



**Earnings Conference Call
Third Quarter 2013**

November 6, 2013

Safe Harbor

Some of the matters discussed in this presentation 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 the 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 as well as inflation rates and monetary fluctuations; prices and availability of electricity, coal, natural gas and natural gas liquids; the timing and extent of changes in commodity prices, particularly natural gas and natural gas liquids, the competitive effects of the available pipeline capacity in the regions Enable Midstream Partners serves, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable Midstream Partners' interstate pipelines; the timing and extent of changes in the supply of natural gas, particularly supplies available for gathering by Enable Midstream Partners' gathering and processing business and transporting by Enable Midstream Partners' interstate pipelines, including the impact of natural gas and natural gas liquids prices on the level of drilling and production activities in the regions Enable Midstream Partners serves; 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; the cost of protecting assets against, or damage due to, terrorism or cyber attacks and other catastrophic events; advances in technology; creditworthiness of suppliers, customers and other contractual parties; difficulty in making accurate assumptions and projections regarding future revenues and costs associated with the Company's equity investment in Enable Midstream Partners that the Company does not control; the risk that Enable Midstream Partners may not be able to successfully integrate the operations of Enogex LLC and the businesses contributed by a wholly-owned subsidiary of CenterPoint Energy, Inc.; 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, 2012.

Third Quarter EPS Results

	<u>3Q</u> <u>2013</u>	<u>3Q</u> <u>2012</u>	<u>YTD</u> <u>2013</u>	<u>YTD</u> <u>2012</u>
OG&E	\$0.86	\$0.84	\$1.32	\$1.28
OGE's Equity Earnings from Enable Midstream Partners	0.23	0.09	0.37	0.32
Hold. Co.	(.01)	.01	(.03)	-
Consolidated	\$1.08	\$0.94	\$1.66	\$1.60

