



1st Quarter 2010 Financial Overview

OGE Energy Corp. (NYSE: OGE), the parent company of Oklahoma Gas and Electric Company (OG&E) and Enogex LLC, reported non-GAAP earnings on an ongoing basis of \$0.36 per diluted share for the three months ended March 31, 2010, compared with \$0.18 per share for the first quarter of 2009. Earnings on an ongoing basis excludes the one-time charge of \$11 million to write off previously recognized tax benefits relating to Medicare Part D subsidies affected by the recently signed health care legislation.

Including the one-time charge described above, GAAP earnings in the first quarter of 2010 were \$0.25 per share.

OG&E, a regulated electric utility, contributed ongoing earnings of \$0.08 per share and GAAP earnings of \$0.01 per share in the first quarter, compared with ongoing earnings and GAAP earnings of \$0.01 per share in the first quarter last year. Enogex, a midstream natural gas pipeline business, contributed ongoing earnings of \$0.30 per share and GAAP earnings of \$0.28 per share, compared with ongoing earnings and GAAP earnings of \$0.16 per share in the year-ago quarter. The holding company posted a loss on an ongoing basis of \$0.02 per share and a loss of \$0.04 per share on a GAAP basis in the first quarter, compared with ongoing earnings and GAAP earnings of \$0.01 per share in the first quarter of 2009.

"We're pleased to report another quarter of solid operational and financial performance," said Pete Delaney, OGE Energy chairman, president and CEO. "Our employees continue to execute on key business initiatives aligned with our business strategy."

Discussion of First Quarter 2010

OGE Energy's consolidated gross margin on revenues was \$306 million in the first quarter, compared with \$253 million a year ago. Net income attributable to OGE Energy was \$24 million in the first quarter, compared to \$17 million in the year-ago quarter.

OG&E's gross margin on revenues was \$193 million in the first quarter, compared with \$166 million in the comparable quarter last year. The increase was due primarily to winter weather that was 28 percent colder in the 2010 quarter than a year earlier and higher electric rates, partially offset by higher operating expenses.

Enogex's gross margin on revenues was \$113 million in the first quarter, compared with \$85 million in the comparable quarter last year. The increase was primarily due to higher natural gas liquids prices and record natural gas gathering and processing volumes in March on the Enogex system.

2010 Outlook

OGE Energy consolidated ongoing earnings guidance for 2010 is reaffirmed at \$2.70 - \$2.95 per average diluted share, but is now expected to be toward the upper end of the range. The guidance assumes between approximately 98 million and 99 million average diluted shares outstanding and normal weather for the year, and excludes the one-time charge associated with the recently signed health care legislation.

More information regarding the Company's 2010 earnings guidance is 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 recent health care legislation, are non-GAAP financial measures. OGE Energy's management believes that 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 core 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 and are available on OGE Energy's website: www.oge.com.

Conference Call Webcast

OGE Energy will host a conference call for discussion of the results and the outlook for 2010 on Thursday, May 6, 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 779,000 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, 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; 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.

OG&E Energy Corp

Reconciliation of Ongoing Earnings to GAAP Earnings

	1Q 2010 Ongoing Earnings	* One-Time Charge	1Q 2010 GAAP Earnings	1Q 2009 GAAP and Ongoing Earnings**
OG&E	\$8.2	(\$7.0)	\$1.2	\$1.3
Enogex	29.4	(2.0)	27.4	15.4
Holding Co.	(2.0)	(2.4)	(4.4)	0.1
Consolidated	<u>\$35.6</u>	<u>(\$11.4)</u>	<u>\$24.2</u>	<u>\$16.8</u>

Reconciliation of Ongoing Earnings per Average Diluted Share to GAAP Earnings per Average Diluted Share

