

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 522-1623, www.occ.state.ok.us

January 17, 2002

A BREAK FOR AMERICA'S DEFENDERS

Commission approves another fee waiver request for some members of the military

(Oklahoma City) There's one less worry for many military personnel in Oklahoma deployed as part of America's war on terrorism. They won't have to concern themselves with the reconnection charges normally assessed Valor customers at the time telephone service is restored.

The Commission this week unanimously approved an order granting Valor's request that it be allowed to provide a waiver of non-recurring charges for Military Reservists, National Guard, and full time Military Personnel who are forced to disconnect their Valor telephone service due to being deployed as part of Operation Enduring Freedom or Operation Noble Eagle. Valor's request came on the heels of a similar request from Southwestern Bell, which was granted by the Commission on December 20th.

Commission Chairman Denise Bode praised Valor's request.

"At the time of our approval of the Southwestern Bell request, I publicly encouraged their competitors and other utility companies in Oklahoma to follow their example. Valor is to be commended for 'stepping up to the plate' in such a forthright manner. This is one way such companies can support our brave men and women of the military and contribute to the war on terrorism."

Vice-Chair Bob Anthony noted the Commission approved a similar waiver in 1991 for those deployed as part of Operation Desert Storm.

"I am pleased that Southwestern Bell and Valor have again requested this waiver, this time to help our military personnel deployed in our country's war on terrorism," Anthony said.

Commissioner Ed Apple hopes the order will serve as an example to all Oklahomans.

"We have many military families in Oklahoma," said Apple. "This should encourage all of us to do what we can to support our armed forces. It's the least we can do."

The fee waivers will take effect January 2, 2002. The fees in question are those one-time charges normally assessed an Oklahoma Valor customer when their service is reconnected.

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News from the Oklahoma Corporation Commission

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February 4, 2002

Commission Approves Effort To Help Storm Victims Get Phone Calls

(Oklahoma City) The Oklahoma Corporation Commission today approved a request from Southwestern Bell that it be allowed to offer call-forwarding service free of charge for 30 days to victims of the recent ice storm who are currently without phone service.

“The Commission is working with all the utilities to try and facilitate efforts that will help consumers in the wake of this terrible ice storm,” said Commission Chairman Denise Bode. “This emergency action is an example of the kind of steps that can be taken to help the victims.”

Under the emergency order, Southwestern Bell customers in the 28 counties covered by Governor Keating’s disaster declaration who have been displaced from their home or business because of the storm will be able to have their calls forwarded to a number of their choice at no charge for 30 days. The offer applies only to those customers who do not currently having the call-forwarding service. At the end of 30 days, the customer will have to contact Southwestern Bell to discontinue the service or it will be automatically continued at the normal charge.

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News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occemail.com

February 6, 2002

Commission Approves Pioneer's Effort To Help Storm Victims Get Phone Calls

(Oklahoma City) The Oklahoma Corporation Commission today approved a request from Pioneer Telephone that it be allowed to offer call-forwarding service free of charge for 30 days to victims of the recent ice storm who are currently without phone service.

Pioneer's request is identical to one made by Southwestern Bell and approved by the Commissioners on Monday.

Under the emergency order, Pioneer customers in the counties covered by Governor Keating's disaster declaration who have been displaced from their home or business because of the storm will be able to have their calls forwarded to a number of their choice at no charge for 30 days. The offer applies only to those customers who do not currently having the call-forwarding service. At the end of 30 days, the customer will have to contact Pioneer to discontinue the service or it will be automatically continued at the normal charge.

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News from the **Oklahoma Corporation Commission**

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Phone: (405) 521-4180, FAX: (405) 522-1623, www.occ.state.ok.us

May 7, 2002

MEDIA ADVISORY: OIL AND GAS PRODUCTION NUMBERS SHOW CONTINUED DROP IN OKLAHOMA

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma has been released. It puts total oil production in Oklahoma for January, 2002 at 5,194,833 barrels. This is 474644 barrels below the December, 2001 crude production of 5,669,477 barrels.

Natural gas production also showed a decline. Total natural gas production for January 2002 was 116,462,361 MCF. That is a drop of 6,016,253 MCF from the December 2001 production of 122,478,614 MCF.

NOTE: ATTACHED IS A PDF FILE SHOWING THE COUNTY-BY-COUNTY BREAKDOWN OF THE PRODUCTION NUMBERS. YOU WILL NEED ADOBE READER TO OPEN THE FILE, WHICH CAN BE DOWNLOADED FREE FROM <http://www.adobe.com/products/acrobat/readstep.html>.

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER – STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

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February 27, 2002

PROMINENT OKLAHOMA ATTORNEY NAMED TO GENERAL COUNSEL'S POST

(Oklahoma City) Oklahoma City attorney R. Clark Musser has accepted the position of General Counsel to the Oklahoma Corporation Commission.

Commission General Administrator Larry Shaver said it was a "stroke of good fortune" that led to Mr. Musser's accepting the General Counsel's position.

"We were very fortunate to have the position open at a time when Mr. Musser was looking to shift gears in what has been a very successful law career," said Shaver. "Mr. Musser was considering public service, which is what the General Counsel's job is all about."

A noted oil and gas attorney and past President of the Oklahoma County Bar Association, R. Clark Musser has been the recipient of many honors over his 32 year career. They include Oklahoma Bar Association awards for meritorious service, as well as outstanding writing and teaching. The University of Oklahoma College of Law bestowed the Eugene Kuntz Award on Mr. Musser for his contributions to natural resources law and policy.

An adjunct professor of oil and gas law at OU's Colleges of Engineering and Business for 20 years (1979-1999), Mr. Musser has served as chairman of the Oklahoma Bar Association's Ethics Committee, and is currently a member of the Association's Diversity Committee. He is an Oklahoma Fellow of the American Bar Foundation, past President of the Oklahoma City Real Property Lawyers Association, past President of the William J. Holloway, Jr. American Inn of Court, and a member of the honorary legal fraternity, the Order of the Coif.

An Oklahoma City native, Mr. Musser was Director and President of the law firm of Musser & Bunch. He is presently Of Counsel to the Oklahoma City law firm of Mullins, Hirsch & Parrish. He will assume the General Counsel position on March 25, 2002.

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NOTE TO PRINT EDITORS: A JPEG FILE PHOTO OF MR. MUSSER IS ATTACHED FOR YOUR USE.

All OCC releases and advisories are available for viewing and downloading at the Commission's web site www.occ.state.ok.us

News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 522-1623, www.occ.state.ok.us

March 18, 2002

MEDIA ADVISORY: OIL AND GAS PRODUCTION NUMBERS

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma has been released. It shows total oil production in Oklahoma for the period January 2000 through November 2001 was 62,765,497 barrels. This is 3,227,307 barrels below the production from the same time period of a year before, which was 65,992,804.

Natural gas production also showed a decline. Total natural gas production for the time period was 1,458,954,312 MCF. That is a drop of 81,498,435 MCF from the same time period of a year before, when production totaled 1,540,452,747.

NOTE: A PDF FILE SHOWING THE COUNTY-BY-COUNTY BREAKDOWN OF THE PRODUCTION NUMBERS IS AVAILABLE AT THE OCC WEB SITE www.occ.state.ok.us.

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER – STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

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March 21, 2002

COMMISSION ASKS FOR DELEGATION'S HELP

(Oklahoma City) Citing the huge ice-storm-related losses and their potential impact on ratepayers of investor-owned utilities, the Corporation Commission has requested that Oklahoma's congressional delegation give "serious and expeditious" consideration to legislation authorizing government help.

At issue is the fact that while the Federal Emergency Management Agency can and will provide disaster funding to the public power and cooperative power utilities to aid in the restoration of their electric grids destroyed in the ice storm, investor-owned utilities are not normally eligible for such assistance.

However, there have been exceptions to this rule. In January of 1988, Congress enacted legislation authorizing FEMA to extend equitable relief to investor-owned utilities in the wake of an ice storm in the Northeast that was very similar to the recent disaster in Oklahoma.

In their letter to the delegation, the Commissioners note that taking such action in the Oklahoma case is necessary in order to spare Oklahoma's citizens the potential impact of increased electric rates and charges that may be made necessary because of the damage done in the ice storm.

NOTE: THE COMMISSION'S LETTER TO SENATOR DON NICKLES IS ATTACHED. ALL MEMBERS OF THE DELEGATION RECEIVED THE SAME LETTER.

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All news advisories and releases are available for downloading on the OCC web site at www.occ.state.ok.us

Attachement:

March 18, 2002

Honorable Don Nickles
133 Hart Senate Office
Washington, DC 20510

Dear Senator Nickles,

On January 30th of this year, an ice storm of unprecedented magnitude and destructiveness devastated northwestern Oklahoma. The storm left hundreds of thousands of Oklahomans, variously served by investor-owned, municipal and cooperative utilities, without power. The damage was so severe that President Bush declared 45 counties to be federal disaster areas. Thankfully, the costs of restoring the electrical grids of the public power and cooperative power utilities will be largely borne by disaster funding from the Federal Emergency Management Agency (FEMA). However, the enormous costs of rebuilding the transmission and distribution systems of the investor-owned utilities are simply not eligible for FEMA disaster assistance. Consequently, in the absence of some form of federal assistance, it is anticipated that the investor-owned utilities may pursue state rate increases to recoup their emergency response and reconstruction costs in their entirety. By illustration, one investor-owned utility is facing damages of almost \$140 million dollars, which if passed into its rates would have a material impact on electric consumers. We are aware that in reaction to a very similar ice storm that besieged the northeast states in January of 1998, Congress indeed enacted legislation authorizing FEMA to extend equitable relief to investor-owned utilities to help defray the cost of responding to the emergency and some portion of the expense of rebuilding their infrastructure.

