

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

MDS
AHB

IN THE MATTER OF THE APPLICATION OF)	
OKLAHOMA NATURAL GAS COMPANY, A)	CAUSE NO. PUD 200900110
DIVISION OF ONEOK, INC., FOR A REVIEW)	
AND CHANGE OR MODIFICATION IN ITS)	
RATES, CHARGES, TARIFFS, AND TERMS AND)	ORDER NO.
CONDITIONS OF SERVICE)	569659

HEARING: August 13, 2009
Before Maribeth D. Snapp, Administrative Law Judge

APPEARANCES: Dustin R. Fredrick, Joseph L. McCormick IV and David E. Keglovits, Attorneys for Oklahoma Natural Gas Company, a Division of ONEOK, Inc.
Thomas P. Schroedter, James D. Satrom and J. Fred Gist, Attorneys for Oklahoma Industrial Energy Consumers
William L. Humes and Elizabeth Ryan, Assistant Attorneys General for the Office of Attorney General, State of Oklahoma
Don A. Schooler, Assistant General Counsel for Public Utility Division, Oklahoma Corporation Commission

ORDER ESTABLISHING PROCEDURAL SCHEDULE

BY THE COMMISSION:

The Corporation Commission of the State of Oklahoma ("Commission"), being regularly in session and the undersigned Commissioners being present and participating, there comes on for consideration and action the motion of David B. Dykeman, Director of the Public Utility Division, Oklahoma Corporation Commission ("Staff") to establish a procedural schedule in this Cause.

On August 4, 2009, Commission Order No. 569462 was issued, referring this Cause to Administrative Law Judge Maribeth D. Snapp, ("ALJ") for hearing on its merits and to make rulings on all procedural matters and motions. All hearings shall be held in Courtroom 301, Jim Thorpe Office Building, 2101 N Lincoln Blvd, Oklahoma City, OK 73105.

The Commissioners, through Commission Order No. 569462, have suggested that this Procedural Schedule include Settlement Conference date(s) after the date for the filing of responsive testimonies but before the date for the filing of rebuttal testimonies and the presentation of closing statements by counsel at the conclusion of any hearing on the merits or presentation of any agreed stipulation and settlement. The Commissioners may attend and participate in all proceedings in this Cause following the posting of proper notice.

On August 3, 2009, Staff filed its Motion to Establish Procedural Schedule ("Motion"). The Motion came on for hearing before the ALJ on August 13, 2009, at which time counsel for

Staff announced that parties had consulted with each other as to the terms of the Procedural Schedule and announced the following agreed dates and conditions for the processing of the remainder of this Cause:

PROCEDURAL SCHEDULE

Application and Direct Testimony filed by ONG	June 26, 2009
Last day to intervene	September 24, 2009
Major issues lists exchanged among the parties	September 24, 2009
Staff's Exit Conference with ONG	October 12, 2009
Responsive Testimony on Revenue Requirement to be filed	October 14, 2009
Statements of Position to be filed by parties electing to not file testimony	October 19, 2009
Responsive testimony on Cost of Service and Rate Design to be filed	October 20, 2009
Settlement Conference	October 21 & 22, 2009 at 10:00 a.m.
Scheduling Conference	October 26, 2009 at 9:30 a.m.
Discovery Cut-off for October 14, 2009 Responsive Testimony	October 26, 2009
Discovery Cut-off for October 20, 2009 Responsive Testimony	November 2, 2009
All Rebuttal Testimony to be filed	November 3, 2009
Last day Pre-Trial Motions may be filed	November 4, 2009
Hearing Brief to be filed	November 5, 2009
Discovery Cut-off for all Rebuttal Testimony	November 6, 2009
Pre-hearing Conference – all Pre-trial Motions heard	November 6, 2009
Witness and Exhibit Lists exchanged; Testimony Summaries filed	November 6, 2009
Issue Spreadsheet provided to ALJ	November 6, 2009
Hearing on the Merits in Courtroom 301	Beginning November 9, 2009 and continuing each business day thereafter until the record is closed; beginning at 9:30 a.m. in Courtroom 301
Proposed Findings of Fact and Conclusions of Law	5 days after the last day of the hearing.
ALJ Report issued	7 business days after proposed findings of fact received
Final day to appeal ALJ report	5 business days after ALJ report issued
End of the 180 day period	December 23, 2009

I. HEARING ON THE MERITS

The hearing shall commence before the ALJ on **November 9, 2009, at 9:30 a.m., in Courtroom 301** of the Jim Thorpe Office Building, 2101 N Lincoln Blvd, Oklahoma City, OK

73105, and continue each business day thereafter until the record is closed. Notice shall be posted for each day of the hearing, indicating that one or more Commissioners may be present and participate.

