



3rd Quarter 2010 Financial Overview

OGE Energy Corp. the parent company of Oklahoma Gas and Electric Company (OG&E) and Enogex LLC, reported earnings of \$1.65 per diluted share for the three months ended September 30, 2010, compared with \$1.40 per diluted share for the third quarter of 2009.

OG&E, a regulated electric utility, contributed earnings of \$1.43 per share in the third quarter, compared with earnings of \$1.26 per share in the third quarter last year. Enogex, a midstream natural gas pipeline business, contributed earnings of \$0.24 per share compared with earnings of \$0.18 per share in the year-ago quarter. The holding company posted a loss of \$0.02 per share in the third quarter, compared with a loss of \$0.04 per share in the third quarter of 2009.

"The utility clearly benefited from the hot summer which resulted in record demands on our electric system," said Pete Delaney, OGE Energy chairman, president and CEO. "At Enogex, we continue to experience strong growth. Processed volumes reached record levels for the third consecutive quarter. Congratulations to all of our members for their efforts to ensure our systems performed during peak summertime demand."

Discussion of Third Quarter 2010

OGE Energy's consolidated gross margin on revenues was \$513 million in the third quarter, compared with \$431 million a year ago. Net income attributable to OGE Energy was \$163 million in the third quarter, compared to \$137 million in the year-ago quarter.

OG&E's gross margin on revenues was \$412 million in the third quarter, compared with \$342 million in the comparable quarter last year. The increase was due primarily to favorable weather in OG&E's service territory and the implementation of various riders associated with utility investments. Net income for OG&E was \$142 million in the third quarter, compared with \$123 million last year.

Enogex's gross margin on revenues was \$103 million in the third quarter, compared with \$93 million in the comparable quarter last year. The increase was primarily due to higher natural gas liquids prices, a 16 percent increase in processing volumes and record natural gas gathering volumes for the second consecutive quarter. Net income for Enogex was \$24 million in the third quarter, compared to \$18 million a year earlier.

2010 Outlook

OGE Energy's projection for consolidated ongoing earnings guidance for 2010 has been increased to \$2.95 to \$3.05 per average diluted share up from the previous guidance which was at the upper end of the \$2.70 to \$2.95 per average diluted share range. The guidance assumes between approximately 98 million and 99 million average diluted shares outstanding and normal weather for the remainder of the year, and excludes the one-time charge associated with the national health care law enacted in March 2010. More information regarding 2010 earnings guidance and third quarter results are contained in the Company's Form 10-Q filed today with the Securities and Exchange Commission.

Non-GAAP Financial Measures

Ongoing Earnings and Ongoing Earnings per Average Diluted Share, which exclude the one-time non-cash charge of approximately \$11.4 million or \$0.11 per average diluted share associated with the elimination of the tax deduction for the Medicare Part D subsidy as a result of the health care law enacted in March 2010, are non-GAAP financial measures. OGE Energy's management believes ongoing earnings and ongoing earnings per average diluted share provide a more meaningful comparison of earnings results and are more representative of OGE Energy's fundamental earnings power. OGE Energy's management uses ongoing earnings and ongoing earnings per average diluted share internally for financial planning and analysis, for reporting of results to the Board of Directors, and when communicating its earnings outlook to analysts and investors. Reconciliations of ongoing earnings and ongoing earnings per average diluted share are below.

Reconciliation of projected ongoing earnings (loss) to projected GAAP net income

(In millions)

Twelve Months Ended December 31, 2010

	OG&E		Enogex		Holding Company		Consolidated	
	Low	High	Low	Hi	Low	High	Low	High
Ongoing earnings (loss)	\$ 207.0	\$ 217.0	\$ 84.0	\$ 94.0	\$ (4.0)	\$ (4.0)	\$ 292.0	\$ 302.0
Medicare Part D tax subsidy	(7.0)	(7.0)	(2.0)	(2.0)	(2.4)	(2.4)	(11.4)	(11.4)
Projected GAAP net income	\$ 200.0	\$ 210.0	\$ 82.0	\$ 92.0	\$ (6.4)	\$ (6.4)	\$ 280.6	\$ 290.6

