022 is \$9,129,977, subject to true-up. This EDIT credit equates to a one-time \$9.43 credit for an average residential customer. The one-time annual EDIT for 2022 will be paid in February 2023. This credit is separate and in addition to the requested increase described above.

In consideration of the requested base rate increase, the proposed adjustment to reflect the energy efficiency true-up and utility incentive calculations for program year 2021, and the one-time EDIT credit for 2022, the increase in the annual bill for an average residential customer is \$13.97, or \$1.16 per month.

For further information regarding the application, contact Curtis M. Long or J. Dillon Curran, Attorneys for Oklahoma Natural Gas, 1700 Leadership Square, Oklahoma City, Oklahoma, telephone (405) 272- 5711; or Michael Velez, Attorney Section Supervisor for the Oklahoma Corporation Commission, Jim Thorpe Building, 2101 N. Lincoln Blvd., Oklahoma City, OK 73105, phone (405) 522- 5930.