

ISSUANCE ADVICE LETTER

AUGUST 23, 2022

THE OKLAHOMA CORPORATION COMMISSION

Attn: Chair

Jim Thorpe Office Building,

2101 N. Lincoln Boulevard

Oklahoma City, Oklahoma 73105

SUBJECT: ISSUANCE ADVICE LETTER FOR RATEPAYER-BACKED BONDS

Pursuant to the Final Financing Order issued on the 25th day of January, 2022 in Cause No. PUD 202100079 before the Oklahoma Corporation Commission, *Application of Oklahoma Natural Gas Company, a Division of One Gas, Inc. for a Financing Order Approving Securitization of Costs Arising from the February 2021 Winter Weather Event Pursuant to the "February 2021 Regulated Utility Consumer Protection Act"* (the "Financing Order"), OKLAHOMA NATURAL GAS COMPANY (the "Utility" or the "Applicant") and THE OKLAHOMA DEVELOPMENT FINANCE AUTHORITY ("ODFA" or the "Authority") jointly submit, this Issuance Advice Letter to report certain terms and information related to the RATEPAYER-BACKED BONDS (OKLAHOMA NATURAL GAS COMPANY) SERIES 2022 (FEDERALLY TAXABLE), Tranches A-1, A-2 and A-3. Any capitalized terms not defined in this letter shall have the meanings ascribed to them in the Financing Order or the February 2021 Regulated Utility Consumer Protection Act, 74 Okla. Stat. §§ 9071-9081 (the "Act").

PURPOSE

This filing includes the following information:

- (1) Calculation of total principal amount of Bonds issued;
- (2) The final terms and structure of the ratepayer-backed bonds, including a description of any credit enhancement, the final estimated bond issuance costs and the final estimates of ongoing financing costs for the first year following issuance;
- (3) A calculation of projected customer savings relative to conventional methods of financing resulting from the issuance of the Bonds; and
- (4) The initial WESCR Charges.

1. PRINCIPAL AMOUNT OF BONDS ISSUED (AUTHORIZED AMOUNT)

The total amount of qualified costs, carrying costs and issuance costs being financed (the "Authorized Amount") is presented in Attachment 1.

2. DESCRIPTION OF FINAL TERMS OF BONDS

Set forth below is a summary of the final terms of the Bond Issuance.

Ratepayer-Backed Bond Title and Series: RATEPAYER-BACKED BONDS (OKLAHOMA NATURAL GAS COMPANY) SERIES 2022 (FEDERALLY TAXABLE)

Trustee: BOKF, NA

Closing Date: August 25, 2022

Bond Ratings: Moody's Aaa(sf); Fitch AAAsf

Amount Issued (Authorized Amount): \$1,354,200,000

Ratepayer-Backed Bond Issuance Costs: See Attachment 1, Schedule B.

Ratepayer-Backed Bond Ongoing Financing Costs: See Attachment 2, Schedule B.

Tranche	Coupon Rate	Scheduled Final Maturity	Legal Final Maturity
A-1	3.877%	5/1/2032	5/1/2037
A-2	4.380%	11/1/2040	11/1/2045
A-3	4.714%	5/1/2047	5/1/2052

Effective Annual Weighted Average Interest Rate of the Ratepayer-Backed Bonds:	4.523 %
Weighted Average Life of Series:	14.66 years
Call provisions (including premium, if any):	None.
Expected Sinking Fund Schedule:	Attachment 2, Schedule A
Payments to Bondholders:	Semiannually Beginning May 1, 2023, and each May 1 and November 1 thereafter through the last Legal Final Maturity Date

3. CALCULATION OF PROJECTED SAVINGS

The weighted average interest rate of the ratepayer-backed bonds (excluding costs of issuance and ongoing financing costs) is less than ONG's 8.88% cost of capital, accordingly, the proposed structuring, expected pricing, and financing costs of the ratepayer-backed bonds are reasonably expected to result in substantial revenue requirement savings as compared to conventional methods of financing. The net present value of the savings, which will avoid or mitigate rate impacts as compared to conventional methods of financing the qualified costs, is estimated to be \$845 million (see Attachment 2, Schedule C), based on an effective annual weighted average interest rate of 4.523% for the ratepayer-backed bonds.