Reconciliation of projected ongoing EPS to projected GAAP EPS

Twelve Months Ended December 31, 2010

	OG&E		Enogex		Holding Company		Consolidated	
	Low	High	Low	Hi	Low	High	Low	High
Ongoing EPS	\$ 2.10	\$ 2.20	\$ 0.85	\$ 0.95	\$ (0.04)	\$ (0.04)	\$ 2.95	\$ 3.05
Medicare Part D tax subsidy	(0.07)	(0.07)		(0.02)	(0.02)	(0.02)	(0.11)	(0.11)
Projected GAAP EPS	\$ 2.03	\$ 2.13	\$ 0.83	\$ 0.93	\$ (0.06)	\$ (0.06)	\$ 2.84	\$ 2.94

Conference Call Webcast

OGE Energy will host a conference call for discussion of the results and the outlook for 2010 on Friday, Oct. 29, at 8 a.m. CDT. The conference will be available through www.oge.com. OGE Energy is the parent company of Oklahoma Gas and Electric Company (OG&E), which serves approximately 782,000 customers in a service territory spanning 30,000 square miles in Oklahoma and western Arkansas, and of Enogex LLC, a natural gas pipeline business with principal operations in Oklahoma.

Some of the matters discussed in this report may contain forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “objective”, “plan”, “possible”, “potential”, “project” and similar expressions. Actual results may vary materially. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including the availability of credit, access to existing lines of credit, access to commercial paper markets, actions of rating agencies and their impact on capital expenditures; the ability of the Company and its subsidiaries to access the capital markets and obtain financing on favorable terms; prices and availability of electricity, coal, natural gas and natural gas liquids, each on a stand-alone basis and in relation to each other; business conditions in the energy and natural gas midstream industries; competitive factors including the extent and timing of the entry of additional competition in the markets served by the Company; unusual weather; availability and prices of raw materials for current and future construction projects; Federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Company’s markets; environmental laws and regulations that may impact the Company’s operations; changes in accounting standards, rules or guidelines; the discontinuance of accounting principles for certain types of rate-regulated activities; creditworthiness of suppliers, customers and other contractual parties; the higher degree of risk associated with the Company’s nonregulated business compared with the Company’s regulated utility business; the risk that the proposed transaction with Bronco Midstream Holdings LLC will not be completed, or will not be completed on the terms currently contemplated; and other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission including those listed in Risk Factors and Exhibit 99.01 to the Company’s Form 10-K for the year ended December 31, 2009.

Note: Consolidated Statements of Income, Financial and Statistical Data attached.