In that regard, we would urge your serious and expeditious consideration of similar relief for Oklahoma. We believe that given the extraordinary nature of this event and its impact on Oklahoma, it is appropriate to fashion a legislative response that provides investor-owned

utilities timely assistance that equitably parallels the kind of relief already being provided to their public and cooperative utility counterparts. Noting that Oklahoma's municipal and cooperative utilities are primarily distribution service providers and would qualify for FEMA disaster assistance for rebuilding their distribution systems, I would hope that at a minimum Congress would authorize FEMA to similarly extend financial assistance to help cover the investor-owned utilities' costs for their emergency response and the restoration of their distribution systems. Such relief would directly benefit Oklahoma's citizens by sparing them the potential impact of increased electric rates and charges.

If we can provide any further assistance, please let us know.

Sincerely,

Denise A. Bode
Chairman

Bob Anthony
Vice Chairman

Ed Apple
Commissioner

**EDITORS, THIS IS A CORRECTION OF
THE RELEASE SENT EARLIER TODAY
(changing “million” in 1st line of 5th
paragraph to “thousand”)**

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Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmail.occ.state.ok.us

Bryndan Wright – Texas Railroad Commission 512-463-7145

bryndan.wright@rrc.state.tx.us

April 10, 2002

**“IT’S HIGH NOON,” SAY COMMISSION
CHAIRMEN OF OKLAHOMA, TEXAS**

Denise Bode and Michael Williams urge the Senate to break Iraq’s hold on the U.S.

Saying the day of reckoning can no longer be delayed, Oklahoma Corporation Commission Chairman Denise Bode and Texas Railroad Commission Chairman Michael Williams are calling on the U.S. Senate to move swiftly in passing the energy bill. The Commissions regulate oil and gas production in their respective states.

“Iraq’s announcement this week of an oil embargo and the rising price at the pump should be more than enough to convince the Senate of the need to act,” said Chairman Bode. “However, the picture is growing even more grim with Venezuela’s labor strife and its impact on that country’s flow of oil and gasoline to the U.S. After all, we are even more dependent on Venezuela than we are on Iraq. Together, those two nations account for over 25 percent of America’s imported crude supply.”

“There can be no doubt that we must have an energy policy that will encourage oil and gas production here at home,” added Chairman Williams. “The only thing standing in the way of long lines at the pump and prices beyond what most Americans can imagine is the domestic producer, many of whom are small businessmen who cannot continue to weather the drastic ups and downs of today’s energy market without a coherent government policy.”

Both Bode and Williams call the energy issue a matter of national security.

“We are currently using about 968 thousand barrels a day of Iraqi oil, thus supporting a regime that the present Administration has labeled part of ‘an Axis of evil,’” said Bode. “We were getting only 40 percent of our oil supply from OPEC when the 1973 Arab oil embargo almost brought us to our knees. Now we are 60 percent dependent, and the situation is far more serious than even that number would indicate. We are increasingly dependent on such nations as Venezuela for our gasoline supply as well. Citgo is one of the

largest gasoline refiners and marketers in America. It is owned by the government-controlled Venezuelan oil company.

“Meanwhile, domestic production continues to decline. Last year we had 1200 rigs working nationally. Now it’s 738. When are we going to say enough is enough?”

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April 16, 2002

COMMISSIONERS WELCOME GROWING COMPETITION FOR LOCAL AND LONG DISTANCE TELEPHONE SERVICE

Emphasize need for consumers to be informed about choices

(Oklahoma City) Oklahoma Corporation Commissioners today welcomed the entrance of MCI to the local-phone service market in Oklahoma.

“This is just the type of announcement we envisioned when the Commission adopted the alternative regulation rules opening Southwestern Bell’s local phone service to competition,” said Commission Chairman Denise Bode. “MCI’s decision means more customer choice, and competition that can result in ‘more bang for the buck’ for Oklahomans.

Commission Vice-Chairman Bob Anthony noted MCI’s “The Neighborhood” program reflects the changes that have occurred both in the local and long distance markets.

“Under alternative regulation, not only is the local phone market opened to competition, competition increases in the long distance market as well, as local phone companies are allowed to sell long distance. This increased competition has prompted such innovative programs as MCI’s new offering, which combines both the long distance and local elements of phone service.”

Commissioner Ed Apple noted all the new programs being offered by the telecommunications companies doing business in Oklahoma means consumers must do their homework.

“With greater choice comes greater responsibility for the consumer,” said Commissioner Apple. “The Commission is moving aggressively to provide Oklahomans the information they need in order to know what their rights are when it comes to telephone service, and to be able to comparison shop and make the right decision for themselves.”

This information is available on the Commission’s web site (www.occ.state.ok.us) as well as in brochure form at various agencies and community organizations.

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April 26, 2002

MEDIA ADVISORY: OIL AND GAS PRODUCTION NUMBERS

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma has been released. It shows total oil production in Oklahoma for 2001 (January through December) was 68,453,918 barrels. This is 2,733,114 barrels below the production of 2000, which totaled 71,187,032.

Natural gas production also showed a decline. Total natural gas production for 2001 was 1,588,738,285 MCF. That is a drop of 86,131,532 MCF from 2000, when production totaled 1,674,869,817 MCF.

NOTE: A CHART SHOWING THE COUNTY-BY-COUNTY AND MATERIAL BREAKDOWN OF THE PRODUCTION NUMBERS IS AVAILABLE AT THE OCC WEB SITE www.occ.state.ok.us

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER – STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

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April 29, 2002

MEDIA ADVISORY

The Oklahoma Corporation Commission is scheduled to discuss and vote on a proposed multimillion dollar settlement with Oklahoma Natural Gas at its meeting tomorrow (Tuesday-April 30, 2002) at 9:30 a.m. in Room 301 of the Jim Thorpe Building, Oklahoma State Capitol complex. The agreement deals with gas costs stemming from the winter of 2000-2001, as well as contracts ONG entered into with Dynamic Energy Resources of Tulsa. The agreement would result in refunds to ONG customers.

In addition to the vote, the Commission is also scheduled to hold discussions on the settlement talks that led to the proposed agreement.

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April 30, 2002

MEDIA ADVISORY

By a vote of 2-1, the Oklahoma Corporation Commission today approved a motion calling for the adoption of a settlement agreement with Oklahoma Natural Gas. The final agreement containing the changes agreed to in today's session will be voted on at 9:30 a.m. on Friday, May 3.

The 34.25 million dollar settlement agreement deals with gas costs stemming from the winter of 2000-2001, as well as contracts ONG entered into with Dynamic Energy Resources of Tulsa. The total value of the agreement to the average ONG customer is approximately 35 dollars. However, it should be noted that the preceding numbers do not include the estimated 8 to 14 million dollars in savings expected as a result of gas purchase contracts that will be renegotiated as part of the settlement agreement.

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May 7, 2002

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Let's be careful out there

2002-05-11

By Ed Apple

The wise desk sergeant in the TV show "Hill Street Blues" always admonished his officers: "Let's be careful out there." That same advice could just as aptly be given to regulators and legislators when dealing with public utility issues that impact all our lives.

Never has this been so true as when it comes to the efforts to restructure and/or deregulate our electric, natural gas or phone services. Such services, while once luxuries, are now necessities, and therefore are not to be tampered with lightly.

If we are to change the way these services are regulated, we first must know what the trade-offs are. Consumers need to know what they are giving up if they exchange the certainty of their regulated, monopoly provider for the harsh world of the competitive marketplace. Make no mistake, there is a vast difference in cultures between a monopoly, regulated utility run with the ratepayer uppermost in mind, and the unregulated counterpart whose primary concern is the bottom line in the annual report to shareholders.

Of particular concern is the impact of any change on the Local Distribution Company (LDC) side of the equation, which has a direct connection to the ratepayer through the wires, pipelines, meters, etc., that make up the delivery infrastructure. They are directly responsible for making sure the lights come on, the phone rings and the burner lights.

Over the years the LDCs have become integral parts of our communities in ways far beyond their scope of service. Often, the local LDC manager was a leader in economic and civic development in the community. With the trend toward mergers and consolidations, we have seen such things slashed from LDC budgets. Even such services as allowing a customer to pay a bill in cash have fallen by the wayside, contracted to a third party who charges the customer a fee for this service.

Are we doing so much in the name of creating competition that we've lost sight of the wisdom of having certain phases of our utility services remain regulated? Consumers need to be intelligently informed, and understand that "least cost" is not always "best value." The broader scope afforded the regulated LDCs in many cases may have been the key to reliable and affordable services.

How can we bridge the gap between the public and the LDC shareholders? What's needed is creation of stand-alone companies that are separate from the unregulated side of the energy equation. This would require that management and regulators do a better job in formulating policy incentives for the companies to be efficient, affordable, and reliable.

Let's be careful out there. The stakes are high.

News from the **Oklahoma Corporation Commission**

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May 16, 2002

COMMISSION APPROVES SETTLEMENT

Multi-million dollar agreement with ONG on behalf of ratepayers is called “significant”

The Oklahoma Corporation Commission today approved an order finalizing a settlement agreement with Oklahoma Natural Gas. The agreement contains approximately 48 million dollars in savings for ONG ratepayers. The settlement includes those gas costs borne by consumers from the winter of 2000-2001 that the Commission determined were imprudent, as well as gas costs that were the result of contracts ONG entered into with Dynamic Energy Resources, Inc. of Tulsa. Specifically, 34.3 million dollars of the settlement involves past overcharges in the two cases, while there will be an estimated 14 million dollars in savings to ratepayers as a result of the required renegotiation of the Dynamic contracts.

However, Commission Chairman Denise Bode said the agreement’s significance is not limited to dollars and cents.

