



OG&E seeks to recover costs for federally mandated emissions compliance plan

December 31, 2018

- **OG&E seeks approval to recover \$609 million in emissions-reducing investments at two Oklahoma power plants**
- **Company meets January 2019 compliance deadline for federal Regional Haze Rule requirements**
 - **Major projects completed on time, under budget**
 - **OG&E's rates will remain among lowest in country**

OKLAHOMA CITY, Dec. 31, 2018 /PRNewswire/ -- Oklahoma Gas and Electric, a subsidiary of Oklahoma City-based OGE Energy Corp. (NYSE: OGE), announced today that it has asked the Oklahoma Corporation Commission to review the company's request to recover its approximately \$534 million investment in the Sooner Power Plant (Sooner) and its approximately \$75 million investment in the Muskogee Power Plant (Muskogee). To comply with the federal Regional Haze Rule, the company has installed emissions-reducing scrubbers on the two coal-fired units at Sooner and is converting two units from coal to natural gas at Muskogee.

"The first Sooner scrubber is online and the second is scheduled to go into service in January 2019," said OG&E spokesman Brian Alford. "It's important to note that this project is on schedule and approximately \$80 million under budget. Similarly, the Muskogee conversion is scheduled to go online in January 2019, also on time and under budget."

The company is seeking a rate increase of \$77.6 million per year, or 4.4 percent, to recover its investment. This equates to an increase of approximately \$7.60 per month for the average residential customer.

"While taking these actions at Sooner and Muskogee, we have maintained customer rates that are among the lowest in the country, at 31% below the national average, and within one-half of a percent of our 2014 rates, when these projects began," said Alford. "Due in large part to the actions we've taken at these facilities, overall plant emissions are expected to be significantly lower from 2005 levels. Beginning in 2019, sulfur dioxide emissions are expected to be lower by nearly 90 percent, nitrogen oxide to be lower by nearly 75 percent and carbon dioxide to be lower by approximately 40 percent."

Alford added that in addition to recovering the Sooner and Muskogee investments, the company's filing also seeks to align its return on equity (ROE) more closely to the industry average for utilities like OG&E, and to align its depreciation rates to more realistically reflect actual asset lifespans.

"OG&E consistently ranks well above the national average in terms of environmental stewardship, safety, customer satisfaction and low customer rates," said Alford. "Higher performing companies typically have ROEs aligned with, or above, the industry average."

About OG&E

Oklahoma Gas and Electric Company, a subsidiary of OGE Energy Corp. (NYSE: OGE), is Oklahoma's largest electric utility. For more than a century, we have provided customers in Oklahoma and western Arkansas the safe, reliable electricity needed to power their businesses and homes at rates below the national average. Our employees are committed to generating and delivering electricity, protecting the environment and providing excellent service to our 847,000 customers. OG&E has 6,304 MW of electric generation capacity fueled by low-sulfur coal, natural gas, wind and solar. OG&E employees live, work and volunteer in the communities we serve. For more information about OG&E, visit us on the Internet at <http://www.oge.com> or follow us on Facebook: www.facebook.com/ogepower and Twitter: [@OGandE](https://twitter.com/OGandE). Click here to view the [OG&E corporate stewardship report](#).

 View original content: <http://www.prnewswire.com/news-releases/oge-seeks-to-recover-costs-for-federally-mandated-emissions-compliance-plan-300771573.html>

SOURCE OGE Energy Corp.

Brian Alford, (405) 553-3698, alfordbt@oge.com; Financial Contact: Todd Tidwell, (405) 553-3966