OGE Energy Corp.
consolidated statements of income
(unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2010	2009	2010	2009
	<i>(In millions, except per share data)</i>			
OPERATING REVENUES				
Electric Utility operating revenues	\$ 723.0	\$ 577.9	\$ 1,679.8	\$ 1,339.9
Natural Gas Pipeline operating revenues	402.4	267.4	1,208.6	756.1
Total operating revenues	<u>1,125.4</u>	<u>845.3</u>	<u>2,888.4</u>	<u>2,096.0</u>
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)				
Electric Utility cost of goods sold	299.4	223.8	757.2	559.3
Natural Gas Pipeline cost of goods sold	313.2	190.3	932.0	532.2
Total cost of goods sold	<u>612.6</u>	<u>414.1</u>	<u>1,689.2</u>	<u>1,091.5</u>
Gross margin on revenues	512.8	431.2	1,199.2	1,004.5
OPERATING EXPENSES				
Other operation and maintenance	142.4	113.0	401.0	335.1
Depreciation and amortization	73.7	67.2	215.2	195.8
Taxes other than income	22.5	21.3	70.5	65.5
Total operating expenses	<u>238.6</u>	<u>201.5</u>	<u>686.7</u>	<u>596.4</u>
OPERATING INCOME	274.2	229.7	512.5	408.1
OTHER INCOME (EXPENSE)				
Interest income	-	0.3	-	1.4
Allowance for equity funds used during construction	2.6	5.5	7.2	10.7
Other income	0.6	7.0	5.8	20.0
Other expense	(2.7)	(3.9)	(8.8)	(8.9)
Net other income	<u>0.5</u>	<u>8.9</u>	<u>4.2</u>	<u>23.2</u>
INTEREST EXPENSE				
Interest on long-term debt	36.3	37.3	103.3	100.6
Allowance for borrowed funds used during construction	(1.3)	(2.9)	(3.5)	(5.9)
Interest on short-term debt and other interest charges	1.4	2.3	4.7	6.4
Interest expense	<u>36.4</u>	<u>36.7</u>	<u>104.5</u>	<u>101.1</u>
INCOME BEFORE TAXES	238.3	201.9	412.2	330.2
INCOME TAX EXPENSE	74.8	64.4	145.6	104.2
NET INCOME	163.5	137.5	266.6	226.0
Less: Net income attributable to noncontrolling interest	0.4	0.7	2.0	1.9
NET INCOME ATTRIBUTABLE TO OGE ENERGY	<u>\$ 163.1</u>	<u>\$ 136.8</u>	<u>\$ 264.6</u>	<u>\$ 224.1</u>
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.4	96.7	97.3	96.0
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.0	97.7	98.8	96.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 1.67</u>	<u>\$ 1.42</u>	<u>\$ 2.72</u>	<u>\$ 2.34</u>
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 1.65</u>	<u>\$ 1.40</u>	<u>\$ 2.68</u>	<u>\$ 2.31</u>

OGE Energy Corp.
consolidated statements of retained earnings
(unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2010	2009	2010	2009
	<i>(In millions)</i>			
BALANCE AT BEGINNING OF PERIOD	\$ 1,258.7	\$ 1,126.3	\$ 1,227.8	\$ 1,107.6
Net income attributable to OGE Energy	163.1	136.8	264.6	224.1
Dividends declared on common stock	(35.3)	(34.4)	(105.9)	(103.0)
BALANCE AT END OF PERIOD	<u>\$ 1,386.5</u>	<u>\$ 1,228.7</u>	<u>\$ 1,386.5</u>	<u>\$ 1,228.7</u>

capitalization ratios
(unaudited)

	September 30 2010	December 31 2009
Stockholders' equity	48.7%	46.4%
Long-term debt (includes long-term debt due within one year)	51.3%	53.6%

OGE Energy Corp.
consolidated statements of cash flows
(unaudited)

	Nine Months Ended	
	September 30	
	2010	2009
	(In millions)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 266.6	\$ 226.0
Adjustments to Reconcile Net Income		
to Net Cash Provided from Operating Activities		
Depreciation and amortization	215.2	195.8
Deferred income taxes and investment tax credits, net	146.8	132.3
Allowance for equity funds used during construction	(7.2)	(10.7)
Stock-based compensation expense	4.9	2.5
Excess tax benefit on stock-based compensation	(0.7)	(3.3)
Price risk management assets	2.3	6.6
Price risk management liabilities	6.2	(67.7)
Regulatory assets	7.4	13.4
Regulatory liabilities	(10.7)	(12.4)
Other assets	14.3	(0.8)
Other liabilities	(10.5)	(42.2)
Change in certain current assets and liabilities		
Accounts receivable, net	(48.0)	2.8
Accrued unbilled revenues	(11.2)	(12.5)
Income taxes receivable	141.2	(40.5)
Fuel, materials and supplies inventories	(12.3)	(26.1)
Gas imbalance assets	-	(1.8)
Fuel clause under recoveries	(0.6)	23.7
Other current assets	7.8	6.8
Accounts payable	(13.7)	(105.0)
Gas imbalance liabilities	(1.0)	(15.2)
Fuel clause over recoveries	(119.5)	167.8
Other current liabilities	9.6	(0.2)
Net cash provided from operating activities	<u>586.9</u>	<u>439.3</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(591.3)	(689.1)
Construction reimbursement	3.3	32.9
Proceeds from sale of assets	1.9	0.8
Other investing activities	0.1	-
Net cash used in investing activities	<u>(586.0)</u>	<u>(655.4)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Retirement of long-term debt	(289.2)	(110.8)
Dividends paid on common stock	(105.7)	(101.8)
Repayment of line of credit	(80.0)	(110.0)
Excess tax benefit on stock-based compensation	0.7	3.3
Issuance of common stock	13.5	74.9
Increase in short-term debt	49.0	10.0
Proceeds from line of credit	115.0	80.0
Proceeds from long-term debt	246.2	198.4
Net cash (used in) provided from financing activities	<u>(50.5)</u>	<u>44.0</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(49.6)	(172.1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	58.1	174.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 8.5</u>	<u>\$ 2.3</u>

