**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
**FORM 10-Q**

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2024

**OR**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____to_____

| Commission File Number | Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number | I.R.S. Employer Identification No. |
|---|---|---|
| 1-12579 | **OGE ENERGY CORP.** | 73-1481638 |
| 1-1097 | **OKLAHOMA GAS AND ELECTRIC COMPANY** | 73-0382390 |

**321 North Harvey**
**P.O. Box 321**
**Oklahoma City, Oklahoma 73101-0321**
**405-553-3000**

**State or other jurisdiction of incorporation or organization:** Oklahoma
**Securities registered pursuant to Section 12(b) of the Act:**

| Registrant | Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|---|
| OGE Energy Corp. | Common Stock | OGE | New York Stock Exchange |
| Oklahoma Gas and Electric Company | None | N/A | N/A |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
OGE Energy Corp. ☑ Yes ☐ No Oklahoma Gas and Electric Company ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
OGE Energy Corp. ☑ Yes ☐ No Oklahoma Gas and Electric Company ☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| OGE Energy Corp. | Large accelerated filer | ☑ | Accelerated filer | ☐ | Non-accelerated filer | ☐ | Smaller reporting company | ☐ | Emerging growth company | ☐ |
| Oklahoma Gas and Electric Company | Large accelerated filer | ☐ | Accelerated filer | ☐ | Non-accelerated filer | ☑ | Smaller reporting company | ☐ | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
OGE Energy Corp. ☐ Yes ☑ No Oklahoma Gas and Electric Company ☐ Yes ☑ No

At September 30, 2024, there were 200,947,879 shares of OGE Energy Corp.'s common stock, par value $0.01 per share, outstanding.

At September 30, 2024, there were 40,378,745 of Oklahoma Gas and Electric Company's common stock, par value $2.50 per share, outstanding, all of which were held by OGE Energy Corp. There were no other shares of capital stock of the registrants outstanding at such date.

Oklahoma Gas and Electric Company meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format permitted by General Instruction H(2).

**FORM 10-Q**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

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## GLOSSARY OF TERMS

The following is a glossary of frequently used abbreviations that are found throughout this Form 10-Q.

| Abbreviation | Definition |
|---|---|
| 2023 Form 10-K | Annual Report on Form 10-K for the year ended December 31, 2023 |
| APSC | Arkansas Public Service Commission |
| ASU | Financial Accounting Standards Board Accounting Standards Update |
| $CO_2$ | Carbon dioxide |
| COVID-19 | Novel Coronavirus disease |
| Dry Scrubber | Dry flue gas desulfurization unit with spray dryer absorber |
| EPA | U.S. Environmental Protection Agency |
| Federal Clean Water Act | Federal Water Pollution Control Act of 1972, as amended |
| FERC | Federal Energy Regulatory Commission |
| FIP | Federal Implementation Program |
| GAAP | Accounting principles generally accepted in the U.S. |
| IRP | Integrated Resource Plan |
| MW | Megawatt |
| MWh | Megawatt-hour |
| NAAQS | National Ambient Air Quality Standard |
| $NO_X$ | Nitrogen oxide |
| OCC | Oklahoma Corporation Commission |
| ODEQ | Oklahoma Department of Environmental Quality |
| OG&E | Oklahoma Gas and Electric Company, wholly-owned subsidiary of OGE Energy |
| OGE Energy | OGE Energy Corp., collectively with its subsidiaries, holding company and parent company of OG&E |
| Other operations | Other operations primarily includes the operations of the holding company, other energy-related investments and consolidating eliminations |
| PM | Particulate matter |
| Pension Plan | Qualified defined benefit retirement plan |
| Regional Haze | The EPA's Regional Haze Rule |
| Registrants | OGE Energy and OG&E |
| Restoration of Retirement Income Plan | Supplemental retirement plan to the Pension Plan |
| SIP | State Implementation Plan |
| SPP | Southwest Power Pool |
| System sales | Sales to OG&E's customers |
| U.S. | United States of America |
| USFWS | United States Fish and Wildlife Service |
| Winter Storm Uri | Unprecedented, prolonged extreme cold weather event in February 2021 |

## FILING FORMAT

This combined Form 10-Q is separately filed by OGE Energy and OG&E. Information in this combined Form 10-Q relating to each individual Registrant is filed by such Registrant on its own behalf. OG&E makes no representation regarding information relating to any other companies affiliated with OGE Energy. Neither OGE Energy, nor any of OGE Energy's subsidiaries, other than OG&E, has any obligation in respect of OG&E's debt securities, and holders of such debt securities should not consider the financial resources or results of operations of OGE Energy nor any of OGE Energy's subsidiaries, other than OG&E (in relevant circumstances), in making a decision with respect to OG&E's debt securities. Similarly, none of OG&E nor any other subsidiary of OGE Energy has any obligation with respect to debt securities of OGE Energy. This combined Form 10-Q should be read in its entirety. No one section of this combined Form 10-Q deals with all aspects of the subject matter of this combined Form 10-Q.

## FORWARD-LOOKING STATEMENTS

Except for the historical statements contained herein, the matters discussed within this Form 10-Q, including those matters discussed within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," are 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 from those expressed in forward-looking statements. In addition to the specific risk factors discussed within "Item 1A. Risk Factors" in the Registrants' 2023 Form 10-K and within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" herein, 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 Registrants 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 Registrants, potentially through deregulation;
- the impact on demand for the Registrants' 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 Registrants' markets;
- environmental laws, safety laws or other regulations that may impact the cost of operations, restrict or change the way the Registrants' facilities are operated or result in stranded assets;
- the ability of the Registrants to meet future capacity requirements mandated by the SPP, which could be impacted by future load growth, environmental regulations recently finalized by the EPA, and the availability of resources;
- 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;
- changes in the use, perception or regulation of generative artificial intelligence technologies, which could limit our ability to utilize such technology, create risk of enhanced regulatory scrutiny, generate uncertainty around intellectual property ownership, licensing or use, or which could otherwise result in risk of damage to our business, reputation or financial results;

- 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, interest rate fluctuations, 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, those described in this Form 10-Q; and
- other risk factors listed in the reports filed by the Registrants with the Securities and Exchange Commission, including those listed within "Item 1A. Risk Factors" in the Registrants' 2023 Form 10-K.

The Registrants undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions, except per share data)* | **2024** | 2023 | **2024** | 2023 |
| OPERATING REVENUES | | | | |
| Revenues from contracts with customers | **$ 945.2** | $ 923.0 | **$ 2,171.9** | $ 2,056.8 |
| Other revenues | **20.2** | 22.4 | **52.9** | 50.8 |
| Operating revenues | **965.4** | 945.4 | **2,224.8** | 2,107.6 |
| FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE | **350.1** | 333.8 | **776.2** | 716.2 |
| OPERATING EXPENSES | | | | |
| Other operation and maintenance | **131.4** | 122.7 | **394.2** | 381.4 |
| Depreciation and amortization | **144.0** | 132.5 | **408.7** | 377.8 |
| Taxes other than income | **26.7** | 25.3 | **82.6** | 78.2 |
| Operating expenses | **302.1** | 280.5 | **885.5** | 837.4 |
| OPERATING INCOME | **313.2** | 331.1 | **563.1** | 554.0 |
| OTHER INCOME (EXPENSE) | | | | |
| Allowance for equity funds used during construction | **6.9** | 4.5 | **18.2** | 14.1 |
| Other net periodic benefit income | **1.7** | 1.5 | **5.0** | 4.1 |
| Other income | **6.8** | 8.5 | **20.2** | 38.1 |
| Other expense | **(4.7)** | (7.9) | **(15.8)** | (18.8) |
| Net other income | **10.7** | 6.6 | **27.6** | 37.5 |
| INTEREST EXPENSE | | | | |
| Interest on long-term debt | **59.6** | 52.0 | **166.5** | 153.0 |
| Allowance for borrowed funds used during construction | **(3.9)** | (1.9) | **(10.7)** | (5.3) |
| Interest on short-term debt and other interest charges | **8.5** | 7.3 | **33.5** | 15.2 |
| Interest expense | **64.2** | 57.4 | **189.3** | 162.9 |
| INCOME BEFORE TAXES | **259.7** | 280.3 | **401.4** | 428.6 |
| INCOME TAX EXPENSE | **41.0** | 38.4 | **61.8** | 60.0 |
| NET INCOME | **$ 218.7** | $ 241.9 | **$ 339.6** | $ 368.6 |
| BASIC AVERAGE COMMON SHARES OUTSTANDING | **200.9** | 200.3 | **200.7** | 200.3 |
| DILUTED AVERAGE COMMON SHARES OUTSTANDING | **201.5** | 201.0 | **201.2** | 200.9 |
| BASIC EARNINGS PER AVERAGE COMMON SHARE | **$ 1.09** | $ 1.21 | **$ 1.69** | $ 1.84 |
| DILUTED EARNINGS PER AVERAGE COMMON SHARE | **$ 1.09** | $ 1.20 | **$ 1.69** | $ 1.83 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| Net income | **$ 218.7** | $ 241.9 | **$ 339.6** | $ 368.6 |
| Other comprehensive income (loss), net of tax: | | | | |
| Pension Plan and Restoration of Retirement Income Plan: | | | | |
| Amortization of prior service cost, net of tax of $0.0, $0.0, $0.0 and $0.0, respectively | **0.1** | 0.1 | **0.2** | 0.2 |
| Amortization of deferred net loss, net of tax of $0.0, $0.1, $0.1 and $0.2, respectively | **—** | 0.1 | **0.1** | 0.6 |
| Regulatory classification of certain pension costs, net of tax of $0.0, $0.0, $1.2 and $0.0, respectively | **—** | — | **3.9** | — |
| Settlement cost, net of tax of $0.0, $0.0, $0.0 and $0.3, respectively | **—** | — | **—** | 1.1 |
| Postretirement benefit plans: | | | | |
| Amortization of deferred net gain, net of tax of ($0.0), ($0.1), ($0.0) and ($0.1), respectively | **—** | — | **(0.1)** | (0.1) |
| Other comprehensive income, net of tax | **0.1** | 0.2 | **4.1** | 1.8 |
| Comprehensive income | **$ 218.8** | $ 242.1 | **$ 343.7** | $ 370.4 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | Nine Months Ended September 30, | |
|---|---|---|
| *(In millions)* | **2024** | 2023 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income | **$ 339.6** | $ 368.6 |
| Adjustments to reconcile net income to net cash provided from operating activities: | | |
| Depreciation and amortization | **408.7** | 377.8 |
| Deferred income taxes and other tax credits, net | **20.2** | 7.7 |
| Allowance for equity funds used during construction | **(18.2)** | (14.1) |
| Stock-based compensation expense | **8.6** | 9.5 |
| Regulatory assets | **(37.3)** | (86.6) |
| Regulatory liabilities | **(8.4)** | (8.9) |
| Other assets | **(27.5)** | (3.4) |
| Other liabilities | **37.3** | 1.9 |
| Change in certain current assets and liabilities: | | |
| Accounts receivable and accrued unbilled revenues, net | **(137.2)** | (113.3) |
| Income taxes receivable | **18.2** | 14.2 |
| Fuel, materials and supplies inventories | **51.6** | (64.9) |
| Fuel recoveries | **(47.4)** | 461.9 |
| Other current assets | **(4.1)** | 52.4 |
| Accounts payable | **(45.3)** | (141.6) |
| Other current liabilities | **124.4** | 60.1 |
| Net cash provided from operating activities | **683.2** | 921.3 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditures (less allowance for equity funds used during construction) | **(794.3)** | (879.6) |
| Cost of removal and other | **(57.0)** | (75.4) |
| Net cash used in investing activities | **(851.3)** | (955.0) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term debt | **707.9** | 788.8 |
| Payment of long-term debt | **(0.1)** | (1,000.1) |
| Increase (decrease) in short-term debt | **(284.0)** | 411.4 |
| Dividends paid on common stock | **(253.9)** | (249.4) |
| Proceeds (costs) from issuance of common stock | **14.0** | — |
| Cash paid for employee equity-based compensation | **(6.1)** | (2.3) |
| Net cash provided from (used in) financing activities | **177.8** | (51.6) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | **9.7** | (85.3) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | **0.2** | 88.1 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | **$ 9.9** | $ 2.8 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(Unaudited)**

| *(In millions)* | **September 30, 2024** | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | **$ 9.9** | $ 0.2 |
| Accounts receivable, less reserve of $2.1 and $2.2, respectively | **330.5** | 208.8 |
| Accrued unbilled revenues | **88.2** | 72.7 |
| Income taxes receivable | **—** | 18.2 |
| Fuel inventories | **123.4** | 158.5 |
| Materials and supplies, at average cost | **238.2** | 254.3 |
| Fuel clause under recoveries | **43.3** | — |
| Other | **63.0** | 58.8 |
| Total current assets | **896.5** | 771.5 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Other | **122.6** | 114.0 |
| Total other property and investments | **122.6** | 114.0 |
| PROPERTY, PLANT AND EQUIPMENT | | |
| In service | **16,048.6** | 15,588.2 |
| Construction work in progress | **783.7** | 522.2 |
| Total property, plant and equipment | **16,832.3** | 16,110.4 |
| Less: accumulated depreciation | **5,000.3** | 4,809.4 |
| Net property, plant and equipment | **11,832.0** | 11,301.0 |
| DEFERRED CHARGES AND OTHER ASSETS | | |
| Regulatory assets | **572.7** | 577.6 |
| Other | **52.0** | 26.6 |
| Total deferred charges and other assets | **624.7** | 604.2 |
| TOTAL ASSETS | **$ 13,475.8** | $ 12,790.7 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED BALANCE SHEETS (Continued)**
**(Unaudited)**

| *(In millions)* | | **September 30, 2024** | | December 31, 2023 |
|---|---|---|---|---|
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term debt | **$** | **215.2** | $ | 499.2 |
| Accounts payable | | **269.8** | | 276.4 |
| Dividends payable | | **84.6** | | 83.8 |
| Customer deposits | | **110.0** | | 103.5 |
| Accrued taxes | | **101.4** | | 47.6 |
| Accrued interest | | **72.9** | | 57.4 |
| Accrued compensation | | **54.2** | | 46.8 |
| Long-term debt due within one year | | **32.4** | | — |
| Fuel clause over recoveries | | **16.4** | | 20.5 |
| Other | | **84.6** | | 44.0 |
| Total current liabilities | | **1,041.5** | | 1,179.2 |
| LONG-TERM DEBT | | **5,020.8** | | 4,340.5 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | | | |
| Accrued benefit obligations | | **166.9** | | 172.7 |
| Deferred income taxes | | **1,361.6** | | 1,300.8 |
| Deferred investment tax credits | | **10.7** | | 11.3 |
| Regulatory liabilities | | **1,014.6** | | 1,061.6 |
| Other | | **242.6** | | 213.0 |
| Total deferred credits and other liabilities | | **2,796.4** | | 2,759.4 |
| Total liabilities | | **8,858.7** | | 8,279.1 |
| COMMITMENTS AND CONTINGENCIES (NOTE 12) | | | | |
| STOCKHOLDERS' EQUITY | | | | |
| Common stockholders' equity | | **1,161.7** | | 1,145.1 |
| Retained earnings | | **3,458.5** | | 3,373.7 |
| Accumulated other comprehensive loss, net of tax | | **(3.1 )** | | (7.2 ) |
| Total stockholders' equity | | **4,617.1** | | 4,511.6 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | **$** | **13,475.8** | $ | 12,790.7 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OGE ENERGY CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**
**(Unaudited)**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| *(In millions)* | Shares | Value | Premium on Common Stock | Retained Earnings | Accumulated Other Comprehensive (Loss) Income | Total |
| Balance at December 31, 2023 | 200.3 | $ 2.0 | $ 1,143.1 | $ 3,373.7 | $ (7.2) | $ 4,511.6 |
| Net income | — | — | — | **18.6** | — | **18.6** |
| Other comprehensive income, net of tax | — | — | — | — | **3.9** | **3.9** |
| Dividends declared on common stock ($0.4182 per share) | — | — | — | **(86.1)** | — | **(86.1)** |
| Stock-based compensation | **0.2** | — | **(2.7)** | — | — | **(2.7)** |
| Balance at March 31, 2024 | **200.5** | **$ 2.0** | **$ 1,140.4** | **$ 3,306.2** | **$ (3.3)** | **$ 4,445.3** |
| Net income | — | — | — | **102.3** | — | **102.3** |
| Other comprehensive income, net of tax | — | — | — | — | **0.1** | **0.1** |
| Dividends declared on common stock ($0.4182 per share) | — | — | — | **(84.1)** | — | **(84.1)** |
| Issuance of common stock | **0.4** | — | **10.9** | — | — | **10.9** |
| Stock-based compensation | — | — | **3.2** | — | — | **3.2** |
| Balance at June 30, 2024 | **200.9** | **$ 2.0** | **$ 1,154.5** | **$ 3,324.4** | **$ (3.2)** | **$ 4,477.7** |
| Net income | — | — | — | **218.7** | — | **218.7** |
| Other comprehensive income, net of tax | — | — | — | — | **0.1** | **0.1** |
| Dividends declared on common stock ($0.42125 per share) | — | — | — | **(84.6)** | — | **(84.6)** |
| Issuance of common stock | — | — | **3.1** | — | — | **3.1** |
| Stock-based compensation | — | — | **2.1** | — | — | **2.1** |
| Balance at September 30, 2024 | **200.9** | **$ 2.0** | **$ 1,159.7** | **$ 3,458.5** | **$ (3.1)** | **$ 4,617.1** |