	1Q 2010 Ongoing Earnings Per Share	* One-Time Charge	1Q 2010 GAAP Earnings Per Share	1Q 2009 GAAP and Ongoing Earnings Per Share**
OG&E	\$0.08	(\$0.07)	\$0.01	\$0.01
Enogex	0.30	(0.02)	0.28	0.16
Holding Co.	(0.02)	(0.02)	(0.04)	0.01
Consolidated	<u>\$0.36</u>	<u>(\$0.11)</u>	<u>\$0.25</u>	<u>\$0.18</u>

*The Patient Protection and Affordable Care Act of 2009 and the Health Care and Education Reconciliation Act of 2010 were signed into law on March 23, 2010 and March 30, 2010, respectively. These Acts change the tax treatment of federal subsidies paid to sponsors of retiree health benefit plans that provide prescription drug benefits. As a result, OGE recognized a one-time, non-cash charge of approximately \$11.4 million.

** There were no one-time charges for the quarter ended March 31, 2009 therefore, ongoing and GAAP earnings and earnings per share are the same.

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

OGE Energy Corp.
consolidated statements of income
(unaudited)

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions, except per share data)</i>	
OPERATING REVENUES		
Electric Utility operating revenues	\$ 444.0	\$ 336.7
Natural Gas Pipeline operating revenues	431.8	269.9
Total operating revenues	<u>875.8</u>	<u>606.6</u>
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)		
Electric Utility cost of goods sold	238.9	159.1
Natural Gas Pipeline cost of goods sold	<u>331.2</u>	<u>194.1</u>
Total cost of goods sold	<u>570.1</u>	<u>353.2</u>
Gross margin on revenues	305.7	253.4
Other operation and maintenance	123.6	116.5
Depreciation and amortization	70.3	62.6
Taxes other than income	<u>25.0</u>	<u>22.3</u>
OPERATING INCOME	86.8	52.0
OTHER INCOME (EXPENSE)		
Interest income	-	0.7
Allowance for equity funds used during construction	2.3	1.3
Other income	3.1	6.5
Other expense	<u>(2.4)</u>	<u>(2.3)</u>
Net other income	3.0	6.2
INTEREST EXPENSE		
Interest on long-term debt	33.6	31.4
Allowance for borrowed funds used during construction	(1.2)	(1.1)
Interest on short-term debt and other interest charges	<u>1.7</u>	<u>2.4</u>
Interest expense	<u>34.1</u>	<u>32.7</u>
INCOME BEFORE TAXES	55.7	25.5
INCOME TAX EXPENSE	<u>30.5</u>	<u>7.9</u>
NET INCOME	\$ 25.2	\$ 17.6
Less: Net income attributable to noncontrolling interest	<u>1.0</u>	<u>0.8</u>
NET INCOME ATTRIBUTABLE TO OGE ENERGY	<u>\$ 24.2</u>	<u>\$ 16.8</u>
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.1	94.7
DILUTED AVERAGE COMMON SHARES OUTSTANDING	98.5	95.3
BASIC EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.25</u>	<u>\$ 0.18</u>
DILUTED EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.25</u>	<u>\$ 0.18</u>

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

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions)</i>	
BALANCE AT BEGINNING OF PERIOD	\$ 1,227.8	\$ 1,107.6
Net income attributable to OGE Energy	24.2	16.8
Dividends declared on common stock	(35.3)	(34.2)
BALANCE AT END OF PERIOD	<u>\$ 1,216.7</u>	<u>\$ 1,090.2</u>

capitalization ratios
(unaudited)

	March 31	December 31
	2010	2009
Stockholders' equity	48.3%	46.4%
Long-term debt (includes long-term debt due within one year)	51.7%	53.6%