OGE Energy Corp.

consolidated balance sheets

	September 30 2010 (unaudited)	December 31 2009
	(In millions)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 8.5	\$ 58.1
Accounts receivable, less reserve of \$2.2 and \$2.4, respectively	339.4	291.4
Accrued unbilled revenues	68.4	57.2
Income taxes receivable	16.5	157.7
Fuel inventories	126.3	118.5
Materials and supplies, at average cost	82.9	78.4
Price risk management	3.4	1.8
Gas imbalances	3.2	3.2
Deferred income taxes	48.7	39.8
Fuel clause under recoveries	0.9	0.3
Other	10.9	19.7
Total current assets	709.1	826.1
OTHER PROPERTY AND INVESTMENTS, at cost	42.0	43.7
PROPERTY, PLANT AND EQUIPMENT		
In service	9,039.8	8,617.8
Construction work in progress	405.5	335.4
Total property, plant and equipment	9,445.3	8,953.2
Less accumulated depreciation	3,157.7	3,041.6
Net property, plant and equipment	6,287.6	5,911.6
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	454.3	448.9
Price risk management	0.4	4.3
Other	34.0	32.1
Total deferred charges and other assets	488.7	485.3
TOTAL ASSETS	\$ 7,527.4	\$ 7,266.7

OGE Energy Corp.
consolidated balance sheets

	September 30 2010 (unaudited)	December 31 2009
	(In millions)	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term debt	\$ 224.0	\$ 175.0
Long-term debt due within one year	-	289.2
Accounts payable	266.2	297.0
Dividends payable	35.3	35.1
Customer deposits	67.0	85.6
Accrued taxes	57.2	37.0
Accrued interest	30.2	60.6
Accrued compensation	46.1	50.1
Price risk management	13.9	14.2
Gas imbalances	11.0	12.0
Fuel clause over recoveries	68.0	187.5
Other	53.1	32.4
Total current liabilities	<u>872.0</u>	<u>1,275.7</u>
LONG-TERM DEBT	2,372.8	2,088.9
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	331.2	369.3
Deferred income taxes	1,422.4	1,246.6
Deferred investment tax credits	10.3	13.1
Regulatory liabilities	185.1	168.2
Price risk management	1.8	0.1
Deferred revenues	37.2	-
Other	46.3	44.0
Total deferred credits and other liabilities	<u>2,034.3</u>	<u>1,841.3</u>
Total liabilities	<u>5,279.1</u>	<u>5,205.9</u>
STOCKHOLDERS' EQUITY		
Common stockholders' equity	908.7	887.7
Retained earnings	1,386.5	1,227.8
Accumulated other comprehensive loss, net of tax	(68.9)	(74.7)
Total OGE Energy stockholders' equity	<u>2,226.3</u>	<u>2,040.8</u>
Noncontrolling interest	22.0	20.0
Total stockholders' equity	<u>2,248.3</u>	<u>2,060.8</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 7,527.4</u></u>	<u><u>\$ 7,266.7</u></u>

