

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

*MDS*  
*JLM*

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	)	ORDER NO. <b>571097</b>
AND CONDITIONS OF SERVICE	)	

HEARING:                   October 8, 2009  
                                  Before Maribeth D. Snapp, Administrative Law Judge

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

**ORDER DETERMINING NOTICE REQUIREMENTS**

**BY THE COMMISSION:**

The Corporation Commission of the State of Oklahoma (the "Commission"), being regularly in session and the undersigned Commissioners being present and participating, there comes on for consideration and action the Motion of Oklahoma Natural Gas Company, a division of ONEOK, Inc., ("Oklahoma Natural" or the "Company") to Determine Notice Requirements.

Oklahoma Natural requested that it be permitted to provide notice of the hearing on the merits by including notice in the form attached as Exhibit A in regular customer billings or other direct mailings at least fifteen (15) days prior to the date of the hearing, pursuant to Commission rule OAC 165:5-7-51(a), and by publishing notice of the hearing on the merits by publishing notice in the form attached as Exhibit B once each week for two consecutive weeks in the *Tulsa World*, *The Oklahoman*, and newspapers of general circulation published in Beckham, McCurtain, Pushmataha, Bryan, Choctaw, Johnston, Jefferson, Love, Marshall, Comanche, Cotton, Tillman, Greer, Harmon, Jackson, Roger Mills, Ellis, Harper, Woodward, Woods,

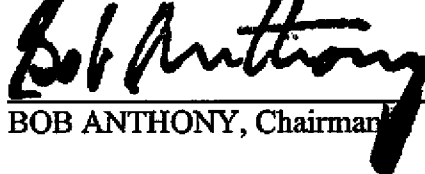
Alfalfa, Grant, Garfield, Major and Dewey Counties, with the first publication at least fifteen (15) days prior to the date of the hearing.

The Commission finds that the proposed method of notice is reasonably calculated to provide sufficient notice of the hearing on the merits in this Cause, that it meets the statutory notice requirements and/or the Commission rules for notice of hearing in this Cause, and that it should be approved.

**ORDER**

**IT IS THEREFORE THE ORDER OF THE CORPORATION COMMISSION** of the State of Oklahoma that the notice that shall be deemed to meet the requirements of OAC 165:5-7-51 is direct notice to customers in the form attached as Exhibit A to this order in regular customer billings or other direct mailings at least fifteen (15) days prior to the date of the hearing, pursuant to Commission rule OAC 165:5-7-51(a), and publication of notice of the hearing on the merits by publishing notice in the form attached as Exhibit B to this order once each week for two consecutive weeks in the *Tulsa World*, *The Oklahoman*, and newspapers of general circulation published in Beckham, McCurtain, Pushmataha, Bryan, Choctaw, Johnston, Jefferson, Love, Marshall, Comanche, Cotton, Tillman, Greer, Harmon, Jackson, Roger Mills, Ellis, Harper, Woodward, Woods, Alfalfa, Grant, Garfield, Major and Dewey Counties, with the first publication at least fifteen (15) days prior to the date of the hearing.

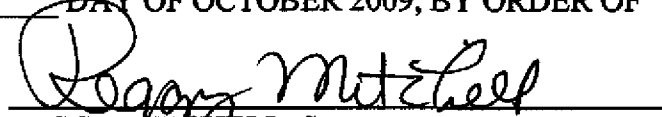
OKLAHOMA CORPORATION COMMISSION

  
BOB ANTHONY, Chairman

JEFF CLOUD, Vice Chairman

  
DANA L. MURPHY, Commissioner

DONE AND PERFORMED THIS 26 DAY OF OCTOBER 2009, BY ORDER OF THE COMMISSION:

  
PEGGY MITCHELL, Secretary

**REPORT OF THE ADMINISTRATIVE LAW JUDGE**

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



MARIBETH D. SNAPP  
Administrative Law Judge

10-22-09

Date

Dear Oklahoma Natural Gas Customer:

The Oklahoma Corporation Commission is scheduled to begin hearings on an Oklahoma Natural Gas request for a rate increase on November 9, 2009, at 9:30 a.m. in Courtroom 301, 3rd Floor of the Jim Thorpe Office Building, 2101 N. Lincoln Boulevard, Oklahoma City, Oklahoma, 73105. Interested persons may appear at the hearing and make public comment if they so desire.