OGE Energy Corp.
consolidated balance sheets

	March 31 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5.7	\$ 58.1
Accounts receivable, less reserve of \$1.9 and \$2.4, respectively	262.1	291.4
Accrued unbilled revenues	46.3	57.2
Income taxes receivable	76.0	157.7
Fuel inventories	129.3	118.5
Materials and supplies, at average cost	81.7	78.4
Price risk management	4.9	1.8
Gas imbalances	4.4	3.2
Accumulated deferred tax assets	41.4	39.8
Fuel clause under recoveries	0.9	0.3
Prepayments	8.4	8.7
Other	8.7	11.0
Total current assets	<u>669.8</u>	<u>826.1</u>
OTHER PROPERTY AND INVESTMENTS, at cost	43.3	43.7
PROPERTY, PLANT AND EQUIPMENT		
In service	8,846.1	8,617.8
Construction work in progress	188.0	335.4
Total property, plant and equipment	<u>9,034.1</u>	<u>8,953.2</u>
Less accumulated depreciation	<u>3,074.5</u>	<u>3,041.6</u>
Net property, plant and equipment	5,959.6	5,911.6
DEFERRED CHARGES AND OTHER ASSETS		
Income taxes recoverable from customers, net	38.8	19.1
Benefit obligations regulatory asset	350.3	357.8
Price risk management	0.4	4.3
Unamortized loss on reacquired debt	16.2	16.5
Unamortized debt issuance costs	14.9	15.3
Other	76.0	72.3
Total deferred charges and other assets	<u>496.6</u>	<u>485.3</u>
TOTAL ASSETS	<u>\$ 7,169.3</u>	<u>\$ 7,266.7</u>

OGE Energy Corp.
consolidated balance sheets

	March 31 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term debt	\$ 341.6	\$ 175.0
Accounts payable	242.0	297.0
Dividends payable	35.2	35.1
Customer deposits	83.3	85.6
Accrued taxes	35.7	37.0
Accrued interest	25.7	60.6
Accrued compensation	35.4	50.1
Long-term debt due within one year	-	289.2
Price risk management	20.1	14.2
Gas imbalances	12.1	12.0
Fuel clause over recoveries	157.0	187.5
Other	32.0	32.4
Total current liabilities	1,020.1	1,275.7
LONG-TERM DEBT	2,204.0	2,088.9
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	373.0	369.3
Accumulated deferred income taxes	1,280.1	1,246.6
Accumulated deferred investment tax credits	12.2	13.1
Accrued removal obligations, net	173.0	168.2
Price risk management	1.4	0.1
Other	49.8	44.0
Total deferred credits and other liabilities	1,889.5	1,841.3
Total liabilities	5,113.6	5,205.9
STOCKHOLDERS' EQUITY		
Common stockholders' equity	894.2	887.7
Retained earnings	1,216.7	1,227.8
Accumulated other comprehensive loss, net of tax	(76.2)	(74.7)
Total OGE Energy stockholders' equity	2,034.7	2,040.8
Noncontrolling interest	21.0	20.0
Total stockholders' equity	2,055.7	2,060.8
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 7,169.3	\$ 7,266.7

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

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	25.2	\$ 17.6
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	70.3	62.6
Deferred income taxes and investment tax credits, net	15.6	18.9
Allowance for equity funds used during construction	(2.3)	(1.3)
Loss on disposition and abandonment of assets	0.8	0.2
Stock-based compensation expense	2.0	1.4
Stock-based compensation converted to cash for tax withholding	(1.6)	(1.8)
Price risk management assets	0.7	(1.3)
Price risk management liabilities	3.1	(30.4)
Other assets	4.4	10.6
Other liabilities	0.6	(5.0)
Change in certain current assets and liabilities		
Accounts receivable, net	29.3	48.7
Accrued unbilled revenues	10.9	5.9
Income taxes receivable	81.7	-
Fuel, materials and supplies inventories	(14.1)	(10.0)
Gas imbalance assets	(1.2)	4.7
Fuel clause under recoveries	(0.6)	24.0
Other current assets	1.8	2.5
Accounts payable	(30.4)	(60.0)
Customer deposits	0.4	0.9
Accrued taxes	(0.2)	(25.9)
Accrued interest	(34.9)	(16.2)
Accrued compensation	(14.7)	(16.0)
Gas imbalance liabilities	0.1	(8.3)
Fuel clause over recoveries	(30.5)	64.4
Other current liabilities	(0.4)	(24.8)
Net cash provided from operating activities	<u>116.0</u>	<u>61.4</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(135.0)	(247.8)
Construction reimbursement	3.3	2.0
Proceeds from sale of assets	1.0	0.1
Other investing activities	0.1	-
Net cash used in investing activities	<u>(130.6)</u>	<u>(245.7)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Retirement of long-term debt	(289.2)	-
Dividends paid on common stock	(35.1)	(33.3)
Issuance of common stock	4.9	56.1
Proceeds from line of credit	115.0	80.0
Increase in short-term debt, net	166.6	53.5
Net cash (used in) provided from financing activities	<u>(37.8)</u>	<u>156.3</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(52.4)	(28.0)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	58.1	174.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 5.7	\$ 146.4