A. ORDER AND PRESENTATION OF TESTIMONY

1. OKLAHOMA NATURAL GAS COMPANY

At the commencement of the hearing, witness(es) for Oklahoma Natural Gas Company (Applicant or ONG), shall offer into the record a concise, written summary of his/her pre-filed direct and rebuttal testimony through direct examination by counsel, which shall be done in lieu of oral direct testimony. Applicant shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised by any party after ONG files rebuttal testimony on **November 3, 2009**.

After the summaries, pre-filed testimony and oral surrebuttal testimony of the Applicant's witness have been submitted into the record, the witness shall be tendered for oral cross-examination and redirect examination.

Any redirect examination will be limited to issues that were raised during cross-examination.

ONG shall present its case on an issue by issue basis (*e.g.*, Revenue Requirement, Return on Equity, Rate Design and Policy). Once ONG has completed presenting an issue, the following order of presenting testimony as to that issue will proceed.

2. INTERVENORS

After Applicant has presented its testimony, Intervenors shall have each of their respective witness(es) offer into the record a concise, written summary of his /her responsive testimony, which shall be done in lieu of oral direct testimony. The witness shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised in the responsive testimony of the other parties or the rebuttal testimony of the Applicant.

After the summaries and pre-filed testimony of the witness have been submitted into the record and oral surrebuttal testimony presented, if any, each witness shall be tendered for oral cross-examination and redirect examination.

Any redirect examination will be limited to issues that were raised during cross-examination.

3. ATTORNEY GENERAL

After Applicant and all Intervenors have presented their testimony, the Attorney General shall have each of his witness(es) offer into the record a concise, written summary of his/her responsive testimony, which shall be done in lieu of oral direct testimony. The witness shall then be permitted to offer oral surrebuttal testimony in response to any new

matters raised in the responsive testimony of the other parties or the rebuttal testimony of the Applicant.

After the summaries and pre-filed testimony of the witness have been submitted into the record and oral surrebuttal testimony presented, if any, each witness shall be tendered for oral cross-examination and redirect examination.

Any redirect examination will be limited to issues that were raised during cross-examination.

4. PUBLIC UTILITY DIVISION STAFF

After Applicant, Intervenors and the Attorney General have presented their testimony, the Staff shall have its witness(es) offer into the record a concise, written summary of his/her responsive testimony, which shall be done in lieu of oral direct testimony. The witness shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised in the responsive testimony of the other parties or the rebuttal testimony of the Applicant.

After the summaries and pre-filed testimony of the witness have been submitted into the record and oral surrebuttal testimony presented, if any, each witness shall be tendered for oral cross-examination and redirect examination.

Any redirect examination will be limited to issues that were raised during cross-examination.

5. SUR-SURREBUTTAL

Due to Applicant having the burden of proof, after other parties have presented their testimony summaries, oral testimony and/or statements of position, Applicant may be allowed to present oral sur-surebuttal testimony, provided that other parties have raised new issues or presented new information related to existing information which Applicant was unable to adequately address through cross-examination. The oral sur-surrebuttal shall be strictly limited to the new issues.

Once Applicant has presented its oral sur-surebuttal testimony, the witness shall be tendered for cross and redirect examination. Any cross-examination shall be limited to the issues addressed in the sur-surrebuttal testimony; likewise, the redirect examination will be limited to issues which were raised during cross-examination.

B. CLOSING ARGUMENT

At the end of the hearing, the parties will be afforded the opportunity to present their position in closing argument in the same order used for presentation of testimony set forth above. Due to Applicant having the burden of proof, Applicant will be allowed to present rebuttal closing argument if it so desires.

II. PROCEDURE FOR DISCOVERY, TESTIMONY SUMMARIES, STATEMENTS OF POSITION, AND EXHIBITS

A. TESTIMONY SUMMARIES, STATEMENTS OF POSITION AND EXHIBITS

The parties shall file of record and exchange summaries of their respective pre-filed testimony on the date set forth herein. Summaries of testimony shall be used in the preparation of the ALJ's Report and Recommendation and shall also be transmitted to all parties and the ALJ in electronic format.

Any party not filing testimony and desiring to cross-examine witnesses at the hearing must file a Statement of Position on or before the date set forth herein.

Any objections regarding the testimony or qualifications of any witness or other procedural motion shall be filed by motion on or before **November 4, 2009**, and shall be heard no later than **November 6, 2009**, unless otherwise set at the discretion of the ALJ. All motions not resolved previously shall be heard at the Pre-hearing Conference.

Each party presenting or cross-examining any witness shall, no later than **November 6, 2009**, file of record and exchange an exhibit list of all potential exhibits that may be utilized at the hearing in support of direct, responsive and rebuttal testimony and statements of position and shall exchange any exhibits that have not already been provided or received throughout the course of the proceeding.