4. INITIAL WESCR CHARGE

Table I below shows the current assumptions for each of the variables used in the calculation of the initial WESCR Charges.

TABLE I
Input Values For Initial WESCR Charges

Applicable Period:	From: 8/25/22 To: 5/1/23	From: 5/1/23 To: 11/1/23
Forecasted customer count for each WESCR Customer Class for the applicable period: *		
Tariffs 101 & 101-V Rate Choice A	204,907	200,693
Tariffs 101 & 101-V Rate Choice B	605,397	607,159
Tariffs 200 SCI & 200 SCI-V	47,034	46,598
Tariff 200 LCI	27,423	27,398
Tariff 291S	83	87
Tariff 601S	2	2
Tariff 705	10	10
Ratepayer-back bond debt service for the applicable period:	\$68,268,062	\$45,463,452
Charge-off rate for each WESCR Customer Class:		
Tariffs 101 & 101-V Rate Choice A	0.32%	0.32%
Tariffs 101 & 101-V Rate Choice B	0.32%	0.32%
Tariffs 200 SCI & 200 SCI-V	0.16%	0.16%
Tariff 200 LCI	0.16%	0.16%
Tariff 291S	0.00%	0.00%
Tariff 601S	0.00%	0.00%
Tariff 705	0.00%	0.00%
Estimated Charge off Amount:	\$200,250	\$150,188
Forecasted annual ongoing financing costs (See Attachment 2, Schedule B):	\$788,250	\$591,188
Current Ratepayer-Backed Bond outstanding balance:	\$1,354,200,000	\$1,326,382,018
Target Ratepayer-Backed Bond outstanding balance as of next bond payment:	\$1,326,382,018	\$1,309,976,933
Total Periodic Billing Requirement for applicable period:	\$69,256,562	\$46,204,828

* Reflects adjustments due to factors including the collection curve and charge-off assumptions.

Based on the foregoing, the initial WESCR Charges calculated for each WESCR Customer Class are detailed in Attachment 3

EFFECTIVE DATE


In accordance with the Financing Order, the WESCR Charges shall become effective beginning on the first day of the first billing cycle of the next revenue month following the date of issuance of the ratepayer-backed bonds.

AUTHORIZED OFFICER

The undersigned are officers of Applicant and Authority, respectively, and authorized to deliver this Issuance Advice Letter on behalf of Applicant and Authority.

Respectfully submitted,

THE OKLAHOMA DEVELOPMENT
FINANCE AUTHORITY

By: 
Name: Michael Davis
Title: President

OKLAHOMA NATURAL GAS COMPANY, a
Division of ONE Gas, Inc.

By: _____
Name: _____
Title: _____

cc: Director of the Public Utility Division, Oklahoma Corporation Commission

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The undersigned are officers of Applicant and Authority, respectively, and authorized to deliver this Issuance Advice Letter on behalf of Applicant and Authority.

Respectfully submitted,

THE OKLAHOMA DEVELOPMENT
FINANCE AUTHORITY

By: _____
Name: _____
Title: _____

OKLAHOMA NATURAL GAS COMPANY, a
Division of ONE Gas, Inc.

By: Caron A. Lawhorn
Name: Caron A. Lawhorn
Title: Senior Vice President and Chief Financial Officer

cc: Director of the Public Utility Division, Oklahoma Corporation Commission



ATTACHMENT 1
SCHEDULE A
CALCULATION OF AUTHORIZED AMOUNT

A.	Qualified costs authorized in Cause No. PUD 202100079 (including any adjustment to carrying costs)	\$1,337,849,589
B.	Estimated bond issuance costs (Attachment 1, Schedule B)	\$16,350,411
TOTAL AUTHORIZED AMOUNT		\$1,354,200,000