OGE Energy Corp.
financial and statistical data
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2010	2009	2010	2009
	(In millions)			
ELECTRIC UTILITY				
Operating revenues by classification				
Residential	\$ 330.9	\$ 253.4	\$ 729.8	\$ 557.3
Commercial	176.5	144.4	409.5	336.1
Industrial	66.2	52.5	164.5	128.3
Oilfield	49.6	38.4	125.6	100.5
Public authorities and street light	67.8	54.0	157.8	126.6
Sales for resale	19.3	15.3	50.5	40.0
Provision for rate refund	(0.4)	-	(0.4)	(0.6)
System sales revenues	709.9	558.0	1,637.3	1,288.4
Off-system sales revenues	5.8	11.1	19.7	25.6
Other	7.3	8.8	22.8	25.9
Total operating revenues	\$ 723.0	\$ 577.9	\$ 1,679.8	\$ 1,339.9
Sales of electricity - MWH (a) sales by classification				
Residential	3,218	2,712	7,644	6,812
Commercial	1,970	1,773	5,133	4,873
Industrial	1,034	0,967	2,891	2,667
Oilfield	0,800	0,782	2,281	2,182
Public authorities and street light	0,898	0,826	2,324	2,226
Sales for resale	0,397	0,385	1,076	0,985
System sales	8,317	7,445	21,349	19,745
Off-system sales	0,142	0,350	0,481	0,850
Total sales	8,459	7,795	21,830	20,595
Number of customers	782,174	775,863	782,174	775,863
Average cost of energy per KWH (b) - cents				
Natural gas	4.546	3.468	4.838	3.497
Coal	1.951	1.886	1.891	1.737
Total fuel	3.084	2.575	3.063	2.394
Total fuel and purchased power	3.407	2.803	3.361	2.677
Degree days				
Heating				
Actual	7	17	2,305	1,946
Normal	29	29	2,228	2,228
Cooling				
Actual	1,541	1,189	2,286	1,849
Normal	1,295	1,295	1,850	1,850
NATURAL GAS PIPELINE				
Operating revenues (before intercompany eliminations)	\$ 278.9	\$ 210.7	\$ 833.1	\$ 591.7
Operating income	\$ 46.8	\$ 41.9	\$ 147.7	\$ 106.3
Net income attributable to Enogex LLC	\$ 24.2	\$ 18.1	\$ 73.9	\$ 49.5
Net cash provided from operating activities	\$ 83.8	\$ 2.5	\$ 242.8	\$ 54.6
Capital expenditures	\$ 60.4	\$ 49.0	\$ 156.0	\$ 192.4
Gathered volumes - Tbtu/d (c)	1.34	1.27	1.32	1.25
Incremental transportation volumes - Tbtu/d (d)	0.46	0.66	0.44	0.55
Total throughput volumes - Tbtu/d	1.80	1.93	1.76	1.80
Natural gas processed - Tbtu/d	0.86	0.74	0.81	0.69
Natural gas liquids sold (keep-whole) - million gallons	44	21	137	69
Natural gas liquids sold (purchase for resale) - million gallons	119	100	339	254
Natural gas liquids sold (percent-of-liquids) - million gallons	8	8	22	25
Total natural gas liquids sold - million gallons	171	129	498	348
Average sales price per gallon	\$ 0.92	\$ 0.74	\$ 0.94	\$ 0.68
Estimated realized keep-whole spreads (e)	\$ 5.28	\$ 3.73	\$ 5.24	\$ 3.40

(a) Megawatt-hours.

(b) Kilowatt-hours.

(c) Trillion British thermal units per day.

(d) Incremental transportation volumes consist of natural gas moved only on the transportation pipeline.

(e) The estimated realized keep-whole spread is an approximation of the spread between the weighted-average sales price of the retained NGL commodities and the purchase price of the replacement natural gas shrink. The spread is based on the market commodity spread less any gains or losses realized from keep-whole hedging transactions. The market commodity spread is estimated using the average of the Oil Price Information Service daily average posting at the Conway, Kansas market for NGLs and the Inside FERC monthly index posting for Panhandle Eastern Pipe Line Co., Texas, Oklahoma for the forward month contract for natural gas prices.