“The settlement is significant in several ways. First, we were able to recover for ratepayers almost all of the gas costs from the winter to 2000-01 that the Commission determined were imprudent. In addition, The Commission order requires that the price paid for gas under the Dynamic contracts be sharply reduced. This means that residential ratepayers will start seeing a total savings of approximately 40 dollars in gas costs beginning in June. While the agreement does not grant as much direct cash relief as I would have liked, the bottom line is that our appeal has been at the Oklahoma Supreme Court since last fall, the Dynamics case has dragged on for years, and we must rely on the advice of counsel that this is the best we can do under the circumstances.

“However, in a broader sense this is validation of the Commission’s role in the changing world of utility regulation. Make no mistake. This completed agreement shows there is a sheriff that will make sure consumers are protected and that companies receive fair treatment, whatever may happen in the area of deregulation.

(more)

(ONG page 2)

“All utility companies now know beyond a shadow of a doubt the Commission will be monitoring the marketplace and exercising our prudence review authority when necessary. This agreement is a very important precedent, particularly in light of the fact Oklahoma’s utilities have this week filed their energy plans for next year, detailing for the Commission what steps each intends to take to ensure an adequate supply of energy at the best possible price for their customers.”

Commission Vice-Chair Bob Anthony had words of praise for Chairman Bode’s handling of the matter.

“Without Chairman Bode’s persistence and leadership, consumers probably would have received nothing from these two gas overcharge cases. She authored our ‘prudence review’ rule that gave us the authority needed in such cases, and for years provided the needed votes to pursue these cases.”

Specifically, the agreement with ONG requires that ratepayers who have been ONG customers since December of 2001 be given a 13 dollar credit on their July bills. ONG customers will then continue to see a separate savings entered on their bill every quarter as a result of the settlement. This will appear every quarter until December 2005, at which time there will be a final calculation of the total benefit from the renegotiated contracts. That total will appear as a credit on consumers’ bills at that time. The exact amount is dependent on the consumer’s gas usage, as well as market conditions over the time of the contracts.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

**EDITORS, PRODUCERS: SEE 2-PAGE
ATTACHMENT DETAILING SAVINGS**

**Average* Residential Customer Savings
ONG Settlement**

<u>Savings from Dynamic Contract</u>		<u>Savings from ONG</u>		<u>Total Savings</u>	
2002	.84		13.00	13.84	
2003	10.68		4.21	14.89	
2004	1.63		9.28	10.91	
2005	<u>(expired contract)</u>		<u>8.79</u>	<u>8.79</u>	
TOTALS	13.51	+	35.28	=	48.48

Average* Customer Savings

* Based on average annual residential use of 85 dekatherms per year

ONG Settlement

	<u>Savings from Dynamic Contract</u>	+ <u>Savings from ONG¹</u>	= <u>Total Savings</u>
Residential	\$13.51	\$35.28	\$48.43
Commercial	46.68	79.37	126.05
Industrial	339.32	532.27	871.59
Large Industrial	1,054.31	2,236.42	3,290.73

* Based on average annual residential use of 85 dekatherms, commercial use of 307 dekatherms, industrial use of 2,248 dekatherms and large industrial of 9,257 dekatherms

¹ Savings from July billing credit, and gas purchasing practices

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May 31, 2002

SPECIAL TO THE BARTLESVILLE EXAMINER-ENTERPRISE

COMMISSION APPROVES EMERGENCY ORDER FUNDING CLEANUP OF WASHINGTON COUNTY SITE

Oklahoma City) In a special hearing, the Oklahoma Corporation Commission has approved an emergency order allowing the use of state money to immediately begin the cleanup of an oil site that threatened a nearby creek. The Commission agreed with Commission Oil and Gas Field Inspector Bill Schufeldt that storage tanks on the abandoned site posed “an imminent threat to the environment and public safety” because they were leaking oil and salt water.

The site in question is located in Washington County in the Dewey area. The waterway threatened by the site is named Coon Creek.

Commissioner Chairman Denise Bode is pleased the site will soon be remediated.

“As a Washington County native, this situation has special significance for me,” said Bode. “I want to thank Washington County officials for their help in attacking this problem, and the Commission personnel who moved so swiftly to bring the matter before the Commissioners.”

The estimated cost of the cleanup is 12,500 dollars. Arrangements have been made with the United States Environmental Protection Agency to reimburse the state from a special EPA fund for the cost of the cleanup.

The Commission approved the order Thursday afternoon.

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News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 521-6945 www.occ.state.ok.us

June 3, 2002

MEDIA ADVISORY-“Ride Along”

In conjunction with National Transportation Safety Week, The Oklahoma Corporation Commission is offering an opportunity for the news media to ride along with an OCC Motor Carrier Enforcement officer during an enforcement patrol checking for safety rule and regulation violations on big rigs.

If you would like to ride-along with an OCC Officer in the Oklahoma City Metro area, please contact us by 06-04-02 (Tuesday).

To arrange a time, or for more information, contact Jim Palmer (522-2100) or Matt Skinner (521-4180).

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News from the Oklahoma Corporation Commission

Jim Palmer, Director of Information

Phone: (405) 522-2100, FAX: (405) 522-1623, www.occ.state.ok.us

June 7, 2002

COMMISSION FILES 27 SLAMMING COMPLAINTS AGAINST SEVEN LONG DISTANCE PHONE COMPANIES

Complaints from all areas of the state

AT&T, MCI WORLDCOM, SOUTHWESTERN BELL AND OTHERS CITED FOR A TOTAL OF 27 COUNTS OF UNAUTHORIZED SWITCHING OF LONG DISTANCE SERVICE

(Oklahoma City) – The Director of the Corporation Commission’s Consumer Services Division has filed 27 complaints of telephone slamming against seven long distance companies. Slamming is the switching of a customer’s long distance service provider without the knowing consent of the customer. The companies have ten days to answer the complaints and show cause as to why they should not be punished for contempt. The firms must also appear before an administrative law judge at the Commission on dates set in August and September.

The companies named in the slamming complaints include MCI WorldCom, AT&T Communications of the Southwest, Southwestern Bell Long Distance, Qwest Communications, Lightyear Communications, Excel Telecommunications and Coast International.

All of the contempt citations fall under the new state law against slamming which carries a maximum fine of \$10,000 per occurrence and the complete restoration of the consumer’s service at no charge.

The greatest number of complaints against any one company in this filing is 12 counts against MCI WorldCom.

-OCC-

All OCC news releases are available for review and / or downloading from the OCC web site at www.occ.state.ok.us

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmil.occ.state.ok.us

June 18, 2002

TULSA MEDIA ADVISORY

Oklahoma Corporation Commission Chairman Denise Bode, a member of the committee that advised the Bush administration on energy policy, will be speaking on the topic of a national energy policy today (June 18) in Tulsa. She will be speaking to the International Society of the Energy Advocates meeting at the Adams Mark Hotel, 100 E. 2nd at 12:30 p.m.

-OCC-

(All OCC media advisories and news releases are available on the OCC web site: www.occ.state.ok.us)

News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmil.occ.state.ok.us

June 20, 2002

MEDIA ADVISORY

Oklahoma Corporation Commission Vice-Chair Bob Anthony will be holding a news conference at 2:30 p.m. today (Thursday, June 20) to respond to Representative Charles Gray's call for an investigation into the OCC's handling of the recent Oklahoma Natural Gas case, and to raise further questions regarding the matter. At issue is a settlement totaling approximately 48 million dollars in credits and savings for ONG ratepayers.

WHERE: Main Commission Courtroom (Room 301, Jim Thorpe Building – 2101 N. Lincoln – State Capitol Complex)

-OCC-

(All OCC advisories and news releases are available on the OCC web site www.occ.state.ok.us)

OKLAHOMA
CORPORATION COMMISSION
2101 North Lincoln, Suite 304
Oklahoma City, Oklahoma 73105

Telephone: (405) 521-2267
FAX: (405) 521-4109



Denise A. Bode, Chairman

Contact: Linda Guthrie
(405) 521-2267

June 21, 2002

Consumer Alert

“THANK YOU FOR YOUR SERVICE TO OUR COUNTRY. YOUR BILL IS 700 DOLLARS.”

(Oklahoma City) Oklahoma Corporation Commission Chairman Denise Bode is concerned many Americans who are serving, or are about to serve, their country overseas are not aware of the potential perils and pitfalls of overseas calls.

“I am very concerned about the standard long distance rates being charged for calls from our men and women serving in the military overseas. Many families have chosen specific providers as their carriers and are unaware that the phones on the military base may be programmed for a specific carrier and are then shocked when they receive a \$600 or \$700 phone bill.”

This came to the Commission's attention when an elderly woman in Talihina contacted us regarding a \$771.32 phone bill she received for 184 minutes of collect calls from her son stationed at a base close to the border of Iraq. In her case, AT&T charged \$6.50 for the first minute, a \$4.50 surcharge and then \$2.76 for each additional minute. This was the standard rate unless the customer had chosen AT&T as their long distance carrier and had an AT&T calling card. She was surprised when AT&T billed her because she was not an AT&T customer and had given her son a calling card to use from another long distance carrier.

Chairman Bode stated, “Our citizens should not be put under additional hardships while their family members are serving our country overseas. I want to encourage our long distance carriers to be sure that our military families are charged the lowest possible rate to talk with their families while they are serving our country overseas and to make sure families know to contact their long distance carrier in advance to request special arrangements to ensure they are paying the lowest possible rates. My staff is working with the companies to address these concerns.”

At any time, if you have concerns with your telephone, electric or natural gas service, please contact the Consumer Services Division of the Commission at 1-800-522-8154.

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information, m.skinner@occmil.occ.state.ok.us

Phone: (405) 521-4180

June 24, 2002

IS THERE A THOUSAND DOLLAR TELEPHONE IN YOUR HOME?

Information in a class-action suit filed in Illinois has prompted Corporation Commissioner Ed Apple to repeat an advisory he first gave some four years ago regarding telephone ownership.