| | Common Stock | | Treasury Stock | | | | | |
|---|---|---|---|---|---|---|---|---|
| *(In millions)* | Shares | Value | Shares | Value | Premium on Common Stock | Retained Earnings | Accumulated Other Comprehensive (Loss) Income | Total |
| Balance at December 31, 2022 | 200.2 | $ 2.0 | — | $ (0.1) | $ 1,132.5 | $ 3,290.9 | $ (11.9) | $ 4,413.4 |
| Net income | — | — | — | — | — | 38.3 | — | 38.3 |
| Other comprehensive income, net of tax | — | — | — | — | — | — | 1.1 | 1.1 |
| Dividends declared on common stock ($0.4141 per share) | — | — | — | — | — | (83.6) | — | (83.6) |
| Stock-based compensation | 0.1 | — | — | 0.1 | 0.7 | — | — | 0.8 |
| Balance at March 31, 2023 | 200.3 | $ 2.0 | — | $ — | $ 1,133.2 | $ 3,245.6 | $ (10.8) | $ 4,370.0 |
| Net income | — | — | — | — | — | 88.4 | — | 88.4 |
| Other comprehensive income, net of tax | — | — | — | — | — | — | 0.5 | 0.5 |
| Dividends declared on common stock ($0.4141 per share) | — | — | — | — | — | (83.0) | — | (83.0) |
| Stock-based compensation | — | — | — | — | 3.2 | — | — | 3.2 |
| Balance at June 30, 2023 | 200.3 | $ 2.0 | — | $ — | $ 1,136.4 | $ 3,251.0 | $ (10.3) | $ 4,379.1 |
| Net income | — | — | — | — | — | 241.9 | — | 241.9 |
| Other comprehensive income, net of tax | — | — | — | — | — | — | 0.2 | 0.2 |
| Dividends declared on common stock ($0.4182 per share) | — | — | — | — | — | (83.7) | — | (83.7) |
| Stock-based compensation | — | — | — | — | 3.2 | — | — | 3.2 |
| Balance at September 30, 2023 | 200.3 | $ 2.0 | — | $ — | $ 1,139.6 | $ 3,409.2 | $ (10.1) | $ 4,540.7 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OKLAHOMA GAS AND ELECTRIC COMPANY**
**CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**
**(Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| OPERATING REVENUES | | | | |
| Revenues from contracts with customers | **$ 945.2** | $ 923.0 | **$ 2,171.9** | $ 2,056.8 |
| Other revenues | **20.2** | 22.4 | **52.9** | 50.8 |
| Operating revenues | **965.4** | 945.4 | **2,224.8** | 2,107.6 |
| FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE | **350.1** | 333.8 | **776.2** | 716.2 |
| OPERATING EXPENSES | | | | |
| Other operation and maintenance | **131.4** | 123.3 | **394.0** | 383.4 |
| Depreciation and amortization | **144.0** | 132.5 | **408.7** | 377.8 |
| Taxes other than income | **26.7** | 24.7 | **82.6** | 75.3 |
| Operating expenses | **302.1** | 280.5 | **885.3** | 836.5 |
| OPERATING INCOME | **313.2** | 331.1 | **563.3** | 554.9 |
| OTHER INCOME (EXPENSE) | | | | |
| Allowance for equity funds used during construction | **6.9** | 4.5 | **18.2** | 14.1 |
| Other net periodic benefit income | **1.9** | 1.7 | **5.5** | 4.9 |
| Other income | **3.4** | 3.6 | **8.6** | 22.0 |
| Other expense | **(0.6)** | (2.0) | **(3.9)** | (4.7) |
| Net other income | **11.6** | 7.8 | **28.4** | 36.3 |
| INTEREST EXPENSE | | | | |
| Interest on long-term debt | **53.6** | 51.1 | **156.0** | 149.2 |
| Allowance for borrowed funds used during construction | **(3.9)** | (1.9) | **(10.7)** | (5.3) |
| Interest on short-term debt and other interest charges | **4.4** | 1.8 | **15.1** | 4.9 |
| Interest expense | **54.1** | 51.0 | **160.4** | 148.8 |
| INCOME BEFORE TAXES | **270.7** | 287.9 | **431.3** | 442.4 |
| INCOME TAX EXPENSE | **45.7** | 41.8 | **71.8** | 64.6 |
| NET INCOME | **$ 225.0** | $ 246.1 | **$ 359.5** | $ 377.8 |
| Other comprehensive income, net of tax | **—** | — | **—** | — |
| COMPREHENSIVE INCOME | **$ 225.0** | $ 246.1 | **$ 359.5** | $ 377.8 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OKLAHOMA GAS AND ELECTRIC COMPANY**
**CONDENSED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| *(In millions)* | Nine Months Ended September 30, 2024 | 2023 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income | **$ 359.5** | $ 377.8 |
| Adjustments to reconcile net income to net cash provided from operating activities: | | |
| Depreciation and amortization | **408.7** | 377.8 |
| Deferred income taxes and other tax credits, net | **19.7** | 6.2 |
| Allowance for equity funds used during construction | **(18.2)** | (14.1) |
| Stock-based compensation expense | **8.6** | 2.2 |
| Regulatory assets | **(37.3)** | (86.6) |
| Regulatory liabilities | **(8.4)** | (8.9) |
| Other assets | **(21.3)** | (1.4) |
| Other liabilities | **38.4** | 1.9 |
| Change in certain current assets and liabilities: | | |
| Accounts receivable and accrued unbilled revenues, net | **(136.7)** | (113.9) |
| Fuel, materials and supplies inventories | **51.6** | (64.9) |
| Fuel recoveries | **(47.4)** | 461.9 |
| Other current assets | **(10.0)** | 57.8 |
| Accounts payable | **(32.5)** | (132.8) |
| Income taxes payable - parent | **51.6** | 21.7 |
| Other current liabilities | **97.8** | 59.5 |
| Net cash provided from operating activities | **724.1** | 944.2 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditures (less allowance for equity funds used during construction) | **(794.3)** | (879.6) |
| Cost of removal | **(54.9)** | (72.4) |
| Net cash used in investing activities | **(849.2)** | (952.0) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Changes in advances with parent | **(216.8)** | 221.9 |
| Proceeds from long-term debt | **351.7** | 788.8 |
| Payment of long-term debt | **(0.1)** | (500.1) |
| Dividends paid on common stock | **—** | (500.0) |
| Net cash provided from financing activities | **134.8** | 10.6 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | **9.7** | 2.8 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | **0.2** | — |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | **$ 9.9** | $ 2.8 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OKLAHOMA GAS AND ELECTRIC COMPANY**
**CONDENSED BALANCE SHEETS**
**(Unaudited)**

| *(In millions)* | **September 30, 2024** | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | **$ 9.9** | $ 0.2 |
| Accounts receivable, less reserve of $2.1 and $2.2, respectively | **330.0** | 208.8 |
| Accrued unbilled revenues | **88.2** | 72.7 |
| Advances to parent | **17.6** | — |
| Fuel inventories | **123.4** | 158.5 |
| Materials and supplies, at average cost | **238.2** | 254.3 |
| Fuel clause under recoveries | **43.3** | — |
| Other | **56.8** | 46.7 |
| Total current assets | **907.4** | 741.2 |
| OTHER PROPERTY AND INVESTMENTS | **4.5** | 4.6 |
| PROPERTY, PLANT AND EQUIPMENT | | |
| In service | **16,042.5** | 15,582.1 |
| Construction work in progress | **783.7** | 522.2 |
| Total property, plant and equipment | **16,826.2** | 16,104.3 |
| Less: accumulated depreciation | **5,000.3** | 4,809.4 |
| Net property, plant and equipment | **11,825.9** | 11,294.9 |
| DEFERRED CHARGES AND OTHER ASSETS | | |
| Regulatory assets | **572.7** | 577.6 |
| Other | **50.0** | 24.3 |
| Total deferred charges and other assets | **622.7** | 601.9 |
| TOTAL ASSETS | **$ 13,360.5** | $ 12,642.6 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OKLAHOMA GAS AND ELECTRIC COMPANY**
**CONDENSED BALANCE SHEETS (Continued)**
**(Unaudited)**

| *(In millions)* | **September 30, 2024** | December 31, 2023 |
|---|---|---|
| **LIABILITIES AND STOCKHOLDER'S EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | **$ 234.7** | $ 228.5 |
| Advances from parent | **—** | 147.7 |
| Customer deposits | **110.0** | 103.5 |
| Accrued taxes | **71.5** | 47.2 |
| Accrued interest | **65.4** | 56.6 |
| Accrued compensation | **54.2** | 37.0 |
| Long-term debt due within one year | **32.4** | — |
| Fuel clause over recoveries | **16.4** | 20.5 |
| Other | **84.6** | 43.6 |
| Total current liabilities | **669.2** | 684.6 |
| LONG-TERM DEBT | **4,614.3** | 4,290.6 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | |
| Accrued benefit obligations | **98.7** | 96.2 |
| Deferred income taxes | **1,399.8** | 1,340.8 |
| Deferred investment tax credits | **10.7** | 11.3 |
| Regulatory liabilities | **1,014.6** | 1,061.6 |
| Other | **210.3** | 182.8 |
| Total deferred credits and other liabilities | **2,734.1** | 2,692.7 |
| Total liabilities | **8,017.6** | 7,667.9 |
| COMMITMENTS AND CONTINGENCIES (NOTE 12) | | |
| STOCKHOLDER'S EQUITY | | |
| Common stockholder's equity | **1,586.4** | 1,577.7 |
| Retained earnings | **3,756.5** | 3,397.0 |
| Total stockholder's equity | **5,342.9** | 4,974.7 |
| TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY | **$ 13,360.5** | $ 12,642.6 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

**OKLAHOMA GAS AND ELECTRIC COMPANY**
**CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY**
**(Unaudited)**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| *(In millions)* | Shares | Value | Premium on Common Stock | Retained Earnings | Total |
| Balance at December 31, 2023 | 40.4 | $ 100.9 | $ 1,476.8 | $ 3,397.0 | $ 4,974.7 |
| Net income | — | — | — | **25.2** | **25.2** |
| Stock-based compensation | — | — | **3.2** | — | **3.2** |
| Balance at March 31, 2024 | **40.4** | **$ 100.9** | **$ 1,480.0** | **$ 3,422.2** | **$ 5,003.1** |
| Net income | — | — | — | **109.3** | **109.3** |
| Stock-based compensation | — | — | **3.4** | — | **3.4** |
| Balance at June 30, 2024 | **40.4** | **$ 100.9** | **$ 1,483.4** | **$ 3,531.5** | **$ 5,115.8** |
| Net income | — | — | — | **225.0** | **225.0** |
| Stock-based compensation | — | — | **2.1** | — | **2.1** |
| Balance at September 30, 2024 | **40.4** | **$ 100.9** | **$ 1,485.5** | **$ 3,756.5** | **$ 5,342.9** |
| | | | | | |
| Balance at December 31, 2022 | 40.4 | $ 100.9 | $ 1,473.7 | $ 3,470.6 | $ 5,045.2 |
| Net income | — | — | — | 39.8 | 39.8 |
| Stock-based compensation | — | — | 0.6 | — | 0.6 |
| Balance at March 31, 2023 | 40.4 | $ 100.9 | $ 1,474.3 | $ 3,510.4 | $ 5,085.6 |
| Net income | — | — | — | 91.9 | 91.9 |
| Dividends declared on common stock | — | — | — | (250.0) | (250.0) |
| Stock-based compensation | — | — | 0.9 | — | 0.9 |
| Balance at June 30, 2023 | 40.4 | $ 100.9 | $ 1,475.2 | $ 3,352.3 | $ 4,928.4 |
| Net income | — | — | — | 246.1 | 246.1 |
| Dividends declared on common stock | — | — | — | (250.0) | (250.0) |
| Stock-based compensation | — | — | 0.7 | — | 0.7 |
| Balance at September 30, 2023 | 40.4 | $ 100.9 | $ 1,475.9 | $ 3,348.4 | $ 4,925.2 |

*The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.*

## COMBINED NOTES TO THE CONDENSED FINANCIAL STATEMENTS
## (Unaudited)

### Index of Combined Notes to Condensed Financial Statements

The Combined Notes to the Condensed Financial Statements are a combined presentation for OGE Energy and OG&E. The following table indicates the Registrant(s) to which each Note applies.



### 1. Summary of Significant Accounting Policies

#### Organization

OGE Energy is a holding company whose primary investment provides electricity in Oklahoma and western Arkansas. OGE Energy's electric company operations are conducted through its wholly-owned subsidiary, OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas and are reported through OGE Energy's electric company business segment. OG&E's rates are subject to regulation by the OCC, the APSC and the FERC. OG&E was incorporated in 1902 under the laws of the Oklahoma Territory and is the largest electric company in Oklahoma, with a franchised service territory that includes Fort Smith, Arkansas and the surrounding communities. OG&E sold its retail natural gas business in 1928 and is no longer engaged in the natural gas distribution business.

The accounts of OGE Energy and its wholly-owned subsidiaries, including OG&E, are included in OGE Energy's condensed consolidated financial statements. All intercompany transactions and balances are eliminated in such consolidation.

#### Basis of Presentation

The condensed financial statements included herein have been prepared by the Registrants, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations; however, the Registrants believe that the disclosures are adequate to prevent the information presented from being misleading.

In the opinion of management, all adjustments necessary to fairly present the financial position of the Registrants at September 30, 2024 and December 31, 2023, the results of the Registrants' operations for the three and nine months ended September 30, 2024 and 2023 and the Registrants' cash flows for the nine months ended September 30, 2024 and 2023 have been included and are of a normal, recurring nature except as otherwise disclosed. Management also has evaluated the impact of events occurring after September 30, 2024 up to the date of issuance of these condensed financial statements, and these statements contain all necessary adjustments and disclosures resulting from that evaluation.

Due to seasonal fluctuations and other factors, the Registrants' operating results for the three and nine months ended September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024 or for any future period. The condensed financial statements and notes thereto should be read in conjunction with the audited financial statements and notes thereto included in the Registrants' 2023 Form 10-K.

**Accounting Records**

The accounting records of OG&E are maintained in accordance with the Uniform System of Accounts prescribed by the FERC and adopted by the OCC and the APSC. Additionally, OG&E, as a regulated electric company, is subject to accounting principles for certain types of rate-regulated activities, which provide that certain incurred costs that would otherwise be charged to expense can be deferred as regulatory assets, based on the expected recovery from customers in future rates. Likewise, certain actual or anticipated credits that would otherwise reduce expense can be deferred as regulatory liabilities, based on the expected flowback to customers in future rates. Management's expected recovery of deferred costs and flowback of deferred credits generally results from specific decisions by regulators granting such ratemaking treatment.