ATTACHMENT 1
SCHEDULE B
ISSUANCE COSTS

	Issuance Costs
Underwriters' Fees and Expenses	\$5,568,729.71
Underwriters' Counsel Legal Fees and Expenses	\$150,000.00
ODFA Financing Acceptance Fee	\$100,000.00
Council of Bond Oversight Fee	\$146,650.00
Bond Counsel Fees	\$214,723.00
Rating Agency Fees and Related Expenses	\$945,000.00
Printing - Estimated	\$5,000.00
Trustee's/Trustee Counsel's Fees and Expenses	\$20,000.00
ODFA Legal Fees	\$50,000.00
ODFA and Oklahoma Corporation Commission Financial Advisor Fees	\$410,000.00
Counsel to ODFA and Oklahoma Corporation Commission Financial Advisor	\$175,000.00
Oklahoma Corporation Commission Counsel – Contracted through Financial Advisor	\$50,000.00
Special Counsel	\$685,000.00
Disclosure Counsel	\$260,000.00
State of Oklahoma Attorney General Fee	\$146,650.00
Bond Link	\$23,325.00
Rule 17g-5 Website	\$4,000.00
Internet Roadshow - Estimate	\$7,500.00
Miscellaneous Expenses	\$50,000.00
Rounding Amount/Contingency	\$67,833.29
Total Non-Utility External Issuance Costs	\$9,079,411.00
Utility's Counsel Legal Fees and Expenses	\$250,000.00
Utility's Non-legal Securitization Proceeding Costs and Expenses	\$250,000.00
Total ONG Issuance Costs	\$500,000.00
Total Estimated Issuance Costs & Rounding Amount	\$9,579,411.00
Debt Service Reserve Subaccount (DSRS)	\$6,771,000.00
Total	\$16,350,411.00

Note: Any difference between the Estimated Issuance Costs financed for, and the actual Issuance Costs incurred by, the ODFA and (except as capped) the Utility will be resolved, if estimates are more or less than actual, through the WESCR Mechanism or pursuant to the Financing Order issued in this proceeding, as applicable.

ATTACHMENT 2
SCHEDULE A
RATEPAYER-BACKED BOND FUNDING REQUIREMENT INFORMATION
EXPECTED SINKING FUND SCHEDULE

SERIES 2022, TRANCHE A-1				
Payment Date	Principal Balance	Interest	Principal	Total Payment
8/25/22	\$375,000,000.00			
5/1/23	\$347,182,017.71	\$9,934,812.50	\$27,817,982.29	\$37,752,794.79
11/1/23	\$330,776,933.22	\$6,730,123.41	\$16,405,084.49	\$23,135,207.90
5/1/24	\$314,052,810.85	\$6,412,110.85	\$16,724,122.37	\$23,136,233.22
11/1/24	\$297,003,446.11	\$6,087,913.74	\$17,049,364.74	\$23,137,278.48
5/1/25	\$279,622,513.85	\$5,757,411.80	\$17,380,932.26	\$23,138,344.06
11/1/25	\$261,903,565.91	\$5,420,482.43	\$17,718,947.94	\$23,139,430.37
5/1/26	\$243,840,028.73	\$5,077,000.63	\$18,063,537.18	\$23,140,537.81
11/1/26	\$225,425,200.90	\$4,726,838.96	\$18,414,827.83	\$23,141,666.79
5/1/27	\$206,652,250.72	\$4,369,867.52	\$18,772,950.18	\$23,142,817.70
11/1/27	\$187,514,213.59	\$4,005,953.88	\$19,138,037.13	\$23,143,991.01
5/1/28	\$168,003,989.48	\$3,634,963.03	\$19,510,224.11	\$23,145,187.14
11/1/28	\$148,114,340.28	\$3,256,757.34	\$19,889,649.20	\$23,146,406.54
5/1/29	\$127,837,887.14	\$2,871,196.49	\$20,276,453.14	\$23,147,649.63
11/1/29	\$107,167,107.67	\$2,478,137.44	\$20,670,779.47	\$23,148,916.91
5/1/30	\$86,094,333.21	\$2,077,434.38	\$21,072,774.46	\$23,150,208.84
11/1/30	\$64,611,745.98	\$1,668,938.65	\$21,482,587.23	\$23,151,525.88
5/1/31	\$42,711,376.13	\$1,252,498.70	\$21,900,369.85	\$23,152,868.55
11/1/31	\$20,385,098.84	\$827,960.03	\$22,326,277.29	\$23,154,237.32
5/1/32	-	\$395,165.14	\$20,385,098.84	\$20,780,263.98
11/1/32	-	-	-	-