However, if for good cause shown, a party finds it necessary during the hearing to present an additional exhibit(s) that was not listed on the exhibit list, such exhibit(s) shall not be allowed unless submitted to all parties at least twenty-four (24) hours prior to the usage and permitted by the ALJ. An exhibit that could have been prepared prior to the commencement of the hearing shall be provided to the parties at the time of the scheduled exchange of exhibits. The parties may waive this provision with regard to a specific exhibit, by unanimous agreement.

B. DISCOVERY AND OBJECTIONS

Discovery Responses on Direct Testimony. Responses to discovery requests on Direct Testimony shall be due **ten (10) business days** from receipt as per Commission rules. Any objections to a discovery request shall be filed with the Commission on or before **five (5) business days** of the receipt of the discovery request and a hearing on such objections shall be set before the ALJ at 9:30 a.m. in Courtroom 301 on the day of the next Public Utility Motion Docket, unless specifically set on dates that are otherwise agreed to in advance and in writing by the parties after consultation with the ALJ.

Discovery Responses on Responsive and Rebuttal Testimony. Responses to discovery requests on Responsive and Rebuttal testimony shall be due **three (3) business days** from receipt. Any objections to such discovery request shall be filed with the Commission on or before **two (2) business days** of the receipt of the discovery request and a hearing on such objections shall be set before the ALJ at 9:30 a.m. in Courtroom

301 on the day of the next Public Utility Motion Docket, unless specifically set on dates that are otherwise agreed to in advance and in writing by the parties after consultation with the ALJ.

The parties agree that Data Requests to direct testimony shall be limited to twenty-five (25) per day to any other party. Further, parties agree that after the filing of responsive testimony, they will make "best efforts" to limit Data Requests to twenty-five (25) per day to any other party.

Calculation of days for discovery purposes shall be determined to be on or before 3:00 p.m. Any filing or service of discovery requests made after 3:00 p.m. shall be deemed to be the following business day.

Data Requests and responses may be referred to and utilized as exhibits at the Hearing on the Merits in this Cause.

Data Requests and responses shall be served in the most expeditious manner possible and to the person(s) designated by the parties to receive them.

C. GENERAL PROVISIONS

The parties agree that the cause shall be heard on an "issue by issue" basis. The submittal of issue lists to be consolidated into the Issue Spreadsheet provided for in the Procedural Schedule shown above is mandatory. If an issue is not listed by a party, testimony regarding such non-listed issue will not be allowed at the hearing.

Proposed Findings of Fact and Conclusions of Law shall be filed with the Court Clerk, and shall be submitted to all parties and the ALJ by email as set forth herein.

The Hearing Briefs shall contain the party's position on legal issues and the material issues, along with the party's rationale for such position.

If the parties are able to dispose of the issues of this Cause by way of negotiated settlement, subsequently approved by the Commission, the dates contained herein may be modified.

FINDINGS AND CONCLUSIONS

The Commission finds that it has jurisdiction of this matter by virtue of Article IX, Section 18 of the Oklahoma Constitution and 17 O.S. §§151 *et seq.*, OAC 165:35, OAC 165:70, OAC 165:5, or other applicable law.

The Commission further finds that the procedural schedule and general provisions set forth herein should be adopted by the Commission and adhered to by the parties.

The Commission further finds that if the parties are able to dispose of the issues in this Cause by way of negotiated settlement, subsequently approved by the Commission, the dates contained herein may be modified.

ORDER

IT IS THEREFORE THE ORDER OF THE CORPORATION COMMISSION of the State of Oklahoma that the Findings and Conclusions set forth herein be, and the same are hereby, adopted as the Order of the Commission.

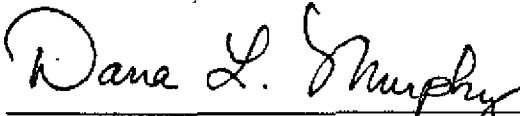
OKLAHOMA CORPORATION COMMISSION



BOB ANTHONY, Chairman

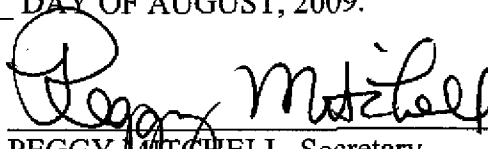


JEFF CLOUD, Vice Chairman



DANA L. MURPHY, Commissioner

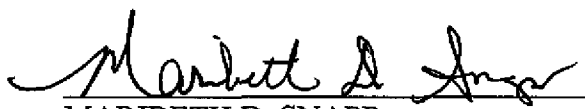
DONE AND PERFORMED THIS 18 DAY OF AUGUST, 2009.
BY ORDER OF THE COMMISSION:



PEGGY MITCHELL, Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing Findings and Order are the Report and Recommendation of the Administrative Law Judge.



MARIBETH D. SNAPP
Administrative Law Judge

8-13-09

Date