



Joint Statement from City of Norman and OG&E on Path Forward

NORMAN, OKLA. (Feb. 1, 2023) – Norman voters rejected a franchise agreement with OG&E on January 10, 2023. According to the Cleveland County Election Board, 4,240 ballots were cast with 60.71% against the proposition and 39.29% for the proposition. This failure results in significant impacts and consequences for the City of Norman and its citizens, both in terms of power services and financial support. As a result, the City of Norman and OG&E have been working diligently together for the past three weeks to determine a path forward.

It's important to note the vote did not change Norman's service provider; OG&E's service area is determined by the state and is independent of the franchise agreement. As we work together to develop a constructive path forward, we agree on two primary goals:

- Ensuring the city does not lose \$3 million in revenue from the franchise fee and free service, which would significantly impact the City's ability to provide service to citizens, and
- Allowing OG&E to retain rights of way to restore electric service during storms or outages, and to improve the grid.

These goals must be met to ensure the citizens of Norman will not be impacted by a reduction in services and significant delays in power restoration. For example, if a car hit a power pole at 10 a.m. on Saturday morning, OG&E would have to wait until the City permitting office is open on Monday morning to replace the pole and restore service. This situation impacts public safety, and both parties agree citizen security is our top priority.

While the Oklahoma Constitution requires a franchise agreement be approved by a vote of the people, we all agree public safety requires there be no immediate change in how the City and OG&E have been conducting business with one another. For the next 12 months, OG&E will retain access to easements and rights of way, and the City will continue to receive franchise fees and its allotment of free electricity, as we work toward a long-term resolution.

When the previous long-term franchise agreement expired, OG&E worked in good faith with the City to improve the grid, investing \$23 million during that time to modernize equipment, along with increasing automation and technology to reduce the number and duration of outages. Norman was also selected as a pilot city for OG&E's Right Tree, Right Place initiative. Further, OG&E continues to demonstrate its commitment to our community, just recently selecting Irving Middle School as a location for a school solar pilot program. The City's relationship with OG&E is positive, and we both value our partnership.

A franchise agreement is the basis on which all other contracts between the Company and City are based, including pursuing additional renewables, undergrounding, or changes to the grid outside of OG&E's current planned improvements. The franchise agreement is a long-term commitment protecting the City and Company alike.

Together, The City and OG&E will launch a series of town hall meetings for OG&E customers and Norman residents to better understand from the citizens their concerns. In addition, OG&E staff is highly engaged with the City, civic groups, and community groups to partner together for Norman. OG&E's Norman presence includes supporting numerous non-profit organizations, employing a workforce of 62 at Norman's OG&E service center, and over 100 OG&E employees live in Norman. OG&E's contributions to our community are important to our quality of life.

The City will always have our citizens' best interest in mind and will continue to advocate for our community's needs with OG&E. This is a true partnership; each party understands the importance of resolving our current situation. We hope all Normanites will engage in this important process as we move toward a future franchise election.