SERIES 2022, TRANCHE A-2				
Payment Date	Principal Balance	Interest	Principal	Total Payment
8/25/22	\$450,000,000.00			
5/1/23	\$450,000,000.00	\$13,468,500.00	-	\$13,468,500.00
11/1/23	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/24	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/24	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/25	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/25	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/26	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/26	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/27	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/27	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/28	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/28	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/29	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/29	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/30	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/30	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/31	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
11/1/31	\$450,000,000.00	\$9,855,000.00	-	\$9,855,000.00
5/1/32	\$447,624,631.27	\$9,855,000.00	\$2,375,368.73	\$12,230,368.73
11/1/32	\$424,415,555.45	\$9,802,979.42	\$23,209,075.82	\$33,012,055.24
5/1/33	\$400,696,750.31	\$9,294,700.66	\$23,718,805.14	\$33,013,505.80

11/1/33	\$376,457,020.91	\$8,775,258.83	\$24,239,729.40	\$33,014,988.23
5/1/34	\$351,684,926.45	\$8,244,408.76	\$24,772,094.46	\$33,016,503.22
11/1/34	\$326,368,774.87	\$7,701,899.89	\$25,316,151.58	\$33,018,051.47
5/1/35	\$300,496,617.31	\$7,147,476.17	\$25,872,157.56	\$33,019,633.73
11/1/35	\$274,056,242.49	\$6,580,875.92	\$26,440,374.82	\$33,021,250.74
5/1/36	\$247,035,170.93	\$6,001,831.71	\$27,021,071.56	\$33,022,903.27
11/1/36	\$219,420,649.10	\$5,410,070.24	\$27,614,521.83	\$33,024,592.07
5/1/37	\$191,199,643.32	\$4,805,312.22	\$28,221,005.78	\$33,026,318.00
11/1/37	\$162,358,833.71	\$4,187,272.19	\$28,840,809.61	\$33,028,081.80
5/1/38	\$132,884,607.82	\$3,555,658.46	\$29,474,225.89	\$33,029,884.35
11/1/38	\$102,763,054.24	\$2,910,172.91	\$30,121,553.58	\$33,031,726.49
5/1/39	\$71,979,956.04	\$2,250,510.89	\$30,783,098.20	\$33,033,609.09
11/1/39	\$40,520,784.04	\$1,576,361.04	\$31,459,172.00	\$33,035,533.04
5/1/40	\$8,370,689.98	\$887,405.17	\$32,150,094.06	\$33,037,499.23
11/1/40	-	\$183,318.11	\$8,370,689.98	\$8,554,008.09
5/1/41	-	-	-	-

SERIES 2022, TRANCHE A-3				
Payment Date	Principal Balance	Interest	Principal	Total Payment
8/25/22	\$529,200,000.00			
5/1/23	\$529,200,000.00	\$17,046,766.80	-	\$17,046,766.80
11/1/23	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/24	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/24	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/25	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/25	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/26	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/26	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/27	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/27	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/28	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/28	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/29	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/29	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/30	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/30	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/31	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/31	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/32	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/32	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/33	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/33	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/34	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/34	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/35	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/35	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/36	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/36	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/37	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/37	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/38	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/38	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/39	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00