OGE Energy Corp.
financial and statistical data
(unaudited)

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions)</i>	
ELECTRIC UTILITY		
Operating revenues by classification		
Residential	\$ 191.2	\$ 136.3
Commercial	101.0	79.4
Industrial	45.5	32.8
Oilfield	35.6	28.9
Public authorities and street light	39.5	31.5
Sales for resale	16.7	12.7
Provision for rate refund	-	(0.2)
System sales revenues	429.5	321.4
Off-system sales revenues	6.4	5.9
Other	8.1	9.4
Total operating revenues	<u>\$ 444.0</u>	<u>\$ 336.7</u>
Sales of electricity - MWH (a) sales by classification		
Residential	2.4	2.0
Commercial	1.4	1.4
Industrial	0.9	0.9
Oilfield	0.7	0.7
Public authorities and street light	0.7	0.6
Sales for resale	0.3	0.3
System sales	6.4	5.9
Off-system sales	0.1	0.2
Total sales	<u>6.5</u>	<u>6.1</u>
Number of customers	778,574	771,909
Average cost of energy per KWH (b) - cents		
Natural gas	5.593	3.793
Coal	1.793	1.544
Total fuel	3.281	2.226
Total fuel and purchased power	3.551	2.575
Degree days		
Heating		
Actual	2,140	1,675
Normal	1,963	1,963
Cooling		
Actual	8	23
Normal	8	8
NATURAL GAS PIPELINE		
Operating revenues (before intercompany eliminations)	\$ 284.2	\$ 190.1
Operating income	\$ 56.9	\$ 31.8
Net income attributable to Enogex LLC	\$ 27.4	\$ 15.4
Net cash provided from (used in) operating activities	\$ 29.7	\$ (10.6)
Capital expenditures	\$ 32.9	\$ 73.3
Gathered volumes - Tbtu/d (c)	1.28	1.24
Incremental transportation volumes - Tbtu/d (d)	0.46	0.42
Total throughput volumes - Tbtu/d	<u>1.74</u>	<u>1.66</u>
Natural gas processed - Tbtu/d	0.74	0.64
Natural gas liquids sold (keep-whole) - million gallons	43	21
Natural gas liquids sold (purchase for resale) - million gallons	99	70
Natural gas liquids sold (percent-of-liquids) - million gallons	7	8
Total natural gas liquids produced - million gallons	<u>149</u>	<u>99</u>
Average net sales price per gallon	\$ 1.047	\$ 0.625
Estimated realized keep-whole spreads (e)	\$ 5.79	\$ 2.85