“According to the lawsuit against AT&T and Lucent Technologies, there are still well over a million Americans leasing their telephones,” said Apple. “Many of them, if not most, are not even aware they are paying such a charge, and/or are not aware of their options in this area. I first raised this issue in 1998, and without commenting on the merits of the lawsuit, it nonetheless appears the matter has not been resolved.”

Apple says while it might seem strange such leases still exist in an era when you can go into any one of thousands of stores and purchase a phone for a few dollars, one must understand past history.

“Prior to the 1984 breakup of what was known as ‘Ma Bell,’ virtually everyone leased their telephones from the phone company. It was simply part of life. Even after purchasing your own phone became the norm, many, particularly among the elderly, simply didn’t understand their interests might be better served by buying their own phone, rather than continuing to lease. When added up over the years, the lease means some have paid over a thousand dollars for the phone in their home.”

Corporation Commission Consumer Services Division Director Bill Burnett says it’s possible others are paying and don’t even know it.

“With consumer choice comes consumer responsibility, and one of the biggest responsibilities is to make sure you study and thoroughly understand every item on your phone bill,” said Burnett. “Consumer Services gets calls every day from folks who have unknowingly been paying a particular charge for some time, and only recently discovered that fact.”

Anyone with unresolved questions about their telephone bill can call the OCC’s Consumer Services Division at 1-800-522-8154 or inside the OKC metro area 521-2331. Further information on telephone/consumer issues is available on the OCC’s web site www.occ.state.ok.us

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News from the Oklahoma Corporation Commission

Matt Skinner, Public Information, m.skinner@occmil.occ.state.ok.us

Phone: (405) 521-4180

June 28, 2002

COMMISSION PRAISES JUMP TO THE DIGITAL AGE

A Giant Step Forward For Telecommunications in Oklahoma

Oklahomans may not know it, but tomorrow is an historic day for Oklahoma, say Oklahoma Corporation Commissioners. At one minute after midnight tonight, SBC Southwestern Bell will take the last analog switch in its Oklahoma network out of service, transferring all voice and data traffic to a new, state-of-the-art digital switch, making the SBC network in Oklahoma entirely digital.

“It puts Oklahomans in the driver’s seat when it comes to the Information Age,” explained Corporation Commission Chairman Denise Bode. “While those in certain parts of the country are held back in the amount of data that can be moved quickly and reliably from point A to point B because of old-fashioned analog systems, the sky’s the limit in the large part of Oklahoma that’s part of the SBC network.”

Chairman Bode said the high-tech network is an outgrowth of “alternative regulation,” under which prices for consumer services are set based on such factors as cost and market conditions.

“Earnings-based regulation was fair when there was only one phone company operating in Oklahoma,” Bode said. “In today’s increasingly competitive environment, alternative regulation is not only fair, it’s necessary to encourage telecom companies to invest in the technology needed to help our state compete in the 21st century marketplace. SBC has invested millions as a result of the ‘alt-reg’ agreement, and Oklahoma consumers and businesses will enjoy the benefits.”

Commissioner Bob Anthony noted the upgrade is the latest example of the Commission’s willingness to adapt regulation so companies can meet rapidly changing customer requirements.

Past rule changes have resulted in mandatory service quality standards and the establishment of the largest toll-free calling areas in the nation. In 1999 Anthony sponsored the alternative regulation proposal that combined incentives to bring new telecommunication companies into the Oklahoma market while gradually revising the requirements placed on Bell as competition took hold.

“When I was first elected to the Commission, Bell still had customers receiving service on party lines with two or four connections,” Anthony said, emphasizing how rapidly change is occurring. “Today we celebrate an all digital network bringing the capability of the latest telecommunications features to all Bell customers within the state, and Bell is moving rapidly to expand those features throughout its Oklahoma service area.”

The Oklahoma Corporation Commission approved the alternative regulation agreement in December of 1999. The state legislature allowed it to go into effect the following March.

OCC

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News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, www.occ.state.ok.us

July 1, 2002

COMMISSION ACTION MEANS MONEY IN YOUR POCKET THIS MONTH

\$13 credit just the beginning

Thanks to a settlement agreement forged by the Oklahoma Corporation Commission, those who have been customers of Oklahoma Natural Gas since December of 2001 will receive a \$13 credit on their July ONG bill.

Commission Chairman Denise Bode says the \$13 dollar credit is just the beginning of savings for ratepayers.

“ONG customers will continue to save money under the settlement, as it required the company to renegotiate certain high-cost gas contracts,” explained Bode. “When added to the credit, the settlement ordered by the Commission will total an estimated 48 million dollars for ratepayers through December of 2005.”

Commission Vice-Chair Bob Anthony said while the full Commission’s role in this matter was ended with the settlement agreement, he is hopeful others will focus on the questions raised in the course of the case.

“The \$13 credit starts a partial reimbursement for gas overcharges related to the shady \$150 million ONG contract negotiated with the Lums, who were corrupt political operatives from out-of-state,” said Anthony. “The Lums have already pled guilty to federal charges, but the investigation just initiated by the Oklahoma House of Representatives should further inform ONG customers about the profiteering which occurred at their expense.”

The settlement included those gas costs borne by consumers from the winter of 2000-2001 that the Commission determined were imprudent, as well as gas costs that were the result of contracts ONG entered into with the now-defunct Dynamic Energy Resources, Inc. of Tulsa, owned by Gene and Nora Lum. The settlement was approved by the Commission in May.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from Corporation Commissioner Bob Anthony

Jim Thorpe State Office Building

Phone:(405) 521-2261

FOR IMMEDIATE RELEASE

Contact: Larry Lago
(405)521-2211

ONG CUSTOMERS MIGHT BE DUE ANOTHER 28 MILLION DOLLARS

Commissioner Anthony calls on Attorney General, OCC Staff To Act On Allegations Of Overcharge

(Oklahoma City) Citing testimony by an expert witness in a now-settled case involving Oklahoma Natural Gas, Corporation Commission Vice-Chair Bob Anthony says certain ONG gas contracts deserve a closer look by the Attorney General and Commission staff.

“In recommending the Commission adopt the recent 48 million dollar settlement with ONG, both the A.G. and Commission Consumer Services Division (CSD) staff said they fully supported the testimony submitted in the case by CSD expert witness Tony Say,” explained Anthony. “ Mr. Say testified he had found four contracts with ‘peculiar pricing scenarios’ that resulted in what he estimated to be 28 million dollars (before interest) in overcharges to ONG’s customers. These contracts fell outside the scope of the recent settlement with ONG, and still await closer examination.

“What is of concern is whether the costs borne by ONG customers under these contracts meet the ‘fair, just, and reasonable’ provision of existing law. As his recent filing in the OG&E rate case illustrates, the Attorney General has the legal responsibility to represent ratepayers. Surely this matter deserves the same attention. Even in the wake of the recent settlement with ONG of certain past gas costs, the Attorney General and/or Commission staff can and should take a close look at the allegedly suspect contracts.”

Anthony noted the contracts in question predate the so-called “unbundling” gas utility rules (sometimes referred to as “deregulation”), some of which have been criticized by both the AG and Anthony. However, Anthony says the rule changes have positive aspects.

“Under these rules, gas utilities had to stop entering into individually negotiated contracts, and move to competitive bidding for natural gas supply and upstream services. Contracts such as the four pointed out by Mr. Say, or those the Commission ordered reduced under the recent ONG settlement, are a thing of the past.”

Anthony noted that the original ONG settlement agreement brought to the Commissioners for approval in April contained language that no issues would be raised regarding the prices paid under past contracts, regardless of whether those contracts were covered by the settlement. That provision was removed by motion of Commissioner Ed Apple.

“That is one of the reasons I was willing to vote for the amended settlement offer although I opposed the first,” Anthony said.

ONG buys gas from a variety of sources and passes that cost dollar-for-dollar to customers through the company’s purchased gas adjustment clause.

NOTE TO EDITORS: Please see attached concurring opinion, filed today, for more detail regarding the preceding.

APPLICANTS: MICHAEL EDWARD McADAMS and JOHN POWELL-)

WALKER)

RELIEF SOUGHT: RELIEF FROM IMPROPER AND EXCESSIVE)

PURCHASED GAS COSTS)

CAUSE NO. PUD 980000188

APPLICATION OF ERNEST G. JOHNSON, DIRECTOR OF THE)
PUBLIC)
UTILITY DIVISION, OKLAHOMA CORPORATION COMMISSION, TO)
REVIEW THOSE ASPECTS OF OKLAHOMA NATURAL GAS)
COMPANY'S PURCHASED GAS ADJUSTMENT CLAUSE RELATED) **CAUSE NO. PUD 200100057**

TO LEAST COST PROCUREMENT PRACTICES AND RELATED)
AFFILIATE TRANSACTIONS)

IN THE MATTER OF COMMISSIONER BOB ANTHONY'S)
INSPECTION)
OF THE BOOKS AND RECORDS OF ANY PUBLIC SERVICE)
CORPORATION AND EXAMINATION, UNDER OATH, ANY OFFICER,)
AGENT, OR EMPLOYEE OF SUCH, IN RELATION TO THE BUSINESS) **CAUSE NO. PUD 960000039**
AND AFFAIRS OF ARKANSAS LOUISIANA GAS COMPANY, A)
DIVISION)

OF NORAM ENERGY CORP. AND OKLAHOMA NATURAL GAS)
COMPANY A DIVISION OF ONEOK, INC. PURSUANT TO OKLAHOMA)
CONSTITUTION ARTICLE 9 SECTIONS 18, 28 AND 34)

APPLICATION OF ERNEST G. JOHNSON, DIRECTOR OF THE)
PUBLIC)
UTILITY DIVISION, OKLAHOMA CORPORATION COMMISSION, TO) **CAUSE NO. PUD 980000128**
REVIEW THE FUEL ADJUSTMENT CLAUSE OF OKLAHOMA)
NATURAL)
GAS COMPANY FOR THE CALENDAR YEAR 1996)