11/1/39	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
5/1/40	\$529,200,000.00	\$12,473,244.00	-	\$12,473,244.00
11/1/40	\$504,714,499.48	\$12,473,244.00	\$24,485,500.52	\$36,958,744.52
5/1/41	\$471,095,814.11	\$11,896,120.75	\$33,618,685.37	\$45,514,806.12
11/1/41	\$436,682,635.16	\$11,103,728.34	\$34,413,178.95	\$45,516,907.29
5/1/42	\$401,456,186.76	\$10,292,609.71	\$35,226,448.40	\$45,519,058.11
11/1/42	\$365,397,249.31	\$9,462,322.32	\$36,058,937.45	\$45,521,259.77
5/1/43	\$328,486,149.02	\$8,612,413.17	\$36,911,100.29	\$45,523,513.46
11/1/43	\$290,702,747.16	\$7,742,418.53	\$37,783,401.86	\$45,525,820.39
5/1/44	\$252,026,429.06	\$6,851,863.75	\$38,676,318.10	\$45,528,181.85
11/1/44	\$212,436,092.86	\$5,940,262.93	\$39,590,336.20	\$45,530,599.13
5/1/45	\$171,910,138.05	\$5,007,118.71	\$40,525,954.81	\$45,533,073.52
11/1/45	\$130,426,453.60	\$4,051,921.95	\$41,483,684.45	\$45,535,606.40
5/1/46	\$87,962,405.99	\$3,074,151.51	\$42,464,047.61	\$45,538,199.12
11/1/46	\$44,494,826.77	\$2,073,273.91	\$43,467,579.22	\$45,540,853.13
5/1/47	-	\$1,048,743.07	\$44,494,826.77	\$45,543,569.84
11/1/47	-	-	-	-

ATTACHMENT 2
SCHEDULE B
ESTIMATED ONGOING FINANCING COSTS

	Itemized Annual Ongoing Financing Costs
ODFA Administration Fees ^	\$186,775
ODFA Legal Fees and Expenses^	\$75,000
ODFA Accounting Fees^	\$75,000
Trustee's/Trustee's Counsel Fees and Expenses ^	\$7,500
Rating Agency Fees and Related Expenses^	\$32,000
Rule 17g-5 Website ^	\$4,000
Miscellaneous ^	\$50,000
Total Non-Utility External Annual Ongoing Financing Costs	\$430,275
Ongoing Servicer Fees (Utility as Servicer)	\$677,100
Accounting Costs (External)^	\$75,000
Total (Utility as Servicer) Estimated Annual Ongoing Financing Costs	\$752,100
Ongoing Servicer Fees as % of original principal amount	0.056%
Ongoing Servicer Fees (Third-Party as Servicer - 0.60% of principal)	\$8,125,200
Other External Ongoing Fees (total of lines marked with a ^ mark above)	\$430,275
Total (Third-Party as Servicer) Estimated Ongoing Financing Costs	\$8,555,475

Note: The amounts shown for each category of ongoing financing costs on this attachment are the expected costs for the first year of the ratepayer-backed bonds. WESCR Charges will be adjusted at least semi-annually to reflect the actual ongoing financing costs through the true-up process described in the Financing Order, except that the servicing fee is fixed as long as the Utility (or any affiliate) is Servicer.

ATTACHMENT 2
SCHEDULE C
BENEFITS VERSUS CONVENTIONAL FINANCING

	Conventional Financing	Ratepayer-Backed Bond Financing	Savings/(Cost) of Ratepayer-Backed Bond Financing
Present Value	\$2,229.3 million	\$1,384.5 million	\$844.8 million

The present value discount factor shall be the rate needed to discount future debt service payments on the Bonds to the net proceeds of Bonds, including accrued interest, DSRS and any contingency retained by the trustee.

ATTACHMENT 3

INITIAL ALLOCATION OF COSTS TO WESCR CUSTOMER CLASSES

(1) WESCR Customer Classes	(2) WESCR Charge ¹ (% of base rate revenues)	(3) WESCR Charge ^{1,2} From: 8/25/22 To: 5/1/23	(4) Estimated WESCR Charge ^{1,2} From: 5/1/23 To: 11/1/23
Tariffs 101 & 101-V Rate Choice A	13.84%	\$6.33	\$5.27
Tariffs 101 & 101-V Rate Choice B	64.82%	\$10.04	\$8.16
Tariffs 200 SCI & 200 SCI-V	6.30%	\$12.61	\$10.38
Tariff 200 LCI	14.61%	\$50.17	\$40.93
Tariff 291S	0.37%	\$422.16	\$327.51
Tariff 601S	0.01%	\$472.20	\$385.04
Tariff 705	0.05%	\$492.35	\$391.57
Total	100.00%		

(1) WESCR Customer Classes	(2) Threshold Customer Numbers ³
Tariffs 101 & 101-V Rate Choice A	204,907
Tariffs 101 & 101-V Rate Choice B	605,397
Tariffs 200 SCI & 200 SCI-V	47,034
Tariff 200 LCI	27,423
Tariff 291S	83
Tariff 601S	2
Tariff 705	10

¹ Determined in accordance with the WESCR Mechanism Tariff at Appendix B of the Financing Order.