Oklahoma Natural is seeking an increase of approximately \$66 million in base rates inclusive of \$25.5 million of Federal and State Income Taxes. The requested increase is partially offset by the elimination of various riders that currently impose charges to customers above and in addition to base rates effectively reducing the requested increase to a net annual increase of approximately \$37 million. This increase is necessary to recover increased business costs and natural gas infrastructure investments that the Company has made since 2004. In addition, the Company is requesting:

- Implementation of the Commission authorized Tariff 1201, Performance Based Rate Change Plan and the effect of this implementation on existing riders;
- Continuation and improvements to the Customer Choice rate design for residential customers and those commercial and industrial customers who continue to purchase gas from the Company; and
- Modifications and/or additions to miscellaneous service charges.

The proposed net increase of \$37 million, as proposed by Oklahoma Natural would raise an average residential customer's bill by approximately \$4.92 per month.

As proposed by the Company the average commercial/industrial sales customer would receive an increase of approximately \$4.25 per month.

For further information regarding the Application, contact David E. Keglovits attorney for Oklahoma Natural at 918-595-4800. In addition you may visit the Commission's Web site at [www.occeweb.com](http://www.occeweb.com) or send written comments addressed as follows: ONG Rate Case Comments c/o Office of General Counsel, Oklahoma Corporation Commission, P.O. Box 52000, Oklahoma City, Oklahoma 73152-2000.

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RATES, CHARGES, TARIFFS, AND TERMS )  
AND CONDITIONS OF SERVICE )

**NOTICE OF HEARING ON THE MERITS**

**NOTICE IS HEREBY GIVEN** that Oklahoma Natural Gas Company, a division of ONEOK, Inc. ("Oklahoma Natural" or the "Company"), has filed an Application with the Oklahoma Corporation Commission in the above-captioned Cause requesting a change in the rates, charges, tariffs, and terms and conditions of its natural gas utility service in Oklahoma.

**NOTICE IS FURTHER GIVEN** that the Application has been set for hearing on the merits before an Administrative Law Judge in Courtroom 301, 3rd Floor, Jim Thorpe Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma, commencing at 9:30 a.m. on the 9<sup>th</sup> day of November, 2009 and continuing daily until complete. Interested persons may appear at the hearing and make public comment if they so desire.

**NOTICE IS FURTHER GIVEN** that the Application requests the following relief:

1. A net increase of \$37.6 million in Oklahoma Natural's base rates. This represents an increase in base rates of \$66.08 million (inclusive of \$25.5 million of Federal and State Income Taxes) that is partially offset by the elimination of various riders that currently impose charges to customers above and in addition to base rates;
2. Implementation of the Commission authorized Tariff 1201, Performance Based Rate Change Plan and the effect of this implementation on existing riders;
3. Continuation and improvements to the Customer Choice rate design for residential customers and those commercial and industrial customers who continue to purchase gas from the Company; and
4. Modifications and/or additions to miscellaneous service charges

If the increase in base revenues requested in the Application is approved by the Commission, the impact on Oklahoma Natural's customers would be as follows:

- An average residential customer would experience a rate increase of \$4.92 per month; and
- An average commercial/industrial sales customer would experience a rate increase of approximately \$4.25 per month.

For information concerning this matter, contact David E. Keglövits, attorney for Oklahoma Natural at 918-595-4800 or Don Schooler, Assistant General Counsel, Oklahoma Corporation Commission, Fourth Floor, Jim Thorpe Office Building, 2101 N. Lincoln Blvd., Oklahoma City, OK 73105-4994, 405-522-0482, attorney for the Staff of the Public Utility Division of the Oklahoma Corporation Commission.

OKLAHOMA CORPORATION COMMISSION

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BOB ANTHONY, Chairman

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JEFF CLOUD, Vice Chairman

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DANA L. MURPHY Commissioner

DONE AND PERFORMED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.  
BY ORDER OF THE COMMISSION:

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Peggy Mitchell, Secretary