APPLICATION OF ERNEST G. JOHNSON, DIRECTOR OF THE)
PUBLIC)
UTILITY DIVISION, OKLAHOMA CORPORATION COMMISSION, TO) **CAUSE NO. PUD 980000127**
REVIEW THE FUEL ADJUSTMENT CLAUSE OF OKLAHOMA)
NATURAL)
GAS COMPANY FOR THE CALENDAR YEAR 1997)

APPLICATION OF ERNEST G. JOHNSON, DIRECTOR OF THE)
PUBLIC)
UTILITY DIVISION, OKLAHOMA CORPORATION COMMISSION, TO) **CAUSE NO. PUD 200000100**
REVIEW THE FUEL ADJUSTMENT CLAUSE OF OKLAHOMA)
NATURAL)
GAS COMPANY FOR THE CALENDAR YEAR 1998)

APPLICATION OF ERNEST G. JOHNSON, DIRECTOR OF THE)
PUBLIC)
UTILITY DIVISION, OKLAHOMA CORPORATION COMMISSION, TO) CAUSE NO. PUD 200100103
REVIEW THE FUEL ADJUSTMENT CLAUSE OF OKLAHOMA)
NATURAL)
GAS COMPANY FOR THE CALENDAR YEAR 1999)

Part 5 of Commissioner Bob Anthony's Concurring Opinion regarding Order No. 463681

issued May 16, 2002 Approving Settlement and Amended Stipulation

and

Concurring Opinion of Commissioner Bob Anthony regarding

Order No. 464287 issued June 7, 2002 reviewing ONG's PGA for 1996-1999

PUD 98-188, PUD 2001-57,

Page 2

PUD 96-39, PUD 98-128,

PUD 98-137, PUD 2000-100,

PUD 2001-103

The resolution of two ONG gas overcharge cases has been characterized as a \$48 million settlement. This settlement was presented to the Corporation Commission and approved on May 16, 2002. One reason I voted for the settlement was the likelihood of future consideration of an additional \$28 million, before interest, of ONG overcharges claimed in testimony supported by the Attorney General and the Commission's Consumer Services Division (Commission Staff).

On February 25, 2002, Mr. Say, the witness for Commission Staff, prefiled his testimony which on page 26 stated:

Contracts #4905, #5896, #4783, and #6135 appeared to be related to some type of settlements. The very peculiar pricing scenarios of those four contracts were similar to the Dynamic pricing scheme in some ways. In review, the prices paid by ONG were extremely high. The index plus prices were extremely high and in some instances ONG was paying a commodity charge and a demand charge. A commodity charge is the cost of the commodity or cost of gas, and the demand charge is a reservation cost. I did not see any reference to these settlement contracts in any of the annual reports I reviewed. I estimated the overpayment of these four contracts to be in excess of 28 million dollars.

On April 30, 2002, at the Commission hearing to consider the first signed proposed settlement presented by the parties, I criticized the Attorney General as legal representative of consumers for not offering a witness in either of the ONG gas overcharge cases. Furthermore, I criticized the Attorney General for not providing testimony specifying the dollar amount of excessive charges that he believed were made by ONG under the Dynamic Energy Resources, Inc. contract. (See the attached transcripts dated June 27, 2001 pages 85-86 and April 30, 2002 pages 58-60.)

On May 3, 2002, perhaps in response to my criticism on April 30, 2002, the Attorney General filed his Statement of Position in PUD 98-188, a case that sought relief from improper and excessive purchased gas costs under the Dynamic Energy Resources, Inc. contract with ONG. The Attorney General's statement concludes, "Therefore, the Attorney General supports Mr. Say's findings as contained in his prefiled testimony of February 25, 2002."

The signed Settlement and Amended Stipulation that was approved by the Commission on May 16, 2002 deleted a sentence contained on page 6 in Section V of the April 30, 2002 proposed settlement. The offending provision that was deleted pursuant to a motion offered by Commissioner Apple stated, "It is agreed and understood that no issues will be raised regarding the contract price of gas under any Oklahoma Natural contract(s) that was entered into prior to the promulgation of OAC 165:45-17."

On June 7, 2002, the Commission issued Order No. 464287, and I concur in the adoption of this final order for an arithmetic review of

ONG's fuel adjustment clause or purchase gas adjustment (PGA) clause for the calendar years 1996, 1997, 1998 and 1999. The order states, " ... yearly fuel adjustment clause hearings do not address issues of prudence. It is outside the scope of the statutory annual fuel adjustment clause hearing to make a determination whether the underlying charges are fair, just, reasonable and prudent. These determinations are left for a separate proceeding under other Commission authority." Therefore, this order allows the Attorney General, who has a legal responsibility to represent consumers, or the Commission Staff to file a case to seek relief from an estimated \$28 million in overpayment charges to ratepayers as claimed in the testimony supported by the Attorney General and Commission Staff in PUD 98-188 regarding the four ONG contracts.

Filed by Commissioner Bob Anthony on July 11, 2002.

News from the **Oklahoma Corporation Commission**

Matt Skinner-Public Information, m.skinner@occmil.occ.state.ok.us

Phone: (405) 521-4180

July 16, 2002

RAIL CROSSINGS IN WEST TULSA SHOULD STAY OPEN, SAYS OCC JUDGE

(Oklahoma City) – Oklahoma Corporation Commission Administrative Law Judge (ALJ) Charles Dudley has denied a request from the Sand Springs Railway Company to close 7 crossings in west Tulsa. In his finding, Judge Dudley stated that while the condition of the crossings in question make each a candidate for closure under existing rules, the Railway failed to show closing the crossings would answer the safety concerns posed. Rather, Judge Dudley found that such closures could increase the danger to the public by cutting the number of available crossings, and increasing the traffic to the four that would remain.

Judge Dudley further found that closing the seven crossings would cause problems for emergency vehicles needing to make a quick entrance and exit in the area.

Parties to the case can appeal the ALJ's decision to the full Commission. An appeal date is expected to be set in the near future.

The 7 crossings in question are located at 38th, 39th, 40th, 45th, 51st, 53rd and 61st west avenues in Tulsa.

The Sand Springs Railway Company delivers materials to some 35 customers between Tulsa and Sand Springs.

-OCC-

EDITORS: Judge Dudley's report is attached. [DUDLEY REPORT](#)

All OCC news releases are available for review and / or downloading from the OCC web site at www.occ.state.ok.us

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmil.occ.state.ok.us

July 17, 2002

OIL AND GAS PRODUCTION NUMBERS SHOW GAINS IN OKLAHOMA

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma puts total oil production in Oklahoma for March 2002 at 6,802,614 barrels. That's a jump of 1,838,939 barrels from February's total of 4,963,675 barrels, and an increase of 1,133,137 barrels from January 2002.

Natural gas production also showed an increase. Total natural gas production for March 2002 was 107,212,911 mcf, an increase of 2,406,964 mcf from February's total of 104,805,947 mcf. However, March's gas production number was still 9,249,450 mcf below the January 2002 production of 116,462,361 mcf.

EDITORS, PLEASE NOTE: ATTACHED IS A PDF FILE SHOWING THE COUNTY-BY-COUNTY BREAKDOWN OF THE PRODUCTION NUMBERS. YOU WILL NEED ADOBE READER TO OPEN THE FILE, WHICH CAN BE DOWNLOADED FREE FROM <http://www.adobe.com/products/acrobat/readstep.html>.

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER – STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

-OCC-

All news advisories and releases are available for downloading on the OCC web site at www.occ.state.ok.us

News from the Oklahoma Corporation Commission

Jim Palmer, Director of Information

Phone: (405) 522-2100, FAX: (405) 522-1623, www.occ.state.ok.us

August 1, 2002

New State Law Eliminates the Commission's Consumer Service Assistance for Many Electric Co-op Customers

(OKLAHOMA CITY) – Nearly 200,000 electric cooperative customers in Oklahoma have been given the right to vote themselves out from under most of the jurisdiction of the Oklahoma Corporation Commission leaving the Commission with no authority to assist in mediating consumer problems such as billing and quality of service issues.

A new state law, which took effect on July 1, leaves many electric cooperative customers without a long-standing way to resolve customer complaints and quality of service disputes. Traditionally, a customer unable to resolve a billing or quality of service complaint with the electric provider could contact the Corporation Commission's (OCC's) Consumer Service Division and receive assistance in working to clear up a problem. The new law allows electric co-ops which have exempted themselves from the Commission's rate jurisdiction to also be exempted from any OCC jurisdiction over consumer complaints or quality of service issues.

Last year, the Oklahoma Court of Civil Appeals ruled that co-op members unable to resolve quality of service complaints with their co-op could still turn to the Oklahoma Corporation Commission for help. The Commission's Consumer Services Division filed that case on behalf of a member of the Ada-based Peoples Electric Co-op (PEC) seeking assistance resolving a complaint. PEC had asserted that the Corporation Commission no longer had jurisdiction over consumer issues. This year's new law modified the statute upon which the ruling was based to clarify that the Commission did not have jurisdiction over consumer complaints.

OCC Consumer Service Director Bill Burnett says his department has always worked with customers needing assistance with billing complaints and quality of service issues. Now, under the new law, Burnett says his office will inform consumers from co-ops that have "opted out" that the Commission can no longer mediate these complaints with these co-ops. Burnett also says the Commission can no longer run technical field checks for quality of service on those co-ops where members have voted themselves out from under Commission jurisdiction.

-Continued-

page 2, "opt-out" continued

The Co-op member's recourse under the new law is to first try and resolve the complaint with the office staff of the co-op. If that does not resolve the problem, the co-op member may need to explain the problem in writing to the co-op's staff manager and the president of the board of directors then ask to be placed on the agenda of the next regularly scheduled co-op meeting. If no satisfaction is obtained, the member's next move might be filing a pleading in district court.