² See calculations in attached workpapers (ONG Initial WESCR Charge).

³ These are the average customer accounts upon which WESCR Charges have been calculated. A 10% change in these customer counts will trigger a re-allocation per the WESCR Mechanism Tariff at Appendix B of the Financing Order.

Attachment 3 - Issuance Advice Letter

(1) WESCR Customer Classes	(2) WESCR Charge Allocations	(3) Initial WESCR Charge ^{1,2}	(3) 5/1/2023 WESCR Charge Estimate ^{1,2}
Tariffs 101 & 101-V Rate Choice A	13.84%	\$6.33	\$5.27
Tariffs 101 & 101-V Rate Choice B	64.82%	\$10.04	\$8.16
Tariffs 200 SCI & 200 SCI-V	6.30%	\$12.61	\$10.38
Tariff 200 LCI	14.61%	\$50.17	\$40.93
Tariff 291S	0.37%	\$422.16	\$327.51
Tariff 601S	0.01%	\$472.20	\$385.04
Tariff 705	0.05%	\$492.35	\$391.57

Total 100.00%

(1) WESCR Customer Classes	(2) Threshold Customer Numbers ³	(3) Threshold Customer Numbers ³
Tariffs 101 & 101-V Rate Choice A	206,467	202,220
Tariffs 101 & 101-V Rate Choice B	605,397	611,782
Tariffs 200 SCI & 200 SCI-V	47,191	46,754
Tariff 200 LCI	27,514	27,489
Tariff 291S	83	87
Tariff 601S	2	2
Tariff 705	10	10

¹ Determined in accordance with the WESCR Mechanism Tariff at Appendix B of the Financing Order.

² See calculations in attached workpapers (ONG Initial WESCR Charge).

³ These are the average customer counts upon which WESCR Charges have been calculated. A 10% change in these customer counts will trigger a re-allocation per the WESCR Mechanism Tariff at Appendix B of the Financing Order.

ONG - Initial Securitization Charges Calculation													
	September-22	October-22	November-22	December-22	January-23	February-23	March-23	April-23		\$69,256,562	Agrees to Issuance Advice Letter		
ONG Total Tariff 101 & 101V Rate Choice A		208,639	210,001	210,886	206,381	206,498	206,584	206,239	Avg Customers				
Less Feb 2021 VFP		(1,551)	(1,551)	(1,551)	(1,551)	(1,551)	(1,551)	(1,551)		# of Charges Collected			
Net	69,029	207,088	208,450	209,335	204,830	204,947	205,033	204,688	206,467	1,513,404	13.84%	\$9,585,108	\$6.33
ONG Total Tariff 101 & 101V Rate Choice B		606,226	609,222	611,667	617,419	618,837	620,612	620,330					
Less Feb 2021 VFP		(4,505)	(4,505)	(4,505)	(4,505)	(4,505)	(4,505)	(4,505)					
Net	200,574	601,721	604,717	607,162	612,914	614,332	616,107	615,825	610,280	4,473,350	64.82%	\$44,892,103	\$10.04
ONG Total Tariff 200SCI & 200SCIV		46,334	46,813	47,169	48,007	48,227	48,358	48,083					
Less Feb 2021 VFP		(344)	(344)	(344)	(344)	(344)	(344)	(344)					
Net	15,330	45,990	46,469	46,825	47,663	47,883	48,014	47,739	47,191	345,911	6.30%	\$4,363,163	\$12.61
ONG Total Tariff 200LCI		26,993	27,274	27,662	27,545	27,662	27,777	27,769					
Net	8,998	26,993	27,274	27,662	27,545	27,662	27,777	27,769	27,514	201,680	14.61%	\$10,118,384	\$50.17
ONG Total Tariff 291S	27	81	81	81	84	84	84	85	83	607	0.37%	\$256,249	\$422.16
ONG Total Tariff 601S	1	2	2	2	2	2	2	2	2	15	0.01%	\$6,926	\$472.20
ONG Total Tariff 705	3	10	10	10	9	9	9	10	10	70	0.05%	\$34,628	\$492.35
											100.0000%		