OG&E records certain incurred costs and obligations as regulatory assets or liabilities if, based on regulatory orders or other available evidence, it is probable that the costs or obligations will be included in amounts allowable for recovery or refund in future rates. The following table presents a summary of OG&E's regulatory assets and liabilities.

| *(In millions)* | **September 30, 2024** | December 31, 2023 |
|---|---|---|
| REGULATORY ASSETS | | |
| Current: | | |
| Oklahoma fuel clause under recoveries | **$ 43.3** | $ — |
| Oklahoma Energy Efficiency Rider under recoveries (A) | **5.0** | 3.8 |
| Other (A) | **4.7** | 2.7 |
| Total current regulatory assets | **$ 53.0** | $ 6.5 |
| Non-current: | | |
| Oklahoma deferred storm expenses | **$ 247.1** | $ 261.1 |
| Pension tracker | **102.0** | 91.9 |
| Benefit obligations regulatory asset | **89.8** | 89.4 |
| Arkansas Winter Storm Uri costs | **64.8** | 71.0 |
| Sooner Dry Scrubbers | **16.6** | 17.2 |
| Oklahoma SAP S/4 HANA deferred expenses | **13.1** | 6.0 |
| Arkansas deferred pension expenses | **11.4** | 12.7 |
| Unamortized loss on reacquired debt | **6.6** | 7.2 |
| COVID-19 impacts | **5.7** | 6.8 |
| Frontier Plant deferred expenses | **2.5** | 3.6 |
| Other | **13.1** | 10.7 |
| Total non-current regulatory assets | **$ 572.7** | $ 577.6 |
| REGULATORY LIABILITIES | | |
| Current: | | |
| Arkansas fuel clause over recoveries | **$ 16.4** | $ 4.9 |
| SPP cost tracker over recoveries (B) | **7.9** | 10.4 |
| Oklahoma fuel clause over recoveries | **—** | 15.6 |
| Other (B) | **3.9** | 2.3 |
| Total current regulatory liabilities | **$ 28.2** | $ 33.2 |
| Non-current: | | |
| Income taxes refundable to customers, net | **$ 796.1** | $ 838.0 |
| Accrued removal obligations, net | **216.6** | 222.0 |
| Other | **1.9** | 1.6 |
| Total non-current regulatory liabilities | **$ 1,014.6** | $ 1,061.6 |

(A) Included in Other Current Assets in the condensed balance sheets.
(B) Included in Other Current Liabilities in the condensed balance sheets.

Management continuously monitors the future recoverability of regulatory assets. When in management's judgment future recovery becomes impaired, the amount of the regulatory asset is adjusted, as appropriate. If OG&E were required to discontinue the application of accounting principles for certain types of rate-regulated activities for some or all of its operations, it could result in writing off the related regulatory assets or liabilities, which could have significant financial effects.

**Allowance for Uncollectible Accounts Receivable**

Customer balances are generally written off if not collected within six months after the final billing date. The allowance for uncollectible accounts receivable for OG&E is generally calculated by multiplying the last six months of electric revenue by the provision rate, which is based on a historical average of actual balances written off and is adjusted for current conditions and supportable forecasts as necessary. To the extent the historical collection rates, when incorporating forecasted conditions, are not representative of future collections, there could be an effect on the amount of uncollectible expense recognized. Also, a portion of the uncollectible provision related to fuel within the Oklahoma jurisdiction is being recovered through the fuel adjustment clause. The allowance for uncollectible accounts receivable is a reduction to Accounts Receivable in the condensed balance sheets and is included in Other Operation and Maintenance Expense in the condensed statements of income.

New business customers are required to provide a security deposit in the form of cash, bond or irrevocable letter of credit that is refunded when the account is closed or when certain requirements are met. New residential customers whose outside credit scores indicate an elevated risk are required to provide a security deposit that is refunded based on customer protection rules defined by the OCC and the APSC. The payment behavior of all existing customers is continuously monitored, and, if the payment behavior indicates sufficient risk within the meaning of the applicable utility regulation, customers will be required to provide a security deposit.

**Related Party Transactions**

OGE Energy charges operating costs to OG&E based on several factors, and operating costs directly related to OG&E are assigned as such. Operating costs incurred for the benefit of OG&E are allocated either as overhead based primarily on labor costs or using the "Distrigas" method, which is a three-factor formula that uses an equal weighting of payroll, net operating revenues and gross property, plant and equipment. OGE Energy adopted this method as a result of a recommendation by the OCC Staff and believes this method provides a reasonable basis for allocating common expenses. OGE Energy charged operating costs to OG&E of $35.6 million and $109.0 million during the three and nine months ended September 30, 2023, respectively. As a result of OGE Energy's exit of its former midstream business and becoming primarily an electric company, all employees are directly employed by OG&E beginning in 2024.

**Accumulated Other Comprehensive Income (Loss)**

The following tables present changes in the components of accumulated other comprehensive income (loss) attributable to OGE Energy during the nine months ended September 30, 2024 and 2023. All amounts below are presented net of tax.

| *(In millions)* | **Pension Plan and Restoration of Retirement Income Plan** | **Postretirement Benefit Plans** | **Total** |
|---|---|---|---|
| Balance at December 31, 2023 | $ (12.9) | $ 5.7 | $ (7.2) |
| Amounts reclassified from accumulated other comprehensive income (loss) | **0.3** | **(0.1)** | **0.2** |
| Regulatory classification of certain pension costs | **3.9** | **—** | **3.9** |
| Balance at September 30, 2024 | **$ (8.7)** | **$ 5.6** | **$ (3.1)** |

| *(In millions)* | Pension Plan and Restoration of Retirement Income Plan | Postretirement Benefit Plans | Total |
|---|---|---|---|
| Balance at December 31, 2022 | $ (18.5) | $ 6.6 | $ (11.9) |
| Amounts reclassified from accumulated other comprehensive income (loss) | 0.8 | (0.1) | 0.7 |
| Settlement cost | 1.1 | — | 1.1 |
| Balance at September 30, 2023 | $ (16.6) | $ 6.5 | $ (10.1) |

The following table presents significant amounts reclassified out of accumulated other comprehensive income (loss) attributable to OGE Energy by the respective line items in net income during the three and nine months ended September 30, 2024 and 2023.

| Details about Accumulated Other Comprehensive Income (Loss) Components | Amount Reclassified from Accumulated Other Comprehensive Income (Loss) | | | | Affected Line Item in OGE Energy's Statements of Income |
|---|---|---|---|---|---|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | |
| Amortization of Pension Plan and Restoration of Retirement Income Plan items: | | | | | |
| Actuarial losses | **$ —** | $ (0.2) | **$ (0.2)** | $ (0.8) | (A) |
| Prior service cost | **(0.1)** | (0.1) | **(0.2)** | (0.2) | (A) |
| Settlement cost | **—** | — | **—** | (1.4) | (A) |
| | **(0.1)** | (0.3) | **(0.4)** | (2.4) | Income Before Taxes |
| | **—** | (0.1) | **(0.1)** | (0.5) | Income Tax Expense |
| | **$ (0.1)** | $ (0.2) | **$ (0.3)** | $ (1.9) | Net Income |
| Amortization of postretirement benefit plans items: | | | | | |
| Actuarial gains | **$ —** | $ 0.1 | **$ 0.1** | $ 0.2 | (A) |
| | **—** | 0.1 | **0.1** | 0.2 | Income Before Taxes |
| | **—** | 0.1 | **—** | 0.1 | Income Tax Expense |
| | **$ —** | $ — | **$ 0.1** | $ 0.1 | Net Income |
| Total reclassifications for the period, net of tax | **$ (0.1)** | $ (0.2) | **$ (0.2)** | $ (1.8) | Net Income |

(A) These accumulated other comprehensive income (loss) components are included in the computation of net periodic benefit cost (see Note 10 for additional information).

**Reclassifications**

Certain prior year amounts have been reclassified to conform to current year presentation. The Registrants updated the September 30, 2023 presentation of removal costs related to long-lived assets within the condensed statements of cash flows to reflect the classification in the Registrants' 2023 Form 10-K.

**2. Accounting Pronouncements**

In November 2023, the Financial Accounting Standards Board issued ASU 2023-07, "Segment Reporting (Topic 280) Improvements to Reportable Segment Disclosures." The amendments in this update improve financial reporting by requiring disclosure of incremental segment information on an annual and interim basis. The standard is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Registrants continue to evaluate the impact of this standard and do not believe it will have a material impact on their financial statement disclosures.

In December 2023, the Financial Accounting Standards Board issued ASU 2023-09, "Income Taxes (Topic 740) Improvements to Income Tax Disclosures." The amendments in this update require public entities on an annual basis to (i) disclose specific categories in the rate reconciliation and (ii) provide additional information for reconciling items that meet a quantitative threshold. Further, the amendments require entities to disclose on an annual basis income taxes paid (net of refunds received) disaggregated by federal (national), state and foreign taxes and to disaggregate the information by jurisdiction based on a quantitative threshold. The standard is effective January 1, 2025, and early adoption is permitted. The Registrants continue to evaluate the impact of this standard and do not believe it will have a material impact on their financial statement disclosures.

The Registrants believe that other recently adopted and recently issued accounting standards that are not yet effective do not appear to have a material impact on the Registrants' financial position, results of operations or cash flows upon adoption.

**3. Revenue Recognition**

The following table presents OG&E's revenues from contracts with customers disaggregated by customer classification. OG&E's operating revenues disaggregated by customer classification can be found in "OG&E (Electric Company) Results of Operations" within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations."

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| Residential | **$ 412.6** | $ 389.7 | **$ 873.0** | $ 811.5 |
| Commercial | **282.4** | 237.0 | **608.8** | 522.0 |
| Industrial | **77.5** | 76.5 | **185.7** | 183.5 |
| Oilfield | **67.8** | 67.5 | **165.1** | 163.0 |
| Public authorities and street light | **85.0** | 80.1 | **193.7** | 177.7 |
| System sales revenues | **925.3** | 850.8 | **2,026.3** | 1,857.7 |
| Provision for rate refund and tax refund | **(43.5)** | — | **(43.5)** | 2.0 |
| Integrated market | **19.2** | 26.2 | **51.3** | 57.7 |
| Transmission | **36.6** | 35.6 | **114.7** | 106.9 |
| Other | **7.6** | 10.4 | **23.1** | 32.5 |
| Revenues from contracts with customers | **$ 945.2** | $ 923.0 | **$ 2,171.9** | $ 2,056.8 |

**4. Fair Value Measurements**

The classification of the Registrants' fair value measurements requires judgment regarding the degree to which market data is observable or corroborated by observable market data. GAAP establishes a fair value hierarchy that prioritizes the inputs used to measure fair value based on observable and unobservable data. The hierarchy categorizes the inputs into three levels, with the highest priority given to quoted prices in active markets for identical unrestricted assets or liabilities (Level 1) and the lowest priority given to unobservable inputs (Level 3). Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The three levels defined in the fair value hierarchy are as follows:

Level 1 inputs are quoted prices in active markets for identical unrestricted assets or liabilities that are accessible at the measurement date.

Level 2 inputs are inputs other than quoted prices in active markets included within Level 1 that are either directly or indirectly observable at the reporting date for the asset or liability for substantially the full term of the asset or liability. Level 2 inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3 inputs are prices or valuation techniques for the asset or liability that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity). Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The Registrants had no financial instruments measured at fair value on a recurring basis at September 30, 2024 and December 31, 2023. The following table presents the carrying amount and fair value of the Registrants' financial instruments at September 30, 2024 and December 31, 2023, as well as the classification level within the fair value hierarchy.

| | **September 30, 2024** | | December 31, 2023 | | |
|---|---|---|---|---|---|
| *(In millions)* | **Carrying Amount** | **Fair Value** | Carrying Amount | Fair Value | **Classification** |
| Long-term Debt (including Long-term Debt due within one year): | | | | | |
| OGE Energy Senior Notes | **$ 346.8** | **$ 364.6** | $ — | $ — | Level 2 |
| OGE Energy Term Loan | **$ 59.7** | **$ 60.0** | $ 49.9 | $ 50.0 | Level 2 |
| OG&E Senior Notes | **$ 4,499.6** | **$ 4,404.8** | $ 4,146.0 | $ 3,922.3 | Level 2 |
| OG&E Industrial Authority Bonds | **$ 135.4** | **$ 135.4** | $ 135.4 | $ 135.4 | Level 2 |
| OG&E Tinker Debt (A) | **$ 11.7** | **$ 9.8** | $ 9.2 | $ 7.1 | Level 3 |

(A) In June 2024, OG&E purchased additional distribution assets at Tinker Air Force Base for $2.6 million, which was a non-cash investing and financing activity.

**5. Stock-Based Compensation**

The following table presents the Registrants' pre-tax compensation expense and related income tax benefit for the three and nine months ended September 30, 2024 and 2023 related to performance units and restricted stock units for the Registrants' employees.

| | **OGE Energy** | | | | **OG&E** | | | |
|---|---|---|---|---|---|---|---|---|
| | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| Performance units | **$ 1.4** | $ 2.3 | **$ 5.8** | $ 6.8 | **$ 1.4** | $ 0.5 | **$ 5.8** | $ 1.6 |
| Restricted stock units | **0.7** | 0.9 | **2.8** | 2.7 | **0.7** | 0.2 | **2.8** | 0.6 |
| Total compensation expense | **$ 2.1** | $ 3.2 | **$ 8.6** | $ 9.5 | **$ 2.1** | $ 0.7 | **$ 8.6** | $ 2.2 |
| Income tax benefit | **$ 0.5** | $ 0.8 | **$ 2.1** | $ 2.3 | **$ 0.5** | $ 0.2 | **$ 2.1** | $ 0.5 |

During the nine months ended September 30, 2024, OGE Energy issued 255,578 shares of new common stock pursuant to OGE Energy's Stock Incentive Plan to satisfy payouts of earned performance units and restricted stock unit grants to the Registrants' employees.

During the nine months ended September 30, 2024, OGE Energy granted 275,499 performance units (based on total shareholder return over a three-year period) and 148,345 restricted stock units (three-year cliff vesting period) to the Registrants' employees at $35.86 and $32.74 fair value per share, respectively. As a result of OGE Energy's exit of its former midstream business and becoming primarily an electric company, all employees are directly employed by OG&E beginning in 2024.

**6. Income Taxes**

OGE Energy files consolidated income tax returns in the U.S. federal jurisdiction and various state jurisdictions. OG&E is a part of the consolidated income tax return of OGE Energy. With few exceptions, the Registrants are no longer subject to U.S. federal tax or state and local examinations by tax authorities for years prior to 2020. Income taxes are generally allocated to each company in the affiliated group, including OG&E, based on its stand-alone taxable income or loss. Federal investment tax credits previously claimed on electric utility property have been deferred and will be amortized to income over the life of the related property. Oklahoma investment tax credits are also earned on investments at electric generating facilities which further reduce OG&E's effective tax rate.

**7. Common Equity**

**Automatic Dividend Reinvestment and Stock Purchase Plan**

OGE Energy issued 80,616 and 404,937 new shares of common stock under its Automatic Dividend Reinvestment and Stock Purchase Plan during the three and nine months ended September 30, 2024 and received proceeds of $3.1 million and $14.1 million, respectively. OGE Energy may, from time to time, issue additional shares under its Automatic Dividend Reinvestment and Stock

Purchase Plan to fund capital requirements or working capital needs. As of September 30, 2024, there were 4,397,154 shares of unissued common stock reserved for issuance under OGE Energy's Automatic Dividend Reinvestment and Stock Purchase Plan.