Oklahoma Gas and Electric Company
statements of income
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2010	2009	2010	2009
	(In millions)			
OPERATING REVENUES	\$ 723.0	\$ 577.9	\$ 1,679.8	\$ 1,339.9
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	311.2	235.7	792.8	595.0
Gross margin on revenues	411.8	342.2	887.0	744.9
OPERATING EXPENSES				
Other operation and maintenance	110.8	85.7	305.9	248.9
Depreciation and amortization	53.1	47.3	153.4	139.1
Taxes other than income	16.9	16.0	51.8	48.4
Total operating expenses	180.8	149.0	511.1	436.4
OPERATING INCOME	231.0	193.2	375.9	308.5
OTHER INCOME (EXPENSE)				
Interest income	0.1	0.2	0.1	1.0
Allowance for equity funds used during construction	2.6	5.5	7.2	10.7
Other income (loss)	(1.1)	5.9	2.2	14.7
Other expense	(0.4)	(1.3)	(1.4)	(2.5)
Net other income	1.2	10.3	8.1	23.9
INTEREST EXPENSE				
Interest on long-term debt	27.7	24.0	76.9	72.3
Allowance for borrowed funds used during construction	(1.3)	(2.9)	(3.5)	(5.9)
Interest on short-term debt and other interest charges	1.0	1.7	3.4	3.9
Interest expense	27.4	22.8	76.8	70.3
INCOME BEFORE TAXES	204.8	180.7	307.2	262.1
INCOME TAX EXPENSE	62.7	57.5	103.9	81.2
NET INCOME	\$ 142.1	\$ 123.2	\$ 203.3	\$ 180.9
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.4	96.7	97.3	96.0
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.0	97.7	98.8	96.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 1.46	\$ 1.27	\$ 2.09	\$ 1.88
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 1.43	\$ 1.26	\$ 2.06	\$ 1.87

Oklahoma Gas and Electric Company
statements of cash flows
(unaudited)

	Nine Months Ended	
	September 30	
	2010	2009
	(In millions)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 203.3	\$ 180.9
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	153.4	139.1
Deferred income taxes and investment tax credits, net	130.2	89.3
Allowance for equity funds used during construction	(7.2)	(10.7)
Price risk management assets	-	(0.2)
Price risk management liabilities	-	0.2
Regulatory assets	7.4	13.4
Regulatory liabilities	(10.7)	(12.4)
Other assets	10.9	(0.9)
Other liabilities	(51.1)	(48.2)
Change in certain current assets and liabilities		
Accounts receivable, net	(76.5)	(29.1)
Accrued unbilled revenues	(11.2)	(12.5)
Fuel, materials and supplies inventories	(4.8)	(36.8)
Gas imbalance assets	0.1	0.4
Fuel clause under recoveries	(0.6)	23.7
Other current assets	4.4	3.0
Accounts payable	5.0	(23.8)
Accounts payable - affiliates	(0.3)	(4.0)
Income taxes payable - affiliates	92.5	(7.4)
Fuel clause over recoveries	(119.5)	167.8
Other current liabilities	19.8	5.7
Net cash provided from operating activities	345.1	437.5
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(425.7)	(489.5)
Proceeds from sale of assets	1.0	0.4
Net cash used in investing activities	(424.7)	(489.1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	246.2	0.1
Increase in short-term debt	-	0.8
Dividends paid on common stock	(30.3)	-
Changes in advances with parent	(136.3)	-
Net cash provided from financing activities	79.6	0.9
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	(50.7)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-	50.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ -	\$ -

Oklahoma Gas and Electric Company

balance sheets

	September 30 2010 (unaudited)	December 31 2009
	(In millions)	
ASSETS		
CURRENT ASSETS		
Accounts receivable, less reserve of \$1.7 and \$1.7, respectively	\$ 222.4	\$ 145.9
Accrued unbilled revenues	68.4	57.2
Advances to parent	139.8	125.9
Fuel inventories	102.9	101.0
Materials and supplies, at average cost	76.4	73.5
Gas imbalances	-	0.1
Deferred income taxes	29.6	23.8
Fuel clause under recoveries	0.9	0.3
Other	10.8	16.1
Total current assets	651.2	543.8
OTHER PROPERTY AND INVESTMENTS, at cost	2.9	2.9
PROPERTY, PLANT AND EQUIPMENT		
In service	6,960.6	6,623.7
Construction work in progress	281.1	259.9
Total property, plant and equipment	7,241.7	6,883.6
Less accumulated depreciation	2,484.6	2,416.0
Net property, plant and equipment	4,757.1	4,467.6
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	454.3	448.9
Other	17.2	14.9
Total deferred charges and other assets	471.5	463.8
TOTAL ASSETS	\$ 5,882.7	\$ 5,478.1

