



We Energize Life

Q1 2024 Earnings & Business Update Conference Call

May 1, 2024



Safe Harbor

Some of the matters discussed in this presentation may contain forward-looking statements that are subject to certain risks, uncertainties, and assumptions. Such forward-looking statements are intended to be identified in this document by the words "anticipate," "believe," "estimate," "expect," "forecast," "intend," "objective," "plan," "possible," "potential," "project," "target" and similar expressions. Actual results may vary materially. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to: general economic conditions, including the availability of credit, access to existing lines of credit, access to the commercial paper markets, actions of rating agencies and inflation rates, and their impact on capital expenditures; the ability of the Company and its subsidiary to access the capital markets and obtain financing on favorable terms, as well as inflation rates and monetary fluctuations; the ability to obtain timely and sufficient rate relief to allow for recovery of items such as capital expenditures, fuel and purchased power costs, operating costs, transmission costs and deferred expenditures; prices and availability of electricity, coal and natural gas; competitive factors, including the extent and timing of the entry of additional competition in the markets served by the Company, potentially through deregulation; the impact on demand for the Company's services resulting from cost-competitive advances in technology, such as distributed electricity generation and customer energy efficiency programs; technological developments, changing markets and other factors that result in competitive disadvantages and create the potential for impairment of existing assets; factors affecting utility operations such as unusual weather conditions; catastrophic weather-related damage; unscheduled generation outages; unusual maintenance or repairs; unanticipated changes to fossil fuel, natural gas or coal supply costs or availability due to higher demand, shortages, transportation problems or other developments; environmental incidents; or electric transmission or gas pipeline system constraints; availability and prices of raw materials and equipment for current and future construction projects; the effect of retroactive pricing of transactions in the SPP markets or adjustments in market pricing mechanisms by the SPP; federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Company's markets; environmental laws, safety laws or other regulations that may impact the cost of operations, restrict or change the way the Company's facilities are operated or result in stranded assets; the ability of the Company 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, rising interest rates, supply chain disruptions, economic recessions, pandemic health events and uncertainty surrounding continued hostilities or sustained military campaigns, and their collateral consequences; costs and other effects of legal and administrative proceedings, settlements, investigations, claims and matters, including, but not limited to, those described in the Company's Form 10-Q for the quarter ended March 31, 2024; and other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission, including those listed within the Company's most recent Form 10-K for the year ended December 31, 2023.

Summary of first quarter 2024 financial results

- ✓ Consolidated earnings of \$0.09 per average diluted share
 - Electric company earnings of \$0.12 per average diluted share
 - Other operations, including holding company, loss of \$0.03 per average diluted share

A solid start to the year has us on pace to achieve 2024 targets





 **USA
TODAY**

**TOP
WORK
PLACES
2024**

USA



Results continue to deliver on commitments

Operational excellence

- ✓ Grid and weather hardening investments deliver reliability results with fewer and shorter outages
 - Grid-enhanced circuits SAIDI improved by 28% since 2020
- ✓ Integrated Resource Plan completed, reflecting 5-year generation capacity needs
- ✓ Investments in electric system support growing communities



Operational excellence meets the demands of a growing system

Meeting demand for growing customer base

- ✓ Low rates attract diverse business segments
- ✓ Back-to-back fuel charge reductions help keep customer rates among lowest in nation
- ✓ Net impact of rate review and fuel charge reductions means lower customer bills than 2023
- ✓ Constructive regulatory outcomes support growth and customer service

“Operational excellence delivered by an incredible team dedicated to reaching our North Star of safe, reliable, affordable energy”



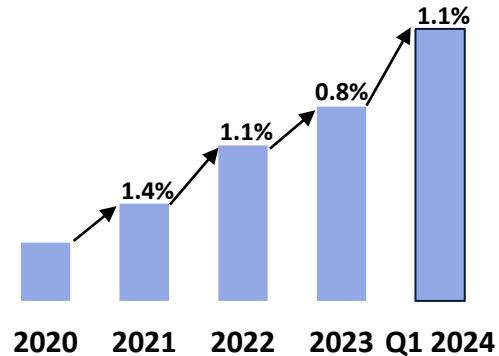
Q1 2024 results in line with expectations

	Q1 2024	Q1 2023	Drivers
OG&E	\$0.12	\$0.20	Depreciation and interest expense on a growing asset base ↓ Operating revenues driven by recovery of capital investments and strong load growth ↑ Lower income tax expense ↑
Other Operations/HoldCo	\$(0.03)	\$(0.01)	Interest expense ↓
Consolidated	\$0.09	\$0.19	

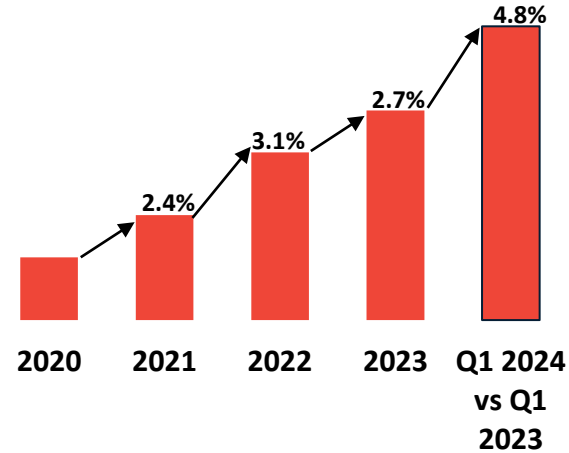
2024 Full Year Guidance Affirmed
 Firmly on plan to achieve full-year consolidated earnings per share guidance of \$2.12 with a range of \$2.06 to \$2.18

