



We Energize Life

A horizontal row of small, multi-colored dots in shades of red, orange, yellow, green, and blue, positioned below the tagline.

Q3 2023 Earnings & Business Update Conference Call

November 2, 2023

A series of overlapping, wavy lines in shades of blue, cyan, and yellow, flowing across the bottom half of the slide.

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," "forecast," "intend," "objective," "plan," "possible," "potential," "project," "target" and similar expressions. Actual results may vary materially. Factors that could cause actual results to differ materially from the forward-looking statements 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 inflation rates, and their impact on capital expenditures; the ability of the Company and its subsidiary to access the capital markets and obtain financing on favorable terms, as well as inflation rates and monetary fluctuations; the ability to obtain timely and sufficient rate relief to allow for recovery of items such as capital expenditures, fuel and purchased power costs, operating costs, transmission costs and deferred expenditures; prices and availability of electricity, coal and natural gas; competitive factors, including the extent and timing of the entry of additional competition in the markets served by the Company, potentially through deregulation; the impact on demand for services resulting from cost-competitive advances in technology, such as distributed electricity generation and customer energy efficiency programs; technological developments, changing markets and other factors that result in competitive disadvantages and create the potential for impairment of existing assets; factors affecting utility operations such as unusual weather conditions; catastrophic weather-related damage; unscheduled generation outages; unusual maintenance or repairs; unanticipated changes to fossil fuel, natural gas or coal supply costs or availability due to higher demand, shortages, transportation problems or other developments; environmental incidents; or electric transmission or gas pipeline system constraints; availability and prices of raw materials and equipment for current and future construction projects; the effect of retroactive pricing of transactions in the SPP markets or adjustments in market pricing mechanisms by the SPP; 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, safety laws or other regulations that may impact the cost of operations, restrict or change the way the Company's facilities are operated or result in stranded assets; 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 cyberattacks, including losing control of our assets and potential ransoms, and other catastrophic events; creditworthiness of suppliers, customers and other contractual parties, including large, new customers from emerging industries such as cryptocurrency; social attitudes regarding the electric utility and power industries; identification of suitable investment opportunities to enhance shareholder returns and achieve long-term financial objectives through business acquisitions and divestitures; increased pension and healthcare costs; national and global events that could adversely affect and/or exacerbate macroeconomic conditions, including inflationary pressures, rising interest rates, supply chain disruptions, economic recessions, pandemic health events and uncertainty surrounding continued hostilities or sustained military campaigns, and their collateral consequences; costs and other effects of legal and administrative proceedings, settlements, investigations, claims and matters, including, but not limited to other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission, including those listed within the Company's most recent Form 10-Q and the 2022 Form 10-K for the year ended December 31, 2022.

Summary of third quarter 2023 financial results



- ✓ Consolidated earnings of \$1.20 per average diluted share
 - Electric company earnings of \$1.22 per average diluted share
 - Other operations, including holding company, loss of \$0.02 per average diluted share

“We are operating ahead of plan this year and are raising our earnings guidance for 2023.”

Highly productive quarter with exceptional execution



- ✓ **Awarded \$50 million grant from the Bipartisan Infrastructure Bill**
 - DOE awarded maximum amount for our Adaptable Grid Project
 - Automation technology will reduce outages and outage time for customers
 - OG&E to invest approximately \$50 million towards project
 - Two additional grant proposals under review
- ✓ **Promoted electric school bus adoption in Oklahoma and Arkansas**
 - Collaborated with school districts to apply for federal funds
 - Shawnee Public Schools received delivery of five electric school buses awarded through federal grant program
- ✓ **Focusing on affordability results in low rates and a growing service territory with broad business expansion**
 - Reduced fuel factors in Oklahoma effective November 1; average residential bill now 15% lower, ~\$21 per month
 - Sectors include health care, defense, tribal development, manufacturing, and retail

Continuing constructive regulatory outcomes



Current:

- ✓ Awaiting Oklahoma Corporation Commission final order, following uncontested settlement in Horseshoe Lake CT approval
- ✓ Arkansas Public Service Commission approved construction of Horseshoe Lake CTs
- ✓ Filed final formula rate plan update in Arkansas

Upcoming:

- File general rate review in Oklahoma by year end
- Submit updated IRP in 1Q 2024 outlining path to meet capacity needs



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2023 third quarter EPS results

	2023	2022	Drivers
OG&E	\$1.22	\$1.26	Depreciation and interest expense on a growing asset base ↓ Milder weather compared to last year ↓ Recovery of capital investments ↑ Solid weather-normal load growth ↑
Other Operations/HoldCo	\$(0.02)	\$(0.03)	2022 results include income tax effects from former Midstream business ¹ ↑
Natural Gas Midstream Operations	N/A	\$0.08	OGE Energy exited natural gas midstream operations in 2022 ²
Consolidated	\$1.20	\$1.31	

1. Primarily due to lower income tax expense as a result of a 2022 consolidating tax benefit related to OGE Energy's former investment in Energy Transfer.

2. As of September 2022, OGE Energy exited natural gas midstream operations and no longer holds an investment in Energy Transfer. Beginning in 2023, OGE Energy no longer has a Natural Gas Midstream Operations reporting segment.

EPS guidance raised

Given OG&E's excellent operational execution and a hotter than normal summer, we are increasing our 2023 earnings guidance to:

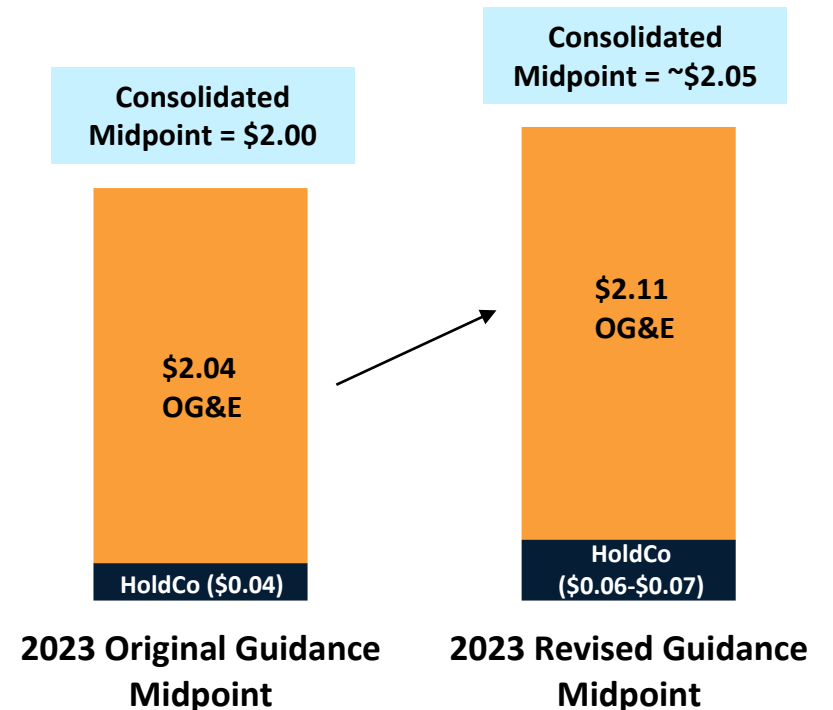
Consolidated – \$2.02 to \$2.07 from \$1.93 to \$2.07

OG&E – \$2.09 to \$2.13 from \$1.99 to \$2.09

HoldCo – (\$0.06) to (\$0.07) from (\$0.02) to (\$0.06)

➤ **Compelling total shareholder return proposition** that combines OG&E annual and long-term forecasted earnings per share growth of 5-7%¹ and an expected stable and growing dividend²