**Earnings Per Share**

Basic earnings per share is calculated by dividing net income attributable to OGE Energy by the weighted-average number of OGE Energy's common shares outstanding during the period. In the calculation of diluted earnings per share, weighted-average shares outstanding are increased for additional shares that would be outstanding if potentially dilutive securities were converted to common stock. Potentially dilutive securities for OGE Energy consist of performance units and restricted stock units. The following table presents the calculation of basic and diluted earnings per share for OGE Energy.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions, except per share data)* | **2024** | 2023 | **2024** | 2023 |
| Net income | **$ 218.7** | $ 241.9 | **$ 339.6** | $ 368.6 |
| Average common shares outstanding: | | | | |
| Basic average common shares outstanding | **200.9** | 200.3 | **200.7** | 200.3 |
| Effect of dilutive securities: | | | | |
| Contingently issuable shares (performance and restricted stock units) | **0.6** | 0.7 | **0.5** | 0.6 |
| Diluted average common shares outstanding | **201.5** | 201.0 | **201.2** | 200.9 |
| Basic earnings per average common share | **$ 1.09** | $ 1.21 | **$ 1.69** | $ 1.84 |
| Diluted earnings per average common share | **$ 1.09** | $ 1.20 | **$ 1.69** | $ 1.83 |
| Anti-dilutive shares excluded from earnings per share calculation | **—** | — | **—** | — |

**8. Long-Term Debt**

At September 30, 2024, the Registrants were in compliance with all of their debt agreements.

In June 2024, OGE Energy entered into a $120.0 million floating rate unsecured three-year credit agreement, of which $60.0 million is considered a revolving loan and $60.0 million is considered a term loan. At September 30, 2024, OGE Energy had drawn $60.0 million on the term loan under this credit agreement at a weighted-average interest rate of 6.46 percent. For additional information related to this credit agreement, see Note 9.

**OG&E Industrial Authority Bonds**

OG&E has tax-exempt pollution control bonds with optional redemption provisions that allow the holders to request repayment of the bonds on any business day. The following table presents information about these bonds, which can be tendered at the option of the holder during the next 12 months.

| Series | | | Date Due | Amount |
|---|---|---|---|---|
| | | | | *(In millions)* |
| 2.15% | - | 4.85% | Garfield Industrial Authority, January 1, 2025 | $ 47.0 |
| 1.90% | - | 4.75% | Muskogee Industrial Authority, January 1, 2025 | 32.4 |
| 2.15% | - | 4.85% | Muskogee Industrial Authority, June 1, 2027 | 56.0 |
| Total (redeemable during next 12 months) | | | | $ 135.4 |

All of these bonds are subject to an optional tender at the request of the holders, at 100 percent of the principal amount, together with accrued and unpaid interest to the date of purchase. The bond holders, on any business day, can request repayment of the bond by delivering an irrevocable notice to the tender agent stating the principal amount of the bond, payment instructions for the purchase price and the business day the bond is to be purchased. The repayment option may only be exercised by the holder of a bond for the principal amount. When a tender notice has been received by the trustee, a third-party remarketing agent for the bonds will attempt to remarket any bonds tendered for purchase. This process occurs once per week. Since the original issuance of these series of bonds in 1995 and 1997, the remarketing agent has successfully remarketed all tendered bonds. If the remarketing agent is unable to remarket any such bonds, OG&E is obligated to repurchase such unremarketed bonds. As OG&E has both the intent and ability to refinance the bonds on a long-term basis and such ability is supported by an ability to consummate the refinancing, the bonds are classified as Long-Term Debt or Long-Term Debt Due within One Year, as appropriate, in the condensed balance sheets. OG&E believes that it has sufficient liquidity to meet these obligations.

On October 2, 2024, OG&E caused the refinancing of its Garfield industrial authority bonds, series due January 1, 2025. The $47.0 million in bonds are now due October 1, 2039, and will continue to be remarketed on a weekly basis. Accounting Standards Codification 470, "Debt," permits entities to present the currently maturing portion of long-term debt as a long-term liability if the entity has the intent and ability to refinance on a long-term basis after the balance sheet date but before the financial statements are issued. The refinancing of the Garfield industrial authority bonds on October 2, 2024 supports the presentation of the $47.0 million due January 1, 2025 as long-term debt as of September 30, 2024.

**Issuance of Long-Term Debt**

On May 9, 2024, OGE Energy issued $350.0 million of 5.45 percent senior notes due May 15, 2029. The proceeds from this issuance were added to OGE Energy's general funds to be used for general corporate purposes and to repay short-term debt.

On August 15, 2024, OG&E issued $350.0 million of 5.60 percent senior notes due April 1, 2053, bringing the aggregate total principal amount of this series of senior notes to $700.0 million. The proceeds from this issuance were added to OG&E's general funds to be used for repayment of short-term debt and borrowings under OG&E's revolving credit agreement, and to fund OG&E's capital investment program and working capital needs.

**9. Credit Facilities and Short-Term Debt**

The Registrants borrow, as necessary, by the issuance of commercial paper and by borrowings under their revolving credit agreements. The following table presents information regarding the Registrants' revolving credit agreements at September 30, 2024.

| Entity | Aggregate Commitment | Amount Outstanding (A) | Weighted-Average Interest Rate | | Expiration |
|---|---|---|---|---|---|
| | *(In millions)* | | | | |
| OGE Energy (B) | $ 550.0 | $ 215.2 | 5.01 % | (F) | December 18, 2028 |
| OGE Energy (C) | 60.0 | — | — % | (F) | May 24, 2027 |
| OG&E (D)(E) | 550.0 | 0.4 | 1.20 % | (F) | December 18, 2028 |
| Total | $ 1,160.0 | $ 215.6 | 5.01 % | | |

(A) Includes direct borrowings under the revolving credit agreements, commercial paper borrowings and letters of credit at September 30, 2024.

(B) This bank facility is available to back up OGE Energy's commercial paper borrowings and to provide revolving credit borrowings. This bank facility can also be used as a letter of credit facility.

(C) OGE Energy has a $120.0 million floating rate unsecured three-year credit agreement, of which $60.0 million is considered a revolving loan, which is included in the table above, and $60.0 million is considered a term loan. The credit agreement, under certain circumstances, may be increased to a maximum commitment limit of $155.0 million and includes a maximum leverage ratio of 0.70 to 1.0. The other covenants under this credit agreement are substantially the same as OGE Energy's existing $550.0 million revolving credit agreement.

(D) This bank facility is available to back up OG&E's commercial paper borrowings and to provide revolving credit borrowings. This bank facility can also be used as a letter of credit facility.

(E) OG&E has an intercompany borrowing agreement with OGE Energy whereby OG&E has access to up to $450.0 million of OGE Energy's revolving credit amount. This agreement has a termination date of December 18, 2028. At September 30, 2024, there were no intercompany borrowings under this agreement.

(F) Represents the weighted-average interest rate for the outstanding borrowings under the revolving credit agreements, commercial paper borrowings and letters of credit.

The Registrants' ability to access the commercial paper market could be adversely impacted by a credit ratings downgrade or major market disruptions. Pricing grids associated with the Registrants' credit facilities could cause annual fees and borrowing rates to increase if an adverse rating impact occurs. The impact of any future downgrade could include an increase in the costs of the Registrants' short-term borrowings, but a reduction in the Registrants' credit ratings would not result in any defaults or accelerations. Any future downgrade could also lead to higher long-term borrowing costs and, if below investment grade, would require the Registrants to post collateral or letters of credit.

OG&E must obtain regulatory approval from the FERC in order to borrow on a short-term basis. OG&E has the necessary regulatory approvals to incur up to $1.0 billion in short-term borrowings at any one time for a two-year period beginning January 1, 2023 and ending December 31, 2024. OG&E has requested renewal of this authority for an additional two-year period and expects to receive approval prior to the expiration of its current authority.

## 10. Retirement Plans and Postretirement Benefit Plans

### Net Periodic Benefit Cost

The following tables present the net periodic benefit cost components, before consideration of capitalized amounts, of OGE Energy's Pension Plan, Restoration of Retirement Income Plan and postretirement benefit plans that are included in the condensed financial statements. Service cost is presented within Other Operation and Maintenance Expense, and the remaining net periodic benefit cost components as listed in the following tables are presented within Other Net Periodic Benefit Income in the statements of income. OG&E recovers specific amounts of pension and postretirement medical costs in rates approved in its Oklahoma rate reviews. In accordance with approved orders, OG&E defers the difference between actual pension and postretirement medical expenses and the amount approved in its last Oklahoma rate review as a regulatory asset or regulatory liability. These amounts have been recorded in the Pension tracker in the regulatory assets and liabilities table in Note 1 and within Other Net Periodic Benefit Income in the statements of income.

| | Pension Plan | | | | Restoration of Retirement Income Plan | | | |
|---|---|---|---|---|---|---|---|---|
| **OGE Energy** | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| Service cost | **$ 1.3** | $ 1.3 | **$ 4.0** | $ 4.0 | **$ 0.3** | $ 0.2 | **$ 0.8** | $ 0.7 |
| Interest cost | **3.9** | 4.1 | **11.7** | 12.0 | **—** | 0.1 | **0.2** | 0.2 |
| Expected return on plan assets | **(4.2)** | (4.0) | **(12.4)** | (12.2) | **—** | — | **—** | — |
| Amortization of net loss | **1.7** | 1.8 | **4.9** | 6.0 | **—** | — | **—** | — |
| Amortization of unrecognized prior service cost (A) | **—** | — | **—** | — | **0.1** | 0.1 | **0.2** | 0.3 |
| Settlement cost | **—** | 1.7 | **—** | 21.1 | **—** | 0.1 | **—** | 0.1 |
| Net periodic benefit cost | **$ 2.7** | $ 4.9 | **$ 8.2** | $ 30.9 | **$ 0.4** | $ 0.5 | **$ 1.2** | $ 1.3 |

(A) Unamortized prior service cost is amortized on a straight-line basis over the average remaining service period to the first eligibility age of participants who are expected to receive a benefit and are active at the date of the plan amendment.

| | Pension Plan | | | | Restoration of Retirement Income Plan | | | |
|---|---|---|---|---|---|---|---|---|
| **OG&E** | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| Service cost | **$ 1.3** | $ 1.1 | **$ 4.0** | $ 3.3 | **$ —** | $ — | **$ 0.1** | $ — |
| Interest cost | **3.4** | 3.1 | **10.1** | 9.4 | **—** | — | **—** | — |
| Expected return on plan assets | **(3.5)** | (3.1) | **(10.5)** | (9.6) | **—** | — | **—** | — |
| Amortization of net loss | **1.5** | 1.6 | **4.6** | 5.2 | **—** | — | **—** | — |
| Settlement cost | **—** | 1.7 | **—** | 19.7 | **—** | 0.1 | **—** | 0.1 |
| Total net periodic benefit cost | **2.7** | 4.4 | **8.2** | 28.0 | **—** | 0.1 | **0.1** | 0.1 |
| Plus: Amount allocated from OGE Energy | **—** | 0.5 | **—** | 2.5 | **0.4** | 0.4 | **1.1** | 1.1 |
| Net periodic benefit cost | **$ 2.7** | $ 4.9 | **$ 8.2** | $ 30.5 | **$ 0.4** | $ 0.5 | **$ 1.2** | $ 1.2 |

In addition to the net periodic benefit cost amounts recognized, as presented in the tables above, for the Pension and Restoration of Retirement Income Plans during the three and nine months ended September 30, 2024 and 2023, the Registrants recognized the following:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| Change in pension expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A) | **$ 3.0** | $ 5.0 | **$ 8.9** | $ 29.0 |
| Deferral of pension expense related to pension settlement charges included in the above line item: | | | | |
| Oklahoma jurisdiction (A) | **$ —** | $ 1.7 | **$ —** | $ 19.1 |
| Arkansas jurisdiction (A) | **$ —** | $ 0.2 | **$ —** | $ 1.8 |

(A) Included in the pension regulatory asset in each jurisdiction, as indicated in the regulatory assets and liabilities table in Note 1.

| | OGE Energy Postretirement Benefit Plans | | | | OG&E Postretirement Benefit Plans | | | |
|---|---|---|---|---|---|---|---|---|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| Service cost | **$ —** | $ 0.1 | **$ —** | $ 0.1 | **$ 0.1** | $ — | **$ 0.1** | $ — |
| Interest cost | **1.3** | 1.3 | **3.9** | 3.9 | **1.0** | 0.9 | **3.0** | 2.9 |
| Expected return on plan assets | **(0.4)** | (0.5) | **(1.2)** | (1.3) | **(0.4)** | (0.3) | **(1.1)** | (1.1) |
| Amortization of net gain | **—** | (0.1) | **(0.1)** | (0.2) | **—** | — | **—** | — |
| Total net periodic benefit cost | **0.9** | 0.8 | **2.6** | 2.5 | **0.7** | 0.6 | **2.0** | 1.8 |
| Plus: Amount allocated from OGE Energy | | | | | **0.1** | 0.1 | **0.3** | 0.4 |
| Net periodic benefit cost | **$ 0.9** | $ 0.8 | **$ 2.6** | $ 2.5 | **$ 0.8** | $ 0.7 | **$ 2.3** | $ 2.2 |

In addition to the net periodic benefit cost amounts recognized, as presented in the table above, for the postretirement benefit plans during the three and nine months ended September 30, 2024 and 2023, the Registrants recognized the following:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| Change in postretirement expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A) | **$ 1.1** | $ 1.1 | **$ 3.3** | $ 3.3 |

(A) Included in the pension regulatory asset, as indicated in the regulatory assets and liabilities table in Note 1.

The following table presents the amount of net periodic benefit cost capitalized and attributable to each of the Registrants for OGE Energy's Pension Plan and postretirement benefit plans for the three and nine months ended September 30, 2024 and 2023.

| | OGE Energy | | | | OG&E | | | |
|---|---|---|---|---|---|---|---|---|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| *(In millions)* | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| Capitalized portion of net periodic pension benefit cost | **$ 0.5** | $ 0.6 | **$ 1.6** | $ 1.7 | **$ 0.5** | $ 0.4 | **$ 1.6** | $ 1.4 |
| Capitalized portion of net periodic postretirement benefit cost | **$ —** | $ — | **$ 0.1** | $ 0.1 | **$ —** | $ — | **$ 0.1** | $ 0.1 |

**Pension Plan Funding**

In February 2024, OGE Energy made a $10.0 million contribution to its Pension Plan related to OG&E employees and does not expect to make any additional contributions to the Pension Plan in 2024. The Registrants could be required to make additional contributions if the value of its pension trust and postretirement benefit plan trust assets are adversely impacted by a major market disruption in the future.