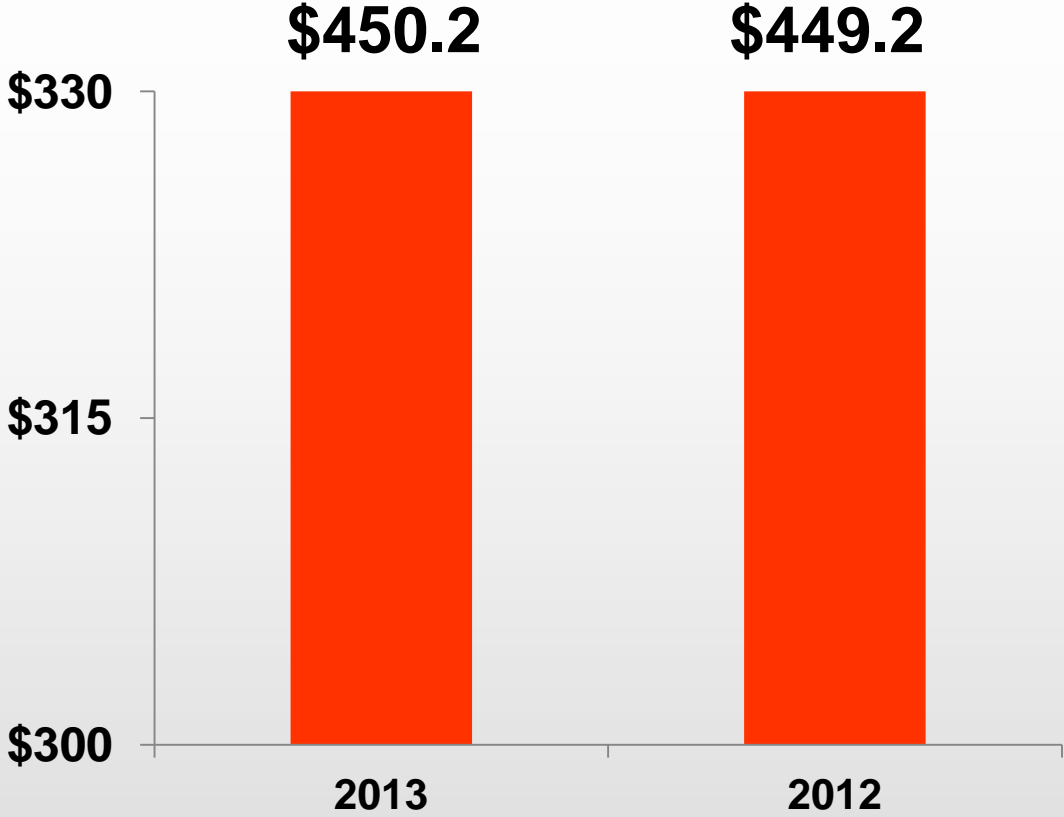
Third Quarter Results – OG&E

Net income for OG&E was \$172 million or \$0.86 per share in 2013 as compared to net income of \$167 million or \$0.84 per share in 2012. Primary drivers include:

In Millions of \$	<u>3Q 2013</u>	<u>3Q 2012</u>	<u>Variance</u> <u>Fav/(Unfav)</u>
Gross Margin	450.2	449.2	1.0
Operation & Maintenance	105.9	108.6	2.7
Other Income (Loss)	2.9	(0.3)	3.2
Interest on Long-Term Debt	33.5	31.0	(2.5)
Income Tax Expense	62.0	58.4	(3.6)

Third Quarter Results - OG&E Gross Margin

Millions of \$



Gross Margin Drivers:

- Transmission Revenues ↑
- Growth ↑
- Weather ↓

Third Quarter Results – Enable Midstream Partners

Net income to OGE was \$45.8 million or \$.23 per share in 2013 as compared to net income of \$17.9 million or \$.09 per share in 2012. Primary drivers include:

In Millions	Enable Midstream Partners 3Q 2013	Natural Gas Midstream Operations 3Q 2012
Gross margin on revenues	-	123.8
Operating expenses	-	78.6
Equity in earnings of unconsolidated affiliates	46.0	-
Income tax expense	0.2	11.0
Net income	45.8	17.9

2013 Outlook

- **The Company's 2013 earnings guidance has been increased from between \$335 million to \$360 million or \$1.68 to \$1.80 per average diluted share and is now projected to be between \$360 million and \$380 million of net income, or \$1.80 to \$1.90 per average diluted share assuming 200 million average diluted shares outstanding.**
- **OG&E's guidance is unchanged between \$280 million to \$290 million of net income or \$1.40 to \$1.45 per average diluted share in 2013 assuming normal weather patterns for the remainder of the year.**
- **The Company has increased projected earnings from Natural Gas Midstream Operations from between \$70 million to \$90 million of net income or \$0.35 to \$0.45 per average diluted share to between \$90 million to \$100 million, or \$0.45 to \$0.50 per average diluted share. The increased is based primarily on the formation of Enable Midstream Partners, LP.**
- **The loss at the Holding Company is unchanged between \$6 million and \$8 million or \$0.03 to \$0.04 per average diluted.**



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Appendix

Projected Capital Expenditures 2013 - 2017

Dollars in millions	2013	2014	2015	2016	2017
OG&E Base Transmission	\$ 55	\$ 30	\$ 30	\$ 30	\$ 30
OG&E Base Distribution	175	175	175	175	175
OG&E Base Generation	100	135	75	75	75
OG&E Other	15	15	15	15	15
Total OG&E Base T&D, Gen & Other	345	355	295	295	295
OG&E Known and Committed Projects:					
Transmission Projects					
Regionally Allocated Base Projects (1)	50	50	20	20	20
Balanced Portfolio 3E Projects (2)	190	15	-	-	-
SPP Priority Projects (2)	185	70	-	-	-
ITP 10-year Projects (2)	5	10	-	40	40
Total Transmission Projects	430	145	20	60	60
Other Projects:					
Smart Grid Program	25	25	10	10	-
System Hardening	15	-	-	-	-
Environmental - Low NOX	20	25	25	20	-
Total Other Projects	60	50	35	30	-
Total Known and Committed Projects	490	195	55	90	60
Total OG&E	835	550	350	385	355
OGE Energy	10	15	10	10	10
TOTAL OGE Consolidated	\$ 845	\$ 565	\$ 360	\$ 395	\$ 365

(1) Approximately 30% of revenue requirement allocated to SPP members other than OG&E

(2) Approximately 85% of revenue requirement allocated to SPP members other than OG&E