Refreshed consolidated EPS guidance

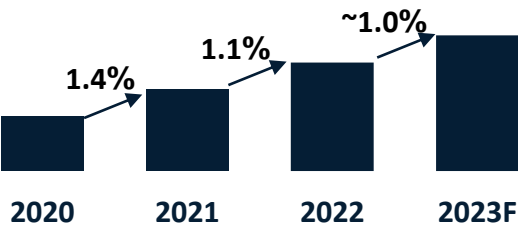


1. From the midpoint of 2021 OG&E guidance of \$1.81 per share.

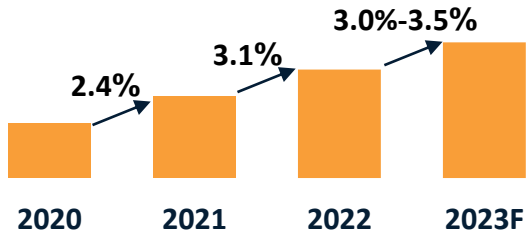
2. Subject to approval by the Board of Directors; dividend yield of approximately 4.9% as of November 1, 2023. In the next five years, OGE Energy expects to grow the dividend, targeting a dividend payout ratio of 65-70%. Over the next several years, OGE Energy expects earnings per share growth to exceed the dividend growth rate to help achieve this target.