**11. Report of Business Segments**

OGE Energy reports its operations primarily through a single segment, captioned "electric company," which is engaged in the generation, transmission, distribution and sale of electric energy. The "other operations" caption primarily includes the operations of the holding company and other energy-related investments. Intersegment revenues are recorded at prices comparable to those of unaffiliated customers and are affected by regulatory considerations. The following tables present the results of OGE Energy's business segments for the three and nine months ended September 30, 2024 and 2023.

| **Three Months Ended September 30, 2024** | **Electric Company** | **Other Operations** | **Eliminations** | **Total** |
|---|---|---|---|---|
| *(In millions)* | | | | |
| Operating revenues | **$ 965.4** | **$ —** | **$ —** | **$ 965.4** |
| Fuel, purchased power and direct transmission expense | **350.1** | **—** | **—** | **350.1** |
| Other operation and maintenance | **131.4** | **—** | **—** | **131.4** |
| Depreciation and amortization | **144.0** | **—** | **—** | **144.0** |
| Taxes other than income | **26.7** | **—** | **—** | **26.7** |
| Operating income | **313.2** | **—** | **—** | **313.2** |
| Other income | **11.6** | **—** | **(0.9)** | **10.7** |
| Interest expense | **54.1** | **11.0** | **(0.9)** | **64.2** |
| Income tax expense (benefit) | **45.7** | **(4.7)** | **—** | **41.0** |
| Net income (loss) | **$ 225.0** | **$ (6.3)** | **$ —** | **$ 218.7** |
| Total assets | **$ 13,360.5** | **$ 134.7** | **$ (19.4)** | **$ 13,475.8** |

| Three Months Ended September 30, 2023 | Electric Company | Other Operations | Eliminations | Total |
|---|---|---|---|---|
| *(In millions)* | | | | |
| Operating revenues | $ 945.4 | $ — | $ — | $ 945.4 |
| Fuel, purchased power and direct transmission expense | 333.8 | — | — | 333.8 |
| Other operation and maintenance | 123.3 | (0.6) | — | 122.7 |
| Depreciation and amortization | 132.5 | — | — | 132.5 |
| Taxes other than income | 24.7 | 0.6 | — | 25.3 |
| Operating income | 331.1 | — | — | 331.1 |
| Other income (expense) | 7.8 | (0.4) | (0.8) | 6.6 |
| Interest expense | 51.0 | 7.2 | (0.8) | 57.4 |
| Income tax expense (benefit) | 41.8 | (3.4) | — | 38.4 |
| Net income (loss) | $ 246.1 | $ (4.2) | $ — | $ 241.9 |
| Total assets | $ 12,610.6 | $ 312.2 | $ (179.6) | $ 12,743.2 |

| **Nine Months Ended September 30, 2024** | **Electric Company** | **Other Operations** | **Eliminations** | **Total** |
|---|---|---|---|---|
| *(In millions)* | | | | |
| Operating revenues | **$ 2,224.8** | **$ —** | **$ —** | **$ 2,224.8** |
| Fuel, purchased power and direct transmission expense | **776.2** | **—** | **—** | **776.2** |
| Other operation and maintenance | **394.0** | **0.2** | **—** | **394.2** |
| Depreciation and amortization | **408.7** | **—** | **—** | **408.7** |
| Taxes other than income | **82.6** | **—** | **—** | **82.6** |
| Operating income (loss) | **563.3** | **(0.2)** | **—** | **563.1** |
| Other income | **28.4** | **3.2** | **(4.0)** | **27.6** |
| Interest expense | **160.4** | **32.9** | **(4.0)** | **189.3** |
| Income tax expense (benefit) | **71.8** | **(10.0)** | **—** | **61.8** |
| Net income (loss) | **$ 359.5** | **$ (19.9)** | **$ —** | **$ 339.6** |
| Total assets | **$ 13,360.5** | **$ 134.7** | **$ (19.4)** | **$ 13,475.8** |

| Nine Months Ended September 30, 2023 | Electric Company | Other Operations | Eliminations | Total |
|---|---|---|---|---|
| *(In millions)* | | | | |
| Operating revenues | $ 2,107.6 | $ — | $ — | $ 2,107.6 |
| Fuel, purchased power and direct transmission expense | 716.2 | — | — | 716.2 |
| Other operation and maintenance | 383.4 | (2.0) | — | 381.4 |
| Depreciation and amortization | 377.8 | — | — | 377.8 |
| Taxes other than income | 75.3 | 2.9 | — | 78.2 |
| Operating income (loss) | 554.9 | (0.9) | — | 554.0 |
| Other income | 36.3 | 8.5 | (7.3) | 37.5 |
| Interest expense | 148.8 | 21.4 | (7.3) | 162.9 |
| Income tax expense (benefit) | 64.6 | (4.6) | — | 60.0 |
| Net income (loss) | $ 377.8 | $ (9.2) | $ — | $ 368.6 |
| Total assets | $ 12,610.6 | $ 312.2 | $ (179.6) | $ 12,743.2 |

## 12. Commitments and Contingencies

Except as set forth below, in Note 13 and under "Environmental Laws and Regulations" in Item 2 of Part I and in Item 1 of Part II of this Form 10-Q, the circumstances set forth in Notes 13 and 14 to the financial statements included in the Registrants' 2023 Form 10-K appropriately represent, in all material respects, the current status of the Registrants' material commitments and contingent liabilities.

### Environmental Laws and Regulations

The activities of OG&E are subject to numerous stringent and complex federal, state and local laws and regulations governing environmental protection. These laws and regulations can change, restrict or otherwise impact the Registrants' business activities in many ways, including the handling or disposal of waste material, planning for future construction activities to avoid or mitigate harm to threatened or endangered species and requiring the installation and operation of emissions or pollution control equipment. Failure to comply with these laws and regulations could result in the assessment of administrative, civil and criminal penalties, the imposition of remedial requirements and the issuance of orders enjoining future operations. Management believes that all of the Registrants' operations are in substantial compliance with current federal, state and local environmental standards.

Environmental regulation can increase the cost of planning, design, initial installation and operation of OG&E's facilities. Management continues to evaluate its compliance with existing and proposed environmental legislation and regulations and implement appropriate environmental programs in a competitive market.

## Other

In the normal course of business, the Registrants are confronted with issues or events that may result in a contingent liability. These generally relate to lawsuits or claims made by third parties, including governmental agencies. When appropriate, management consults with legal counsel and other experts to assess the claim. If, in management's opinion, the Registrants have incurred a probable loss as set forth by GAAP, an estimate is made of the loss, and the appropriate accounting entries are reflected in the condensed financial statements. If the assessment indicates that a potential loss is not probable but reasonably possible, the nature of the contingent matter, together with an estimate of the range of possible loss if determinable and material, would be disclosed. At the present time, based on currently available information, except as disclosed below, the Registrants believe that any reasonably possible losses in excess of accrued amounts arising out of pending or threatened lawsuits or claims would not be quantitatively material to their condensed financial statements and would not have a material adverse effect on their financial position, results of operations or cash flows.

In July 2023, OG&E was named, along with its contractor, as a defendant in a lawsuit filed by an apartment owner and its insurance companies seeking in excess of $60.0 million in damages related to a fire at an apartment building under construction in Oklahoma City. Several additional defendants have also been named. OG&E disputes the claims in the lawsuit and intends to vigorously defend this action. If OG&E is ultimately deemed liable for damages in connection with this incident, OG&E believes its existing insurance policies will cover its costs, in excess of a required retention (the amount of which is not material), to satisfy any liability it may have. Due to the uncertain and preliminary nature of this litigation, the outcome cannot be predicted, and OG&E is unable to provide a range of possible loss in this matter.

## 13. Rate Matters and Regulation

Except as disclosed below, the circumstances set forth in Note 14 to the financial statements included in the Registrants' 2023 Form 10-K appropriately represent, in all material respects, the current status of the Registrants' regulatory matters.

### Completed Regulatory Matters

*Integrated Resource Plans*

On March 29, 2024, OG&E issued its final 2024 IRP to the OCC and APSC. This 2024 IRP identified capacity needs of 556 MWs, 431 MWs and 1,096 MWs in 2026, 2027 and 2028, respectively. The IRP assumes that Horseshoe Lake unit 7 will be retired in 2024, Tinker units 5A and 5B will be retired in 2025, and Horseshoe Lake unit 8 will be retired in 2027. As provided in the IRP, in May 2024, OG&E issued requests for proposals for resources to meet the capacity needs identified in the IRP while maintaining affordability and reliability for OG&E's customers. OG&E is currently evaluating the proposals submitted in this process. Independent evaluators have been hired on behalf of the OCC and Oklahoma Attorney General to oversee the process.

***APSC Proceedings***

*2023 Formula Rate Plan Filing*

On March 7, 2024, the APSC issued a final order approving the uncontested settlement agreement between OG&E and the APSC Staff related to OG&E's final evaluation report under its Formula Rate Plan. The settlement agreement included an annual electric revenue increase of $3.5 million. New rates became effective April 1, 2024.

*Arkansas 2024 Generation Construction Notice Filing*

On January 19, 2024, OG&E filed an application seeking APSC approval to begin construction of 96 MWs of combustion turbines at Tinker Air Force Base. On July 24, 2024, the APSC issued an order which states that OG&E has complied with applicable Arkansas law and may commence construction of the generating units at Tinker Air Force Base. OG&E will be required to seek a prudence determination prior to its next general rate review.

*Arkansas Winter Storm Uri*

In February 2021, Winter Storm Uri resulted in record winter peak demand for electricity and extremely high natural gas and purchased power prices in OG&E's service territory. In January 2023, the APSC issued an order authorizing OG&E to amortize the regulatory asset balance related to the extraordinary fuel costs incurred by OG&E over ten years using a pre-tax weighted average cost of capital of 6.49 percent as a carrying charge beginning March 2021.

On February 2, 2023, the APSC issued an order to initiate hearings with all Arkansas jurisdictional electric and gas utilities regarding the review of Winter Storm Uri cost prudence and allocation. On August 15, 2024, a unanimous settlement was reached between OG&E and intervenors, and the APSC issued the final order on September 6, 2024, approving all costs as prudent and authorizing OG&E to continue collecting its costs at the previously approved allocation and ten-year amortization period.

***OCC Proceedings***

*2022 Oklahoma Fuel Prudency*

In June 2023, the Public Utility Division Staff filed their application initiating the review of the 2022 fuel adjustment clause and prudence review. The OCC issued an order on April 11, 2024 finding that OG&E's 2022 fuel costs and generation operations were prudent.

***SPP Proceedings***

*Planning Reserve Margin*

On August 6, 2024, the SPP Regional State Committee and Board of Directors approved increases to the summer-season and winter-season planning reserve margins that each load serving entity, such as OG&E, must maintain. The summer-season and winter-season planning reserve margins increased to 16 percent and 36 percent, respectively, from the 15 percent that previously applied to both seasons. These changes will be effective for the summer of 2026 and winter of 2026/2027. As a result, OG&E is currently evaluating the impact to its capacity needs brought about by this policy change.

**Pending Regulatory Matters**

Various proceedings pending before state or federal regulatory agencies are described below. Unless stated otherwise, the Registrants cannot predict when the regulatory agency will act or what action the regulatory agency will take. The Registrants' financial results are dependent in part on timely and constructive decisions by the regulatory agencies that set OG&E's rates.

***APSC Proceedings***

*Capacity Power Purchase Agreement Cost Recovery*

On October 4, 2023, OG&E filed an application with the APSC seeking approval of a methodology for recovery of capacity costs associated with short-term power purchase agreements entered into to meet capacity needs in each of the years between 2023 and 2027. On December 29, 2023, the Administrative Law Judge issued an order authorizing OG&E to defer to a regulatory asset its capacity costs associated with short-term power purchase agreements for 2023, along with a carrying charge at the commission-approved customer deposit interest rate. The order required OG&E and the parties to address treatment for any expenses beyond the calendar year 2023, and a hearing in this matter was scheduled for August 2024. On July 19, 2024, OG&E entered into a settlement agreement with the APSC Staff and the Arkansas Attorney General which provides that OG&E should be able to defer these capacity costs in 2024 and beyond in the same manner as 2023. The APSC has waived the hearing and is considering the settlement.

***FERC Proceedings***

*Order for Sponsored Transmission Upgrades within SPP*

Under Attachment Z2 of the SPP Open Access Transmission Tariff, costs of participant-funded, or "sponsored," transmission upgrades may be recovered from other SPP customers whose transmission service depends on capacity enabled by the upgrade. The

SPP tariff required the SPP to charge for these upgrades beginning in 2008, but the SPP did not begin charging its customers for these upgrades until 2016 due to information system limitations. The FERC approved a waiver of a time limitation in the SPP tariff to allow the SPP to bill after this delay for the 2008 through 2015 period, and the SPP then both billed OG&E as a user and credited OG&E as a sponsor for Z2 charges during the period. OG&E refunded most of the net credits to customers through its various rate riders that include SPP activity with the remaining amounts retained by OG&E.

Net payers of Z2 credits challenged the waiver, and the FERC ultimately reversed itself, denied the waiver and ordered the SPP to refund the payments made for 2008 through 2015 charges. OG&E and other net creditors challenged this reversal, but the U.S. Court of Appeals for the D.C. Circuit upheld the reversal in August 2021. Meanwhile, OG&E and other creditors filed complaints with the FERC against the SPP, contending that the SPP and not OG&E should bear the cost of any refunds resulting from the SPP's tariff violations and that SPP's actions also violated its contracts. In June 2023, the FERC issued a final order granting the complaints in part but awarding no relief. OG&E and other complainants appealed this order to the U.S. Court of Appeals for the Eighth Circuit, which heard arguments on March 14, 2024. On September 16, 2024, the U.S. Court of Appeals for the Eighth Circuit issued an opinion denying the petition for review of the prior decision concerning the FERC's rejection of the petitioners' rehearing requests. The court found "no error" in the FERC's decisions and held that the FERC's failure to explain its rationale is "harmless" since the FERC's conclusion "was required by the law" and did not result in undue discrimination.

If the FERC proceeds to order refunds in full, OG&E estimates it would be required to refund $13.0 million, which is net of amounts paid to other utilities for upgrades, plus interest at the FERC-approved rate. The SPP has stated in filings with the FERC both before and after the D.C. Circuit Court of Appeals' decision that there are considerable complexities in implementing the refunds that will have to be resolved before they can be paid. Payment of refunds would shift recovery of these upgrade credits to future periods. Of the $13.0 million, the Registrants would be impacted by $5.0 million in expense that initially benefited the Registrants in 2016, and OG&E customers would incur a net impact of $8.0 million in expense through rider mechanisms or the FERC formula rate. As of September 30, 2024, the Registrants have reserved $13.0 million plus estimated interest for a potential refund.

Effective July 1, 2020, the FERC approved an SPP proposal to eliminate Attachment Z2 revenue crediting and replace it with a different rate mechanism that would provide project sponsors, such as OG&E, the same level of recovery. This elimination of the Attachment Z2 revenue crediting would only prospectively impact OG&E and its recovery of any future upgrade costs that it may incur as a project sponsor subsequent to July 2020. All of the existing projects that are eligible to receive revenue credits under Attachment Z2 will remain eligible, which includes the $13.0 million related to the refunds.

***OCC Proceedings***

*Oklahoma Retail Electric Supplier Certified Territory Act Causes*

As previously disclosed, several rural electric cooperative electricity suppliers filed complaints with the OCC alleging that OG&E, because it was providing service to large loads in another supplier's territory, had violated the Oklahoma Retail Electric Supplier Certified Territory Act. OG&E believes it is lawfully serving customers under specific exemptions under this act that allow it to serve customers having a load of one MW or greater. There were five complaint cases initiated at the OCC, and the OCC issued decisions on each of them. The OCC ruled in favor of the electric cooperatives in three of those cases under statutory interpretation and ruled in favor of OG&E in two of those cases under injunctive theory. All five of those cases were appealed to the Oklahoma Supreme Court.

On April 4, 2023, the Oklahoma Supreme Court issued its opinion which vacated the OCC's injunctions with respect to four of the cases and held that the Oklahoma Retail Electric Supplier Certified Territory Act does not limit the mechanism by which OG&E may provide service to large loads in another supplier's territory pursuant to the one MW exception. The one pending legal issue left for the Oklahoma Supreme Court to resolve is a statutory interpretation on how a supplier calculates "connected load for initial full operation" for purposes of the exemption under the act. If the Oklahoma Supreme Court ultimately were to find that the customers being served in this single case are not exempted from the Oklahoma Retail Electric Supplier Certified Territory Act, OG&E would have to evaluate the recoverability of some plant investments made to serve these customers and may also be required to reimburse the certified territory supplier in this case for an amount of lost revenue. Such amounts would not be expected to be material to the Registrants' results of operations.

*2023 Oklahoma General Rate Review*

On December 29, 2023, OG&E filed a general rate review in Oklahoma seeking a rate increase of $332.5 million and a 10.5 percent return on equity based on a common equity percentage of 53.50 percent. The rate review seeks recovery of $1.3 billion of net capital investment since the last general rate review. On June 12, 2024, OG&E entered into an uncontested Joint Stipulation and Settlement Agreement with the Public Utility Division Staff, the Oklahoma Attorney General, the OG&E Shareholders Association, Oklahoma Industrial Energy Consumers, and other intervenors. This settlement agreement, which is subject to OCC approval, includes a base rate revenue increase of $126.7 million and no change to OG&E's current return on equity or requested capital structure, among other terms.

OG&E had the right to implement interim rates, subject to refund, beginning on July 1, 2024 (180 days after the filing of its application on December 29, 2023). On July 1, 2024, OG&E implemented an annual interim rate increase in line with the settlement agreement, subject to refund based on final approval by the OCC. As of September 30, 2024, OG&E has fully reserved all of the interim rate increase. On July 31, 2024, the Administrative Law Judge issued a report that recommended the OCC approve the settlement agreement.

*2023 Oklahoma Fuel Prudency*

On June 10, 2024, the Public Utility Division Staff filed their application initiating the review of the 2023 fuel adjustment clause prudence review. OG&E filed its minimum filing requirements and direct testimony on August 9, 2024 and responsive testimony is due on February 4, 2025.