(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 NGL 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	
	March 31	
	2010	2009
	<i>(In millions)</i>	
OPERATING REVENUES	\$ 444.0	\$ 336.7
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	<u>250.8</u>	<u>171.0</u>
Gross margin on revenues	193.2	165.7
Other operation and maintenance	93.9	85.3
Depreciation and amortization	49.7	45.5
Taxes other than income	<u>17.7</u>	<u>16.1</u>
OPERATING INCOME	31.9	18.8
OTHER INCOME (EXPENSE)		
Interest income	-	0.5
Allowance for equity funds used during construction	2.3	1.3
Other income	2.5	4.6
Other expense	<u>(0.6)</u>	<u>(0.5)</u>
Net other income	4.2	5.9
INTEREST EXPENSE		
Interest on long-term debt	24.1	24.2
Allowance for borrowed funds used during construction	(1.2)	(1.1)
Interest on short-term debt and other interest charges	<u>1.3</u>	<u>1.2</u>
Interest expense	<u>24.2</u>	<u>24.3</u>
INCOME BEFORE TAXES	11.9	0.4
INCOME TAX EXPENSE (BENEFIT)	<u>10.7</u>	<u>(0.9)</u>
NET INCOME	<u>\$ 1.2</u>	<u>\$ 1.3</u>
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.1	94.7
DILUTED AVERAGE COMMON SHARES OUTSTANDING	98.5	95.3
BASIC EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.01</u>	<u>\$ 0.01</u>
DILUTED EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.01</u>	<u>\$ 0.01</u>

Oklahoma Gas and Electric Company

balance sheets

	March 31 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Accounts receivable, less reserve of \$1.3 and \$1.7, respectively	\$ 135.0	\$ 145.9
Accrued unbilled revenues	46.3	57.2
Advances to parent	17.1	125.9
Fuel inventories	118.2	101.0
Materials and supplies, at average cost	75.0	73.5
Gas imbalances	0.1	0.1
Accumulated deferred tax assets	24.1	23.8
Fuel clause under recoveries	0.9	0.3
Prepayments	8.1	8.5
Other	6.1	7.6
Total current assets	430.9	543.8
OTHER PROPERTY AND INVESTMENTS, at cost	2.9	2.9
PROPERTY, PLANT AND EQUIPMENT		
In service	6,836.9	6,623.7
Construction work in progress	111.7	259.9
Total property, plant and equipment	6,948.6	6,883.6
Less accumulated depreciation	2,440.3	2,416.0
Net property, plant and equipment	4,508.3	4,467.6
DEFERRED CHARGES AND OTHER ASSETS		
Income taxes recoverable from customers, net	38.8	19.1
Benefit obligations regulatory asset	350.3	357.8
Unamortized loss on reacquired debt	16.2	16.5
Unamortized debt issuance costs	10.6	10.8
Other	63.6	59.6
Total deferred charges and other assets	479.5	463.8
TOTAL ASSETS	\$ 5,421.6	\$ 5,478.1

Oklahoma Gas and Electric Company

balance sheets

	March 31 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable - affiliates	\$ 2.3	\$ 4.6
Accounts payable - other	110.7	137.2
Customer deposits	61.2	60.1
Accrued taxes	16.9	29.1
Accrued interest	20.2	40.4
Accrued compensation	20.6	26.3
Price risk management	0.9	-
Fuel clause over recoveries	157.0	187.5
Other	19.9	20.2
Total current liabilities	<u>409.7</u>	<u>505.4</u>
LONG-TERM DEBT	1,541.8	1,541.8
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	261.1	261.0
Accumulated deferred income taxes	959.6	931.2
Accumulated deferred investment tax credits	12.2	13.1
Accrued removal obligations, net	173.0	168.2
Price risk management	1.9	0.7
Other	38.0	32.4
Total deferred credits and other liabilities	<u>1,445.8</u>	<u>1,406.6</u>
Total liabilities	<u>3,397.3</u>	<u>3,453.8</u>
STOCKHOLDER'S EQUITY		
Common stockholder's equity	958.4	958.4
Retained earnings	1,067.5	1,066.3
Accumulated other comprehensive loss, net of tax	(1.6)	(0.4)
Total stockholder's equity	<u>2,024.3</u>	<u>2,024.3</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 5,421.6</u>	<u>\$ 5,478.1</u>

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

Three Months Ended

March 31

2010 **2009**

(In millions)