ONG - 5/1/2023 Securitization Charges Calculation ESTIMATE											
	May-23	June-23	July-23	August-23	September-23	October-23		46,204,828	Agrees to Issuance Advice Letter		
ONG Total Tariff 101 & 101V Rate Choice A	205,626	204,497	203,773	202,825	202,825	202,825	Avg Customers				
Less Feb 2021 VFP	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)		# of Charges Collected	Allocation %	Allocation \$	Initial Rate
Net	204,118	202,989	202,265	201,317	201,317	201,317	202,220	1,213,323	13.84%	\$6,394,748	\$5.27
ONG Total Tariff 101 & 101V Rate Choice B	619,226	616,649	615,383	615,560	615,560	615,560					
Less Feb 2021 VFP	(4,541)	(4,541)	(4,541)	(4,541)	(4,541)	(4,541)					
Net	614,685	612,108	610,842	611,019	611,019	611,019	611,782	3,670,691	64.82%	\$29,949,970	\$8.16
ONG Total Tariff 200SCI & 200SCIV	47,830	47,322	46,936	46,846	46,846	46,846					
Less Feb 2021 VFP	(351)	(351)	(351)	(351)	(351)	(351)					
Net	47,479	46,971	46,585	46,495	46,495	46,495	46,754	280,521	6.30%	\$2,910,904	\$10.38
ONG Total Tariff 200LCI	27,685	27,512	27,430	27,436	27,436	27,436					
Net	27,685	27,512	27,430	27,436	27,436	27,436	27,489	164,935	14.61%	\$6,750,525	\$40.93
ONG Total Tariff 291S	87	87	87	87	87	87	87	522	0.37%	\$170,958	\$327.51
ONG Total Tariff 601S	2	2	2	2	2	2	2	12	0.01%	\$4,620	\$385.04
ONG Total Tariff 705	9	10	10	10	10	10	10	59	0.05%	\$23,102	\$391.57

100.0000%

ATTACHMENT 4

UTILITY CERTIFICATION

THE OKLAHOMA CORPORATION COMMISSION

ATTN: Chair

Jim Thorpe Office Building

2101 N. Lincoln Boulevard


Oklahoma City, Oklahoma 73105

Pursuant to the Final Financing Order issued on the 25th day of January, 2022 in Cause No. PUD 202100079 before the Oklahoma Corporation Commission, *Application of Oklahoma Natural Gas Company, a Division of One Gas, Inc. for a Financing Order Approving Securitization of Costs Arising from the February 2021 Winter Weather Event Pursuant to the “February 2021 Regulated Utility Consumer Protection Act”* (the “Financing Order”), THE OKLAHOMA NATURAL GAS COMPANY (the “Utility” or the “Applicant”) certifies that the calculation of the WESCR Charges included in the Issuance Advice Letter were calculated in accordance with Financing Order. If the Commission determines that the calculation of the WESCR Charges contained any mathematical error, such error will be corrected upon the next implementation of the true-up and reconciliation process.

Any capitalized terms not defined in this certification shall have the meanings ascribed to them in the Financing Order or the February 2021 Regulated Utility Consumer Protection Act, 74 Okla. Stat. §§ 9071-9081.

Respectfully submitted,

OKLAHOMA NATURAL GAS COMPANY, a
Division of ONE Gas, Inc.

By: 
Name: Caron A. Lawhorn
Title: Senior Vice President and Chief Financial Officer

cc: Director of the Public Utility Division, Oklahoma Corporation Commission