The only jurisdiction remaining at the Commission governs disagreements between service providers over certified territories and anti-competitive issues.

Sixteen of the 32 electric cooperatives serving Oklahoma consumers have already "opted-out" from regulation by the Corporation Commission with three others eligible to do so.

A list of the electric co-ops that have already “opted-out” from under OCC jurisdiction is available on the OCC web site at www.occ.state.ok.us.

-OCC-

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News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmil.occ.state.ok.us

August 6, 2002

MEDIA ADVISORY

STAFF FILING IN OG&E RATE CASE

The staff members of the Oklahoma Corporation Commission's Public Utilities Division have filed testimony in the Oklahoma Gas and Electric (OG&E) rate case (PUD 200100455). In that testimony, staff recommends that OG&E's rates be reduced by \$39.1million a year.

The recommendation would reduce residential rates by 1.89 percent (about \$18.50 per year for the average residential customer).

OG&E's request is for a rate increase of 11.7 million dollars a year.

The rate case is scheduled to be heard by a Commission Administrative Law Judge 9/24/02 through 9/26/02.

The Corporation Commissioners are scheduled to hear appeals in the case on November 20, 2002.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmil.occ.state.ok.us

August 13, 2002

LATEST OKLAHOMA OIL AND GAS PRODUCTION NUMBERS ARE MIXED

Increase in oil production for the year, but natural gas lower

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma puts total oil production in Oklahoma for April 2002 at 5,324,764 barrels. That is a decrease of 1,477,850 barrels from the March total of 6,802,614 barrels, but an increase of 529,349 barrels over April 2001.

Through April of this year oil production in Oklahoma totaled 22,345,798 barrels. That is 2,174,069 barrels more than in the same time period last year.

Total natural gas production for April 2002 was 122,700,478 mcf, an increase of 15,487,567 mcf from the March total of 107,212,911 mcf. However, the April 2002 gas production total was far below that recorded in April 2001, being some 135,378,660 mcf less than the April 2001 total of 258,079,138 mcf.

Through April of this year natural gas production in Oklahoma totaled 470,686,739 mcf. That is 560,353,981 mcf less than the total for the same time period last year.

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EDITORS, PLEASE NOTE: A COUNTY-BY COUNTY BREAKDOWN OF THE LATEST OIL AND GAS NUMBERS IS AVAILABLE FROM THE COMMISSION WEB SITE AT THE FOLLOWING ADDRESS - http://www.occ.state.ok.us/TEXT_FILES/o&gfiles.htm (click on (OGMONTH PDF)

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER – STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

-occ-

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News from the Oklahoma Corporation Commission

Matt Skinner-Public Information, m.skinner@occmil.occ.state.ok.us

Phone: (405) 521-4180

August 16, 2002

MEDIA ADVISORY-COMMISSIONERS TO HOLD TULSA SESSION ON APPEAL REGARDING RAIL CROSSINGS

The Oklahoma Corporation Commission will meet in Tulsa on Wednesday, September 4 to hear a case involving the proposed closing of 7 rail crossings in west Tulsa. The session will be held in the auditorium of the Kerr Building (State Office Building), 440 South Houston, at 9:30 a.m.

The Commissioners will hear an appeal from the Sand Springs Railway Company to the denial by OCC Administrative Law Judge Charles Dudley of the company's request to close the crossings. In his finding, Judge Dudley stated that while the condition of the crossings in question make each a candidate for closure under existing rules, the Railway failed to show closing the crossings would answer the safety concerns posed. Rather, Judge Dudley found that such closures could increase the danger to the public by cutting the number of available crossings, and increasing the traffic to the four that would remain.

Judge Dudley further found that closing the seven crossings would cause problems for emergency vehicles needing to make a quick entrance and exit in the area.

The 7 crossings in question are located at 38th, 39th, 40th, 45th, 51st, 53rd and 61st west avenues in Tulsa.

The Sand Springs Railway Company delivers materials to some 35 customers between Tulsa and Sand Springs.

-OCC-

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News from the Oklahoma Corporation Commission

Jim Palmer, Director of Information

Phone: (405) 522-2100, FAX: (405) 522-1623, www.occ.state.ok.us

August 30, 2002

COMMISSION RECEIVES HUNDREDS OF COMPLAINTS FROM BELL'S CUSTOMERS OVER ANNOUNCEMENT IT WILL ELIMINATE UNLIMITED FLAT RATE "LOCAL PLUS" AND "ONE-PLUS TOLL SAVER" PLANS

Chairman Bode promises a Thorough Hearing with Serious Consideration of all Evidence before Changing or Eliminating any Calling Plan

(OKLAHOMA CITY) – They are coming in by e-mail, phone call, card and letter. Hundreds of complaints from rural Oklahomans afraid of losing their long distance savings plan with Southwestern Bell. It was early August when Bell sent postcards and letters to customers of its "Local Plus" and "One Plus Saver Direct" plans telling them that it would eliminate the plans by October 15 and replace them with another plan involving a fixed number of flat rate minutes followed by a per minute charge. Within a few days the deluge of complaints began and continues.

Chairman Denise Bode stated "We will have a hearing on the Bell application and give serious consideration to all of the evidence presented before we reach any decision to modify or discontinue a calling plan that has benefited so many Oklahomans."

While complaints have come from dozens of small towns and cities in every area of the state, one of the towns with the most complaints has been Rush Springs. Out of the 142 complaining e-mails and letters received so far by Jim Palmer, the Commission's Director of Information, more than 44 towns and counties are represented with more than 20 percent of the complaints from Rush Springs and the nearby rural area.

"Each e-mail I receive regarding the long distance plans is forwarded to the Commission's Public Utilities Division and General Counsel's office for placement in the public comment file and for reference by the Commissioners and staff," said Palmer.

Offices of all three Commissioners and the agency's Consumer Services Division have also received hundreds of complaints. Commissioner Bob Anthony's office has received more than 450 total complaints by e-mail, phone, letter and cut-out forms from newspapers. A large number of the complaints received by Anthony have come from Seminole, Wewoka, Konawa and Maud. Chairman Denise Bode's office

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indicates it has received more complaints on this issue than any other. It reports about 120 phone and e-mail complaints and Commissioner Ed Apple's office at least 100. Bill Burnett, Director of Consumer Services, says his office has fielded 208 complaints.

This is a particularly sensitive issue with rural residents who do not have access to wide area calling like the major metropolitan areas of Oklahoma City and Tulsa.

One customer writes "I live in Rush Springs where the area code is 580. The county seat, Chickasha, is in the 405 area code...I already feel an unjust burden has been placed on those of us who live in southern Grady county by the redrawing of the area code map. We feel left out and unwanted by Southwestern Bell. Having to pay extra for telephone service to our county seat already upsets me."

Another Rush Springs area resident writes “I am extremely disturbed that Southwestern Bell is trying to discontinue the local plus calling plan. I live in a town where every call is long distance without it.”

A third complaint reads “I live in Rush Springs. The only means to internet services without huge phone bills is the Local Plus plan with Southwestern Bell. The people in this area can’t afford phone bills of \$100 or \$200 per month. The only means our school children have to the internet is with the Local Plus.”

Others say “Our calling plan is vital to our everyday life.” A disabled customer says “I am home bound so I often talk with my family long distance.”

The flat rate calling plans used by rural customers were modeled after similar plans in surrounding states following complaints from Oklahoma customers to Southwestern Bell and the Corporation Commission. Those complaints resulted in discussions on how best to provide a flat rate long distance service for rural customers who must make frequent long distance calls because they live outside of wide-area-calling. In 1998, the Commission ordered implementation of the flat rate toll saver plans on a test basis. They have been in effect since then. The announcement of their proposed elimination and what might replace them is still subject to review and order by the Commission.

No hearing date has been set for the Commission’s review of Southwestern Bell’s application.

-OCC-

All OCC news releases and advisories are available for downloading or review on the OCC web site at www.occ.state.ok.us

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmil.occ.state.ok.us

September 10, 2002

LATEST OKLAHOMA OIL AND GAS PRODUCTION NUMBERS ARE MIXED**

Rise in oil production reported, but natural gas declines from April to May

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma puts total oil production in Oklahoma for May 2002 at 5,810,740 barrels. That is an increase of 437,445 barrels from the April (revised) total of 5,373,295 barrels.

Through May of this year oil production in Oklahoma totaled 28,204,852 barrels. That is 2,184,208 barrels more than had been reported for the same time period last year.

Total natural gas production for May 2002 was 123,954,573 mcf, a decrease of 826,025 mcf from the April (revised) total of 124,780,598 mcf.

However, gas production was running ahead of the same time period a year ago. Through May of this year natural gas production in Oklahoma totaled 610,655,021 mcf. That is 5,877,258 mcf more than had been reported for the same time period last year.

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All OCC advisories and releases are available at www.occ.state.ok.us

****Editors, Please Note: All numbers are subject to change, and should be used for trend purposes only.**

A COUNTY-BY COUNTY BREAKDOWN OF THE LATEST OIL AND GAS NUMBERS IS AVAILABLE FROM THE COMMISSION WEB SITE AT THE FOLLOWING ADDRESS -

http://www.occ.state.ok.us/TEXT_FILES/o&gfiles.htm (click on (OGMONTH PDF)

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER - STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

OKLAHOMA
CORPORATION COMMISSION
Jim Thorpe Building
P.O. BOX 52000-2000
OKLAHOMA CITY, OKLAHOMA 73152-2000

308

Telephone: (405) 521-2264
FAX: (405) 522-1623

Ed Apple
Commissioner

9-13-02

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For Further Information, Contact:

Sarah Penn, Commissioner Apple's Office (405) 521-2264
Matt Skinner, Corporation Commission (405) 521-4180
Corporate Communications-Integrus Health (405) 629-3204

Damon Gardenhire,

MEDIA ADVISORY: Commissioner Apple, close friend, recovering after successful kidney donation

(Oklahoma City) Corporation Commissioner Ed Apple yesterday underwent kidney donation surgery, donating one of his kidneys to long-time close friend James "Jim" Metzger. The surgery was performed at Integrus Baptist Medical Center in Oklahoma City.