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	1.2	\$ 1.3
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	49.7	45.5
Deferred income taxes and investment tax credits, net	11.5	(0.9)
Allowance for equity funds used during construction	(2.3)	(1.3)
Other assets	3.8	6.6
Other liabilities	(4.9)	(5.0)
Change in certain current assets and liabilities		
Accounts receivable, net	10.9	23.6
Accrued unbilled revenues	10.9	5.9
Fuel, materials and supplies inventories	(18.7)	(28.9)
Gas imbalance assets	-	0.5
Fuel clause under recoveries	(0.6)	24.0
Other current assets	1.1	0.4
Accounts payable	(1.9)	5.2
Accounts payable - affiliates	(2.3)	(2.2)
Income taxes payable - affiliates	87.8	0.8
Customer deposits	1.1	0.9
Accrued taxes	(12.2)	(12.5)
Accrued interest	(20.2)	(9.3)
Accrued compensation	(5.7)	(8.8)
Fuel clause over recoveries	(30.5)	64.4
Other current liabilities	(0.3)	(2.6)
Net cash provided from operating activities	<u>78.4</u>	<u>107.6</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(99.6)	(172.6)
Proceeds from sale of assets	0.2	-
Net cash used in investing activities	<u>(99.4)</u>	<u>(172.6)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term debt, net	21.0	71.5
Net cash provided from financing activities	<u>21.0</u>	<u>71.5</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	6.5
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-	50.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ -</u>	<u>\$ 57.2</u>

***Enogex LLC and subsidiaries
consolidated statements of income
(unaudited)***

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions)</i>	
OPERATING REVENUES	\$ 284.2	\$ 190.1
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	<u>171.4</u>	<u>105.6</u>
Gross margin on revenues	112.8	84.5
Other operation and maintenance	32.3	33.0
Depreciation and amortization	17.8	14.8
Taxes other than income	<u>5.8</u>	<u>4.9</u>
OPERATING INCOME	56.9	31.8
OTHER INCOME (EXPENSE)		
Interest income	-	0.1
Other expense	-	(0.1)
Net other income (expense)	<u>-</u>	<u>-</u>
INTEREST EXPENSE		
Interest on long-term debt	8.1	5.9
Interest on short-term debt and other interest charges	0.1	-
Interest expense	<u>8.2</u>	<u>5.9</u>
INCOME BEFORE TAXES	48.7	25.9
INCOME TAX EXPENSE	<u>20.3</u>	<u>9.7</u>
NET INCOME	28.4	16.2
Less: Net income attributable to noncontrolling interest	<u>1.0</u>	<u>0.8</u>
NET INCOME ATTRIBUTABLE TO ENOGEX LLC	<u>\$ 27.4</u>	<u>\$ 15.4</u>
BASIC AVERAGE COMMON SHARES OUTSTANDING	97.1	94.7
DILUTED AVERAGE COMMON SHARES OUTSTANDING	98.5	95.3
BASIC EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.28</u>	<u>\$ 0.16</u>
DILUTED EARNINGS PER AVERAGE COMMON SHARE		
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.28</u>	<u>\$ 0.16</u>

***Enogex LLC and subsidiaries
consolidated balance sheets***

	March 31 2010 (unaudited)	December 31 2009
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5.7	\$ 1.8
Accounts receivable, less reserve of \$0.6 and \$0.7, respectively	69.8	71.9
Accounts receivable - affiliates	16.0	10.0
Advances to parent	35.7	229.9
Natural gas and natural gas liquids inventories	11.0	10.2
Materials and supplies, at average cost	3.3	2.9
Gas imbalances	4.3	3.1
Accumulated deferred tax assets	15.2	14.2
Prepayments	1.4	1.7
Total current assets	<u>162.4</u>	<u>345.7</u>
OTHER PROPERTY AND INVESTMENTS, at cost	1.4	1.4
PROPERTY, PLANT AND EQUIPMENT		
In service	1,908.5	1,885.0
Construction work in progress	69.3	69.9
Total property, plant and equipment	<u>1,977.8</u>	<u>1,954.9</u>
Less accumulated depreciation	<u>557.2</u>	<u>542.8</u>
Net property, plant and equipment	1,420.6	1,412.1
DEFERRED CHARGES AND OTHER ASSETS		
Price risk management	-	3.7
Unamortized debt issuance costs	3.8	4.0
Other	11.8	12.0
Total deferred charges and other assets	<u>15.6</u>	<u>19.7</u>
TOTAL ASSETS	<u><u>\$ 1,600.0</u></u>	<u><u>\$ 1,778.9</u></u>