*Oklahoma Demand Portfolio Filing*

Pursuant to OCC rules, OG&E is required to propose, implement and administer a portfolio of demand and energy efficiency programs once every five years. On July 1, 2024, OG&E filed its proposed demand program five-year portfolio for the 2025 through 2029 program cycle, requesting recovery of (i) energy efficiency program costs, (ii) lost revenues associated with certain achieved energy efficiency and demand savings, (iii) performance-based incentives and (iv) costs associated with research and development investments. OG&E also requested an increase in the number of energy efficiency programs offered to customers and expansion of the programs to include additional opportunities for customers to achieve demand and energy savings. On October 17, 2024, OG&E entered into an uncontested settlement agreement for its demand and energy efficiency programs, which was recommended for approval by the Administrative Law Judge on October 29, 2024, and an order in this matter is expected in the fourth quarter of 2024.

***SPP Proceedings***

*Resource Capacity Accreditation*

In July 2022, the SPP Board of Directors approved a new unit accreditation methodology for conventional generation which requires submittal to and approval from the FERC prior to becoming effective. On March 2, 2023, the FERC rejected the SPP’s proposed capacity accreditation methodology for wind and solar generators. Following the FERC’s rejection, the SPP began an extensive review of both the methodology proposed for thermal resources which had not yet been submitted to the FERC, and the accreditation methodology for wind and solar generators. These methodologies were reviewed and approved by both the Regional State Committee and the SPP Board of Directors in late October 2023 and were submitted to the FERC for approval on February 23, 2024. If approved by the FERC, both methodologies are expected to be effective in 2026 and may contribute to OG&E’s incremental capacity needs.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following combined discussion is separately filed by OGE Energy and OG&E. However, OG&E does not make any representations as to information related solely to OGE Energy or the subsidiaries of OGE Energy other than itself.

### Introduction and Overview

OGE Energy is a holding company whose primary investment provides electricity in Oklahoma and western Arkansas. OGE Energy's electric company operations are conducted through its wholly-owned subsidiary, OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas and are reported through OGE Energy's electric company business segment. OG&E's rates are subject to regulation by the OCC, the APSC and the FERC. OG&E was incorporated in 1902 under the laws of the Oklahoma Territory and is the largest electric company in Oklahoma, with a franchised service territory that includes Fort Smith, Arkansas and the surrounding communities. OG&E sold its retail natural gas business in 1928 and is no longer engaged in the natural gas distribution business.

The accounts of OGE Energy and its wholly-owned subsidiaries, including OG&E, are included in OGE Energy's condensed consolidated financial statements. All intercompany transactions and balances are eliminated in such consolidation.

OGE Energy's purpose is to energize life, providing life-sustaining and life-enhancing products and services that enrich its communities and encourage growth and a higher quality of life. OGE Energy's purpose comes with a balanced approach to multifaceted stewardship: keeping its employees (internally referred to as "members") safe, reducing its environmental impact, strengthening its diverse communities and ensuring its effective corporate governance. OGE Energy's business model is centered around growth and sustainability for members, communities and customers and the owners of OGE Energy, its shareholders. OGE Energy is focused on creating long-term shareholder value by targeting the consistent growth of consolidated earnings per share of five to seven percent, supported by strong load growth enabled by low customer rates and a strategy of investing in lower risk infrastructure projects that improve the economic vitality of the communities it serves in Oklahoma and Arkansas. OGE Energy's long-term sustainability is predicated on providing exceptional customer experiences, investing in grid improvements and investments related to new generation capacity needs, environmental stewardship, strong governance practices and caring for and supporting its members and communities. Further discussion of OGE Energy's strategy can be found in its 2023 Form 10-K.

#### *Recent Developments*

*OG&E's Regulatory Matters*

Completed regulatory matters affecting current period results are discussed in Note 13 within "Item 1. Financial Statements." OG&E reached an uncontested settlement agreement with the parties in the Oklahoma general rate review in June 2024 and on July 1, 2024 implemented an annual interim rate increase in line with the settlement agreement, subject to refund based on final approval by the OCC. On July 31, 2024, the Administrative Law Judge issued a report that recommended the OCC approve the settlement agreement. The settlement agreement remains subject to approval by the OCC. OG&E also submitted its final 2024 IRP for Oklahoma and Arkansas in March 2024 and is currently reviewing proposals submitted in this process.

#### *Summary of OGE Energy Operating Results*

*Three Months Ended September 30, 2024 as compared to the Three Months Ended September 30, 2023*

OGE Energy's net income was $218.7 million, or $1.09 per diluted share, during the three months ended September 30, 2024 as compared to $241.9 million, or $1.20 per diluted share, during the same period in 2023. The decrease in net income of $23.2 million, or $0.11 per diluted share, is further discussed below.

- A decrease in net income at OG&E of $21.1 million, or $0.10 per diluted share of OGE Energy's common stock, was primarily due to higher depreciation and amortization expense driven by additional assets being placed into service, higher other operation and maintenance expense, higher income tax expense and higher interest expense resulting from OG&E's senior notes issuance in August 2024, partially offset by higher operating revenues (excluding the impact of recoverable fuel, purchased power and direct transmission expense not impacting earnings) driven primarily by load growth, which offset the impact of milder weather compared to last year, and higher other income.

- An increase in net loss of other operations of $2.1 million, or $0.01 per diluted share of OGE Energy's common stock, was primarily due to higher interest expense driven by OGE Energy's senior notes issuance in May 2024, partially offset by a higher income tax benefit.

*Nine Months Ended September 30, 2024 as compared to the Nine Months Ended September 30, 2023*

OGE Energy's net income was $339.6 million, or $1.69 per diluted share, during the nine months ended September 30, 2024 as compared to $368.6 million, or $1.83 per diluted share, during the same period in 2023. The decrease in net income of $29.0 million, or $0.14 per diluted share, is further discussed below.

- A decrease in net income at OG&E of $18.3 million, or $0.09 per diluted share of OGE Energy's common stock, was primarily due to higher depreciation and amortization expense driven by additional assets being placed into service, higher interest expense driven by borrowings under OG&E's revolving credit agreement and senior notes issuance in August 2024 and April 2023, higher other operation and maintenance expense, lower other income and higher income tax expense, partially offset by higher operating revenues (excluding the impact of recoverable fuel, purchased power and direct transmission expense not impacting earnings) driven primarily by load growth.
- An increase in net loss of other operations of $10.7 million, or $0.05 per diluted share of OGE Energy's common stock, was primarily due to higher interest expense driven by borrowings under OGE Energy's revolving credit agreement and OGE Energy's senior notes issuances in May 2024 as well as lower net other income, partially offset by higher income tax benefit.

**2024 Outlook**

Due to strong load growth and warmer than normal weather, OGE Energy’s consolidated earnings are expected to be at the top of OGE Energy's original 2024 earnings guidance range of $2.06 to $2.18 per average diluted share. The guidance assumes, among other things, approval of the uncontested rate review settlement by the OCC in 2024, approximately 201.5 million average diluted shares outstanding, and normal weather for the remainder of the year. See OGE Energy's 2023 Form 10-K for other key factors and assumptions underlying its 2024 guidance.

**Results of Operations**

The following discussion and analysis presents factors that affected the Registrants' results of operations for the three and nine months ended September 30, 2024 as compared to the same periods in 2023 and the Registrants' financial position at September 30, 2024. Due to seasonal fluctuations and other factors, the Registrants' operating results for the three and nine months ended September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024 or for any future period. The following information should be read in conjunction with the condensed financial statements and notes thereto. Known trends and contingencies of a material nature are discussed to the extent considered relevant.

| **OGE Energy** | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
|---|---|---|---|---|
| *(In millions, except per share data)* | **2024** | 2023 | **2024** | 2023 |
| Net income | **$ 218.7** | $ 241.9 | **$ 339.6** | $ 368.6 |
| Basic average common shares outstanding | **200.9** | 200.3 | **200.7** | 200.3 |
| Diluted average common shares outstanding | **201.5** | 201.0 | **201.2** | 200.9 |
| Basic earnings per average common share | **$ 1.09** | $ 1.21 | **$ 1.69** | $ 1.84 |
| Diluted earnings per average common share | **$ 1.09** | $ 1.20 | **$ 1.69** | $ 1.83 |
| Dividends declared per common share | **$ 0.42125** | $ 0.41820 | **$ 1.25765** | $ 1.24640 |

***Results by Business Segment***

| | **Three Months Ended September 30,** | | **Nine Months Ended September 30,** | |
|---|---|---|---|---|
| *(In millions)* | **2024** | 2023 | **2024** | 2023 |
| Net income (loss): | | | | |
| OG&E (Electric Company) | **$ 225.0** | $ 246.1 | **$ 359.5** | $ 377.8 |
| Other operations | **(6.3)** | (4.2) | **(19.9)** | (9.2) |
| OGE Energy net income | **$ 218.7** | $ 241.9 | **$ 339.6** | $ 368.6 |

The following discussion of results of operations for OG&E includes intercompany transactions that are eliminated in OGE Energy's condensed consolidated financial statements.

***OG&E (Electric Company)***

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *(Dollars in millions)* | **2024** | 2023 | **2024** | 2023 |
| Operating revenues | **$ 965.4** | $ 945.4 | **$ 2,224.8** | $ 2,107.6 |
| Fuel, purchased power and direct transmission expense | **350.1** | 333.8 | **776.2** | 716.2 |
| Other operation and maintenance | **131.4** | 123.3 | **394.0** | 383.4 |
| Depreciation and amortization | **144.0** | 132.5 | **408.7** | 377.8 |
| Taxes other than income | **26.7** | 24.7 | **82.6** | 75.3 |
| Operating income | **313.2** | 331.1 | **563.3** | 554.9 |
| Allowance for equity funds used during construction | **6.9** | 4.5 | **18.2** | 14.1 |
| Other net periodic benefit income | **1.9** | 1.7 | **5.5** | 4.9 |
| Other income | **3.4** | 3.6 | **8.6** | 22.0 |
| Other expense | **0.6** | 2.0 | **3.9** | 4.7 |
| Interest expense | **54.1** | 51.0 | **160.4** | 148.8 |
| Income tax expense | **45.7** | 41.8 | **71.8** | 64.6 |
| Net income | **$ 225.0** | $ 246.1 | **$ 359.5** | $ 377.8 |
| Operating revenues by classification: | | | | |
| Residential | **$ 422.8** | $ 401.2 | **$ 898.1** | $ 836.0 |
| Commercial | **288.8** | 243.8 | **626.1** | 538.2 |
| Industrial | **79.0** | 78.0 | **190.0** | 187.5 |
| Oilfield | **68.1** | 68.0 | **166.4** | 164.4 |
| Public authorities and street light | **86.8** | 82.2 | **198.6** | 182.4 |
| System sales revenues | **945.5** | 873.2 | **2,079.2** | 1,908.5 |
| Provision for rate refund and tax refund | **(43.5)** | — | **(43.5)** | 2.0 |
| Integrated market | **19.2** | 26.2 | **51.3** | 57.7 |
| Transmission | **36.6** | 35.6 | **114.7** | 106.9 |
| Other | **7.6** | 10.4 | **23.1** | 32.5 |
| Total operating revenues | **$ 965.4** | $ 945.4 | **$ 2,224.8** | $ 2,107.6 |
| MWh sales by classification *(In millions)* | | | | |
| Residential | **3.2** | 3.3 | **7.8** | 7.6 |
| Commercial | **3.2** | 2.6 | **7.8** | 6.5 |
| Industrial | **1.1** | 1.1 | **3.2** | 3.2 |
| Oilfield | **1.1** | 1.1 | **3.3** | 3.3 |
| Public authorities and street light | **0.9** | 0.9 | **2.4** | 2.3 |
| System sales | **9.5** | 9.0 | **24.5** | 22.9 |
| Integrated market | **0.2** | 0.3 | **0.6** | 0.7 |
| Total sales | **9.7** | 9.3 | **25.1** | 23.6 |
| Number of customers | **904,900** | 893,894 | **904,900** | 893,894 |
| Weighted-average cost of energy per kilowatt-hour *(In cents)* | | | | |
| Natural gas | **2.142** | 2.668 | **2.453** | 2.927 |
| Coal | **2.976** | 3.368 | **3.064** | 3.402 |
| Total fuel | **2.277** | 2.744 | **2.487** | 2.909 |
| Total fuel and purchased power | **3.448** | 3.430 | **2.953** | 2.887 |
| Degree days (A) | | | | |
| Heating - Actual | **—** | — | **1,812** | 1,926 |
| Heating - Normal | **19** | 19 | **2,155** | 2,155 |
| Cooling - Actual | **1,387** | 1,510 | **2,139** | 2,087 |
| Cooling - Normal | **1,268** | 1,268 | **1,831** | 1,831 |

(A) 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. The calculation of heating and cooling degree normal days is based on a 30-year average and updated every ten years.

OG&E's net income decreased $21.1 million, or 8.6 percent, and $18.3 million, or 4.8 percent, during the three and nine months ended September 30, 2024, respectively, as compared to the same periods in 2023. The following section discusses the primary drivers for the decrease in net income during the three and nine months ended September 30, 2024, as compared to the same periods in 2023.

Operating revenues increased $20.0 million, or 2.1 percent, and increased $117.2 million, or 5.6 percent, during the three and nine months ended September 30, 2024, respectively, primarily driven by the below factors.

| *(In millions)* | Three Months Ended | Nine Months Ended |
|---|---|---|
| Fuel, purchased power and direct transmission expense (A) | $ 16.3 | $ 60.0 |
| Price variance (B) | 10.7 | 24.7 |
| New customer growth | 9.4 | 17.3 |
| Non-residential demand and related revenues (C) | 7.6 | 20.6 |
| Other | 0.9 | (0.3) |
| Wholesale transmission revenue | 0.3 | 6.9 |
| Industrial and oilfield sales | (0.6) | (3.2) |
| Guaranteed Flat Bill program (D) | (3.6) | (8.7) |
| Quantity impacts (includes weather) (E) | (21.0) | (0.1) |
| Change in operating revenues | $ 20.0 | $ 117.2 |

(A) These expenses are generally recoverable from customers through regulatory mechanisms and are offset in Fuel, Purchased Power and Direct Transmission Expense in the statements of income. The primary drivers of the changes in fuel, purchased power and direct transmission expense during the periods are further detailed in the table below.
(B) Increased primarily due to increased recovery through rider mechanisms, such as the Storm Cost Recovery Rider.
(C) Increased primarily due to initiating new customer service that includes a demand component.
(D) The Guaranteed Flat Bill program allows qualifying customers the opportunity to purchase their electricity needs at a set monthly price for an entire year, which can result in variances when actual fuel and purchased power prices differ from what is included in Guaranteed Flat Bill program rates.
(E) Decreased primarily due to an 8.1 percent decrease in cooling degree days for the three months ended September 30, 2024.

Fuel, purchased power and direct transmission expense for OG&E consists of fuel used in electric generation, purchased power and transmission related charges. As described above, the actual cost of fuel used in electric generation and certain purchased power costs are generally recoverable from OG&E's customers through fuel adjustment clauses. The fuel adjustment clauses are subject to periodic review by the OCC and the APSC. OG&E's fuel, purchased power and direct transmission expense increased $16.3 million, or 4.9 percent, and $60.0 million, or 8.4 percent, during the three and nine months ended September 30, 2024, respectively, primarily driven by the below factors.

| *(In millions)* | Three Months Ended | Nine Months Ended |
|---|---|---|
| Fuel expense (A) | $ (25.5) | $ (18.3) |
| Purchased power costs: | | |
| Purchases from SPP (B) | 9.2 | 34.3 |
| Wind | 1.5 | 3.8 |
| Capacity (C) | 21.9 | 29.2 |
| Other | 8.0 | 9.6 |
| Transmission expense | 1.2 | 1.4 |
| Change in fuel, purchased power and direct transmission expense | $ 16.3 | $ 60.0 |

(A) Decreased during the three months ended September 30, 2024 primarily due to lower fuel costs related to the generating assets utilized during the period, and decreased during the nine months ended September 30, 2024 primarily due to lower fuel costs partially offset by an increase in MWhs generated related to the generating assets utilized during the period.
(B) Increased during the three months ended September 30, 2024 primarily due to increased MWhs purchased, and increased during the nine months ended September 30, 2024 primarily due to higher market prices and increased MWhs purchased.
(C) Increased during the three and nine months ended September 30, 2024 primarily due to capacity agreements in order for OG&E to meet its generation requirements.