2023 customer growth and load results

Customer Growth



Load Growth

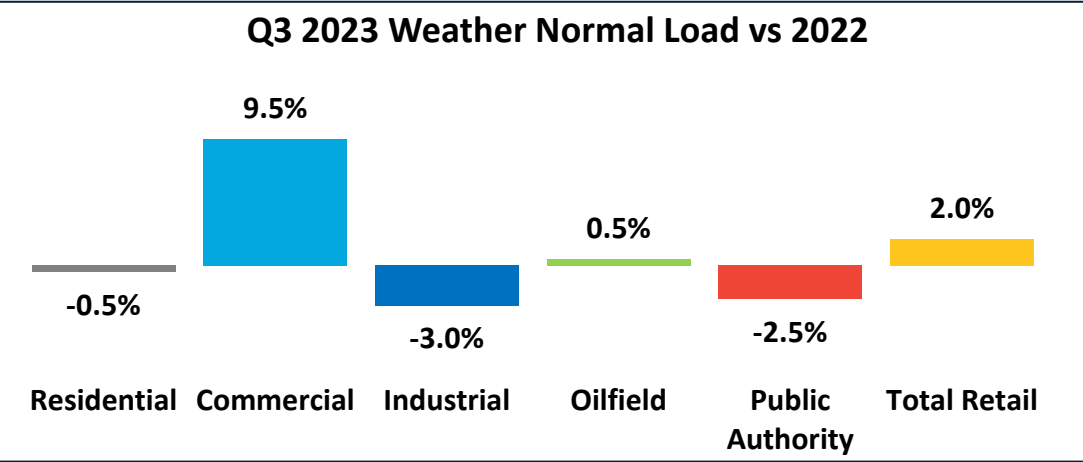


* Original 2023 retail load growth forecast was 4-5%

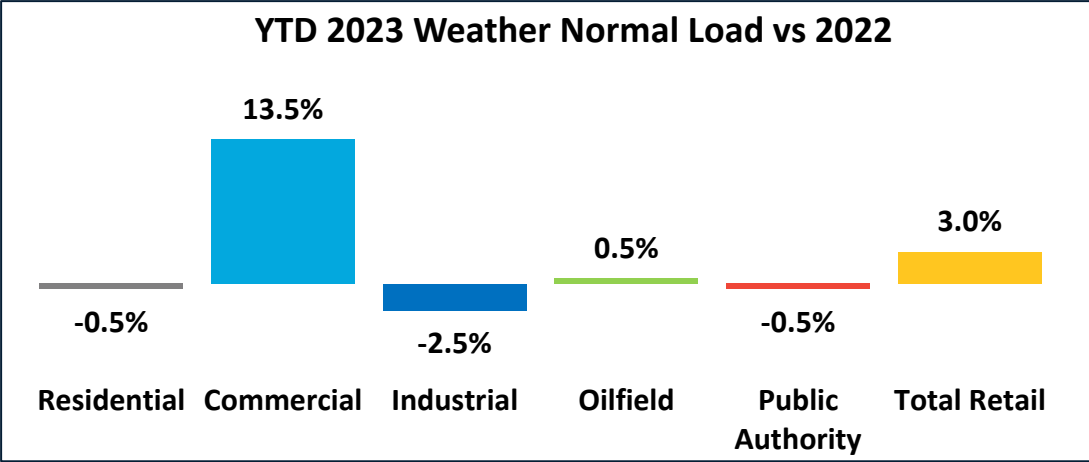
Q3 Highlights

- Updated 2023 weather-normal load growth forecast of 3.0%-3.5% is tremendous, adding to last year's 3.1% growth
- The potential for business growth in a wide range of industries in the upcoming years is exceptionally strong
- Initial load forecast for 2024 is above historical pre-2020 1% average

Q3 2023 Weather Normal Load vs 2022



YTD 2023 Weather Normal Load vs 2022



Strong financial position

- Strong balance sheet and no equity issuance needs in current 5-year capital plan¹
- Forecasted FFO to debt of 17.5% to 18% during forecast period^{1,2}
- No fixed-rate maturities until 2027
- Relative HoldCo debt position one of the strongest in the industry – expected to be less than 10% of consolidated debt at year-end
- YTD through September 2023 capital expenditures total \$880 million, driven by T&D investments to serve growing service area
- Significant emerging investments in T&D and generation capacity to serve growing service area
- Fuel clause under-recoveries of \$53 million as of September 30, 2023, compared to \$515 million as of December 31, 2022
 - Fuel factor updated effective November 1, 2023, reduces average residential bill ~15%, and average business bill ~14% to 36%

1. Forecast period 2023 to 2027, current 5-year \$4.75 billion capital plan.

2. For the purpose of our forecast, we calculate FFO/debt consistent with rating agency methodology. FFO and FFO/debt is generally calculated by making adjustments to Cash Flow from Operations, such as excluding working capital and adjustments to debt for items such as leases and pensions.



Q&A



Appendix

Third quarter weather impact

Weather Variance			
Cooling Degree Days ¹	Q3 2023	Q3 2022	% Change
Actuals	1,510	1,566	(4%)
Normal	1,268	1,268	0%
Variance from Normal	19%	24%	

Estimated current year normalized earnings per share impact of weather			
	Q1	Q2	Q3
2023	(\$0.01)	(\$0.02)	\$0.07

1. Degree days are calculated as follows: The high and low degrees of a particular day are added together and then averaged. If the calculated average is above 65 degrees, then the difference between the calculated average and 65 is expressed as cooling degree days, with each degree of difference equaling one cooling degree day. If the calculated average is below 65 degrees, then the difference between the calculated average and 65 is expressed as heating degree days, with each degree of difference equaling one heating degree day. The daily calculations are then totaled for the particular reporting period.

Compelling investment thesis

Clear line of sight for total return



Electric company earnings per share growth rate of 5-7 percent¹



Commitment to prudently grow the dividend²



Strong balance sheet, liquidity and cash flow – no equity issuances forecasted in current 5-year plan³



Abundant investment opportunities to address growing customer needs for generation capacity, transmission, and distribution

1. From the midpoint of 2021 electric company guidance of \$1.81 per share. Plan to provide a long-term consolidated growth rate on the 4Q 2023 call in February 2024.

2. Subject to approval by the Board of Directors; In the next five years, OGE Energy expects to grow the dividend, targeting a dividend payout ratio of 65-70%. Over the next several years, OGE Energy expects earnings per share growth to exceed the dividend growth rate to help achieve this target.

3. Forecast period 2023 to 2027, current 5-year \$4.75 billion capital plan