Urologist and surgeon James Donovan, M.D., performed the removal of the donated kidney from Apple. Urologist and kidney transplant surgeon E.N. Scott Samara, M.D., performed the kidney transplant operation on Metzger.

Commissioner Apple made the decision to be an organ donor for Metzger more than a year ago, after consultation with his family and another close friend, Duncan surgeon Dr. Jimmy Jones.

Apple and Metzger have been the best of friends since they first met in the 5th grade of Barnard Elementary in Tulsa. Commissioner Apple resides in Duncan. He will be 70 in November. James Metzger, a retired attorney, is an Edmond resident.

Commissioner Apple's term ends January 13th of next year. He is not seeking reelection.

News from the Oklahoma Corporation Commission

Matt Skinner-Public Information, m.skinner@occmil.occ.state.ok.us

Phone: (405) 521-4180

September 13, 2002

CORPORATION COMMISSON DENIES REQUEST TO CLOSE RAIL CROSSINGS

Commissioners say safety would not be served by closings

(Oklahoma City) – The Oklahoma Corporation Commission has denied a request by Sand Springs Railway Company that it be allowed to close 7 rail crossings in west Tulsa.

“Safety is our utmost concern, and our decision today reflects that,” said Commission Chairman Denise Bode. “The evidence is clear that closing the crossings would create more problems than it would solve.”

Vice-Chairman Bob Anthony agreed.

“Closing those crossings would increase traffic congestion through residential neighborhoods, and at the crossings left open,” Anthony said.

The Commissioners also said testimony in the case made it clear closing the seven crossings would cause problems for emergency vehicles needing to make a quick entrance and exit in the area.

The Commissioners also expressed concern with the condition of the crossings, saying the viability of the crossings must be addressed. However, the Commission feels that these issues are best resolved at the local level, and is urging the company to work with the community to find a solution.

The 7 crossings in question are located at 38th, 39th, 40th, 45th, 51st, 53rd and 61st west avenues in Tulsa.

The Sand Springs Railway Company delivers materials to some 35 customers between Tulsa and Sand Springs.

Commissioner Ed Apple did not vote, having recused himself from hearing the case.

OCC

All OCC releases and advisories are available at www.occ.state.ok.us

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmail.occ.state.ok.us

October 11, 2002

MEDIA ADVISORY

PROPOSED SETTLEMENT IN OG&E RATE CASE

A proposed settlement has been filed in the Oklahoma Gas and Electric (OG&E) rate case. The following are some of the basic details of the settlement, what happens next, and contacts for more information.

- The proposed settlement would result in total savings to OG&E customers of approximately 150 million dollars over a three year period.**
- The savings to an average residential customer are estimated to be 30 dollars a year. (This is a very approximate number).**
- If approved by the Commissioners, the savings will begin in the January billing cycle.**
- Administrative Law Judge Jackie Miller will hold a hearing on October 15th, after which she will determine when she will make a recommendation on the proposed settlement to the Commissioners.**
- The full Commission is expected to hold an open hearing on the proposed settlement within the next 4 weeks. At the conclusion of those hearings, the Commissioners will vote on the matter.**

EDITORS PLEASE NOTE: THE SETTLEMENT AGREEMENT IS AVAILABLE ON THE OCC WEB SITE's home page www.occ.state.ok.us under the "Regulated Utilities" heading.

**For more information on the settlement, the media may contact
Joyce Davidson (Public Utility Division Director, Oklahoma Corporation Commission) 405-522-1155,
or
Maribeth Snapp (Assistant General Counsel, Oklahoma Corporation Commission) 405-521-2259.**

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmil.occ.state.ok.us

October 14, 2002

LATEST OKLAHOMA OIL AND GAS PRODUCTION NUMBERS SHOW DROP**

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma puts total oil production in Oklahoma for June 2002 at 5,433,216 barrels. That is a decrease of 384,961 barrels from the May 02 (revised) total of 5,818,177 barrels.

Through June of this year oil production in Oklahoma totaled 33,712,728 barrels. That is 1,351,477 barrels less than the revised total reported for the same time period last year.

Total natural gas production for June 2002 was 118,826,370 mcf, a decrease of 7,232,018 mcf from the May (revised) total of 126,058,388 mcf.

Gas production also declined when compared to the same time period a year ago. Through June of this year natural gas production in Oklahoma totaled 748,968,614 mcf. That is 69,997,298 mcf less than revised total reported for the same time period last year.

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All OCC advisories and releases are available at www.occ.state.ok.us

****Please Note: All numbers are subject to change, and should be used for trend purposes only.**

NOTE: A CHART SHOWING THE COUNTY-BY-COUNTY AND MATERIAL BREAKDOWN OF THE PRODUCTION NUMBERS IS AVAILABLE AT http://www.occ.state.ok.us/TEXT_FILES/o&gfiles.htm

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER - STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

News from the **Oklahoma Corporation Commission**

Matt Skinner, Public Information Officer

Phone: (405) 521-4180 m.skinner@occmil.occ.state.ok.us

November 13, 2002

COMMISSIONERS WELCOME GROWING COMPETITION FOR LOCAL TELEPHONE SERVICE

Stress need for consumers to be informed about choices

(Oklahoma City) Telephone customers in seven Oklahoma communities will soon have another choice when it comes to local telephone service. The Oklahoma Corporation Commission today signed an order allowing Cox Oklahoma Telecom to offer local service in Tulsa, Sand Springs, Owasso, Sapulpa, Jenks, Broken Arrow, and Stillwater.

Commissioner Ed Apple noted all the new programs being offered by telecommunication companies doing business in Oklahoma means both residential and business consumers must do their homework.

“With greater choice comes greater responsibility for the consumer,” said Apple. “The Commission is moving aggressively to provide Oklahomans the information they need in order to know what their rights are when it comes to telephone service, and to be able to comparison shop and make the right decision for themselves.”

In voting for today’s order, Commission Chairman Denise Bode called it, “The type of thing we envisioned when the Commission adopted the alternative regulation rules opening Southwestern Bell’s local phone service to competition. More customer choice and competition that can result in more ‘bang for the buck’ for Oklahomans is good news. While the initial ‘roll-out’ for Cox in these markets will involve only commercial accounts, the company has made it clear to us it intends to eventually offer local phone service to residential customers as well, thus providing the benefits of competition to both sectors.”

-OCC-

(All OCC news releases and advisories are available for viewing and downloading at the OCC web site: www.occ.state.ok.us.com)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmil.occ.state.ok.us

November 20, 2002

COMMISSION APPROVES RATE DECREASE FOR OG&E CUSTOMERS

The Oklahoma Corporation Commission today gave unanimous approval to a rate case settlement with Oklahoma Gas and Electric (OG&E) that will reduce OG&E customers rates approximately 25 million dollars beginning in 2003.

Commission Chairman Denise Bode said she is pleased with the outcome of the settlement efforts.

“This rate case began as a request for a rate increase of over 20 million dollars,” noted Bode. “In light of the significant damage caused by the ice storm of last winter and the volatility in the electricity market, those involved in the settlement effort faced a formidable task. The final settlement furthers the goal of maintaining abundant supplies of electricity at affordable prices. Consumers will have a modest rate cut coupled with the guarantee of new electric capacity in the ‘out’ years.

“Both the OCC staff and those representing OG&E can be proud of the result of the settlement negotiations.”

Vice-Chairman Bob Anthony said the settlement meets the Commission’s standard of “fair, just, and reasonable” for all the parties.

“I don’t want to say the word ‘miraculous’, but it is certainly noteworthy that the settlement not only brings significant savings to the consumer, but also meets with the approval of OG&E, which testified that the company views the agreement as fair to OG&E and its shareholders. The fact that what started as a rate increase became a rate decrease demonstrates why gas and electric utility rate case audits should occur regularly,” Anthony said.

(more)

(OG&E pg2)

Commissioner Ed Apple called the settlement a “display of excellence”.

“This is a win-win for the ratepayer and for OG&E. I am mindful of all the hard work it took on the part of all the parties to reach this settlement, and they should be complimented for their efforts.”

It is estimated the average OG&E customer (1,000 kilowatts a month) will save approximately \$1.27 a month

under the rate decrease that takes effect in 2003.

In addition to the 25 million dollar rate reduction in 2003, the agreement also includes an anticipated savings totaling a guaranteed minimum of 75 million dollars from 2004 to 2006, due to changes in OG&E's power procurement practices. If at the end of 2006 the company cannot demonstrate a 75 million dollar savings, a credit will be given customers for the difference between the actual savings and the guaranteed 75 million dollars.

Final approval of the agreement is expected at the Commission's daily meeting on Friday.

EDITORS PLEASE NOTE: THE SETTLEMENT AGREEMENT IS AVAILABLE ON THE OCC WEB SITE's home page www.occ.state.ok.us under the "Regulated Utilities" heading.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmail.occ.state.ok.us

November 21, 2002

COMMISSION VOTES TO SUSPEND CONTROVERSIAL REQUEST FROM SOUTHWESTERN BELL

The Oklahoma Corporation Commission today gave unanimous approval to the suspension of a proposed order that if approved, would allow Southwestern Bell to charge local governments for 911 calls made from a cellular phone.

Commission Chairman Denise Bode said today's decision gives all the parties concerned needed time.

"The Commissioners take very seriously the concern that's been expressed by local governments about 911 service and possible charges," said Bode. "We want to be sure the OCC staff has the time needed to carefully review the request, and Commissioners have all the information they need to make an informed decision."

Southwestern Bell officials today told Commissioners company officials are planning to work with representatives of local governments to find a solution.