First quarter 2024 customer and load growth highlights strength of service area

Customer Growth



Load Growth



Q1 Highlights

- 1.1% customer growth
- Exceptional 4.8% load growth, driven by two largest customer classes:
 - Residential +3.9%
 - Commercial +12.1%
 - Leap year Q1 benefit +1%
- Each customer class above original forecast for Q1
- 2024 retail load growth trending to high end of 3% - 5% forecast range

Load Growth	Q1 2024 weather normalized compared to Q1 2023	2024 forecasted weather normalized compared to 2023
Residential	3.9%	1%
Commercial	12.1%	8% to 15%
Industrial	1.6%	-1%
Oilfield	-2.0%	3%
Public Authority	3.1%	3%
Total	4.8%	3% to 5%

2024 Financing plan update

- Debt issuance of up to \$350 million at HoldCo in the second quarter of 2024 to term out short-term debt
- Debt issuance of \$300 million to \$350 million at OG&E in the second half of 2024
- Routine filing of a new 3-year S-3 to replace the current S-3 that expires in May 2024
- Strong balance sheet, no fixed-rate maturities until 2027, and no external equity issuance needs in current 5-year capital plan
- Forecasted FFO to debt of ~17% each year throughout 5-year plan¹

➤ **Compelling total shareholder return proposition** that combines consolidated annual and long-term forecasted earnings per share growth of 5-7%² and an expected stable and growing dividend³

1. Forecast period 2024 to 2028, current 5-year \$6.0 billion capital plan. For the purpose of our forecast, we calculate FFO/debt consistent with rating agency methodology; FFO and FFO/debt is generally calculated by making adjustments to Cash Flow from Operations, such as excluding working capital and adjustments to debt for items such as leases and pensions

2. Base year equal to 2024's consolidated midpoint of \$2.12 per share

3. Subject to approval by the Board of Directors; dividend yield of approximately 4.8% as of April 30, 2024. In the next five years, OGE Energy expects to grow the dividend, targeting a dividend payout ratio of 65-70%. Over the next several years, OGE Energy expects earnings per share growth to exceed the dividend growth rate to help achieve this target.





Q&A



Appendix

First quarter weather impact

Weather Variance			
Heating Degree Days ¹	Q1 2024	Q1 2023	% Change
Actuals	1,695	1,692	0.1%
Normal	1,887	1,887	0%
Variance from Normal	(10%)	(10%)	
Cooling Degree Days ¹	2024	2023	% Change
Actuals	12	6	100%
Normal	10	10	0%
Variance from Normal	20%	(40%)	

Estimated current year normalized earnings per share impact of weather	
	Q1
2024	(\$0.03)

1. Degree days are calculated as follows: The high and low degrees of a particular day are added together and then averaged. If the calculated average is above 65 degrees, then the difference between the calculated average and 65 is expressed as cooling degree days, with each degree of difference equaling one cooling degree day. If the calculated average is below 65 degrees, then the difference between the calculated average and 65 is expressed as heating degree days, with each degree of difference equaling one heating degree day. The daily calculations are then totaled for the particular reporting period. The calculation of heating and cooling degree normal days is based on a 30-year average and updated every ten years.

Building futures with a community centric investments plan

Capital Expenditures 2023 10K, \$ millions	2024	2025	2026	2027	2028	Total
Transmission economic expansion & reliability	\$ 145	\$ 180	\$ 195	\$ 225	\$ 240	\$ 985
Oklahoma distribution economic expansion & reliability	\$ 400	\$ 520	\$ 665	\$ 705	\$ 725	\$ 3,015
Arkansas distribution economic expansion & reliability	\$ 20	\$ 25	\$ 25	\$ 25	\$ 25	\$ 120
Generation reliability	\$ 140	\$ 150	\$ 155	\$ 160	\$ 165	\$ 770
Generation capacity	\$ 165	\$ 160	\$ 35	\$ -	\$ -	\$ 360
Technology, fleet & facilities	\$ 230	\$ 115	\$ 125	\$ 135	\$ 145	\$ 750
Total	\$ 1,100	\$ 1,150	\$ 1,200	\$ 1,250	\$ 1,300	\$ 6,000

5-YEAR INVESTMENT PLAN HIGHLIGHTS

- ~82% of plan driven by economic expansion and reliability projects to address customers' expectations of a safe, reliable and resilient electric system
- Potential investments associated with capital investment plan will be periodically re-evaluated based on the system's needs, including the 2024 IRP, and soon to be issued RFPs, while keeping affordability and reliability at the forefront

OGE/OG&E fixed rate debt maturity ladder through end of the decade; strong credit ratings

No fixed rate maturities until 2027



The Company's \$1.1B (OGE \$550mm/ OG&E \$550mm) credit facility has been extended through 2028

Moody's	Rating	Outlook
OGE Energy Senior Notes	Baa1	Stable
OGE Energy Commercial Paper	P2	Stable
S&P		
OGE Energy Senior Notes	BBB	Stable
OGE Energy Commercial Paper	A2	Stable
Fitch		
OGE Energy Senior Notes	BBB+	Stable
OGE Energy Commercial Paper	F2	Stable