Other operation and maintenance expense increased $8.1 million, or 6.6 percent, and $10.6 million, or 2.8 percent, during the three and nine months ended September 30, 2024, respectively, primarily due to an increase in various costs such as payroll and benefits, net of capitalized labor, and software expense, partially offset by the timing of vegetation management activities.

Depreciation and amortization expense increased $11.5 million, or 8.7 percent, and $30.9 million, or 8.2 percent, during the three and nine months ended September 30, 2024, respectively, primarily due to additional assets being placed into service and increased amortization of certain regulatory assets.

Allowance for equity funds used during construction increased $2.4 million, or 53.3 percent, and $4.1 million, or 29.0 percent, during the three and nine months ended September 30, 2024, respectively, primarily due to higher construction work in progress balances resulting from increased spending on new generation and information technology projects.

Other income decreased $12.0 million, or 54.1 percent, during the nine months ended September 30, 2024, primarily due to the carrying charge for the higher fuel under recovery balance in 2023.

Interest expense increased $3.1 million, or 6.1 percent, and $11.6 million, or 7.8 percent, during the three and nine months ended September 30, 2024, respectively, primarily due to the $200.0 million in borrowings under OG&E's revolving credit agreement during the second and third quarters of 2024, as well as the $350.0 million senior notes issuance in August 2024 and, with respect to the nine months ended September 30, 2024, interest expense also increased due to the $350.0 million senior notes issuance in April 2023. These borrowings were used to support OG&E's growing asset base.

Income tax expense increased $3.9 million, or 9.3 percent, and $7.2 million, or 11.1 percent, during the three and nine months ended September 30, 2024, respectively, primarily due to a decrease in state tax credits generated and lower amortization of unfunded deferred taxes, partially offset by lower pretax income.

**Liquidity and Capital Resources**

***Cash Flows***

*OGE Energy*

| | **Nine Months Ended September 30,** | | **2024 vs. 2023** | |
|---|---|---|---|---|
| *(Dollars in millions)* | **2024** | 2023 | **$ Change** | **% Change** |
| Net cash provided from operating activities (A) | **$ 683.2** | $ 921.3 | $ (238.1) | (25.8)% |
| Net cash used in investing activities (B) | **$ (851.3)** | $ (955.0) | $ 103.7 | (10.9)% |
| Net cash provided from (used in) financing activities (C) | **$ 177.8** | $ (51.6) | $ 229.4 | * |

* Change is greater than 100 percent.

(A) Changed primarily due to decreased cash received from customers, including cash related to fuel recoveries, and increased interest payments from recent debt issuances, partially offset by decreased vendor payments, including payments for fuel.

(B) Changed primarily due to timing of power delivery projects.

(C) Changed primarily due to OGE Energy's $350.0 million senior notes issuance in May 2024 and OG&E's $350.0 million senior notes issuance in August 2024, partially offset by a decrease in commercial paper borrowings.

***Working Capital***

Working capital is defined as the difference in current assets and current liabilities. OGE Energy's working capital requirements are driven generally by changes in accounts receivable, accounts payable, commodity prices, credit extended to and the timing of collections from OG&E's customers, the level and timing of spending for maintenance and expansion activity, inventory levels and fuel recoveries. The following discussion addresses changes in OGE Energy's working capital balances at September 30, 2024 compared to December 31, 2023.

Accounts Receivable and Accrued Unbilled Revenues increased $137.2 million, or 48.7 percent, primarily due to an increase in billings to OG&E's retail customers reflecting higher seasonal usage in September 2024 as compared to December 2023.

Fuel Inventories decreased $35.1 million, or 22.1 percent, primarily due to usage of coal and natural gas inventories exceeding purchases during the year.

Fuel Clause Under Recoveries increased $43.3 million, primarily due to lower recoveries from OG&E retail customers as compared to the actual cost of fuel and purchased power.

Short-Term Debt decreased $284.0 million, or 56.9 percent, primarily due to OGE Energy's $350.0 million senior notes issuance in May 2024 and OG&E's $350.0 million senior notes issuance in August 2024, which were used to pay down short-term debt, and decreased borrowings for general operating needs. The Registrants borrow on a short-term basis, as necessary, through the issuance of commercial paper under their revolving credit agreements.

Accrued Taxes increased $53.8 million, primarily resulting from the timing of payments for federal tax liabilities and ad valorem payments.

Accrued Interest increased $15.5 million, or 27.0 percent, primarily due to OGE Energy's $350.0 million senior notes issuance in May 2024 and OG&E's $350.0 million senior notes issuance in August 2024.

Long-Term Debt due within One Year increased $32.4 million, due to the reclassification of industrial authority bonds that are scheduled to mature in January 2025.

Other Current Liabilities increased $40.6 million, or 92.3 percent, primarily due to the reserve recorded on interim rates that were implemented in Oklahoma beginning July 1, 2024, which are subject to refund, as further discussed in Note 13 within "Item 1. Financials Statements."

***Future Material Cash Requirements***

OGE Energy's primary, material cash requirements are related to acquiring or constructing new facilities and replacing or expanding existing facilities at OG&E. Other working capital requirements are expected to be primarily related to maturing debt, operating lease obligations, fuel clause under recoveries and other general corporate purposes. Further, working capital requirements can be seasonal. OGE Energy generally meets its cash needs through a combination of cash generated from operations, short-term borrowings (through a combination of bank borrowings and commercial paper) and permanent financings. OGE Energy believes its cash flows from operations, existing borrowing capacity, and access to debt and equity capital markets, as needed, should be sufficient to satisfy material cash requirements over the short-term and long-term.

*Capital Expenditures*

OGE Energy's estimates of capital expenditures for the years 2024 through 2028 are discussed in detail within "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' 2023 Form 10-K, and OGE Energy's estimates have not changed significantly at this time. The capital investments are customer-focused and targeted to maintain and improve the safety, resiliency and reliability of OG&E's distribution and transmission grid and generation fleet, enhance the ability of OG&E's system to perform during extreme weather events and to serve OG&E's growing customer base. Additional capital expenditures beyond those identified in the Registrants' 2023 Form 10-K, including additional incremental growth opportunities, will be evaluated based upon the requirements of OG&E's power supply, transmission and distribution operational teams and the expected resultant customer benefits. In May 2024, OG&E issued requests for proposals for resources to meet the capacity needs identified in its 2024 IRP and is currently reviewing the proposals submitted in this process. OG&E intends to file for approval of generation capacity investments and would expect to update its capital plan based on final orders received by state regulators. The annual level of investments in the transmission and distribution system could vary depending on the amount and timing of incremental generation capacity investments.

***Financing Activities and Future Sources of Financing***

Management expects that cash generated from operations, proceeds from the issuance of long- and short-term debt, proceeds from the sales of common stock to the public through OGE Energy's Automatic Dividend Reinvestment and Stock Purchase Plan, or other offerings will be adequate over the short-term and the long-term to meet anticipated cash needs and to fund future growth opportunities. OGE Energy utilizes short-term borrowings (through a combination of bank borrowings and commercial paper) to satisfy temporary working capital needs and as an interim source of financing capital expenditures until permanent financing is arranged.

*Short-Term Debt and Credit Facilities*

OGE Energy borrows on a short-term basis, as necessary, by issuance of commercial paper and borrowings under its revolving credit agreements and term credit agreements maturing in one year or less.

OGE Energy has unsecured five-year revolving credit facilities totaling $1.1 billion ($550.0 million for OGE Energy and $550.0 million for OG&E), which can also be used as letter of credit facilities. OGE Energy also has a $120.0 million floating rate unsecured three-year credit agreement, of which $60.0 million is considered a revolving loan. The following table presents information about OGE Energy's revolving credit agreements at September 30, 2024.

| *(Dollars in millions)* | **September 30, 2024** |
|---|---|
| Balance of outstanding supporting letters of credit | $ 0.4 |
| Weighted-average interest rate of outstanding supporting letters of credit | 1.20 % |
| Net available liquidity under revolving credit agreements, commercial paper borrowings and letters of credit | $ 944.4 |
| Balance of cash and cash equivalents | $ 9.9 |

The following table presents information about OGE Energy's total short-term debt activity for the three and nine months ended September 30, 2024.

| *(Dollars in millions)* | **Three Months Ended September 30, 2024** | **Nine Months Ended September 30, 2024** |
|---|---|---|
| Average balance of short-term debt | $ 291.8 | $ 473.4 |
| Weighted-average interest rate of average balance of short-term debt | 5.59 % | 5.67 % |
| Maximum month-end balance of short-term debt | $ 441.2 | $ 755.7 |

OG&E must obtain regulatory approval from the FERC in order to borrow on a short-term basis. OG&E has the necessary regulatory approvals to incur up to $1.0 billion in short-term borrowings at any one time for a two-year period beginning January 1, 2023 and ending December 31, 2024. OG&E has requested renewal of this authority for an additional two-year period and expects to receive approval prior to the expiration of its current authority.

*Issuance of Long-Term Debt*

On May 9, 2024, OGE Energy issued $350.0 million of 5.45 percent senior notes due May 15, 2029. The proceeds from this issuance were added to OGE Energy's general funds to be used for general corporate purposes and to repay short-term debt.

On August 15, 2024, OG&E issued $350.0 million of 5.60 percent senior notes due April 1, 2053, bringing the aggregate total principal amount of this series of senior notes to $700.0 million. The proceeds from this issuance were added to OG&E's general funds to be used for repayment of short-term debt and borrowings under OG&E's revolving credit agreement, and to fund OG&E's capital investment program and working capital needs.

*Refinance of Industrial Authority Bonds*

On October 2, 2024, OG&E caused the refinancing of its Garfield industrial authority bonds, series due January 1, 2025. The $47.0 million in bonds are now due October 1, 2039, and will continue to be remarketed on a weekly basis.

*Security Ratings*

Access to reasonably priced capital is dependent in part on credit and security ratings. Generally, lower ratings lead to higher financing costs. Pricing grids associated with OGE Energy's credit facilities could cause annual fees and borrowing rates to increase if an adverse rating impact occurs. The impact of any future downgrade could include an increase in the costs of OGE Energy's short-term borrowings, but a reduction in OGE Energy's credit ratings would not result in any defaults or accelerations. Any future downgrade could also lead to higher long-term borrowing costs and, if below investment grade, would require OGE Energy to post collateral or letters of credit.

A security rating is not a recommendation to buy, sell or hold securities. Such rating may be subject to revision or withdrawal at any time by the credit rating agency, and each rating should be evaluated independently of any other rating.

**Critical Accounting Policies and Estimates**

The condensed financial statements and notes thereto contain information that is pertinent to Management's Discussion and Analysis of Financial Condition and Results of Operations. In preparing the condensed financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the condensed financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Changes to these assumptions and estimates could have a material effect on the condensed financial statements. The Registrants believe they have taken reasonable positions where assumptions and estimates are used in order to minimize the negative financial impact to the Registrants that could result if actual results vary from the assumptions and estimates.

In management's opinion, the areas where the most significant judgment is exercised include the determination of pension and postretirement plan assumptions, income taxes, contingency reserves, and regulatory assets and liabilities. The selection, application and disclosure of the critical accounting estimates have been discussed with the Audit Committee of OGE Energy's Board of Directors and are discussed in detail within "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' 2023 Form 10-K.

**Commitments and Contingencies**

In the normal course of business, the Registrants are confronted with issues or events that may result in a contingent liability. These generally relate to lawsuits or claims made by third parties, including governmental agencies. When appropriate, management consults with legal counsel and other experts to assess the claim. If, in management's opinion, the Registrants have incurred a probable loss as set forth by GAAP, an estimate is made of the loss, and the appropriate accounting entries are reflected in the condensed financial statements. If the assessment indicates that a potential loss is not probable but reasonably possible, the nature of the contingent matter, together with an estimate of the range of possible loss if determinable and material, would be disclosed. At the present time, based on available information, except as disclosed in Note 12 within "Item 1. Financial Statements," the Registrants believe that any reasonably possible losses in excess of accrued amounts arising out of pending or threatened lawsuits or claims would not be quantitatively material to their condensed financial statements and would not have a material adverse effect on their financial position, results of operations or cash flows. See Notes 12 and 13 within "Item 1. Financial Statements" for further discussion of the Registrants' commitments and contingencies.

**Environmental Laws and Regulations**

The activities of OG&E are subject to numerous stringent and complex federal, state and local laws and regulations governing environmental protection. These laws and regulations can change, restrict or otherwise impact the Registrants' business activities in many ways, including the handling or disposal of waste material, planning for future construction activities to avoid or mitigate harm to threatened or endangered species and requiring the installation and operation of emissions or pollution control equipment. Failure to comply with these laws and regulations could result in the assessment of administrative, civil and criminal penalties, the imposition of remedial requirements and the issuance of orders enjoining future operations. Management believes that all of OG&E's operations are in substantial compliance with current federal, state and local environmental standards.

President Biden's Administration has taken a number of actions that adopt policies and affect environmental regulations, including issuance of executive orders that instruct the EPA and other executive agencies to review certain rules that affect OG&E with a view to achieving nationwide reductions in greenhouse gas emissions. The Registrants are monitoring these actions which are in various stages of being implemented. At this point in time, the impacts of these actions on the Registrants' results of operations, if any, cannot be determined with any certainty.

Environmental regulation can increase the cost of planning, design, initial installation and operation of OG&E's facilities. Management continues to evaluate its compliance with existing and proposed environmental legislation and regulations and implement appropriate environmental programs in a competitive market.

***Air***

OG&E's operations are subject to the Federal Clean Air Act of 1970, as amended, and comparable state laws and regulations. These laws and regulations regulate emissions of air pollutants from various industrial sources, including electric generating units and also impose various monitoring and reporting requirements. Such laws and regulations may require that OG&E obtain pre-approval for the construction or modification of certain projects or facilities expected to produce air emissions or result in the increase of existing air emissions, obtain and strictly comply with air permits containing various emissions and operational limitations or install emission control equipment. OG&E likely will be required to incur certain capital expenditures in the future for air pollution control equipment and technology in connection with obtaining and maintaining operating permits and approvals for air emissions.

*Cross State Air Pollution Rule*

The EPA revised the NAAQS for ozone in 2015. Although Oklahoma complies with the revised standard, the Federal Clean Air Act of 1970, as amended, requires states to submit to the EPA for approval a SIP to prohibit in-state sources from contributing significantly to nonattainment of the NAAQS in another state. On October 28, 2018, Oklahoma submitted its SIP to the EPA related to these "Good Neighbor" requirements. On January 31, 2023, the EPA disapproved the SIPs of 19 states, including Oklahoma. On March 2, 2023, the Oklahoma Attorney General and the ODEQ jointly filed a Petition for Review of the SIP disapproval in the Tenth Circuit. On March 16, 2023, OG&E filed a Petition for Review of the SIP disapproval in the Tenth Circuit. On June 6, 2023, OG&E, together with the Oklahoma Attorney General and other parties, jointly filed a motion with the Tenth Circuit requesting a stay of the EPA's disapproval of the Oklahoma SIP; the stay was granted on July 27, 2023. On February 27, 2024, the Tenth Circuit issued a decision to transfer venue to the U.S. Court of Appeals for the District of Columbia and vacated oral argument originally scheduled for March 21, 2024 but did not vacate the stay it granted. On March 28, 2024, the Oklahoma Attorney General, on behalf of the parties noted above, petitioned the Supreme Court to review the Tenth Circuit's decision to transfer the SIP disapproval cases to the D.C. Circuit, and on April 24, 2024, the D.C. Circuit ordered that the cases be held in abeyance pending action by the Supreme Court. The timing of a Supreme Court decision or further action at the D.C. Circuit is unknown.