Oklahoma Gas and Electric Company

balance sheets

	September 30 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable - affiliates	\$ 4.3	\$ 4.6
Accounts payable - other	125.1	137.2
Customer deposits	62.8	60.1
Accrued taxes	44.6	29.1
Accrued interest	24.8	40.4
Accrued compensation	25.0	26.3
Price risk management	1.4	-
Gas imbalances	0.1	-
Fuel clause over recoveries	68.0	187.5
Other	38.7	20.2
Total current liabilities	394.8	505.4
LONG-TERM DEBT	1,790.4	1,541.8
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	217.2	261.0
Deferred income taxes	1,082.4	931.2
Deferred investment tax credits	10.3	13.1
Regulatory liabilities	185.1	168.2
Price risk management	2.6	0.7
Other	34.6	32.4
Total deferred credits and other liabilities	1,532.2	1,406.6
Total liabilities	3,717.4	3,453.8
STOCKHOLDER'S EQUITY		
Common stockholder's equity	958.4	958.4
Retained earnings	1,209.3	1,066.3
Accumulated other comprehensive loss, net of tax	(2.4)	(0.4)
Total stockholder's equity	2,165.3	2,024.3
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 5,882.7	\$ 5,478.1

Enogex LLC and subsidiaries
consolidated statements of income
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2010	2009	2010	2009
	(In millions)			
OPERATING REVENUES	\$ 278.9	\$ 210.7	\$ 833.1	\$ 591.7
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	176.0	117.8	514.4	330.4
Gross margin on revenues	102.9	92.9	318.7	261.3
OPERATING EXPENSES				
Other operation and maintenance	33.6	29.4	102.0	92.0
Depreciation and amortization	17.8	17.1	53.5	48.9
Taxes other than income	4.7	4.5	15.5	14.1
Total operating expenses	56.1	51.0	171.0	155.0
OPERATING INCOME	46.8	41.9	147.7	106.3
OTHER INCOME (EXPENSE)				
Interest income	-	-	-	0.1
Other income	-	0.1	0.1	0.1
Other expense	-	(0.4)	(0.1)	(0.5)
Net other expense	-	(0.3)	-	(0.3)
INTEREST EXPENSE				
Interest on long-term debt	7.1	11.9	22.2	24.0
Interest on short-term debt and other interest charges	0.1	0.2	0.4	0.4
Interest expense	7.2	12.1	22.6	24.4
INCOME BEFORE TAXES	39.6	29.5	125.1	81.6
INCOME TAX EXPENSE	15.0	10.7	49.2	30.2
NET INCOME	24.6	18.8	75.9	51.4
Less: Net income attributable to noncontrolling interest	0.4	0.7	2.0	1.9
NET INCOME ATTRIBUTABLE TO ENOGEX LLC	\$ 24.2	\$ 18.1	\$ 73.9	\$ 49.5
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.4	96.7	97.3	96.0
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.0	97.7	98.8	96.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.25	\$ 0.19	\$ 0.76	\$ 0.52
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.24	\$ 0.18	\$ 0.75	\$ 0.51

Enogex LLC and subsidiaries
consolidated statements of cash flows
(unaudited)