Commissioner Ed Apple says suspension of the order will allow the time needed for "reasonable people to come to a reasonable solution" to the problem, adding that he fully expects all concerned will come to an agreement.

Oklahoma City officials, representatives of the Association of Central Oklahoma Governments (ACOG), as well as other local governments in Oklahoma have gone on record as opposing the 23 cents per-call charge.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 522-1623, m.skinner@occmail.occ.state.ok.us

December 10, 2002

LATEST OKLAHOMA OIL AND GAS PRODUCTION NUMBERS SHOW DROP**

(Oklahoma City) The latest Oklahoma Corporation Commission report on oil and natural gas production in Oklahoma puts total oil production in Oklahoma for August 2002 at 5,583,461 barrels. That is a decrease of 26.154 barrels from the July 2002 (revised) total of 5,609,615 barrels.

Through August of this year, oil production in Oklahoma totaled 45,180,241 barrels. That is 1,547,634 barrels less than the (revised) total reported for the same time period last year, 46,727,875 barrels.

Total natural gas production for August 2002 was 125,464,652 mcf, a decrease of 2,475,297 mcf from the July (revised) total of 127,939,949 mcf.

Gas production also decreased when compared to the same time period a year ago. Through August of this year, natural gas production in Oklahoma totaled 1,021,898,961 mcf. That is 76,808,478 mcf less than the (revised) total reported for the same time period last year, 1,098,707,439 mcf.

The average price-per-barrel for Oklahoma oil in August 2002 was \$26.73, an increase of \$1.31 over the previous month's average of 25.42.

The average price for Oklahoma gas in August 2002 was \$2.73 mcf, a decrease of 14 cents from the previous month's average price of 2.87 mcf.

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All OCC advisories and releases are available at www.occ.state.ok.us

****Please Note: All numbers are subject to change, and should be used for trend purposes only.**

A PDF FILE SHOWING THE COUNTY-BY-COUNTY BREAKDOWN OF THE PRODUCTION NUMBERS IS AVAILABLE AT http://www.occ.state.ok.us/TEXT_FILES/o&gfiles.htm

FOR FURTHER INFORMATION ON OIL AND GAS PRODUCTION IN OKLAHOMA, CALL LARRY CLAXTON, MANAGER - STATISTICS/SURETY DEPARTMENT, OIL AND GAS DIVISION, OKLAHOMA CORPORATION COMMISSION (405) 521-2273.

NEWS from Corporation Commissioner Ed Apple

Jim Thorpe State Office Building

Phone: (405) 521-2261

FOR IMMEDIATE RELEASE

Contact: Sarah Penn

Telephone: (405)521-2824

December 13, 2002

CORPORATION COMMISSIONER AND ARKLA CUSTOMER APPLE JOINS IN APPROVAL OF RATE AGREEMENT WITH CENTERPOINT ENERGY ARKLA

Agreement cuts requested rate hike by more than 6 million dollars, commits utility to standards for customer service, accounting

The Oklahoma Corporation Commission today approved a rate case settlement with CenterPoint Energy Arkla (Arkla), the state's second-largest gas utility. The settlement was the result of negotiations involving the Commission's Public Utility Division staff, the Oklahoma Attorney General, and Arkla. In asking the Commissioners to approve the settlement, all parties to the case said the provisions of the settlement met the requirement of being "fair, just and reasonable."

Commissioner Ed Apple, an Arkla customer, called the agreement "fair for all concerned," adding that while the agreement contains a rate hike, it is far less than that originally requested by the company, and will ensure the continuation of a vital service to thousands of Oklahomans.

"Arkla has some 2,600 miles of pipeline in Oklahoma, with only about 40 customers per mile," explained Apple. "This means the cost of providing gas is higher than it is for utilities serving more populated areas. At the same time, the company has been hit with other factors, such as increased competition for commercial accounts. While the company has taken action to hold down its costs, including job cuts, there is only so much it can do and still meet the requirement that it guarantee service to its customers.

"The agreement is also noteworthy in that it contains provisions making the company more accountable," added Apple. "The company must now keep its books to the standard set by Federal Energy Regulatory Commission (FERC), and must maintain customer service quality data in such a way so as to enable Commission staff to easily verify the kind of job the company is doing in handling consumer complaints and requests."

Under the agreement, CenterPoint Energy Arkla's requested \$13.6 million rate increase was reduced to \$7.4 million. It is estimated the average residential user will experience an increase of approximately \$4.50 per month, but this will, of course, vary with the amount of gas used. It is important to note that the increase applies to the delivery rate for the gas. The price of gas itself is not regulated, and varies according to market conditions. Utilities are not allowed to make a profit on the price of the gas itself.

(This release is available on-line at www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information Officer

Phone: (405) 521-4180, FAX: (405) 521-6945 www.occ.state.ok.us

December 17, 2002

FILLING UP AT THE PUMP? BE CAREFUL, WARNS CORPORATION COMMISSION

Commissioners cite Petroleum Storage Tank Division guidelines as way of staying safe

Although refueling a vehicle is generally a safe operation, there have been a number of recent incidents in other states of flash fires occurring while refueling. Oklahoma Corporation Commissioners want Oklahomans to take note of guidelines from the OCC's Petroleum Storage Tank Division, saying these precautions can sharply reduce the risk of such incidents.

"Research has shown static electricity is the primary culprit behind such flash fires," noted Commission Chairman Denise Bode. "Just sliding across or out of a car seat generates some static electricity. Though the gasoline hose itself is grounded, when a person charged with static comes into contact with the fuel nozzle handle, an electrostatic spark can ignite the fuel vapor."

Tips For Refueling :

- Discharge any static electricity by touching the outside of your car before removing the gas nozzle or fuel cap.
- Stay near your vehicle's fueling point. Do not go back into your vehicle when refueling, as you may inadvertently build up a static charge on your person.
- If you must re-enter your vehicle while refueling, discharge the static electricity by touching a metal part of the outside of your car, **AWAY FROM THE FILLING POINT.**
- Always turn your engine off before refueling.
- Never smoke, light matches or a lighter, or use a cellular phone while refueling
- Do not overfill or top off your gas tank. Let the fuel dispenser shut off automatically.

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Safety Tips for Refueling

Page 2

- When dispensing gas into a portable container, always use an approved container. Always place the container on the ground and keep the pump nozzle in contact with the container when refueling to avoid a static electricity ignition of fuel vapors. Never place the container inside a vehicle, in the truck, on the bed of a pickup or flat bed, or on the roof of a trailer while fueling.

If a vapor ignition fire does occur:

- Leave the nozzle in the fill pipe and get quickly away from the vehicle.

- **Notify station attendants at once so dispensing devices and pumps can be shut off with emergency controls.**
- **If the facility is unattended, use the emergency intercom to summon help and the emergency shutdown button to shut off the pump.**

-OCC-

(All OCC media advisories and news releases are available on the OCC web site: www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmail.occ.state.ok.us

December 23, 2002

A BREAK FOR AMERICA'S DEFENDERS

Commission approves another fee waiver request for some members of the military

(Oklahoma City) A program will continue that meant one less worry for many military personnel in Oklahoma deployed as part of America's war on terrorism. Under the program, many military personnel do not have to concern themselves with the reconnection charges normally assessed SBC-Oklahoma customers at the time telephone service is restored.

The Commission today unanimously approved an order granting SBC-Oklahoma's (formerly Southwestern Bell) request that it be allowed to extend a waiver of non-recurring charges for Military Reservists, National Guard, and full-time military personnel who are forced to disconnect their Southwestern Bell telephone service due to being deployed as part of Operation Enduring Freedom, Operation Noble Eagle or other designated operations. The waiver was first approved by the Commission on December 20th of last year.

Commission Chairman Denise Bode praised SBC's request.

"At the time of our original approval of the Southwestern Bell request, I publicly encouraged their competitors and other utility companies in Oklahoma to follow their example. I repeat that request now. This is one way such companies can support our brave men and women of the military and contribute to the war on terrorism."

Vice-Chair Bob Anthony noted the Commission approved a similar waiver in 1991 for those deployed as part of Operation Desert Storm.

"I am pleased that SBC-Oklahoma has asked that this present waiver be extended, as Americans leave home and family to fight the war on terrorism," Anthony said.

Commissioner Ed Apple hopes the order will serve as an example to all Oklahomans.

"We have many military families in Oklahoma," said Apple. "This should encourage all of us to do what we can to support our armed forces. It's the least we can do."

The waiver covers the one-time charges normally assessed SBC-Oklahoma customers when their service is reconnected.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)

News from the Oklahoma Corporation Commission

Matt Skinner, Public Information

Phone: (405) 521-4180, FAX: (405) 521-6945 m.skinner@occmil.occ.state.ok.us

December 27, 2002

OKLAHOMA JOINS WITH OTHER STATES TO ‘INSURE’ NEW YEAR IS A SAFE ONE FOR MOTOR CARRIERS AND DRIVING PUBLIC

Oklahoma Corporation Commission Motor Carrier Enforcement Officers will join their counterparts in 37 other states New Year’s Day in a program aimed at making sure trucking companies have the insurance required to safely operate on Oklahoma’s highways.

“Oklahoma is part of a compact of 38 states which work together under the Single State Registration (SSR) program,” explained Commission Chair Denise Bode. “Through this program, trucking companies need only register in one participating state in order to operate legally in the other participating states.

“Every January, beginning on New Year’s Day, the designated authorities in each of the 38 states may stop and check each truck to be sure they have their SSR for the new year. That ensures each truck is operating with the necessary insurance that is so important to both the carrier and the motoring public.”

Notices were sent out in September by Oklahoma and the other states reminding all motor carriers of the need to renew their SSR. Any motor carrier with questions about the program can call the OCC’s Transportation Division at (405) 521-2251.

-OCC-

(All OCC advisories and news releases are available at the Commission web site www.occ.state.ok.us)