In a separate but related matter, on April 6, 2022, the EPA also published a proposed FIP related to the "Good Neighbor" requirements intended to reduce interstate $NO_X$ emissions contributions. OG&E filed comments to the proposed FIP with the EPA on June 21, 2022. On June 5, 2023, the EPA published a final FIP for 23 states, including Oklahoma. The issuance of the FIP resulted from the EPA's aforementioned SIP disapprovals. Among other changes, the EPA finalized a revision of the current Oklahoma $NO_X$ emissions budget for electric generating units, including OG&E's units, which began in 2023. Under the terms of the FIP, the emissions budget will decline over time based on the level of reductions that the EPA has determined is achievable through particular emissions controls. OG&E's analysis indicates that Oklahoma's state budget for 2026 will be reduced by 34.5 percent from 2023 levels and that for 2027 it will be reduced by 50 percent from 2021 levels. In October 2023, several state and industry petitioners filed emergency applications for a stay of the EPA's Good Neighbor FIP in the U.S. Supreme Court. On June 27, 2024, the U.S. Supreme Court granted the emergency applications and stayed the EPA's final FIP, pending review of petitioners' challenges in the D.C. Circuit Court.

In light of the issuance of the FIP, OG&E has been evaluating various control strategies to reduce emissions at its generating units, which can range from some combination of purchase of emission allowances, installation of selective catalytic reduction controls, conversion of coal-fired units to gas-fired units or retirement and replacement of capacity. OG&E submitted its final 2024 IRP to the OCC and APSC on March 29, 2024. The IRP evaluates various potential compliance options related to the EPA's Good Neighbor FIP. Due to the uncertainty relating to the disapproval of the SIP and implementation of the FIP, OG&E cannot determine the cost to comply with certainty, as such costs are dependent upon the timing and outcome of the litigation discussed above, the particular control strategies ultimately selected for each unit, the terms and timing of regulatory approvals required from the OCC and the time period necessary to complete the projects. However, OG&E preliminarily estimates that the cost of compliance with the FIP as issued could be approximately $2.4 billion to $2.8 billion in total, including $100 million to $300 million over the 12- to 18-month period following effectiveness of the FIP. OG&E expects that it would seek recovery of any necessary environmental expenditures to handle state and federally mandated environmental upgrades, but there is no guarantee that all of such expenditures will be approved for recovery or will be approved for recovery on a timely basis.

*Particulate Matter NAAQS*

On February 7, 2024, the EPA issued a final rule resulting from its reconsideration of the primary (health-based) and secondary (welfare-based) NAAQS for PM, which were set in 2013 and which the EPA declined to revise in 2020. The final rule lowers the primary annual $PM_{2.5}$ NAAQS from 12.0 µg/m3 to 9.0 µg/m3 and retains the other PM standards at their current levels, including the 24-hour $PM_{2.5}$ NAAQS. The EPA will determine which areas of the country meet the standards, such as making initial attainment and nonattainment designations, no later than two years after new standards are issued. States must develop and submit attainment plans no later than 18 months after the EPA finalizes nonattainment designations.

The final rule was published in the Federal Register on March 6, 2024. Litigation on the final rule is proceeding in the D.C. Circuit. A coalition of 24 states, including Oklahoma, filed challenges to the final rule, and a separate coalition of states and other stakeholders filed to intervene in these challenges on behalf of the EPA. A coalition of 22 state governors separately requested the EPA to pause implementation of the final rule.

The revised NAAQS could impact regional air quality goals and emission limits for emission sources; however, it is unknown at this time what, if any, potential material impacts to OG&E individual operating permit emission limits will result from the EPA actions.

*Regional Haze*

In July 2020, the ODEQ notified OG&E that the Horseshoe Lake generating units would be included in Oklahoma's second Regional Haze implementation period evaluation of visibility impairment impacts to the Wichita Mountains. OG&E submitted an analysis of all potential control measures for $NO_x$ on these units to the ODEQ. The ODEQ submitted a revised SIP to the EPA on August 12, 2022. On June 28, 2024, the EPA entered into a consent decree which requires the EPA to propose action on the Oklahoma SIP no later than December 31, 2025 and take final action no later than December 31, 2026. It is unknown at this time what the outcome, or any potential material impacts, if any, will be from the evaluations by OG&E, the ODEQ and the EPA.

*Mercury and Air Toxics Standards*

On April 25, 2024, the EPA released the final revised Mercury and Air Toxics Standards regulation with a compliance date in May 2027. On May 8, 2024, a coalition of states, including Oklahoma, filed a challenge to the final rule in the D.C. Circuit Court and on June 7, 2024 filed a motion to stay the final rule which was ultimately denied. Subsequently, this coalition of states filed an emergency stay application with the U.S. Supreme Court on August 16, 2024. The U.S. Supreme Court denied the applications on October 4, 2024. It is unknown what potential material impacts, if any, will be from the final action by the EPA.

*Greenhouse Gas*

OG&E monitors possible changes in legal standards for emissions of greenhouse gases, including $CO_{2,}$ sulfur hexafluoride and methane, and President Biden Administration's target of a 50 to 52 percent reduction in economy-wide net greenhouse gas emissions from 2005 levels by 2030 with full decarbonization of the electric power industry by 2035. If legislation or regulations are passed at the federal or state levels in the future requiring mandatory reductions of $CO_2$ and other greenhouse gases at OG&E's facilities, this could result in significant additional compliance costs that would affect OG&E's future financial position, results of operations and cash flows if such costs are not recovered through regulated rates.

On May 9, 2024, the EPA published its final rule addressing emission guidelines under Section 111(d) for existing fossil fuel fired steam units, including both coal-fired and oil/gas-fired steam units, and revising performance standards under Section 111(b) for new gas turbines. Unlike the proposed rules, the final rules do not address simple and combined-cycle existing combustion turbine units which are now addressed in a separate rulemaking with proposed rules expected later this year.

Under Section 111(d), existing coal units will be required to use carbon capture covering 90 percent of emissions by 2032 if they plan to operate beyond 2039. If the coal units plan to operate until 2039, they must co-fire with natural gas at 40 percent by 2030. Coal plants that commit to retire by 2032 are exempt and may continue to operate as is. Subject to litigation, compliance decisions must be submitted to the state for inclusion in the SIP, which is due to the EPA in May 2026.

The EPA also addressed existing natural gas-fired boilers under Section 111(d) with emissions rates based on a unit's annual capacity factor. OG&E's existing gas boilers currently meet the new requirements and therefore no additional compliance steps beyond reporting are expected.

Under Section 111(b), the EPA finalized standards for new natural gas-fired turbines commencing construction after May 23, 2023, using capacity factor thresholds to differentiate among new units establishing three subcategories: baseload, intermediate load, and low load. All three categories are subject to efficiency standards. Baseload units, those with a capacity factor greater than 40 percent, are also subject to a phase two requirement based on 90 percent capture of $CO_2$ with a compliance deadline of January 1, 2032.

Significant litigation is underway, including a challenge by OG&E and a multi-state challenge joined by Oklahoma. Briefing in this challenge has begun in the D.C. Circuit.

On May 24, 2024, several groups of petitioners, including OG&E, which joined with Edison Electric Institute and three other declarants, filed motions for stay of the rule at the D.C. Circuit. The Court consolidated these motions and on July 19, 2024, denied all stay requests. On July 29, 2024, OG&E, jointly with Edison Electric Institute and another applicant, appealed the stay denial to the U.S. Supreme Court. Other industry and state petitioners, including Oklahoma, appealed the D.C. Circuit's stay denial to the U.S. Supreme Court as well. On October 16, 2024, the U.S. Supreme Court denied the stay request. The litigation on the merits, as referenced in the paragraph above, will continue at the D.C. Circuit. It is unknown what the outcome of the litigation will be, or potential material impacts, if any, it will have on these new emission standards and guidelines, but the Registrants continue to plan for compliance and, if the new emission standards and guidelines are implemented as adopted, such compliance costs would be material.

As a member of the SPP Integrated Marketplace, OG&E customers have access to clean energy resources while maintaining reliability and affordability. With respect to its calendar year 2023 direct emissions, compared to 2005 levels, OG&E has reduced $CO_2$ emissions by over 60 percent, emissions of ozone-forming $NO_X$ have been reduced by approximately 80 percent, and emissions of sulfur dioxide have been reduced by approximately 95 percent. Direct emission reductions are due to factors such as OG&E's conversion of certain coal units to natural gas units, its participation in the SPP integrated market, and its active engagement with customers in OG&E's SmartHours and Load Reduction Programs which helps reduce the amount of generation required to serve peak demand. OG&E is also planning to deploy more renewable energy sources that do not emit greenhouse gases. OG&E has leveraged its geographic position to develop and access renewable energy resources and completed transmission investments to deliver the renewable energy.

***Endangered Species***

Certain federal laws, including the Bald and Golden Eagle Protection Act, the Migratory Bird Treaty Act and the Endangered Species Act, provide special protection to certain designated species. These laws and any state equivalents provide for significant civil and criminal penalties for unpermitted activities that result in harm to or harassment of certain protected animals and plants, including damage to their habitats. If such species are located in an area in which OG&E conducts operations, or if additional species in those areas become subject to protection, OG&E's operations and development projects, particularly transmission, wind or solar projects, could be restricted or delayed, or OG&E could be required to implement expensive mitigation measures.

In September 2022, the USFWS published a proposal to list the Tricolored Bat as endangered under the Endangered Species Act. According to the proposal, the current known range of the Tricolored Bat extends to 36 states, including Oklahoma and Arkansas. A listing decision was expected by September 2024, however, to date no listing decision has been issued. OG&E is closely monitoring this issue due to possible future impacts; however, it is unknown at this time what, if any, material impacts will result from the USFWS action.

***Waste***

OG&E's operations generate wastes that are subject to the Federal Resource Conservation and Recovery Act of 1976 as well as comparable state laws which impose detailed requirements for the handling, storage, treatment and disposal of waste.

During 2023, approximately 94 percent of the ash from OG&E's River Valley, Muskogee and Sooner facilities was recovered and reused off-site in various ways, including soil stabilization, landfill cover, road base construction and cement and concrete production. Reusing fly ash reduces the need to manufacture cement resulting in reductions in greenhouse gas emissions from cement and concrete production. Based on estimates from the American Coal Ash Association, OG&E fly ash reuse helped avoid over 3.5 million tons of $CO_2$ emissions in the last 16 years.

OG&E has sought and will continue to seek pollution prevention opportunities and to evaluate the effectiveness of its waste reduction, reuse and recycling efforts. OG&E obtains refunds from the recycling of scrap metal, salvaged transformers and used transformer oil. Additional savings are expected to be gained through the reduction and/or avoidance of disposal costs and the reduction in material purchases due to the reuse of existing materials.

***Water***

OG&E's operations are subject to the Federal Clean Water Act and comparable state laws and regulations. These laws and regulations impose detailed requirements and strict controls regarding the discharge of pollutants into state and federal waters.

In 2015, the EPA issued a final rule addressing the effluent limitation guidelines for power plants under the Federal Clean Water Act. The final rule establishes technology- and performance-based standards that may apply to discharges of six waste streams including bottom ash transport water. In April 2017, the EPA granted a Petition for Reconsideration of the 2015 Rule. On April 25, 2024, the EPA released the final supplemental effluent limitations guidelines rule. OG&E has completed installation of dry bottom ash handling technology at an affected facility and is evaluating options at another affected facility to comply with the final rule by the December 31, 2029 compliance date.

Since the purchase of the Redbud facility in 2008, OG&E made investments in the infrastructure that have led to OG&E's average use of approximately 1.9 billion gallons per year of treated municipal effluent for cooling water at Redbud and McClain. This use of treated municipal effluent offsets the need for fresh water as cooling water, making fresh water available for other beneficial uses like drinking water, irrigation and recreation.

***Site Remediation***

The Comprehensive Environmental Response, Compensation and Liability Act of 1980 and comparable state laws impose liability, without regard to the legality of the original conduct, on certain classes of persons responsible for the release of hazardous substances into the environment. Because OG&E utilizes various products and generates wastes that are considered hazardous substances for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, OG&E could be subject to liability for the costs of cleaning up and restoring sites where those substances have been released to the environment. At this time, it is not anticipated that any associated liability will cause a significant impact to OG&E.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

There have been no significant changes in the market risks affecting the Registrants from those discussed in the Registrants' 2023 Form 10-K.

**Item 4. Controls and Procedures.**

The Registrants maintain a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Registrants in reports that they file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. In addition, the disclosure controls and procedures ensure that information required to be disclosed is accumulated and communicated to management, including the chief executive officer and chief financial officer, allowing timely decisions regarding required disclosure. As of the end of the period covered by this report, based on an evaluation carried out under the supervision and with the participation of the Registrants' management, including the chief executive officer and chief financial officer, of the effectiveness of the Registrants' disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15(d)-15(e) under the Securities Exchange Act of 1934), the chief executive officer and chief financial officer have concluded that the Registrants' disclosure controls and procedures are effective.

No change in the Registrants' internal control over financial reporting has occurred during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrants' internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934).

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings.

Reference is made to Item 3 of Part I of the Registrants' 2023 Form 10-K for a description of certain legal proceedings presently pending. Except as described in Notes 12 and 13 within "Part I - Item 1. Financial Statements," there are no new significant cases to report against the Registrants, and there have been no material changes in the previously reported proceedings.

### Item 1A. Risk Factors.

There have been no significant changes in the Registrants' risk factors from those discussed in the Registrants' 2023 Form 10-K, which are incorporated herein by reference.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

### Item 5. Other Information.

During the three months ended September 30, 2024, no director or officer of the Registrants adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

### Item 6. Exhibits.

| Exhibit No. | Description | OGE Energy | OG&E |
|---|---|---|---|
| 4.01 | Supplemental Indenture No. 24 dated as of April 3, 2023 between OG&E and BOKF, NA, as trustee, creating the OG&E Senior Notes (Filed as Exhibit 4.01 to OG&E's Form 8-K filed April 3, 2023 (File No. 1-1097) and incorporated by reference herein). | X | X |
| 31.01+ | Certifications Pursuant to Rule 13a-14(a)/15d-14(a) As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | X | |
| 31.02+ | Certifications Pursuant to Rule 13a-14(a)/15d-14(a) As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | X |
| 32.01+ | Certification Pursuant to 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | X | |
| 32.02+ | Certification Pursuant to 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | X |
| 101.INS | Inline XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document. | X | X |
| 101.SCH | Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents. | X | X |
| 104 | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101). | X | X |

+ Represents exhibits filed herewith. All exhibits not so designated are incorporated by reference to a prior filing, as indicated.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

**OGE ENERGY CORP.**

**OKLAHOMA GAS AND ELECTRIC COMPANY**

(Registrant)

By: /s/ Sarah R. Stafford

Sarah R. Stafford

Controller and Chief Accounting Officer

(On behalf of the Registrants and in her capacity as Chief Accounting Officer)

November 4, 2024

**Exhibit 31.01**

**CERTIFICATIONS**

I, Sean Trauschke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of OGE Energy Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2024

/s/ Sean Trauschke

Sean Trauschke

Chairman of the Board, President and Chief Executive Officer

**CERTIFICATIONS**

I, Charles B. Walworth, certify that:

1. I have reviewed this quarterly report on Form 10-Q of OGE Energy Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2024

/s/ Charles B. Walworth

Charles B. Walworth

Interim Chief Financial Officer

**Exhibit 31.02**

**CERTIFICATIONS**

I, Sean Trauschke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oklahoma Gas and Electric Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2024

/s/ Sean Trauschke

Sean Trauschke

Chairman of the Board, President and Chief Executive Officer

**CERTIFICATIONS**

I, Charles B. Walworth, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oklahoma Gas and Electric Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2024

/s/ Charles B. Walworth

Charles B. Walworth

Interim Chief Financial Officer

**Exhibit 32.01**

**Certification Pursuant to 18 U.S.C. Section 1350**
**As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of OGE Energy Corp. ("OGE Energy") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of OGE Energy.

November 4, 2024

/s/ Sean Trauschke

Sean Trauschke

Chairman of the Board, President and Chief Executive Officer

/s/ Charles B. Walworth

Charles B. Walworth

Interim Chief Financial Officer

**Exhibit 32.02**

**Certification Pursuant to 18 U.S.C. Section 1350**
**As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Oklahoma Gas and Electric Company ("OG&E") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of OG&E.

November 4, 2024

/s/ Sean Trauschke

Sean Trauschke

Chairman of the Board, President and Chief Executive Officer

/s/ Charles B. Walworth

Charles B. Walworth

Interim Chief Financial Officer