	Nine Months Ended	
	September 30	
	2010	2009
	(In millions)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 75.9	\$ 51.4
Adjustments to Reconcile Net Income		
to Net Cash Provided from Operating Activities		
Depreciation and amortization	53.5	48.9
Deferred income taxes, net	20.3	52.0
Price risk management assets	3.7	61.7
Price risk management liabilities	7.9	(57.3)
Other assets	-	(0.4)
Other liabilities	35.5	4.7
Change in certain current assets and liabilities		
Accounts receivable, net	3.9	(14.1)
Accounts receivable - affiliates	(1.4)	17.0
Natural gas, natural gas liquids, materials and supplies inventories	(1.6)	5.7
Gas imbalance assets	0.1	1.2
Other current assets	1.3	1.3
Accounts payable	1.7	(51.2)
Income taxes payable - affiliates	57.6	(42.0)
Gas imbalance liabilities	(1.3)	(12.1)
Other current liabilities	(14.3)	(12.2)
Net cash provided from operating activities	<u>242.8</u>	<u>54.6</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(156.0)	(192.4)
Construction reimbursement	3.3	32.9
Proceeds from sale of assets	0.8	0.4
Net cash used in investing activities	<u>(151.9)</u>	<u>(159.1)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Retirement of long-term debt	(289.2)	(110.8)
Repayment of line of credit	(80.0)	(110.0)
Member distribution to OGE Energy	(15.0)	-
Proceeds from long-term debt	-	198.3
Capital contribution from OGE Energy	-	50.0
Proceeds from line of credit	115.0	80.0
Changes in advances with parent	185.0	(17.8)
Net cash (used in) provided from financing activities	<u>(84.2)</u>	<u>89.7</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6.7	(14.8)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1.8	17.1
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 8.5</u>	<u>\$ 2.3</u>

Enogex LLC and subsidiaries

consolidated balance sheets

	September 30 2010 (unaudited)	December 31 2009
	(In millions)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 8.5	\$ 1.8
Accounts receivable, less reserve of \$0.5 and \$0.7, respectively	68.0	71.9
Accounts receivable - affiliates	11.4	10.0
Advances to parent	-	229.9
Natural gas and natural gas liquids inventories	10.9	10.2
Materials and supplies, at average cost	3.8	2.9
Gas imbalances	3.0	3.1
Deferred income taxes	14.7	14.2
Other	0.4	1.7
Total current assets	<u>120.7</u>	<u>345.7</u>
OTHER PROPERTY AND INVESTMENTS, at cost	1.4	1.4
PROPERTY, PLANT AND EQUIPMENT		
In service	1,975.5	1,885.0
Construction work in progress	114.5	69.9
Total property, plant and equipment	<u>2,090.0</u>	<u>1,954.9</u>
Less accumulated depreciation	591.8	542.8
Net property, plant and equipment	<u>1,498.2</u>	<u>1,412.1</u>
DEFERRED CHARGES AND OTHER ASSETS		
Price risk management	-	3.7
Other	15.4	16.0
Total deferred charges and other assets	<u>15.4</u>	<u>19.7</u>
TOTAL ASSETS	<u><u>\$ 1,635.7</u></u>	<u><u>\$ 1,778.9</u></u>

Enogex LLC and subsidiaries consolidated balance sheets

	September 30 2010 (unaudited)	December 31 2009
	(In millions)	
LIABILITIES AND MEMBER'S INTEREST		
CURRENT LIABILITIES		
Long-term debt due within one year	\$ -	\$ 289.2
Accounts payable	94.4	92.7
Advances from parent	12.7	-
Customer deposits	4.2	25.4
Accrued taxes	12.3	7.2
Accrued interest	3.5	19.6
Accrued compensation	11.3	11.6
Price risk management	12.9	12.5
Gas imbalances	10.3	11.6
Other	11.1	13.1
Total current liabilities	172.7	482.9
LONG-TERM DEBT	482.8	447.6
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	48.3	44.6
Deferred income taxes	360.9	337.3
Price risk management	1.7	-
Deferred revenues	37.2	-
Other	2.9	2.8
Total deferred credits and other liabilities	451.0	384.7
Total liabilities	1,106.5	1,315.2
MEMBER'S INTEREST		
Member's interest	545.9	487.0
Accumulated other comprehensive loss, net of tax	(38.7)	(43.3)
Total Enogex LLC member's interest	507.2	443.7
Noncontrolling interest	22.0	20.0
Total member's interest	529.2	463.7
TOTAL LIABILITIES AND MEMBER'S INTEREST	\$ 1,635.7	\$ 1,778.9