Enogex LLC and subsidiaries consolidated balance sheets

	March 31	December 31
	2010	2009
	(unaudited)	
	<i>(In millions)</i>	
LIABILITIES AND MEMBER'S INTEREST		
CURRENT LIABILITIES		
Accounts payable	\$ 79.6	\$ 92.7
Customer deposits	22.1	25.4
Accrued taxes	4.4	7.2
Accrued interest	3.5	19.6
Accrued compensation	7.7	11.6
Long-term debt due within one year	-	289.2
Price risk management	14.9	12.5
Gas imbalances	8.3	11.6
Other	16.0	13.1
Total current liabilities	<u>156.5</u>	<u>482.9</u>
LONG-TERM DEBT	562.6	447.6
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	45.9	44.6
Accumulated deferred income taxes	340.5	337.3
Price risk management	1.4	-
Other	2.8	2.8
Total deferred credits and other liabilities	<u>390.6</u>	<u>384.7</u>
Total liabilities	<u>1,109.7</u>	<u>1,315.2</u>
MEMBER'S INTEREST		
Member's interest	514.4	487.0
Accumulated other comprehensive income (loss), net of tax	(45.1)	(43.3)
Total Enogex LLC member's interest	<u>469.3</u>	<u>443.7</u>
Noncontrolling interest	21.0	20.0
Total member's interest	<u>490.3</u>	<u>463.7</u>
TOTAL LIABILITIES AND MEMBER'S INTEREST	<u>\$ 1,600.0</u>	<u>\$ 1,778.9</u>

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

	Three Months Ended	
	March 31	
	2010	2009
	<i>(In millions)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 28.4	\$ 16.2
Adjustments to Reconcile Net Income to Net Cash Provided from (Used in) Operating Activities		
Depreciation and amortization	17.8	14.8
Deferred income taxes, net	3.2	16.4
Price risk management assets	3.7	36.6
Price risk management liabilities	0.2	(35.7)
Other assets	0.2	0.4
Other liabilities	2.1	1.8
Change in certain current assets and liabilities		
Accounts receivable, net	2.1	(0.1)
Accounts receivable - affiliates	(6.0)	6.6
Natural gas, natural gas liquids, materials and supplies inventories	(1.2)	5.9
Gas imbalance assets	(1.2)	4.1
Other current assets	0.3	0.4
Accounts payable	(13.1)	(44.5)
Income taxes payable - affiliates	17.0	(6.7)
Customer deposits	(0.6)	-
Accrued taxes	(2.8)	(3.2)
Accrued interest	(16.1)	(8.1)
Accrued compensation	(3.9)	(2.8)
Gas imbalance liabilities	(3.3)	(9.4)
Other current liabilities	2.9	(3.3)
Net cash provided from (used in) operating activities	<u>29.7</u>	<u>(10.6)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(32.9)	(73.3)
Construction reimbursement	3.3	2.0
Proceeds from sale of assets	0.8	0.1
Net cash used in investing activities	<u>(28.8)</u>	<u>(71.2)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in advances to parent, net	177.2	1.7
Proceeds from line of credit	115.0	80.0
Capital contribution from OGE Energy	-	50.0
Retirement of long-term debt	(289.2)	-
Net cash provided from financing activities	<u>3.0</u>	<u>131.7</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3.9	49.9
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1.8	17.1
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 5.7</u>	<u>\$ 67.0</u>